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USAID/SERVIR AND CLIMATE SERVICES SUPPORT ACTIVITY

Grants Manual

Award: AID-OAA-TO-15-00059

GRANTS MANUAL

SERVIR and Climate Services Support Activity

REPLACE IDIQ CONTRACT

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Submitted to:

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ACRONYMS

AAPD	Acquisition and Assistance Policy Directive
ADPC	Asian Disaster Preparedness Center
ADS	Automated Directives System
AGRYHMET	Agro-meteorology, Hydrology, and Meteorology Regional Center
APS	Annual Program Statement
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
COP	Chief of Party
CSO	Civil Society Organization
CSRD	Climate Services for Resilient Development
COI	Conflict of Interest
DUNS	Duns and Bradstreet Number
EPLS	Excluded Parties List System
EMMP	Environmental Mitigation and Monitoring Plan
ESF	Environmental Screening Form
FAA	Fixed Amount Award
GAAP	Generally Accepted Accounting Procedures
GUC	Grants Under Contract
ICIMOD	International Center for Integrated Mountain Development
JRE	Justification to Restrict Eligibility
LSGA	Limited Scope Grant Agreement
M&E	Monitoring and Evaluation
NASA	National Aeronautics and Space Administration
NGO	Non-Governmental Organization
OBC	Office of Business Conduct
OIG	Office of the Inspector General
OMB	Office of Management and Budget
PIO	Public International Organization
PPP	Public-Private Partnerships
PMU	Project Management Unit
RAASP	Required As Applicable Standard Provision
RCMRD	Regional Center for Mapping of Resources for Development
RFA	Request for Application
SAM	System of Award Management
SC	Selection Committee
SDN	Specially Designated National
TEL	Terrorist Exclusion List
TIN	Tax Identification Number
TOCO	Task Order Contracting Officer
TOCOR	Task Order Contracting Officer's Representative
US	United States
USAID	United States Agency for International Development
USD	US Dollar

SECTION I – INTRODUCTION

The SERVIR and Climate Services Support Activity (hereafter referred to as SERVIR Support) grants manual outlines the overall policies, mechanisms, and procedures of the grants program. This manual provides guidance for SERVIR Support’s grant-making system, including the conceptualization, application, evaluation, implementation, monitoring and evaluation, and close-out procedures. Additional references to the grants program can be found in the annual work plan of the project and applicable USAID rules and regulations. These grants are only issued within the context of USAID’s regulatory conditions set forth throughout this manual.

I.1 OVERVIEW OF PROJECT AND GRANTS PROGRAM OBJECTIVES

SERVIR is a joint initiative of USAID and NASA to help developing countries improve environmental management and resilience to climate change by strengthening the capacity of governments and other key stakeholders to integrate Earth observation information and geospatial technologies into development decision-making. NASA brings world-class science and data from more than 20 satellites, and USAID brings development partners and relationships around the world to this unique program.

The SERVIR network of regional hubs includes the Regional Center for Mapping of Resources for Development (RCMRD) in Kenya serving the Eastern and Southern Africa regions, the International Center for Integrated Mountain Development (ICIMOD) in Nepal serving the Hindu-Kush Himalaya region, the Asian Disaster Preparedness Center (ADPC) in Thailand serving the Mekong region, and the Agro-meteorology, Hydrology, and Meteorology (AGRHYMET) Regional Center in Niger serving the West Africa region. Additional partners in the program include U.S. government agencies, national space agencies, development agencies, NGOs, universities, private sector companies, and international organizations.

The SERVIR program is supported by the SERVIR and Climate Services Support Activity (SERVIR Support), a four-year project with an additional one-year option, funded by USAID and implemented by Chemonics International Inc. based in Washington, DC. The purpose of SERVIR Support is to improve communication of SERVIR results and impacts, facilitate reliable access to SERVIR’s online data and tools, and provide technical assistance to hubs and in-region partners. SERVIR Support also includes support for the Climate Services for Resilient Development (CSRD) initiative, which is a partnership that will rely upon the strengths and resources of public, private, multilateral institutions, philanthropic, and non-governmental organizations, as well as of academic communities in order to create a replicable model for using climate data and information for resilient development.

SERVIR Support will utilize its Grants Under Contract (GUC) component to help SERVIR develop opportunistic partnerships with a broader range of institutions that develop geospatial tools and services. It also provides SERVIR the opportunity to test innovative ideas from organizations that are not part of the SERVIR network, but that may contribute to SERVIR objectives and add value to the overall program. SERVIR Support will work closely with individual hubs to design grants programs that will best cater to the local context in the Eastern and Southern Africa regions, the Hindu-Kush Himalaya region, the Mekong region, and the West Africa region. The target recipients of the grants program will be non-governmental organizations, universities, and institutions within the SERVIR program regions, but may

include organizations outside of the SERVIR program regions as well. Additionally, a “global grants” program will allow SERVIR to address questions of global relevance and will provide an opportunity to establish strategic partnerships in regions where a hub could one day exist. The strategy for the global grants program will be determined by the SERVIR Support team, NASA, and USAID jointly. The program will be administered within the same regulatory and policy framework as the regional grants programs as outlined in this manual. Overall, grants will be awarded to organizations whose mandate and proposed activities meet the grant fund’s eligibility and merit review criteria, and who contribute to SERVIR results.

Below are illustrative activities that SERVIR Support will consider for grant funding:

- Creating user-tailored decision-support tools or other services that support regional, national or local governments or other key stakeholders to adapt to climate change or strengthen the information base for carbon sequestration using geospatial information;
- Creative ways to reach more users;
- Building capacity of users to access geospatial information and science applications to improve decision-making related to climate change;
- Facilitating access to additional suppliers of information and tools to complement areas covered by existing science collaborations.

Products and services developed through the grants program must be fully integrated into the SERVIR product catalog, so they are publicly accessible, and data layers generated through the small grants program must be integrated into the SERVIR Geoportal.

While flexibility is important, the effectiveness of the grants program also depends on the development and implementation of meaningful and measurable activities implemented through compliant mechanisms. Therefore, SERVIR Support will administer grant awards in accordance with the Grants Under Contract authority described in ADS 302.3.4.13 Grants Under Contracts and Section H.9 of the task order. Additionally, all grants will be compliant with ADS 303, the provisions of this manual, and all other applicable US Government regulations and Chemonics policies. In cooperation with and to be approved by USAID, this manual will be used for evaluating grant proposals and managing awards. This manual also establishes transparent procedures for 1) determining priorities and approaches for grants and 2) making final selection of winning grant applicants.

I.2 DESCRIPTION OF GRANTS

The SERVIR Support approach to grant-making aims to use processes that can be easily understood by grantees and SERVIR staff, facilitate speed and flexibility, and ensure a hand-in-hand approach with partners including the Hubs, NASA, and USAID. This will result in high-quality activities that will advance SERVIR objectives.

SERVIR Support, in coordination with the Hubs, NASA, and USAID, will award grants to CSOs, NGOs, universities, institutions, and end users whose proposed activities meet the grant fund’s eligibility and merit review criteria, as well as contribute to SERVIR objectives.

Throughout the life of the project, SERVIR Support will issue a variety of grant awards – simplified, standard, fixed amount award (FAA), in-kind, and limited scope – that will be tailored to the capacity and mandate of the grantees as well as aligned with the objectives of SERVIR. Additionally, all grant types may have an in-kind element. The recurrent use of grant types will be dependent on the scope of work and capacity of local grantees.

The project estimates that grant awards may range between the local currency equivalent of USD \$20,000 to \$50,000, though individual grant amounts will be determined by the scope of work of the grant and grantee capacity.

I.3 ROLES AND DEFINITIONS

The following definitions are provided to assist users in understanding and interpreting USAID regulations and Chemonics guidelines so that grants awarded under SERVIR Support are administered in an efficient and compliant fashion.

Agreement: (Hereafter variously referred to as the “agreement,” “award,” “award agreement,” and/or the “grant agreement”). A legal instrument that governs allocation of funds and awards under grants, and defines roles and responsibilities of the grantee under their grant with SERVIR Support. The agreement is between Chemonics and the grantee and will include sections such as a program description, mandatory standard provisions, and any applicable required as applicable standard provisions.

Applicant: A CSO, NGO, university, or institution applying for a grant.

Application: A written document in form and substance conforming to the requirements of this manual, which outlines in detail the activities proposed by an applicant for funding under the grants program consisting of the concept paper and/or full application.

Branding and Marking Plan: This is a required document that is included as part of the Grant Agreement to outline items funded through USAID’s support that require the USAID logo.

Chemonics International Inc.: (Hereafter referred to as “Chemonics”). The firm which holds the prime contract with USAID for SERVIR Support and the legal principal who will enter into a legally binding agreement with the grantee’s agent.

Chief of Party (COP): The SERVIR Support Chief of Party is the legal representative of Chemonics for the project. The COP approves the grants strategy, terms of award competition, and provides the final project-level approval of each grant after the Selection Committee (SC) has made a recommendation. Upon approval, the COP signs grant agreements issued under the grants program according to established thresholds and delegations of authority. The COP, in conjunction with the Grants Manager, will also ensure compliance with the approved grants manual, all relevant USAID regulations, and Chemonics policies.

Fixed Amount Award (FAA): A grant type whereby the grantee is paid upon achievement of predetermined and agreed-to milestones. This mechanism is used where there is a very realistic notion

of the costs and deliverables are easily discernible. Fixed Amount Awards are not expected to exceed the local currency equivalent of USD \$500,000 per year over a maximum of three years. FAAs to US organizations shall not exceed USD \$100,000.

Grant: A legal instrument that governs allocation of funds and defines roles and responsibilities of the grantee under their contractual relationship with SERVIR Support. SERVIR Support offers Simplified Grants, Fixed Amount Awards, Standard Grants, In-Kind Grants, and Limited Scope Grant Agreements.

Grant Agreement Modification: A change to a grant agreement, in cost, duration, and/or scope. Project clearance is required for all modifications to an activity. Modifications must be approved in writing and grant agreements amended in writing.

Grant Tracking Number: This is a tracking number used to maintain records on all approved grants. This number is comprised of 6 digits (xxxxxx). The order is as follows: The name of the region the grants program is operating in in three letters (xxx), and then the number will reflect the number of grants awarded sequentially (xxx). The regions' shortened names will be "ESF" for the Eastern and Southern Africa regions, "HKH" for the Hindu-Kush Himalaya region, "MEK" for the Mekong region, "WAF" for the West Africa region, and "GLB" for grants designated as global. For example, grants in the Mekong region will begin with MEK001.

Grantee: (Also referred to as "recipient"). An eligible organization or entity that has been awarded a grant under the grants program.

Grants Manager: The Grants Manager is the staff member responsible for the overall development, implementation, and close out of the grants program. Additionally, the Grants Manager will ensure compliance with USAID regulations and Chemonics' policies and will work with the COP, Hubs, NASA, USAID, and prospective grantees to ensure grant activities are developed and implemented in line with SERVIR objectives.

Hub: SERVIR is a global network of leading regional knowledge centers, referred to as "Hubs", including the Regional Center for Mapping of Resources for Development (RCMRD), the International Centre for Integrated Mountain Development (ICIMOD), the Asian Disaster Preparedness Center (ADPC), and the Agro-meteorology, Hydrology, and Meteorology (AGRHYMET) Regional Center. The Grants Manager will work hand-in-hand with individual Hubs on regional grants programs, as described in this manual.

In-Kind Grant: The simplest type of grant, whereby SERVIR Support procures and provides goods and/or services directly to the grantee. This mechanism is used when the grantee does not possess sufficient management capacity; when it is more cost effective to procure the items by SERVIR Support; or when there are other impediments to a transfer of funds to the grantee.

Limited Scope Grant Agreement (LSGA): As the GUC authorizing language of ADS 302.3.4.13 allows for the use of solely in-kind grants to government entities, SERVIR Support will consider awarding these types of grants should the need arise. Per ADS 350.3.2, grants to partner government entities will be in the format of a Limited Scope Grant Agreement, which are used to fund less complex activities or where the grantee has a distinct and limited role.

Memorandum of Negotiation: The purpose of the memorandum of negotiation is to provide a record of the grant negotiations including competition, pre-award risk assessment, and budget negotiations. According to ADS 303.3.12, Negotiation of the Award, the Grants Manager documents the negotiation process, along with other pre-award determinations, in a memorandum of negotiation that includes a cost analysis.

Monitoring and Evaluation (M&E) Specialist: Provides support to the Grants Manager in developing indicators for solicitations and grant agreements. Reviews M&E plans and targets for grantees. Provides oversight of grant implementation to ensure grantees are meeting targets. Provides capacity building to grantees on items related to M&E. The Hub M&E Specialist will be involved in each Hub's grants program to align the overall M&E approach and indicators with the Hub's objectives.

Pre-Award Risk Assessment: The purpose of a pre-award risk assessment is to determine whether the applicant possesses the managerial and administrative capacity to plan and carry out activity implementation. The nature of the pre-award risk assessment conducted will depend on the grant type, amount, duration, whether advances are authorized, and the potential grantee, as described Section 5.6 of this manual and ADS 303.3.9. Note that the Memorandum of Negotiation should include a summary of the results of the pre-award risk assessment, which should be fully documented in the files.

Program Income: Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds, earned during the period of the grant award. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. SERVIR Support does not anticipate program income being earned under the grants program.

Project Management Unit (PMU): The Chemonics PMU consists of a designated team of a director, manager(s), and associate(s) in the Chemonics home office in Washington, D.C. and is the unit tasked with providing administrative, financial, and technical backstop support to SERVIR Support.

Selection Committee (SC): The conformation of the SC is generally as follows: 1) the Grants Manager or designee (non-voting member); 2) the TOCOR or designee will have a standing invitation to attend the SC as a non-voting member; 3) COP or designee (voting member); 4) Hub COP or designee (voting member); 5) Hub grants focal point (voting member); 6) Hub technical staff member (voting member); 7) NASA Regional Science Coordination Lead (voting member). Under the global grants program, the voting members will generally consist of 1) COP or designee, 2) Operations Manager or designee, and 3) NASA technical lead. The Grants Manager will be responsible for leading the SC, setting timelines, and ensuring all the necessary documents are prepared for COP approval.

SERVIR and Climate Services Support Activity: (Also referred to as "the project"). SERVIR Support is a four-year activity, with an additional one-year option period, funded by USAID under the REPLACE IDIQ (Contract No.: AID-OAA-I-14-00013; Task Order No. AID-OAA-TO-15-00059), being implemented by Chemonics International Inc.

Simplified Grant: This is a grant type whereby the grantee expends funds and submits receipts for reimbursement by the project. Simplified grants may not exceed the local currency equivalent of the Simplified Acquisition Threshold (currently USD \$150,000) for non-US organizations. Simplified grants to US organizations shall not exceed USD \$100,000.

Standard Grant: This is a grant type whereby larger costs can be supported over a longer period of time than the simplified grant. The grantee may receive advances and liquidate them or be reimbursed based on receipts provided they meet the criteria per the pre-award risk assessment. Standard grants to US organizations shall not exceed USD \$100,000.

Suspension: An action by Chemonics that temporarily withdraws Chemonics and USAID support, in whole or in part, under a grant, pending corrective action by the grantee or pending a decision to terminate the grant.

Task Order Contracting Officer (TOCO): An individual with delegated authority to award contracts on behalf of the US government. The TOCO or his/her designee may be contacted on an ad hoc basis for advice when grant issues arise. The TOCO has sole authority to approve the grants manual and delegate grant selection consent to the TOCOR.

Task Order Contracting Officer's Representative (TOCOR): The Task Order Contracting Officer's Representative, as designated in Section G.1 of the Task Order, will provide technical oversight to the Contractor and unless otherwise directed by the TOCO, the TOCOR shall have authority to approve the grant recipient selection.

Termination: The cancellation of Chemonics and USAID sponsorship, in whole or in part, under an agreement at any time prior to the date of completion.

United States Agency for International Development (USAID): USAID provides funds for SERVIR Support, approves the form and substance of this manual, and approves grant awards under the project.

Unsolicited Proposal: A proposal submitted by an applicant outside of a solicitation solely based on their own initiative, and without any prior formal or informal solicitation by USAID or SERVIR Support.

I.4 USAID'S ROLE IN GRANT MAKING

SERVIR Support is responsible for designing, evaluating, negotiating, awarding, and monitoring the grants in accordance with USAID assistance rules and policies. As a first step, the USAID TOCO will approve this grants manual for use in the management of the SERVIR Support grants program. USAID shall also review solicitations, participate in the SC (as a non-voting member), and provide approval of the selection of actual grant recipients. By approving the grants manual, the TOCO delegates his grant selection approval in Section C.7 of the REPLACE IDIQ to the TOCOR. Further details regarding the approval process can be found in Section 5.7 of this manual. Per Section H.9 of the Task Order, the following requirements apply:

1. The total value of any individual grant to any U.S. NGO must not exceed USD \$100,000. This limitation will not apply to grant awards to non-U.S. NGOs.
2. The grant program must be incidental and relatively small in comparison to the other technical assistance activities of SERVIR Support.
3. USAID must be significantly involved in establishing selection criteria and will approve the actual selection of grant recipients.
4. Requirements that apply to USAID-executed grants (including the agency policies regarding construction activities in ADS 303, Grants and Cooperative Agreements to Non-Governmental Organizations, applicable standard provisions in ADS 303, and ADS 308, Awards to Public International Organizations) must also apply to grants that a USAID contractor executes.
5. USAID retains, through the contract, the ability to terminate the grant activities unilaterally in extraordinary circumstances.
6. SERVIR Support is not authorized to execute or administer cooperative agreements on USAID's behalf.

I.5 STANDARDS OF BUSINESS CONDUCT

Chemonics, its employees, and partners shall maintain high standards of ethical conduct in the selection, award, implementation, and oversight of SERVIR Support activities. SERVIR Support employees and partners must adhere to US Federal laws and regulations, USAID regulations, Chemonics' corporate policies and procedures, and Chemonics' standards of business conduct. A copy of Chemonics' Standards of Business Conduct, may be viewed/downloaded online at:

<http://www.chemonics.com/OurStory/OurMissionAndValues/Standards-of-Business-Conduct/Pages/default.aspx>.

If any officer, employee, or agent of SERVIR Support or a SERVIR Support partner becomes aware of any allegations of unethical conduct or prohibited acts described below, the individual is obligated to immediately inform, verbally or in writing, the SERVIR Support COP or his/her designee of such alleged conduct. Chemonics' Office of Business Conduct independently reviews all allegations of grantee misconduct, and recommends appropriate preventive and corrective actions in relation to such cases (including disciplinary action and/or termination of employment or the grant). Offenders may also be subject to criminal prosecution under the US Foreign Corrupt Practices Act, False Claims Act, Anti-Kickback Act, and other applicable laws and regulations. If for any reason an employee or SERVIR Support partner is uncomfortable raising an ethical issue with the COP or his/her designee, his/her supervisor, Chemonics' Home Office Director(s) for SERVIR Support or Chemonics' Senior Vice President for Latin America and the Caribbean, s/he is also welcome to contact Chemonics' Office of Business Conduct directly or anonymously at BusinessConduct@chemonics.com or www.chemonics.com/reporting.

The Office of Business Conduct (OBC) will promptly review any allegations of unethical conduct or prohibited acts, gather facts, and decide upon appropriate next steps. If enough evidence exists to support the allegation, one of these steps may include notifying appropriate US agencies--including the USAID Office of the Inspector General (OIG) and relevant Contracting Officer(s)--taking timely corrective actions, and reviewing/reinforcing existing procedures. The OBC will also coordinate closely with the Home Office PMU Director and the COP or his/her designee to notify USAID counterparts.

Separately, allegations of fraud or other criminal activity may also be directly reported to USAID's OIG by emailing ig.hotline@usaid.gov or by phone at 1-800-230-6539.

Standards of conduct applicable to SERVIR Support and SERVIR Support partners and their officers, employees, consultants, and agents are described in more detail below.

Bribery and Kickbacks

Chemonics expects all SERVIR Support employees, partners, and grantees to follow US and international agreements on anti-corruption. The officers, employees, and agents of SERVIR Support and SERVIR Support partners are prohibited from making improper payments of any kind in connection with the award of a grant or other official business decision. In addition, offering, providing, soliciting or accepting any money, fee, commission, credit, gift, gratuity, object of value, or compensation to obtain or reward favorable treatment on a US government grant is called a kickback and is a crime under US law.

SERVIR Support employees, partners, and grantees are required to immediately report any such incidents to the COP or his/her designee, Senior Vice President, and/or Chemonics' Office of Business Conduct using the contact information provided above. Items of value include but are not limited to meals, entertainment, personal discounts, travel and transportation, lodging, goods, cash, services, or other favors.

Furthermore, Chemonics does not pay money or make use of gifts (gratuities, favors, services, commissions, discounts, entertainment, hospitality, loans, forbearance, or other items having monetary value) to obtain or retain business. It is strictly prohibited for a SERVIR Support employee or partner to pay money in any amount or provide gifts to a government official of the US or any foreign government to induce them to help Chemonics obtain or retain work. It is further prohibited for a Chemonics employee or partner to encourage or permit an actual or potential beneficiary, grantee, agent, or representative to make a payment or provide gifts as described above.

Any individual or grantee found guilty of such prohibited actions will be subject to termination of employment or contract/grant and may be subject to criminal prosecution under the Foreign Corrupt Practices Act and/or Anti-Kickback Act.

False Claims

A false claim occurs when a person knowingly submits false or inaccurate information to obtain payment from the government. Employees, partners, grantees, subcontractors, suppliers, and agents of SERVIR Support are prohibited from submitting false claims resulting in fraud and abuse in any form.

A false claim covers a broad range of misconduct, including:

- Submitting an invoice for products that knowingly violate a contract's source-origin clause
- Improper labor charging or fraudulent expense reports billed to a US government grant
- Submitting, processing, or approving a grantee invoice with inflated/unallowable costs
- Exaggerated progress reports by grantees
- Falsified grantee receipts and procurement documentation for goods and services purchased under the grant
- Falsifying educational credentials or salary history to support costs paid under a US government grant
- Falsely manipulating indirect rates on a contract
- Improperly retaining a government overpayment in company receivables
- Inaccurate representations and certifications used to obtain a government contract

Any individual or grantee found guilty of such prohibited actions will be subject to termination of employment or contract/grant and may be subject to criminal prosecution under the Foreign Corrupt Practices Act.

Solicitation of Favors

Employees and partners may not solicit gifts, meals, entertainment, personal discounts, travel and transportation, lodging, goods, cash, services, or other favors from current or potential business partners, suppliers, grantees, subcontractors, vendors, and other business acquaintances.

Acceptance of Gifts, Meals, and Hospitality

Employees and partners may not accept gifts, goods, cash, services, transportation, or other favors worth more than USD \$50 from current or potential grantees or other business partners. The USD \$50 limit applies to all gifts (cumulative total) received from a specific source (i.e. grantee or vendor) within a given calendar year. Prior to accepting anything of minor value from a grantee, SERVIR Support staff and partners must report the item to the COP or his/her designee for pre-approval. Employees are obligated to report violations of this policy to the COP or his/her designee.

A gift over USD \$50 may be accepted if the employee or partner believes it would be culturally inappropriate to decline it. However, the employee or partner must document the circumstances in writing and obtain guidance from the COP or his/her designee on the appropriate disposition of the gift, preferably donating it to the company for the benefit of all employees or for a raffle if the item is single-use or individually-based.

Recognizing and Preventing Conflicts of Interest (COI)

Grantees, subcontractors, and suppliers will be selected on the basis of objective, business-related criteria, such as quality, technical excellence, cost, and service. No employee, officer, partner, or agent of SERVIR Support shall use their position to obtain personal benefits or special consideration for themselves, their families, or anyone else.

An individual has a COI when they are in a position that requires them to make objective decisions on behalf of the project and they have business interests, relationships, or obligations that might interfere with their judgment. In this situation, they are ethically required to avoid or openly acknowledge the conflicting interests.

No employee, officer, or agent of SERVIR Support, or a SERVIR Support partner, shall participate in the selection, award, or administration of a grant supported by USAID funds if an actual, perceived, or potential COI exists.

A COI may arise if an employee, officer, partner, or agent, or any member of his/her immediate family (spouse, domestic partner, sibling, parent, child, or cousin of an employee or his/her domestic partner), has a financial interest in an organization considered or selected for a grant award. For example, if an organization employs a SERVIR Support employee's family member, the SERVIR Support employee may have a conflict of interest if s/he sits on a selection committee reviewing that organization's capabilities to receive a grant.

Before any individual sits on a grant selection committee, s/he must read, understand, disclose relevant information, and sign the Certificate and Agreement for the Use and Disclosure of Applications and Conflict of Interest. This provision is also an explicit requirement for individuals not associated with SERVIR Support that may be contributing to- or inputting for-a SC.

The COP or his/her designee shall consult with the Chemonics home office PMU and OBC for guidance on handling cases of potential fraud, corruption, misuse of funds, kickbacks, conflicts of interest, and other violations of Chemonics' Standards of Business Conduct.

Anti-Trafficking in Persons Policy

Chemonics follows a zero tolerance policy on Trafficking in Persons as defined in FAR 52.222-50. Any person or agent employed by Chemonics shall not: engage in any form of trafficking in persons, procure commercial sex acts, participate in any type of coercion, commercial sex act, debt bondage, involuntary servitude and sex trafficking or use of forced labor. Also, if a person employed by Chemonics is made aware that a Chemonics employee, partner, consultant, subcontractor, or grantee has engaged in conduct that violates this policy, s/he must notify the COP or his/her designee, Senior Vice President,

and/or Office of Business Conduct immediately. Failure to do so could result in disciplinary action up to and including termination.

Whistleblower Protections for Contractor Employees & Grantee Adherence to the Pilot Program for Enhancement of Sub-grantee Employee Whistleblower Protections

Chemonics' policies strictly prohibit retaliation against any individual who reports misconduct they reasonably believe occurred. In compliance with all other provisions and protections outlined in the "Whistleblower Protections for Contractor Employees", concerned employees may report instances of suspected fraud, waste, and abuse directly to the USAID Office of Inspector General or other authorized US government representatives where appropriate as described above. In addition, each grant contains a clause stating that the grantee agrees to abide by the terms contained in the Mandatory Standard Provision, "Pilot Program for Enhancement of Sub-grantee Employee Whistleblower Protections."

Child Safeguarding

Chemonics is committed to the safety and security of our people and the communities we serve. To the best of our ability, we each must promote and take steps to provide a safe environment for our employees and beneficiaries. All grantees must abide by the Mandatory Standard Provision entitled "Child Safeguarding," including implementing specific measures to prevent child abuse, exploitation, or neglect in all program activities. In addition, our grantees must:

- Strictly follow local and international laws and standards related to child welfare and protection.
- Prohibit all employees and consultants from engaging in child abuse, exploitation, or neglect.
- Consider child safeguarding in project planning and implementation and work to reduce the risk of child abuse, exploitation, or neglect in our projects, where applicable.
- Require that all employees, consultants, and others acting on behalf of the organization recognize child abuse, exploitation, or neglect and report potential violations to Chemonics or the USAID Office of Inspector General for investigation and appropriate action, up to and including termination of employment.

SECTION II – TYPES OF GRANTS

This section describes the various grant mechanisms that will be utilized depending on the grantee and the grant activity. Note that per ADS 303.3.30, Limitation on Construction Under Assistance, grants may not include any construction activities. Construction is defined in the USAID document entitled "USAID Implementation of Construction Activities."

Type of Grant	Features	Illustrative Eligible Organizations
<ul style="list-style-type: none"> • Simplified Grant 	<ul style="list-style-type: none"> • Payment occurs on reimbursement basis based on costs incurred with receipts • Maximum value: Simplified Acquisition Threshold • SERVIR Support may provide assistance for financial capacity-building of the organization • No advance payments • May include an in-kind element • Indirect costs are never allowed 	<ul style="list-style-type: none"> • Established CSOs, NGOs, Universities, and Institutions • Nascent CSOs with a strong focus on in-kind elements of the grant
<ul style="list-style-type: none"> • Fixed Amount Award (FAA) 	<ul style="list-style-type: none"> • Specific milestones to be completed under the grant are predetermined and grantee receives payment upon successful completion of these milestones • Adequate, fixed, and known cost available during budget determination providing limited risk of changes or failure in program • No advance payments but initial milestone payment allowed not exceeding 30% of overall grant amount and adhering to other requirements below (Section 6.4.1). • May include an in-kind element • Tranche payments will not be made for milestones that are not completed. • No limit on duration or total cost, however Chemonics guidance is 	<ul style="list-style-type: none"> • Organizations proposing activities that include programmatic accomplishments or results to establish grant milestones • Organizations capable or positioned to produce reports, studies, consultancies, or surveys that would benefit the overall programmatic objectives of SERVIR. • Organizations implementing a short-duration quick-impact activity that can be quickly negotiated and awarded • Organizations must have capacity to effectively plan both technical and financial resources with a high degree of certainty about expected costs and the duration of the activity. SERVIR Support may

Type of Grant	Features	Illustrative Eligible Organizations
	<p>that no individual award exceeds the equivalent of USD \$500,000 per year for a total amount of USD \$1.5 million over three years.</p> <ul style="list-style-type: none"> • Recipient may not purchase real property 	<p>provide capacity building to assist with the planning.</p> <ul style="list-style-type: none"> • Educational institutions and local organizations capable of providing in-kind and/or cash contributions as a resource exchange as part of the grant agreement.
<ul style="list-style-type: none"> • Standard Grant 	<ul style="list-style-type: none"> • SERVIR Support may provide advances to the grantee; an initial advance may not be more than 30 days' worth of expenses or 30% of the total budget. Subsequent advances can be for no more than 30 days' worth of expenses • Larger costs can be supported over a longer period of time • Receipts must be presented to SERVIR Support to liquidate the advance and request a subsequent advance • May include an in-kind element • SERVIR Support may provide assistance for additional financial capacity building of the organization 	<ul style="list-style-type: none"> • Organizations with long-term activities that require funding in advance • Organizations with sufficient financial capacity to receive advance funding such as established NGOs and institutions
<ul style="list-style-type: none"> • In-Kind Grant 	<ul style="list-style-type: none"> • Used for organizations with lower financial/ management capacity, or quick impact activities, allowing for in-kind procurement of services/goods directly by SERVIR Support • All activities and goods are paid for in-kind directly by SERVIR Support 	<ul style="list-style-type: none"> • Organizations with limited financial/management capacity • Organizations implementing a short-duration quick-impact activity that can be quickly negotiated and awarded. • Local organizations capable of providing in-kind and/or cash contributions as a resource

Type of Grant	Features	Illustrative Eligible Organizations
		exchange as part of the grant agreement
<ul style="list-style-type: none"> Limited Scope Grant 	<ul style="list-style-type: none"> Used for solely in-kind or technical assistance activities Used for a specific activity or result of limited scope, duration, or funding 	<ul style="list-style-type: none"> Partner Government Entities, who have a distinct and limited role

The Grants Manager will determine the type of grant to be used, based on the criteria below, information provided by the applicant in the grant application, and information gathered during the pre-award risk assessment. SERVIR Support will also consider the size of the award and the grantee's financial capability in determining grant type and disbursement terms. Requests for applications (RFAs) may specify the type of grant being solicited. Factors in determining the appropriate grant instrument include:

- Nature and length of the grant activity
- Whether the applicant requires advances of grant funding, or will be paid on a cost reimbursement basis
- Whether the applicant's administrative and financial systems are adequate to meet USAID accountability and reporting requirements
- Value of the grant, as expressed in USD

Each grant type has advantages and disadvantages depending on the nature of the grant activity and the grantee. The grant types are described in more detail below. It is envisioned that a combination of grant types will be used throughout the program.

If an applicant is not financially stable or has financial and administrative management systems that do not meet the standards prescribed in the US Government Regulations, SERVIR Support may impose additional requirements, known as “specific conditions” to mitigate risk. Some of these conditions may be approvals before certain procurements are conducted, SERVIR Support providing goods to the grantee in-kind, or extra reporting requirements. Any specific conditions will be considered satisfied/met once the conditions that prompted them have been corrected. The COP or his/her designee has the authority to approve the lifting of these specific conditions provided the grantee has demonstrated that the conditions have been satisfied/met. A modification is made to the grant agreement to reflect the grantee’s progress.

2.1 SIMPLIFIED GRANT

This type of grant, described in ADS 303.3.24, will be used under the following conditions:

- The grantee shall receive payment on a reimbursement basis only (i.e. no advances).
- Simplified Grants cannot exceed the Simplified Acquisition Threshold.
- All costs to be charged to the grant are identified in the grant narrative and budget. If international travel is authorized, the Required as Applicable Standard Provision entitled Travel and International Air Transportation (August 2013) will be attached to the grant.
- The grantee must follow 22 CFR 228, ADS 310, and Mandatory Standard Provision entitled, “USAID Eligibility Rules for Procurement of Commodities and Services” (July 2015) when procuring all goods and services. Under a simplified grant, the grantee may not purchase any single item or equipment that has a useful life over one year and a cost of USD \$5,000 or more per unit. Equipment is defined as a single unit value of over USD \$5,000. Any procurement of this size conducted by a SERVIR Support grantee may require additional oversight from SERVIR Support staff.
- The grant shall not include sub-awards and cannot include grantee indirect costs.
- No construction activities.

Per Chemonics’ policy, since no advances may be provided under the simplified grant, the grantee must have access to a minimum amount of working capital to start the grant activity and must have accounting systems that are able to produce reliable and accurate financial reports documenting costs incurred. Reimbursement will only be made based on costs incurred and upon progress made against the implementation plan.

2.2 FIXED AMOUNT AWARD (FAA)

The FAA, described in ADS 303.3.25, allows for the award of a grant for very specific program elements without the need for SERVIR Support to monitor actual costs incurred in the performance of the grant. SERVIR Support will use this type of grant where there is certainty about the cost and when the achievement of results or milestones is readily discernible.

This type of grant may also be used for quick-impact activities with a limited scope and a short duration. To speed up the negotiation process, the Grants Manager may work hand-in-hand with the proposed grantee to review the deliverables and develop the budget.

The structure of disbursements is of key importance under a FAA. Grantees will only be paid a set amount (called a “tranche payment”) upon accomplishment of specific milestones spelled out in the grant agreement. Tranche payments will not be made unless milestones have been completed and approved in full. SERVIR Support must therefore negotiate a fair budget based on the grantee’s cost experience, market research, and cost information available. The verification of reasonable costs will

ensure that the funds requested will comprise the actual cost of the effort and that the desired results can be achieved.

This type of grant may be used under the following conditions:

- The recipient shall receive tranche payments upon completion of pre-determined milestones (no advances). An initial milestone payment may be provided. Per Chemonics' policy, an initial milestone payment cannot be for more than one month worth of grantee expenses, more than 30% of the total budget, or USD \$150,000, whichever is less. Any exception to this policy must be approved in advance by Chemonics' Chief Financial Officer (CFO), based in Washington, DC.
- Maximum individual grant amounts are determined on a case-by-case basis; however Chemonics' guidance is that the total of the grant does not exceed the equivalent of USD \$500,000 per year for a total amount of USD \$1.5 million over three years.
- All costs that comprise the budget are identified in the budget and explained within the budget notes, and may be subject to additional pre-award verification by SERVIR Support staff.
- Any goods to be purchased must meet 22 CFR 228 and ADS 310.
- The FAA must not include the purchase of any real property.
- Programmatic accomplishments or results in establishing grant milestones can be easily identified, quantified, and verified.
- Limited risk that there will be changes or failure of the activity.
- Adequate cost information (historical or unit pricing) available to determine and negotiate the fixed price of the grant.
- The grant does not normally include sub-awards.
- No construction activities.

Per Chemonics' policy, since no advances may be provided under a FAA, all grantees must have access to a minimum amount of working capital to initiate the grant activity and must have the ability to create a realistic budget of expected costs. Tranche payment amounts are fixed in the grant agreement, and will only be made based on verified milestone achievement. As such the grantee must be able to effectively plan both technical and financial resources with a high degree of certainty about expected costs and the duration of the activity. During the cost negotiation, SERVIR Support may assist the applicant to establish a realistic budget. As stated above, an initial milestone payment made against preparation or work-planning activities may be made, provided it does not exceed 30% of the overall grant budget and adheres to other requirements discussed further below in this manual.

2.3 STANDARD GRANT

The standard grant is used if one or more of the following conditions apply:

- The recipient requires advances and has the management capacity to undertake them.
- Larger costs may need to be supported over a longer period of time.
- Grant budget includes programmatically necessary international travel.
- Maximum individual grant amounts are determined on a case-by-case basis.
- Non-expendable equipment with a value of USD \$5,000 per unit or higher value may be authorized; however, equipment must comply with source/origin requirements. See Section 8.3 for disposition of equipment.
- The grant may be incrementally funded.
- No construction activities.

Increased grantee financial accountability and reporting accompanies the use of the standard grant, as the provision and reconciliation of advances entails more sophisticated and detailed grantee financial reporting. The standard grant may be used for all contemplated grant activities where the grantee has demonstrated required capacity to successfully manage this type of mechanism.

2.4. IN-KIND GRANT

SERVIR Support may act as a direct payer of certain grant costs. Under this grant type, Chemonics will conduct all procurement for goods and services required in the grant budget, and reimbursement will not be provided directly to the grantee with the exception of any minor costs that can be reimbursed to the grantee based upon receipts, as specified in the grant agreement and approved budget. On SERVIR Support, Chemonics will use an in-kind grant when it is important to utilize a local organization to implement an activity, but SERVIR Support is unable to identify an organization with sufficient capacity (especially financial and managerial) to carry out the activity. The use of an in-kind grant still allows the activity to be implemented with a local organization in the lead, while significantly minimizing the financial risk to Chemonics and USAID. Ideally, in-kind grants result in capacity building for the grantee that can lead to an organization becoming eligible to receive a more sophisticated type of grant in the future.

Additionally, the in-kind grant is the simplest grant type for the grantee. Although grantees are required to sign required certifications and pass reference checks, an extensive pre-award financial and administrative assessment is not required as part of the due diligence process, since grantees will not be required to manage any funds directly.

Costs. In-kind grant budgets represent total estimated costs. It is the responsibility of the Grants Manager to monitor expenditures against the approved budget on a regular basis. Should actual costs vary greatly from the budget estimates, the team will discuss whether a modification is needed. In all cases, grants should be closed out rapidly upon completion of the grant activities so that unspent funds can be made available for new grants.

Procurement. Under most in-kind grants, SERVIR Support will perform the procurement and directly pay suppliers on behalf of a grantee. SERVIR Support will ensure that: a) the good or service is clearly specified in the grant agreement; b) the good or service is allowable, allocable, and reasonable; c) that the selection of source was based on adequate price competition; and d) the good or service meets USAID-specific source and/or nationality requirements under the terms of the SERVIR Support contract and in accordance with all applicable regulations.

As mentioned above, an in-kind element can also be included in simplified, FAA, limited scope, and standard grants to fund a specific component of the grant program. This is most commonly used for procurement of goods. If SERVIR Support has credible evidence that the grantee lacks the necessary skills to procure goods in accordance with USAID rules and regulations; when it is more cost effective to procure the items by SERVIR Support; or when there are other impediments to a transfer of funds to the grantee, SERVIR Support will procure the goods on behalf of the grantee and provide them to the grantee in-kind. An in-kind element can be very useful to pay for high-cost items and may be used as a substitute to providing an advance. If an in-kind element is included in a grant agreement, it should be represented in a separate column in the budget so it is clear to all parties what the grantee is expected to pay for directly and what SERVIR Support will pay for and provide to the grantee in-kind.

2.5 LIMITED SCOPE GRANT AGREEMENT

On rare occasions, grants may be awarded to local government entities. Per the GUC authorizing language of ADS 302.3.4.13, these GUCs must be solely in-kind, which may include technical assistance or other activities by the contractor to or for the benefit of a partner government entity. The implementation of these grants will follow the same procedure as program grants to the other types of grantees described above. However, according to ADS 350.3.2, the grants will be in the format of a Limited Scope Grant Agreement (LSGA).

SECTION III – GRANT ELIGIBILITY REQUIREMENTS

3.1 ELIGIBLE ORGANIZATIONS

SERVIR grant support may be extended to local not-for-profit and for-profit NGOs providing they are legally registered and recognized under the laws of the respective country in which the grant is being implemented. SERVIR Support may also award a grant to a US organization but, per ADS 302.3.4.13, it may not exceed a total value of USD \$100,000, unless explicit approval to do so is given by USAID. Illustrative types of organizations may include:

- Universities and Institutions
- CSOs
- NGOs
- Individual firms

3.2 CONDITIONS OF ELIGIBILITY

Conditions of eligibility may depend on the solicitation and may target specific types of organizations. The following provides illustrative examples of conditions of eligibility that may be included, but is not meant to be an exhaustive list:

- Grantees must display sound management in the form of financial, administrative, and technical policies and procedures that are in written format and present a system of controls that guard assets, protect against fraud, waste, and abuse, and support the achievement of project goals and objectives. An overview of grantee compliance requirements is set forth in ADS 303.3.9. A prospective grantee not meeting these requirements may be classified as a high-risk grantee in accordance with relevant USAID regulations, and may receive a grant with specific conditions such as administrative and capacity building assistance from SERVIR Support.
- The proposed activity must respond to the goals and objectives of SERVIR and contain expected outcomes and results consistent with and linked to the SERVIR results framework.
- Grantees must be willing and able to complete all required certifications.
- Grantees must agree to comply with SERVIR's Branding and Marking requirements.
- When applicable, grantees must provide an environmental assessment and mitigation report to comply with USAID environmental regulations.

3.3 BUILDING GRANTEE CAPACITY AND SPECIFIC CONDITIONS

As a risk mitigation measure, SERVIR Support may impose specific conditions as defined in ADS 303.3.9.2, which can include requirements such as more frequent financial reporting, administrative capacity building additional technical assistance, training, or others. In such instances, the conditions will follow the requirements outlined in ADS 303 and will be detailed in the memorandum of negotiation and grant agreement. Whenever possible, specific conditions must be for as limited a time period as necessary to mitigate the identified risks. Once the condition has been satisfied and its conditions have been fully met, the SERVIR Support COP or his/her designee may approve removing the condition via written modification to the award.

3.4 INELIGIBLE ORGANIZATIONS

SERVIR grant support may not be extended to the following:

- Any entity that has been found to have misused USAID funds in the past (unless specifically approved by the TOCO)
- Political parties, groupings, or institutions or their subsidiaries and affiliates
- Organizations that advocate, promote, or espouse anti-democratic policies or illegal activities

- Faith-based organizations whose objectives are for discriminatory and religious purposes, and whose main objective for the grant is of a religious nature
- Any entity included in any supplementary information concerning prohibited individuals or entities that may be provided by USAID
- Any entity whose name appears in the System of Award Management (SAM) – www.sam.gov with an active exclusion
- An organization that refuses to sign all required certifications and assurances

SERVIR Support has instituted a number of procedures to ensure the eligibility of potential grantees listed above. The pre-award risk assessment is a tool that allows Chemonics to thoroughly review a grantee’s capabilities including verifying past performance references. Before a grant is awarded or if additional funds are added to the grant, Chemonics screens the entity/grantee/key individuals through the SAM.

3.5 ELIGIBLE ACTIVITIES

Grant activities funded by Chemonics under the SERVIR Support project will meet the following general criteria. Any given solicitation may further specify particular activities to be funded.

- Grants awarded by SERVIR Support must promote the SERVIR objectives set forth in the relevant RFA or APS. Execution of grant activities will generally take place in the aforementioned global regional hubs with regional beneficiaries, though not always. The SC will look for evidence that a potential grant will address one or more of SERVIR’s expected outcomes.
- The proposed activities may be the sole or primary work of an organization, or a special dimension or function of an organization largely dedicated to other projects.
- Grants will cover only necessary and allowable costs linked to the execution of the activity such as program staff salaries, consultant fees, training, meetings and seminars, publications, purchase and/or rental of equipment, office and travel expenses, and other direct costs. The specific costs to be funded by SERVIR Support must conform to the USAID guidelines for funding activities.
- Grant activities should be reviewed using the Environmental Screening Form (ESF), which is typically in a checklist format. The ESF provides a simple way for determining the level of risk of activities. In some cases, the results of the screening will be that the grant poses no risk and a determination of Categorical Exclusion can be made. Should it be deemed necessary by the ESF, grants will also cover costs associated with mitigating the environmental impact of grant activities. These mitigation measures should be clearly outlined to determine associated resource needs.
- Activities can only begin upon signature of the agreement between the applicant and Chemonics. Costs incurred before execution of the agreement (including signed certifications and assurances and RAASPs) will not be reimbursed.

3.6 INELIGIBLE ACTIVITIES AND UNALLOWABLE COSTS

Unallowable costs are further described in Subpart E-Cost Principles in 2 CFR 200 for non-profit organizations and FAR 31.2 “Cost principles for Commercial Organizations”. All costs must be reasonable, allocable, and allowable, and specifically, grant funds cannot be utilized for the following:

- Private ceremonies, parties, celebrations, or "representation" expenses.
- Purchases of restricted goods, such as certain agricultural commodities, motor vehicles (including motorcycles), pharmaceuticals and contraceptive items, pesticides, used equipment, US government excess property and fertilizers without the previous approval by the TOCO. If procurement of these restricted goods is necessary, Chemonics may decide to procure items directly and provide them in-kind to the grantee after receiving approval from the TOCO.
- Prohibited goods under USAID regulations, including but not limited to: military and surveillance equipment, police or law enforcement equipment, abortion equipment and services, weather modification equipment, luxury goods, and gambling equipment.
- Purchases of goods or services restricted or prohibited under the prevailing USAID source/nationality regulations per 22 CFR 228 and relevant Standard Provisions; or from countries or suppliers as may be identified by USAID's consolidated list of debarred, suspended, or ineligible subcontractors at www.sam.gov.
- Any purchases or activities deemed unnecessary to accomplish grant purposes as determined by Chemonics, including any grantee headquarters expenses that are not directly linked to the implementation of the proposed program.
- Any construction or refurbishment activities.
- Previous obligations and/or bad debts.
- Fines and/or penalties.
- Creation of endowments.
- Other costs unallowable under USAID and/or federal regulations, such as alcoholic beverages.
- Indirect costs such as, but not limited to, overhead or indirect fringe (unless the applicant has documented proof of such rates through audits or USAID-issued NICRA). Indirect costs are never allowed under simplified grants.
- In general, costs not included in the approved budget may not be allowed unless approved in writing by Chemonics.

3.7 REQUIRED CERTIFICATIONS

Regardless of the type of grant to be awarded, SERVIR Support requires all grantees to sign the following certifications. As these may change over the life of SERVIR Support, this Manual may be updated accordingly. Required Certifications and Assurances can be found at <http://www.usaid.gov/sites/default/files/documents/1868/303mav.pdf>.

- Representation by Corporation Regarding A Delinquent Tax Liability or a Felony Criminal Conviction (included in all RFAs)
- Prohibition on Providing Federal Assistance to Entities that Require Certain Internal Confidentiality Agreements (included in all RFAs and APSs)
- Assurance of Compliance with Laws and Regulations Governing Nondiscrimination in Federally Assisted Programs (only required for US grantees or if any part of the grant will take place in the US)
- Certification Regarding Lobbying (Required for all grants over USD \$100,000)
- Certification Regarding Terrorist Financing (Required for all grants)
- Certification Regarding Trafficking in Persons (Required for grants over USD \$500,000, and must be re-submitted annually)
- Certification Of Recipient (Required for all grants)

For grants over the equivalent of USD \$25,000, the grantee will provide Chemonics with its Duns and Bradstreet Number (DUNS) prior to grant execution or immediately following execution. In cases where the grantee does not have a DUNS, SERVIR Support may help the grantee to obtain one. A DUNS is not required for 100% in-kind grants.

3.8 REQUIRED AS APPLICABLE STANDARD PROVISIONS (RAASPS)

Unlike the mandatory standard provisions, RAASPs will be determined based on whether the agreement has activities pertaining to a (or more than one) specific RAASP. There are three 'sets' of RAASPs:

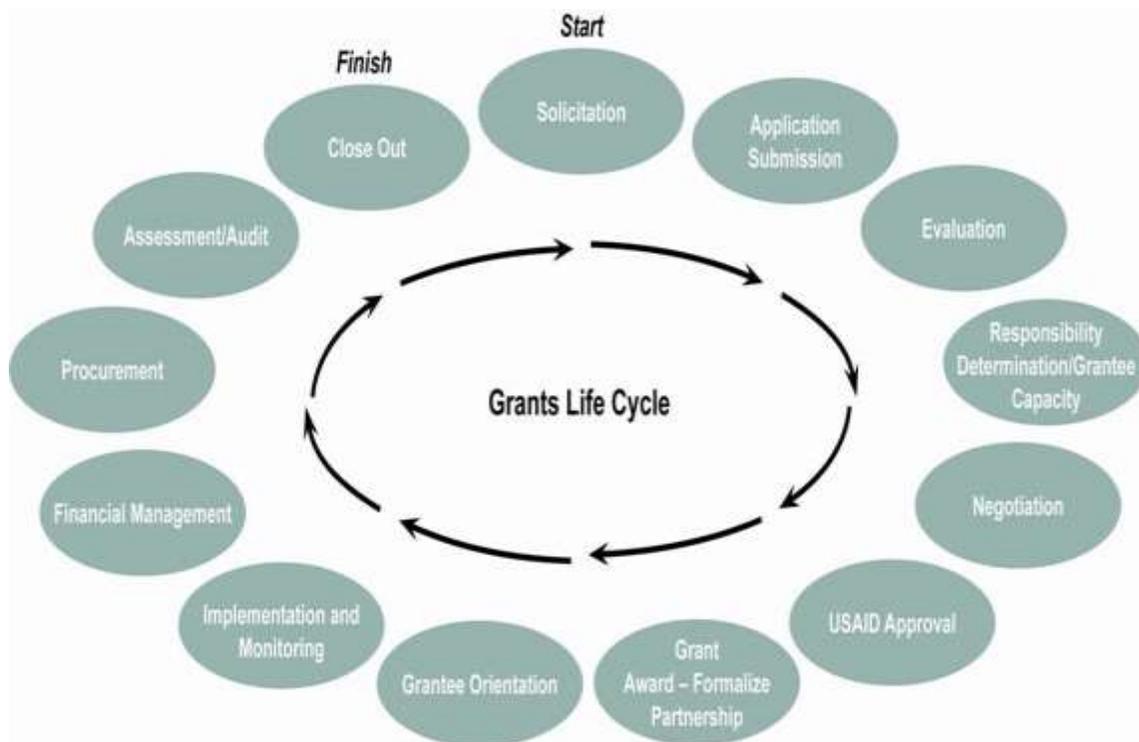
- (1) Those for Standard, Simplified, and In-Kind grants for non US organizations,
- (2) Those for Standard, Simplified, and In-Kind grants for US organizations, and
- (3) A separate 'set' for FAAs. RAASPs coversheets are provided as an Annex.

When determining applicability, see the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory. US government requirements pertaining to RAASPs are subject to change at any time.

SECTION IV – GRANT SOLICITATION AND APPLICATION PROCESS

This section describes the procedures undertaken by both the Applicant and SERVIR staff during the application stage of the grants-making process. This section describes the concept paper/application requirements, review processes, and final evaluation. Specific merit review criteria may vary depending on the solicitation and activity, but generally applications will be evaluated for the degree to which the applicant’s grant-funded activity satisfies the following criteria: technical quality (technical approach; impact; sustainability, M&E); organizational capacity (management, financial, and administrative capacity; past performance); and budget (cost efficiency and reasonableness).

Exhibit I: Grant Lifecycle



4.1 IDENTIFICATION AND SOLICITATION OF POTENTIAL GRANTEES

As a best practice and in compliance with US government requirements found in ADS 303.3.6, SERVIR Support will encourage competition, to the extent possible, in the award of grants to identify and support the most effective activities to achieve SERVIR objectives. Competition will be solicited through Requests for Applications (RFAs) and Annual Program Statements (APSS).

In accordance with ADS 303.3.5.2, RFAs will be used once a specific type of activity has been identified. RFAs must be published at least 30 days before applications are due. For sizeable activities or more detailed applications, a longer response period may be authorized to ensure applications of high quality.

APs will be used to support a variety of creative approaches and are structured to ensure a steady stream of innovative activities based on rolling assessments of priority interventions as described in ADS 303.3.5.2. APs can be published with an open-ended response time or closing date of at least six months after issuance.

All solicitations will be announced in a manner consistent with project objectives (e.g. newspaper and/or radio advertisements, community meetings, verbal, website announcements, bulletin boards, or others). The Grants Manager, in coordination with the Hubs, will develop a communications and engagement strategy for each regional grants program.

The Grants Manager will work with the Hub, NASA, and USAID to develop a Program Description and draft the RFA or AP based on an established template. The Hubs will define the objectives for each solicitation, and the Grants Manager will work closely with the technical team at the Hub and NASA, and other members of the Hub and SERVIR Support teams, such as the M&E Specialists, to finalize the solicitation. The solicitation must be approved by the COP or designee, and will then be reviewed by NASA and USAID before it is finalized. This process will be similar for the global grants program, with the Program Description defined jointly by the SERVIR Support team, NASA, and USAID, and the Grants Manager responsible for finalizing the solicitation.

AP or RFA solicitations will indicate the requirements that applicants should follow for completing the applications and can include both or either of the following application steps: (1) a concept paper, including a budget estimate and (2) a full application, including a detailed budget. In general, the Grants Manager will receive concept papers and/or full applications.

All solicitations will include a disclaimer stating that SERVIR Support is under no obligation to fund any activity or provide any awards to any applicant. Unsolicited proposals will be considered on a case-by-case basis in accordance with USAID regulations and whenever possible will be considered through a relevant AP.

SERVIR Support will ensure that (1) grants are awarded in a transparent fashion, and consistent with this manual, (2) the proposed grant activity is relevant to SERVIR goals, (3) sustainability is satisfactorily addressed in the proposal, and (4) the applicant meets all applicable USAID regulations. RFAs and APs will be written in accordance with the guidelines in ADS 303. All individuals reviewing concept papers and/or applications will be required to sign a COI certification.

4.2 PRE-PROPOSAL BRIEFING/APPLICATION ASSISTANCE

As discussed in Section 3.3, Building Grantee Capacity, not all applicants are experienced in program development and in applying for grant assistance, so SERVIR Support, in close coordination with the Hub, may conduct training sessions to orient potential grantees to the grant-making process. For example, the Grants Manager, with the assistance of the Hub grants focal point, may conduct grants seminars for potential grantees to provide an overview of the grants applications process and advice on submitting an application, developing programs, and budgeting for activities. This activity will be in addition to the expected knowledge transfer workshops that are expected to take place yearly between the grantees and relevant regional SERVIR program hubs. SERVIR Support may also choose to offer

smaller, periodic group mini-workshop intensives, either through in-person sessions or via teleconference, for applicants to assist them in the application process. The mini-workshops will assist and prepare applicants for the rigors of USAID grants. The workshops will not assist with the program concept. Rather, by focusing on training modules such as project development; administrative, financial, and personnel resources; accounting systems; procurement procedures; regulations; gender, youth, environmental issues; budget preparation, etc., SERVIR Support is ensuring submission of well-developed applications and improved grantee capacity to apply for USAID funding. Where and how the workshops will be organized and located (or if they will be done virtually) will be dependent on the geographic context of the Hub and potential grantees' ability to travel.

SERVIR Support, in close coordination with the Hub grants focal point and technical team, may also conduct, in conjunction with those training sessions or separately, pre-proposal briefings for potential applicants to better inform them of the specific requirements of a given grant solicitation, the application and review process, as well as the criteria for selection.

4.3 SOLICITATION PROCESS

4.3.1 REQUEST FOR APPLICATIONS (RFA)

The SERVIR Support project intends to use RFAs to support specific activities that further SERVIR's overall objectives. Grant applicants will submit a concept paper and/or full application in response and according to the RFA. The Grants Manager, in collaboration with the Hub and with the approval of the COP or his/her designee, may determine that smaller, less complex, or short awards require only the concept paper form for evaluation in lieu of the full application form. All applications must be submitted electronically.

A RFA, drafted by the Grants Manager in close coordination with the Hub (as described in Section 4.1), will include the following information, as appropriate for the type of activity to be funded:

- Program eligibility requirements
- Minimum qualifications of applicant
- General description of the proposed program with an indication of the range of activities that might be involved, as well as any established goals of the activity which the applicant must demonstrate the ability to achieve
- A statement identifying the authorizing legislation (generally the Foreign Affairs Act) and that the award is subject to ADS 303 and 2 CFR 200, Subpart E
- Illustrative expected results and indicators of performance
- Merit review criteria
- Statement that the award will be administered consistent with USAID Standard Provisions

- Grantee contributions, if any
- Duration of the SERVIR Support support of activity
- Deadline for submission (must be at least 30 days from issuance of the RFA)
- Statement that the SERVIR Support project reserves the right to fund any or none of the applications submitted
- Grant Concept Paper Template, if needed
- Grant Application Template, if needed
- Implementation Timeline Form
- Grant Budget Form(s)
- Applicant Self-Assessment Form
- Required Certifications
- Estimate of funds available and number of awards anticipated, if available
- Marking and Branding requirements

Additional guidance can be found in ADS 303.3.5.3.

The number of awards, as well as the value of the awards, are determined on a case-by-case basis taking into account, but not limited to: the needs of the Hub, the universe of potential grantees, the amount available from the project budget, and the grant type ceilings as stipulated in the grants manual.

After the Grants Manager, in coordination with the Hub, develops the solicitation request, the COP or his/her designee will review the release of the RFA. USAID and NASA will then review the RFA before it is released.

4.3.2 ANNUAL PROGRAM STATEMENT

An APS, described further in ADS 303.3.5.2, will be used to generate competition for grants where SERVIR Support intends to fund a variety of creative approaches by applicants to develop their own ideas and methodologies in assessing and/or implementing activities that support SERVIR objectives.

An APS can be issued with an open-ended response, specific review periods, or a specific closing date, reserving the right to close it if all funds have been obligated. It is anticipated that a multi-tiered evaluation process will be used most frequently, whereby applicants will have the option of submitting a concept paper for consideration prior to submitting a full application. The Grants Manager, in collaboration with the Hub for regional grants programs and with the approval of the COP or his/her

designee, may also indicate an alternative process for smaller, less complex, or short awards by soliciting only the concept paper form for evaluation, in lieu of the full application form. All submissions related to an APS must be electronic. If this process is approved, it will be applied on a case-by-case basis. An APS, drafted by the Grants Manager in close coordination with the Hub (as described in Section 4.1), may include the following information:

- Program eligibility requirements
- Activity objectives including any areas of special interest, illustrative expected results, and indicators of performance
- A statement identifying the authorizing legislation (generally the Foreign Affairs Act) and that the award is subject to ADS 303 and 2 CFR 200, Subpart E
- Brief statement of how applications will be evaluated, including weighted merit review criteria
- Estimate of funds available and, if appropriate, the number of grants to be awarded (not always applicable)
- Grantee contributions, if any
- That the award will be administered according to the relevant Standard Provisions
- Point of contact, including name, title, address and phone number
- Statement that SERVIR Support reserves the right to fund any or none of the applications submitted
- Any duration limits or deadlines for submission
- Statement letting potential grantees know application reviews will occur on a rolling basis
- Any other relevant information
- Grant Concept Paper Template (if applicable)

4.3.3 RESTRICTED ELIGIBILITY/RESTRICTIONS TO ELIGIBILITY

While competition is encouraged, SERVIR Support recognizes that it is not always possible for all grant activities to be competed. Restrictions to eligibility may occur when the Hub, NASA, or other partners, in coordination with SERVIR Support, identifies a specific opportunity or activity and may work with an organization to develop an application, or when the project receives an unsolicited proposal that demonstrates a unique, innovative, or proprietary program. For cases in which the SERVIR Support project staff, Hub staff, or NASA identifies a specific organization to receive a grant, the Grants Manager will ensure that there is no conflict of interest or appearance of COI. Where an exception to restrict eligibility is requested/required, the justification memo must be reviewed and approved by the COP or his/her designee and, depending on the size of the award, Chemonics' home office.

As stated in ADS 303.6.5(a), exceptions to restrict eligibility cannot be justified on the basis of:

- Mobilization costs
- Demobilization costs
- Continuing relationship
- Lack of planning
- Concerns about amount of funds available, such as expiring funds

The nature of the project provides special circumstances that may cause deviations to the standard competition procedures and such instances will require a clear justification for the absence of competition under grants as stated in ADS 303.3.6.5.

Grants awarded with restricted eligibility will still be subject to evaluation by a SC. In cases when a potential grantee and activity has been identified, a concept paper and/or actual application will be submitted by the applicant and presented to the SC for evaluation.

For organizations with limited capacity, the Grants Manager, in coordination with the Hub for regional grants programs, will assist applicants in preparing their concept papers or applications to ensure it is responsive to application requirements, without providing substantive technical input into the concept itself. All applicants will have the opportunity to receive the same level of assistance from SERVIR in the development of their concept paper and/or application. Such assistance will generally be offered in group settings and will always be made available to all interested applicants in the same manner in which the original APS or RFA was published (published in newspapers, word of mouth, project website, etc.). The merit review criteria may vary from that of an APS or RFA, and for smaller and less-complex activities, the process may be more streamlined.

The following exceptions listed below are the most common justifications for restricting eligibility. All justifications for restrictions to eligibility (JRE) will be documented in writing in the grant memorandum of negotiation and included in the grant file. The complete list of exceptions to restrict eligibility is found in ADS 303.3.6.5, Restrictions to Eligibility. Chemonics may utilize any one of the following:

- **Follow-on awards and extensions:** A follow-on award is a new award to an entity to perform activities that are the same or substantially similar to those included in a recently expired agreement with the same entity. A follow-on agreement may continue the activity initiated during the issuance of the first grant agreement or further an existing relationship. A follow-on agreement may occur as an amendment to the first grant agreement or the issuance of a new grant agreement. An extension is an amendment to increase the total estimated amount of an existing award, usually to provide additional activities within the program description, to extend the period of the award, or both. Also included in the definition of “follow-on” are new grants or extensions that include new activities that are clearly logical expansions of or derived from activities previously performed by the same grantee. The Follow-on Awards and Extensions exception to restrict eligibility cannot be used to continue a

relationship with a grantee that received an award based on the Small Grants exception to restrict eligibility. When this exception is used, the Grants Manager must justify with specificity why the benefits of continuing the assistance activity with the same recipient exceeds the benefits of a competitive process encouraged by law and required by policy.

- **Exclusive or predominant capability:** Chemonics may restrict eligibility, including non-competed awards when it considers a grantee to have exclusive or predominant capability based on the following criteria:
 - Proprietary resources
 - Specialized facilities or technical expertise
 - An existing unique relationship with the cooperating country or beneficiaries

This exception may not be used to continue an on-going relationship when the applicant developed the exclusive or predominant capability during performance of any USAID award.

When this exception to restrict eligibility is used, SERVIR Support must describe in detail and justify the uniqueness of the proposed recipient and how it applies to the activity to be supported, as well as a description of the other options explored.

- **Small grant awards:** Small grant awards are awards at or below the Simplified Acquisition Threshold or less and with a term of no more than one year. These awards may not be amended to either add funds beyond USD \$150,000 (the current Simplified Acquisition Threshold) or extend the date beyond one year from the original date of the award. A justification must explain how the proposed award fits the exception to restrict eligibility. Note that if you use the small grant award exception to restrict eligibility, you may not use the follow-on exception to restrict eligibility in the case of a follow-on grant.
- **Unsolicited application:** Unsolicited applications are those submitted to SERVIR Support by an applicant solely on its initiative, without prior formal or informal solicitation by SERVIR Support. SERVIR Support may issue an award based on an unsolicited application, without the benefit of competition, when the application:
 - Clearly demonstrates a unique, innovative, or proprietary program;
 - Represents an appropriate use of funds to support or stimulate a public purpose; and
 - Fits with an existing program objective.

When the terms of an unsolicited application fit with the scope of a published and open APS, the application may be considered under the APS. The unsolicited application is then considered to have been competed under the APS and no justification for restricted eligibility is required.

This exception to restrict eligibility may not be used for non-competitive extensions to existing awards. A grantee's request to extend an ongoing relationship is not an unsolicited application. To use this exception to restrict eligibility, SERVIR Support must first certify that SERVIR Support did not solicit the application and that it was submitted by the applicant solely on his or her own initiative.

4.4 APPLICATION MECHANISMS

4.4.1 GRANT CONCEPT PAPER

A concept paper is simpler and quicker than the full grant application package, taking applicants less time and generating a higher volume and a variety of creative approaches. This methodology streamlines the process to quickly evaluate a large number of proposals. It is also done in recognition that there may be some applicants who are unable to complete a full application. The concept paper must be written in English. The Grants Manager, in consultation with the Hub for regional grants programs and with approval from the COP or his/her designee, may determine that in response to an APS or RFA, a concept paper may be used as:

- a) either part of a two-tiered evaluation as a first step in evaluating a proposal before a full application is requested, or
- b) in lieu of a full application for smaller, less complex, or short-duration activities. The requirements will be clearly stated in the solicitation document.

When concept papers are accepted as a first step per the solicitation, the designated SC will review the concept paper against eligibility and merit review criteria listed in the solicitation. Criteria could be based on a number-rating system or be designed as questions on a yes/no basis and could include the following questions, for example:

- Is the activity consistent with the objectives of SERVIR, and does it contribute to the project's expected results areas?
- Does the activity support the objectives of SERVIR counterparts?
- Does the organization demonstrate adequate capability to manage the activity, or does it have previous experience relevant to the activity proposed?
- Does the proposed activity fall within the technical specifications in the solicitation?

If the applicant's concept paper meets the criteria, as decided by the SC, the applicant may be asked to submit a full application. Should the SC determine the concept paper is ineligible, the Grants Manager will notify the applicant of this decision. If a full application is requested, it will be submitted to the SC for evaluation.

If the solicitation states, or if it is determined that only a concept paper is needed, the Grants Manager and the Hub technical team will review the submission for completeness and ensure the applicant is

eligible before submitting the concept paper to the SC for evaluation as indicated in Section 5.2. If approved by the committee, the applicant will move to pre-award risk assessment and negotiation.

The concept paper package must include the completed concept paper and budget. In some cases, depending upon the time frame and the applicant's capability and feedback from the Hub, SERVIR Support may simply request the concept paper and budget, and request the additional materials listed below after the initial concept paper has been approved:

- Copy of valid country registration (if not yet submitted during the eligibility verification stage);
- Copy of the organization's charter and by-laws (if first-time applicant);
- Copy of last annual financial report, income/losses report (balance) approved by licensed audit firm, if available;
- Signed copies of the required certification package;
- Applicant Self-Assessment Form;
- Any other supporting document(s) as requested in the solicitation.

4.4.2 FULL GRANT APPLICATION PACKAGE

The development of a full application requires significant input on the part of the applicant. SERVIR Support, in consultation with the Hub for regional grants program, may choose to request that applicants complete a concept paper as a first or the only step, or may request full applications to be submitted without an initial concept paper as specified in the solicitation. The application must be in English. The full grant application submission generally consists of the following documents (note that if there was a concept paper some of this documentation may have already been provided):

- Completed grant application
- Budget forms and notes
- Implementation plan or chronology of activities and results
- Copy of valid country registration certificate and related documentation
- Monitoring plan
- Copy of the organization's charter and by-laws (if first-time applicant)
- Copy of last annual financial report, income/losses report (balance) approved by licensed audit firm, if available
- Signed copies of the required certification package

- Applicant Self-Assessment Form
- Any other supporting document(s) as requested in the solicitation

The grant application forms provide a standardized format for review of the major elements of the proposed activity. Based on the review and evaluation of the information presented in the application, the SC will either approve or reject the proposed activity. Major elements of the application include:

- **Section I (Basic Information).** The applicant provides basic contact information and information regarding the status of the organization, including the organizations' mission, vision, and objectives.
- **Section II (Program Description).** The applicant describes overarching program elements such as the objective of the grant and the linkage to SERVIR objectives, results and indicators for measuring results, the activities' beneficiaries, and plan for disseminating activity deliverables.
- **Section III (Program Implementation Plan).** This section covers information regarding program implementation, including proposed personnel, and descriptions of each task. Each task must be:
 - Complete and sound
 - Integrated and scheduled with dependent tasks
 - Assigned to a responsible party
 - Defined in terms of resources required
 - Concluded with a viable milestone of achievement. (Milestones must be linked to results)
 - Tasks listed must show a logical, thoughtful approach to the overall implementation plan. Tasks should describe actions and be logically sequenced.
 - Each task must contribute to the achievement of the activity objective
 - Each activity should contain a communications component
 - Applicant must describe any relevant material assumptions made and/or conditions required for the achievement of the grant objective
 - Implementation plans may be supported by a timeline that shows all identified tasks over the duration of the activity
- **Section IV (Experience and Capacity).** Applicant describes previous or ongoing experience implementing similar activities. This is a critical factor in assessing the capacity of the grantee to implement the activity. Applicant also provides contact information of references that can speak to the applicant's past performance and capabilities.

- **Section V (Cost and Budget).** This includes a summary of the information provided in the application budget forms, and includes total grant request and contributions from other sources (co-funding) for the activity. Within the budget notes, the applicant also describes any other donor funding currently received and that may result in issues of duplicate funding. Applicants must identify any long-term, recurrent commitments resulting from the proposed activity, and applicant's plan for sustainable coverage.
 - The budget forms, when properly completed, reviewed, and approved, serve as the mutually agreed-upon “road map” for activity financial management. All activity costs must be identified. Cost data must be accurate; proposed amounts should not be unrealistically high or low.
 - The various types of grant instruments have slightly different budget forms that reflect the difference in the disbursement mechanisms and allowable expenses.
 - For standard and simplified grants, the forms consist of a summary budget form and the monthly budget breakout form. The budget will provide detailed information, citing unit costs and units, on a line-item basis. The monthly budget breakout form contains the same budget information broken out in the anticipated monthly expenditures to aid in projecting cash flow needs.
 - For FAAs, the budget application is the financial summary form, which presents the budget by tranche payments for costs associated with achieving proposed milestones.
 - Although grants may not generally cover indirect costs due to the lack of reliable information from the majority of grantees, FAAs and standard grants may exceptionally include indirect costs provided they are fully substantiated with verifiable indirect cost information from the grantee. Simplified grants may not include indirect costs. Grant funding may, however, cover direct costs that will be incurred by the grantee to provide identifiable administrative and management support to the activity.
 - All line items must be supported by budget notes with enough detail to permit a determination of cost allowability and reasonableness with respect to 2 CFR 200, Subpart E. Budgeted amounts must also be supported by justification, and the applicant must be able to provide such backup to SERVIR Support if requested. All proposed costs must be within the normal operating practices of the grantee and in accordance with its written policies and procedures. It is important that the budget clearly indicates where specific program funds are to come from (e.g., USAID, co-funding from other donors, funds leveraged from either the public or private sector, or the applicant’s contribution). Furthermore, contribution from other donors and grantees resource commitment will be investigated and documented. In order to avoid double financing/billing, SERVIR Support will require full disclosure by all involved parties and will maintain contact with co-funders to verify their contributions.
- **Section VI (Monitoring and Evaluation).** This section covers the monitoring and evaluation methods implemented by the recipient as well as the tools used to measure and evaluate the program activities.

4.5 SUBMISSION AND PROCESSING

Grant applications or concept papers, altogether called “application,” are to be submitted as specified in the applicable solicitation. Upon receipt of an application, the Grants Manager or their designee will systematically process the application according to SERVIR Support’s internal grants management procedures, including populating the activities tracker with the required information. These processes are designed to make the handling of each application fair and transparent, and include the following:

- Creating a hard-copy and soft copy grant file along with the grant file checklist with all information pertaining to the grant at any point in time;
- Acknowledging, in writing or electronically, the receipt of each application received by SERVIR Support, and;
- Screening the application for eligibility (see Section 3).
- Ensuring that applicants are notified where their applications are rejected, and this information is maintained on file.
- The Grants Manager will also develop a computerized system to track each application and update the tracker at every step of the evaluation, award, funding, and monitoring process.

SECTION V – GRANT EVALUATION AND SELECTION

This section describes the procedures to be followed by SERVIR Support during the evaluation and selection process. In all cases, the Grants Manager will guide the review and approval processes to ensure that all required reviews and approvals are obtained and documented in the files.

As reflected in Section 1.5, no employee, officer, partner, or agent of the SERVIR Support project, or the grantee shall participate in the selection, award, or administration of a grant supported by USAID funds if a real or apparent conflict of interest would be involved. Such a conflict may arise when the employee, officer, or agent, any member of his or her immediate family (relatives in first, second, or third degree), or partner, or an organization which employs or is about to employ any of the parties indicated herein, has a real or perceived financial or other interest in the organization considered for award. Before any individual sits on a selection committee, he or she must sign the Certificate and Agreement for the Use and Disclosure of Applications and Conflict of Interest. These same procedures must be followed by Chemonics’ grantees issuing sub-awards, although SERVIR Support does not anticipate awarding grants with sub-awards.

5.1 SCREENING OF APPLICATIONS

The Grants Manager will review the grantee applications, to ensure all documentation as required by the solicitation has been submitted and that the organization is eligible to receive a grant by completing the Grant Application Screening Checklist.

If an applicant has not submitted all required paperwork, the Grants Manager may either reject the application or provide the applicant with a new deadline for submission of missing items. Incomplete applications, including concept papers, will not proceed to the evaluation stage unless approved by the Grants Manager. If the Grants Manager rejects an application due to incomplete documentation, they will include an explanation in the grant file and communication will be sent to the applicant.

5.2 MERIT REVIEW CRITERIA

SERVIR Support, in close coordination with the Hub for regional grants programs, will establish the merit review criteria for each grant solicitation, with NASA and USAID’s input. The TOCOR may be involved in grant selection and may sit on a SC as a non-voting member. Grant applications will be evaluated according to the degree by which the Applicant’s proposed grant-funded program satisfies the merit review requirements in the RFA or APS. These may include project principles of design and approach, impact on target groups and beneficiaries, sustainability, results orientation, and cost efficiency. Below are illustrative merit review criteria. Each solicitation will contain its own merit review criteria with associated points as appropriate. A scoring system will be prepared by the Grants Manager and used by the SC to evaluate applications, including the maximum points that may be awarded for each criterion.

Illustrative Merit Review Category	Illustrative Rating - Points (100 total)
1. Technical quality	65 points
Feasibility of Design and Technical approach (including gender integration)	35
Impact on Target Group	15
Sustainability	15
2. Past Performance and Institutional Capacity	30 points
Management and Programmatic capacity	15
Cost Efficiency	15
4. Other Strengths	5 points
Other Strengths	5

These illustrative merit review criteria elements are described more fully below. Merit review criteria can and will be revised to include other factors such as understanding of country context as appropriate.

Design & Approach. The quality and feasibility of the application, in terms of the appropriateness of the proposed methodology, innovativeness, and the work plan for achieving SERVIR objectives such as creating or adapting user-tailored geospatial products, tools, and services. Proposed mechanisms for monitoring and evaluation with objectively measurable indicators will also be appraised. In addition, gender awareness should be included. It should clearly mention how gender is mainstreamed at the organizational level and at the technical/activities level. (35 points)

Impact on Target Group. The extent to which the proposed activity corresponds to the needs of target group(s) and will directly benefit them. Also, the degree to which it will directly or indirectly stimulate other organizations and resources to develop or implement activities supporting the objectives of the project. (15 points)

Sustainability. The extent to which the funded activity will result in building and strengthening the capacity of the community and local organizations, and whether the activity itself is sustainable or will stimulate sustainability of the organization. (15 points)

Management and programmatic capacity. Personnel and Past Performance. Evidence of the capability to undertake and accomplish the proposed activities. Appraisal will be based principally on at least three reference checks by the project; the background, qualifications, reputation, appropriateness and skills of its key personnel; and the “track record,” reputation, and achievements (including development of self-sufficient, sustainable activities) of the organization involved. (15 points)

Cost Efficiency. The degree to which budgeting is clear and reasonable and reflects best use of organizational and grant resources. (15 points)

Other Strengths. The Grant Application demonstrates other strengths, such as innovative approach and emphasis on leadership. (5 points)

5.3 REVIEW OF APPLICATIONS AND SELECTION OF PROSPECTIVE GRANTEE

All applications will be reviewed by the SC. The SC will have at least three voting members, generally including: SERVIR Support COP or designee, Hub COP or designee, Hub grants focal point, Hub technical staff member, and NASA Regional Science Coordination Lead. Under the global grants program, the voting members will generally consist of SERVIR Support COP or designee, Operations Manager or designee, and NASA technical lead. The Grants Manager will chair the meeting as a non-voting member of the committee. In rare circumstances when the Grants Manager will participate as a voting member, the SERVIR Support COP or his/her designee will suggest another staff member to chair the SC. The TOCOR or designee will have a standing invitation to serve as a non-voting member on all selection committees. Technical staff or members of the wider SERVIR team, who provided direct and significant capacity-building guidance to a grantee in developing a concept paper or application, cannot serve on the selection committee as a voting member. All members of the SC will need to sign and submit a non-disclosure/non-conflict of interest certification.

The SC Chair will provide guidance and instructions to the SC regarding the selection process, the confidentiality of the process and expected integrity and professionalism of evaluators. S/he (or designee) will distribute score sheets and the applications to the SC.

The SC meeting will be facilitated by the SC Chair, generally the Grants Manager or designee. Each voting member of the SC will review the solicitation document and full application in detail. SC members will review applications remotely and/or as a panel, as determined on a case-by-case basis. Regardless of the forum, the SC members will conduct their review and individually complete score sheets for applications received. Based on the discussion and scoring, a consensus decision will be made by the committee about whether an application will proceed to the next step – which can include (but not be limited to) requesting additional information from the applicant. The Grants Manager or designee will prepare the minutes of the SC meeting, including the list of clarification questions or additional information required for each proposed grantee to answer in advance of a final decision being made. This process may evolve and change throughout the life of the project or for a given solicitation.

5.3.1 APPLICATIONS NOT SELECTED

The Grants Manager will promptly notify applicants when applications were not selected by the SC. If an application is returned to the applicant as "not selected," they will be informed that this will not prevent them from submitting another application in response to another solicitation at some later date. The SERVIR Support project will provide written feedback to the grantee (if requested) in relation to the solicitation merit review criteria as part of the overall grantee capacity building strategy.

5.3.2 APPLICATIONS REQUIRING REVISIONS/CLARIFICATIONS/INFORMATION

For applications returned to the applicant for additional information following review by the SC, additional information may include but not be limited to the following:

- Necessary technical and budgetary changes to the application, according to the instructions provided by the Grants Manager and the SC members. Examples of technical revisions might be to define the beneficiaries, address gender, environmental compliance, etc. Examples of cost revisions are: redefine the costs of milestones, remove costs that are not allocable, or provide more information or additional documentation about unclear or questionable costs.
- Necessary changes in application to bring the application in compliance with the Grants Manual policies and USAID regulations.

5.3.3 APPLICATIONS SELECTED

The Grants Manager will finalize the award and all necessary documents prior to requesting final project-level approval from the COP or his/her designee and final USAID TOCOR approval. Steps and documents involved include:

Conduct pre-award risk assessment: The Grants Manager, in coordination with the Hub grants focal point, will work with the potential grantee and Hub technical staff to conduct a pre-award risk assessment (see Section 5.6). This includes reference checks.

Present to the COP or his/her designee for project-level approval: Following the pre-award risk assessment, the Grants Manager will present the COP or his/her designee with one of the following recommendations:

- Select the grant, and proceed to request USAID approval, providing memorandum of negotiation, and environmental plan if necessary
- Determine that the grant type and/or amount must change, and/or specific conditions must be included for the grant to be selected. The Grants Manager will inform the COP or his/her designee of this decision.
- Return the application to the applicant, indicating deficiencies or additional information required before further consideration can be given.
- Not select the grant and inform the grantee.

Negotiate award and budget: The Grants Manager, in coordination with the Hub, will negotiate the award (milestones, reports needed, etc.) and its budget with the applicant. The budget is negotiated to ensure costs are allowable, allocable, and reasonable, are in compliance with USAID policies and 2 CFR 200 subpart E, and properly supports the proposed technical activities. For grants that include in-kind elements, the Grants Manager, with assistance from the Hub, will coordinate to obtain quotations and estimates to be included in the award budget. The team will also review program income, if applicable, and will ensure it is applied in accordance with relevant ADS 303 regulations, including the relevant Standard Provisions. The Grants Manager will draft the appropriate grant agreement including this information.

Ensure Environmental Compliance: SERVIR Support will evaluate the potential environmental impacts of all proposed grant activities prior to award as indicated in Section 5.5.

Prepare the Branding and Marking Plan: The Grants Manager will coordinate with the Hub and SERVIR Support Communications Leads and the applicant to develop a branding and marking plan for the grant activity consistent with the global SERVIR Branding & Marking Plan (see Section 5.9).

Review M&E reporting requirements: The Hub and SERVIR Support M&E Specialists will be involved as needed to ensure that the applicant will use the SERVIR Support assigned indicators, and report in the needed frequency.

Prepare the Memorandum of Negotiation: The Grants Manager will prepare the grant memorandum of negotiation documenting the decision to award, including:

- Name of the grantee organization, and proposed activity

- Grant amount in US dollars (at the exchange rate of the month of award)
- Type of grant to be awarded
- Brief description of the purpose of the award and duration
- Brief explanation of the selection process and overall results of the selection or justification of restricted eligibility
- Rationale for award
- Summary of SC evaluation
- Risk assessment and result of financial assessment
- Confirmation that the System for Award Management (SAM) has been checked by the Grants Manager
- Confirmation that environmental issues have been considered

Final grant information will be reviewed and approved by the COP or his/her designee for project-level approval. Once the COP or his/her designee has approved, the Grants Manager will send the COP or his/her designee a package including the final concept paper/application and Memorandum of Negotiation, which the Grants Manager will use to prepare the grant approval request for USAID. The Grants Manager or designee will submit the grant approval request, including the memorandum of negotiation, to the TOCOR for technical concurrence and approval (see Section 5.7).

If the grant amount is above the COP's delegation of authority, the draft grant agreement, final memorandum of negotiation and final budget must be reviewed by Chemonics home office prior to sending to USAID for approval. Once the grant is approved by USAID, the grant agreement will also have to be signed by the Senior Vice President (SVP) of the Risk Management Division.

5.4 PROGRAM INCOME

Program income includes but is not limited to income from fees for services performed, the use or rental or real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. Program income does not apply to fixed amount awards.

Program income (if anticipated) will be managed in accordance with USAID regulations. It may be used to finance the non-federal share of the award with the approval of the COP or his/her designee. Grantees shall apply the standards set forth in the USAID regulations to account for program income related to projects financed in whole or in part with USAID funds. Language from the USAID regulations

related to program income will be incorporated into the grant agreement, if applicable. Note that per the changes to the program income standard provision dated June 2012, for commercial organizations (for-profit), program income must be deducted from Chemonics' contribution to the grant. For example, if we would like to award a grant of USD \$100,000 and the grantee is expected to generate USD \$10,000 in program income, the total grant award should be USD \$90,000.

When project staff are evaluating an application or monitoring a grant, it is very important to understand and identify program income so that it is documented and tracked as required. The Required as Applicable Standard Provision, for standard and simplified grant entitled "Program Income" provides further guidance on program income.

5.5 ENVIRONMENTAL COMPLIANCE

SERVIR Support must comply with the environmental regulations of the respective countries where grant activities are to be implemented unless otherwise directed in writing by USAID. No activity funded under SERVIR Support, including grants, will be implemented unless an environmental threshold determination, as defined in 22 CFR 216, has been reached for that activity, as documented in the Initial Environmental Examination (IEE) or Environmental Assessment (EA) duly signed by the Bureau Environment Officer (BEO).

For more information, see ADS 303.4.1(h), which pertains to environmental procedures.

5.6 PRE-AWARD RISK ASSESSMENT (FINANCIAL AND ADMINISTRATIVE ASSESSMENT)

Per ADS 303.3.9, the recommendation or selection of an application for award by the SC, respectively, does not guarantee the award. The COP or his/her designee makes the final determination on the award and must be fully satisfied that the applicant has the capacity to adequately perform on the award. To do so, the Grants Manager, in close coordination with the Hub for regional grants programs, must conduct a pre-award risk assessment to establish if the grantee has the necessary management and technical competence to plan and carry out the grant. The Grants Manager is ultimately responsible for the overall pre-award risk assessment process as well as the results and verifying the findings of the assessment. Considering geographic proximity, it is expected that the Hub will play a substantial role during the pre-award risk assessment, including conducting the in-person pre-award risk assessment. No grant shall be awarded unless the project makes a positive determination or suggests mitigating measures regarding the management, technical, financial, and administrative capacity of the organization.

The nature of the pre-award risk assessment conducted will depend on the grant type, amount, duration, location, whether advances are authorized, and the potential grantee. For example, increased scrutiny of grantee financial accountability and reporting capabilities accompanies the use of grants with advances since the provision and reconciliation of advances on standard grants entails more sophisticated and detailed grantee financial reporting, and grantees must meet specific requirements to qualify for advances. Consequently, assessments for these grants will be particularly rigorous. Simplified grants and FAAs without advances entail a lesser management burden on the grantee and pose less risk for the SERVIR Support project, so the determination may require a less intense review format. The

Grants Manager will determine the extent of the pre-award risk assessment on a case-by-case basis depending on these factors. For a FAA, the USAID FAA Entity Checklist will be used. For other than FAAs, any pre-award risk assessments will include all the relevant information from the Non-US Organization Pre-Award Survey (NUPAS) contained in ADS 303.

The first step in any pre-award risk assessment is for the applicant to complete a self-assessment form. The form provides the basis for the formal pre-award assessment. The form also allows the opportunity for SERVIR Support to understand how the applicant views their own capacity and provides a document to cross reference when conducting the pre-award risk assessment. For example, if contradictory information emerges from the findings of the pre-award risk assessment from what was stated in the applicant's self-assessment, the findings should be discussed with the applicant in more detail.

As a mandatory part of the risk assessment, the Grants Manager must verify in writing three references for each applicant, as well as ensure that the applicant does not appear as a terrorist or other denied party listed in the System for Award Management (www.sam.gov) and a copy of the verification must be included in the grant file for each grant.

A formal pre-award risk assessment usually entails a visit to the applicant's office, though a visit may be made at any time during the application process and may also be completed virtually. During this visit, the Grants Manager and/or Hub team members, as applicable and feasible, will meet with the applicant's staff to learn more about the administrative and financial management systems, including overall systems, financial management practices and procedures, timesheets, travel, operations, monitoring and evaluation, etc. The Grants Manager will solicit and obtain:

- Copy of last annual financial report, income/losses report (balance) approved by licensed audit firm, if available
- Applicant Self-Assessment Form
- Copy of the organization's charter and by-laws (if first time applicant). If necessary, the Grants Manager may request at this stage the applicant to submit a list of members of the Board of Directors, summary of their role and functions in the organization, segregation of duties, and the applicable organizational policies, or other similar information instead of the full charters and by-laws. A copy of the organization's charter and by-laws would be obtained later during pre-award risk assessment if the applicant's full application is approved by the SC.
- Signed copies of the required certification package

Findings of the pre-award assessments will be compared with responses provided by the applicant within the self-assessment form.

If the Grants Manager decides that a visit to the applicant's organization to perform a pre-award risk assessment is not necessary, this decision must be made on the basis that sufficient information regarding the applicant has been collected, reviewed, and found satisfactory. This must be approved in writing by the COP or his/her designee. Sources of information could include, but are not limited to:

- Documentation provided to SERVIR Support by the applicant (audit reports, operations manual, travel and personnel policies, procurement policies, etc.);
- The applicant submission of the SERVIR Support self-assessment form;
- Reference checks performed by the Grants Manager or designee, and;
- Applicant's history of receiving past USAID-funded grants or cooperative agreements. SERVIR Support must validate the applicant's past performance reference information based on existing evaluations to the maximum extent possible, and make a reasonable, good faith effort to contact all references to verify or corroborate the following:
 - How well an applicant performed;
 - The relevancy of the work performed under the program;
 - Instances of good performance;
 - Instances of poor performance;
 - Significant achievements;
 - Significant problems; and
 - Any indications of excellent or exceptional performance in the most critical areas.

The information must substantiate that the applicant:

- Has systems that comply with USAID's accountability and reporting requirements, including 2 CFR 200, Subpart E as applicable. If SERVIR Support determines that the applicant's administrative and financial systems are not in compliance with USAID requirements, the applicant must adopt and implement the systems recommended by SERVIR Support in order to be eligible for a grant award, or propose and implement other mitigating measures;
- Has the ability to comply with the award conditions, taking into account all existing and currently prospective commitments of the applicant, governmental and non-governmental;
- Has a satisfactory record of performance. Past relevant unsatisfactory performance is ordinarily sufficient to justify a finding of non-responsibility, unless there is clear evidence of subsequent satisfactory performance, and;
- Has a satisfactory record of integrity and business ethics and is otherwise qualified and eligible to receive a grant under applicable laws and regulations.

Depending on whether the applicant has existing relationships with USAID or it is new to USAID, or whether it is US or a non-US NGO, different documents are required for a risk assessment as indicated below:

A. Non-US Organizations that have been grantees or contractors under USAID or other US Government acquisition or assistance instruments.

In addition to references and the applicant's self-assessment form, in order to make a risk assessment for a non-US organization that has been previously determined responsible by USAID or another US Government Agency, the project may rely on the following information:

- Audits performed in accordance with USAID regulations;
- Signed copy of the applicable statutory and regulatory certifications in ADS 303.3.8;
- Quality of the applicant's history of performance on similar projects, including compliance with the terms and conditions of the funding agreement, and;
- Other information as may be necessary and appropriate, including a pre-award survey of the applicant's administrative and financial systems.

B. Risk Assessment for organizations new to USAID or organizations with outstanding audit findings.

Before making any decision, the Grants Manager, in close coordination with the Hub, shall conduct a thorough pre-award risk assessment. At a minimum, the assessment must be based on the same considerations as in paragraph A above. The program must obtain the following information from organizations that fit in this category, when appropriate:

- Copies of the applicant's audited financial statements for the last three-year period, which a certified public accountant or other auditor satisfactory to USAID has audited, if applicable
- Projected budget, cash flow, and organization charts
- Copies of applicable policies and procedures (for example, accounting, purchasing, property management, personnel), if the Grants Manager determines that they are necessary.

Depending on the result of the risk assessment, the Grants Manager will present the revealed information and make the following recommendations to the COP or his/her designee:

- The grant application is approved as presented
- The grant application is not approved
- The grant application is approved in a reduced amount and/or with specific conditions

- A different grant type is selected

The risk assessment and financial assessment will state what steps, if any, are necessary to bring the applicant's administrative and financial systems into full compliance with Chemonics and USAID standards for control and accountability of funds (i.e. specific conditions). Prior to disbursing the first advance or reimbursement tranche, the Grants Manager will confirm whether the grantee has adopted and/or implemented the recommended systems and procedures, if any, in order to exercise effective control over, and accountability for, funds, property, and other program assets.

5.7 USAID GRANT APPROVAL

All grants must receive in writing USAID approval. By approving this grants manual, the TOCO delegates his grant selection approval in Section C.7 of the REPLACE IDIQ to the TOCOR.

The Grants Manager or designee will request USAID approval by submitting the memorandum of negotiation, and if applicable, the environmental clearance request to the TOCOR for approval by the environmental officer. The TOCOR shall provide technical concurrence and approval.

All approval requests will be submitted via email. TOCOR approval may be provided via email rather than by signed letter. All emails will be saved in the electronic and physical files of the program.

After USAID approval is received, the Grants Manager will then finalize the grant agreement package for the signatures and inform the grantee, in close coordination with the Hub for regional grants programs. If USAID does not approve a grant award, the applicant's organization will be notified in writing.

5.8 GRANT AGREEMENT REVIEW AND SIGNATURE

The Grants Manager or designee, in coordination with the Hub, will inform the successful applicant of the award in writing and will send the grantee two copies of the grant agreement in the applicable format. The grant agreement must be in English, or side-by-side with the local language, however with English as the prevailing language.

The Grants Manager and relevant members of the Hub team will meet with the grantee, either in person or via teleconference, to discuss the terms and conditions of the agreement, relevant USAID and other US Government regulations, and relevant SERVIR Support grants procedures, including but not limited to those relating to mutual expectations during grant implementation. This is to ensure full understanding on the part of the grantee, SERVIR Support staff, and the Hub regarding how the implementation shall proceed and to ensure that the agreement accurately reflects this understanding. The grantee must fully understand and accept all aspects of the grant agreement and will have the opportunity to ask any questions.

After discussion with the grantee, the grantee will sign and send the two completed copies of the grant agreement to the Grants Manager who will obtain the signature of the COP or his/her designee, on behalf of Chemonics up to the amount under his delegation of authority. If the grant agreement exceeds the threshold in the COP's or his/her designee's delegation of authority, the grant agreement will be

signed by the SVP for the Risk Management Division, assuming the grant package has been previously reviewed by the home office prior to grantee signature as mentioned in Section 5.3.3. One original copy of the agreement will be sent to the grantee and the other will be kept on file in the SERVIR Support office. The project will also keep accurate electronic files.

5.9 BRANDING AND MARKING PLAN REQUIREMENTS

Per the Mandatory Standard Provision 9 and 2 (for FAAs), Chemonics will ensure that the grantee follows the approved branding and marking plan for the prime contract. Should there be any deviations, exceptions and/or waivers to the approved prime contract plan, we will seek USAID approval with the submission of the grant package. All grant agreements will include a branding and marking plan, specific to the grant activities. The Grantee will develop their branding strategy and marking plan using a template provided by Chemonics, and the branding and marking plan will be included as an annex to the grant agreement. The branding and marking plan should be developed with the assistance of the SERVIR Support Communications Lead and Hub Communications Specialist. SERVIR Support will negotiate the final branding strategy and marking plan with the applicant before signing the grant agreement to ensure it is in full accordance with USAID policy in ADS 320. The finalized plans will be incorporated into the resulting grant agreement.

It is the responsibility of the Grants Manager to ensure the grantee branding and marking plan is consistent with the larger SERVIR branding and marking plan.

For internal and external documents directed at audiences in USAID/Washington, USAID stakeholders (including other US government agencies), nongovernmental organizations, contractors, and researchers, documents will follow standard USAID branding guidelines as they will not impact branding with the project's primary audience.

5.10 ANTI-TRAFFICKING COMPLIANCE PLAN

For any awards that exceed the local currency equivalent of USD \$500,000, the grantee must submit to Chemonics the signed "Certification Regarding Trafficking in Persons, Implementing Title XVII of the National Defense Authorization Act for Fiscal Year 2013" prior to award and annually thereafter and the grantee must also submit an anti-trafficking compliance plan to prevent the activities described in the certification. The grantee must submit the anti-trafficking compliance plan as soon after award as possible and annually thereafter and must post the contents of the plan and related materials at the grantee work place and on its website (if applicable).

5.11 REQUIRED GRANT DOCUMENTATION (GRANT FILE)

The Grants Manager will be responsible for preparing and maintaining hard-copy and electronic grant files. The grant file must be comprehensive and must contain all documentation pertaining to the grant and describe in sufficient detail how the grant originated; document the solicitation, selection, evaluation, and award process; document necessary project and USAID approvals; and provide the implementation history (reports, financials, site visits, etc.) and the evaluation of the grant results. This documentation includes a detailed memorandum of negotiation prepared for each grant. The grant award file

documentation checklist must be printed and included in every grant file. It will be expected that a related (mirrored) soft copy file will be created to store digitized grant files.

SECTION VI – GRANT IMPLEMENTATION PROCESS

This section describes the implementation and grant management processes undertaken by the grantee and SERVIR Support once the grant agreement has been signed.

To the extent that Chemonics has adhered to the processes set forth in this manual, Chemonics shall not be liable for grantee violations of the grant agreement, omissions, or incorrect statements or documentation. If Chemonics discovers such violations, omissions, incorrect statements or documentation on the part of the grantee, Chemonics shall take reasonable steps to remedy the situation with the grantee and inform others as appropriate. While Chemonics is not disclaiming liability writ large for Grants Under Contract implemented on USAID’s behalf, Chemonics cannot be held liable for individual grantee violations of the grant agreement, omissions, incorrect statements or documentation. Chemonics implements its Grants Under Contract programs in accordance with the terms and conditions set forth in the grants authorizing language, per ADS 302. Additionally, as is the case with most Grants Under Contract programs administered, most grantee organizations are those that would otherwise not directly qualify for a USAID grant, mainly because they don’t have the requisite systems in place. USAID has contracted Chemonics, through SERVIR Support, to implement Grants Under Contract to make up for the grantee’s deficiencies by providing extensive capacity building support. However, given the nature of the organizations that receive GUC, Chemonics should not be placed in a position to accept all of the risk for individual organizations’ failure to abide by the terms and conditions of their agreements.

After the commencement of grant activities, if deemed necessary and depending on the capacity of the grantee, SERVIR Support, in coordination with the Hub, will organize a post-award orientation workshop for grantee personnel to address all concerns related to grant implementation, including financial management of the grant, training and technical assistance in order to ensure that the grantees fully understand their roles and responsibilities, and all required rules and regulations that govern the implementation of the grant activities (related US Government rules, Chemonics standard procedures and policies, and other requirements). These can be considered “kick-off” workshops tied to the signing of the grant agreement. The need for post-award orientation workshops will be assessed on a case-by-case basis, and will be done in groups of grantees where possible. Where feasible, the workshops can be conducted in-person by SERVIR Support with the Hub; if not, the Hub will conduct the workshop with planning support and remote participation of the SERVIR Support Grants Manager.

6.1 IMPLEMENTING AND RESPONSIBILITIES

Grantee implementation responsibilities: Consistent with the terms and conditions set forth in the grant agreement, the grantee agrees to comply with all policies, procedures, and stipulations contained in their grant agreement. The grantee must give full cooperation to SERVIR Support and Hub staff in the oversight of the grant. The grantee will submit requests for reimbursement or liquidation reports on a periodic basis as specified in the grant agreement when applicable.

SERVIR Support & Hub implementation responsibilities: Upon grant signature, SERVIR Support will begin to exercise its management responsibilities, in close coordination with the Hub. The Grants Manager and designated Hub staff member(s) will oversee the performance of the grant through review of deliverables, site visits, and regular review of financial reports. The Grants Manager will oversee the grant management and financial reporting while the Hub's technical team (with support from NASA) will be the main point of contact for the grantee technically and provide technical oversight ensuring timeliness in presentation of milestones.

The Grants Manager is responsible for reviewing grantee financial reports, processing all payments in a timely and compliant fashion, monitoring grant expenditures, completions, de-obligations, and cash flow to track funds availability and grant pipelines. The Grants Manager also plays an important role in procurement, as they are tasked with ensuring timely and compliant in-kind procurement, and delivery and inspection of all goods and services, including technical assistance, which are procured by SERVIR Support on a grantee's behalf. Close coordination with the Hub's technical team will be needed to ensure adequate planning for grant implementation needs.

In addition to working with the Hub's technical team, the Grants Manager will coordinate with the Hub's and SERVIR Support's M&E Specialists and Communications Specialists to obtain necessary M&E data and success stories as well ensuring compliance with the branding and marking plan.

6.2 MONITORING AND EVALUATION

The SERVIR Support project will use a variety of mechanisms to monitor grantees' performance, including evaluating end-of-activity results, conducting site visits of activities underway (generally, this will need to be completed by the Hub), and reviewing periodic reports. Grantees are required to report data to feed into the Hub's M&E Plan. In addition, the Grants Manager will use the activity tracker to monitor the dollar amounts, gender base of organizations/individuals, progress percentage for each grantee, and activity/intervention and type of each grant agreement.

It is expected that grantee M&E data will be tracked in the SERVIR Support M&E database. The M&E Specialist will ensure that all of the required data for monitoring is entered in the system.

The grantee is required to submit to the project periodic narrative and financial reports, as detailed in the grant agreement and as requested by SERVIR Support, in coordination with the Hub. These reports are key to the transparency, accountability, and responsibility that must be maintained for a mutually beneficial arrangement between SERVIR Support, the Hub, and the grantee during the duration of the grant. These reports are important management tools allowing SERVIR Support and the Hub to monitor the grantee's program performance. SERVIR Support reserves the right to contract with outside evaluators and auditors to perform audits and assessments of the grantee's program implementation with respect to expenditures, results achieved, and other measures of performance.

The Hub's technical staff and Grants Manager are responsible for verifying that reports are received on time, reviewing them for completeness, and monitoring progress against set benchmarks. If there are problems in implementation, a report is incomplete, and/or the verifiable program milestones have not

been met, SERVIR Support will decide the appropriate action to be taken in coordination with the Hub, including but not limited to termination of the grant, a financial review or audit, and/or legal action.

The grant agreement will specify the reports required for a given grant.

6.3 FINANCIAL CONTROL SYSTEMS

Each grantee shall establish appropriate accounting and financial control systems for the grant, including, but not limited to:

- For advances: the grantee must open a separate bank account for the purpose of depositing and expending the disbursed grant funds prior to receiving the first payment. It is recommended that a separate bank account be used for depositing and expending the disbursed grant funds, even when advances are not issued. The account name must be the official name of the grantee. No other funding shall be deposited into this account and no expenditures shall be paid for from this account, which are not for eligible costs under the grant agreement. No funds disbursed under the Agreement may be transferred to other bank accounts owned by the grantee that contain funds from any source other than SERVIR Support. The account number and names/titles of those employees who have signature authority over this separate checking account shall be provided to the Grants Manager by the grantee upon the opening of the account.
- Standard and simplified grant recipients must establish a segregated financial accounting system that will effectively and properly record and report the deposit and expenditure of all funds disbursed, in accordance with the Mandatory Standard Provision entitled “Accounting, Audit, and Records (December 2012)” per USAID's established guidelines. The Grants Manager will verify that a segregated financial accounting system exists as part of the pre-award risk assessment discussed in Section 5.6, above and take into account any high-risk grantees.
- All grantees must submit a Foreign Tax Report on or before April 5th of each year.
- For grantees receiving advances, per the Standard Provision entitled “Advance Payment and Refunds (December 2014” or “Fixed Amount Award (name was not changed in regulations update but should read Fixed Amount Award) Advance Payment and Refunds (June 2012)”, all interest and other refunds received hereunder will be made to a special, non-commingled, interest-bearing account established by the Contractor (the "Separate Account"). The grantee may retain USD \$250 of interest earned in a twelve month period. Additional interest beyond USD \$250 must be returned to Chemonics.

6.4 GRANT DISBURSEMENT PROCEDURES

Grant funds for local organizations in the respective regions SERVIR Support will be working with as well as for international grantees will be disbursed by direct wire transfer to the grantee bank account, based on a disbursement schedule presented and agreed to by SERVIR Support for allowable costs and/or achievement of milestones, based on the type of grant. The payments will be disbursed in either

local currency or US dollars using the exchange rate for the date on which the payment request is approved. Wire fees and exchange rate adjustments for grantees will be built into grant budgets.

In the case of an in-kind grant, disbursements may be made directly to a supplier. In the event that there is a need for financial disbursements in cash under an FAA, we will put measures in place to securely transfer funds to the grantee. The various types of grant instruments have corresponding payment methods, described as follows.

6.4.1 PAYMENT VIA TRANCHE UPON THE ACHIEVEMENT OF MILESTONES (FAAS)

This is payable to the grantee in accordance with the tranche payment schedule contained in the FAA and upon submission of an approved milestone.

- Tranche payments will not be made until the grantee, the Hub COP or designee, and the Grants Manager have approved completion of the milestones. Tranche payments are linked to tasks and the achievement of an agreed-upon milestone.
- All payments must be supported by a grantee certification that the respective milestone has been successfully achieved (i.e., Grant Tranche Payment Request form). SERVIR Support reserves the right to independently verify the milestone.
- All requests for reimbursement must correspond to a tranche payment specified in the grant agreement and must be processed using the Grant Tranche Payment Request form.
- SERVIR Support has the right to inspect the grantee's financial records to ensure the reimbursement payments agreed upon represent the actual amount incurred by the grantee in meeting the milestone.

An initial soft milestone payment may be provided to the grantee to provide financial liquidity and allow the grantee to start activities. The initial milestone payment cannot be for more than one month's worth of grantee expenses, 30% of the total budget, or USD \$150,000, whichever is less. Any exception to this policy must be approved in advance by Chemonics' CFO, who may also approve advances in exceptional cases.

6.4.2 PAYMENT VIA EXPENSE REIMBURSEMENT (SIMPLIFIED AND STANDARD GRANTS)

This is payable to the grantee upon presentation of bona fide receipts for allowable expenses incurred and a program progress report, if required. SERVIR Support will issue a reimbursement to grantees with simplified and standard grants without advances based on costs incurred as verified by receipts when the grantee submits to SERVIR Support a completed Standard and Simplified Grant Reimbursement Request form along with the documentation listed below:

- *Budget statement:* This is a budget summary statement the grantee provides SERVIR Support (in the format the project provides to the grantee at the time the grant agreement is signed) indicating the

cumulative expenses against the approved budget. The figures in this summary report must match the “detail of monthly expenses” and the approved grant budget.

- *Detail of expenses:* The grantee is required to provide SERVIR Support the detail of expenses (in the format the project provides to the grantee at the time the grant agreement is signed), which reports details of the grantee’s expenses, including: the expense voucher and debit/credit note number, date, description, net amount, withholdings, and gross amount. The figures in this report should be consistent with those reported in the “invoice/budget statement” and support the achievement of the associated milestone.
- *Supporting documentation:* This shall include expense vouchers with originals of check and support documentation for each expense, as well as debit and credit notes with appropriate support. Originals can be retained by the grantee if required by local law, but if the project is receiving copies, originals should be submitted by the grantee (potentially via the Hub) so that the Chemonics project reviewer may certify the copies for accuracy, and then originals can be returned to the grantee. Supporting documentation for expenses will consist of official vendor invoices and receipts. Any documentation not supported by an official invoice or receipt must contain an explanation as to why that is the case.

Once received from the grantee, the Standard and Simplified Grant Reimbursement Request form with all supporting documentation will be reviewed and approved by the Grants Manager and Hub COP or designee. The request will either be approved or processed as submitted, or returned to the grantee for further clarification and/or documentation. The grantee will normally receive reimbursement within two weeks after the above documentation has been reviewed and approved.

6.4.3 PAYMENT VIA ADVANCE

If advances are authorized, it is most often under a standard grant but on an exceptional basis, advances may be authorized on simplified and FAAs with advance written approval from Chemonics’ CFO. In all cases, advances will only be disbursed when the grantee meets the financial qualifications for advances, as assessed during the pre-award risk assessment and upon approval by the COP or his/her designee. This is payable to the grantee in the form of an advance that the grantee will liquidate by subsequent presentation of bona fide receipts evidencing payment for the allowable expenses incurred and a report of program progress. Advances may not be for more than 30 days’ worth of expenses. Note that the final payment should be reimbursement rather than an advance.

Requests for advance shall be sent to the Grants Manager on a monthly basis or according to a schedule established by the grant agreement, and consists of the following documentation:

- *Grant Advance and Liquidation Form:* This form accounts for the use of advanced funds during the preceding period and projects cash requirements for the coming period. The figures in this report should match the “detail of monthly expenses” and the financial reports, and the amount requested must be in accordance with the approved budget. The form, which includes a brief report of the activities undertaken for the reporting period, is signed by the grantee.

- *Budget statement:* An electronic format in Excel will be provided to each grantee to report cumulative expenses against the approved budget.
- *Detail of monthly expenses:* Unless the grantee has an acceptable alternative form to detail transactions, an electronic format in Excel will be provided to the grantee to report details of monthly expenses, including: the expense voucher and debit/credit note number, date, description, net amount, withholdings, and gross amount.
- *Financial reports:* These will include the grantee's regular organizational financial reports, such as trial balance, balance sheet, and profit and loss statement generated by the accounting system, for the period being reported.
- *Supporting documentation:* This is supporting documentation for the liquidation of the advances. It shall include expense voucher with copy of check and support documentation for each expense, as well as debit and credit notes with appropriate support. Supporting documentation for expenses will consist of official invoices/receipts. Any documentation not supported by an invoice/receipt must contain an explanation about why an invoice/receipt is not being provided. For purchases over USD \$1,000, grantees are required to include evidence of the procurement process (at least 2-3 quotes and comparative chart) with the submission of their invoice.
- *Bank reconciliation:* From the previous month of the reporting period. This shall include a copy of the bank statement, check detail report generated by the accounting system for the period being reported, and reconciliation report.
- *Updated quarterly list of assets:* If permitted to conduct procurement per the grant agreement, the grantee shall report any equipment and vehicles procured with SERVIR Support project grant funds during the reporting period. This list shall include the following information, and be included in the grant tracker:
 - Description of the equipment
 - Manufacturer's serial number, model number, stock number, or other identification number
 - Source of the equipment, including the award number
 - Confirmation title vests with the grantee
 - Acquisition date (or date received, if the equipment was furnished by SERVIR Support) and cost
 - Location and condition of the equipment and the date the information was reported
 - Unit acquisition cost
- *Updated payroll list:* This report will include full name of each grant-funded employee, position, start date, contract termination date, and salary.

Once the advance is authorized, SERVIR Support will issue a wire or check to the grantee's bank account. The grantee will normally receive its advance two weeks after the above documentation has been approved by the Grants Manager and the Hub COP or designee. Errors in documentation may lead to delayed disbursements.

6.4.4 PAYMENT VIA DIRECT VENDOR PAYMENT (ALL GRANT TYPES)

SERVIR Support may purchase goods and services to be provided to a grantee in-kind and will handle all quotations and contracts related to the purchase. For grantees with sufficient capacity to obtain their own quotations, SERVIR Support may also issue payments directly to the vendor(s) on behalf of a grantee for goods and/or services delivered to the grantee. In such cases, the grantee must be able to demonstrate that: (a) the goods or services are clearly specified in the approved grant application and are contained in the final grant agreement budget, (b) the goods or services are allowable, allocable, and reasonable, (c) the source selection was based on adequate price competition, and (d) items or goods meet USAID-specified SERVIR Support source and nationality requirements. Geographic code for SERVIR Support is 937. Arrangement for direct payment will be made by the Grants Manager or designee, in accordance with generally accepted good business practices and Chemonics' procurement policies and procedures. If this option is pursued, Chemonics will independently verify all quotations in advance of payment.

Payment will be made based on bona fide invoices which have been endorsed by the grantee organization, including a signed statement by the grantee organization, confirming that the goods and services have been received from the vendor. In certain instances, an advance or deposit may be provided to the vendor, so as to facilitate prompt action. In such cases, such payments may be authorized against the documentation specified above and the process of the grantee engaging in the procurement process must be approved prior to the grantee engaging in the procurement and incurring cost. Failure to do so may result in SERVIR Support's withholding or questioning payment.

6.5 AUDIT AND RECORDS MAINTENANCE

The grantee shall assume full responsibility for effective and proper administration of funds. SERVIR Support reserves the right to audit the grantee as described herein, and in the grant agreement. For standard and simplified grants, pursuant to the non-FAA Standard Provision entitled "Accounting, Audit and Records (December 2014)," (applicable to non US organizations), under a standard or simplified grant, if the grantee expends more than USD \$300,000 in USAID funds in the grantee's fiscal year, SERVIR Support shall conduct an audit, the cost of which may be paid from the grant. To comply with these guidelines, SERVIR Support will, when necessary, include "audit costs" in the approved grant budget. SERVIR Support will retain the services of an Inspector General-approved auditing firm to conduct these audits.

SERVIR Support reserves the right to conduct an audit or financial review of the grant, for any grant type, at any time for any reason. The grantee shall maintain books, records, documents, and other evidence relating to the USAID grant in accordance with generally accepted accounting principles formally prescribed by the United States and the respective country where the grant is being implemented to sufficiently substantiate charges to the grant.

The grantee's accounting records shall be made available to SERVIR Support, Chemonics and/or USAID or their designees for review for up to three years after the submission of the final reports, according to the terms of the grant agreement.

6.6 PURCHASE OF PROPERTY, COMMODITIES, AND SERVICES

There are two possibilities for procurement of goods and services by a grantee, which are as follows:

1. If the grantee has sufficient capacity to conduct a procurement themselves, per the Mandatory Standard Provisions entitled "Procurement Policies" (June 2012), "USAID Eligibility Rules for Procurement of Commodities and Services" (June 2012) and "Title to and Use of Property" (December 2014), the grantee may procure themselves but advance approval from SERVIR Support is required for any transaction of USD \$3,500 or above. SERVIR Support will review the procurement documentation (listed below) prepared by the grantee. Equipment purchased directly by a grantee will adhere to appropriate governing restrictions including the source and nationality requirements set forth in 22 CFR 228 and the standard provisions. The authorized geographic code for procurements of goods and services conducted by the grantee is 937 regardless of the value of the procurement. The project will review the following procurement documentation and provide advance written approval for any transaction of USD \$3,500 or more:
 - a. Specifications for the equipment/scope of work for services
 - b. At least three quotations from suppliers or service providers
 - c. Memo with summary of competitive process, description of evaluation, and recommendation for selected vendor
2. If a grantee does not have sufficient capacity to procure property, commodities, and services, Chemonics will procure the property, commodities, or services and provide it to the grantee in-kind with a deed of donation. Equipment purchased directly by Chemonics will adhere to appropriate governing restrictions including the source and nationality requirements set forth in 22 CFR 228 and the SERVIR Support authorized geographic code.

Equipment purchased under a simplified grant must have a shelf life of less than one year, and/or cost less than the equivalent of USD \$5,000; however, equipment purchased under a standard grant and an FAA are not subject to the same restriction.

Title to and final disposition of all equipment will vest with the grantee upon successful completion of grant activities and after Chemonics has provided a deed of donation and, for standard, in-kind, and simplified grants, established a property disposition plan in coordination with the grantee. A form entitled, "Grant Completion Certificate and Property Disposition Report/Deed of Donation" will be used for this purpose.

If the grantee (under authorization from SERVIR Support) procures equipment valued at USD \$500 or more, the grantee must record and report all payment of taxes assessed by the Government of the respective country where the grant is being implemented related to the commodity purchase transaction(s). The reporting requirements are contained in the Required as Applicable Standard Provision (RAASP) entitled “Reporting Host Government Taxes”. With this in mind, considering the global nature of the project and that it is managed out of Washington, DC, Chemonics will generally not be tax exempt in the context of the grants program. If for whatever reason our grantees incur tax, they have to report on it as per the RAASP that we would include. If they don’t incur taxes, the RAASP would not apply.

Unless otherwise specified in the Grant Agreement, non-expendable equipment (less than USD \$500 per unit) previously identified and budgeted in the grant does not require SERVIR Support approval prior to purchase. However those not previously identified and budgeted in the grant do require SERVIR Support prior approval.

SECTION VII. MODIFICATION, SUSPENSION, AND TERMINATION OF GRANTS

7.1 MODIFICATIONS

The SERVIR Support project may modify a grant at will. Normally, any modification of a grant agreement requires the mutual written endorsement of the grantee and the SERVIR Support COP or his/her designee in the form of a grant agreement modification. All modifications require a memorandum of negotiation to be completed by the Grants Manager.

Types of Modifications:

- **Unfunded Modifications:** A written modification will be issued when there is a need for material alteration of a programmatic aspect of an agreement and when there is no impact on cost. This assumes that approved funds are still available. An illustrative example is when the achievement of the objective is in jeopardy and as a result of joint discussions; a plan for corrective action is developed. That plan would be sanctioned by issuance of the modification. Another example is a modification to the start date of the activity or completion date to provide an extension in the event that unforeseen circumstances outside the control of the grantee impede the grantee’s ability to meet the implementation plan timeline. The Grants Manager will prepare the grant agreement modification notice in collaboration with the Hub, and the SERVIR Support COP or his/her designee or SVP for the Risk Management Division (according to the approval threshold) will sign.
- **Funded Modifications:** All modifications — technical or otherwise — that increase the value of a grant by more than 10 percent of the total approved grant amount must be approved by the Hub COP or designee, Grants Manager, COP or his/her designee or SVP for Risk Management (depending on the threshold), and subsequently USAID. Any increase to the total estimated award of a grant requires justification in accordance with one of the exceptions to restricting eligibility.

All requests for a cost modification must be processed in accordance with the following criteria:

- Funded modifications will only be considered to address compelling, extreme circumstances that jeopardize the achievement of an activity objective(s).
 - Poor planning by the grantee is not an acceptable rationale for requesting a cost modification.
 - Cost modifications must be supported by a revised financial plan detailing the original approved line items, the revised line items and expenditures to date. Revised financial plans will be analyzed for soundness and completeness, with respect to the allowability of expenditures to date.
 - A cost increase must always be driven by a revised implementation plan — not vice versa.
 - The project must re-check the System for Award Management (SAM) database
- **Budget realignment:** All modifications that result in budget line-item adjustments, but do not increase the overall budget amount, require the written approval of the COP or his/her designee, depending on threshold, after consultation with the Hub and Grants Manager.

A grant agreement modification must conform to the format and content of the original grant agreement and be executed in two original copies (one for the grantee, one for SERVIR Support).

7.2 ALTERNATIVE DISPUTE RESOLUTION

In the event that any dispute arises concerning any aspect of a grant agreement that is not specifically addressed in the Terms and Conditions, it is hereby agreed that the matter will be presented to the SC and the COP or his/her designee, and such committee and COP or his/her designee will be the final and binding arbitrator of such dispute. The TOCOR and TOCO will be informed of all arbitration decisions.

7.3 TERMINATION AND SUSPENSION

Per the grant agreement, SERVIR Support and/or USAID reserve the right to terminate or suspend a grant for any of the reasons listed below. If termination or suspension is considered, it should only be undertaken after a full discussion with the USAID TOCOR and TOCO or designee, SERVIR Support' COP or his/her designee, the Hub, and the Grants Manager. USAID retains the right to terminate grant activities unilaterally in extraordinary circumstances.

Termination and suspension may be:

- **With consent of grantee:** SERVIR Support may terminate or suspend the grant, in whole or in part, with consent of the grantee. Both parties shall agree upon termination/suspension conditions, including effective date and, in case of partial terminations, the portion of the award to be terminated. The bilateral agreement to terminate will be in writing.

- **Upon request of the grantee:** The grantee may terminate the award in whole or in part upon sending a written notice to SERVIR Support. The notice must specify the reason for termination, the effective date, and, in case of partial termination, the portion to be terminated.
- **For convenience:** SERVIR Support may terminate or suspend the grant, in whole or in part for any reason based on the convenience of SERVIR Support or USAID. Under a termination for convenience, depending on the grant type, SERVIR Support will pay for all costs incurred or milestones achieved at the time of termination and a pro-rata share of any deliverables or costs in progress.
- **For United States national interest:** If at any time USAID determines that continuation of all or part of the funding for a grant should be suspended or terminated because such assistance would not be in the national interest of the United States, or would be in violation of an applicable law, USAID may instruct SERVIR Support to suspend or terminate the grant in whole or in part on an immediate basis.

Where possible SERVIR Support will attempt to provide the grantee with 15 days advance notice of any suspension or termination. The length of suspension may be specified or processed on an open-ended basis.

If the grant is terminated for any reason, the project may request that the equipment and any remaining funds at the time of termination be returned to SERVIR Support (via the Hub) within 7 calendar days.

Reasons for termination include:

- **Termination for material failure:** SERVIR Support may terminate or suspend the grant at any time, in whole or part, upon written notice to the grantee, whenever it is determined that the grantee has materially failed to comply with the Terms and Conditions of the award. Termination should only be invoked when all other corrective measures have failed. If an activity is well designed, then failure to achieve the objective will most likely result from either a wholly unanticipated event or condition or negligence on behalf of the grantee.
- **Financial insolvency of grantee:** USAID and/or SERVIR Support have the right to terminate in whole or in part, or suspend payments should the grantee become insolvent during performance of the activity.
- **For convenience:** Described above.

Procedures for Termination:

- Termination or suspension initiated by SERVIR Support:
 - **Step I:** The Grants Manager, in coordination with the Hub, will present the case for Termination or Suspension to the SERVIR Support COP or his/her designee.

- **Step 2:** If the COP or his/her designee approves, a letter will be sent to the grantee outlining the problems observed and providing an explanation of a possible Termination or Suspension of the grant and soliciting to present solutions to resolve the problem(s). USAID will be copied on the letter.
 - **Step 3:** The grantee will have five days to respond in writing. During this period the grantee may analyze options with the Hub and Grants. SERVIR Support and Hub staff are not authorized to commit the project to any course of action other than that determined by the COP or his/her designee in his letter to the grantee.
 - **Step 4:** Upon receipt of a written response from the grantee, or in the absence of a written response within the five-day period, the COP or his/her designee, in consultation with the Grants Manager, the Hub, and the USAID TOCO or his/her designee, will make a final determination as to termination or suspension and the conditions and timing for such termination and suspension. Once the decision is made, another letter will be sent to the grantee informing the grantee of the final determination and stipulating the last date by which eligible grant expenses may be incurred and under what conditions additional disbursements, if any, will be permitted.
 - **Step 5:** The grantee may seek arbitration by presenting a written request for arbitration to the COP or his/her designee within three days, using the procedures described in Section 8.2 above. Pending a determination by arbitrators, grant expenditures will be deemed allowable and eligible as per the COP's or his/her designee's termination or suspension letter. Any expenditure not allowed by the COP or his/her designee in his termination or suspension letter may be allowed if decided by the Chemonics Senior Vice President for the Latin America and Caribbean region based upon the recommendations by the arbitrators.
- **Termination or suspension initiated by grantee:**
 - **Step 1:** The grantee may present the case verbally to the Hub and/or Grants Manager. With or without such consultations, the legal representative of the grantee will in writing, request for termination or suspension to the SERVIR Support COP or his/her designee, with his/her arguments for the necessity of that action, and proposed terms (timing, eligible costs, etc.) for termination or suspension.
 - **Step 2:** The COP or his/her designee will have five business days to respond in writing, during which time s/he will consult with the Hub, Grants Manager, the grantee, beneficiaries, or third parties. If the COP or his/her designee accepts the request for termination, s/he will outline the conditions for termination or suspension (timing, eligible costs, etc.). If the COP or his/her designee does not accept the request, s/he will outline actions to be taken to improve the likelihood of the grant activities achieving the results expected.
 - **Step 3:** The grantee will have five business days to respond in writing to SERVIR Support. During this period the grantee may analyze options recommended by the Hub and Grants Manager; SERVIR Support and Hub staff are not authorized to commit the project to any course of action other than that determined by the COP or his/her designee in his/her letter to the grantee. If the

grantee accepts the terms of termination or suspension of the grant in writing from the COP or his/her designee, a copy of the COP's or his/her designee's letter to the grantee and the grantee's written acceptance will be sent to the SERVIR Support TOCO and kept in the project files. If the grantee wishes to continue negotiations as to continuance, suspension, or termination, a written response must be presented to the SERVIR Support COP or his/her designee within five business days, with an additional five business days allowed for a written response from the SERVIR Support COP or his/her designee.

- **Step 4:** If either party feels the continuing of exchanges is not leading to a mutually successful outcome, i.e., if the grantee insists on termination or suspension, while SERVIR Support does not agree, the grantee may seek arbitration by presenting a written request for arbitration to the COP or his/her designee within three business days. The arbitrators will be asked only to determine whether or not termination or suspension is merited. Pending a determination by arbitrators, grant expenditures will be deemed allowable and eligible as per the Terms and Conditions of the grant. If the arbitrators determine that a termination is merited, at the discretion of the COP or his/her designee, this decision may be reviewed by Chemonics Senior Vice President for the Latin America and Caribbean region. If accepted by the COP or his/her designee, s/he will inform the grantee of the terms of termination or suspension, following the procedures outlined above in this section.

SECTION VIII. GRANT COMPLETION, CLOSEOUT, AND RENEWAL

8.1 GRANT COMPLETION DATE

All activities of a grant financed with SERVIR Support funds will be completed or cease on the grant completion date specified in the grant agreement, unless SERVIR Support provides approval of an extension in writing prior to the specified Grant Completion Date. In all cases, grants should be closed out rapidly upon completion of the grant activities so that unspent funds can be made available for new grants. It is recommended that grants are closed out within six weeks of the completion date.

For those grants nearing the project end date, grants should be scheduled to end at least three months before the end of the project in March 14, 2020 to ensure sufficient time and staff resources to successful close-out the grants program. Given the period of performance for this task order is four base years, with a one year option, from award execution, the current end date will be referenced as March 14, 2020, however, should the one-year option be executed the end date shall be updated to reflect March 14, 2021.

8.2 COMPLETION REPORT AND CLOSEOUT

Under the terms of the grant agreement, the grantee will be required to submit a completion report to SERVIR Support within the completion date of the grant (further details are listed below). The report will include the following sections:

- A. Technical narrative report section, to be reviewed and approved by the Hub COP or designee (with NASA input) and the Grants Manager. This section includes:
 - A summary of the activity objectives and achievements. A summary of the activity implementation process, lessons learned, and recommendations.
- B. Justification if any deliverable or milestone was not accomplished.
- C. Financial report section (depending on grant type). This section includes:
 - Grant funds reconciliation: Under grants with advances, the expenditures substantiated by the backup documentation should match the funds disbursed or the advances provided. The grantee shall reimburse SERVIR Support for any differences between disbursements and approved expenditures. SERVIR Support will follow up (letters, phone calls, and even site visits by the Hub and/or Grants Manager) with the grantees that have pending balances.
 - Inventory report and disposition plan for all goods over USD \$500.
 - Bank reconciliation report for grants with advances.

Most FAAs will include a final report or final deliverable instead of a completion report and this is within the completion date of the grant. Activities may stop 30 days before the completion date and then the grantee has 30 days to submit the completion/final report. The grant may include the cost of salaries to complete this report. Finally, the completion report shall be submitted to the Grants Manager for review and final approval. If the Hub COP or designee (with NASA input) or Grants Manager determines that the report is inadequate or incomplete, the report will be returned to the grantee for rectification and resubmission.

If the completion report is deemed acceptable and all other requirements have been met, the Grants Manager or designee will prepare a Grant Completion Certificate and Property Disposition Report/Deed of Donation, which upon signature by the grantee and the COP or his/her designee serves to formally close the grant file. All obligations (technical and financial) on both parties, with the exception of SERVIR Support's right of inspection and the grantee's record-keeping obligation (specified in the grant agreement), are deemed to be fulfilled.

SERVIR Support reserves the right to de-obligate funds under a grant agreement and demand that a grantee refund any amount of the grant that is found not to have been expended in a reasonable, allowable, and allocable manner by the grantee according to the terms and conditions of the grant agreement. This includes any amount that was paid to the grantee for expenses not actually incurred (i.e. not supported by acceptable supporting documentation), and unliquidated advance balances. All communications and other relevant documents must be maintained in the grant file.

In some cases, despite SERVIR Support's best efforts, SERVIR Support and the grantee may be unable to reach resolution regarding the final costs incurred and the grantee may be unwilling to sign the Grant Completion Certificate. In these cases, the Grants Manager shall document the file stating the efforts

made to reach resolution, the final costs incurred according to SERVIR Support's records, and the status against the achievement of technical objectives. This will serve to close out the grant file.

8.3 DISPOSITION OF EQUIPMENT

All equipment procured under standard, simplified, or in-kind grants, which include any single item having a useful life over one year and an acquisition cost of USD \$5,000 or more per unit in accordance with the definition of equipment in the Mandatory Standard Provisions entitled "Title to and Use of Property (December 2014)", will be included in the grant budget and grant agreement. All equipment listed in the grant must promote achievement of grant objectives, and final disposition will remain with the grantee upon signature of a deed of donation, following successful completion of the grant. If the grant is terminated for any reason, the project may request that the equipment be returned to SERVIR Support (potentially via the Hub) within 7 calendar days.

For non-expendable equipment valued at USD \$500 and higher, the grantee will be required to maintain an inventory and submit an inventory report and disposition plan for SERVIR Support's approval.

Under FAAs, for commodities that are incidental to milestone achievements, disposition of equipment occurs at the time of purchase by the grantee and title will vest with the grantee, unless otherwise stated in the grant agreement. For equipment that is purchased that is described as or included within the milestone, title to and final disposition will remain with the grantee following successful completion of the grant and upon signature of a deed of donation, unless otherwise stated in the grant agreement. Chemonics will provide the deed of donation as part of the grant close out procedures. A form entitled, "Grant Completion Certificate and Property Disposition Report/Deed of Donation" will be used for this purpose as discussed above.

8.4 FOLLOW-ON AWARDS

As an activity comes to closure, a grantee may request consideration for a follow-on grant. SERVIR Support processes requests for follow-on grants on a case-by-case basis, with the best interests of SERVIR being of paramount importance, and in full compliance with ADS 303.3.6.5, Restrictions to Eligibility discussed in Section 4.3.4. In cases where a grantee would like SERVIR Support to consider a request for a follow-on award, there are four primary considerations:

- First, the Hub's interest in continuing to work with the grantee through a follow-on grant
- Second, the request is based on a continuation of the current grant activity. In other words, the renewal does not present a major shift in technical focus or content from the original grant. If the shift is major, then the request is in fact an application for a new grant activity and the concept of renewal is negated.
- Third, it is expected that the grantee will have gained technical insight and built capacity by means of lessons learned during original grant implementation. As such, these lessons learned should be clearly evident in the renewal request and contribute to overall activity impact.

- Finally, it is assumed that the original grant will have included activity design and development tasks, and those costs were fully recovered. Therefore, the renewal should only contain modest design development costs required to absorb lessons learned into the renewal implementation plan.

In addition to the considerations above, renewal awards are subject to the same limitations specified in Section III regarding ineligible activities, funding limitations, etc. A follow-on award, defined as activities that are the same as or substantially similar to those included in a recently expired previous grant with the same entity, can be requested and processed similarly to a new application. Instead of completing a grant concept paper, the applicant should draft an email to SERVIR Support requesting renewal. Together with the Hub, SERVIR Support will conduct an evaluation of the request to assess:

- Grantee implementation performance with respect to technical work plan
- Whether results address critical needs of beneficiaries
- Whether program results further SERVIR's overall objectives, and the objectives of the Hub in particular
- Current SERVIR priorities and funding limitations
- Whether the renewal would assist the applicant to come to closure on defined objectives or transition to other funding source(s)
- Applicant administrative performance
- Applicant commitment to cost control
- Applicant responsiveness to SERVIR Support and Hub guidance and direction

If the SERVIR Support COP or his/her designee, in coordination with the Grants Manager and the Hub, determines that the renewal would be in the best interest of the project, the Grants Manager will authorize the applicant to develop a full application for SC consideration prior to the existing grant's end date. The application will be reviewed and approved, including USAID approval for the justification to restrict eligibility and the grant itself, using the same procedures contained in Sections V and VI. If SERVIR Support, with the Hub, determines that the renewal would not be in the best interest of SERVIR, the Grants Manager or designee will advise the applicant accordingly.