

32001707-301
A.I.D.
Reference Center
Room 1-100-40

PROJECT AUTHORIZATION

1. PROJECT NUMBER 921-13-950-017	3. COUNTRY: INTERREGIONAL PRR/TCO	4. AUTHORIZATION NUMBER 0010
2. PROJECT TITLE Asia Foundation General Support Grant 932 d17 d d d 43 d1		5. AUTHORIZATION DATE 29 APR 1970
7. LIFE OF PROJECT		6. FROM DATED 11/1/69

a. Number of Years of Funding: Continuing b. Estimated Duration of Physical Work
Starting FY 19__ ; Terminal FY 19 Continuing After Last Year of Funding (in Months): Continuing

A. FUNDING BY FISCAL YEAR (in U.S. \$ or \$ equivalent)	DOLLARS (Million)		P.L. 480 CCC + FREIGHT	LOCAL CURRENCY Exchange Rate: \$1 =			
	GRANT	LOAN		U.S. OWNED		HOST COUNTRY	
				GRANT	LOAN	JOINTLY PROGRAMMED	OTHER
Prior through Actual FY - 69	2,102						
Operational FY - 70	3,150						
Budget FY - 71	4,000						
B + 1 FY							
B + 2 FY							
B + 3 FY							
All Subsequent FY's							
TOTAL							

9. DESCRIBE SPECIAL FUNDING CONDITIONS OR RECOMMENDATIONS FOR IMPLEMENTATION, AND LIST KINDS AND QUANTITIES OF ANY P.L. 480 COMMODITIES

This is a financial assistance project of Asia Foundation programs. The Foundation plan and budgets its programs yearly. AID provides funds to support certain programs in which AID has a particular interest, The balance of the financing required is from State/CU grants and Foundation funds, including matching contributions in kind from Grant recipients. The amount of non-AID dollars and the value of in kind services, etc., varies with each program and each year.

10. CONDITIONS OF APPROVAL OF PROJECT

BEST AVAILABLE DOCUMENT

(Use continuation sheet if necessary)

11. Approved in substance for the life of the project as described in the PROP, subject to the conditions cited in Block 10 above, and the availability of funds. Detailed planning with cooperating country and drafting of implementation documents is authorized.

This authorization is contingent upon timely completion of the self-help and other conditions listed in the PROP or attached thereto.

This authorization will be reviewed at such time as the objectives, scope and nature of the project and/or the magnitudes and scheduling of any inputs or outputs deviate so significantly from the project as originally authorized as to warrant submission of a new or revised PROP.

A.I.D. APPROVAL	1/ CLEARANCES	DATE
	EA/DP, C. H. Breecher	4/8/70
	VN/PEP, R. Gordon	4/7/70
	NESA/DP, L. Smucker	4/16/70
SIGNATURE: <i>[Signature]</i> XXX Director, Office for Private Overseas Programs TITLE: _____ DATE: _____	C/BUD, H.H. Bower A-CONT	4/15/70

1/ Signed clearances are on file in PRR/PCS.

NONCAPITAL PROJECT PAPER (PROP)

A.I.D.
Reference Center
Room 1656 NS

Inter-Regional Project (managed by Office of Private Resources in behalf of EA, NESAs, and VN Bureaus).

Project No. 921-13-950-017

Submission Date: November 1, 1969 (Original)

Project Title: Asia Foundation General Support Grant

U.S. Obligation Span: FY-69 through FY- Continuing

Physical Implementation Span: FY-69 through FY- Continuing

Gross life-of-project financial requirements:

U.S. dollars..... \$3,645,745 (to date).....

U.S.-owned local currency..(non-add) \$43,000 converted to 5,674,000 in
Vietnam piastre

Cooperating country cash contribution.... the total is
significant, but hard to allocate closely.*

Other donor* State/CU grant of 400,000 FY-69; FY-70, \$600,000
(Proposed)

Totals \$4,045,745

(Plus the country and recipients' contributions as noted).

* The Foundation requires "matching" contributions by its grant recipients. These are in the form of funds, use of buildings or other assets, and personnel. They are described in detail on a project basis in the Foundation's semi-annual reports to A.I.D. These contributions are highly significant, in amount, and as evidence of the recipients' commitment to project objectives. But it is impossible to summarize them for a condensed table.

NONCAPITAL PROJECT FUNDING (OBLIGATIONS IN \$000)

PROP DATE Mo/Day/Yr
 Original Nov. 1, 1969
 Rev. No. _____
 Project No. 921-13-950-017

COUNTRY Project Title: Asia Foundation General Support Grant

Fiscal Years	Ap	L/G	Total	<u>Personnel Serv.</u> CONT
Prior through Act. FY <u>69</u>	TC	G	\$2,102	\$2,102 *
Oper. FY <u>70</u>			\$3,150 (proposed)	\$3,150 **
Budg. FY <u>71</u>			\$4,000	\$4,000 ***

* \$1.8 million general grant
 .302 million special projects

** \$2.8 million general grant
 .350 million special projects

*** \$4 million total (grant support
 plus special projects)

SUMMARY: To assist social and institutional development in the Asia region, A.I.D. is making annual general program grants to the Asia Foundation of San Francisco. Since 1954, this organization has carried out small-grants programs of technical assistance in Asian countries and in behalf of Asian regional development.

A.I.D.'s grants to this independent organization support the Foundation's ability to respond to private and government initiatives on projects compatible with A.I.D.'s general country and regional objectives in Asia.

A.I.D. supports Foundation activities in the following program areas

1. Education and human resources, including youth programs.
2. Law and public administration.
3. Book programs, library development, local publishing, and communications.
4. Regional cooperation and training.
5. Rural and provincial development.
6. Science and transfer of technology.

Many Foundation projects and grants in these areas foster voluntary, community and other non-governmental organizations which are vital to the development process, and which A.I.D. could not deal with directly.

A.I.D. follows and evaluates the Foundation's country programs by means of regular semi-annual consultations carried out in the field between the Missions and Foundation representatives. The Missions judge the extent to which Foundation activities contribute to country development objectives. The 10 "A.I.D. countries" involved are: Afghanistan, Ceylon, India, Indonesia, Korea, Laos, Pakistan, Philippines, Thailand, Vietnam. There is systematic audit and financial review of the Foundation's programs.

The main feature of this grant support is that initiative in programing, and execution, remain with the Foundation, which also sets its own relationship with the host governments.

A.I.D. believes that it can effectively strengthen the broad range of interests in the private sector through this type of indirect support. The Foundation's flexibility, and its capacity to work extensively through small grants with individuals and groups, make it a valuable supplement to regular A.I.D. programs.

B. SETTING OR ENVIRONMENT

A.I.D. is concerned, as a result of its own experience and Congressional decisions, to strengthen the private sector in the developing countries of Asia and elsewhere. This includes the whole broad range of non-governmental groups, from private business to cooperatives, voluntary social service groups, and professional associations. A.I.D. is enjoined by Congress to pursue these interests and itself increasingly recognizes how essential they are for progressive economic and social change. In 1966, Congress added Title IX to the Foreign Assistance Act, which more broadly and firmly than before affirms the necessity of encouraging democratic private and local governmental institutions. We also are instructed to make full use of American non-governmental organizations in working toward the objectives of the assistance program, whether to strengthen the private sector or other developmental purposes.

In fall 1967, the Asia Foundation, located in San Francisco, asked A.I.D. for grant support because the covert USG support it had been receiving until that year had ended. The Foundation had worked in countries of the Asia region since 1954, essentially through small-grant programs. This request - and a similar one made to the CU Bureau of State - had the endorsement of the Administration. The Foundation also was seeking to increase contributions to its work by private firms, foundations, and individuals.

A.I.D. decided to support the Foundation after reviewing its work and receiving generally strong endorsement from our Missions and Embassies in the countries where the Foundation is active. Although the degree of endorsement varied, most of the Missions stated the Foundation's programs and methods of operation made it a valuable supplement to Mission activities in some fields. It is particularly effective in encouraging social and institutional development, and broader participation in community and national life by private groups of many kinds.

Its operating flexibility, and its freedom to experiment and to deal directly with private individuals and organizations, were pointed out. Many of its projects are small undertakings that do not fit the frame of government-to-government assistance. Its Book Program for Asian Students was well known and widely admired (more than 7 million textbooks had been distributed); the Foundation had helped build up many specialized Asian libraries.

The Foundation was able to work, in behalf of development, with many groups and in many ways which A.I.D. itself, as an official agency of a foreign government, could not readily work. For this reason, A.I.D. decided to accept the opportunity to support the Foundation on a limited, and temporary (annually renewed) basis, while the organization seeks other support, including private sources in particular. The Foundation, working as an independent body, would help A.I.D. meet some of its objectives in Asian countries. It was felt to permit the Foundation's activities to end abruptly would be a distinct loss for these countries, and of ^{worthwhile} American links with them.

C. STRATEGY

1. Through this general support grant to the Asia Foundation, A.I.D. is utilizing the established position, operating methods, and contacts of the Foundation for programs related to A.I.D.'s objectives in particular Asian countries and with respect to Asian regional development.

The Asia Foundation is a valuable form of the American national presence in Asian countries from Afghanistan to Korea. It has an effective program and administrative structure, an impressive record of performance, and a set of policies and objectives which make it a logical instrument of U.S. Government policy.

Through small grants to individuals and organizations, the Foundation operates in a manner which makes it a valuable supplement to regular A.I.D. programs in the 10 countries concerned (see below, par. E). It has a tradition of administrative and program flexibility, and most of its projects are small undertakings of the type A.I.D., in its sphere, generally must avoid in concentrating resources for good program management. The Foundation's field offices can respond quickly to attractive opportunities and deal directly with institutions and individuals which approach them for support. The field representative can maintain relations with them for whatever period he sees fit.

As part of its "institution-building" approach, the Foundation requires its grants and other assistance to be roughly "matched" by the

recipient, whether with funding or contributions of time and other assets expressing commitment to the project objectives. Its support is withdrawn when indigenous sources can take over. It thus works to generate and focus local resources of individuals and groups, and to build on their initiative.

The Foundation has contacts and operating methods which it would take A.I.D. many years to develop. In many Asian countries, governments would not permit A.I.D. or any foreign government agency to pursue such direct contacts or carry out many of the Foundation's projects. An example is the Foundation's aid to reform the judicial system in Vietnam.

A.I.D.'s own technical assistance program consists of relatively large projects concentrated in number and range. While A.I.D. has given Mission Directors authority to make small special grants of the sort often required to meet objectives such as those of Title IX, and otherwise complement our regular program in NESEA and EA countries, and in Vietnam, the Asia Foundation has the staff and experience to work extensively at a level where official A.I.D. Missions often cannot work - with promising individuals, with new ideas in education and other fields that require incubation and small-scale trials, with beginnings of new programs that may be controversial or at too early a stage for government agencies to recognize their value. (An example of such programs is the Foundation's emphasis on fostering the social service and welfare field in Korea.)

In all the above respects, the Asia Foundation's advantage is due mainly to the fact it is a foundation, not a government agency, and has the freedom to act as an independent body.

The Foundation directs much of its attention to education and training, and to other programs contributing to social and political development, and popular participation. It helps to foster private organizations (cooperatives, teachers' associations and other professional associations) concerned with basic economic, vocational and community interests of both rural and urban populations. Its work thus well complements A.I.D.'s own efforts with respect to these particular aspects of development - improvement of human resources and broader participation in economic growth. Its Articles of Incorporation express as a basic purpose the support of Asian individuals and institutions striving to strengthen their own societies within a democratic framework. This aim is clearly consonant with the aims of Title IX, and was set forth when the Foundation began in 1954.

2. This grant is also providing the Agency with useful experience in programming through the use of a private foundation. It may become advantageous to use other foundations and private organizations in this manner for some of the Agency's work in the future. And the method of administration being used also may prove applicable in other cases. It gives a strong role to the Missions in following and evaluating the Foundation's programs but safeguards the organization's own programming initiative and independent status. If, in future aid operations, the volume of direct government-to-government business is to be less than at present, this grant approach may have particular merit.

D. PLANNED TARGETS, RESULTS AND OUTPUTS

Through this grant, A.I.D. seeks:

1. To encourage and support in the Asia region: - the improvement of human resources through formal education and training and in other ways; popular participation in economic and social life; the growth and strengthening of private, community, and local (and other) governmental institutions; the adaptation of science and technology to help modernize the economies of the region; and regional development activities in Asia.

2. Country coverage and amount of support.

This support will be given by the Asia Foundation to individuals and organizations in the 10 "A.I.D. recipient" countries of this region: (program closing out), Afghanistan, Ceylon, India/Indonesia, Korea, Laos, Pakistan, Philippines, Thailand, Vietnam, in a total amount each year, at least equal to the total amount of general program support given to the Foundation by A.I.D. in that year. (Support is also given by the Foundation to other countries of the region (Malaysia, Taiwan) where the U.S. Government is interested that the above development goals (par. 1) be pursued, although there is no A.I.D. program in these countries.)

3. Quality of the Support.

The quality of the support given by the Foundation - its effectiveness and results in development terms - shall be determined by the Missions, Embassies, and A.I.D./W, in relation to A.I.D.'s objectives in the particular countries and region.

4. Term of Support.

This support will continue as long as A.I.D. determines that the results being achieved through it, in terms of progress toward development objectives, justify the Agency's investment.

5. Specific Program Areas.

The specific program areas A.I.D. is supporting in FY 70 are set forth in detail in the attached "Program Description, 1969-70."

6. Progress to Date.

For FY-69, A.I.D. made a general support grant of \$1.8 million to the Foundation for work in six program areas. The Vietnam Bureau also obligated in FY-69, by amendment to the grant, \$152,000 for work in the legal field and legal education, and \$150,000 for specific activities by the Foundation in behalf of two private universities. Work under the amendments is in progress.

The Foundation reported in September 1969 (letter of September 23, 1969) that in its 1968/69 fiscal year it had spent \$2.7 million (\$2,696,950) in the six program areas in the 10 designated "AID countries".

The Foundation submitted two substantial reports (giving project details on a country basis) to A.I.D. in March 1969 and again in October 1969. The March report was distributed to interested AID/W offices and Missions and Embassies. (The October report will be distributed shortly). The Missions used the March country reports as a basis for their regular Spring consultation with Foundation field representatives (see paragraph E.2 below). Highlights of Mission comments as a result of this consultation were as follows.

The work of the Asia Foundation - Highlights of Mission
and Embassy views, May 1959 consultation with Foundation's
field representatives

Seven A.I.D. countries; and three "non-A.I.D." countries in East Asia, ** all expressed strong support for the Foundation's work in their countries.

The Foundation has excellent to good acceptance in these countries. Its effectiveness ranges from "essential", "important contribution" (majority of posts reporting) to "useful".

The value of its work is due to its flexibility, responsiveness to opportunity and small programing needs, selectiveness, high cost-effectiveness. The Foundation is active in the Title IX areas, and often can work in areas where A.I.D. itself cannot.

Program fields specially noted by posts are: human resources, particularly on a selective, "personal" basis; books; university policy and development, vocational and agricultural training; legal; youth programs. The Foundation is able to promote institutional and administrative reforms (Taiwan, Korea, Vietnam). Urban problems (Korea and Singapore), improvement of training and agencies in social welfare, educational TV, and transfer of technology are some areas of new emphasis in selected countries.

It is striking how important the "non-A.I.D." posts (Singapore, Taiwan, and Malaysia) feel the Foundation's activities to be. In Taiwan, the Foundation's role in the country's present stage has become more relevant with Taiwan's growing need for selective, more sophisticated technical cooperation in particular fields. The Foundation's work in Taiwan should get more funds; the country's potential regional training role is considerable. Singapore: "The Foundation has special advantages that make it a useful partner to the Embassy in assisting the GOS with its nation-building efforts"

In Korea, the Foundation's program, is "potentially more valuable" as A.I.D. reduces its operations. In Ceylon, Foundation activities are valuable particularly in the absence of A.I.D. technical assistance.

* Vietnam, Korea Laos, Philippines, Afghanistan, Ceylon, Pakistan. In addition, the Thailand and Indonesia Missions gave their views to H. Crowley, DAA/PRR, during her recent survey trip in the region.

** Malaysia, Singapore, Taiwan.

E. COURSE OF ACTION

The grant relationship with the Asia Foundation has been worked out so as to make best use of the capabilities, initiative, and independent judgment of this private organization. At the same time, the Agency's responsibility for effective use of the grant funds is maintained through particular requirements of the grant, and by the way A.I.D./W and the Missions keep track of and assess Foundation activities.

A description of how the Agency and the Foundation developed the FY-69 grant should help make these points clear. A.I.D./W asked the Missions to evaluate the Foundation's work in their countries in relation to A.I.D.'s country program objectives (or to U.S. objectives defined in established policy for the particular country but not the subject of specific A.I.D. program goals). Each Mission met with Foundation field representatives in October-November 1967, and reviewed the Foundation's current and proposed

(1968-1969) country projects and areas of interest. With some exceptions,* the field reacted very favorably. As part of this field review, A.I.D./W and the Missions consulted about specific areas of the Foundation's program which the Agency might appropriately support.

In the grant, the Agency's interest in specific areas is spelled out in detail (see Program Description, from the grant document, attached.) Under each one of six broad headings (e.g. Books, Libraries and Publishing), typical Foundation project activities are listed (e.g. Books for Asian Students Program, support for libraries, the librarian profession, rural school library development, support for local language books in Laos, for the Pakistan Law Institute's publication program, press institutes, etc.). These typical projects illustrate the kinds of activities which A.I.D., through the grant, wishes to support under the broad program area. (For final audits of Foundation expenditures under the grant, these descriptions define the activities chargeable to the grant).

In this relationship, A.I.D. does not spell out a scope-of-work for the Foundation to fulfill (except for a few projects which Missions or Regional Bureaus have asked the Foundation to carry out which are funded by amendments to the general grant). We leave to the Foundation, under the grant, the selection and management of specific projects, so long as they contribute to

*The Pakistan Mission felt the Foundation's program there to be diffuse. The Afghanistan Mission had other reservations about the Foundation's status. The reservations of both Missions have since been withdrawn in light of later changes.

the country's progress in the program areas designated to the grant instrument. A.I.D.'s support is not, therefore, identified with any particular project.

A.I.D. is not involved either in the Foundation's relationship with the host government (although in some countries like Laos or Vietnam, there is explicit understanding about dividing assistance activities in which the government is involved between the Mission and the Foundation; in Vietnam, for example, the Foundation helps several private universities while A.I.D. works with public universities). The Foundation decides upon the size of its program in each country as part of the overall development of its work. The grant does provide, however, that the Foundation must expend the equivalent of the amount of A.I.D. support in the six designated program areas in the 10 "A.I.D. countries" where it works.

To ensure that the purposes of the grant are understood by all concerned, and are fully carried out, A.I.D. depends on several measures:

1. A.I.D./W review of the Foundation's complete proposed program budget for its next fiscal year.

This detailed budget is submitted to A.I.D./W 3 to 6 months in advance. It amounts to a large book, containing an annotated list of current and proposed grants and projects, by program area, and by country program, and includes a discussion of the Foundation's approach and sense of priorities for each country and also for its regional activities.

2. Review of each current and proposed country program for the next fiscal year by the Mission concerned.

These reviews in the field take place in March-April during the semi-annual consultations between the Missions and Foundation field offices. As a basis for the consultation, the Foundation gives to A.I.D./W a detailed report on its work in the six program areas over the last six months. A.I.D./W then sends each Mission the Foundation's report for its country. Each Foundation field representative also makes available for discussion his proposed program for the next fiscal year beginning about 3 months hence.

After the consultation has been held, the Missions report to A.I.D./W their judgment about the effectiveness and value of the Foundation's present and proposed work, and also comment on changes in the Foundation's programming emphasis, relationship to the government, status and acceptance, etc.

These Mission reports, along with A.I.D./W's own review of the overall program, are the basis for the Agency's decision about the amount of grant support to be given to the Foundation in the forthcoming fiscal year.

A second semi-annual report by the Foundation, and consultation, takes place in October-November. The emphasis at this time is a review of the Foundation's progress over the entire preceding fiscal year in each program area in which A.I.D. is interested.

Both parties to the grant are free to consult with one another at any time, however, and several Missions have noted that their judgment about the Foundation's work derives in part from a continuing informal relationship in the field.

3. Audit and Financial Review.

An annual audit of Foundation expenditures in both the field and its San Francisco Headquarters is made by a reputable auditing firm; the firm's report is submitted to the Agency. The Foundation also submits to A.I.D./W a monthly statement of all Foundation expenditures and an annual financial statement as reviewed by the independent firm. A.I.D. itself also audits the Foundation's books in San Francisco once a year to see whether it has expended its funds in accordance with the complete annual program budget (the "Approved Budget" which is part of the grant instrument). The Foundation is also required to obtain fiscal and program reports from all its sub-grantees, which are available at San Francisco for A.I.D. to inspect. If the Agency Grant Office should determine that funds provided by A.I.D. have been spent for purposes not in accordance with the Grant, the Foundation must refund these amounts.

The above measures help ensure that the Agency, both in Washington and the field, is well informed about the Foundation's activities under the grant, their significance and results. The key role of the Missions in assessing the Foundation's plans and performance in the field, in light of the different circumstances in each country, should be noted. The basic grant

relationship, however, is between A.I.D./W and Foundation headquarters in San Francisco. The point of this is to keep the Foundation at least one step removed from the Mission and Embassy on the premise that, so removed, it will be more effective in its sphere of work.

Grant support of this kind clearly differs from the customary contractual relationship in more than the mechanics of management, review of activities and of funding. The main thing is initiative in programming, and execution, remain with the Foundation as an independent body operating under its own Board of Directors; and, it sets its own relationship with the host government.

ATTACHMENT A

ASIA FOUNDATION PROGRAM DESCRIPTION
1969-70

The funds provided herein are intended to contribute toward the Foundation's planned fiscal year 1969-70 program, as set forth in its proposed budget for this period, in behalf of friendly less developed Asian countries and of Asian regional development.

Under the direction of its San Francisco headquarters, and working through resident country representatives and regional advisors, the Foundation assists Asian institutions and individuals by such means as: grants and loans, administrative support, advisors, scholarships and fellowships, visiting professorships, distribution of books and technical periodicals, professional travel and observation grants, supplying science and other teaching materials.

A. The principal program areas of Foundation activity which A.I.D. wishes to support through this grant are:

1. Law and public administration.
2. Books, libraries, publishing and communications.
3. Regional cooperation, training, and Asian Studies.
4. Rural and provincial development
5. Education and human resources; including youth programs.
6. Science and transfer of technology.

However, when needs or opportunities in countries where the Foundation works come to A.I.D.'s attention, in the form of requests for assistance or otherwise, A.I.D. may ask the Foundation to consider

undertaking activities related to these needs and opportunities, even though the program areas involved do not fall under the above six areas of Foundation activity of principal interest to A.I.D. These other areas could include, for example, urban affairs, population and family planning. The Foundation has, or has had, activities in these and other areas in particular Asian countries.

B. Description of examples of Foundation activities in the six program areas listed above:

1. Law and public administration - In the legal field, Foundation assistance includes aid to legal education in a number of countries, to reform of a judicial examination system (in Korea), to national and regional professional organizations, and to promote cooperation with U. S. institutions interested in Asian law. In public administration, training and other programs for members of civil services and of national legislatures, for support of foreign-service training institutes, for faculty development in teaching of public administration, etc.

2. Books, libraries, publishing, and communications. The Books for Asian Students Program, training and other support to libraries and the librarian profession including rural school library development. Support for local language books in Laos, for the Pakistan Law Institute's publication program and other scholarly publication, press institutes and journalism training.

3. Regional cooperation, training, and Asian studies. Support for regional training facilities in rural development, educational radio and television, science education; international conferences in biology education,

university administration, Pacific trade and development. Aid to regional development-related organizations, and support of Foundation regional advisers on economic affairs, education, etc. Research and training related to wider understanding of Asian economic and other problems.

4. Rural and provincial development. Training and other support for credit unions and cooperatives, and for community services and development programs. Rural vocational training, crafts centers, etc. Fostering local participation and self-help projects in agricultural and other rural modernization and land settlement. Support for local and provincial planning projects, particularly new programs.

5. Education and human resources, including youth programs. Aid to school and university development, including improvement of policies, faculty, curricula, and teaching materials, science education, technical training, student guidance and other student services, special programs for national minority and other groups, educational and manpower surveys and planning. Support of national voluntary service programs for youth, youth centers, work experience and vocational training programs.

6. Science and transfer of technology. Improved training of science teachers, modernization of science curricula, support for science teaching and laboratory materials and facilities. Support for agencies working on science policy, research coordination, industrial research and relations with foreign science bodies. Professional development, and training, in technology and techniques in development - related fields including industry and export promotion.

C. It is understood that these items are illustrative and, within the framework of the six areas set forth in paragraph A, it is not A.I.D.'s intention to limit its interest to the activities set forth in paragraph B. above.

D. It is further understood that programs begun in 1968-69, as described in Paragraphs B-7 and B-8 of the 1968-69 Program Description, for which grant funds have not been fully expended will be continued in 1969-70 in accordance with such program description.