



V.P. 101 2298  
257 = 50199

UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
MISSION TO NEPAL

KATHMANDU, NEPAL

JUN 28 1984

Mr. Gary Shaye  
Country Director  
Save the Children Federation, Inc.  
Post Box 2218  
Kathmandu, Nepal

Subject: PVO Co-Financing Project # 367-0144  
Community Based Integrated Rural  
Health Development Program in Nepal,  
4 year Grant Extension

Dear Mr. Shaye:

With reference to our letter of August 27, 1981 and pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby amends the grant agreement of that date and grants to Save the Children Federation, Inc. (hereinafter referred to as "S.C.F., Inc." or "Grantee") an additional sum of \$350,000 (for a total of \$692,882) to provide support for a Project in Nepal as more fully described in the modified attachment to this Grant Amendment entitled "Project Description".

AID's contribution to the Project will be provided in increments. An initial increment of \$174,773 of A.I.D. support is being made available under this Grant Agreement. Subsequent increments are subject to the availability of funds to A.I.D., and to the mutual agreement at the time of subsequent incremental payments, that the Project should be continued.

At the exclusive option of A.I.D. disbursements under this Grant may be suspended or can be terminated if A.I.D. concludes that the relations between the Grantee and the Government of Nepal or any entity thereof are such that the purposes of the Grant are being frustrated.

The Grant amendment is effective and obligation is made as of the date of the last signature on this letter and shall apply to commitments made by the Grantee in furtherance of project objectives during the period August 27, 1984 to August 24, 1988.

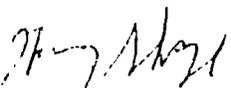
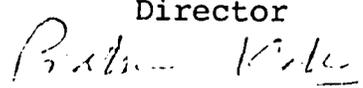
This Grant amendment is made to S.C.F., Inc. on the condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment A (amended) entitled "Project Description", Attachment B "U.S. Grantees and U.S. Sub-Grantees, Other than Education Institutions, Index of Standard Provisions", and Attachment C (amended) entitled "Financial Plan".

The Statement of Assurance of Compliance, signed on August 27, 1981 and enclosed herein, remains in effect as the conditions under which these additional funds are granted.

Please return the signed original and six (6) copies of this grant document to AID/Nepal.

Sincerely,

  
Dennis J. Brennan  
Director

Accepted:  

Save the Children Federation/Nepal

By : Gary Shaye                      Pratima Kale  
Title : Country Director      Regional Director  
Date : JUNE 29, 1984

Fiscal Data

Appropriation	:	72-1141021
Budget Plan Code	:	<u>HDAA-84-27367-CG13</u>
Project No.	:	<u>367-0144</u>
Additional Grant Amount:	:	<u>\$350,000</u>
Total Grant Amount	:	<u>\$692,882</u>

Attachments:

1. Project Description (Amended)
2. Standard Provisions
3. Financial Plan (Amended)
4. Statement of Assurance of Compliance

PROJECT DESCRIPTION

A. Purpose of Grant

The purpose of this Grant entitled, "A Community Based Integrated Rural Health Development Program in Nepal" is to provide support to S.C.F., Inc. of Nepal in its efforts to adapt, implement and achieve a Community Based Integrated Rural Health Development Program in the rural/hill villages of Nepal. Particular emphasis during the first three years has been given to health and health related problems in selected rural hill communities located in the Panchayats of the Gorkha District, in the Western Development Region of Nepal. During years four through seven, emphasis will be given to the following five program areas: 1) Health Care and Family Planning; 2) Water Resource and Physical Infrastructure Development; 3) Human Resource Development; 4) Agriculture and Economic Development and 5) Resource Conservation with Appropriate Technology.

B. Specific Objectives

The specific objectives of this Grant are:

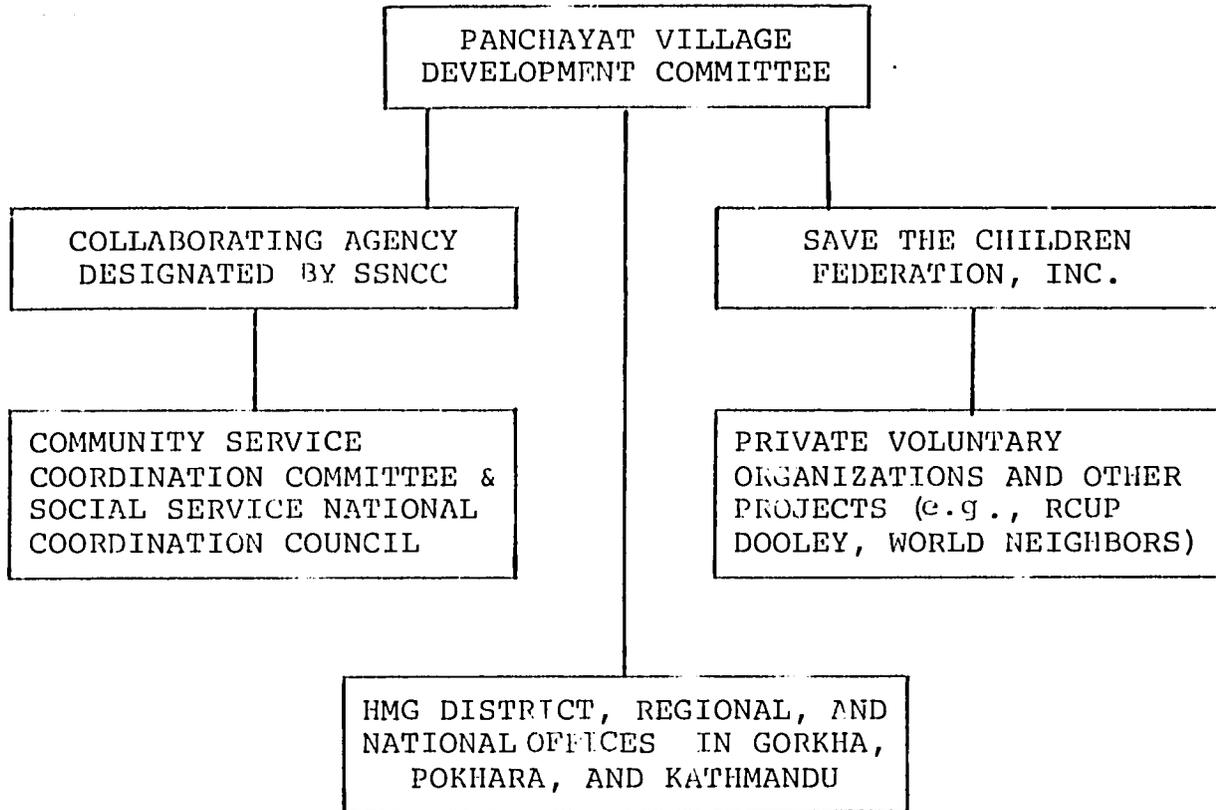
1. Village Health Care Programs will be operative within twelve months of program commencement in each Panchayat Program of the Gorkha District, Gandaki Zone. Years one and two of this Grant have concentrated on the Deurali Panchayat and year three on two additional Panchayats, Takukot and Taku Majhlakuribot. In years four through seven, SCF anticipates expanding the program into one or two new areas during each of the four years for a total project area of 7-11 panchayats. It is SCF's intention and preference to expand its efforts into more isolated and needy panchayats.
2. The introduction of S.C.F., Inc.'s program/project methodology will result in trained Nepalese staff and community village members developing their potential in program leadership, project planning, implementation and evaluation within the rural areas. The concepts of community and village leadership, participation and responsibility for self-help in socio-economic improvement will be introduced and developed. Increasingly, emphasis will be placed on mobilizing community maintenance of basic infrastructures and project activities undertaken. After year three all physical infrastructure projects will include a plan for long-term maintenance in order to ensure long-term viability and continued maintenance.

3. Comprehensive health, agriculture and economic development plans will be prepared by the members of communities and villages involved in the project for the purpose of developing regional and area programs in these areas.
4. Representatives of all program Panchayat Villages will possess the capability to design, implement, manage and maintain project activities by the end of year seven.
5. S.C.F., Inc. will assist the villages to develop and expand their understanding and need for linkage with government and non-government institutions and service facilities.
6. Emphasis will be placed on exploring and determining ways and means for S.C.F. village program replication in other Panchayats. Local and national leaders, through the initial success of the S.C.F. program, will demonstrate interest in expanding and/or executing replications of the SCF/HFP community process in other areas of Nepal.

C. Implementation

1. To achieve the above objectives, the Grantee shall carry out the following activities with funds provided by this Grant:
  - a. Develop inter-institutional collaboration among the GON agencies, the Social Service National Coordination Council (SSNCC), the collaborating Nepalese non-governmental agencies (the Pokhara Lions Club), the villages concerned, and S.C.F., Inc. for the purpose of implementation of the project (see attached Organization Chart). The SSNCC Community Services Coordination Committee or one of the other SSNCC selected committees, or the SSNCC itself will function as a point of activity coordination.
  - b. To avoid duplication of activities and to obtain a coordinated effort, collaboration is also planned with a variety of projects and organizations concerned with similar objectives. These include, among others, the RCU Project, the RAD Project, the Dooley Foundation, UNICEF, World Education Inc., RECAST, Cottage Industries Department, the Nepal Eye Hospital, the Nepal Red Cross, the Agriculture Inputs Corporation, CERID and the Ministry of Health.

ORGANIZATION CHART



- c. S.C.F., Inc. of Nepal, following the broad outlines of the baseline studies carried out in 1979, 1983 and 1984 has identified the following areas of major community concern: health care and family planning, water systems development, skills development, agricultural development, income generating activities and resource conservation. SCF, Inc. will continue to carry out baseline surveys in each new area and continually review the situation in on-going project areas to ensure that project activities respond to villagers' needs on a priority basis.
- d. As the program expands, SCF, Inc. will actively recruit more staff members, in accordance with procedures, from the areas in or around those into which the program will expand. These new staff members will be given training and in-depth exposure to SCF, Inc., working methodology and administrative procedures.
- e. SCF, Inc. will continue and expand on-going project activities in Takukot and Taku Majhlakuribot, expanding into new priority areas as described above in Section C.1.c. In Deurali, SCF, Inc. will strengthen activities in agricultural development and income generation, gradually reducing financial inputs and encouraging community support and maintenance of basic infrastructures, including the health care system, day care centers and water systems. Program activities in 4-8 new panchayats including Pandrung will include those priority areas identified in baseline surveys.
- f. The S.C.F., Inc. Project will assist in promoting, developing and instructing community/village participation, at various socio-economic strata, using the art and technique of community project leadership planning, implementation and maintenance of health and health related activities. Implementation tools of education, skills training, staff visits, village interactions, accompanied by grant and non-grant resource linkages with villages will be introduced. Involvement by the village panchayat representatives will be obtained.
- g. S.C.F., Inc. will, as part of a technical assistance program, strengthen the capabilities of S.C.F., Inc.'s Nepalese field staff and hill villagers with an emphasis on self-help and community motivation. Over twenty five (25%) percent of the total project costs will be generated by the villagers themselves.

- h. A funding system will be developed making grant funds available through village committees to be used solely for grant funded purposes.
- i. S.C.F., Inc. will also initiate experiments in integrated rural development emphasizing priority areas.

2. Outputs to be achieved during the course of the seven year project

a. Administrative/Programmatic Systems Achievements

Administrative and Programmatic Systems:

- (1) Annual Implementation Plans and accurate financial reports to be submitted by villages to S.C.F., Inc.
- (2) Program Progress Reports to be developed, understood and submitted to S.C.F., Inc. by Nepal trained staff.
- (3) S.C.F., Inc. sponsorship and project funding mechanism in place and functioning effectively.
- (4) Inter-institutional relationships established and maintained.
- (5) Coordination mechanism functioning with concerned other agencies and entities.

b. Training

- (1) Impact area field staff receive regular training opportunities to improve their qualifications both in Nepal and at other training sites in the region.
- (2) Field office staff participate in two visitations per year to observe other development programs.
- (3) Local officials participate in training seminars organized by SCF.
- (4) Leaders and other residents from panchayats participate in at least one training seminar per year.
- (5) Training materials distributed within panchayat area.

c. Active and Organized Community Committees

- (1) Each new community committee approves and submits viable projects to SCF by end of year five of its organization.
- (2) Each Panchayat Community Committee undertakes projects independent of SCF resources by end of year six.

d. Sectoral Strategies in Following Program Areas:

(1) Health Care and Family Planning; (2) Water Resource and Physical Intrastructure Development; (3) Human Resource Development; (4) Agricultural and Economic Development and (5) Resource Conservation with Appropriate Technology.

- (1) (a) Trained health workers in each panchayat offer services to all panchayat villages by end of year six of program implementation.
- (b) Mother-Child Health (MCH) services program functioning by end of year six.
- (c) Family Planning program operative by end of year six.
- (2) (a) At least two water source improvement projects operative in each panchayat by end of year five.
- (b) School repair/improvement program initiated by end of year five.
- (3) (a) Panchayat residents from all nine wards, including at least eighteen women, participate in leadership and/or skills training by end of year six.
- (b) Non-formal/formal education classes established by end of year six.
- (4) (a) Community Agricultural Leaders project established by end of year six in new areas.
- (b) Improved seed varieties and fertilizers introduced to progressive farmers by end of year six.

- (c) Skills training provided to low-income families and income-generating projects established by year seven of project implementation in new impact areas.
  - (d) At least 5 agricultural skills and farm management seminars held by end of year six in each panchayat.
- (5)
- (a) Resource conservation plan for each new impact area developed by end of year seven.
  - (b) At least 3 projects will introduce appropriate technology techniques by end of year six.
  - (c) At least one resource conservation project initiated by end of year six by Community Committee.

D. Reporting

1. Fiscal and Accounting Reports

S.C.F., Inc. of Nepal shall submit to AID/Nepal the required reports in prescribed form for each calendar quarter and annually as specified in Attachment B "Standard Provisions" of the Grant Agreement.

2. Program Performance Reports

S.C.F., Inc. of Nepal shall submit to AID/Nepal a Program Performance Report in narrative detail for each calendar quarter and annually. These reports shall include (a) a brief discussion of progress made against the established objectives for each program, activity or function involved, (b) detailed and significant program developments, progress, accomplishments, problems or impediments encountered toward planned achievements, and (c) tabular information on total accrued expenditures against projected total obligations by project line item.

3. Other Reports

S.C.F., Inc. of Nepal may report at any time or when requested by AID/Nepal concerning the project, presenting required information on problems or project delays.

4. Final Reports

S.C.F., Inc. of Nepal shall submit to AID/Nepal, a Final Project Performance Report as well as a Final Financial Status Report, no later than ninety (90) days after completion of the project now scheduled for August 24, 1988.

E. Evaluation

SCF shall undertake an external evaluation at the end of years three and seven after the signing of the Grant Agreement. A mid-term review shall be undertaken during year five. AID/Nepal and other participant agencies or beneficiary representatives, as appropriate, will be included in the conduct of these evaluations. A Final Evaluation Report shall be prepared and submitted at the end of the project, but no later than ninety (90) days after the project termination date, August 24, 1988. Ten (10) copies of all evaluation reports will be provided to AID/Nepal.

F. Special Provisions

1. The following conditions are additions to the Standard Provisions provided in Attachment B:

a. Suspension or Termination of the Grant

At the exclusive option of AID, disbursements under this Grant may be suspended or the Grant can be terminated if AID concludes that relations between the Grantee and the Government of Nepal or any entity thereof are such that the purposes of the Grant are being frustrated.

b. The Authority of the Grant Officer

The authority of the Grant Officer shall be exercised by the Director, AID/Nepal, except where a delegation of authority by the Director allows otherwise.

c. Disbursement of Funds

Prior to the disbursement of funds under this Grant Agreement, S.C.F., Inc. will submit to AID/Nepal, in form and substance acceptable to AID, the following documents except as AID may otherwise agree in writing:

- (1) An organization chart, with supporting narrative, detailing the central office and the district/village level offices, organizations and relationships between S.C.F., Inc., and the Family Planning/Maternal Child Health Project, the Community Health Integrated Project, and the Resource Conservation Utilization Project, and
  - (2) A document describing the funds control and disbursement procedures of the sub-project. This document should include organization units, personnel signature requirements and estimated time periods for disbursements.
2. The following covenants are additions to the Standard Provisions provided in Attachment B:
  - a. Title to Property

All property purchased with AID funds provided by this Grant shall be titled in the name of S.C.F., Inc. of Nepal for the duration of the sub-project. Except as AID may otherwise agree in writing, title to the property after the completion of the sub-project shall be mutually agreed upon by S.C.F., Inc. of Nepal and AID/Nepal taking into account applicable laws, rules, and regulations.
  - b. Further Grant Details

This Grant Agreement is based on an unsolicited Grant Proposal submitted to AID/Nepal in July 1981, entitled, "A Proposal for an Operational Program Grant for a Community Based Integrated Rural Health Development Program in Nepal", as well as on a proposal for a grant extension submitted to AID/Nepal in June, 1984. The S.C.F., Inc. of Nepal may not vary, alter or change the agreed-upon proposal, as outlined in the attachments to the Grant Agreement, without written approval of AID/Nepal.
  - c. Purchases

The Grant Fund herein provided will be used to finance only the direct costs of the project and will not be used to finance overhead or indirect costs of the S.C.F., Inc. organization or any of its subordinate organizations or applications, except as AID may otherwise agree in writing.

d. Sponsoring Agency Contribution

S.C.F., Inc. will be responsible for the timely provision of the sponsoring agency contribution as set forth in the summary budget contained in Attachment C "Financial Plan" (amended), except as AID may otherwise agree in writing.

G. Overhead Rate

The Save the Children Federation, Inc. provisional overhead rate is calculated at 9.16 percent per annum of the sum of the costs of the project. This provisional overhead rate will be subject to adjustments based on audits of Save the Children Federation, Inc.

ATTACHMENT E  
Specific Support Grant

U.S. Grantees and U.S. Subgrantees: September 1977 (OTEI)  
OTHER THAN EDUCATION INSTITUTIONS

INDEX OF  
STANDARD PROVISIONS

- |                                                                       |                                                                           |
|-----------------------------------------------------------------------|---------------------------------------------------------------------------|
| 1. Allowable Costs & Payment<br>(Other than Educational Institutions) | 13. Conversion of United States<br>Dollars to Local Currency              |
| 2. Accounting, Records, and Audits                                    | 14. Termination                                                           |
| 3. Refunds                                                            | 15. Voluntary Participation                                               |
| 4. Equal Opportunity in Employment                                    | 16. Prohibition on Abortion<br>Related Activities                         |
| 5. Negotiated Overhead Rates -<br>Other than Education Institutions   | 17. Voluntary Participation<br>Requirements for<br>Sterilization Programs |
| 6. Limitation of Funds                                                | 18. Publications                                                          |
| **7A. Payment - Federal Reserve Letter<br>of Credit (FRLC) Advance    | 19. Patents                                                               |
| **7B. Payment - Periodic Advance                                      | 20. Regulations Governing Employees<br>outside the United States          |
| **7C. Payment - Reimbursement                                         | 21. Subordinate Agreements                                                |
| 8. Travel and Transportation                                          | 22. U.S. Officials Not to<br>Benefit                                      |
| 9. Ocean shipment of Goods                                            | 23. Covenant Against Contingent<br>Fees                                   |
| 10. Procurement of Goods and<br>Services Under \$250,000              | 24. Nonliability                                                          |
| 11. Government Furnished Excess<br>Personal Property                  | 25. Amendment                                                             |
| **12A. Title to and Use of Property<br>(Grantee Title)                | 26. The Grant                                                             |
| **12B. Title to and Care of Property<br>(U.S. Government Title)       | 27. Notices                                                               |
| **12C. Title to and Care of Property<br>(Cooperating Country Title)   |                                                                           |

\* Select only 1 payment provision from Group 7.

\*\* Select only 1 property provision from Group 12, if title to all property is to vest in one entity; however, if title is to be split by categories among two or more entities, select the appropriate provisions from Group 12 and identify the categories and entities in Attachment 1 of the Grant.

ATTACHMENT B  
Specific Support Grant  
September 1977 OTEI)

1. ALLOWABLE COSTS AND PAYMENT (OTHER THAN EDUCATIONAL INSTITUTIONS)

(This provision is applicable to other than educational institutions.)  
The Grantee shall be reimbursed for costs incurred in carrying out the purposes of this Grant which are determined by the Grant Officer to be allowable in accordance with the terms of this Grant and subpart 15.2 (Contracts with Commercial Organizations) of the Federal Procurement Regulations (41 CFR 1-15-2) in effect on the date of this Grant. Payment of allowable costs shall be in accordance with the payment provision of this Grant.

2. ACCOUNTING, RECORDS, AND AUDIT

The Grantee shall maintain books, records, documents, and other evidence in accordance with the Grantee's usual accounting procedures to sufficiently substantiate charges to the Grant. The Grantee shall preserve and make available such records for examination and audit by AID and the Comptroller General of the United States, or their authorized representatives (a) until the expiration of three years from the date of termination of the program and (b) for such longer period, if any, as is required to complete an audit and to resolve all questions concerning expenditures unless written approval has been obtained from the AID Grant Officer to dispose of the records. AID follows generally accepted auditing practices in determining that there is proper accounting and use of Grant funds. The Grantee agrees to include the requirements of this clause in any subordinate agreement hereunder.

3. REFUNDS

- (a) If use of the Grant funds results in accrual of interest to the Grantee or to any other person to whom Grantee makes such funds available in carrying out the purposes of this Grant, the Grantee shall refund to AID an amount equivalent to the amount of interest accrued.
- (b) Funds obligated hereunder but not disbursed to the Grantee at the time the Grant expires or is terminated, shall revert to AID, except for funds encumbered by the Grantee by a legally binding transaction applicable to this Grant. Any funds disbursed to but not expended by the Grantee at the time of expiration or termination of the Grant shall be refunded to AID.
- (c) If, at any time during the life of the Grant, it is determined by AID that funds provided under the Grant have been expended for purposes not in accordance with the terms of the Grant, the Grantee shall refund such amounts to AID.

ATTACHMENT ■  
Specific Support Grant  
September 1977 (OTEI)

4. EQUAL OPPORTUNITY IN EMPLOYMENT

(This provisions is applicable to all grantees and subgrantees who either perform work in the United States or who recruit personnel in the United States to do work abroad.)

- (a) With regard to the employment of persons in the U.S. under this grant, the Grantee agrees to take all reasonable steps to ensure equality of opportunity in its employment practices without regard to race, color or national origin of such persons and, in accordance with Title VI of the Civil Rights Act of 1964, when work funded by this Grant is performed in the U.S. no person shall, on the grounds of race, color or national origin, be excluded from participation, be denied benefits, or be subjected to discrimination. In addition, the Grantee agrees to comply, in accordance with its written assurance of compliance, with the provisions of Part 209 of Chapter II, Title 22 of the Code of Federal Regulations, entitled "Non Discrimination in Federally Assisted Programs of the Agency for International Development - Effectuation of Title VI of the Civil Rights Act of 1964."
- (b) In addition, the Grantee agrees to take all reasonable steps to ensure equality of opportunity in its employment practices without regard to sex, religion, age and handicap, in accordance with P.L. 92-261, P. L. 93-259, P. L. 93-112 and P. L. 93-508. When work funded by AID under this Grant is performed in either the U.S. or overseas no person shall, on the grounds of sex, religion, age or handicap, be excluded from participation, be denied benefits, or be subjected to discrimination.

5. NEGOTIATED OVERHEAD RATES - OTHER THAN EDUCATIONAL INSTITUTIONS

(This provision is applicable to other than educational institutions.)

- (a) Pursuant to this provision, an overhead rate shall be established for each of the Grantee's accounting periods during the term of this Grant. Pending establishment of a final rate, the parties have agreed that provisional payments on account of allowable indirect costs shall be at the rate(s), on the base(s), and for the period shown in Attachment 1 to this Grant. (b) The Grantee, as soon as possible but not later than 90 days after the close of each of its accounting periods during the term of this Grant, shall submit to the Grant Officer with copies to the Overhead and Special Costs Branch, Special Operations Division, Office of Contract Management, AID, Washington, D.C. and to the Office of the auditor General, AID, Washington, D.C., proposed final

ATTACHMENT E  
Specific Support Grant  
September 1977 (OTEI)

rate(s) for the period, together with supporting cost data. Negotiation of final overhead rates by the Grantee and the Grant Officer shall be undertaken as promptly as practicable after receipt of the Grantee's proposal.

(c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with Subpart 1-15.2 (Contracts with Commercial Organizations) of the Federal Procurement Regulations as in effect on the date of this Grant.

(d) The results of each negotiation shall be set forth in written overhead rate agreement executed by both parties. Such agreement shall specify (1) the agreed final rate(s), (2) the base(s) to which the rate(s) applies, and (3) the period(s) for which the rate(s) applies. The overhead rate agreement shall not change any monetary ceiling, Grant Obligations, or specific cost allowance or disallowances provided for this Grant.

(e) Pending establishment of the final overhead rate(s) for any period, the Grantee shall be reimbursed either at the negotiated provisional rate(s) as provided above or at a billing rate(s) acceptable to the Grant Officer, subject to appropriate adjustment when the final rate(s) for that period is established. To prevent substantial over or under payment, the provisional or billing rate(s) may, at the request of either party, be revised by mutual agreement, either retroactively or prospectively. Any such revision of the negotiated provisional rate(s) provided in this provision shall be set forth in a modification to this Grant.

6. LIMITATION OF FUNDS

(This provision is applicable to all incrementally or, partially funded grants; it become inapplicable when the grant is fully funded).

(a) It is estimated that the cost to the Government for the performance of this Grant will not exceed the estimated cost set forth in Attachment C (hereinafter referred to as "the Schedule") to this Grant, and the Grantee agrees to perform the work specified in the Schedule and all obligations under this Grant within such estimated cost.

(b) The amount presently available for payment and obligated under the grant, the Items covers thereby and the period of performance which it is estimated the obligated amount will cover, are specified in the Schedule. It is contemplated that from time to time additional funds will be obligated under this Grant up to the full estimated cost set forth in the Schedule. The Grantee agrees to perform or have performed work on this Grant up to the point at which the total amount paid and payable by the Government pursuant to the terms of this Grant approximates but does not exceed the total amount actually obligated under the Grant.

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

- (c) If at any time the Grantee has reason to believe that the costs which it expects to incur in the performance of this Grant in the next succeeding 30 days, when added to all costs previously incurred, will exceed 75 percent of the total amount then obligated under the Grant, the Grantee shall notify the Grant Officer in writing to the effect. The notice shall state the estimated amount of additional funds required to continue performance for the period set forth in the Schedule. Thirty days prior to the end of the period specified in the Schedule, the Grantee will advise the Grant Officer in writing as to the estimated amount of additional funds, if any, that will be required for the timely performance of the work under the Grant of for such further period as may be specified in the Schedule or otherwise agreed to by the parties. If, after such notification, additional funds are not obligated by the end of the period set forth in the Schedule or an agreed date substituted therefor, the Grant Officer will, upon written request by the Grantee, terminate this Grant pursuant to the "Termination" provision of this Grant on such a date. If the Grantee, in the exercise of its reasonable judgement, estimates that the funds available will allow it to continue to discharge its obligations hereunder for a period extending beyond such date, it shall specify the later date in its request and the Grant Officer, in his discretion, may terminate this Grant on that later date.
- (d) Except as required by other provisions of this Grant specifically citing and stated to be an exception from this provision, the Government shall not be obligated to reimburse the Grantee for costs incurred in excess of the total amount obligated under the Grant, and the Grantee shall not be obligated to continue performance under the Grant (including actions under the "Termination" provision) or otherwise to incur costs in excess of the amount obligated under the Grant, unless and until the Grant Officer has notified the Grantee in writing that such obligated amount has been increased and has specified in such notice and increased amount constituting the total amount then obligated under the Grant. To the extent the amount obligated exceeds the estimated cost set forth in the Schedule, such estimated cost shall be correspondingly increased. No notice, communication or representation in any other form or from any person other than the Grant Officer shall affect the amount obligated under this Grant. In the absence of the specified notice, the Government shall not be obligated to reimburse the Grantee for any costs in excess of the total amount then obligated under the Grant. Whether those excess costs were incurred during the course of the Grant or as a result of termination. When and to the extent that the amount obligated under the Grant has been increased, any costs incurred by the Grantee in excess of the amount previously obligated shall be allowable to the same extent as if such costs had been incurred after such increase in the amount

obligated; unless the Grant Officer issues a termination or other notice and directs that the increase is solely for the purpose of covering termination or other specified expenses.

(e) Nothing in this provision shall affect the right of the Government to terminate this Grant. In the event of this Grant is terminated, the Government and the Grantee shall negotiate an equitable distribution of all property produced or purchased under the Grant based upon the share of cost incurred by each.

7A. PAYMENT-FEDERAL RESERVE LETTER OF CREDIT (FRLC) ADVANCE

(This provision is applicable when the Grantee's total AID grants and cost-reimbursement contracts exceed \$ 250,000 per annum and AID has, or expects to have a continuing relationship with the Grantee for at least one year.)

(a) AID shall open a Federal Reserve Letter of Credit (hereinafter referred to as an "FRLC") in the amount of this Grant, against which the Grantee may present payment vouchers (i.e., TUS 5401). The payment vouchers shall not ordinarily be submitted more frequently than daily and shall not be less than \$ 10,000 or more than \$ 1,000,000. Since the FRLC method enables the recipient organization to obtain funds from the U.S. Treasury concurrently with and as frequently as disbursements are made by the recipient, there need be no time lag between disbursements by the recipient organization and drawdowns from the U.S. Treasury by FRLC. Therefore, there is no necessity for the recipient to maintain balances of Federal cash other than small balances.

(b) In no event shall the accumulated total of all such payment vouchers exceed the amount of the FRLC.

(c) If at any time, SER/FM determines that the Grantee has presented payment vouchers in excess of the amount or amounts allowable in (a) and (b) above, SER/FM shall advise the Grant Officer who may: (1) cause the FRLC to be suspended or revoked; or (2) direct the Grantee to withhold submission of payment vouchers until such time as, in the judgement of SER/FM, an appropriate level of actual, necessary and allowable expenditures has occurred or will occur under this Grant, and/or (3) request the Grantee to repay to AID the amount of such excess. Upon receipt of the Grant Officer's request for repayment of excess advance payments, the Grantee shall promptly contact SER/FM to make suitable arrangements for the repayment of such excess funds. Advances made by primary recipient organizations (those which receive payments directly from the Government) to secondary recipients shall conform to the same standards outlined above applicable to advances made by the Government to primary recipient organizations.

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTET)

(d) Procedure for Grants

(1) After arranging with a commercial bank of its choice for operation under the FRLC and obtaining the name and address of the Federal Reserve Bank or branch serving the commercial bank, the Grantee shall deliver to the AID Controller 3 originals of Standard Form 1194, "Authorized Signature Card for Payment Vouchers on Letters of Credit" signed by those official(s) authorized to sign payment vouchers against the FRLC and by an official of the Grantee who has authorized them to sign.

(2) The Grantee shall subsequently receive one certified copy of FRLC.

(3) The Grantee shall confirm with his commercial bank that the FRLC has been opened and is available when funds are needed.

(4) To receive payment, the Grantee shall:

(A) Periodically, although normally not during the last five days of the month, prepare payment vouchers (Form TUS 5401) in an original and three copies.

(B) Have the original and two copies of the voucher signed by the authorized officials whose signature(s) appear on the Standard Form 1194.

(C) Present the original, duplicate and triplicate copy of the Form TUS 5401 to his commercial bank.

(D) Retain the quadruplicate copy of the voucher.

(E) After the first payment voucher (Form TUS 5401) has been processed, succeeding payment vouchers shall not be presented until the existing balance of previous payments has been expended or is insufficient to meet current needs.

(6) In preparing the payment voucher, the Grantee assigns a voucher, number in numerical sequence beginning with 1 and continuing in sequence on all subsequent payment vouchers submitted under the FRLC.

(7) A report of expenditures (i.e. SF 269, "Financial Status Report") shall be prepared and submitted not less than quarterly within 30 days of the end of the period to the Office of Financial Management, AID, Washington, D.C. 20523. This SF 269 Report, submitted with Standard Form 1034, "Public Voucher for Purchases and Services Other Than Personal", shall be in an original and 2 copies.

(8) The SF 269 report is revised against the Grant provisions, and any improper disbursement is disallowed. The Grantee is notified of the reason for the disallowance and is directed to adjust the next periodic report of expenditures to reflect the disallowance and to reduce its next payment voucher against the FRLC by the amount of the disallowance.

ATTACHMENT B  
Specific Support Grant  
SEPTEMBER 1977 (OTEI)

(9) In addition to the submission of the SF 269 and the SF 1034, the Grantee shall submit an original and 2 copies of SF 272, "Federal Cash Transaction Report" as follows:

(A) For advances totaling less than \$1 million per year, the Grantee shall submit the SF 272 within 15 working days after the end of each month, and

(C) The Grantee's cash needs for the ensuing period (i.e., quarter or month) shall be explained under the "Remarks" Section of the SF 272.

(e) Refund of Excess Funds

(1) If all costs have been settled under the Grant and the Grantee fails to comply with the Grant Officer's request for re-payment of excess FRIC funds, the Government shall have the right, on other contracts or grants held with the Grantee, to withhold reimbursements due to the Grantee in the amount of the excess being held by the Grantee.

(2) If the Grantee is still holding excess FRIC funds on a grant, contract, or similar instrument under which work has been completed or terminated but all costs have not been settled, the Grantee agrees to:

(A) Provide within 30 days after requested to do so by the Grant Officer, a breakdown of the dollar amount which have not been settled between the Government and the Grantee. (The Grant Officer will assume no costs are in dispute if the Grantee fails to reply within 30 days.)

(B) Upon written request of the Grant Officer, return to the Government the sum of dollars, if any, which represents the difference between (i) the Grantee's maximum position on claimed costs which have not been reimbursed and (ii) the total amount of unexpended funds which have been advanced under the Grant, and

(C) If the Grantee fails to comply with the Grant Officer's request for repayment to excess FRIC funds, the Government shall have the right, on other contracts, grants or similar instruments held with the Grantee, to withhold reimbursements due the Grantee in the amount of the excess being held by the Grantee.

7B. PAYMENT--PERIODIC ADVANCE

(This provision is applicable when the Grantee's total AID grants and cost-reimbursement contracts do not exceed \$ 250,000 per annum or if the advance to the Grantee aggregates more than \$ 250,000 per annum but there is not a continuing relationship of at least one year.) (a) Each month (or quarter, if the Grantee is on a quarterly basis) after the initial advance, the

Grantee shall submit to the AID Controller an original and 2 copies of SF 272, "Federal Cash Transactions Report" as follows:

- (1) The Grantee shall submit the SF 272 within 15 working days after the end of the reporting period, and (2) The Grantee's cash needs for the ensuing period (i.e., quarter or month) shall be explained under the "Remarks" section of the SF 272.
- (b) Along with each SF 272 submission, the Grantee shall submit an original and 3 copies of SF 1034, "Public Voucher for Purchases and Services Other Than Personnel"; each voucher shall be identified by the Grant number and shall state the total actual expenditures for the reporting period.
- (c) Each quarterly voucher (i.e. SF1034) or third monthly voucher, if the Grantee is on a monthly basis shall also be supported by an original and 2 copies of a SF 269, "Financial Status Report". The SF 269 shall be submitted within 30 days after the end of the reporting quarter and may be submitted separately from the SF 1034 and the SF 272; however, the SF 269 shall cover the same quarterly period as the SF 1034(s) and the SF 272(s).
- (d) Refund of Excess Funds
  - (1) If all costs have been settled under the Grant and the Grantee fails to comply with the Grant Officer's request for repayment of excess advance funds, the Government shall have the right, on other contracts or grants held with the Grantee, to withhold reimbursements due to the Grantee in the amount of the excess being held by the Grantee.
  - (2) If the Grantee is still holding excess advance funds on a grant, contract, or similar instrument under which the work has been completed or terminated but all costs have not been settled, the Grantee agrees to:
    - (A) Provide within 30 days after requested to do so by the Grant Officer, a breakdown of the dollar amounts which have not been settled between the Government and the Grantee. (The Grant Officer will assume no costs are in dispute if the Grantee fails to reply within 30 days.)
    - (B) Upon written request to the Grant Officer, return to the Government the sum of dollars, if any, which represents the difference between (i) the Grantee's maximum position on claimed costs which have not been reimbursed and (ii) the total amount of unexpended funds which have been advanced under the Grant; and
    - (C) If the Grantee fails to comply with the Grant Officer's request for repayment of excess advance funds, the Government shall have the right, on other contracts, grants or similar instruments held with the Grantee, to withhold payment of other

advances and/or withhold reimbursement due the Grantee in the amount of the excess being held by the Grantee.

7C. PAYMENT--REIMBURSEMENT

(This provision is applicable to grants for construction or to grants which do not provide for either a periodic advance or an FTLIC in accordance with AID Handbook 13, paragraph 10.5.)

(a) Each month the Grantee shall submit to the AID Controller an original and 3 copies of SF 1034, "Public Voucher for Purchases and services Other Than Personal"; each voucher shall be identified by the Grant number and shall state the total amount of costs incurred for which reimbursement is being requested.

(b) In addition to the SF 1034, each non-construction grant voucher shall be supported by an original and 2 copies of SF 270, "Request for Advance or Reimbursement", and each construction grant voucher shall be supported by an original and 2 copies of SF 271, "Outlay Report and Request for Reimbursement for Construction Programs."

(c) Each quarterly voucher (or each third monthly voucher) shall also be supported by an original and 2 copies of a SF 269, "Finance Status Report". The SF 269 shall be submitted within 30 days after the end of the reporting quarter and may be submitted separately from the SF 1034; however, the SF 269 shall cover the same quarterly period as the SF 1034(s).

8. TRAVEL AND TRANSPORTATION

(This provision is applicable when domestic or international air travel or shipment costs are reimbursement under the Grant.)

(a) The Grant Officer hereby approves international air travel hereunder provided that the Grantee shall obtain written concurrence from the cognizant Project Officer in AID prior to sending any individual outside the United States to perform work under the Grants; the Grantee shall advise the Project Officer at least 30 days in advance of any travel to be undertaken outside the United States. After concurrence is received the Grantee shall provide the cognizant Mission or U.S. Embassy advance notification (with a copy to the Project Officer) of the arrival date and flight identification of Grant financed travellers.

(b) Travel to certain countries shall, at AID's option, be funded from U.S. owned local currency. When AID intends to exercise this option, it will so notify the Grantee after receipt of advice of intent to travel required above. AID will issue a Government Transportation Request (GTR) which the Grantee may exchange for tickets, or AID will issue the tickets directly. Use of such U.S. owned currencies will constitute a dollar charge to this Grant.

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

(c) All international air travel and all international air shipments under this Grant shall be made on United States flag carriers. Exceptions to this rule will be allowed in the following situations, provided that the Grantee certifies to the facts in the voucher and other documents retained as part of his Grant records to support his claim for reimbursement and for post audit:

(1) Where the traveler, while enroute, has to wait 6 hours or more to transfer to a U.S. flag air carrier to proceed to the intended destination, or

(2) Where a flight by a U.S. flag air carrier is interrupted by a stop anticipated to be 6 hours or more for refueling, reloading, repairs, etc. and no other flight by a U.S. flag air carrier is available during the 6 hour period, or

(3) Where by itself or in combination with other U.S. flag air carriers (if U.S. flag air carriers are "unavailable") it takes 12 hours or longer from the original airport to the destination airport to accomplish the Grantee's program than would service by a non-U.S. flag air carrier or carriers, or

(4) When the elapsed traveltime on a scheduled flight from origin to destination airports by non-U.S. flag air carrier(s) is 3 hours or less, and services by U.S. flag air carrier(s) would involve twice such traveltime.

NOTE: Where U.S. Government funds are used to reimburse Grantee's use of other than U.S. flag air carriers for international transportation, the Grantee will include a certification on vouchers involving such transportation which is essentially as follows:

CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR CARRIERS

I hereby certify that the transportation service for personnel (and their personal effects) or property by U.S. flag air carrier was unavailable for the following reason(s): (State appropriate reason(s) as set forth above; see 41 CFR 1-1.323-3 for further guidance).

(d) Travel allowances shall be reimbursed in accordance with the Federal Travel Regulations (FTR); however, if the Grantee's domestic and international travel allowance policies and procedures have been reviewed and approved by AID or another Federal department or agency pursuant to the applicable Federal cost principles, the Grantee may use its travel allowance system in lieu of the FTRs after it has furnished the Grant Officer with a copy of such approval.

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

9. OCEAN SHIPMENT OF GOODS

(This provisions is applicable when ocean shipment costs are reimbursable under the Grant.)

(a) 50% of all international ocean shipments made by the Grantee, to be financed hereunder, shall be made on U.S. flag vessels. Where U.S. flag vessels are not available, or their use would result a release from this requirement from the Transportation Support Division, Office of Commodity Management, AID, Washington, D.C. 20523, giving the basis for the request.

(b) When the AID Transportation Support Division makes and issues a determination to the Grantee that U.S. flag vessels are not available, the ocean shipment costs on foreign flag vessels, as named in the determination, will be eligible for reimbursement under the Grant. In all instances Grantee vouchers submitted for reimbursement under the Grant which include ocean shipment costs will include a certification essentially as follows:  
"I here by certify that a copy of each ocean bill of lading concerned has been submitted to the Maritime Administration, Cargo Preference Control Center, Commerce Building, Washington, D.C. 20235, and that such bill(s) of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement, and indicate the applicable AID Grant Number."

(c) Shipment by voluntary non-profit relief agencies (i.e., PVO's) shall be governed by paragraphs (a) and (b) above and by AID Regulation 2, "Overseas Shipments of Supplies by Voluntary Non-Profit Relief Agencies" (22 CFR 202).

10. PROCUREMENT OF GOODS AND SERVICES UNDER \$ 250,000

(This provision is applicable when the total procurement element (i.e., the sum of all purchase orders and contracts for goods and services) of this Grant does not exceed \$ 250,000.)

(a) Geographic Source and Order of Preference

Except as may be specifically approved or directed in advance by the Grant Officer, all goods (e.g., equipment, vehicles, materials, and supplies) and services, the costs of which are to be reimbursable under this Grant and which will be financed with United States dollars, shall be purchased in and shipped from only "special Free World" countries (i.e., AID Geographic Code 935) in accordance with the following order of preference:

- (1) the United States (AID Geographic Code 000),
- (2) "Selected Free World" countries (i.e., AID Geographic Code 935)

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

- (3) the cooperating country.
- (4) "Special Free World" countries (AID Geographic Code 935).

(b) Application of Order of Preference

When the Grantee procures goods and services from other than U.S. sources, under the order of preference in (a) above, it shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the Grantee's documentation:

- (1) the procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,
- (2) the price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. sources,
- (3) impelling local political considerations precluded consideration of U.S. sources,
- (4) the goods or services were not available from U.S. sources, or
- (5) procurement of locally available goods or services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance Program under the Grant.

(c) Ineligible Goods and Services

Under no circumstances shall the Grantee procure any of the following under this Grant:

- (1) military equipment,
- (2) surveillance equipment,
- (3) commodities and services for support of police or other law enforcement activities,
- (4) abortion equipment and services,
- (5) luxury goods and gambling equipment, or
- (6) weather modification equipment.

(For a more detailed discussion of the subject, see AID Handbook 1, Supplement 8, paragraph 4D.)

If AID determines that the Grantee has procured any of the ineligible goods and services specified above under this Grant, and has received reimbursement for such purpose, the Grantee agrees to refund to AID the entire amount of the purchase.

ATTACHMENT 2  
Specific Support Grant  
September 1977 (OTEI)

(d) Restricted Goods

The Grantee shall not procure any of the following goods or services from a non-U.S. source (i.e., other than AID Geographic Code 000) without the prior written authorization of the Grant Officer:

- (1) agricultural commodities,
- (2) motor vehicles,
- (3) pharmaceuticals,
- (4) pesticides,
- (5) plasticizers,
- (6) used equipment, or
- (7) U.S. Government-owned excess property.

(For a detailed discussion of the subject, see AID Handbook 1, Supplement B, paragraph 4C.)

If AID determines that the Grantee has procured any of the restricted goods specified above under this Grant, without the prior written authorization of the Grant Officer, and has received reimbursement for such purpose, the Grantee agrees to refund to AID the entire amount of the purchase.

(e) The Grantee's Procurement System

- (1) The Grantee may use its own procurement policies and procedures provided they conform to the geographic source and order of preference requirements of this provision and paragraphs 3. and 4., Attachment O of OMB Circular No. A-110.
- (2) If the Grantee's procurement policies and procedures have been reviewed against the procurement requirements of paragraphs 3. and 4. of Attachment O to OMB Circular No. A-110 and have been approved by AID or another Federal department of agency, the Grantee shall furnish the Grant Officer with a copy of such approval; otherwise the Grantee's procurement policies and procedures shall conform to the specified requirements of OMB Circular No. A-110. (See AID Handbook 13, Chapter 1, paragraph 1U.)

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

(f) Small Business

To permit AID, in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, to give United States small business firms an opportunity to participate in supplying commodities and services procured under this Grant, the Grantee, shall, to the maximum extent possible, provide the following information to the Small Business Office, AID, Washington, D. C. 20523 at least 45 days prior (except where a shorter time is requested of, and granted by the Small Business Office) to placing any order or contract in excess of \$25,000:

- (1) Brief general description and quantity of goods or services;
- (2) Closing date for receiving quotations, proposals, or bids; and
- (3) Address where invitations or specifications can be obtained.

(g) Ineligible Suppliers

Funds provided under this Grant shall not be used to procure any commodity or commodity-related services furnished by any supplier whose name appears on the List of Ineligible Suppliers under AID Regulation B, "Suppliers of Commodities and Commodity-Related Services Ineligible for AID Financing" (22 CFR 20B). The Grantee agrees to review said list prior to undertaking any procurement the cost of which is to be reimbursable under this Grant. AID will provide the Grantee with this list.

11. GOVERNMENT FURNISHED EXCESS PERSONAL PROPERTY

(This provision applies when personal property is furnished under the Grant.)

The policies and procedures of AID Handbook 16, "Excess Property", and the appropriate provisions of 41 CFR 101-43 apply to the government furnished excess personal property under this Grant.

12A. TITLE TO AND USE OF PROPERTY (GRANTEE TITLE)

(This provision is applicable when the Government vests title in the Grantee only.)

Title to all property financed under this Grant shall vest in the Grantee, subject to the following conditions:

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

- (a) The Grantee shall not charge for any depreciation, amortization, or use of any property, title to which remains in the Grantee under this provision under this Grant or any other U.S. Government grant, subgrant, contract or subcontract.
  - (b) The Grantee agrees to use and maintain the property for the purpose of the Grant in accordance with the requirements of paragraph 11 of Chapter 1, AID Handbook 13.
  - (c) With respect to nonexpendable property having an acquisition cost of \$1,000 or more, title to which vests in the Grantee, the Grantee agrees:
    - (1) To report such items to the Grant Officer from time to time as they are acquired and to maintain a control system which will permit their ready identification.
    - (2) To transfer title to any such item to the Government in accordance with any written request therefore issued by the Grant Officer at any time prior to final payment under this Grant.
- 12B. Title to and Care of Property (U.S. Government)  
(This provision is applicable when title to property is vested in the U.S. Government.)
- (a) Property, title to which vests in the Government under this Grant, whether furnished by the Government or acquired by the Grantee, is subject to this provision and is hereinafter collectively referred to as "Government property." Title to Government property shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personality by reason of affixation to any realty.
  - (b) Use of Government Property  
Government property shall, unless otherwise provided herein or approved by the Grant Officer, be used only for the performance of this Grant.
  - (c) Control, Maintenance and Repair of Government Property  
The Grantee shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this Grant. The Grantee shall take all reasonable steps to

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

comply with all appropriate directions or instructions which the Grant Officer may prescribe as reasonably necessary for the protection of the Government property.

The Grantee shall submit, for review and written approval of the Grant Officer, a records system for property control and a program for orderly maintenance of Government property; however, if the Grantee's property control and maintenance system has been reviewed and approved by another Federal department or agency pursuant to Attachment N of OMB Circular No. 4-110 (see paragraph 1F of Chapter 1, AID Handbook 13), the Grantee shall furnish the Grant Officer proof of such approval in lieu of another approval submission.

(1) Property Control

The property control system shall include but not be limited to the following:

- (A) Identification of each item of Government property acquired or furnished under the Grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of U. S. Government."
- (B) The price of each item of property acquired or furnished under the Grant.
- (C) The location of each item of property acquired or furnished under the Grant.
- (D) A record of any usable components which are permanently removed from items of Government property as a result of modification or otherwise.
- (E) A record of disposition of each item acquired or furnished under the Grant.
- (F) Date of order and receipt of any item acquired or furnished under the Grant.

The official property control records shall be kept in such condition that at any stage of completion of the work under this Grant, the status of property acquired or furnished under this Grant may be readily ascertained. A report of current status of all items of property acquired or furnished under the Grant shall be submitted yearly concurrently with the annual report.

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

(2) Maintenance Program

The Grantee's maintenance program shall be such as to provide for, consistent with sound business practice and the terms of the Grant: (i) disclosure of need for and the performance of preventive maintenance, (ii) disclosure and reporting of need for capital type rehabilitation, and (iii) recording of work accomplished under the program.

(A) Preventive maintenance - Preventive maintenance is maintenance generally performed on a regularly scheduled basis to prevent the occurrence of defects and to detect and correct minor defects before they result in serious consequences.

(B) Records of maintenance - The Grantee's maintenance program shall provide for records sufficient to disclose the maintenance actions performed and deficiencies discovered as a result of inspections.

A report of status of maintenance of Government property shall be submitted annually concurrently with the annual report.

(d) Risk of Loss

(1) The Grantee shall not be liable for any loss of or damage to the Government property, or for expenses incidental to such loss or damage except that the Grantee shall be responsible for any such loss or damage (including expenses incidental thereto):

(i) Which results from willful misconduct or lack of good faith on the part of any of the Grantee's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives, who have supervision or direction of all or substantially all of the Grantee's business, or all or substantially all of the Grantee's operations at any one plant, laboratory, or separate location in which this Grant is being performed;

(ii) Which results from a failure on the part of the Grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above, (A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of Government property as required by (i) above, or (B) to take all reasonable steps to comply with any appropriate written directions of the Grant Officer under (c) above;

(iii) For which the Grantee is otherwise responsible under the express terms of the article or articles designated in Attachment 1 to this Grant.

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

- (iv) Which results from a risk expressly required to be insured under some other provision of this Grant, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or
- (v) Which results from a risk which is in fact covered by insurance for which the Grantee is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

Provided, that, if more than one of the above exceptions shall be applicable in any case, the Grantee's liability under any one exception shall not be limited by any other exception.

- (2) The Grantee shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provision for a reserve, covering the risk of loss of or damage to the Government property, except to the extent that the Government may have required the Grantee to carry such insurance under any other provision of this Grant.
  - (3) Upon the happening of loss or destruction of or damage to the Government property, the Grantee shall notify the Grant Officer thereof, shall take all reasonable steps to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the Government property in the best possible order, and furnish to the Grant Officer a statement of:
    - (i) The lost, destroyed, and damaged Government property;
    - (ii) The time and origin of the loss, destruction, or damage;
    - (iii) All known interests in commingled property of which the Government property is a part; and
    - (iv) The insurance, if any, covering any part of or interest in such commingled property.
- The Grantee shall make repairs and renovations of the damaged Government property or take such other action as the Grant Officer directs.
- (4) In the event the Grantee is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the Government property, it shall use the proceeds to repair, renovate or replace the Government property involved, or shall credit such proceeds against the cost of the work covered by the Grant, or shall otherwise reimburse the Government, as directed by the Grant Officer. The Grantee shall do nothing to prejudice the Government's right to recover against third parties for any such loss, destruction, or damage, and upon the request

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

of the Grant Officer, shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including assistance in the prosecution of suit and the execution of instruments of assignments in favor of the Government) in obtaining recovery.

(e) Access

The Government, and any persons designated by it, shall at all reasonable times have access to the premises wherein any Government property is located, for the purpose of inspecting the Government property.

(f) Final Accounting and Disposition of Government property

Upon completion of this Grant, or at such earlier dates as may be fixed by the Grant Officer, the Grantee shall submit, in a form acceptable to the Grant Officer, inventory schedules covering all items of Government property not consumed in the performance of this Grant or not therefore delivered to the Government, and shall prepare deliver, or make such other disposal of the Government property as may be directed or authorized by the Grant Officer.

(g) Communications

All communications issued pursuant to this provision shall be in writing.

12C. TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE)

(This provision is applicable to property titled in the name of the cooperating country or such public or private agency as the Cooperating Government may designate.)

(a) Except as modified by Attachment A of this Grant, title to all equipment, materials and supplies, the cost of which is reimbursable to the Grantee by AID or by the Cooperating Government, shall at all times be in the name of the Cooperating Government or such public or private agency as the Cooperating Government may designate, unless title to specified types or classes of equipment is reserved to AID under provisions set forth in Attachment A of this Grant; but all such property shall be under the custody and control of the Grantee until the owner of title directs otherwise or completion of work under this Grant or its termination, at which time custody and control shall be turned over to the owner of title or disposed of in accordance with its instructions. All performance guarantees and warranties obtained from suppliers shall be taken in the name of the title owner.

(b) The Grantee shall prepare and establish a program, to be approved by the Mission, for the receipt, use, maintenance, protection,

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

custody and care of equipment, materials and supplies for which it has custodial responsibility, including the establishment of reasonable controls to enforce such program. The Grantee shall be guided by the requirements of paragraph 1T of Chapter 1, AID Handbook 13.

- (c) Within 90 days after completion of this Grant, or at such other date as may be fixed by the Grant Officer, the Grantee shall submit an inventory schedule covering all items of equipment, materials and supplies under his custody, title to which is in the Cooperating Government or public or private agency designated by the Cooperating Government, which have not been consumed in the performance of this Grant. The Grantee shall also indicate what disposition has been made of such property.

13. CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY

Upon arrival in the Cooperating Country, and from time to time as appropriate, the Grantee's Chief of Party shall consult with the Mission Director who shall provide, in writing, the procedure the Grantee and its employees shall follow in the conversion of United States dollars to local currency. This may include, but is not limited to, the conversion of said currency through the cognizant United States Disbursing Officer or Mission Controller, as appropriate.

14. TERMINATION

- (a) For Cause. This Grant may be terminated for cause at any time, in whole or in part, by the Grant Officer upon written notice to the Grantee, whenever for any reason he/she shall determine that such termination is in the best interest of the Government.
- (b) For Convenience. This Grant may be terminated for convenience at any time by either party, in whole or in part, if both parties agree that the continuation of the Grant would not produce beneficial results commensurate with the further expenditure of funds. Both parties shall agree upon termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The agreement to terminate shall be set forth in a letter from the Grant Officer to the Grantee.
- (c) Termination Procedures. Upon receipt of and in accordance with a termination notice as specified in either paragraph (a) or (b) above, the Grantee shall forthwith take immediate action to minimize all expenditures and obligations financed by this Grant, and shall cancel such unliquidated obligations whenever possible.

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

Except as provided below, no further reimbursement shall be made after the effective date of termination, and the Grantee shall within 30 calendar days after the effective date of such termination repay to the Government all unexpended of funds theretofore paid by the Government to the Grantee which are not otherwise obligated by a legally binding transaction applicable to this Grant. Should the funds paid by the Government to the Grantee prior to the effective date of the termination of this Grant, be insufficient to cover the Grantee's obligations pursuant to the aforementioned legally binding transaction, the Grantee may submit to the Government within 90 calendar days after the effective date of such termination a written claim covering such obligations, and subject to the limitations contained in this Grant, the Grant Officer shall determine the amount or amounts to be paid by the Government to the Grantee under such claim in accordance with the applicable Federal cost principles.

15. VOLUNTARY PARTICIPATION

(This provision is applicable to all grants involving any aspects of family or population assistance activities, and all Title X grants in particular)

- (a) The Grantee agrees to take any steps necessary to ensure that funds made available under this Grant will not be used to coerce any individual to practice methods of family planning inconsistent with such individual's moral, philosophical, or religious beliefs. Further, the Grantee agrees to conduct its activities in a manner which safeguards the rights, health and welfare of all individuals who take part in the program.
- (b) The Grantee shall insert paragraphs (a) and (b) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder.

16. PROHIBITION ON ABORTION-RELATED ACTIVITIES

(This provision is applicable to all grants involving any aspects of family or population assistance activities, and all Title x grants in particular.)

- (a) No funds made available under this Grant will be used to finance, support, or be attributed to the following activities: (1) procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (2) special fees or incentives to women to coerce or motivate them to have abortions

ATTACHMENT B  
Specific Support Grant  
September 1977 (OTEI)

(3) payments to persons to perform abortions or to solicit persons to undergo abortions; (4) information, education, training, or communication programs that seek to promote abortion as a method of family planning.

- (b) The Grantee shall insert paragraphs (a) and (b) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder.

17. VOLUNTARY PARTICIPATION REQUIREMENTS FOR STERILIZATION PROGRAMS

(This provision is applicable when any surgical sterilization will be supported in whole or in part from funds under this Grant.)

- (a) None of the funds made available under this Grant shall be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to practice sterilization.
- (b) The Grantee shall insure that any surgical sterilization procedures supported in whole or in part by funds from this Grant are performed only after the individual has voluntarily presented himself or herself at the treatment facility and has given his or her informed consent to the sterilization procedure. Informed consent means the voluntary, knowing assent from the individual after he or she has been advised of the surgical procedures to be followed, the attendant discomforts and risks, the benefits to be expected, the availability of alternative methods of family planning, the purpose of the operation and its irreversibility, and his or her option to withdraw consent anytime prior to the operation. An individual's consent is considered voluntary if it is based upon the exercise of free choice and is not obtained by any special inducement or any element of force, fraud, deceit, duress or other forms of coercion or misrepresentation.
- (c) Further, the Grantee shall document the patient's informed consent by (1) a written consent document in a language the patient understands and speaks, which explains the basic elements of informed consent, as set out above, and which is signed by the individual and by the attending physician or by the authorized assistant of the attending physician; or (2) when a patient is unable to read adequately, a written certification by the attending physician or by the authorized assistant of the attending physician that the basic elements of informed consent above were orally presented to the patient, and that the patient thereafter consented to the

ATTACHMENT B:  
Specific Support Grant  
September 1977 (OTEI)

performance of the operation. The receipt of the oral explanation shall be acknowledged by the patient's mark on the certification and by the signature or mark of a witness who shall be of the same sex and speak the same language as the patient.

- (d) Copies of informed consent forms and certification documents for each voluntary sterilization (VS) procedure must be retained by the Grantee for a period of three years after performance of the sterilization procedure.
- (e) The Grantee shall insert paragraphs (a), (b), (c), (d) and (e) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder involving the performance of any sterilization which will be supported in whole or in part from funds under this Grant.

18. PUBLICATIONS

(This provision is applicable to any grant which produces any book, publication, or other copyrightable materials.)

- (a) If it is the Grantee's intention to identify AID's contribution to any publication resulting from this Grant, the Grantee shall consult with AID on the nature of the acknowledgement prior to publication.
- (b) The Grantee shall provide the Project Manager with one copy of all published works developed under the Grant. The Grantee shall provide the Project Manager with lists of other written work produced under the Grant.
- (c) In the event Grant funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the Grant.
- (d) The Grantee is permitted to secure copyright to any publication produced or composed under the Grant in accordance with paragraph 1T9.b. of Chapter 1, AID Handbook 13. Provided, the Grantee agrees to and does hereby grant to the Government a royalty-free, non-exclusive and irrevocable license throughout the world to use, duplicate, disclose, or dispose of such publications in any manner and for any purpose to permit others to do so.

19. PATENTS

(This provision is applicable to any Grant which produces patentable items, patent rights, processes, or inventions.)

- (a) Grantee agrees to notify the Grant Officer, in writing, of any invention or discovery conceived or first actually reduced

ATTACHMENT B  
Specific Support Grant  
SEPTEMBER 1977 (OTEI)

to practice in the course of or under this Grant. The Grant Officer will determine the patent rights to be afforded the Grantee in accordance with the Presidential Memorandum and Statement of Government Patent Policy (36 FR 16889) and paragraph 118.a. of Chapter 1, AID Handbook 13.

- (b) Nothing contained in this provision shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government under any patent.

20. REGULATIONS GOVERNING EMPLOYEES OUTSIDE THE UNITED STATES

(This provision is applicable only to the Grantee's U.S. and third country national employees; it is not applicable to the Grantee's cooperating country national employees.)

- (a) The Grantee's employees, when employed in work overseas, shall maintain private status and may not rely on local U.S. Government offices or facilities for support while so engaged.
- (b) The sale or personal property or automobiles by Grantee employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire AID personnel employee by the Mission, except as this may conflict with host government regulations.
- (c) Other than work to be performed under this Grant for which an employee or consultant is assigned by the Grantee, no regular or short term employee or consultant of the Grantee shall engage directly or indirectly, either in his name or in the name or through an agency of another person, in any business, profession, or occupation in the foreign countries to which he is assigned, nor shall he make loans or investments to or in any business, profession or occupation in the foreign countries to which he is assigned.
- (d) The Grantee's employees, while in a foreign country, are expected to show respect for its conventions, customs, and institutions, to abide by its applicable laws and regulations, and not to interfere in its internal political affairs.
- (e) In the event the conduct of any Grantee employee is not in accordance with the preceding paragraphs, the Grantee's

ATTACHMENT D  
Specific Support Grant  
SEPTEMBER 1977 (OTEI)

chief of party shall consult with the Mission Director and the employee involved and shall recommend to the Grantee a course of action with regard to such employee.

- (f) The parties recognize the right of the U.S. Ambassador to direct the removal from a country of any U.S. citizen or the discharge from this Grant of any third country national when, in the discretion of the Ambassador, the interests of the United States so require.
- (g) If it is determined, under either (e) or (f) above, that the services of such employee shall be terminated, the Grantee shall use its best efforts to cause the return of such employee to the United States, or point of origin, as appropriate.

21. SUBORDINATE AGREEMENTS

The placement of subordinate agreements (e.g., leases, options, etc.), grants, or contracts with other organizations, firms or institutions and the provisions of such subordinate agreements are subject to prior written consent of the Grant Officer if they will be funded hereunder, unless the Grantee's procurement systems has been reviewed and approved pursuant to the appropriate section(s) of paragraph 1U, Chapter 1 of AID Handbook 13. In no event shall any such subordinate agreement, grant, or contract be on a cost-plus-a-percentage-of-cost basis. Subordinate contractors (including suppliers) shall be selected on a competitive basis to the maximum practicable extent consistent with the obligations and requirements of this Grant.

22. U.S. OFFICIALS NOT TO BENEFIT

No member of or delegate to the U.S. Congress or resident U.S. commissioner shall be admitted to any share or part of this Grant or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this Grant, if made with a corporation for its general benefit.

23. COVENANT AGAINST CONTINGENT FEES

The Grantee warrants that no person or selling agency has been employed or retained to solicit or secure this Grant upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees or bona fide established commercial or selling agencies maintained by the Grantee for the purpose of securing business. For breach or

ATTACHMENT D  
Specific Support Grant  
September 1977 (OTEI)

violation of this warranty, AID shall have the right to cancel this Grant without liability or, in its discretion, to deduct from the Grant amount, or otherwise recover, the full amount of each commission, percentage, brokerage, or contingent fee.

24. NONLIABILITY

AID does not assume liability with respect to any third party claims for damages arising out of work supported by this Grant.

25. AMENDMENT

The Grant may be amended by formal modifications to the basic grant document or by means of an exchange of letters between the Grant Officer and an appropriate official of the Grantee.

26. THE GRANT

The letter to the Grantee signed by the Grant Officer, the Project Description, the Standard Provision and the Financial Plan which have been reviewed and agreed to by the Grantee, constitute the Grant.

27. NOTICES

Any notice given by any of the parties hereunder, shall be sufficient only if in writing and delivered in person or sent by telegraph, cable, registered or regular mail as follows:

To the AID Grant Officer at the address specified in the Grant

To Grantee - At Grantee's address shown in the Grant, or to such other address as either of such parties shall designate by notice given as herein required. Notices hereunder, shall be effective when delivered in accordance with this provision or on the effective date of the notice, whichever is later.

ATTACHMENT D (SUPPLEMENT)  
Specific Support Grants  
August 1978 (BOTH EI & OTEI)

Non-U.S. Grantees and Non-U.S. Subgrantees  
(BOTH EDUCATIONAL INSTITUTIONS AND OTHER THAN EDUCATIONAL INSTITUTIONS)

28. ALTERATIONS IN STANDARD PROVISIONS

The Standard Provisions of the SEPTEMBER 1977 Edition have been changed as follows:

a. Standard Provision 7A. PAYMENT - FEDERAL RESERVE LETTER OF CREDIT (FRLC) ADVANCE

- (1) Delete the applicability statement and substitute the following therefor:

(This provision is applicable when all the following conditions are met: (1) the sum of all the advances under the Grantee's contracts and grants with AID exceeds \$ 120,000 per annum; (2) AID has, or expects to have, a continuing relationship with the Grantee for at least a year; and (3) the Grantee's commercial bank has ready access to a U.S. Federal Reserve Bank.)

- (2) Delete the term "TUS" in paras. (a), (d) (4) (A), (d) (4) (C), and (d) (5) and substitute the term "TFS" therefor.
- (3) Delete the term "SER/FM" wherever it appears in para (c) and substitute the term "the AID Controller"; also delete the term "Office of Financial Management" in para. (d) (7) and substitute the term "the AID Controller" therefor.
- (4) Delete the figures "\$10,000" and "\$1,000,000" in para (a) and substitute the figures "\$5,000" and "\$5,000,000", respectively, therefor.
- (5) Delete the words "less than" in para. (d) (7) and substitute the words "more than" therefor.

b. Standard Provision 7B. PAYMENT - PERIODIC ADVANCE

Delete the entire provision and substitute the following therefor:

7B PAYMENT - PERIODIC ADVANCE

(This provision is applicable when any one of the following conditions is met: (1) the sum of all the advances under the

ATTACHMENT B (SUPPLEMENT)  
Specific Support Grants  
August 1978 (BOTH EI & OTEI)

Grantee's contracts and grants with AID does not exceed \$120,000 per annum; or (2) the sum of all such advances to the Grantee exceeds \$120,000 per annum, but there is not a continuing relationship with the Grantee of at least one year; or (3) the Grantee's commercial bank does not have ready access to a U.S. Federal Reserve Bank.)

- a. Each month (or quarter, if the Grantee is on a quarterly basis) after the initial cash advance, the Grantee shall submit to the AID Controller voucher form SF 1034 (original) and SF 1034-A (three copies).
- b. Each voucher shall be identified by the appropriate grant number and shall be accompanied by an original and three copies of a report in the following format:

FEDERAL CASH ADVANCE STATUS REPORT

- A. Period covered by this report: \_\_\_\_\_ Period covered by the next report: \_\_\_\_\_  
 FROM (month, day, year) \_\_\_\_\_ TO (month, day, year) \_\_\_\_\_  
 TO ( " " " ) \_\_\_\_\_ TO ( " " " ) \_\_\_\_\_
- B. Cash Advance Use and Needs.
  - 1. Cash advance on hand at the beginning of this reporting period.....\$ \_\_\_\_\_
  - 2. U.S. Treasury check advance(s) received during this reporting period.....\$ \_\_\_\_\_
  - 3. Interest earned on cash advance during this reporting period.....\$ \_\_\_\_\_
  - 4. GROSS cash advance available during this reporting period (Lines 1, 2, & 3).....\$ \_\_\_\_\_
  - 5. LESS interest remitted to AID during this reporting period .....\$ \_\_\_\_\_
  - 6. NET cash advance available during this reporting period (line 4 minus Line 5). \$ \_\_\_\_\_
  - 7. Total disbursements during this reporting period, including sub-advances (see footnote 1).....\$ \_\_\_\_\_

ATTACHMENT B (SUPPLEMENT)  
Specific Support Grants  
August 1978 (BOTH EI & OTEI)

- 8. Amount of cash advances available at the end of this reporting period (Line 6 minus Line 7).....\$ \_\_\_\_\_
- 9. Projected disbursements, including subadvances, for the next reporting period (see footnote 2).....\$ \_\_\_\_\_
- 10. Additional cash advance requested for the next reporting period (Line 9 minus Line 8).....\$ \_\_\_\_\_
- 11. Total interest earned on cash advance from the start of Grant to the end of this reporting period, but not remitted to AID .....\$ \_\_\_\_\_
- 12. Total cash advance to sub-grantees, if any, as of the end of this reporting period.....\$ \_\_\_\_\_

FOOTNOTES:

- 1. The Grantee shall submit a cumulative detailed report of disbursements by BUDGET line item quarterly; the monthly cash advance status report does not require a detailed report of disbursements.
- 2. The Grantee shall attach to this summary a detailed projection, by BUDGET line item, of its anticipated needs for the next reporting period.

C. Certification.

The undersigned hereby certifies: (1) that the report in para. B. 9 above represents the best estimates of funds needed for the disbursements to be incurred over the period described, (2) that appropriate refund or credit to the Grant will be made in the event of disallowance in accordance with the terms of the Grant, (3) that appropriate refund or credit to the Grant will be made in the event funds are not expended, and (4) that any interest accrued on the funds made available herein will be refunded to AID.

DATE \_\_\_\_\_ BY \_\_\_\_\_  
TITLE \_\_\_\_\_

- c. AID funds shall not be commingled with other Grantee owned or controlled funds. The Grantee shall deposit all AID cash advances in a separate bank account and shall make all disbursements for goods and services from this account.

ATTACHMENT B (SUPPLEMENT)  
Specific Support Grants  
August 1978 (BOTH EI & OTEI)

C. Standard Provision 10. PROCUREMENT OF GOODS AND SERVICES UNDER \$250,000

Delete the entire provision and substitute the following therefor:

10. PROCUREMENT OF GOODS AND SERVICES UNDER \$250,000

(This provision is applicable when the total procurement element (i.e., the sum of all purchase orders and contracts for goods and services) of this Grant does not exceed \$250,000.)

(a) Ineligible Goods and Services

Under no circumstances shall the Grantee procure any of the following under this Grant:

- (1) military equipment,
- (2) surveillance equipment,
- (3) commodities and services for support of police or other law enforcement activities,
- (4) abortion equipment and services,
- (5) luxury goods and gambling equipment, or
- (6) weather modification equipment.

(For a more detailed discussion of the subject, see AID Handbook 1, Supplement B, paragraph 4D.)

If AID determines that the Grantee has procured any of the ineligible goods and services specified above under this Grant, and has received reimbursement for such purpose, the Grantee agrees to refund to AID the entire amount of the purchase.

(b) Restricted Goods

The Grantee shall not procure any of the following goods or services from a non-U.S. source (i.e., other than AID Geographic Code 000) without the prior written authorization of the Grant Officer:

- (1) agricultural commodities,

ATTACHMENT E (SUPPLEMENT)  
Specific Support Grants  
August 1978 (BOTH EI & OTEI)

- (2) motor vehicles,
- (3) pharmaceuticals,
- (4) pesticides,
- (5) plasticizers,
- (6) used equipment, or
- (7) U.S. Government-owned excess property.

(For a detailed discussion of the subject, see AID Handbook 1, Supplement B, paragraph 4C.)

If AID determines that the Grantee has procured any of the restricted goods specified above under this Grant, without the prior written authorization of the Grant Officer, and has received reimbursement for such purpose, the Grantee agrees to refund to AID the entire amount of the purchase.

(c) Geographic Source and Order of Preference

Except as may be specifically approved or disapproved in advance by the Grant Officer under paragraph 10(b) above, all other goods (e.g., equipment, materials, and supplies) and services, the costs of which are to be reimbursable under this Grant and which will be financed with United States dollars, shall be purchased in and shipped from only "Special Free World" countries (i.e., AID Geographic Code 935) in accordance with the following order of preference:

- (1) The United States (AID Geographic Code 000)
- (2) "Selected Free World" countries (AID Geographic Code 941),
- (3) the cooperating country,
- (4) "Special Free World" countries (AID Geographic Code 935).

(d) Application of Order of Preference

When the Grantee procures goods and services from

ATTACHMENT E (SUPPLEMENT)  
Specific Support Grants  
August 1978 (BOTH EI & CTEI)

other than U.S. sources, under the order of preference in 10(c) above, it shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the Grantee's documentation:

- (1) the procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,
- (2) the price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,
- (3) impelling local political consideration precluded consideration of U.S. sources,
- (4) the goods or services were not available from U.S. sources, or
- (5) procurement of locally available goods or services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance Program under the Grant.

(e) The Grantee's Procurement System

- (1) The Grantee may use its own procurement policies and procedures provided they conform to the geographic source and order to preference requirements of this provision and paragraphs 3 and 4, Attachment C of OMB Circular No. A-110.
- (2) If the Grantee's procurement policies and procedures have been reviewed against the procurement requirements of paragraphs 3 and 4 of Attachment C to OMB Circular No. A-110 and have been approved by AID or another Federal department or agency, the Grantee shall furnish the Grant Officer a copy of such approval; otherwise the Grantee's procurement policies and procedures shall conform to the specified requirements of OMB Circular No. A-110. (See AID Handbook 13, Chapter 1, paragraph 10.)

49

ATTACHMENT B (SUPPLEMENT)  
Specific Support Grants  
August 1978 (BOTH EI & OTEI)

(f) Small Business

To permit AID, in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended to give United States small business firms an opportunity to participate in supplying commodities and services procured under this Grant, the Grantee, shall, to the maximum extent possible, provide the following information to the Small Business Office, AID, Washington, D.C. 20523 at least 45 days prior (except where a shorter time is requested of, and granted by the Small Business Office) to placing any order or contract in excess of \$25,000:

- (1) Brief general description and quantity of goods or services;
- (2) Closing date for receiving quotations, proposals, or bids; and
- (3) Address where invitations or specifications can be obtained.

(g) Ineligible Suppliers

Funds provided under this Grant shall not be used to procure any commodity or commodity-related services furnished by any supplier whose name appears on the List of Ineligible Suppliers under AID Regulation 8, "Suppliers of Commodities and Commodity-Related Services Ineligible for AID Financing" (22 CFR 208). The Grantee agrees to review said list prior to undertaking any procurement the cost of which is to be reimbursable under this Grant. AID will provide the Grantee with this list.

FINANCIAL PLAN

- A. The funds, including local currency, herein shall be used to finance the following items, in accordance with the requirements of Section 7B of Attachment B "Standard Provisions":

Items	Estimated Total Cost Aug. 27, 1981 to Aug. 26, 1984		
	Foreign Exchange	Local Currency \$ Equivalent	Total
I. Personnel	\$62,334.00	\$ 15,900.00	\$ 78,234.00
II. Travel	\$ 3,859.00	\$ 13,141.00	\$ 17,000.00
III. Office Expenses	\$ 1,008.00	\$ 37,992.00	\$ 39,000.00
IV. Program			
A. Consultants	-0-	\$ 17,646.00	\$ 17,646.00
B. Training	-0-	\$ 14,362.00	\$ 14,362.00
C. Impact Area Teams	-0-	\$ 19,737.00	\$ 19,737.00
D. Project Fund	-0-	\$ 85,443.00	\$ 85,443.00
V. Overhead	\$27,000.00	-0-	\$ 27,000.00
VI. Capital Assets	\$ 495.00	\$ 3,965.00	\$ 4,460.00
<b>Total</b>	<b>\$94,696.00</b>	<b>\$208,186.00</b>	<b>\$302,882.00</b>

45

ESTIMATED TOTAL COST IN FOREIGN EXCHANGE AND LOCAL CURRENCY (\$ EQUIVALENT)

	8/27/84 - 8/26/85		8/27/85 - 8/26/86		8/27/86 - 8/26/87		8/27/87 - 8/24/88		T O T A L	
	Foreign Exchange	Local Currency (\$ Equiv.)	Foreign Exchange	Local Currency (\$ Equiv.)						
1. Personnel		\$ 21,000		\$ 23,000		\$ 23,000		\$ 23,000		\$ 90,000
2. Travel	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 8,000	\$ 8,000
3. Office Admin.		\$ 16,000		\$ 17,000		\$ 17,000		\$ 17,000		\$ 67,000
4. <u>Program</u>										
A. Consultants	\$ 1,250	\$ 1,250	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,750	\$ 6,500	\$ 6,500
B. Training	\$ 2,000	\$ 3,000	\$ 2,400	\$ 3,600	\$ 2,400	\$ 3,600	\$ 2,400	\$ 3,600	\$ 9,200	\$ 13,800
C. Impact Area Teams		\$ 10,000		\$ 10,000		\$ 10,000		\$ 10,000		\$ 40,000
D. Project Funds		\$ 19,045		\$ 20,591		\$ 20,591		\$ 20,591		\$ 80,818
Sub-total	\$ 5,250	\$ 72,295	\$ 6,150	\$ 77,941	\$ 6,150	\$ 77,941	\$ 6,150	\$ 77,941	\$ 23,700	\$306,118
Overhead	\$ 7,755		\$ 8,409		\$ 8,409		\$ 8,409		\$ 32,982	
Capital Assets	\$ 10,000	\$ 2,200	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 17,500	\$ 9,700
<b>Total</b>	<b>\$ 23,005</b>	<b>\$ 74,495</b>	<b>\$ 17,059</b>	<b>\$ 80,441</b>	<b>\$ 17,059</b>	<b>\$ 80,441</b>	<b>\$ 17,059</b>	<b>\$ 80,441</b>	<b>\$ 74,182</b>	<b>\$315,818</b>

B. Summary Project Budget (US \$)

	Year 1 FY 82	Year 2 FY 83	Year 3 FY 84	Year 4 FY 85	Year 5	Year 6	Year 7	Total
AID	74,571	127,724	100,587	97,500	97,500	97,500	97,500	692,882
SCF*	74,026	105,667	120,307	175,000	200,000	225,000	250,000	1,150,000
Total	148,597	233,391	220,894	272,500	297,500	322,500	347,500	1,842,882

\* The Save the Children budget is directly related to sponsorship donations received at the international headquarters. The budget presented serves as an estimate of funds the Nepal Field Office expects to be receiving. Revisions to these estimates will be presented as budget adjustments are made.

C. Local Community Participation

S.C.F., Inc.'s methodology is predicated on the assumption that communities can be organized in a manner which will allow them to identify and prioritize their needs and then plan, implement and evaluate projects that respond to these needs. This methodology demands a very high level of participation from community members.

Concomitantly S.C.F., Inc. attempts to link government services and financial resources to the communities' requirements and, in the process, establish a permanent relationship between the communities and government which can and will be perpetuated by the communities.

The funding and technical assistance contribution which is the product of the relationship will not be determined until the communities have developed different kinds of projects which they will select to respond to their needs. Community inputs of labor, in-kind and financial assistance will be determined also by the nature and scope of the projects that are developed. S.C.F., Inc. in Nepal will require a minimum input of 25 percent of project costs from the participating communities, associated supporting Nepalese non-government groups, participating government agencies or from any one or combination of these. Although a 25 percent contribution will be required, S.C.F., Inc.'s experience in Nepal and other countries has shown that community inputs often exceed 50% of the total project cost. Detailed records at the

47

community level will be maintained to assure reasonably accurate reporting of quantifiable project costs and expenditure data. It is worth mentioning here that the District Government officials in Gorkha have assured us of support, both financial and technical, for the projects developed by the communities in Deurali Panchayat. Again, the total value of any such support can be determined only after the projects have been developed.

Operational Program Grant Estimate of Expenditures  
Years 1-3 (FY 82-84)

	FY 82	FY 83	FY 84*	Total
1. Personnel	\$25,537.16	\$ 26,773.08	\$ 25,923.76	\$ 78,234.00
2. Travel	\$ 8,124.62	\$ 4,565.98	\$ 4,309.40	\$ 17,000.00
3. Office Admin.	\$ 6,843.97	\$ 18,405.46	\$ 13,750.57	\$ 39,000.00
4. <u>Program</u>				
A. Consultants	\$ 4,004.96	\$ 12,224.69	\$ 1,416.35	\$ 17,646.00
B. Training	\$ 4,568.94	\$ 5,781.90	\$ 4,011.16	\$ 14,362.00
C. Impact Area Team	\$ 4,070.44	\$ 7,036.30	\$ 8,630.26	\$ 19,737.00
D. Projects	\$14,210.51	\$ 37,596.75	\$ 33,635.74	\$ 85,443.00
5. Overhead	\$ 5,308.02	\$ 12,782.49	\$ 8,909.58	\$ 27,000.00
6. Capital Assets	\$ 1,902.85	\$ 2,557.06	-0-	\$ 4,459.91
Total	\$74,571.47 <sup>(1)</sup>	\$127,723.71 <sup>(1)</sup>	\$100,586.82	\$302,882.00

(1) Based on SF 269 Statements.

\* Estimated.

BUDGET SHIFTS OF UP TO 15% BETWEEN LINE ITEMS ARE ALLOWABLE WITHOUT AID APPROVAL AS LONG AS THE TOTAL IS NOT INCREASED.

Operational Program Grant  
Quarterly Estimate of Expenditure  
Year 4 (FY 85)

Line Item	I	II	III	IV	Total
Personnel	5,250	5,250	5,250	5,250	21,000
Travel	1,000	1,000	1,000	1,000	4,000
Field Office	4,000	4,000	4,000	4,000	16,000
Program:					
a) Consultants	625	625	625	625	2,500
b) Training	1,250	1,250	1,250	1,250	5,000
c) Impact Area Team	2,500	2,500	2,500	2,500	10,000
d) Project Fund	4,761	4,761	4,761	4,762	19,045
Sub-Total	19,386	19,386	19,386	19,387	77,545
Overhead	1,938	1,938	1,938	1,941	7,755
Capital Assets	3,050	3,050	3,050	3,050	12,200
Total	24,374	24,374	24,374	24,378	97,500

Operational Program Grant  
Quarterly Estimate of Expenditure  
Year 5 (FY 86)

Line Item	I	II	III	IV	Total
Personnel	5,750	5,750	5,750	5,750	23,000
Travel	1,000	1,000	1,000	1,000	4,000
Field Office	4,250	4,250	4,250	4,250	17,000
Program:					
a) Consultants	875	875	875	875	3,500
b) Training	1,500	1,500	1,500	1,500	6,000
c) Impact Area Team	2,500	2,500	2,500	2,500	10,000
d) Project Fund	5,148	5,148	5,148	5,147	20,591
Sub-Total	21,023	21,023	21,023	21,022	84,091
Overhead	2,102	2,102	2,102	2,103	8,409
Capital Assets	1,250	1,250	1,250	1,250	5,000
Total	24,375	24,375	24,375	24,375	97,500

Operational Program Grant  
Quarterly Estimate of Expenditure  
Year 6 (FY 87)

Line Item	I	II	III	IV	Total
Personnel	5,750	5,750	5,750	5,750	23,000
Travel	1,000	1,000	1,000	1,000	4,000
Field Office	4,250	4,250	4,250	4,250	17,000
Program:					
a) Consultants	875	875	875	875	3,500
b) Training	1,500	1,500	1,500	1,500	6,000
c) Impact Area Team	2,500	2,500	2,500	2,500	10,000
d) Project Fund	5,148	5,148	5,148	5,147	20,591
Sub-Total	21,023	21,023	21,023	21,022	84,091
Overhead	2,102	2,102	2,102	2,103	8,409
Capital Assets	1,250	1,250	1,250	1,250	5,000
Total	24,375	24,375	24,375	24,375	97,500

Operational Program Grant  
Quarterly Estimate of Expenditure  
Year 7 (FY 88)

Line Item	I	II	III	IV	Total
Personnel	5,750	5,750	5,750	5,750	23,000
Travel	1,000	1,000	1,000	1,000	4,000
Field Office	4,250	4,250	4,250	4,250	17,000
Program:					
a) Consultants	875	875	875	875	3,500
b) Training	1,500	1,500	1,500	1,500	6,000
c) Impact Area Team	2,500	2,500	2,500	2,500	10,000
d) Project Fund	5,148	5,148	5,148	5,147	20,591
Sub-Total	21,023	21,023	21,023	21,022	84,091
Overhead	2,102	2,102	2,102	2,103	8,409
Capital Assets	1,250	1,250	1,250	1,250	5,000
Total	24,375	24,375	24,375	24,375	97,500

STATEMENT OF ASSURANCE OF COMPLIANCE  
WITH THE AGENCY FOR INTERNATIONAL DEVELOPMENT  
REGULATION UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

S.C.F. Inc. (hereinafter called the "Grantee")  
(Name of Grantee)

HEREBY AGREES THAT it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Regulation of the Agency for International Development (22 CFR Part 209, 30 FR 317) issued pursuant to that title, to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Grantee receives Federal financial assistance from the Agency; and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Grantee by the Agency, this assurance shall obligate the Grantee, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Grantee for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Grantee for the period during which the Federal financial assistance is extended to it by the Agency.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Grantee by the Agency, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The Grantee recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Grantee, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Grantee.

Save the Children  
(Grantee)

BY (Signature) \_\_\_\_\_

TYPED NAME: Gary Shaye

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

Country Director  
August 27, 1981