

PD-AY-238 SA/PO  
57930

AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D C 20523

June 20, 1988

ACTION MEMORANDUM FOR THE SENIOR ASSISTANT ADMINISTRATOR, S&T

FROM: S&T/RUR, Curtis R. Jackson *Curtis R. Jackson*

SUBJECT: Authorization for the Single Memorandum of Understanding of the Agriculture Program Support Grant

Problem: Your approval is required to continue the Single Memorandum of Understanding (SMOU) - Agriculture Program Support Grant (PSG) for a period of ten years from the date of the signing of this authorization. The estimated cost for this ten year, roll-forward program is \$15 million. Obligations totalling approximately \$1.5 million are planned for FY 1989. Obligations are scheduled to occur every fiscal year with a ten year, roll-forward horizon. The program will be externally evaluated every four years.

Discussion: To determine progress made by the five (5) universities in mobilizing their faculties and other resources to assist A.I.D. in its overseas development assistance efforts, the Office of Research and University Relations conducted an external evaluation of the Single Memorandum of Understanding/Program Support Grant. The results of the evaluation were very favorable. The funds that A.I.D. awarded were matched with an equal or greater amount of non-federal funds thus mobilizing a much larger amount of funds to perform the purposes of the grant. Between 60 and 70 percent of grant funds (1986-87) were used to support A.I.D./University contracts. In one year alone (1986-87) 368 persons had long and short-term overseas assignments. The five (5) universities have established, through the A.I.D. partnership, centers of excellence and specialization.

The institutions have signed a SMOU with A.I.D. The institutions will prepare faculty members to work overseas for A.I.D. in selected agricultural subject matter areas and in selected geographic regions served by A.I.D. Each institution will also undertake independent development related activities that will improve their efforts in LDCs. Five (5) institutions will receive grants during the life of this program. Each grant will be awarded for a period of one year with a ten year roll-forward horizon.

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The formula for determining the annual size of the grant is:

- 1) 2% of the institution's average dollar volume of Title XII business during the immediately preceding three years; plus
- 2) \$15,000 per average FTE of overseas technical services provided by regular employees of the institution to A.I.D.-funded Title XII projects during the immediately preceding three years.

Each university can be awarded a grant of up to \$300,000 per year. The program will be funded from the Agriculture, Rural Development, and Nutrition account (Section 103). The proposed funding is as follows:

FY 1989	\$ 1,500,000
FY 1990	\$ 1,500,000
FY 1991	\$ 1,500,000
FY 1992	\$ 1,500,000
FY 1993	\$ 1,500,000
FY 1994	\$ 1,500,000
FY 1995	\$ 1,500,000
FY 1996	\$ 1,500,000
FY 1997	\$ 1,500,000
FY 1998	\$ 1,500,000
TOTAL - - - -	\$15,000,000

Formal review and forward planning exercises will be conducted annually by A.I.D. on each institution's activities. These may be held in Washington, D.C., or on the campuses as determined by A.I.D. Findings of these reviews will be used to modify program plans for the remaining years of the MOU. In addition, special reviews may be held upon the request of A.I.D. or either of the partner institutions.

Recommendation: That you approve this Amendment by signing the attached Project Authorization, and the Executive Summary of the External Evaluation of the Single Memorandum of Understanding/Program Support Grant.

Attachments:

1. Project Authorization
2. Project Data Sheet
3. Executive Summary
4. Guidelines for Annual Reporting

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Clearances:

S&T/PO:DSeldon: D Date 6/22/88

S&T:BLangmaid \_\_\_\_\_ Date \_\_\_\_\_

GC/CF:STisa SMA Date 6/22/88

S&T/RUR:GBittner:sls:4235Z:2/4/88:235-8929

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PROJECT AUTHORIZATION

NAME OF COUNTRY:           Worldwide  
PROJECT TITLE:             Single MOUs - Agriculture Program Support Grants  
PROJECT NUMBER:           931-1282

1. Pursuant to Section 103 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the centrally funded project entitled "Single MOUS - Agriculture Program Support Grants" involving planned obligations of not to exceed \$15 million over a ten year period from the date of authorization, subject to the availability of funds and in accordance with the A.I.D. OYB allotment process.

2. The project will increase the capabilities of U.S. universities to provide timely, quality, technical assistance to A.I.D. for its overseas projects in agriculture, rural development and nutrition.

3. The universities participating are the University of Florida, Colorado State University, Purdue University, Utah State University, and Washington State University.

4. The Grants, which may be negotiated and executed by the office(s) to which such authority is delegated in accordance with A.I.D. regulations and delegations of authority, shall be subject to the following terms and conditions as A.I.D. may deem appropriate.

5. Source of Origin of Commodities, Nationality of Services

a. Commodities financed by A.I.D. under the project shall have their source and origin in the United States or in the cooperating country\* except as A.I.D. may otherwise agree in writing. Except for ocean shipping and air services, the suppliers of commodities or services shall have the cooperating country or the United States as their place of nationality, except as A.I.D. may otherwise agree in writing.

b. Goods and services, except for ocean shipping, financed by A.I.D. under the project shall have their source and origin in a cooperating country or in the United States, except as A.I.D. may otherwise agree in writing.

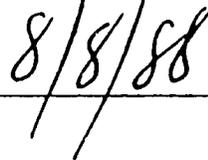
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\* Each country where research, training, technical, or other assistance takes place under the project shall be deemed to be a cooperating country for the purpose of permitting local cost financing of goods or services for the activity being conducted in such country.

c. Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.



N. C. Brady  
Senior Assistant Administrator  
for Science and Technology



Date

Clearances:

S&T/PO: DSheldon  Date 4/29/88

GC/CP: STisa  Date \_\_\_\_\_

S&T/RUR:GBittner:sls:4235Z:2/4/88:235-8929

PROJECT DATA SHEET

1. TRANSACTION CODE

A - Add  
 C - Change  
 D - Delete

Amendment Number

DOCUMENT CODE

3

COUNTRY/ENTITY

WORLDWIDE

3. PROJECT NUMBER

931-1282

BUREAU/OFFICE

S&T/RUR

5. PROJECT TITLE (maximum 40 characters)

Single MOUs - Agriculture

PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY  
 09 30 98

7. ESTIMATED DATE OF OBLIGATION  
 (Under "B." below, enter 1, 2, 3, or 4)

A. Initial FY 89

B. Quarter 3

C. Final FY 98

8. COSTS (\$000 OR EQUIVALENT \$1 - )

A. FUNDING SOURCE	FIRST FY 89			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	( 1,500 )	( )	( 1,500 )	( )	( )	( 15,000 )
(Loan)	( )	( )	( )	( )	( )	( )
1.						
2.						
Host Country						
Other Donor(s)						
TOTALS	1,500		1,500			15,000

9. SCHEDULE OF AID FUNDING (\$000)

APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT		
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	
FN	110	070					1,500		15,000	
TOTALS							1,500		15,000	

SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

200 300

11. SECONDARY PURPOSE CODE  
 200/300

SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code  
 B. Amount

PROJECT PURPOSE (maximum 480 characters)

To facilitate A.I.D.'s use of U.S. agricultural colleges and universities in accordance with the tenets of Title XII.

SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY  
 0 5 9 3 1 2 9 7

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000  941  Local  Other (Specify)

AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page PP Amendment)

APPROVED BY

Signature

Curtis R. Jackson

Title

Director, S&T/RUR

Date Signed

MM DD YY  
 10 6 20 18 8

16. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

## I. EXECUTIVE SUMMARY

The Program Support Grant, Single Memorandum of Understanding Agriculture (PSG/SMOU) has been evaluated and is judged highly satisfactory. The evaluation recommends that the program be continued, but with consideration given to making changes in scope, direction and implementation. The changes proposed would: reduce and limit subject matter concentration to existing and needed world-class, centers of excellence and specialization; expand the quid pro quo A.I.D.-university relationship to provide for additional services to A.I.D.; and revise the PSG entitlement formula to provide weight to progress towards achievement of institutional objectives of Title XII. The intent of the recommendations is to build on investments made, sharpen program focus to concentrate on highly rewarding endeavors, broaden and deepen university relationships with A.I.D. program managers in AID/Washington and USAID Missions abroad, recognize and reward the importance and relevance of changes in the universities, and strengthen the rationale and justification for the program. Selected specifics and highlights of the evaluation follow.

Arrangements and support for the evaluation were made by the Office of Research and University Relations (RUR). Officials of the five participating universities - University of Colorado, University of Florida, Purdue University, Utah State University, and Washington State University - helped with identifying and supplying indicators of progress, and helped generally with providing data and clarifying details and issues.

Title XII of The Foreign Assistance Act, as amended, provides the authority and context for the PSG/SMOU program. The Single Memorandum of Understanding documents follow and reflect the objectives and purposes of Title XII and the Agency for International Development and set forth guiding provisions for conducting and measuring sponsored activities. It has been against these objectives, purposes, provisions, activities, four years of operation and expenditures of \$10.06 million that the program has been evaluated.

The evaluation covered the 1986-87 annual reports, work plans for 1988, and an overall assessment of the PSG/SMOU program. Conducted intermittently between December 8, 1987 and March 15, 1988, it was confined mainly to review and

## I. EXECUTIVE SUMMARY (Continued)

study of appropriate A.I.D. files and discussions with individuals involved in or knowledgeable of the program. There were no site visits to campuses of participating universities.

Achievements of the program are numerous and notable. Several are cited. An estimated 60% to 70% of expenditures (\$10.06 million in total expenditures comprised of about half A.I.D. and half University matching funds) have been spent in support of on-going and immediately foreseeable A.I.D.-university projects. When viewed from this perspective, A.I.D. has leveraged university funds and services and in the process may have received more than it has contributed. If so, it can be conjectured that it would be difficult for A.I.D. to find a more rewarding, cost effective arrangement. With respect to the universities, there has been a rapid build-up of overseas experience and expertise in faculties. In one year alone, 1986-87, 368 persons had long-and short-term overseas assignments. But, perhaps, the most apparent impact in the universities has been the program's support for centers of excellence and specialization. This development is considered a signal achievement of potentially immense value. Less apparent are predictable, far-reaching, enduring consequences of "internationalization" of curricula and courses.

The principal shortfalls of the program may be interrelated. The failure of A.I.D. to implement key provisions of the SMOU's appears to be directly related to the failure of the universities to achieve targeted, regular employee FTE's. Had A.I.D. carried out provisions providing for annual reviews, forward planning and help to the universities in achieving pledged FTE's, the results may have been quite different.

Calculation of annual payments of the PSG/SMOU is on the basis of volume of business and overseas FTE's of regular university employees. The formula provides an excellent measure of university participation in overseas A.I.D. assignments, but it discounts completely performance and progress toward achievement of Title XII institutional objectives and purposes. Given the program's quid pro quo intentions, A.I.D. and the universities may wish to consider a PSG/SMOU entitlement formula which provides weight for all

## I. EXECUTIVE SUMMARY (Continued)

objectives and purposes. Suggested is an adaptation of a private enterprise "retainer fee" concept which could provide for a base flat amount plus participation-incentive increases up to an agreed ceiling. Linked to such a change would be a requirement for the universities to provide specified kinds of services to A.I.D. - up to a ceiling - in the areas of their subject matter concentration at no cost other than travel and per diem.

With regard to the scope and direction of the program it is recommended that consideration be given to revising program agreements to (1) reduce the number of subjects and/or areas of specialization and (2) focus on those topics and areas of current and expected future demand by A.I.D., with special regard to those which are unusual, unique or highly specialized, not generally available and which require continuing funding to become and/or be sustained as outstanding centers of excellence. Changes in scope and focus should result in lower program costs.

The evaluation report reviews in detail the amounts of monies made available, their uses and their results. It presents and discusses findings and concludes with a set of recommendations.

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