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AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

AUG 31 1987

Mr. Peter Loan
Director, Technical Assistance Program
Sister Cities International
TOWN AFFILIATES ASSOCIATION
120 S. Payne Street
Alexandria, VA 22314

SUBJECT: Cooperative Agreement No. OTR-0291-A-00-7200-00

Dear Mr. Loan:

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 provides to Town Affiliation Association (hereinafter referred to as "TAA" or "Recipient"), the sum of \$520,000 to provide support for a program in development problems as described in the Schedule and the Program Description of this Cooperative Agreement.

This Cooperative Agreement is effective August 01, 1987 and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date and ending July 31, 1992.

This Cooperative Agreement is made to the Recipient on condition that the funds shall be administered in accordance with the terms and conditions as set forth in Enclosure 1, entitled "Schedule"; Enclosure 2, entitled "Program Description"; and Enclosure 3 entitled "Standard Provisions"; which have been agreed to by your organization.

Please acknowledge your receipt of this grant by having an authorized official sign all copies, retain one copy for your files, and return the remaining copies to this office being sure to return any copies marked "Funds Available".

Sincerely yours

Carolyn R. Eldridge

Carolyn R. Eldridge
Grant Officer
Management Support Branch
A.I.D./Washington Projects Division
Office of Procurement

Enclosures:

1. Schedule
2. Program Description
3. Standard Provisions
4. Payment Forms
5. Report Guidance

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PREVALIDATED ON PAGE 2

ACKNOWLEDGED:

TOWN AFFILIATES ASSOCIATION

BY: *Thomas W. Citterio*

BY: *Peter Loan*

TYPED/PRINTED NAME: Thomas W. Citterio

TYPED/PRINTED NAME: PETER LOAN

TITLE: Executive Vice President

TITLE: DIRECTOR, TAP

DATE: 9-9-87

DATE: 9/9/87

Fiscal Data

PIO/T No.:	7381809
Appropriation No.:	72-1171021.8
Allotment No.:	748-38-099-00-76-71
Budget Plan Code:	EDHA87-13810-KG11
Previous Oblig.:	\$ 0
This Obligation:	\$200,000
Total Obligation:	\$200,000
Life-of-Grant Cost:	\$520,000
DUNS No.:	116192964
Technical Office:	MPottee, FVA/PVC
Funding Source:	A.I.D./W
Document No.:	00350

FUNDS AVAILABLE

J. Haddad
AUG 31 1987
o/c 4190

Program Acctg Fin Division
Office of Financial Management

SCHEDULE

A. Purpose of Cooperative Agreement

The purpose of this Cooperative Agreement is to provide support for development problems as more specifically described in Enclosure 2 to this Cooperative Agreement entitled "Program Description" and the Recipient's proposal dated October 17, 1986 which is incorporated herein by reference. In the event of an inconsistency between the Recipient's proposal, the Program Description, and this Schedule; the Schedule and then the Program Description shall take precedence.

B. Period of Cooperative Agreement

1. The effective date of this Cooperative Agreement is August 01, 1987. The expiration date of this Cooperative Agreement is July 31, 1992.

2. Funds obligated hereunder are available for program expenditures for the period from August 01, 1987 to July 31, 1989. In the event there are funds remaining after this date, the Recipient is authorized to utilize them for the purposes of the Agreement as long as they are used within the period shown in B.1. above.

C. Method Of Payment and Amount of Cooperative Agreement

1. The total A.I.D. estimated amount of this Cooperative Agreement for the period shown in B.1. above is \$520,000.

2. A.I.D. hereby obligates the amount of \$200,000 for program expenditures during the period set forth in B.2. above and as shown in D. below.

3. Additional funds up to the total amount of the Cooperative Agreement shown in C.1. above may be obligated by A.I.D. subject to the availability of funds, and to the requirements of the Standard Provision of the Cooperative Agreement, entitled "Revision of Budget".

4. Payment shall be made to the Recipient in accordance with procedures set forth in Attachment 3, Standard Provision No. 1, entitled "Payment - Letter of Credit".

D. Budget

The following is the Budget for this Cooperative Agreement. Revisions to this budget shall be made in accordance with the Standard Provision of this Cooperative Agreement, entitled "Revision of Budget".

Cost Element	FR: 8/01/87	FR: 8/01/88	Total Cost Sharing Arrangement	
	TO: 7/31/88	TO: 7/31/92	A.I.D.	Recipient
Project Personnel	\$ 79,464	\$272,346	\$ 0	\$351,810
Travel	59,400	218,481	185,317	92,564
Supplies & Equipment	33,000	113,100	0	146,100
Other Direct Costs	11,000	37,400	0	48,400
Core Staff	30,000	133,731	163,731	0
Staff Travel	5,400	10,415	15,815	0
Other Direct Costs	7,000	28,000	35,000	0
Indirect Costs	30,000	133,731	100,137	63,594
Evaluation	0	20,000	20,000	0
TOTAL:	\$255,264	\$967,204	\$520,000	\$702,468

1. Recipient is allowed 15% flexibility among programmatic line items in the budget with the exception of evaluation, procurement, and indirect cost. No flexibility is authorized for the evaluation, procurement, and indirect cost line items. The Recipient must obtain written authorization from the Grant Officer to exceed the percentage of flexibility among programmatic line items or to make any changes in the evaluation, procurement, or indirect cost line items.

2. Cost-Sharing Arrangement -- The Recipient has agreed to expend from their non-Federal funds by the end of the life-of-program (LOP) period the amount of total cost-share expenditures specified in the PVO Cost-Sharing Arrangement column of the budget above. The only exception to this is the evaluation contract in the amount of \$20,000 which does not require any Recipient match. The Recipient is required to meet the requirements of the Standard Provision of this Agreement entitled "Cost Sharing/Matching".

The Recipient is required to report in their annual reports and in their incremental funding letters the total amount of cost-sharing to date. Although the Recipient is required to cost share on a life-of-program basis, they are also expected to expend those funds on a pro rata basis per year and not wait until the last year of the agreement to expend their cost share.

A.I.D. intends to fund this Agreement at a rate of \$100,000 per year for five years with an additional \$20,000 for the final evaluation, making the life-of-project cost \$520,000. A.I.D. will obligate as much of the authorized funding as possible in the early years of this Agreement to maximize the impact of this project.

3. Procurement -- The Recipient shall use their own private cost-share funds for all non-U.S. procurement.

E. Substantial Involvement

1. Countries -- The following lists sister city pairs with potential for participation in this grant program. Pair which have a higher likelihood of participating under this grant are marked with an asterisk. All participants selected are subject to prior A.I.D. approval.

AFRICA

Benin	--	Prichard, AL/Ouidah
Burkina Faso	--	Decatur, GA/Ouahigouya/Bousse*
Cameroon	--	Philadelphia, PA/Douala*
		Seattle, WA/Limbe
		Tuskegee, AL/Buca
Cape Verde	--	Providence, RI/Praia
Ghana	--	Louisville, KY/Tamale
		San Diego, CA/Tema
Kenya	--	Amesbury, MA/Esabalu*
		Reston, VA/Nyeri*
		Roanoke, VA/Kisumu*
		Seattle, WA/Mombasa
Lesotho	--	Austin, TX/Maseru*
Liberia	--	Baltimore, MD/Gbarnga*
		Carson, CA/Robertson*
		Dayton, OH/Monrovia*
Malawi	--	Independence, MO/Lilongwe
Mali	--	Rochester, NY/Bamako*
Senegal	--	Prince George's County/Ziguinchor Reg.*
		Washington, D.C./Dakar*
Sierra Leone	--	Kansas City, MO/Freetown
Tanzania	--	Mansfield, OH/Dar es Salaam
Zambia	--	Los Angeles, CA/Lusaka*

ASIA/NORTH AFRICA

Egypt	--	Baltimore, MD/Luxor*
		Los Angeles, CA/Giza*
India	--	Denver, CO/Madras
		Los Angeles, CA/Bombay
Philippines	--	Carson, CA/Sinait
		Palo Alto, CA/Palo Leyte*
		Stockton, CA/Iloilo
Thailand	--	Washington, D.C./Bangkok

LATIN AMERICA/CARIBBEAN

Bolivia	--	Salt Lake City, UT/Oruro*
Costa Rica	--	Garden City, KS/Giudad Quesada
		Hialeah, FL/Cartago*
		Miami, FL/Montes de Oca

Dominican Rep.	--	Lade County, FL/Santo Domingo New York, NY/Santo Domingo
El Salvador	--	La Mirada, CA/Nueva San Salvador
Haiti	--	Baton Rouge, LA/Port au Prince Charlotte, NC/Port au Prince
Jamaica	--	Atlanta, GA/Montego Bay* Dade County, FL/Kingston*
Peru	--	Oakland, CA/Ocho Rios Austin, TX/Lima Charlotte, NC/Arequipa

Other countries may be approved during the period of the Agreement. Such approval shall be communicated by A.I.D. in writing after consultation with the relevant A.I.D. Mission.

2. The scope of work for the project evaluation shall be developed with, and the evaluator(s) chosen to carry out this activity must be approved in advance by, the Project Officer. The Project Officer is to participate in the pre- and post-evaluation briefings and is to receive six copies of the completed evaluation report for A.I.D. and one copy for each country evaluated.

F. Reporting and Evaluation

1. Ten copies of the Annual Report plus one copy for the A.I.D. Mission in each target country in the program shall be submitted to the Project Officer 60 days prior to each anniversary date of this Agreement. Annual reports shall describe project activities and the Recipient's financial contribution to the project. Guidance for Periodic and Final Reports to A.I.D. on accomplishments under this Agreement is provided as Enclosure 5 for illustrative purposes. (A.I.D. is in the process of submitting this guidance format to OMB for their clearance. Once the OMB clearance is obtained, the suggested format shall be required.)

The Annual Report shall also include a country data sheet for each subproject activity and shall be furnished in the standard format prescribed by A.I.D. for its grant information system (A.I.D. Form 1550-11 included in Enclosure 5). Other current grants or cooperative agreements to the recipient, such as Operational Program Grants (OPGs), shall be noted in the report with an explanation of any relationship of such assistance instruments to this Agreement.

2. By the last day of the Cooperative Agreement period, ten copies of the final report (last annual report) shall be submitted to Project Officer and one copy for the A.I.D. Mission in each target country in the program as well as one copy to the Grant Officer [whose address appears on the Cooperative Agreement cover letter]. The report shall include the following information as well as those items included in Enclosure 5 of this Agreement:

- a. a comparison of actual accomplishments with the goals established for the Cooperative Agreement period,
- b. reasons why established goals were not met, and
- c. other pertinent information including, when appropriate, analysis and explanations of cost overruns, or unusually high expenses.

3. Prior to the required final performance reporting date, events may occur that have significant impact upon the project. In such instances, the recipient shall inform the Grant Officer as soon as the following types of conditions become known:

- a. Problems, delays, or adverse conditions that shall materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work activities by the established time period. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
- b. Favorable developments or events that enable time schedules to be met sooner than anticipated or more work activities to be performed than originally projected.

4. Evaluation - Self-evaluation shall be conducted by the Recipient in accordance with its normal evaluation program as described in its proposal which has been incorporated herein by reference. In addition, from time-to-time A.I.D. officers, with prior notification to the Recipient's headquarters, may visit selected project sites. The budget shown in D. above includes funds to contract for a project evaluation in the final year of the agreement. Special requirements for this project evaluation are delineated under the "Substantial Involvement" provision of this Agreement.

G. Indirect Cost Rates

Pursuant to the Standard Provision of this Cooperative Agreement entitled "Negotiated Indirect Cost Rates-Provisional", a rate shall be established for each of the Recipient's accounting periods which apply to this Cooperative Agreement. Pending the establishment of revised provisional or final indirect cost

14

1

rates, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate applied to the base set forth below:

Type of Rate -- Overhead

Rate -- 100%

Base -- Direct salaries & wages including payroll taxes.

Period -- 01/01/84 until Amended

H. Title of Property

Title to all property purchased under this Cooperative Agreement shall be vested in the Recipient and subject to the Standard Provisions entitled "Title to Property - Grantee".

I. Special Provisions

Travel -- The standard provision requiring advance notification of the Recipient's travel intentions overseas is waived for this Agreement.

PROGRAM DESCRIPTION

A. Program Goal -- The goal of the proposed grant is to support development assistance collaboration between U.S. and LDC sister cities in the areas of public health and vocational training.

B. Program Purpose -- The purpose of the proposed grant is to mobilize human, financial and material resources throughout a network of U.S. cities with affiliations in Africa, Asia and Latin America. These resources shall be used to strengthen overseas institutions, expand individual managerial capacity and enable developing country citizens and institutions to better address their development problems.

C. Principal Activities -- To accomplish the goal and purpose, TAA has agreed that during the proposed five year grant period, TAA shall provide a cost effective mechanism to adapt and transfer relevant American technical and managerial expertise between U.S. and Third World cities. To accomplish this, TAA shall focus its activities on the following four objectives:

1. mobilize the human and financial resources of American cities for use in strengthening Third World urban institutions, particularly those whose activities relate to health and vocational training,

2. assist American cities to identify need areas in their Third World sister cities which can be effectively addressed by technical collaboration,

3. assist American cities and their Third World sister cities to design projects suitable for short-term technical interventions by American Technicians, and

4. provide a mechanism through which American cities and their Third World sister cities can implement collaborative technical assistance projects using skilled technicians.

With respect to sector emphases, the project activities envisioned in this grant reflect a significant departure from previous A.I.D.-TAA collaborations in that all A.I.D.-funded project activities shall be focused in two program sectors -- public health and vocational training. The decision to concentrate TAA efforts in two sectors reflects suggestions made by A.I.D. and by sister city chapters active in the program. Since inception of the program in 1976, health and vocational training are the project focus areas which have been selected most frequently by cities participating in the program.

Activities which shall be carried out by TAA staff in furtherance of the four objectives listed above, are:

a. further develop the network to U.S. sister city committees which can provide public and private sector human and financial resources to Third World urban institutions,

b. inform eligible U.S. sister city communities and sister cities in Third World countries of the capabilities and resources of the TAA program,

c. promote programming and financing linkages between member cities and other organizations involved in development assistance work,

d. travel to Third World sister cities to assist in identification of needs appropriate for TAA interventions.

e. identify and disseminate to U.S. cities information about need areas (i.e., CDSS guidance cable to USAID Missions, country-specific CDSS statements, Peace Corps Country Development Plans, etc.),

f. travel to U.S. and Third World sister cities to assist member committees in the design of short-term technical assistance and training projects,

g. provide TAA programming criteria, technical information and other guidance to U.S. sister city committees as they plan short-term technical assistance and training projects,

h. on occasion, provide and administer grants to sister city technicians to travel for short periods to complete specific project plans,

i. provide and administer TAA grants to qualified American technicians to implement collaborative technical assistance and training projects in their Third World sister cities,

j. provide and administer TAA grants for specialized training in the U.S. for Third World technicians,

k. insure appropriate pre-departure orientation for American technicians (i.e., cultural sensitivity, country background information, training techniques),

l. assist sponsoring cities in fund raising activities for technical assistance projects, as needed,

m. monitor project implementation and evaluation process, and

n. assist in planning or follow-up activities.

TAA anticipates supporting health and vocational education projects in approximately 16 countries during the period of the five-year grant. Health and vocational training projects are currently under consideration for TAA funding in ten countries. During the life-of-project, a minimum of

-- 35 agreements shall be made between U.S. sister city committees and LDC committees or institutions to collaborate on technical problems using TAA resources,

-- 35 projects which meet TAA programming criteria shall be designed and approved,

-- 35 projects shall be implemented by eligible cities,

-- one technician per project who has the appropriate technical and management skills shall be provided, and

-- one U.S. organization per project shall be identified to pay the fees of one TAA project technician.

D. Program Management -- Mr. Peter Loan, Director, Technical Assistance Program, shall be principally responsible for the overall management and implementation of the Cost Shared Grant Program. TAA serves as a facilitator and provides technical assistance to U.S. sister city committees but does not implement field projects. As he is the only staff member, he shall be working directly with sister city committees, technicians, and, in some cases, host country government officials.

E. Proposed Evaluation Plan -- The evaluation plan used by TAA has evolved during the past nine years [with input from A.I.D. and others] and addresses the issues important to TAA, sister city committees and A.I.D. Further, it involves all interested parties: TAA technicians and staff, project beneficiaries, sister city committee members, A.I.D./Washington and USAID Mission staff, and dependent evaluators. The process involves a variety of inputs including:

1. Evaluation by SCI Technicians -- Upon completion of their overseas consultancies, TAA technicians submit project reports to TAA and their overseas sister cities, commenting on project activities, progress toward objectives, and general project value and sharing their thoughts on possible follow-up activities.

2. Evaluation by Sister City Committee Members -- U.S. and overseas sister city committee members review project reports submitted by TAA technicians and determine whether or not follow-up work is needed and, if so, what type of activity would be most useful. In addition to reviewing those reports, some sister city committee members undertake private visits to their overseas cities and include examinations of TAA-supported activities in their travel agenda.

3. Evaluation by SCI Staff -- TAA staff members regularly visit Third World cities where TAA-supported projects are underway. During these visits, their review of project progress may include meetings with host-city technicians, sister city committee members, local officials, A.I.D. officers, representatives of other PVOs, donor agencies, etc.

4. Evaluations by A.I.D. Officials -- A.I.D. officials traveling to Third World cities where TAA-supported projects are underway may include examinations of TAA-supported activities in their travel agenda to review project progress.

5. Evaluation by Independent Evaluators -- TAA is prepared to work closely with any independent evaluator, who may be assigned by A.I.D., in examining TAA-supported activities.

In evaluating individual TAA projects, the primary questions to be addressed is whether or not the technician(s) performed activities which provided cost-effective transfer of relevant American technical and managerial expertise between the U.S. and the overseas sister city.

Achievement indicators involve the extent to which objectives for each TAA-supported project were reasonable, appropriate and achieved. TAA shall continue to make every effort to assure the evaluability of its projects. Objectives for each project shall be clearly defined, reasonable and appropriate before a project grant is awarded. Further, TAA Reporting Guidelines, distributed with each grant award, shall clearly define TAA's requirement that a project report detail progress toward objectives outlined in the project proposal.

The indicator for measuring achievement of the program purpose, is that technicians and managers in overseas private and public/private-sector urban institutions shall implement effective actions which take into account recommendations of and training provided by TAA technicians.

That recommendations have been made, and training provided, may be verified from project reports submitted to TAA by project technicians. Implementation of recommendations and training may be judged by site visits and interviews with officials of participating overseas institutions, conducted by TAA technicians and staff, sister city committee members, A.I.D. staff, and independent evaluators.

12