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UNITED STATES
INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
REGIONAL OFFICE FOR CENTRAL AMERICAN PROGRAMS
GUATEMALA CITY, GUATEMALA, C.A.

GA-596-0000.4-3-013

Dr. Melvyn Copen
Rector
I N C A E
Apartado Postal 960-4050
Alajuela, Costa Rica

Dr. Melvyn Copen
Rector
I N C A E
P. O. Box 960-4050
Alajuela, Costa Rica

Estimado Doctor Copen:

Dear Dr. Copen:

De conformidad con la Ley de Asistencia Externa de 1961 y sus enmiendas, la Agencia para el Desarrollo Internacional (A.I.D.) actuando a través de la Oficina Regional para Programas Centroamericanos (ROCAP) (de ahora en adelante denominada "Donante"), por este medio otorga al Instituto Centroamericano de Administración de Empresas (INCAE) (de ahora en adelante denominado "Donatario"), la cantidad de Diez Mil Cuatrocientos Ochenta y Un Dólares Estadounidenses (US\$10,481) para proporcionar un apoyo financiero parcial a la Reunión del INCAE sobre Planificación Institucional de Largo Alcance a llevarse a cabo en Miami, Florida.

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (A.I.D.), acting through the Regional Office for Central American Programs (ROCAP) (hereinafter referred to as "Grantor") hereby grants to the Central American Institute of Business Administration (INCAE) (hereby referred to as "Grantee"), the sum of Ten Thousand Four Hundred Eighty-One United States Dollars (US \$10,481) to provide partial funding support to the INCAE Meeting on Long-Range Institutional Planning to take place in Miami, Florida.

Esta donación y obligación es efectiva y entra en efecto a partir de la fecha de esta carta y estará sujeta a compromisos hechos por el donatario de

This grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program

acuerdo a los objetivos del programa durante el período, empezando en esta fecha y finalizando el 30 de noviembre de 1990.

objectives during the period beginning with the effective date and ending November 30, 1990.

Se hace esta donación al INCAE, bajo la condición de que los fondos deben ser administrados de acuerdo con los términos y condiciones que se indican en el Adjunto 1; Adjunto 2; el Adjunto 3 denominado "Presupuesto del Proyecto"; y el Adjunto 4 denominado "Disposiciones Generales", los cuales han sido aceptados por el donatario.

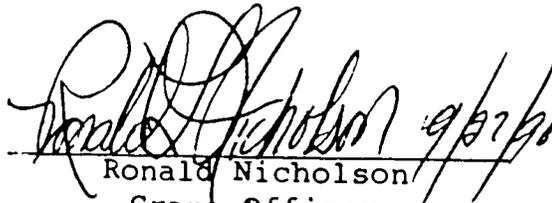
This grant is made to INCAE on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1; Attachment 2; Attachment 3 entitled "Project Budget"; and Attachment 4 entitled "Standard Provisions", which have been agreed to by the Grantor.

Sírvase firmar el original y siete (7) copias de esta carta para acusar recibo de la donación, y devolvernos el original y seis (6) copias a la Oficina de Contratos de ROCAP/AID.

Please sign the original and seven (7) copies of this letter to acknowledge receipt of the grant, and return the original and six (6) copies to the ROCAP Office of Contract Management.

Atentamente,

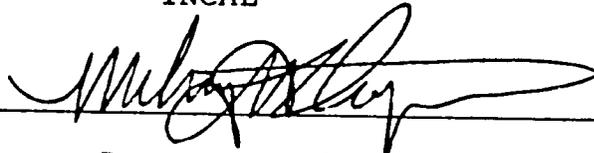
Sincerely,


Ronald Nicholson
Grant Officer
Oficial de Donación

ACKNOWLEDGED:

INCAE

By: _____



Title: _____

Dr. Melvyn Copen
Rector

Date: _____

9/25/90

Adjuntos:

1. Programa
2. Descripción del Programa
3. Presupuesto del Proyecto
4. Disposiciones Generales

Attachments:

1. Schedule
2. Program Description
3. Project Budget
4. Standard Provisions

FISCAL DATA:

Appropriation: 72-1101021

Budget Plan Code: LDEA9025596KG13

PIO/T No.: 596-0000.4-3-00125

Project No.: 596-0000.4 (Project Development and Support)

Total Estimated Amount: \$10,481

Total Obligated Amount: \$10,481

Funding Source: Project 596-0000.4

AID/W / USAID /

(9186g-9187g)

31

SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide support for the Central American Institute of Business Administration (INCAE), as more specifically described in Attachment 2 to this Grant entitled "Project Description".

B. Period of Grant

1. The effective date of this Grant is September 27, 1990. The expiration date of this Grant is September 26, 1991.

C. Amount of Grant and Payment

1. AID hereby obligates the amount of US\$10,481 for purposes of this Grant.
2. Payment shall be made to the Grantee in accordance with procedures set forth in the Attachment 4 - Standard Provisions.

D. Responsibilities of the Parties

1. AID

AID, under this grant, will make available \$10,481 to support INCAE in carrying out the activities outlined in Attachment 2.

2. INCAE

INCAE will manage the resources assigned for this project. INCAE will provide all additional professional administrative and associated services and resources required.

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E. Restrictions

AID and INCAE agree that AID funds provided pursuant to this grant shall not be committed, disbursed or otherwise utilized in areas where the provision of such funds would contravene any provisions of the Foreign Assistance Act of 1961, as amended. AID shall advise INCAE in writing from time to time of such areas.

F. Administrative and Fiscal Provisions

1. Disbursements for both foreign exchange and local currency costs will be used exclusively to finance the costs of per diem and airline tickets required for the specified participants.
2. The administrative and Fiscal Provisions, as stated in Attachment 3 thereof are made part of this Grant.

G. Standard Provisions

The Standard Provisions relevant to this Grant are attached as Attachment 4 and made a part of this Grant.

5

PROJECT DESCRIPTION

I. INTRODUCTION

The Central American Institute for Business Administration (INCAE) is the pioneer business administration school in Central America and, perhaps, all Latin America, organized with the help of the Harvard School of Business. Long a collaborator with AID Missions and ROCAP, INCAE is presently working with ROCAP in projects dealing with Export Management Training, Shelter and Urban Development, and Economic Policy Research.

As we enter the 1990's, ROCAP is assisting a number of regional development organizations, such as INCAE, to identify their long-term strategic goals and to conform their work, structure, staffing and pricing policies (cost recovery) to the needs and financial resources of the Central American business and government sectors. In conjunction with this, strategies and means to create less dependency of these regional institutions on AID-financing is being actively looked into by ROCAP and the respective institutions.

The meeting in Miami for which this Grant provides partial funding is an important element in the on-going process of INCAE and ROCAP to address the issues identified above.

II. PROJECT DESCRIPTION

This Grant Agreement will provide funding for the air fare and per diem of selected participants (identified in the attached budget) to attend the meeting in Miami.

The purpose of the Miami meeting will be to examine the most critical areas of development for INCAE. The meeting will focus on four topics,

6

1. A reaffirmation of INCAE's mission statement which envisions the institution in an active role as a change agent rather than in the more traditional, passive academic posture.
2. A long-range strategy for expansion of INCAE's residential programs (areas of activity, concentrations within existing programs vs. the development of wholly new efforts, size, etc.)
3. A long-range geographic strategy (countries, support facilities, etc.)
4. Financial strategy (cost structure and control, endowment needs and prospects, types and sources of support, etc.)

It is anticipated that the fourth topic will occupy the focal point of the meeting. It is both a function and a determinant of the others. The focus will be directed towards ensuring the ability of the institution to be able to function independently as it carries out its mission and to make sure that programmatic activity is consistent with funding possibilities. The subject of endowment will be of major importance.

Four task forces (involving a large portion of the INCAE faculty) are currently preparing background papers which will be provided to the participants. Each will describe the current situation, alternatives, and pros and cons associated with each alternative.

The planning meeting will include 12-15 members of the INCAE faculty and administration (selected from various disciplines and at different organizational levels), members of the INCAE Board of Directors, and several outsiders who know INCAE and the region (both academic and business people who have been working with INCAE over the years). One member of the ROCAP staff will also participate in this meeting, but is not being funded by this grant.

1

ILLUSTRATIVE BUDGET

	<u>I N C A E</u>	<u>R O C A P</u>
1. Airfares*		
. 14 round trips 550-MIA-550 at \$370 each (INCAE faculty)	740	\$ 4,440
. 2 round trips BOS-MIA-BOS at \$348 each (Board Members)	-0-	696
. 3 round trips BOS-MIA-BOS at \$348 each (Harvard Advisory committee members)	1,044	
. 3 round trips various points in U.S. and South America-MIA- return at ave. \$450 each. (1 Board Member and 2 C.A. Community Leaders)	-0-	1,350
Sub-Total, Air Fare	1,784	\$ 6,486
2. Per Diem		
. 19 participants X \$94/day X 2.5 days	470	3,995
. 3 participants X \$94/day X 2.5 days (Harvard Advisory committee members)	705	-0-
Sub-Total, Per Diem	1,175	3,995
3. Secretarial Support	300	-0-
4. Communications	300	-0-
5. Local Transport and Airport Taxes (22 participants at \$50 each)	1,100	-0-
6. Materials and Supplies	250	-0-
	4,909	10,481
7. Contingency 5% of combined INCAE/ROCAP expenses above	770	-0-
	5,679	10,481

8