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U. S. AID MISSION TO DOMINICAN REPUBLIC

AMERICAN EMBASSY, P. O. Box 22201
SANTO DOMINGO, DOMINICAN REPUBLIC

FOR U. S. CORRESPONDENTS:
U. S. AID MISSION
APO MIAMI 34041-0008

March 12, 1992

Monsignor Agripino Nuñez Collado
Rector Pontificio
Pontificia Universidad Católica Madre y Maestra
Santiago de los Caballeros, R. D.

Subject: Cooperative Agreement No. 517-0265-A-00-2080-00

Dear Monsignor:

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.") hereby enters into a Cooperative Agreement with the Pontificia Universidad Católica Madre y Maestra (hereby referred to as "PUCMM" or Recipient"), for the sum of \$9,000,000 for expenditures for the period from the date of this letter through March 11, 2002. In accordance with Attachment 1, Section C.2, an amount of One Million Dollars (US\$1,000,000) is hereby obligated for disbursements for the period shown in Attachment 1, Section B.2.

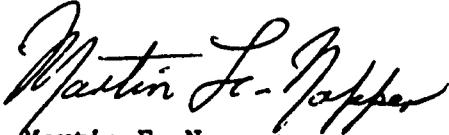
The remaining Eight Million Dollars (US\$8,000,000) shall be incrementally funded by formal amendment to this Cooperative Agreement, subject to the availability of funds and to the mutual agreement of the parties.

This Cooperative Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date through March 11, 2002.

This Agreement is made with PUCMM on condition that the funds will be administered in accordance with the terms and conditions as set forth in this Cover Letter, in Attachment 1 entitled "Schedule," Attachment 2 entitled "General Project Description," Attachment 3 entitled "Mandatory Standard Provisions for Non-U.S., NonGovernmental Grantees," Attachment 4 entitled "Required as Applicable Standard Provisions for Non-U.S., NonGovernmental Grantees, and Attachment 5 entitled "Tables."

Please sign the Statement of Assurance of Compliance with Laws and Regulations Governing Nondiscrimination in Federally Assisted Programs, the Clause 52.223-5, Certification Regarding A Drug-Free Workplace, enclosed herein, and all copies of this letter to acknowledge your receipt and acceptance of the conditions under which these funds have been granted and return all but one copy to A.I.D.

Sincerely,



Martin F. Napper
Agreement Officer

Attachments:

- Assurance of Compliance
- Clause 52.223-5

1. Schedule
2. Program Description
- ~~3. Mandatory Standard Provisions for Non-U.S., Nongovernmental Grantees, dated March 30, 1989~~
- ~~4. Required as Applicable Standard Provisions for Non-U.S., NonGovernmental Grantees, dated January 1, 1987~~
5. Tables

ACKNOWLEDGED:

PONTIFICIA UNIVERSIDAD CATOLICA MADRE Y MAESTRA (PUCMM)

BY: 

TITLE: Rector

DATE: 3/12/92

FISCAL DATA

Appropriation: 72-1121021
Budget Plan Code: LDSA-92-25517-KG13
PIO/T No.: 517-0265-3-20006
Project No.: 517-0265
Total Estimated Amount: \$9,000,000
Total Obligated Amount: \$1,000,000
Funding Source: USAID/DR
Project Office: USAID/PDI
Res.Ctl.No. : P200042

FUN \$	1.2
JT	
Initial	3/12/92

CLEARANCES:

PDI: BSevern BWS Date 3/11/92
CON: JThompson JT Date 3/12/92

**ASSURANCE OF COMPLIANCE WITH LAWS AND REGULATIONS
GOVERNING NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS**

The Pontificia Universidad Católica Madre y Maestra (PUCMM) (hereinafter called the "Applicant") hereby assures that no person in the United States shall, on the bases set forth below, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any program of activity receiving financial assistance from A.I.D., and that with respect to the grant for which application is being made, it will comply with the requirements of:

- (1) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. 2000-d) which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance,
- (2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance.
- (3) The Age Discrimination Act of 1975, as amended (Pub. L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds,
- (4) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et. seq.) which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and
- (5) A.I.D. regulations implementing the above nondiscrimination laws, set forth in Chapter II of Title 22 of the Code of Federal Regulations.

If the Applicant is an institution of higher education, the Assurances given herein extend to admission practices and to all other practices relating to the treatment of students or clients of the institutions, or relating to the opportunity to participate in the provision of services or other benefits to such individuals, and shall be applicable to the entire institution unless the Applicant establishes to the satisfaction of the A.I.D. Administrator that the institution's practices in designated parts or programs of the institution will in no way affect its practices in the program of the institution for which financial assistance is sought, or the beneficiaries of or participants in such program.

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 Applicant by the Agency, including installment payments after such date on account of applications for Federal financial

assistance which were approved before such date. The Applicant 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 Applicant, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Applicant.

APPLICANT: PONTIFICIA UNIVERSIDAD CATOLICA MADRE Y MAESTRA (PUCMM)

BY (Signature):  TITLE: Rector
NAME: Agripino Quirós

52.223-5 Certification Regarding A Drug-Free Workplace

(a) **Definitions.** As used in this provision, "Controlled substance" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in regulation at 21 CFR 1308.11 - 1308.15.

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession or use of any controlled substance.

"Drug-free workplace" means the site(s) for the performance of work done by the Contractor in connection with a specific contract at which employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

"Employee" means an employee of a Contractor directly engaged in the performance of work under a Government contract. "Directly engaged" is defined to include all direct cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.

"Individual" means an offeror/contractor that has no more than one employee including the offeror/contractor.

(b) By submission of its offer, the offeror, if other than an individual, who is making an offer that equals or exceeds \$25,000, certifies and agrees, that with respect to all employees of the offeror to be employed under a contract resulting from this solicitation, that, it will-- no later than 30 calendar days after contract award (unless a longer period is agreed to in writing), for contracts of 30 calendar days or more performance duration; or as soon as possible for contracts of less than 30 calendar days performance duration, but in any case, by a date prior to when performance is expected to be completed--

(1) Publish a statement notifying such employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

(2) Establish an ongoing drug-free awareness program to inform such employees about

(i) The dangers of drug abuse in the workplace;

(ii) The Contractor's policy of maintaining a drug-free workplace;

(iii) Any available drug counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(3) Provide all employees engaged in performance of the contract with a copy of the statement required by subparagraph (b) (1) of this provision;

(4) Notify such employees in writing in the statement required by subparagraph (b)(1) of this provision, that as a condition of continued employment on the contract resulting from this solicitation, the employee will--

(i) Abide by the terms of the statement; and

(ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 calendar days after such conviction;

(5) Notify the Contracting Officer in writing within 10 calendar days after receiving notice under subdivision (b)(4)(ii) of this provision, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee; and

(6) Within 30 calendar days after receiving notice under subdivision (b)(4)ii) of this provision of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:

(i) Take appropriate personnel action against such employee, up to and including termination; or

(ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

(7) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (b)(1) through (b)(6) if this provision.

(c) By submission of its offer, the offeror, if an individual who is making an offer of any dollar value, certifies and agrees that the offeror will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of the contract resulting from this solicitation.

(d) Failure of the offeror to provide the certification required by paragraphs (b) or (c) of this provision, renders the offeror unqualified and ineligible for award. (See FAR 9.104-1(g) and 19.602-1(a)(i).

(e) In addition to other remedies available to the Government, the certification in paragraphs (b) or (C) of this provision concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

(End of provision)

APPLICANT: PONTIFICIA UNIVERSIDAD CATOLICA MADRE Y MAESTRA (PUCMM)

By (Signature):  Title: Rector
Name: Armando Quintero

ATTACHMENT 1

SCHEDULE

A. PURPOSE OF THE COOPERATIVE AGREEMENT

The purpose of this Cooperative Agreement is to provide support for the Democratic Initiatives Project, as more specifically described in Attachment 2 to this Agreement entitled "Program Description."

B. PERIOD OF THE COOPERATIVE AGREEMENT

1. The effective date of this Cooperative Agreement is March 12, 1992. The expiration date of this Cooperative Agreement is March 11, 2002.
2. Funds obligated hereunder are available for program expenditures for the estimated period March 12, 1992 to March 11, 2002 as shown in the Agreement budget below.

C. AMOUNT OF COOPERATIVE AGREEMENT AND PAYMENT

1. The total estimated amount of this Cooperative Agreement for the period shown in B.1 above is \$9,000,000 (Nine Million Dollars).
2. A.I.D. hereby obligates the amount of \$1,000,000 (One Million Dollars) for program expenditures during the period set forth in B.2. above and as shown in the Financial Plan below.
3. Payment shall be made to the Recipient in accordance with procedures set forth in Attachment 4-Required as Applicable Standard Provisions for Non-U.S., Nongovernmental Grantees, entitled "Payment - Periodic Advance."
4. 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 Grant, entitled "Revision of Financial Plans."

D. FINANCIAL PLAN

The following is the Cooperative Agreement Budget. The Recipient shall not exceed the obligated amount (see Part C above). Revisions to this budget shall be made in accordance with the Standard Provisions of this Cooperative Agreement entitled "Revision of Grant Budget."

TABLE 1
 DEMOCRATIC INITIATIVES SUPPORT PROJECT
 Estimated Cost and Financial Plan Summary by Year
 (US\$000)

SPECIFIC INPUTS	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	AID CONTRIBUTION		LOCAL	PROJECT	
											TOTAL	FX	LC (*)	COUNTER.	TOTAL
I. ACTIVITIES FUND (According to Financing Source)															
-A.I.D.	500.00	800.00	800.00	800.00	600.00	500.00	500.00	500.00	500.00	500.00	6,000.00	(**)	5,000.00		6,000.00
-LOCAL COUNTERPART	250.00	400.00	400.00	400.00	300.00	250.00	250.00	250.00	250.00	250.00				3,000.00	3,000.00
II. SALARIES (***)	96.20	99.09	102.06	105.12	108.27	111.52	114.87	118.31	121.86	125.52	1,102.83		1,102.83		1,102.83
III. SELECTION COMMITTEE	13.00	13.39	13.79	14.21	14.63	15.07	15.52	15.99	16.47	16.96	149.03		149.03		149.03
IV. GENERAL ADM. COSTS	83.93	86.45	89.04	91.71	94.46	97.30	100.22	103.22	106.32	109.51	962.16	50.00	912.16		962.16
V. PERIODIC SURVEYS (****)	70.00		42.44		45.02		95.52				252.98		252.98		252.98
VI. EXTERNAL AUDIT (***)	30.00	30.90	31.83	32.78	33.77	34.78	35.82	36.90	38.00	39.14	343.92		343.92		343.92
VII. EXTERNAL EVALUATIONS (***)			50.00		53.05					86.09	189.14	189.14			189.14
TOTALS	1,043.13	1,429.82	1,529.16	1,443.82	1,249.20	1,008.67	1,111.95	1,024.42	1,032.65	1,127.22	9,000.00	1,239.14	7,760.92	3,000.00	12,000.00

* Dollar equivalent of Dominican pesos.

** These funds will be used by subgrantees to obtain technical assistance from institutions or individuals outside of the Dominican Republic; and b) to carryout networking activities that will likely include international travel.

*** The cost for years 2 through 10 include an annual dollar inflation rate of 3.00%

**** In this line item are included base-line and periodic surveys by sampling (a base-line and four samplings), focus groups, and other suitable ways of information gathering necessary to measure the impact of the project and guide the strategic planning of the same. National or international experts will be contracted for these activities.

Note: A.I.D. Contribution and Project totals are rounded to the nearest million.

The Recipient may make adjustments between line items of up to 15% of any line item without the prior written approval of the Agreement Officer. Approval beyond 15%, if given, will be via formal amendment to the Cooperative Agreement. In no event may the Recipient exceed the total estimated cost of the Cooperative Agreement nor the total estimated cost for any given year, without the prior written approval of the Agreement Officer.

Additional budget detail is provided in Attachment No. 5 to this Cooperative Agreement for information purposes only.

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TABLE 1-A
 DEMOCRATIC INITIATIVE PROJECT
 SUMMARY FINANCIAL PLAN
 FOR THE FIRST TRANCHE OF INCREMENTAL FUNDING
 (U.S.000)

	FUNDING PROVIDED THIS AGREEMENT			TOTAL A.I.D. LIFE OF PROJECT FUNDING		
	FX	LC	TOTAL	FX	LC	TOTAL
I. ACTIVITIES FUNDS	110	540	650	1000	5000	6000
II. SALARIES	10	140	150	0	1103	1103
III. SELECTION COMMITTEE	0	15	15	0	149	149
IV. GENERAL ADM COSTS	0	85	85	50	912	962
V. PERIODIC SURVEYS	0	70	70	0	253	253
VI. AUDIT EXTERNAL	0	30	30	0	344	344
VII. EXTERNAL EVALUATION	0	0	0	189	0	189
TOTAL	120	880	1000	1239	7761	9000

E. COST SHARING (MATCHING) AGREEMENTS

Definition: Cost sharing (matching) is a required contribution by the Recipient from non-Federal sources toward the total cost of the program, either in cash or in-kind, usually described as a percentage of total costs.

The determination as to the requirement for a level of cost sharing/matching is the responsibility of the cognizant program officer. All agreements designated by the program office as matching or cost sharing agreements will contain the Standard Provisions entitled "Cost Sharing (Matching)." The Recipient's contribution shall be at least 25% of the total project costs.

Criteria and procedures for the allowability of cash and in-kind contributions made by recipients to satisfy cost sharing (matching) requirements are set forth in HB 13, "Required as Applicable Standard Provisions for Non-U.S., NonGovernmental Grantees," entitled "Cost Sharing (Matching)." Except for these requirements, no other requirements set forth in the Standard Provisions are applicable to costs incurred by the Recipient from non-Federal funds.

Cost sharing (matching) percentages will be applied to the total cost of the Agreement program. Cost principles applicable to Agreements prohibit the accomplishment of cost sharing (matching) through arbitrary limitations on individual cost elements. This is particularly important in the area of indirect costs (overhead). When a negotiated overhead rate agreement is in effect between A.I.D. or another cognizant agency and a grantee organization, the negotiated rate will be applied to the agreed upon direct costs to determine the total cost of the program, and the cost sharing (matching) percentage will be applied to the total cost).

Unless otherwise specified in the schedule of the Agreement, verification that the cost sharing (matching) requirement has been met will be made at the end of each funding period or on an annual basis as determined by the cognizant program office. Verification is based on expenditures. Individual expenditures do not have to be shared or matched provided that the total expenditures incurred during the designated funding period or year are shared or matched.

The Recipient must account for the A.I.D. funds in accordance with the Mandatory Standard Provisions for Non-U.S., NonGovernmental Grantees entitled "Accounting, Audit, and Records." However, in the event of disallowances of expenditures from A.I.D. Agreement funds, the Recipient will reimburse the U. S. Government with funds provided from non-Federal sources.

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H. TITLE TO PROPERTY

Title to all property shall be in accordance with the Required as Applicable Standard Provisions for Non-U.S., Nongovernmental Grantees Provisions entitled "Title To and Care of Property (Cooperating Country Title) "

I. AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this Agreement is 000 and the Cooperating Country.

ATTACHMENT 2

I. GENERAL PROJECT DESCRIPTION

A. Project Goal and Purpose

The goal of the Project is to achieve a more effective, representative and participatory democratic system. The Project purpose is to strengthen the democratic process in the Dominican Republic by promoting a more dynamic democratic culture; facilitating participation and encouraging involvement by citizens in the political process; and enhancing governmental efficiency and impartiality.

The Project will support Dominican initiatives to strengthen the democratic process and system as whole. A flexible project design is employed so as to adapt quickly to evolving political conditions. Efforts and resources will be concentrated on establishing an ongoing program of education for democracy at all levels of the Dominican society. The Project will also promote wide participation of the citizenry in the political process, and provide for a series of initiatives which support the reform and modernization of public institutions and the political system.

In a democratic society, the implementation of reforms supposes a broad process of consultation among the public in general as well as among key groups in public opinion formation and in the decision-making process. The particular nature of the institutional reforms contemplated in the Project's guidelines requires the structuring and/or strengthening of mechanisms of multi-sectoral representation that is dedicated to consensus-building and to supporting and sponsoring the implementation of political reforms. Hence, as a result of the Project design, the majority of the sub-grants funded under the Project will be expected to provide ample fora for discussion of their activities. In addition, it is anticipated that some activities financed by the Project may directly address this need by convoking various fora for public debate of the issues. It is this sharing of ideas and the sharing of ways to arrive at change, rather than just the production of studies gathering dust, that is the distinguishing feature of this project.

B. Implementing Agent

As the Project's grantee, PUCMM, through the Project's "Operational Unit" (OU), will be the primary implementing entity responsible for project management and the administration of project sub-grants. These sub-grants will be made to Dominican NGOs/PVOs and

other public interest organizations and groups to encourage the development of conditions favorable to the promotion of a more effective governance in the Dominican Republic.

The Project beneficiary population includes Dominican citizens, both men and women, indigenous NGOs/PVOs and business people, all of whom will benefit from a more efficient and equitable policy-making and decentralized decision-making process. The citizenry will also benefit from fuller participation in fair elections. Benefits to the GODR will include a public sector able to respond more efficiently and effectively to the demands of its populace.

C. Conditions Expected at the End of the Project

By the end of the Project, the existence of the following conditions will signal the attainment of the Project purpose:

- Wide acceptance by citizens, intermediate groups, parties and leaders of basic democratic values and attitudes.
- A greater percentage of citizens well-informed about the political system, more confident of their roles within the system, and actively participating in shaping their society on matters that directly affect their daily lives.
- A fair and more effective civil service system in operation.
- Improved public services at national and local levels.
- A government more open to people's expressed needs.
- Effective mechanisms in place providing opportunities to various intermediate groups in society to influence the political decision-making process.
- Greater participation of women in the political process.

D. Project Outputs

The anticipated outputs of the Project include:

- A core group of PVOs/NGOs and public interest organizations as a major force in shaping changes in public opinion and the political system.
- Operational Unit, a Selection Committee and a Consultative Council established by the grantee.
- A system of gathering information on issues involving the democratic process, a survey research plan and a series of democratic forums for consensus-building purposes in operation.
- Improved citizens knowledge, attitudes and participation in the democratic political process through a program of education on democracy at all levels of the Dominican society.
- State reforms, for illustrative purposes only, such as a more open and fair electoral system and process, a stronger and more independent judiciary, and the implementation of the Civil Service Law.

E. Project Components

The Project will have a flexible design that will enable it to adapt to changing political situations. To this end, annual work plans will be prepared taking into account the goal and purpose of the Project, as well as current political and social circumstances. The Project will focus on three priority areas of action: 1) an on going educational program to promote democratization and widespread participation of the population in the political process; 2) a series of initiatives in areas of State reform such as reform of the electoral system and the judiciary, as well as implementation of a new Civil Service Law; and 3) management activities essential for achieving the Project's purpose, including the installation of an information gathering system and a series of surveys for measuring project impact. For illustrative purposes, a brief description is given of those activities which, among the three priority areas indicated above, were estimated by the Consultative Group in charge of designing the Project, as those which are most likely to be pursued during the first three years of the Project:

1. Illustrative Activities That May Be Carried Out Under
The Democratization Educational Program

One of the primary criteria of the Project consists of promoting the development of a democratic culture among the population as a whole and within the key decision-making sectors in the Dominican political process. The democratic values and practices supported by the Project are manifested in areas as diverse as interpersonal relations, interaction among sexes, within the family, schools, business, public institutions, trade unions, churches, the media, political parties and throughout the society as a whole.

It is expected that the Project will support educational activities which impact on the development of a democratic culture, and are aimed at instructing the general population as well as specific public interest and community-based groups on the advantages and functions of a democratic system; at promoting citizen participation in social and political institutions; and at fostering the internal democratization of both public and private organizations. These activities would include the preparation and dissemination of democratic training materials, and the promotion of courses, seminars and workshops that contribute to this end. Project activities funded under this component could be expected to take place at the following levels:

- a) Illustrative educational booklets, citizen manuals, and mass media campaigns (press, radio and television) for the general public.
- b) Courses and workshops for intermediate leaders of community-based and grassroots organizations, intermediary non-governmental institutions, and the political parties.
- c) Specialized activities for sectorial and political leaders, through seminars, workshops and panels aimed at consensus-building, the dissemination of documentary material, and other related actions.

Among the national private entities expected to participate in this program are institutions of the private educational system (elementary, secondary and university); the mass media (press, radio and television); popular and community-based organizations; business, professional and trade union associations; and the training schools of the democratic political parties.

2. Illustrative Activities in Support of Political and State Reform

a) Electoral Reform

Proposals supporting electoral reform are likely to be in the majority in the early years of the Project. With national elections scheduled for 1994, there is particular urgency and a perceived need for electoral reform. The following are illustrative examples of the kinds of actions that are likely to be included in the proposals in support of electoral reform:

- Update of existing electoral legislation and regulations.
- Institutional modernization of the Junta Central Electoral (JCE, Central Electoral Council) and the Juntas Municipales (Municipal Councils). Definition and separation of the administrative and arbitration functions of the JCE. The first objective assumes a restructuring of the electoral body in view of the planned staffing with qualified and stable professional, technical and administrative personnel, capable of efficiently and adequately planning and executing the regulatory, organizational and arbitration actions of the institution. The second objective will require a clear and precise demarcation of the institution's administrative and technical functions, vis-a-vis the arbitration and other duties performed by the regular and alternate members of the JCE.
- Screening of the Registro Electoral (Electoral Records). This activity is one of the cornerstones of the modernization process of the Dominican electoral system. Successful implementation of this activity will enable the JCE to organize more transparent elections, free of tensions and suspicions among the participating

parties and within the population itself, which in turn will take pressure off the JCE.

- Training of electoral personnel. Besides training the permanent staff of the JCE and of the Municipal Councils, this activity will prepare additional staff to be employed during the months that precede the elections, as well as staff employed at the polling stations for supervisory and logistical support tasks on election day.
- Democratization of political parties. This would consist of preparing specialized legislation to govern the creation of political parties; the replacement of their governing bodies; the definition of programmatic guidelines; selection processes for those candidates nominated to elective positions; and financial management, in order to ensure an efficient functioning of the mechanisms of internal party democracy.

The private institutions that could carry out electoral reform initiatives include the Dominican universities, especially those that have Law Schools, as well as several foundations and institutions of public interest with vast experience in the field. These national institutions would be able to request financial assistance from international or regional organizations such as the Centro Interamericano de Asesoría y Promoción Electoral (CAPEL) and the Carter Center, among others.

b) Implementation of the Civil Service Law

The promulgation of the Civil Service Law (Law No. 14-91), on May 20, 1991, established an administrative model in the country that is based on the increased professional and technical requirements of public functions. In view of the importance of this law, as viewed by many Dominicans, it is quite likely that proposals will be presented for funding which emphasize the dissemination of information on the benefits of the law among the general public, key sectors of society, and the civil servants themselves; and the preparation of the rules and procedures pertaining to the implementation of the new career civil service system.

It is to be expected that the national private institutions of higher education that effectively contributed to the approval of this Law, will submit to the Project initiatives aimed at its fuller implementation within a reasonable period of time.

c) Strengthening of the Judiciary

The in-depth reform and the development of a professional judiciary is one of the necessary prerequisites for achieving the Project's objective of improving the effectiveness of the political process and enhancing governmental efficiency and impartiality.

Project-supported activities would help, among other things, update current legislation, including the country's main Legal Codes, strengthen and modernize the judicial function, establish more functional models for an improved and more independent judiciary organization, and educate citizens concerning their rights to defense, the basic contents of the laws most relevant to their concerns, and the procedures that the judiciary system makes available to them.

The successful realization of this reform implies the development of actions that will make the judiciary as an institution more independent in the selection of judges and court support staff, as well as in budget management. In line with this, a key component objective is to achieve an impartial, professional and transparent administration of justice, free from extra-judiciary pressures.

Among the private institutions that can be expected to present initiatives in this area will be a number of legal foundations and the main professional associations in the field of law. In their efforts to carry out their activities, it is likely that they will utilize the technical assistance and collaboration from both regional and international institutions having broad experience in the field of judicial reform. Some of these institutions have already collaborated successfully with several past efforts undertaken in the Dominican Republic to improve the administration of justice. For instance, the Instituto Latinoamericano de las Naciones Unidas para la Prevención del Delito y Tratamiento del Delincuente (ILANUD)

3. Core of Instrumental Activities in Support of Democratic Initiatives

The following reflects a number of carefully selected activities that are essential to achieving the Project purpose. These

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activities will be specifically oriented toward the collection of essential and reliable information and the measurement of Project impact.

(a) Data Gathering and Analysis

The Project will be capable of accessing the most complete and updated information possible both for the determination of priorities and the selection of the most appropriate sub-grantees and of their respective proposals. In order to satisfy this need for information, the Project will have a data gathering system, which will be available to the executive level of the Project (i.e. its Consultative Council, Operational Unit and Selection Committee). The Operational Unit will be responsible for the development and maintenance of the information set. The Project's data gathering system will include:

1. An inventory of Dominican social and political institutions and groups that have experience in the field of democratic initiatives. This will enable the executives of the Project to determine the institutional profile of the institutions or groups submitting proposals, as well as to know their fields of action, territorial scope and degree to which they are representative. Thus, the inventory will constitute a computerized information gathering mechanism that will be permanently updated throughout the Project.

2. A collection of electoral and public opinion surveys, as well as other, broader sociopolitical studies conducted in the Dominican Republic in recent years. Many of these surveys exist on diskettes. Some of them have already been offered to the Project by their sponsors. This collection would be extremely valuable for the design of the baseline survey that is mentioned hereafter. Interested Dominican institutions would have access to this data bank.

(b) Survey Plan

Project mechanisms needed to measure its own impact as well as that of the different activities will allow for

ongoing revisions or corrections in the annual work plans, as appropriate. These mechanisms will include the following:

1. A baseline survey on values, beliefs, attitudes, opinions and practices concerning Dominican democracy and its institutions. The survey is essential for the accurate and objective determination of the current state of affairs, before project activities take place. The survey will serve as an empirical frame of reference and as an element for comparison. It will be based on information contained in the above mentioned collection of electoral surveys, opinion polls, etc. which have been conducted recently. Additional information will be collected on those variables that have been insufficiently documented in previous research studies.

2. A detailed program of periodic surveys which will include instruments for measuring and evaluating the achievements of the Project as well as the Project's impact on the Dominican democratic system. In general, except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

II. ADMINISTRATION

In this section a general description of the roles and relationships of the various administrative units in the implementation process is provided. The general discussion is followed by a more detailed description of the functions and responsibilities of the various entities. Finally, the process of selection of activities for funding, and the role of each administrative unit is discussed.

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A. General Description of Administrative Roles

As a way of supporting Dominican democratic initiatives, a ten-year project is proposed with financial and technical resource requirements of approximately twelve million dollars. Of this amount, the Agency for International Development (A.I.D.) will contribute nine million, and no less than a minimum of three million will constitute the national counterpart. It is expected that the Dominican institutions applying for support from the Project will contribute fifty per cent or more of the national counterpart for the activities or programs that they propose.

A.I.D., as the donor agency, will establish financial controls over PUCMM's management of the Project funds in conformity with the terms and procedures stipulated in the Agency's regulations for this kind of project. Likewise, A.I.D. will give its approval to the Annual Working Plans of the Project. PUCMM, on the other hand, will be the institution responsible for the management and financial control of the funds of the Project. In order to comply with these duties, PUCMM will establish an Operational Unit. PUCMM will submit to A.I.D. for concurrence, the selection criteria, job descriptions, and draft contracts for the members of the Operational Unit. This Unit will be headed by an Executive Director, assisted by the technical team and support staff discussed in detail below. The Unit will exert financial control as stipulated by A.I.D. and PUCMM for this kind of project and all funds granted, as sub-grants, to the institutions that will execute the activities of the same. The Executive Vice-Rector of the Santo Tomás de Aquino Campus of PUCMM in Santo Domingo will be responsible for the general supervision of the Project, with the assistance of an auditor and the necessary support staff. The auditing staff, as well as the personnel of the Operational Unit, will be recruited for the duration of the Project, in conformity with the norms and procedures of PUCMM and the regulations established by A.I.D. for such cases.

The Project will have a broadly representative Consultative Council. Its main role will be to assist PUCMM and A.I.D. in the formulation of the necessary policies and procedures for making sub-grants, as well as for their control and supervision. Further detail is supplied below.

The Operational Unit and the Consultative Council will be assisted by a Selection Committee. This Committee will be composed of the Executive Director of the Operational Unit and of three members selected by PUCMM, with the approval of the Consultative Council and A.I.D. The Project Officer of A.I.D. will participate as an observer in the deliberations of this Committee. The composition and functions of the Selection Committee are discussed in more detail below.

Finally, the participants in the Project are only those institutions of Dominican civil society which become sub-grantees of the same, upon approval of their proposals to implement democratic initiatives, and in agreement with the selection criteria described below.

B. Role and Function of the various Administrative Entities

Three administrative units will be responsible for the operations of the Projects: a Consultative Council; an Operational Unit; and a Selection Committee. The Executive Vice-Rector of PUCMM and the Project Manager for A.I.D. will have oversight responsibilities.

1. The Consultative Council

During the design stage of this Project, it was understood that its particular nature demanded the broadest possible support at all times, and that mechanisms were needed to remain permanently in touch with the sociopolitical reality of Dominican society. In order to guarantee this support to the Project, the Consultative Council will be composed of 21 members.

The members of the Consultative Council will be selected by PUCMM, with the approval of A.I.D. Those selected will have demonstrated their strong interest in and commitment to the goals of the Project. For the success of the Project, it is of utmost importance that the Consultative Council be composed of persons with diverse political opinions, and representative of the largest possible variety of social sectors, obviously with the assumption that they all have a basically democratic orientation. The members of the Consultative Council will be appointed for a period of one year. They will be notified of their appointment by a letter jointly signed by the Director of A.I.D. and the Rector of PUCMM. The first Consultative Council will include many of the members who formed the Consultative Group that was charged with designing the Project. Once established, the Consultative Council will prepare its internal operating regulations.

The main functions of the Consultative Council will be as follows:

- To give advice on the policies, goals and standards of the Project.
- To guarantee the widest possible participation of national institutions and sectors in the

implementation of activities tending to strengthen democratic institutionalism.

- To propose new initiatives that enrich the Project and help it reach its objectives.
- To contribute to a better image of the Project within Dominican society.
- To follow up on the progress of the Project, in order to guide its orientation in conformity with Dominican political culture, and with the goals and objectives assigned to the Project.
- To examine and to give their opinion on the recommendations of the Proposals Selection Committee.
- To approve the Annual Working Plans submitted by the Operational Unit.
- To receive the quarterly technical and financial reports prepared by the Operational Unit, as well as the periodic evaluations of the Project.

2. Administrative Responsibilities of The Operational Unit at PUCMM

a. Functional Responsibilities

The Operational Unit, created by PUCMM, will be directly responsible for the administration of the Project. It will have the following functions:

- To direct all aspects of the Project.
- To advertise and promote the Project.
- To administer the funds and to conduct the financial supervision of the Project.
- To supervise the implementation of the Project and of each one of its activities.
- To maintain close contact and relations with the community.

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- To coordinate the technical review of the "proposal profiles" and of the "definitive proposals" presented to the Project for obtaining sub-grants. This process includes the reception and analysis of proposals submitted by institutions, as well as the appropriate processing of the same, and the preparation of any necessary documentation.
- To continuously review selection criteria for sub-grants, and to facilitate feedback to all interested parties.
- To convene meetings and to prepare the agenda of the Consultative Council and of the Proposals Selection Committee.
- To prepare, jointly with the Consultative Council, the Annual Working Plans to be submitted by PUCMM to A.I.D.
- To prepare the quarterly technical and financial reports to be presented to the Consultative Council and to A.I.D.
- To perform the annual internal evaluations.
- To coordinate with A.I.D. to ensure good administration of the Project.

b. Organizational Structure and Responsibilities

The Operational Unit will remain under the responsibility of a Director, with direct supervision by the Executive Vice-Rector of the Recinto Santo Tomás de Aquino of PUCMM (Executive Vice-Rector), as this University is the institution responsible to A.I.D. for the Project. Moreover, it will have an Administrative and Finance Office, with the necessary legal counsel and support of an Auditing Office, which will report to the Executive Vice-Rector.

Full time employees of The Operational Unit will be: an Executive Director, a secretary for the Executive Director, an Administrative Financial Director, a secretary for the Administrative Financial Director, and an Auditor. The Executive Vice-Rector will

dedicate 10 hours per week to The Unit, while his secretary will dedicate 20 hours per week. The hours paid by the Project for these two people will be deducted from their contracts with PUCMM. Legal advice will be obtained on a monthly fixed fee basis.

The Director will be responsible for the fulfillment of the functions of the Operational Unit, and will ensure that the program in its totality complies with the strategy and objectives agreed upon in this grant agreement. The Director will also supervise the general implementation of the Project. Two more of the Director's functions will be to act as ex-officio coordinator of the Selection Committee and as Secretary of the Consultative Council.

Likewise, the Director will be responsible for obtaining a consensus on matters that are important for the goals of the Project, and will generate as much goodwill and as many professional relationships as possible among the political community, with the representatives of the Dominican Government, and with institutions interested in participating in the activities of the Project.

The Executive Vice-Rector of PUCMM is PUCMM's representative responsible for permanently ensuring that the Operational Unit follows the procedures and executes the policies established by PUCMM and by A.I.D., so as to guarantee the proper operation of the Project.

With the counsel of the Auditing Office, the Executive Vice-Rector of PUCMM will coordinate the internal audits that PUCMM will have to carry out both of the Operational Unit and of the institutions receiving sub-grants. The Executive Vice-Rector will also be the institutional representative of PUCMM for the administrative requirements of the Project. Finally, the Executive Vice-Rector will ensure the continuity of the Project's implementation under any circumstances.

3. Selection Committee

The Selection Committee will be composed of the Director of the OU in his capacity of ex-officio coordinator of the Committee, and of three members chosen by PUCMM with the approval of the Consultative Council and A.I.D. The A.I.D. Project Officer will participate as an observer in the deliberations of the Selection Committee.

In the case that a conflict of interest should occur between a member of the Selection Committee and the institution submitting a proposal, this member will be substituted by another person

designated by PUCMM with the approval of the Consultative Council and A.I.D on an ad-hoc basis. The Selection Committee will:

- Examine all proposals for sub-grants to implement democratic initiatives submitted to its consideration by the Director of the Operational Unit.
- Evaluate whether the proposals submitted for its consideration are in line with the purposes and strategy of the Project.
- Evaluate the technical and financial aspects, as well as the feasibility of any proposal submitted for its consideration. To this end, when necessary, the Committee may request advice from the staff of the administrative and finance offices, of the auditing office, and of the legal counsel of the Project.
- Evaluate the administrative capabilities and financial viability of the institutions submitting proposals for implementation. To this end, the Committee will seek all necessary advice.
- Submit the proposals it has evaluated, together with its opinion, to the Consultative Council for review and decision by the latter.
- Seek advice, when necessary, of independent experts for special required tasks and analyses.

4. A.I.D. Oversight

The day to day oversight of the Project will be the responsibility of the designated officer within the Office of Policy and Democratic Initiatives. A.I.D.'s responsibilities are detailed in Handbook 13 for Cooperative Agreement Grants.

III. SELECTION OF ACTIVITIES

A. Pre-qualification of Sub-grantees

In general terms, for a private Dominican institution to qualify for a sub-grant of Project funds, it has to demonstrate that it

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possesses formal legal status in conformity with the Dominican laws; that the nature of the activities it has undertaken to date enables it, in the opinion of the Selection Committee, to carry out the proposed activity, and that it possesses the necessary financial and administrative management skills to perform the activity.

As part of the Manual of Participation, the Operational Unit, with USAID concurrence, will prepare the criteria of pre-qualification for institutions to receive sub-grants from the Project.

In all cases, sub-grantees will have to comply with the requirements established by Handbook 13 of A.I.D.

The Project will consider the possibility that the private Dominican institutions submitting proposals for sub-grants might have to include in these proposals the cooperation of institutions or experts from the United States or other countries with experience in this field.

B. Selection Criteria

In the evaluation of proposals for sub-grants, the following criteria will be used, among others which may be established by the Consultative Council:

1. That the activity proposed be consistent with the goal and purpose of the Project of contributing to the strengthening of the Dominican democratic system, of making it more trustworthy, effective and representative; of raising citizen awareness and participation; and, of improving the effectiveness and accountability of the government.
2. That the proposal be technically, financially, and politically viable; and that the contribution requested from the Project for the activity not exceed US\$250,000.
3. That the activity be sponsored by a private Dominican institution with a proven record of achievement in the field concerned, and with a strong commitment towards democracy and the purpose of the proposal.
4. That the institution making the proposal contribute with counterpart funds, in conformity with the guidelines set forth for the Project; and that the institution will not receive more than 20 percent of the funds contributed by A.I.D for activities throughout the life of the Project.
5. That the action proposed be part of the priorities established for the Project, so as to avoid dispersion of its resources in too many different fields.

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6. That, to the extent possible, the proposal multiply or catalyze other efforts.
7. That the proposal be the fruit of the broadest possible consensus or that it contribute to promote such consensus.
8. That, to the extent possible, the proposal be made by grassroots organizations, or take their priorities into account.
9. That the performance and impact of the proposed activity may be evaluated with objective indicators.
10. That, to the extent possible, the proposal be part of programs sustainable beyond the life of the Project.
11. That the proposal have as its first goal, the public or common interest, rather than the defense of individual interests.
12. That no efforts be unnecessarily duplicated, and that, to the extent possible, efforts of different sectors, institutions, groups, and people be combined.
13. That the activity not consist exclusively of research.

To assure that relatively small, yet important activities proposed by informal groups will have an opportunity for funding, the Operational Unit will establish a special account that it will manage for them. The value of each initiative will not exceed US \$10,000.00 and will be administered by the Operational Unit, with the advice of the Consultative Council. As part of the Annual Work Plan activity, the maximum number of these initiatives that will be financed annually will be established by PUCMM with the approval of the Consultative Council and A.I.D.

In order to respond to the interests of community-based and popular groups and associations whose participation is indispensable for the achievement of the objectives of the Project, either one of the following mechanisms may be used: a) to use the special account for small initiatives mentioned in the previous paragraph and whose administrator will be the Operational Unit; or b) to encourage community-based and similar groups to channel their requests through organizations possessing the necessary administrative and financial systems and controls to become beneficiaries of sub-grants from this

Project. With this second mechanism, the latter organizations would have administrative and accounting responsibility for these sub-grants.

One of the strategic objectives of the Project will be to promote initiatives that contribute to the removal of the factors that discriminate against Dominican women. Except where not practical or appropriate, the Project's activities will place special emphasis on the integration of women into the society. Consequently, in the implementation of the Civil Service Law, in the reform of the judiciary, in the democratization of the political parties, in the program of education on democracy, as well as in consensus-building activities, this objective will be present. The various publications produced by the Operational Unit to publicize and explain the Project will emphasize the importance of integrating women into each and every facet of the democratic initiatives financed under this project.

C. Eligibility, Timing, and Presentation of Proposal Submissions

Dominican private institutions are the only agencies entitled to apply for support from the Project. The institutions concerned may submit their proposals at any time throughout the year. The Operational Unit will supply interested institutions with a Guide for Preparation of Proposals covering the basic requirements of the Project for obtaining approval of a proposal. The proposals will be submitted in Spanish to the Operational Unit of the Project.

The review process is explained in the following section.

D. Process of Proposal Selection

1. Procedures of the Operational Unit, the Selection Committee, and the Consultative Council

Private Dominican institutions will submit their proposals in a two-phase sequence. In the first phase, they will present a two-page "proposal profile" in Spanish to the Operational Unit for comments, amendments and orientation. The Operational Unit will supply applicant institutions with a standard form to outline this "proposal profile".

The Operational Unit will review the "proposal profile" for preliminary evaluation, examining whether it is in line with the objectives of the Project, and whether it is feasible given the financial capabilities and objectives of the proposing institution.

The Director of the Operational Unit will supply feedback to the applicant institution. This feedback will indicate the strong and weak points of the sub-grant's design, the sections of the proposal that need particular attention, and any changes suggested to the concept itself of the sub-grant. Whenever necessary, the Operational Unit will assist the proposing institution with the improvement and clarification of the submitted proposal.

If a proposal does not address the priorities, objectives and goals of the Project, or does not meet minimal technical or financial feasibility criteria, the Director of the Operational Unit will inform the applying institution of the non-acceptance of the "proposal profile". The Operational Unit will notify the Selection Committee and A.I.D. of all rejected "proposal profiles", with an explanation for each denial.

Each quarterly technical report prepared by the Operational Unit for the Consultative Council and A.I.D. will include a list of all the "proposal profiles" received during that period.

Finally, during the second phase, the Operational Unit will work jointly with the applicant institutions to develop a "definitive proposal" in Spanish that complies with the requirements of the Project.

When the Director of the Operational Unit considers that a "definitive proposal" meets with the requirements, he/she will present it to the Selection Committee for review and recommendation.

After review by the Selection Committee, the "definitive proposal" will be sent with a favorable technical recommendation by the Committee to the Consultative Council, which will then decide on approval of the financing of the proposal with Project funds.

2. A.I.D.'s Right of Veto

After a "definitive proposal" has received the favorable technical recommendation of the Selection Committee and the approval of the Consultative Council, an executive summary of the same, presented with a special format to be prepared jointly by A.I.D. and PUCMM, will be submitted by PUCMM to A.I.D. A.I.D. reserves for itself the right to object, within fifteen days, to the approval of a proposal for a sub-grant, in the case that, in its opinion, some procedure or criterion agreed upon between PUCMM and A.I.D. has not been complied with. In all cases, A.I.D. will accompany its approval or objection by a written answer.

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3. Notification

Within sixty days of the date of presentation of a "definitive proposal", the Operational Unit will notify the applicant institution of the approval or rejection of its proposal. This notification will be in the form of a letter of approval or a letter requesting additional information or improvement of the proposal before final approval. When proposals are rejected, the reasons for the same will be included in this letter.

IV. IMPLEMENTATION PLAN

A. General Description

The nature and length of the Project demand a flexible design capable of responding to the changing circumstances of the Dominican social and political environment. The Annual Working Plans will be used to make the necessary adjustments as determined by the Operational Unit, the Consultative Council, and A.I.D. These Annual Plans will be prepared on the basis of the Project's goals and objectives, on the one hand, and on the political and social circumstances of the moment, on the other.

B. A Four-Phased Implementation Plan

1. Preparatory Phase (March-June 1992)

As soon as the agreement between A.I.D. and PUCMM is signed, PUCMM will appoint the Executive Director of the Operational Unit. The Executive Vice-Rector and the Executive Director will immediately begin the personnel selection process required to fill the Operational Unit's staff as discussed elsewhere.

During this phase PUCMM and A.I.D. will review the composition of the members on the Consultative Council for the purpose of assuring that there will be a group of 21 members with broad societal representation capable of working effectively together. In addition, PUCMM, with the approval of the Consultative Council and A.I.D., will appoint those members who do not belong ex-officio to the Selection Committee. Also, formal procedures will be designed for the reception, revision and approval of proposals for sub-grants. To this end, the Operational Unit will prepare a Manual of Participation and a Guide for the Preparation of Proposals for the institutions wishing to submit proposals to the Project.

During this phase, the Executive Director of the Project, jointly with the Consultative Council, will prepare the Annual Working Plan for the First Stage (July 1992-May 1993) of the Initial Phase of the Project. This Annual Working Plan will establish the priorities for action for the first year and, like all the subsequent ones, will be submitted by PUCMM to A.I.D. which, within 21 days, will inform PUCMM in writing of its approval or disapproval.

The promotion of the Project will begin in this phase and continue throughout the Project's life so as to guarantee that all institutions that might be interested in participating in its implementation are duly informed of the opportunities it offers. This task is the responsibility of the Operational Unit, under the guidance of the Consultative Council. To this end, the Operational Unit will be equipped with the necessary resources to issue publications, promote meetings, organize events, conferences, workshops and seminars whose purpose will be to achieve the above mentioned objectives, i.e. to inform those interested and to obtain the broadest possible support.

It is expected that by July 1992, the majority of private institutions interested in submitting proposals will be ready to submit specific projects, or will already have done so. By that date all offices and procedures involved in the revision and approval of sub-grants will have become fully operational. It is expected that the funds corresponding to this phase of the Project will have been made available.

The work of information collection will also have to be initiated during this phase. Likewise, the Project will have to start the design and implementation of a survey program to measure the impact of the Project. Work will be started with the baseline survey. The Operational Unit will be responsible for initiating these activities.

2. Initial Phase (July 1992-May 1994)

a. First Stage (July 1992-May 1993)

During the first stage of the Initial Phase, at least one initiative should be started up in each one of the priority activities selected as objectives for this Initial Phase within the Working Plan for the period July 1992-May 1993. This will have to include activities in the area of education for democracy, as well as in the field of State reforms.

During this stage, the collection of data and information initiated during the Preparatory Phase will have to be

completed. The maintenance of this data bank will require continued action by the Operational Unit of the Project.

At the end of this stage, PUCMM and A.I.D. will internally evaluate the impact achieved during implementation. Likewise, they will analyze the national sociopolitical situation, which will serve as a basis for the formulation of a strategy and a Working Plan for the year June 1993-May 1994. The procedure for internally evaluating the implementation and results of the Annual Working Plan, and for analyzing the national sociopolitical situation, will be a standard procedure that will be repeated at the end of each year so that its results may serve as a starting point for the formulation of the strategy and the Working Plan for the next year. These evaluations will be conducted by the Operational Unit, which to this end may hire the services of experts able to report on the national sociopolitical situation.

b. Second Stage (June 1993-May 1994)

During this stage, it is anticipated that emphasis will be placed on those activities which tend to contribute to a satisfactory electoral process for the Dominican political community, as well as on activities of education for democracy. A basic assumption of the Project is that the activities of education for democracy will retain a high priority throughout the life of the Project.

The Operational Unit - with the approval of the Consultative Council, and with no objection from A.I.D. - will determine which of these various proposals are most appropriate to promote those democratic initiatives and reforms which best guarantee the achievement of the Project's objectives in the long term.

During this stage, in the first months of 1994, the first periodic survey will be held.

3. Intermediate Phase (June 1994-May 1998)

During the first months of this Intermediate Phase, from June to December 1994, the first external evaluation of the Project will take place. The results of this evaluation will allow for the preparation of the strategy to follow until May 1997.

In the first months of the year 1996, the second periodic survey will be carried out. At the end of the fifth year of implementation of the Project, from January to May 1997, the second external evaluation will be conducted, which will serve as a basis for

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preparing the strategy for the next four and a half years of the Project. In the first months of 1998, there will be a third periodic survey.

4. Final Phase (June 1998-March 2002)

It is difficult to forecast the social, political, cultural and economic situation of Dominican society by mid-1998. As will have been done annually, the Operating Unit and the Consultative Council, together with A.I.D., will have to evaluate the situation and revise the Project's strategy so as to make it responsive to the reality of the moment, as well as to determine the most adequate course of action to be taken under the given circumstances.

During the second half of 1998, the fourth and last periodic survey will be held. At the end of this Final Phase, in the year 2002, the final external evaluation of the Project will be conducted.

V. FINANCIAL PLAN

A. General Guidelines

The financial plan is shown in Table I of this Attachment. Revisions to this financial plan shall be made in accordance with Standard Provisions of this Agreement, entitled "Revision of Grant Budget".

Within the total amount of funds obligated by A.I.D., the Recipient may adjust items as is reasonably necessary for the performance of project activities. Any increase in any line item, however, must be immediately offset by a corresponding decrease in (an) other line item(s). No such adjustment may change any individual category by more than 15% without prior written approval of A.I.D. Any change made must be reported to A.I.D. within 15 days of the change so that A.I.D. may make the necessary corrections to its records. Any discrepancy between the Operational Unit budget items and A.I.D. budget items may result in payment delays while the discrepancy is resolved.

Total cost of this Grant is US \$9.0 million. US \$6.0 million would be used for sub-grants to private Dominican institutions that collaborate with the Project. Sub-grant recipients are expected to provide 50% or more of the cost of the activity for which financing is requested. This counterpart contribution may come from the recipient's own sources or from other national financing sources. The total contribution from non-A.I.D. sources will be no less than \$3.0 million equivalent in local currency.

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B. Form of Payment for Expenditures under the Project

Each sub-grant proposal will include a total budget estimate as a basis for determining sub-grant amount. The proposal will also include an estimated schedule of expenditures of sub-grant and counterpart funds. Upon approval of the sub-grant and its expenditure schedule in the proposal, the Operational Unit of PUCMM will schedule disbursements as needed. As a general rule, no funds will be advanced to sub-grantees; disbursements will be made only after the Operational Unit has received documentary evidence of the expenditures incurred by the sub-grantee institution. However, in cases of sub-grantees with adequate financial systems and controls, PUCMM may advance funds with the authorization of A.I.D.

Disbursements from A.I.D. to PUCMM, as grantee institution in charge of implementing the Project, will start with an initial advance corresponding to PUCMM's submission of its estimated requirements for the first three months of project implementation. Such estimate will include both sub-grant disbursements and the Grantee's administrative costs. Subsequently, PUCMM will make monthly submissions to A.I.D. including the Grantee's accounting of disbursements and costs to be charged against amounts advanced to the Grantee by A.I.D., and estimated sub-grant disbursements and administrative costs for the three months following the date of such submission.

For example, if PUCMM, as the Grantee, contemplated initiation of project implementation in July, Grantee's initial submission would include its estimate of costs for the three month period July 1 through September 30. Correspondingly, on August 1 or as soon as feasible thereafter but not later than August 5, the Grantee would submit an accounting of its disbursements and administrative costs incurred during July, along with a projection of its disbursements and administrative costs for the period August 1 through October 31. A.I.D. will review these submissions and will advance the difference between the August-October projection and the advance outstanding (July-September projection less amount liquidated for actual July costs), subject to adjustments which may be made by A.I.D.'s Controller office if figures are found to be inaccurate or unreasonable.

The theoretical three-month period of "advance" is necessitated by a lag time in A.I.D. practice of roughly two months from submission of a request for payment to actual receipt of such payment. Therefore, to avoid financing project costs from its own working capital, PUCMM would submit its request for initial advance two months before it needs the first anticipated project disbursement. For the given example, this would be about May 1.

In compliance with A.I.D. regulations, funds advanced by A.I.D. will be kept in a separate bank account with the interest earned on such account to be paid by PUCMM to the U.S. Treasury.

C. Counterpart Contribution from National Sources

In order to gain maximum impact from limited funds and assure maximum Dominican commitment to the Project activities, as a general standard, a counterpart contribution of 50% or more of an activity's cost will be expected. Nevertheless, in extraordinary cases, PUCMM, with concurrence of the Consultative Council, may request that A.I.D. consider the reduction of the required minimum 50% counterpart for a specific activity.

No funds for any sub-grant activities can be disbursed until PUCMM, the Consultative Council, and A.I.D. develop a mutually acceptable set of criteria to be used to judge proposals that might request a waiver of the "no less than 50% counterpart contribution" rule.

After the first semester of the life of the Project, and subsequently as deemed convenient through the life of the Project, A.I.D. and PUCMM will review how the counterpart contribution from sub-grantee institutions has worked, and decide on any necessary modifications.

The value of time and labor contributed to the activity by sub-grantee staff and directors will be considered counterpart contribution, as well as the time and labor contributed by staff specially hired to this end by the institution.

D. Purchases of Goods and Services for the Activities

No purchase of equipment or other durable goods will be considered in support of the activities of the sub-grantees.

E. Supervision of the Activities

PUCMM, through the Project Operational Unit, will be responsible for follow-up and supervision of project activities undertaken by institutions in the field of democratic initiatives. To this end, institutions receiving sub-grants will have to present to the Operational Unit technical and financial reports on a quarterly basis. The necessary administrative, financial and evaluation mechanisms will be designed and clearly established in a Manual of Participation.

Each proposal presented to the consideration of the Operational Unit will contain a plan to evaluate the impact on and contribution to the objectives of the Project.

VI. EVALUATION OF THE PROJECT

The nature of the Project requires close monitoring and evaluation to ensure that the best possible use is made of existing opportunities. To this end, the preparation of technical and financial reports is scheduled, as well as two types of evaluations: internal and external.

The internal evaluation of the Project at the end of each year will serve as the basis for the preparation of the Annual Working Plan for each subsequent year. These evaluations will be the responsibility of the Operational Unit.

PUCMM, through its Operational Unit, will prepare and present to the Consultative Council and to A.I.D. quarterly technical and financial reports, in order to carry out adequate follow-up and control of the progress of the Project and of its activities.

The external evaluations will be conducted by a team of experts external to the Project and hired by A.I.D. for this purpose. Three external evaluations are scheduled: the first one at the beginning of the year 1994, the second at the beginning of 1998, and the third and last one in the year 2001. These external evaluations will be contracted for directly by USAID. When appropriate, USAID will request written authorization from the Operational Unit of PUCMM to contract for these evaluations.

Besides these internal and external evaluations, a program of periodic surveys will be carried out in order to measure the impact of the Project. This survey program will start with a basic survey at the beginning of the Project, in 1992. Together with previous information collected from other sources, it will create the necessary data base on the situation of democracy at the beginning of the Project, in order to determine how this situation is modified as the Project evolves. During the life of the Project, four more surveys will be held; they will be scheduled strategically so as to most effectively evaluate the achievements and impact of the Project.

VII. PROJECT AUDITS

The Project will be audited annually in all its aspects and levels by a firm of external auditors, in accordance with "Guidelines for

Financial Audits contracted by Foreign Recipient" issued by USAID's Inspector General. Sub-grantees receiving \$25,000 annually will be subject to the annual audit requirements of these guidelines. On the other hand, the Auditing Office, which reports to the Executive Vice-Rector of PUCMM, will be responsible for the internal financial review of the Operational Unit and will have oversight over project sub-grants. Close coordination will be maintained between the internal accountants and external auditors so that requirements of the Project are adhered to.

VIII. SUBSTANTIAL INVOLVEMENT AND REPORTING REQUIREMENTS

1. The Recipient will obtain USAID concurrence on the selection criteria, draft contracts, and job descriptions for the PUCMM Operational Unit (OU).
2. The Recipient will obtain USAID concurrence on the selection of OU personnel.
3. The Recipient will obtain USAID approval of the annual selection of the members of the Consultative Council.
4. The Recipient will obtain USAID approval of the three (non ex-officio) members chosen for the Selection Committee prior to their taking office.
5. The Recipient will obtain USAID concurrence on the Manual of Participation and the Guide for Preparation of Proposals compiled by the OU.
6. The Recipient will obtain USAID approval of each Annual Work Plan prepared by the OU and previously approved by the Consultative Council.
7. USAID Project Office will participate, as an observer, in all sessions of the Selection Committee.
8. The Recipient, the Consultative Council, and USAID will develop a mutually acceptable set of criteria to be used to judge proposals that request a waiver of the "no less than 50 percent counterpart contribution" rule. No funds for any sub-grant activity can be disbursed until agreement is reached by the 3 parties on the set of criteria.
9. Any waiver of the "50 percent rule" on national counterpart contributions is subject to the approval of USAID.

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10. The Recipient will notify USAID and the Selection Committee of any and all proposals rejected by the Recipient at the "proposal profile" stage.
11. The Recipient will provide USAID with an executive summary of each of the Final Proposals favorably recommended by the Selection Committee and approved by the Consultative Council. Within 15 days, USAID will provide the Recipient with a written approval or rejection letter for each of the Final Proposals.
12. The Recipient agrees to submit to USAID's Controller Office on a quarterly basis a Fund Accountability Statement. The Fund Accountability Statement must be denominated in U.S. dollars and must include: the quarterly budgeted amounts by category, including direct payments handled by USAID/Dominican Republic; the quarterly receipts and actual costs incurred by category, with footnoted references for costs questioned by USAID; the cumulative budgeted amounts to date (since the inception of the Project), by category; the actual cumulative receipts and costs incurred to date (since the inception of the Project), by category. The Fund Accountability Statement will also include fund balances.
13. The Recipient will obtain USAID approval of any advance to be made by the Recipient to those sub-grantees with adequate financial systems and controls.
14. The Recipient will prepare quarterly technical and financial Project Progress Reports for review by the Consultative Council and USAID.
15. The Recipient will contract, with a Dominican CPA firm chosen from a list provided by USAID, annual external audits to be carried out on itself. The Recipient will require all sub-grantees receiving more than \$25,000 annually to have an annual external audit performed by a firm chosen from the same list and will ensure that appropriate corrective actions are taken on the recommendations contained in the audit reports.
16. Three external evaluations will be completed during the life of the Project by a team of experts contracted for directly by A.I.D.

TABLE 2

DEMOCRATIC INITIATIVES SUPPORT PROJECT

Annual Financial Breakdown (Obligations)

PROJECT YEAR	YEAR 1	YEAR 1	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	TOTAL
A.I.D.	793.13	1,029.82	1,129.15	1,043.82	949.19	758.66	861.95	774.42	782.65	877.22	9,000.00

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Table 3

DEMOCRATIC INITIATIVES SUPPORT PROJECT
Personnel Direct Costs Summary

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	
II. ADMINISTRATION AND MANAGEMENT (PERSONNEL DIRECT COSTS)											
-Executive Vice-rector (part-time)	13.00	13.39	13.79	14.21	14.63	15.07	15.52	15.99	16.47	16.96	149.03
-Executive Vice-rector Secretary (part-time)	3.90	4.02	4.14	4.26	4.39	4.52	4.66	4.80	4.94	5.09	44.71
-Salary	3.12	3.21	3.31	3.41	3.51	3.62	3.73	3.84	3.95	4.07	
-Fringe Benefits	0.78	0.80	0.83	0.85	0.88	0.90	0.93	0.96	0.99	1.02	
-Auditor (part-time)	15.60	16.07	16.55	17.05	17.56	18.08	18.63	19.19	19.76	20.35	178.84
-Salary	12.48	12.85	13.24	13.64	14.05	14.47	14.90	15.35	15.81	16.28	
-Fringe Benefits	3.12	3.21	3.31	3.41	3.51	3.62	3.73	3.84	3.95	4.07	
-Executive Director Operational Unit (part-time)	32.50	33.48	34.48	35.51	36.58	37.68	38.81	39.97	41.17	42.41	372.58
-Salary	21.60	22.25	22.92	23.60	24.31	25.04	25.79	26.57	27.36	28.18	
-Fringe Benefits	10.90	11.23	11.56	11.91	12.27	12.64	13.02	13.41	13.81	14.22	
-Executive Secretary (part-time)	6.50	6.70	6.90	7.10	7.32	7.54	7.76	7.99	8.23	8.48	74.52
-Salary	5.20	5.36	5.52	5.68	5.85	6.03	6.21	6.40	6.59	6.78	
-Fringe Benefits	1.30	1.34	1.38	1.42	1.46	1.51	1.55	1.60	1.65	1.70	
-Legal Advisor (by work order)	7.80	8.03	8.28	8.52	8.78	9.04	9.31	9.59	9.88	10.18	89.42
-Salary		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
-Administrative-Financing Office Directorf (P.T.)	13.00	13.39	13.79	14.21	14.63	15.07	15.52	15.99	16.47	16.96	149.03
-Salary	10.40	10.71	11.03	11.36	11.71	12.06	12.42	12.79	13.17	13.57	
-Fringe Benefits	2.60	2.68	2.76	2.84	2.93	3.01	3.10	3.20	3.29	3.39	
-Secretary (full-time)	3.90	4.02	4.14	4.26	4.39	4.52	4.66	4.80	4.94	5.09	44.71
-Salary	3.12	3.21	3.31	3.41	3.51	3.62	3.73	3.84	3.95	4.07	
-Fringe Benefits	0.78	0.80	0.83	0.85	0.88	0.90	0.93	0.96	0.99	1.02	
III-SELECTION COMMITTEE	13.00	13.39	13.79	14.21	14.63	15.07	15.52	15.99	16.47	16.96	149.03
Total	109.20	112.48	115.85	119.33	122.91	126.59	130.39	134.30	138.33	142.48	1,251.87

NOTES:

A. To carry out these project activities the Vice-Rector will work an average of 10 hours per week. This will be paid by the project and deducted from PUCMH's contract. The cost per hour will be US\$25.00. The Vice-Rector will have the support of one of his secretaries, who will allot an average of 20 hours per week to the project. This will be paid by the project and deducted from PUCMH's contract.

B. The rest of the personnel, except the legal advisor, will work full-time to the project.

C. The Legal Advisor will be contracted by work order. This person will be an expert in the field working for the Operational Unit of the Project and for the Exec. Vice-Rector's Office. to establish comprehensive monitoring of current procedures.

D. Remuneration to the Selection Committee Members will be based on a previously established fee schedule.

E. Fringe Benefits are: Medical and Life Insurance, Pension and Retirement Plan, 1/2 annual salary Christmas Bonus, and for certain executive level transportation and representation expenses.

Table 5
Democratic Initiatives Support Project
Summary of Indirect Costs

Other Indirect Costs	Monthly Cost	Cost per Year
1. Office Equipment	0.125	1.50
2. Maintenance Costs:		
2.1 Air conditioning Maintenance	0.080	0.96
2.2 Typewriter Maintenance	0.035	0.42
2.3 PC Maintenance	0.060	0.72
2.4 Furniture Maintenance	0.025	0.30
2.5 Building Maintenance (Paint, Repairs, etc.)	0.100	1.20
3. Commun Areas Maintenance		
3.1 Restrooms	0.015	0.18
3.2 Parking Lots	0.028	0.34
3.3 Corridors	0.015	0.18
4. Utilities	0.015	0.18
5. Office Personnel Costs Compesation	0.200	2.40
6. Compensation Costs of General University Accounting Office	0.200	2.40
7. Compesation for the use of University Press Office	0.050	0.60
8. Compensation for the Use of University Office of Public Relations	0.050	0.60
9. Compensation for the use of the University Computer Center	0.100	1.20
10. Compensation for the use of the University Purchasing Office	0.100	1.20
11. Vigilance	0.100	1.20
12. Electricity in Commun Areas	0.050	0.60
13. Others	0.062	0.74
TOTALS	1.410	16.92

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Table 6

Estimated General Administrative Costs

	Monthly Cost	Amount	Number of Months	Total	
2. Use of Equipment					
Typewriter per month	0.025	3.00	12.00	0.90	
PCs	0.040	2.00	12.00	0.96	
Air Conditioning Units	0.050	3.00	12.00	1.80	
Equipment 43	0.100	2.00	12.00	2.40	
Others	0.060	1.00	12.00	0.72	6.78
3. Electricity	0.412	1.000	12.00	4.94	
4. Telephone, Fax, Telex 6 stations at \$18.95 each	0.020	6.000	12.00	1.36	
Remittance of fax, long distance phone calls and telex	0.090	1.000	12.00	1.04	
5. Clenning Services m2	0.077	1.000	12.00	0.93	
6. Consultative G. and Selection C. Meeting Expenses	0.150	1.000	12.00	1.80	
7. Office Supply	0.200	1.000	12.00	2.40	
8. Project Promotion	0.800	1.000	12.00	9.60	
9. Internal Evaluation Annual Cost	2.000	3.000	1.00	6.00	
10. Transportation	0.350	1.000	12.00	4.20	
11. Local and International Courier Service	0.220	1.000	12.00	2.64	
12. Mail Service	0.050	1.000	12.00	0.60	
13. Reproduction	0.300	1.000	12.00	3.60	

Note: Figures for No. 1 are found elsewhere.

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