

PD-ABG-050
82694

SMALL PROJECT ASSISTANCE FUND



PEACE CORPS/PARAGUAY

CONTENTS

	PAGE
I. USAID/PEACE CORP SMALL PROJECT ASSISTANCE PROGRAM	
A. APPROVAL PROCESS	1
1. Approval Authority	1
2. Responsibilities of a Peace Corps Volunteer	1
3. Submission of a draft IAA	3
4. Responsibilities of the SPA committee	3
5. Eligibility and Approval Criteria	4
6. Limitations on SPA funds	5
7. Funding Restrictions	6
8. Submission and Approval of an IAA	7
B. DISBURSEMENT OF FUNDS	9
1. ARDN Account	9
2. PC Purpose Code 2B	10
C. ACCOUNTABILITY OF SPA FUNDS	11
D. RECORD KEEPING AND REPORTING RESPONSIBILITIES	12
1. Vouchers and Receipts	12
2. IAA Status Report	13
3. PCV Responsibility	13
4. Lost and Stolen SPA funds	13
5. Activity Completion Notification	14
6. Distribution of IAA and ACN	14
7. Summary of SPA projects report	15
8. Accounting Procedures for SPA health funds	15
9. AID briefing	15
10. Audits of SPA projects	15
E. SPA COMMITTEE COMPOSITION	15

II. APPENDICES

Appendix 1: PC/P - SPA - Standard Forms

SPA Program Individual Activity Progress Checklist

01 Individual Activity Agreement Cover Sheet

02 IAA Checklist

03 IAA

04 Activity Log

05 Small Project Assistance Program IAA Status Report

06 Small Project Assistance Program Summary of SPA Projects

07 Activity Completion Notification

08 Peace Corps Volunteer Agreement

Appendix 2: USAID manual sections relevant to SPA program

Appendix 3: USAID/Peace Corps Small Project Assistance Fund: Guidelines for Volunteers

USAID/PEACE CORPS
SMALL PROJECT ASSISTANCE (SPA) PROGRAM



A. APPROVAL PROCESS

1. Approval Authority

Approval authority for individual activities to be financed under the SPA agreement between USAID and Peace Corps/Paraguay has been delegated to the Peace Corps Country Director. In the absence of the Country Director, approval authority may be redelegated to the Programming and Training Officer assigned to Peace Corps/Paraguay, but may not be redelegated.

2. Responsibilities of a Peace Corps Volunteer*

A PCV who has developed a potential SPA project with his or her community must do the following:

- a. Discuss possible project with his or her Program Manager to determine if SPA funding is an appropriate alternative for the type of activity the Volunteer is considering;
- b. Consult with the SPA coordinator (the PTO) to accomplish the following objectives:

* When reference is made to the "Volunteer" or "PCV" in this document, we are referring to a Volunteer who is involved in the organization and coordination of a SPA project.

- examine the role and responsibilities of the PCV in a SPA project;
 - discuss the SPA criteria and proposal (Individual Activity Agreement or "IAA") format and receive an outline to be followed in preparing the written IAA (PC/P - SPA- Standard Form 03 - see Appendix 1); and,
 - when appropriate, receive verbal and written information about conducting: project planning, cost/benefit analysis, and market studies.
- c. With the community with which the Volunteer is working, prepare a draft Individual Activity Agreement (PC/P Standard Form 01). The draft IAA must be written in Spanish before it is approved. However, the SPA committee may review an IAA written in English and later return it to the Volunteer to be re-written in Spanish as a final IAA.
- d. Discuss Draft IAA with the Volunteer's Program Manager to:
- review the adherence of the proposed project to SPA criteria;
 - review the role of the community group in the project; and,
 - arrange for a site visit to be made by the Volunteer's Program Manager. The Program Manager will inform the SPA coordinator as to when the visit will be conducted. It will be left the discretion of the SPA coordinator if he/she would like to participate in the site visit.

The site visit is carried out in order to accomplish the following objectives:

- discuss the SPA program with the community group and review the objectives of the program;
- discuss roles and responsibilities of Pesce Corps, Volunteer, Community, and AID throughout the life of the project; and,

• to allow the community group to make a statement concerning:

- how the project idea evolved;
- the expected outcome of the project;
- the group's experience in administering funds and how specifically, SPA project funds would be administered; and,
- the community's projected contribution to the project.

3. Submission of a Draft IAA

After conducting a site visit, the Volunteer's Program Manager will submit the draft IAA together with his or her observations and recommendations to the SPA coordinator for consideration by the SPA committee.

4. Responsibilities of the SPA Committee

- a. Upon receipt of the draft IAA, the SPA coordinator will establish an individual project file for the project. The SPA coordinator will then review the draft IAA, insure that steps 2 a-b have been completed, make copies for all of the other SPA committee members, attach an IAA checklist (PC/P Standard Form 02 - see appendix 1) to each copy, send copies to the other SPA committee members, and make arrangements for the SPA committee to meet and discuss the proposal.
- b. It is the responsibility of each SPA committee member to have read the draft IAA and completed and signed the IAA checklist before the SPA committee meets to discuss the SPA proposal.
- c. The SPA committee will meet and, using the IAA checklist as a reference, will discuss the proposal in order to review the project, provide comments, and/or modify the proposal as necessary in order to comply with the SPA criteria established below and/or to ensure the technical, financial, or organizational viability of the activity.

- d. Within one week after the Peace Corps SPA Committee has reviewed a draft IAA, the SPA Coordinator will respond in writing with suggested project modifications if appropriate. When possible, the SPA coordinator will discuss suggested project modifications in detail with the PCV. If, after the initial review, the SPA committee recommends approval of a draft IAA, the SPA coordinator will attach an Individual Activity Agreement Cover Sheet (PC/P - SPA - Standard Form 01: see appendix 1), the completed IAA check lists, and comments from the SPA committee to the draft IAA and will submit the IAA to the Country Director for his or her consideration.

5. Eligibility and Approval Criteria

- a. The project must be conceived and implemented in conjunction with a local community organization or group. A financial or in-kind contribution is expected from the community to demonstrate their involvement and commitment. The group may be profit or non-profit making. It may have legal status (personería jurídica) or not under Paraguayan law. If the group does not have legal status, evidence will be presented that the group consists of certain specific individuals who have committed themselves to implementation of the project and provisions will be made to control the departure of existing members and the entrance of new members of the group with respect to their shares of the investment and proceeds of the activity to be financed.
- b. The specific project may not encourage nor require U.S. assistance for continued support.
- c. The project supports development (i.e., respond to real or "felt needs" and represent an "appropriate" solution or response, in a lasting sense, to a problem, constraint, or opportunity) in the areas of food production, energy, competitive enterprise development, health, and/or income generation.
- d. The project must be complete within one year of the date of signature of the IAA. Additionally, the project should be completed previous to three months before the COS date of the Volunteer and must be

completed no later than one month previous to the COS date of the Volunteer.

- e. The contribution of SPA funds toward completion of the project will not exceed \$10,000.
- f. The activity must result in a quantifiable benefit to the recipient group in terms of improved economic and/or social condition.
- g. The recipient group must fit within the generally accepted characteristics of the AID-PC target group, i.e., economically and socially disadvantaged and without access to resources provided by other commercial or governmental sources of assistance.
- h. All health projects must also be related to one or more of the following:
 - Diarrheal Disease and Immunization
 - Oral rehydration therapy (ORT) for infants
 - immunization of infants and young children
 - Malaria and vector biology control
 - Maternal health care
 - Nutrition
 - growth monitoring of infants and young children
 - breastfeeding
 - weaning
 - Vitamin A
 - Water supply and sanitation
 - Health education (material development and adaptation/audience research/communication programs).

5. Limitations on SPA Funds

The most common types of activities for which SPA funds cannot be used are as follows:

- a. costs associated with administration of SPA activities incurred by Peace Corps, AID or the cooperating community organization or group;
- b. assistance to organizations to promote or conduct religious activities or construct religious facilities; however, many religious organizations sponsor and supervise local community activities which serve community needs rather than religious purposes. Such activities may receive SPA assistance provided they meet SPA criteria;
- c. financing of police, military activities or prison programs;
- d. purchase of ineligible commodities set forth in AID Handbook 15, Chapter 286 (see appendix 2); and
- e. support of educational or other facilities used in significant part by U.S. employees or their dependents.

7. Funding Restrictions

Between the criteria and limitations on the use of SPA funds, there are several types of activities which may or may not be undertaken, depending on the nature of the activity. Those arising most often are as follows:

- a. Training: Training would not normally meet the SPA criteria because only a very limited number of people benefit directly from such training. However, providing or financing the practical training costs of a local official, or a community member or of a PCV SPA project manager as an integral part of an overall local community development program could be a legitimate SPA activity. In such cases, the potential multiplier effect is to be the determining factor in deciding whether or not such proposal generally meets the SPA criteria.
- b. Personal Services: The financing of personal services is normally discouraged. However, financing the personal services of a local artisan or a local professional in certain cases may enhance the success of a SPA activity. The securing of such personal services

must be restricted to a local source or, at most, must be from within the cooperating country. These services are to be short-term normally, for example, 90 days or less.

- c. Vehicles: Under most conditions, SPA funds are not to be used to purchase vehicles. However, there may be times when a SPA activity may legitimately require the purchase of a vehicle (e.g., a vehicle to enhance a small farm to market activity). All activity proposals involving the purchase of a vehicle must be submitted to AID/ST/MD for approval.
- d. Transportation Costs: SPA funds may be used to finance all transportation costs connected with commodities for uses in SPA activities, except costs for ineligible transportation media (e.g., Soviet Bloc and proscribed ships). Inland transportation costs are considered to be a legitimate cost component of commodity procurement.
- e. Procurement: Most procurement source requirements are waived as set forth in AID Handbook 1, Chapter 16 - Supplement B (appendix 2).

8. Submission and Approval of an IAA

- a. Subsequent to the Country Director's approval in draft of a particular activity, PCV or community representative will submit the final, approved IAA (written in Spanish) to the Peace Corps Director. The final IAA must be signed and dated by an authorized representative of the individual group. Within one week, the Peace Corps Country Director will sign the IAA thereby sub-obligating the approved US contribution and will assign a Peace Corps staff member (usually the Volunteer's Program Manager) to serve as a project administrative advisor. Additionally, the SPA Coordinator will send a memo to the Peace Corps Administrative Assistant which includes:
 - project name and signature date;
 - total guarani amount to be obligated to the project;
 - disbursement schedule; and,
 - one sentence summary of the project purpose (to be utilized on all vouchers).

- b. The Peace Corps Administrative Assistant will assign a number to the IAA. Each activity financed with SPA funds must be assigned a serial control number that will identify the fiscal year in which the activity is financed, the three digit country code (526 for Paraguay), and a sequential IAA control number assigned from 001 through 999 for agreements executed during each fiscal year.

Example: 8-526-001 would be the number for the first activity funded as a fiscal year '88 project taking place in Paraguay.

The above numbering system will be utilized for all projects with the exception of Health. For each project funded with Health dollars, the prefix H (for health) and A (for first allotment) will be added. Using the previous example, if the project were a Health activity, the number would now be HA8-526-001. The addition of the prefix is necessary to distinguish activities funded with Health PASA.

- c. Depending on the nature of the activity and the recipient group, it may be appropriate for more than just the chief representative of the recipient group to sign the agreement. Concurrence, where applicable, by other members of the group or by third parties may be required in order to formalize and confirm necessary additional contributions or commitments. It may also be appropriate under certain circumstances to carry out signing ceremonies where all appropriate parties would sign the agreement together. In such cases, signatures of the PCV and group representative may be delayed until the ceremony based on assurances by the PCV and the group representative that all parties are in accord concerning the content of the agreement, required commitments, and contributions on the part of all parties.
- d. Upon execution of an IAA, an Activity Log (PC/P - SPA - Standard Form 04; see appendix 1) is established and filed in the appropriate Individual Project File. Initially the Activity Log shows the IAA number, activity title, total project obligation and date. As funds are disbursed, they are recorded in this record showing the date of issuance, assigned document control number, dollar amount of the document, and computed balance of the agreement remaining to be implemented.

B. DISBURSEMENT OF FUNDS

1. Food Production, income generation, and Small Enterprise Development Projects: Agriculture/Rural Development/Nutrition (ARDN) Account.

Subsequent to the signing of an individual activity agreement, Peace Corps will prepare a disbursement request in the form of a memorandum to the USAID which may be for an amount up to the entire amount of the sub-obligation in question. The request will specify the form and estimated schedule of disbursements. Project funds may be requested in one disbursement if all the project materials are to be purchased in a short period of time. If project materials are to be purchased over a longer period of time and/or with a large total sum of money (more than \$1,000), two or more disbursements of the total SPA award should be requested. Receipts and vouchers for all the funds of the preceding disbursement must be presented before the next disbursement will be released.

a. Forms of Disbursement

- Direct Payment. For major purchases, direct payment to vendors or suppliers may be made by check by the USAID.
- Grants to Local Organizations. If the local organization, in the judgement of Peace Corps, has the necessary financial management capability, funds may be disbursed directly to the local organization on either an advance or reimbursement basis. The advance may be up to 80% of total activity costs. In cases where advances are made to the recipient organization, standard imprest fund procedures will be utilized to replenish the advance in subsequent vouchers until the total of the advance and replenishment vouchers equals the total amount of the grant after which a "no-pay" voucher will be processed to liquidate the advance.
- Disbursements to Peace Corps. This method may be utilized for purchases of goods or services where direct payment by the

USAID is not practical. In this case Peace Corps will then make guaraní disbursements either in the form of advances or on a reimbursement basis. As a practical matter, most activities will be disbursed in this manner. In some cases, Peace Corps disbursements will be deposited in a joint guaraní bank account from which funds may be withdrawn by check with the signature of more than one group representative. Within the community group, responsibilities for authorizing and signing checks should be separated when possible.

b. Approval of Disbursements

All disbursements will be approved by the Peace Corps Country Director.

c. Rate of Exchange

The rate of exchange will be determined by the Budget and Fiscal Office of the American Embassy in Asunción.

2. Health Projects: AID Health Account (PC Purpose Code 28)

- a. By law, money from the AID Health Account can only be used for health activities. The Peace Corps Country Director and administrative officer will be responsible for making obligations. All obligation authority, accounting systems, budget allowance, and project accounting responsibilities will be assumed by the PC Administrative Officer in-country and the Peace Corps Country Director.

The Peace Corps administrative officer will record obligations for health projects using purpose code 28. These obligations will be entered on the Status Of Funds (SOF) report. OTAPS/Washington D.C. administrative staff will correct the SOF when appropriate and report to AID on PC obligations and disbursements for health projects using data obtained from the SOF Report. The Peace Corps administrative officer will be responsible for ensuring that funds from the proper account are available for the approved projects.

When disbursing funds, the Peace Corps Administrative Officer will make:

- *Direct Payment.* For major purchases, direct issuance of Purchase Orders and payment to vendors or suppliers should be made by check.

- *Grants to Local Organizations.* If the local organization has the necessary financial management capability, funds may be disbursed directly to the local organization on either an advance or reimbursement basis. The PC Administrative Officer and the Director will determine the financial management capability of the recipient organization using the AID Controller's guidelines for making this determination. In many cases, an advance may be necessary. It will be necessary to establish a project account at a local bank to provide a suitable control and accounting mechanism. It may also be necessary to require the PCV to approve all disbursements from this account.

b. *Approval of Disbursements*

All disbursements will be approved by the Peace Corps Country Director.

C. ACCOUNTABILITY OF SPA FUNDS

1. After the IAA has been signed, the Volunteer will arrange an appointment with the Administrative Assistant to discuss financial liability and reporting responsibilities of the Volunteer. It is the responsibility of the Volunteer to assist the Community group in its compliance of accounting requirements.

2. The Volunteer must sign a statement (PC/P - SPA Standard Form 08: see appendix 1) saying that he/she has been advised of his/her financial responsibilities as a SPA Volunteer project coordinator. If the Volunteer does not sign this statement, SPA funds for the project will not be disbursed.

3. The group President, treasurer, or designated representative is responsible for picking up the check/s for the Peace Corps office (The Volunteer is not required to be present). Peace Corps/Paraguay will not disburse checks to Volunteers.
4. SPA funds must be maintained separately from all other community funds. Project checks will be made out to the beneficiary group. If the check is less than the guarani equivalent of \$500, the group can choose to cash the check and to use the funds as cash. If the check is more than \$500 or if the funds (of whatever amount) are not to be spent shortly, the group must open a checking account (opened exclusively for the management of the SPA funds) which requires the signature of two or more persons in order to withdraw funds. Exceptions to this policy will only be made upon previous, written authorization of the Peace Corps Country Director.
5. *By United States law, no interest can be accrued on SPA funds.*
6. *It is highly recommended that the Volunteer encourage the community group to develop an internal set of rules of order, un reglamento, which, after all group members have signed, is notarized by the local justice of the peace. Having the notarized document in their possession, the group will find it easier to cash checks and establish a bank account.*

D. RECORD KEEPING AND REPORTING RESPONSIBILITIES

1. SPA projects are funded with United States government money and must, therefore, be accounted for with proper receipts and vouchers. When SPA funds are utilized, the following documentation must be obtained:

- a. *Vouchers and Receipts*

Vouchers should be obtained from vendors whenever possible containing the name of vendor, a description of purchases (translated into English when possible), date, each item purchased, cost per item, total amount, and the number of the IAA.

- b. For goods and services where vouchers are not traditionally used, the PCV must prepare receipts containing the necessary information which will be signed by the vendor (if practical), by the PCV and by a Peace Corps staff member (Project Administrative Advisor).
2. The administrative assistant will provide the Volunteer with a standard "Small Project Assistance Program IAA Status Report" form (PC/P - SPA - Standard Form 05; see appendix: 1) for each quarter during which status reports are required. The IAA status report form must be used to maintain a record of all payments made with SPA funds. Every disbursement request must be accompanied with a completed Small Project Assistance Program IAA Status Report of the previous disbursement and the attendant receipts and vouchers. PC/Paraguay must be provided with a quarterly status report which consists of the standard Small Project Assistance Program IAA Status Report and a written project update and evaluation. This report should outline the activities undertaken in the reporting period and what still needs to be done. There should be a short "outlook" on the project's future including what activities have been completed, what remains to be done, and any changes which have been made (or are being considered). The reports are to be prepared according to the following schedule:

Jan. 1 to March 31 : First Quarter
April 1 to June 30 : Second Quarter
July 1 to Sept. 31 : Third Quarter
Oct. 1 to Dec 31 : Fourth Quarter

Quarterly reports are due two weeks after the last date of the quarter.

- -
 3. Except in emergency situations, no Volunteers will be allowed to terminate their services and leave Paraguay without providing a complete accounting of the project for which he/she served as the project coordinator.
 4. If SPA funds are lost or stolen, a complete report must immediately be made to the PC Country Director describing the circumstances of the loss. If a robbery was involved, a police report must also be made. If, in the judgement of the Country Director, the loss was not caused by negligence, then the responsible party will be relieved of accountability.

and the loss will be vouchered against SPA funds. The police report, the responsible party's and/or the Volunteer's report and the written decision of the Country Director will be attached to the voucher. If, however, it is found that the involved party was negligent, then she/he becomes personally responsible for the repayment of the funds. In the event that SPA funds are lost by theft or other reasons, PC/OTAPS/Washington D.C. will be cabled to explain the circumstances and request guidance.

5. Activity Completion Notification (ACN)

Within two weeks after a SPA project has been completed, a ACN must be submitted to the SPA Coordinator. The ACN is a brief written notification indicating that the activity has been completed and the extent to which the activity's purpose was fulfilled. The ACN also includes a log of the project's financial activity for the entire project period. Most importantly, receipts and vouchers for all funds disbursed and recorded in the activity log must be accounted for in a final IAA status report. Any unspent project funds must also be returned at this time. In those cases when the PCV fails to prove such notification, the SPA Coordinator is to provide a memo to the file stating these circumstances and indicating completion of the activity on the basis of whatever information is available (e.g., a visit to the activity by a U.S. official etc.).

6 Distribution of IAA and ACN

Copies of the executed IAA and ACN should be distributed as follows:

- a. USAID Mission;
- b. Peace Corps/Paraguay office;
- c. Implementing Organization; and
- d. Peace Corps/Washington, Office of Program Development and Regional Directors.

7. On a quarterly basis, the Peace Corps administrative assistant is responsible for completing the Small Project Assistance Program Summary of SPA Projects form (PC/P-SPA - Standard Form 06; see Appendix 1) for all current Peace Corps/Paraguay SPA Projects utilizing the IAA Status Reports as a reference.

8. Accounting Procedures for SPA Health Funds

The PC Administrative Officer will be responsible for tracking SPA Health obligations and disbursements. The administrative officer will submit a summary of SPA projects to the SPA Coordinator, PC/OTAPS, on a quarterly basis. AID/Paraguay has also expressed an interest in receiving these quarterly reports.

9. At the end of each fiscal year the SPA coordinator will provide a complete briefing to the appropriate local USAID staff regarding the experiences and lessons learned from the SPA activities funded during the previous fiscal year. A summary of this briefing should be forwarded to the Technical Assistance Coordinator and the Peace Corps/Inter-America Regional Director

10. All SPA projects are subject to audit by USAID for a period of up to 3 years after the completion date of the project.

C. SPA COMMITTEE - COMPOSITION

The SPA committee is composed of the following members:

- a. SPA coordinator - Peace Corps/Paraguay PTD
- b. Peace Corps/Paraguay Country Director
- c. Peace Corps/Paraguay Administrative Assistant
- d. Up to three current Peace Corps Volunteers
- e. USAID representative

All committee members are voting members with the exception of the Country Director who will only vote in the case of a tie.

Recommendations for approval of an individual IAA will be made on the basis of a majority vote in favor of the IAA. A quorum of 50% of the committee (4 people) must be present in order for a vote to be conducted. The quorum must include the SPA Coordinator or the

Country Director. In the absence of the SPA Coordinator, the Country Director will assume the role of Acting SPA Coordinator and will have the right to vote. The Country Director has absolute veto power over the recommendation made by the SPA committee. When Acting as the SPA Coordinator, the Country Director maintains his/her absolute veto power over the recommendation made by the SPA committee.

APPENDIX 1

**SPA PROGRAM
INDIVIDUAL ACTIVITY - PROGRESS CHECKLIST**

1. PROPOSAL DEVELOPMENT

- _____ PCV discussed possible project with Program Manager: date _____
- _____ PCV consulted with SPA coordinator: date _____
 - reviewed role/responsibilities in SPA project
 - received written SPA guidelines
 - received IAA guidelines (standard form 03)
 - received information on project planning, cost/
benefit analysis and market studies

2. APPROVAL PROCESS

- _____ Draft IAA submitted by Program Manager: date _____
 - included written observations and recommendations
of Program Manager
- _____ Project name assigned: date _____
Assigned project name _____
- _____ Individual project file initiated: date _____
IAA checklist attached: date _____
- _____ Copies sent to all SPA committee members: date _____
- _____ Date set for review.
Date of review _____
- _____ Draft IAA reviewed by SPA committee: date _____
Recommendation of Committee:
 - approval approval with conditions
 - decision pending further clarifications
 - activity not approved
- _____ Reply sent to PCV: date _____
- _____ Revised IAA submitted: date _____
- _____ Copies of revised IAA draft distributed to committee members:
date _____
- _____ Date set for review of revised IAA:
date of review _____

____ IAA Reviewed by SPA Committee: date _____

Recommendation of Committee:

approval activity not approved

other: _____

____ IAA Agreement Cover sheet attached (Standard Form 01): date _____

____ Draft (or revised draft) IAA submitted to CD: date _____

IAA check list attached

comments from committee review(s) attached

Action taken:

Approved

Not Approved

____ Draft (revised draft) IAA returned to PCV for elaboration of final

IAA: date _____

____ Signed and Dated IAA returned: date _____

____ IAA approved: date _____

3. ADMINISTRATION OF SPA PROJECT

____ Project Administrative Advisor assigned by CD: date _____

Name of Admin. Advisor: _____

____ Admin. Advisor notified: date _____

____ Memo sent to administrative assistant along with individual project

file: date _____

____ IAA number assigned: date _____

IAA number _____

____ IAA distributed: date _____

____ Activity Log (standard form 04) attached to Individual Project File:

date _____

____ PCV received orientation concerning accounting requirements:

date _____

____ PCV signed Volunteer Agreement (standard form 06)

____ PCV received dated IAA status forms for life of project: date _____

____ Community representative received administrative orientation:

date _____

____ ACN received

____ ACN distributed

INDIVIDUAL ACTIVITY AGREEMENT COVER SHEET

A. Total Budget Requested
(Detailed budget is attached)

Local currency _____

Exchange rate _____

US \$ _____

A. Total de Fondos Solicitados
(Ajunto detalle de presupuesto)

Moneda local _____

Tasa de cambio _____

US \$ _____

B. A.I.D./P.C. Accounting Data

Appropriation:
Budget Allowance:
Fiscal Year Funds:
IAA Project Title:
IAA Number:

B. AID/Cuerpo de Paz - Datos Administrativo:

Apropiación de Fondos:
Presupuesto Asignado:
Fondos del año fiscal:
Título del Proyecto:
Número del proyecto:

Clasificación Primaria del Proyecto (Primary Project Classification):

- Producción de alimentos (Food Production)
- Salud (Health)
- Producción de energía (Energy production)
- Generación de ingresos (Income generation)
- Producción de alimentos/ingresos (Food prod/Income generating)

Clasificación Secundaria (Secondary Impact Area):

- Producción de alimentos (Food Production)
- Salud (Health)
- Producción de energía (Energy production)
- Generación de ingresos (Income generation)
- Producción de alimentos/ingresos (Food prod/Income generating)

C. Cantidad Máxima en Dólares (Maximum Dollar Amount of Grant):

D. Período de Implementación de la Actividad (Activity Implementation Period)

___/___/___ a ___/___/___
mes día año mes día año
(month/day/yr.) (month/day/yr.)

Voluntario (Volunteer):

Fecha de terminación del servicio del Voluntario (PCV COS date): ___/___/___

20

E. Terminal date for issuance of implementing documents (no later than 12 months after date of agreement):

F. Authority: This Individual Activity Agreement is executed pursuant to the authority of the Bilateral Agreement between the Government of Paraguay and the United States of America, dated 11/4/66 and in accordance with the Foreign Assistance Act of 1961 as amended.

G. IN WITNESS WHEREOF, the

_____ and Peace Corps, pursuant to the terms and conditions of the Bilateral Agreement mentioned above, each acting through its respective duly authorized representatives, have caused this Individual Activity Agreement to be signed in their names and delivered as of

Representante Oficial de la Comunidad
(Community Organization Official)

Título:
(Title)

H. Visto Bueno
(Concurrences)

E. Término de entrega de los documentos (a más tardar, 12 meses a partir de la firma del acuerdo):

F. Autoridad: Este acuerdo de actividad individual es realizado conforme al acuerdo bilateral entre el gobierno del Paraguay y el gobierno de los Estados Unidos de Norteamérica del 11 de abril de 1966, y al Acuerdo de Asistencia Internacional de 1961, con sus enmiendas.

G. EN TESTIMONIO DE LO CUAL, el

_____ y el Cuerpo de Paz de los Estados Unidos de Norteamérica, de acuerdo a los términos y condiciones del acuerdo bilateral, mas arriba mencionado, cada uno de ellos a través de sus representantes debidamente autorizados han hecho posible la realización del presente acuerdo firmado a su nombre e intercambiado en la fecha

Título: Director, Cuerpo de Paz/Paraguay
(Title): (Director, Peace Corps/Paraguay)

IIA CHECKLIST

Project Title:

IAA#:

Date of submission:

PCV:

The attached project:

_____ Provides a detailed description of the community group requesting financial assistance including.

- Legal Status
- Group organization
- Regulation of group membership

_____ Is community initiated and directed

_____ Demonstrates that community group has a history of working together effectively

_____ Describes an efficient system for management of SPA funds

_____ Has significant community contribution

_____ Shows community's commitment and ability to cover any recurring costs.

_____ Shows a complete and realistic budget

_____ Is part of a self help effort to address a community need

_____ Has clearly defined activity objectives

_____ Has a "capacity" building component

_____ Has suitable land or cleared lot for the activities

_____ Has sufficient manual labor

_____ Utilizes locally available raw materials

_____ Has specific indicators and a process for monitoring project progress

_____ Has an evaluation method and plan

_____ Does not require long term Peace Corps support (or Program Manger has submitted document stating intentions of continued Volunteer support)

_____ Is scheduled for completion within one year of commencement

_____ does not request a grant of more than \$10,000

COMMENTS:

(APCO, DIP, SPA Review Comm)

Date

23'

**ACUERDO DE SERVICIOS INDIVIDUALES
(INDIVIDUAL ACTIVITY AGREEMENT)**

SOLICITUD DE FONDOS PARA: _____
(REQUEST FOR FUNDING FOR)

Nombre de la organización comunal: _____
(Name of Community Organization)

Costo Total del Proyecto (Total Project Cost) \$ _____

Solicitud total de SPA (Total SPA Request) \$ _____

Aporte de la Comunidad (Community Contrib.) \$ _____

(Si hay necesidad, utilice hojas adicionales)
(Please use and attach additional pages when necessary)

DESCRIPCION DEL PROYECTO (PROJECT DESCRIPTION):

A. Problema específico identificado: por quién; causas. (Specific Problem to be Addressed: include who identified the problem and the causes.)

B. Solución Planteada (Proposed Solution):

-24-

C. Objetivos del proyecto a corto y largo plazo, específicamente, tipos de actividades a desarrollarse. (Short and Long-Term Project Objectives including, specifically what activities will be undertaken.)

D. Resultados esperados (Expected Outcomes):

Número de beneficiarios (Number of Beneficiaries) -
Nuevas destrezas adquiridas (New Skills introduced) -

Cambios (Changes) -

Producción Estimada (Production Estimates) -

25

E. Plan de implementación del proyecto (fecha de actividades) (Project implementation time table (schedule of planned activities)):

F. Antecedentes: Datos demográficos de la comunidad (Background Information: Community demographics):

-Antecedentes del grupo comunitario (tamaño, situación legal, liderazgo, capacidad para manejar el proyecto, actividades previas, reglamento para formar parte del grupo) (History of Community Group involved: size, legal status, leadership, capacity to manage project, previous activities, regulation of group membership):

26

- Descripción de la comunidad: número de habitantes, lugar, disponibilidad de transporte, otras características resaltantes (Description of the community: population, location, availability of transportation, other salient characteristics)

G. Observaciones Financieras (Financial Considerations):

- Solicitud de Entregas (Disbursement requests)
- Representantes de la Comunidad con autoridad y responsabilidades financieras. (Community representatives with financial responsibility and authority)
- Sistema de control financiero a ser utilizado (depósitos bancarios, manejo de efectivo, contabilidad, recibos) (System of financial control to be utilized (checking accounts, management of cash, bookkeeping system, receipts))
- Informe financiero (Financial reporting)

BB

H. Pautas de control - ¿Como se controlará el proyecto? (Monitoring indicators: How will the monitoring be conducted?)

I. Plan de Evaluación (Evaluation Plans):

¿Quién conducirá la evaluación? (Who will conduct the evaluation?)

¿Qué se evaluará ? (What will be evaluated?)

J. ¿Que tipo de asistencia técnica, si fuere necesario, se aplicará al proyecto? (What technical assistance, if any, will be needed for this project?)

K. Comentarios (Other Comments):

Rendición del Presupuesto (Budget Submission):

Aporte comunitario (en efectivo y en especie) (Community Contributions (cash and in-kind))			
Artículo (Item)	Cantidad (Quantity)	Precio (Price)	Total

Fondos de SPA Solicitados (SPA Funds Requested)			
Artículo (Item)	Cantidad (Quantity)	Precio (Price)	Total

Costo Total del Proyecto _____
(Total project Cost)

Aporte Comunitario _____
(Community Contributions)

Solicitud de SPA _____
(SPA Request)

Representante Oficial de la
Comunidad
(Community Organization Official)

Voluntario del Cuerpo de Paz
(Peace Corps Volunteer)

Fecha (Date):

Fecha (Date):

Visto Bueno (Concurrancias):

31

ACTIVITY LOG

IAA Number: _____

Activity Title: _____

Date of Obligation: ___/___/___

mo. day yr

Date Implementation Documents Must be Completed:

Total Obligation:				
Date	Implementation Document Number	Amount Implemented	Balance to be Implemented	Remarks

REMARKS:

(File in Post folder with copy of IAA, all Purchase Orders, etc.)

**SMALL PROJECT ASSISTANCE PROGRAM
IAA STATUS REPORT**

PC/P - SPA - STANDARD FORM 105

Página 1 de _____
(Page 1 of)

Fecha del Informe _____
(Date of this report):

Nombre del proyecto _____
(name of project)

Comunidad: _____
(Host community)

Voluntario _____
(Volunteer)

Suma Autorizada \$ _____ Moneda Local _____
(Authorized Amount) (local Currency)

Este informe debe ser presentado a más tardar el ____/____/____
para el período ____ del año fiscal ____ (o a más tardar, 2
semanas después de la terminación del proyecto)

IAA No. _____

Fecha de inicio del proyecto _____
(Date project started)

Fecha de terminación _____
(Completion date)

Autorización No. _____ Fecha (date): _____

Fecha (Date)	Factura Recibo # (Invoice Receipt #)	Descripción (Description)	Gastos (Expenditures)	Balance	
				U.S. \$	₡

W
W

**INFORME FINAL DEL PROYECTO
(ACTIVITY COMPLETION NOTIFICATION)**

Proyecto (IAA) Numero: _____ Fecha (Date): _____
(Project (IAA) Number)

Nombre del Voluntario (PCV Name): _____

Firma del Voluntario (PCV Signature): _____

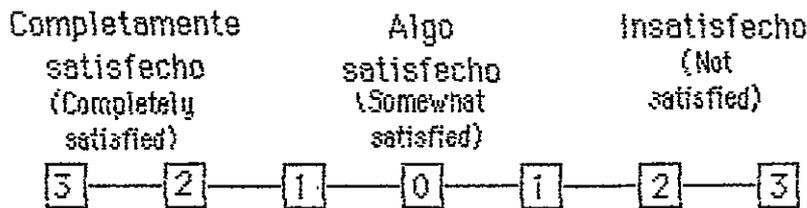
Representante de la Comunidad: _____
(Community Representative)

Firma del Representante: _____
(Signature of Representative)

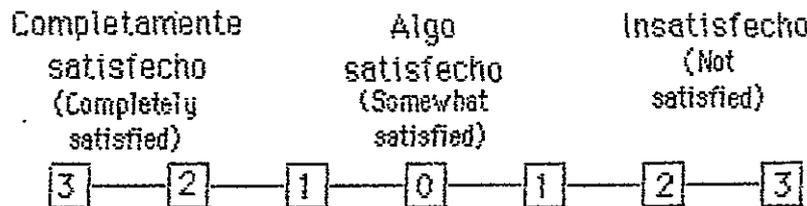
Fecha inicial del proyecto (Date Project Began) ____/____/____

Costo Total del Proyecto (Final cost of project) (US \$) _____

1. ¿Está satisfecho con el resultado del proyecto?
(How satisfied are you with the project in its completed form?)



2. ¿Están los beneficiarios del proyecto satisfechos con el proyecto?
(How satisfied are the project beneficiaries with the completed project?)



36

3. Enumere las razones por las cuales usted esta satisfecho/insatisfecho con el proyecto terminado. (List the major reasons you're satisfied/not satisfied with the completed project.)

4. ¿Qué porcentaje del proyecto representa el aporte de los beneficiarios? (Favor, especificar de 0 a 100). (What percent of the following areas were contributed by the project beneficiaries? (Please specify; 0 to 100))

Efectivo: _____ % Equipos: _____ % Materiales: _____ %
(Cash) (Supplies) (Materials)
Mano de Obra: _____ % Otros: _____ %
(Labor) (Other (specify))

5. ¿Se conservaron los objetivos del proyecto, de acuerdo a los planes iniciales? (Were the goals at the time of project completion the same as the initial project goals?) Si (Yes) No

- Favor describir que cambios de objetivos se presentaron, y las razones. (Please describe any changes in the goals, as well as the necessity for the changes.)

6. En los espacios siguientes especificar: (In the space below please describe:)

A) ¿Que nuevos artículo(s) se produce(n) actualmente y/o que nuevas destrezas se han introducido? (What new item(s) is currently being produced and/or new skill has been introduced?)

B) ¿Que cambio físico se produjo a consecuencia de este proyecto?
(What has physically changed as a result of this project?)

C) Resultados inesperados: (Unexpected outcomes.)

D) Principales problemas en la implementación del proyecto: (Major
problems encountered in project implementation)

E) Sugerencias para los interesados en proyectos similares. (Suggestions to
others interested in similar project.)

10. Favor describir planes que aseguren la cobertura de los costos emergentes del proyecto por parte de los beneficiarios: (Please describe any plans which will insure that the project beneficiaries will be able to cover any recurring costs of the project.)

11. Comentarios adicionales: (Other comments:)

40

PEACE CORPS VOLUNTEER AGREEMENT



I understand that as a Peace Corps Volunteer involved in a SPA funded activity, I am responsible for:

1. assisting the community with which I am working on this project to implement the activity;
2. insuring that all reports: Small Project Assistance Program IAA Status Reports (due quarterly throughout the life of the project) and the Activity Completion Notification (due two weeks after completion of project) are completed correctly and on time;
3. submitting quarterly progress reports throughout the life of the project;
4. assisting the community group to insure that they comply with established SPA accounting requirements;
5. assisting the community in the maintenance of a complete record of all SPA money spent;
6. advising the community that SPA money which is not spent must be returned to Peace Corps at the completion of the project;
7. immediately preparing a written report to the Country Director in the event that SPA funds have been lost or stolen and insuring that a police report is obtained in the event of theft.

Volunteer Name: _____

IAA Number: _____ Date: _____

Signature: _____

APPENDIX 2

PAGE NO. 4-12.	EFFECTIVE DATE December 18, 1980	TRANS. MEMO NO. 1B;28	AID HANDBOOK 1, Sup B
-------------------	-------------------------------------	--------------------------	-----------------------

4C3d(2)(a)

2. The product, in the same or substantially equivalent form, is not available from the United States, or the delivered price from the United States would be at least 50% more than from another source; and

3. Information is available to attest to the safety, efficacy, and quality of the product, or the product meets the standards of the U.S. FDA or other controlling U.S. authority.

(b) Under nonproject assistance, waivers of the U.S. source policy will be considered if:

1. The pharmaceutical product is essential;

2. The product, in the same or substantially equivalent form, is not available from the United States; and

3. The product meets the standards of the U.S. FDA or other controlling U.S. authority.

4. Pesticides

a. Policy

* (1) Applicability. This policy is applicable to project and nonproject assistance.

(2) For AID purposes pesticides are defined as substances or mixtures of substances:

(a) Intended for preventing, destroying, repelling, or mitigating any unwanted insects, rodents, nematodes, fungi, weeds, and other forms of plant or animal life or viruses, bacteria, or other micro-organisms (except viruses, bacteria, or other micro-organisms on or living in man or other living animals), or

(b) Intended for use as a plant regulator, defoliant, or desiccant.

(3) General. Pesticides are not eligible for AID financing under either project or nonproject assistance unless the specific pesticide(s) and the use of the pesticide(s) have received prior approval from AID/W in accordance with the procedures established in AID Regulation 16 (Appendix 4B of Handbook 3). These procedures include the preparation of a separate section in the Initial Environmental Examination for the project for the purpose of evaluating the economic, social, and environmental risks and benefits of the planned pesticide use to determine whether the use may result in significant environmental *

* Revised

431

AID HANDBOOK 1, Sup B	TRANS MEMO NO. 1B:28	EFFECTIVE DATE December 18, 1980	PAGE NO. 4-13
-----------------------	-------------------------	-------------------------------------	------------------

4C4

* impact. In certain cases a more extensive Environmental Assessment or Environmental Impact Statement may also be required.

(4) Subject to the procedures set forth in AID Regulation 16, AID may fund pesticides on a project-by-project basis for public health, and food production and preservation programs. Section 216.3(b) (2) of AID Regulation 16 makes an exception to the pesticide procedures for projects:

(a) Where AID is a minor donor to a multidonor project (i.e. when AID does not control the planning or design of the multidonor project) and either (i) AID's total contribution to the project is both less than \$1,000,000 and less than 25 percent of the estimated project cost, or (ii) AID's total contribution is more than \$1,000,000 but less than 25 per cent of the estimated project cost and the environmental procedures of the donor in control of the planning of design of the project are followed, but only if the AID Environmental Coordinator determines that such procedures are adequate).

(b) Which include assistance for procurement and/or use of pesticides for research or limited field evaluation purposes by or under the supervision of project personnel. Treated crops shall not be used for human or animal consumption unless appropriate tolerances have been established (see Section 216.3(b)(2)(iii) of AID Regulation 16). However, treated crops may be fed to animals for research purposes.

(5) AID does not normally fund pesticides under nonproject assistance programs.

b. Source of Policy

The above policy stems from the provisions of AID Regulation 16 (22 CFR 216) as revised effective October 23, 1980 (45 FR 70239) and from the AID Policy Statement on Pesticide Support approved by the Administrator June 6, 1978. This Policy Statement reflects AID's recognition that the proper selection and use of pesticides can contribute to increased agricultural productivity and improved public health, and that the proper management of pesticide use is a prerequisite to the development and implementation of integrated pest management programs which avoid the sole reliance upon pesticides by employing a wide range of biological, cultural, mechanical and chemical techniques to hold pests below damaging economic levels while offering maximum protection to the environment.

c. Implementation of Policy

A summation of the AID Policy Statement on Pesticide Support and specific requirements to be used as criteria for determining pesticide eligibility are contained in Part IIC, Appendix B of Handbook 15. *

* Revised

44'

PAGE NO. 4-14	EFFECTIVE DATE December 18, 1980	TRANS. MEMO NO. 1B:28	AID HANDBOOK 1, Sup B
------------------	-------------------------------------	--------------------------	-----------------------

4C4

* d. Waivers

(1) The procedures set forth in AID Regulation 16 for procurement of pesticides under project assistance may be waived under emergency conditions. Emergency conditions are deemed to exist when the Administrator of AID determines in writing that:

(a) A pest outbreak has occurred or is imminent;

(b) Significant health problems (either human or animal) or significant economic problems will occur without the prompt use of the proposed pesticide; and

(c) Insufficient time is available before the pesticide must be used to evaluate the proposed use in accordance with the provisions of AID Regulation 16.

(2) In a very limited number of circumstances AID may authorize procurement of pesticides under nonproject assistance when the Administrator determines that:

(a) Emergency conditions as defined in 4C4d(1) above exist; or

(b) Compelling circumstances exist such that failure to provide the proposed assistance would seriously impede the attainment of U.S. foreign policy objectives or the objectives of the Foreign Assistance Program. The term compelling circumstances is intended to imply only those most serious situations in which no other way exists to provide the pesticide except through the Commodity Import Program. The decision as to whether such circumstances exist will be based, to the extent practicable, upon a consideration of the factors set forth in Section 216.3(b) (1) (i) of AID Regulation 16 and the history of efficacy and safety governing the past use of pesticides in the recipient country. *

5. Rubber Compounding Chemicals and Plasticizers

a. Policy

(1) This section is applicable to both project and nonproject assistance.

(2) It is AID policy not to finance rubber compounding chemicals and plasticizers. These materials have legitimate uses as "blowing agents" in the manufacture of rubber, but they also have potential uses as high explosives.

b. Source of Policy

The policy is based upon AID experience. Also see "Report on Investigation of U.S. Programs in Vietnam," 42nd Report by the Committee on Government Operations, House Report No. 2257, 89th Congress, 2nd Session, page 29.

* Revised

45

AID HANDBOOK 15	TRANS. MEMO NO. 15:52	EFFECTIVE DATE February 1, 1981	PAGE NO. 2-19
-----------------	--------------------------	------------------------------------	------------------

2C3h

along with other supplier obligations. In addition to those provisions which are in the Commodity Eligibility Listing, AID may require more specialized or additional provisions when necessary to protect the integrity of commodity assistance programs in certain countries or under certain agreements.

4. Ineligible Commodities

Commodities falling within the following categories are ineligible for financing by AID:

a. Military

Since the U.S. Congress has provided specific appropriations for military assistance, the use of economic assistance appropriations for military assistance purposes is precluded by Section 3678, Revised Statutes, 31 U.S.C. 628. AID has established guidelines on the distinction between economic and military assistance. Economic assistance funds are not to be used to finance, for example:

(1) Military hardware delivered to anyone on behalf of an AID recipient government for military purposes.

(2) Commercial consumables delivered directly to the military establishment for military purposes.

(3) Common-use items (e.g., raw materials, components, and capital equipment), whether for consumption or further assembly, delivered to anyone for the purpose of filling a standing order from the military.

(4) A commodity which is specifically designed for military use, although not "inherently military," regardless of whether it is imported in its original form or is to be assembled.

b. Surveillance Equipment

AID does not finance any surveillance equipment and devices (such as microphones, transmitters, listening devices, and recording devices of microminiature design, and components thereof). No waiver of this policy is permitted.

c. Abortion Equipment

AID does not finance equipment provided for the purpose of inducing abortions as a method of family planning.

d. Unsafe or Ineffective Products

Products such as certain pesticides, food products, pharmaceuticals, hazardous chemicals, or other unsafe or ineffective products are ineligible for AID financing.

46

PAGE NO. 2-20	EFFECTIVE DATE February 1, 1981	TRANS. MEMO NO. 15:52	AID HANDBOOK 15
------------------	------------------------------------	--------------------------	-----------------

204

e. Luxury Goods

Luxury goods such as recreational supplies or equipment, alcoholic beverages and equipment for their production or use, equipment or supplies for gambling facilities, jewelry, stamps, coins, and the more expensive textiles are ineligible for AID financing. The Assistant Administrator who has program responsibility may permit the financing of an item normally regarded as a luxury item which may be required to attain the objective of a development activity or which is clearly justified by the intended end use of the item. It is AID policy not to be connected under any circumstances with financing gambling facilities.

f. Support of Police and Other Law Enforcement Activities

AID does not finance commodities for the training, support, administration, or operation of any police or other law enforcement forces or for any program of internal intelligence or surveillance. AID may, however, assist foreign countries in selected clearly defined law enforcement activities, not involving matters of internal security, in which the United States has a special interest.

g. Weather Modification Equipment

Such equipment, for example, cloud seeding equipment, is ineligible for AID financing.

5. Responsibilities

a. AID/Washington

(1) The Geographic Bureau is responsible for incorporating into agreements and implementation letters the language, procedures, and references to other documents necessary to assure that only those commodities intended to be eligible for AID financing under the particular loan/grant are authorized for procurement.

(2) The Geographic Bureau is also responsible for incorporating into nonproject assistance agreements a provision reserving to AID the right to decline financing of any normally eligible commodity or commodity-related service when, in its judgement, such financing would adversely affect AID or U.S.-foreign policy objectives or could jeopardize the safety or health of people in the importing country. Such right will be exercised no later than commodity prevalidation by AID/W (form AID 11 approval) or, if payment is to be made by AID directly and prevalidation is not required, at such a time as AID is requested to pay the supplier or reimburse the borrower/grantee for proposed AID-financed transactions. This right should be incorporated into agreements and implementation letters and the language should be cleared in draft by AID legal counsel.

47

APPENDIX 3

Revised: May 8, 1987

**USAID/PEACE CORPS SMALL PROJECT ASSISTANCE FUND
GUIDELINES FOR VOLUNTEERS**



The S.P.A. Program

In 1983, Peace Corps and AID established the Small Project Assistance Program, which supports small self-help efforts through direct grants to community organizations. The Small Project Assistance Program (S.P.A.) is a unique program which joins the human resource capabilities of the Peace Corps and the financial resources of the Agency for International Development (A.I.D.) to help communities help themselves by providing financing for small, community designed, self-help activities with which PCVs are involved. Activities which can be funded by SPA must be within the broad areas of food, energy, competitive enterprise, income generating activities, and health projects.

Before considering the development of a SPA project, Volunteers* must be aware of the commitments involved. Foremost is the moral commitment to assist the community members to implement the activity in good faith and to provide an appropriate solution to a felt need. But also, the choice to coordinate a SPA grant is a financial commitment for the Volunteer.

There are two components to the SPA program:

1. the SPA Fund which directly supports community projects and
2. the Technical Assistance (T.A.) Agreement which provides training

* Throughout this document, when reference is made to the "Volunteer" or "PCV", we refer to the Volunteer who is involved in the development and implementation of a SPA project.

49

and technical advice to Volunteers, staff, and Host Country nationals who are working on field projects.

A Peace Corps Volunteer working with a community organization can submit, to Peace Corps/Paraguay, a proposal requesting funds for a specific project. A Peace Corps SPA committee reviews and approves the requests.

All individual projects must meet the following criteria to be approved for SPA funding:

- The project must be conceived and implemented in conjunction with a local community organization or group. A significant financial or in-kind contribution is expected from the community to demonstrate their involvement and commitment. The group may be profit or non-profit making. It may have legal status (*personería jurídica*) or not under Paraguayan law. If the group does not have legal status, evidence must be presented that the group consists of certain specific individuals who have committed themselves to implementation of the project and provisions must be made to control the departure of existing members and the entrance of new members of the group with respect to their shares of the investment and proceeds of the activity to be financed;
- The specific project may not encourage nor require U.S. assistance for continued support;
- The project must support development (i.e., respond to real or "felt needs" and represent an "appropriate" solution or response, in a lasting sense, to a problem, constraint, or opportunity) in the areas of food production, energy, competitive enterprise development, health, and/or income generation;
- The project must be completed within one year of its commencement;
- The contribution of SPA funds toward completion of the project must not exceed \$10,000;
- The activity must result in a quantifiable benefit to the recipient group in terms of improved economic and/or social condition; and,

- The recipient group must fit within the generally accepted characteristics of the AID-PC target group, i.e., economically and socially disadvantaged and without access to resources provided by other commercial or governmental sources of assistance.
- All health projects must also be related to one or more of the following:
 - a Diarrheal Disease and Immunization:
 - Oral rehydration therapy (ORT) for infants
 - immunization of infants and young children
 - b Malaria and vector biology control
 - c Maternal health care
 - d Nutrition
 - growth monitoring of infants and young children
 - breast feeding
 - weaning
 - Vitamin A
 - e Water supply and sanitation
 - f Health education (material development and adaptation/audience research/communication programs).

SPA grants are made to community groups who are working with Peace Corps Volunteers. Therefore, both the PCV and the community group are responsible for submitting the proposal, setting up and implementing the project, and reporting on the completed project.

Technical Assistance (TA) Agreement: Funds are available through PC/Washington to provide in-service training for PCVs and Host Country Nationals, and program consultants. The TA activities should stimulate and/or directly support SPA projects.

Successful SPA Projects

The success of a SPA project is determined by more than the end product. The process of a community working together to address an identified need is as much a part of the success as the end result. Successful SPA projects should enhance a community's ability to organize, plan and make group decisions. They should result in a community being more confident and able

- 51 -

to transfer organizational and technical skills to other aspects of their work and community efforts.

PCVs can play an important role in helping to ensure that an SPA project is successful. A PCV who assumes the role of a "facilitator" rather than a "doer" of a project, helps to transfer technical skills, enhance leadership capacity, and increase self-reliance

PCVs who have worked with SPA projects have identified the following as crucial to the accomplishment of a project and to the process of skill transference and capacity building:

Ownership of the Project: A successful project is conceived and "owned" by the community organization. A PCV brings skills that can help the community to define a problem, identify a solution, access resources, and implement the activity. It is the community, however, who must have identified the project as a priority and who must take ownership of the project.

Problem Identification: A successful project addresses a clearly defined problem, one that can be broken down to basic causes. A PCV's analytical skills can be extremely useful in helping the community to identify possible causes of a problem and thereby select the most appropriate solution and implementation strategy.

Planning: Successful projects depend on thorough planning before implementation. PCVs can help in the planning process by introducing simple planning methods and asking clarifying questions. The community group, however, needs to be involved in and take responsibility for the planning.

Implementation: Projects which have significant contributions from the community, both in-kind and financial, are more likely to succeed. During the implementation phase of a project a PCV may be instrumental in training participants in new and/or improved technical skills related to the project. The transfer of skills during this training is essential for the long term success of the project.

Record Keeping: SPA projects are funded with government money and must, therefore, be accounted for with proper receipts and vouchers. Before a

project request is submitted, arrangements are made for handling the project money. Volunteers have found that setting up an account which requires co-signatures ensures open and responsible disbursement of the funds.

Monitoring and Evaluation: Throughout the life of the project, the community group and the PCV should monitor their progress towards the project's goals. By this process, the community organization can make any adjustments necessary to ensure the ultimate success of the project.

For each SPA project, the community is required to submit a final report which reviews the project to see whether the original goals were met, identifies lessons learned and discusses benefits of the project. While the final report may be written by the PCV, recommendations and comments should be from community members.

Project Design, Approval and Disbursement Procedures

Project Design:

A PCV who is considering becoming involved in a SPA project should do the following:

1. develop small project idea with the community group;
2. discuss the project idea with the Volunteer's Program Manager to determine if SPA funding is an appropriate alternative for the type of activity the Volunteer is considering;
3. consult with the SPA coordinator (the PTD) to accomplish the following objectives:
 - a. examine the role and responsibilities of the PCV in a SPA project;
 - b. discuss the SPA criteria and proposal format and receive an outline to be followed in preparing the written proposal (PC/P - SPA - Standard Form 03);
 - c. when appropriate, receive verbal and written information about conducting: project planning, cost/benefit analysis, and market studies; and,

4. prepare a Draft SPA Proposal (Individual Activity Agreement -Standard Form 03)

The Volunteer should assist the community to draft the proposal in the form of a draft Individual Activity Agreement (IAA), which should be written in Spanish. Spanish is recommended for the community group since they can then take a more active role, in the development of the proposal and, most importantly, they will understand more thoroughly their responsibilities within the project. The final IAA must be written in Spanish.

In developing the project proposal, the time sequence of cash needs of the project must be taken into consideration and disbursements requested accordingly. United States law requires that interest cannot be earned on federal funds. This means that disbursements must be scheduled in such a manner that the funds will be spent soon after receipt to avoid earning interest that might accrue on banked funds. Project funds may be requested in one disbursement if all the project materials are to be purchased in a short period of time. If project materials are to be purchased over a longer period of time and /or with a large total sum of money (more than \$1,000), two or more disbursements of the total SPA award should be requested. Requesting more than one disbursement for project funds has the added advantage of allowing greater financial control over the project for the PCV, Peace Corps, the Community and USAID in that the Volunteer must present receipts and vouchers for all the funds of the preceding disbursement before the next disbursement will be released.

5. Discuss Draft Proposal with Volunteer's Program Manager to:

- a. review the adherence of the proposed project to SPA criteria;
- b. review the role of the community group in the project; and,
- c. arrange for a site visit to be made by the Program Manager.

The site visit is carried out in order to accomplish the following objectives:

- discuss the SPA program with the community group and review the objectives of the program,
 - discuss roles and responsibilities of Peace Corps, Volunteer, Community, and AID throughout the life of the project; and,
 - to allow the community group to make a statement concerning:
 - how the project idea evolved;
 - the expected outcome of the project;
 - the group's experience in administering funds and how, specifically, SPA project funds would be administered; and,
 - community's contribution to the project.
6. After conducting a site visit, the Program Manager will submit the draft IAA together with their observations and recommendations to the SPA Coordinator for consideration by the SPA committee.

The SPA committee is composed of Peace Corps staff and Volunteers, an AID representative, and, depending on the nature of the project, an outside specialist.

Project Approval

1. The SPA coordinator will review the proposal, send copies to the other SPA committee members and make arrangements for the SPA committee to meet and discuss the proposal
2. The SPA committee will meet and will discuss the proposal in order to provide a project review, comments, and/or modification as necessary in order to comply with SPA criteria and/or to ensure the technical, financial, or organizational viability of the activity.
3. Within one week after a draft proposal has been reviewed, the Peace Corps SPA Coordinator will respond in writing providing suggested project modifications if appropriate. When possible, the SPA coordinator will discuss suggested project modifications in detail with the PCV. If the SPA committee recommends approval of a draft IAA, the draft IAA and comments from the SPA committee will be submitted to the Country Director for his or her consideration.

4. Subsequent to the Country Director's approval in draft of a particular activity, the PCV will submit the final, IAA to the Peace Corps Director, signed and dated by both the PCV and the authorized representative of the individual group. Within one week, the Peace Corps Country Director will sign the IAA thereby obligating SPA funds.
5. Depending on the nature of the activity and the recipient group, it may be appropriate for more than just the chief representative of the recipient group to sign the agreement. Concurrence, where applicable, by other members of the group or by third parties may be required in order to formalize and confirm necessary additional contributions or commitments. It may also be appropriate under certain circumstances to carry out signing ceremonies where all appropriate parties would sign the agreement together. In such cases, signatures of the PCV and group representative may be delayed until the ceremony based on assurances by the PCV and the group representative that all parties are in accord concerning content of the agreement and required commitments and contributions on the part of all parties.

Disbursement Procedure

1. The Peace Corps Director, upon his approval, will sign the proposal and send it to the Group President or designated representative, and/or the Peace Corps Volunteer. Additionally, the SPA coordinator will send a memo to the Peace Corps Administrative Assistant which includes:
 - a. project name and signature date;
 - b. total guarani amount to be obligated to the project;
 - c. disbursement schedule; and,
 - d. one sentence summary of the project purpose (to be utilized on all vouchers).
2. The Volunteer must schedule an appointment with the Peace Corps Administrative Assistant to discuss financial liability and reporting responsibilities. It is the responsibility of the Volunteer to assist the community group in their compliance of accounting requirements.

3. The Volunteer must sign a statement saying that he/she has been advised of his/her financial responsibilities as a Volunteer involved in a SPA project.
3. The group President, treasurer, or designated representative is responsible for picking up the check/s from the Peace Corps office (The Volunteer is not required to be present). Peace Corps/Paraguay will not disburse checks to Volunteers.
4. Throughout the life of a project, the Administrative Assistance will maintain a record of all disbursements made to and reports received from each project.
5. SPA funds must be maintained separately from all other community funds. Project checks will be made out to the beneficiary group. If the check is less than the guarani equivalent of \$500, the group can choose to cash the check and to use the funds as cash. If the check is more than \$500 or if the funds (of whatever amount) are not to be spent shortly, the group must open a checking account (opened exclusively for the management of the SPA funds) which requires the signature of two or more persons. Exceptions to this policy will only be made upon previous, written authorization of the Peace Corps Country Director.
6. By U.S. law, no interest may be accrued on SPA funds.
7. It is highly recommended that the Volunteer encourage the community group to develop an internal set of rules of order, un reglamento, which, after all group members have signed, is notarized by the local justice of the peace. Having the notarized document in their possession, the group will find it easier to cash checks and establish a bank account.

Record Keeping and Reporting Responsibilities

1. SPA projects are funded with United States government money and must, therefore, be accounted for with proper receipts and vouchers. The PCV is responsible for assisting the community in group in the maintenance of a complete record of all money spent.

2. The administrative assistant will provide the Volunteer with a standard "Small Project Assistance Program IAA Status Report" form (Standard Form 05) for each quarter during which status reports are required. This form must be used to maintain a record of all payments made with SPA funds. Every disbursement request must be accompanied with a completed Small Project Assistance Program IAA Status Report of the previous disbursement and the attendant receipts and vouchers.
3. As a matter of general practice for all rendering of accounts, it is important to observe the following rules:
 - a. Vouchers and Receipts
Vouchers should be obtained from vendors whenever possible containing the name of vendor, a description of purchases, date, each item purchased, cost per item, total amount, and the number of the IAA.
 - b. For goods and services where vouchers are not traditionally used, the community group and/or the PCV must prepare receipts containing the necessary information. These receipts must be signed by the vendor (if practical), by the PCV and by a Peace Corps staff member (to be designated for each project by the PC Director).
4. Quarterly status reports must be provided to PC/Paraguay for each project. These reports provide Peace Corps with information concerning the status of each project and what additional responsibilities the PCV or PC/P might have to successfully complete each project. Information obtained from these quarterly reports is utilized in the reports which Peace Corps/Paraguay must submit to AID on a quarterly basis. This quarterly reporting schedule was established to ensure that adequate accountability is maintained. The quarterly status report consists of the standard Small Project Assistance Program IAA Status Report and a written project update and evaluation. The report should outline the activities undertaken in the reporting period and what still needs to be done. There should be a short outlook on the project's future. The reports are to be prepared according to the following schedule:

- Jan. 1 to March 31 : First Quarter
- April 1 to June 30 : Second Quarter
- July 1 to Sept. 31 : Third Quarter
- Oct. 1 to Dec 31 : Forth Quarter

Quarterly reports are due two weeks after the last date of the quarter.

5. Except in emergency situations, no Volunteers will be allowed to terminate their services and leave Paraguay without providing a complete accounting of the project for which he/she served as the Volunteer coordinator.
6. Volunteers should never touch project funds in check or cash form. If SPA funds are lost or stolen, a complete report must be made to the PC Country Director describing the circumstances of the loss. If a robbery was involved, a police report must also be made. If, in the judgement of the Country Director, the loss was not caused by negligence, then the involved person(s) will be relieved of accountability and the loss will be vouchered against SPA funds. The police report, the Volunteer's report and the written decision of the Country Director will be attached to the voucher. If, however, it is found that the involved party was negligent, then she/he will become personally responsible for the repayment of the funds.
7. Activity Completion Notification (ACN)

Within two weeks after a SPA project has been completed, a ACN must be submitted to the SPA coordinator. The ACN is a brief written notification indicating that the activity has been completed and the extent to which the activity's purpose was fulfilled. The ACN also includes a log of the project's financial activity for the entire project period. Most importantly, receipts and vouchers for all funds disbursed and recorded in the activity log must be accounted for in a final IAA status report. Any unspent project funds must also be returned at this time.