

PD-ABG-700

IN 84255

# **GRANT AGREEMENT**

Between

**United States Agency for International  
Development**

and

**Educadores Unidos del Cibao, Inc.**



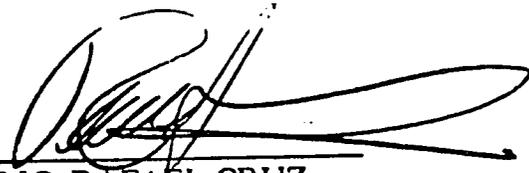
**USAID/DOMINICAN REPUBLIC  
GOVERNMENT OF THE UNITED STATES**

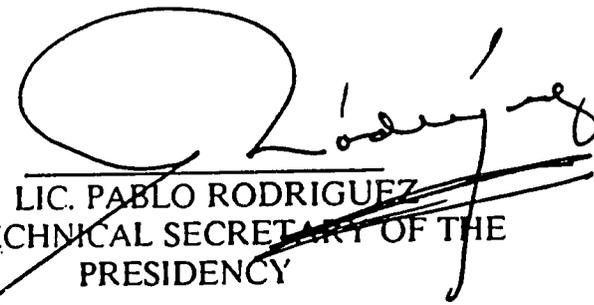


**June 1993**

GRANT 47-G-00-3167-00  
EDUCADORES UNIDOS DEL CIBAO, INC. (EDUDELIC)

  
RAYMOND F. RIFENBURG  
DIRECTOR  
U.S. AGENCY FOR  
INTERNATIONAL DEVELOPMENT

  
LIC. RAFAEL CRUZ  
EXECUTIVE DIRECTOR  
EDUCADORES UNIDOS  
DEL CIBAO, INC. (EDUDELIC)

  
LIC. PABLO RODRIGUEZ  
TECHNICAL SECRETARY OF THE  
PRESIDENCY

DATE: 25 JUN. 1933

CONFORMED COPY

**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

June 24, 1993

*Sec. Reg  
4600*

Mr. Rafael Cruz  
Executive Director  
EDUCADORES UNIDOS DEL CIBAO  
EDUDELIC  
Bldg. Presidente Antonio Guzman  
Piso 6  
Santiago, DR

Subject: Grant No. 517-0247-G-00-3167-00

Dear Mr. Cruz:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to the Educadores Unidos del Cibao (hereby referred to as EDUDELIC or "Recipient") the sum of RD\$777,491 to improve technical vocational skills of poor women in three communities in Santiago to better enable them to find jobs in local enterprises, as more fully described in the Schedule of this grant and the Attachment 2, entitled "Program Description."

This Agreement is effective and obligation is made as of the date of this letter, and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning on June 24, 1993 and ending June 25, 1996.

This Agreement is made to the Grantee on the 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 "Program Description," and Attachment 3 entitled "Mandatory Standard Provisions for Non-U.S., NonGovernmental Grantees"; Attachment 4 entitled "Required as Applicable for Non-U.S., NonGovernmental Grantees", and Attachment 5 entitled "Special Provisions".

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*  
Martin F. Napper  
Grant Officer

**Attachments:**

1. Schedule
2. Program Description
3. Mandatory Standard Provisions for Non-U.S., Nongovernmental Grantees, dated March 30, 1989
4. Required as applicable for Non-US, Non-Governmental Grantees, January 1, 1987
5. Special Provisions (includes Assurance of Compliance and Drug Free Workplace Certifications)

**ACKNOWLEDGED:**

EDUCADORES UNIDOS DEL CIBAO, INC. (EDUDELIC)

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

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**ATTACHMENT 1**

**SCHEDULE**

**A. PURPOSE OF THE GRANT**

The purpose of the project is to improve technical vocational skills of poor women in three communities in Santiago to better enable them to find jobs in local enterprises, create their own shops or, in the future, work at the EDUDELIC workshop which is scheduled to begin in 1994.

**B. PERIOD OF THE GRANT**

1. The effective date of this Grant is June 24, 1993. The completion date of the Grant is July 25, 1996.

**C. AMOUNT OF THE GRANT AND PAYMENT**

1. A.I.D. hereby obligates the amount of Seven Hundred Seventy Seven Thousand Four Hundred Ninety One Dominican Pesos (RD\$777,491) for the purpose of this grant.

2. 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, Payment - Periodic Advance".

**D. FINANCIAL PLAN**

The following is the grant Budget. Revisions to this budget shall be made in accordance with the Standard Provisions of this Grant entitled "Revision of Grant Budget."

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

EDUCADORES UNIDOS DEL CIBAO  
GENERAL BUDGET  
VALUES IN RD\$

EDUCADORES UNIDOS DEL CIBAO, Inc

COMPONENTS LINE ITEMS	ANNEXES	YEAR 1			YEAR 2			YEAR 3			TOTAL		
		AID	EDUDELC	BENEF									
1.- OPERATING COSTS													
1.1 PERSONNEL	A	26,000.00	36,400.00		21,498.75	47,297.25		18,306.88	36,231.98		65,805.63	119,929.23	
1.2 TRAINING	B	3,690.21	2,793.12								3,690.21	2,793.12	
1.3 TRANSPORTATION	C	4,224.00			4,435.20			2,328.48			10,987.68		
1.4 PER DIEM	C	1,300.00			1,890.00			992.25			4,682.25		
1.5 MATERIALS	C	7,200.00			7,560.00			3,969.00			18,729.00		
1.6 FACILITIES	C		6,498.60			6,498.60			3,249.30			16,246.50	
2.- JOB TRAINING													
2.1 PERSONNEL	E		114,400.00			134,546.27			77,263.38			326,209.65	
2.2 MATERIALS	F	120,759.98	2,166.67	78,345.00	131,278.18	2,940.00	83,687.25	58,321.29	676.67	39,350.50	310,359.45	5,783.33	201,382.75
2.3 EQUIPMENT	G	128,800.00	68,369.92								128,800.00	68,369.92	
2.4 EQUIP./BUILDING MATERIAL	H	6,000.00			6,300.00			1,653.75	1,653.75		13,953.75	1,653.75	
2.5 RENT	H	18,000.00			18,900.00			4,961.25	4,961.25		41,861.25	4,961.25	
2.6 FUEL AND ELECTRICITY	H	9,720.00			10,206.00			5,358.15			25,284.15		
2.7 WORKSHOPS FOR BENEFICIARIES	J	12,880.00			13,524.00			7,084.00			33,488.00		
3.- EVALUATIONS													
3.1 BASELINE EVALUATION	I	5,000.00									5,000.00		
3.2 MID AND FINAL EVALUATIONS	I				15,000.00			15,750.00			30,750.00		
4.- AUDITS	I	40,000.00						44,100.00			84,100.00		
<b>TOTALS</b>		<b>384,074.19</b>	<b>230,628.31</b>	<b>78,345.00</b>	<b>230,592.13</b>	<b>191,282.12</b>	<b>83,687.25</b>	<b>162,825.05</b>	<b>124,036.33</b>	<b>39,350.50</b>	<b>777,491.37</b>	<b>545,946.75</b>	<b>201,382.75</b>
<b>ROUNDED TOTAL</b>		<b>384,074</b>	<b>230,628</b>	<b>78,345</b>	<b>230,592</b>	<b>191,282</b>	<b>83,687</b>	<b>162,825</b>	<b>124,036</b>	<b>39,350</b>	<b>777,491</b>	<b>545,947</b>	<b>201,383</b>

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EDUCADORES UNIDOS DEL CIBAO, Inc  
CASH FLOW  
VALUES IN RDS

COMPONENTS LINE ITEMS	SUBPROJECT FIRST YEAR												TOTAL
	1	2	3	4	5	6	7	8	9	10	11	12	
<b>OPERATING COSTS</b>													
1.1 PERSONNEL	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	4,000.00	26,000.00
1.2 TRAINING		1,212.00	1,670.00					808.00					3,690.00
1.3 TRANSPORTATION	352.00	352.00	352.00	352.00	352.00	352.00	352.00	352.00	352.00	352.00	352.00	352.00	4,224.00
1.4 PER DIEM	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00
1.5 MATERIALS	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	7,200.00
1.6 FACILITIES													
<b>JOB TRAINING</b>													
2.1 PERSONNEL													
2.2 MATERIALS		60,380.00						60,380.00					120,760.00
2.3 EQUIPMENT		73,416.00	55,384.00										128,800.00
2.4 EQUIP./BUILDING MATERIAL	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
2.5 RENT	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
2.6 FUEL AND ELECTRICITY	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	9,720.00
2.7 WORKSHOPS FOR BENEFICIARIES						6,440.00							12,880.00
<b>EVALUATIONS</b>													
3.1 BASELINE EVALUATION	2,500.00	2,500.00											5,000.00
3.2 MID AND FINAL EVALUATIONS													
<b>AUDITS</b>												40,000.00	40,000.00
<b>TOTALS</b>	8,412.00	143,420.00	62,966.00	5,912.00	5,912.00	12,352.00	64,252.00	18,720.00	9,912.00	5,912.00	5,912.00	94,352.00	384,070.00

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**E. TITLE TO PROPERTY**

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

**F. SPECIAL PROVISIONS**

See Attachment 5

**G. AUTHORIZED GEOGRAPHIC CODE**

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

**ATTACHMENT 2**

**A. PROGRAM DESCRIPTION**

The goal of the project is to improve technical vocational skills of poor women in three communities in Santiago to better enable them to find jobs in local enterprises, create their own shops or, in the future, work at the EDUDELIC workshop which is scheduled to begin in 1994. This will be accomplished by expanding the training program offered by the technical-vocational school of the Fundación de Educadores Unidos del Cibao, Inc. (EDUDELIC) in the areas of sewing and handicrafts, creating a new cooking and baking curriculum, offering specialized training in business administration for students who may want to start their own businesses and helping to place graduates in local enterprises.

**2. PROBLEM THE SUBPROJECT WILL ADDRESS AND GEOGRAPHIC AREA.**

Among the problems affecting the communities of Camboya, Buenos Aires and Los Salados, is high unemployment, representing 40% of the economically active population, and 80% of the women, illiteracy, lack of labor training, poor health, malnutrition, drug addiction, juvenile delinquency, and family disintegration.

As a result EDUDELIC with limited resources, started providing vocational training to women through programs that train them for productive work, such as sewing, handicrafts, etc. EDUDELIC proposes to expand the functional capacity of the vocational school, by offering new training options, improving the current curriculum and trying to place its graduates, within the shortest possible time in productive jobs.

The geographical area of the project is in three urban communities, located in the northern part of Santiago de los Caballeros. The communities have been chosen because of their conditions and the amount of social problems that particularly affect low income people with little labor training. It was in these neighborhoods that EDUDELIC started in the early 80's with a literacy program. Later, the vocational training school was founded, which this project proposes to expand and strengthen.

**3. COMPONENTS AND MAIN ACTIVITIES OF EACH COMPONENT.**

The main components of this project are training in sewing, handicrafts, cooking and baking and business administration.

A

**a. Sewing**

EDUDELC regularly conducts this kind of training with success and understands the mechanisms needed to obtain jobs. This component includes a complete course with two levels of three months each, totalling six months of training. The first level covers simple sewing machines; the second level, covers industrial and specialized machines. The total number of sewing courses to be offered under the project is ten (year 1 = 4; year 2 = 4; year 3 = 2).

Among the skills to be learned in this course, are the manufacturing of skirts, underwear, pants, dresses, children's clothes, blouses, shirts, suits, school uniforms etc.

The contents for both levels are:

- 1) **First level**  
Simple sewing machines  
Patterns and cutting  
Making simple items
  
- 2) **Second level**  
Industrial sewing machines  
Seam machine  
Cutting machine  
Buttonhole machine  
Button attaching machine  
Finishing machine  
Manufacturing more complex articles of clothing
  
- 3) **Principal activities**

The activities of this course are: student registration; analysis of teaching methods and inventory of the most important needs to conduct the course; training on industrial machines for both teachers and assistant teachers; purchase of necessary equipment and materials; hiring required personnel; and regular evaluations of the participants.

A store will be supported to sell course materials to students at a low cost. A monthly evaluation and supervision system will be created that integrates the community council, students, local volunteers and EDUDELC personnel into the project. Only those who finish at least the first level will receive a certificate of training.

The class will be given three times a week (3 to 6 pm and 6 to 9 pm) during weekdays.

**b. Handicrafts**

The handicrafts course which lasts six months will teach professional skills to beneficiaries in two of four available handicraft modules described below and will contain a high level of manual technology. Training modules will be taught in various specialties divided into three - month periods with two options per semester. The total number of handicrafts courses to be offered under the project is four (Year 1 = 2; year 2 = 2) The four modules are:

**1) Baby items**

This module will last three months and the beneficiaries will learn how to make baby baskets, sets of sheets, shoes, diapers, shirts, bibs, etc. using special cloth and decorations.

**2) Accessories for children**

The participants will learn how to make commonly used children's objects, like cloth purses, school packs, hair laces and holders, etc.

**3) Home articles**

Women will learn how to make toilet covers, towel holders, soap, etc. for bathrooms; braids for dressers, hamper covers, perfume carriers, etc. for bedrooms; plastic trays, spoon holders, pan holders, etc. for kitchens and gift boxes, butterflies, picture holders, cushions, etc. for livingrooms.

**4) Typical Dominican items**

Women will learn how to make typical Dominican handicrafts such as different kinds of dolls, rugs, bags, purses, pictures, baskets, pottery and bracelets.

As previously mentioned, the training will be conducted in periods no longer than three months per module, but the participants will only be allowed to choose two course modules.

**5) Principal activities**

The activities of the Handicrafts course are: inventory of the implementation needs; begin a registration process; recruit and train the human resources; install the equipment and provide training on their use; support a store to sell materials; evaluation and supervision of activities; workshops for human resources integration both for students and personnel; marketing studies and organization of community fairs. Classes will be on Tuesday and Thursday from 3 to 6 pm and from 6 to 9 pm.

### **C. Cooking and Bakery**

This is a new component that plans to train people in different types of bakery and modern kitchen skills.

As in the rest of the courses, this one will be divided into three levels which will last two months each. During the first level, the participants will learn theoretical and practical aspects of bread and cake making. The second level will focus on preparation of simple foods. The third level will teach the participants how to prepare drinks, fine bakery items and gourmet foods. At all three levels, the participants will learn how to handle food (select, store, prepare and transport) properly. The total number of cooking/bakery courses to be offered under the project is six (year 1 = 2; year 2 = 3; year 3 = 1).

The contents of the levels are:

- 1) **First module**  
Simple bakery  
Bread making
- 2) **Second module**  
Simple foods  
Baked, semi-cooked food
- 3) **Third module**  
Drink preparation  
Gourmet, sophisticated food
- 4) **Principal activities**

To implement this component it is necessary to: establish the facilities with the necessary equipment and materials; select and train teaching personnel; organize course contents at the different levels and schedule; student registration and guidance; training participants; evaluation at the end of each cycle; involvement of volunteers to support the activities.

### **d. Business Administration**

The provision of training and technical assistance in business management has been done on an ad hoc basis under our microenterprise program in such areas as basic accounting, budgeting, and management. EDUDELIC will now offer this assistance on a regular basis to interested students and also include training in marketing. The following training workshops will be offered under the project:

Accounting - 3 day workshop, 2 times per year

Management - 2 day workshop, 2 times per year  
Marketing - 3 day workshop, 2 times per year

Consultants will be employed as required to conduct the workshops. EDUDELIC will also seek to establish links with the microenterprise training program offered by the Fundación de Desarrollo Dominicana and request Peace Corps volunteers to provide technical assistance to micro-enterprises.

**e. Inputs Store**

As part of the strategy to sustain the activities initiated under this project EDUDELIC plans to continue operating a small inputs store in the school to sell training materials to students at a modest price. Since beneficiaries are expected to provide training materials as part of their contribution, this strategy accomplishes the following two purposes:

- Students purchase materials at a low price.
- Income generation for the school to continue providing the services described in this project.

**4. EXPECTED CONDITIONS AT PROJECT END**

While EDUDELIC, Inc, expands the Vocational School, it will also provide opportunities for alumni, to open their own shops, work in EDUDELIC's future workshop or help alumni find jobs in the local market.

Additional training and improved possibilities of finding employment should lead to better income and living conditions for women in the target communities. A major impact that EDUDELIC intends to achieve from their training program and job placement services is for 72% of the graduates to find productive jobs in local enterprises or through their own businesses. EDUDELIC will also make credit available through their Micro-enterprise Program financed with other funds. In terms of salary, the participants should be able to obtain between RD\$1,500 and RD\$2,000 after training. This increase in family income should result in improved education, health and housing.

Five hundred and twenty (520) beneficiaries will be trained of which 250 will be in "Sewing", 120 in "Handicrafts" and 150 in "Bakery". Approximately 90% will be women and 3,120 people will benefit indirectly as family members. About 450 of the above direct beneficiaries will also receive training in business administration.

The most important criteria used to select beneficiaries are the need for training and the personal desire to improve ones situation. He (she) freely decides to be involved in the training of his/her choice. EDUDELIC promotes training opportunities in the target population taking into account levels of poverty and gender.

**5. IMPACT THAT THE PROJECT WILL HAVE UPON DEMOCRATIC VALUES.**

Since EDUDELIC has an established structure that includes a Board of Directors, an Administrative Board, Work Commissions, and a Community Council, democratic participation of beneficiaries and the community will be easily accomplished. The Board of Directors meets every six months to develop guidelines for the organization relative to general policies concerning institutional development. The Administrative Council puts into practice the policies emanating from the Board of Directors. The Executive Director and the directors of the different programs to achieve the proposed objectives and goals. The Community Council, which represents the different communities involved, will be responsible for project implementation at the community level.

The structure allows beneficiary representatives (one for each course, three in total) to participate with voice and vote in project coordination, along with the Community Council. All of these elements allow for a democratic decision making process throughout project development and implementation.

**B. DESIGN AND IMPLEMENTATION**

**1. IMPLEMENTATION PLAN.**

**a. Activities per component**

The activities for each course are similar with the same sequence of elements common to all. The most important are:

ACTIVITIES	MONTH	DURATION
- Equip specific spaces for some courses and improve physical condition of school	1	1 month
- Selection and hiring of teaching staff	1	1 month
- Material and equipment purchase	1 & 2	1 month
- Staff training	1 & 2	1 week
- Training for teachers and assistants on handling and maintaining equipment	1 & 2	1 week
- Coordination committee meetings	1 - 12	4 hrs each
- Organization of course contents and schedule	2	1 week
- Student registration and orientation	2 & 8	1 month each
- Material purchase (for handicrafts and sewing)	2 & 3	15 days
- Project monitoring and internal reports	2,4,6,8, 10,12	3 days each
- Begin training process	3 to 12	3 months each
- Supervision of teaching staff	3 to 12	1 day per
- Training Community Council, EDUDELC staff and beneficiaries on possible follow-up alternatives.	4, 8 & 12	4 hours each
- Design and diffusion of strategies to form workshops for graduates month	5 to 12	1 day per
- Course evaluation and reprogramming	5 and 11	2 days each
- Report on project progress (every six months)	6 & 12	3 days each
- Educational evaluation, end of each cycle	6,9 & 12	2 days each
- Graduation	8	2 hours
- Specific support to graduates on finding jobs (including job fairs) and starting new businesses	8 to 12	indefinite
- Tracking system established for graduate employment	8 to 12	indefinite
- New course cycles (second group)	8	1 day
- Audit	12	1 month

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During development of subsequent course cycles, some of the activities are repeated regularly and others are not.

**b. Technical Assistance Plan.**

Technical assistance will be provided as follows:

- a) Peace Corps voluntary services arranged.
- b) Hire consultants to provide training on equipment use and maintenance.
- c) Hire consultants for evaluation
- d) Hire instructors for technical courses and business administration workshops.
- e) Hire consultants to train instructors and community council.
- f) Contract for audits.

EDUDELIC will provide a computer, three desks, two tables, three typewriters, a file, a photocopier, workshop tables, sewing machines and equipment, furniture, two locations, telephones and other supporting resources for the technical assistance. These resources will also be used to establish a data center for project documentation.

**c. EDUDELIC Assistance Plan for Graduates**

EDUDELIC will establish contacts with small and large business enterprises in Santiago for rapid job placement of graduates. EDUDELIC will sponsor job fairs on a regular basis for interested local enterprises to recruit graduating students at the center.

Those students wanting to start their own businesses will be offered specialized training in business administration. In addition, graduates requiring financing who satisfy the established criteria for credit will be able to apply for small loans from the EDUDELIC microenterprise credit program to start new businesses.

**d. Procurement plan**

The furniture and equipment will be purchased during the first year of the project and materials will be purchased as training activities take place throughout the project.

Procurement will be done according to institutional policies, that is, by having three written quotations when the total amount exceeds RD\$200, or verbal (personally or by phone) quotes in the rest of the cases.

All items will be procured in the Dominican Republic.

**2. SCHEDULE OF EXPECTED OUTPUTS**

TYPE OF COURSES AND PARTICIPANTS

PERIOD	SEWING	BAKERY	HANDICRAFTS	TOTAL
Semester 1	50	25	30	105
Semester 2	50	25	30	105
Semester 3	75	50	30	155
Semester 4	75	50	30	155
<b>TOTAL</b>	<b>250</b>	<b>150</b>	<b>120</b>	<b>520</b>

Special workshops (3 day sessions) will be conducted throughout the year for the duration of the project for interested students and alumni (450 total) in marketing (3/year), management (2/year) and simple accounting for small businesses (3/year).

**3. MONITORING PLAN**

The project supervision system is of prime importance for EDUDEL. A daily control of all the work done will be maintained, including hours worked, and weekly monitoring to test the effectiveness of daily controls. A monthly meeting will take place with beneficiary representatives to get their opinions on the progress, weaknesses and strengths of the project. A multilined supervision system will be established where everybody participates by expressing their concerns, criticisms and suggestions. Results will be documented and a data bank developed for periodic progress reports of the project.

The reports will be sent to the PVO Support Unit of ENTRENA S. A. every six months according to the following schedule:

PERIOD	SENDING DATE
1st to 6th month	1st week of the 7th month
7th to 12th month	1st week of the 13th month
13th to 18th month	1st week of the 19th month
19th to 24th month	1st week of the 25th month
25th to 30th month	1st week of the 31st month

The reports will contain the following:

- a. Description of main activities completed during the period;
- b. Problems encountered;

- c. Achievements, including a brief explanation on the variations that might occur, between what is programmed and what is implemented;
- d. Summary of the main activities for the next period;
- e. Summary of the expenses during the period and accumulated to the date of the report.
- f. Any further information necessary and adequate for monitoring purposes.

#### 4. EVALUATION

Three major evaluations will take place: The first one includes a survey to be conducted in Camboya, Buenos Aires and Los Salados. It will collect data on the academic levels of beneficiaries, their social/ economic status, family income, housing conditions, employment, family composition and origin, time in the community, health status, etc.

A second evaluation will measure progress on the different project components and students in the program. A survey will be conducted to measure the degree of satisfaction in the training and tests will be given to determine student progress and determine if it is possible for them to reach higher levels. Participatory evaluations will be included with questions and comments that demonstrate the situation with participants, their achievements and their opinions on all project components.

Evaluations will take place at the end of each course with practical tests demonstrating skills learned by participants. In addition, mechanisms will be created, to follow - up each graduate to determine if they found employment, how long it took to get it, where, with whom and by what means. A mechanism will also be established to determine the opinions of employers regarding the results of this project. The same thing will occur with beneficiaries who establish their own shops or become part of EDUDELIC's workshop.

A final evaluation will measure the achievement of overall objectives and project impact on the beneficiaries and EDUDELIC.

#### C. SUSTAINABILITY

1. SUSTAINABILITY PLAN
  - a. Recurrent costs

Since Educadores Unidos del Cibao will own the equipment and machinery acquired under the project, it will only need to generate resources to cover maintenance costs, procurement of material for sale to students, instructor salaries, rental of location and training materials.

To address this challenge, EDUDELIC will rely on the following income sources:

- 1) Registration fees
  - 2) Monthly tuition fees
  - 3) 30% profit margin on the sale of training materials from the inputs store.
- b. **Administrative ability to continue implementing the activities.**

EDUDELIC has a staff trained in funds accounting that will be available to accomplish all of the accounting tasks for this project. EDUDELIC management already has successful experience implementing similar activities.

c. **Maintenance.**

EDUDELIC will contract specialized personnel to maintain all of the equipment and the Community Council will be responsible for equipment security. Training in the use and maintenance of equipment will be provided to instructors and beneficiaries.

d. **Transfer of experience and knowledge to beneficiaries.**

Since EDUDELIC will incorporate the beneficiaries into the development process and active participation in implementation, they will receive all of the necessary skills to continue using the technology.

2. **INSTITUTIONAL STRENGTHENING**

The project will strengthen EDUDELIC with the acquisition of equipment and training of human resources which will allow it to double its current capacity and strengthen the accounting system.

To accomplish these objectives, the tuition will be realistic and EDUDELIC will only work on activities that produce goods and services, promote cooperation, seek contributions and generate profits so that the school becomes a sustainable enterprise.

3. **PARTICIPATION OF BENEFICIARIES IN PROJECT DESIGN AND IMPLEMENTATION.**

The Community Council, EDUDELIC technicians and consultants have involved community residents in project design through forums soliciting opinions on: the vocational school, kinds of courses, schedules, costs and other aspects.

During implementation, the Community Council and beneficiary representatives will participate in coordinating project activities.

**D. DESCRIPTION OF ORGANIZATION**

Educadores Unidos del Cibao, Inc. is a non-profit, private development organization founded in 1985 under Law 520. EDUDEL's primary objectives are: 1) to develop community programs on preventive and curative health to reduce infant mortality, especially with children 0 to 5 years old; 2) to develop micro-enterprise programs, with the aim of reducing unemployment; 3) to foster technical training programs to enable lower income populations to find jobs and create or expand existing businesses within the shortest possible time; 4) to support basic primary education for lower income groups by creation of private schools.

EDUDEL initiated its activities in 1985 in a neighborhood called Los Salados in Santiago beginning with a literacy program for adults. Later, a group of women and several community leaders opened a small sewing school to address the unemployment problem in the community and then, in 1986, along with a Peace Corps volunteer, received a RD\$10,000 donation to purchase equipment. A small location was rented and women started being trained. To date 600 technicians have graduated from the school. EDUDEL currently operates in three neighborhoods in Santiago: Los Salados, Camboya and Buenos Aires.

Furthermore, in 1990 EDUDEL developed, with the aid of the governments of Holland and Canada, a program for the creation and expansion of family workshops, which has allowed the institution to gain experience in this area.

EDUDEL operates a popular pharmacy, a training center, a program of curative and preventive medicine, a literacy program, a basic education school and a microenterprise program.

2. Duties and qualifications of the staff to be involved in the administration and implementation of the project.

*P*

NAME	POSITION	DUTIES	REQUIREMENTS	EXPERIENCE
Rafael Cruz	Coordinator	To direct and supervise the team, and prepare the progress reports.	Manager, administrator and/or educator (with experience as a director)	More than 20 years.
Miguel Villa	Accountant	Financial monitoring. Prepare financial reports	CPA	Does not have any experience but trained in fund accounting
Ismeida Suero	Secretary	Administrative support	Executive Secretary	3 years
Pedro Lendof	Instructor	Clothing manufacturing training	Trained in the subject	5 years
Dionisio Santana	Assistant	Clothing manufacturing training	Trained in subject	5 years
Elizabeth Salazar	Instructor	Handicrafts training	Trained in area and capable to teach	5 years
To be hired	Assistant	Handicrafts training	Trained in subject	3 years minimum
Manuel Martes	Instructor	Cooking and Bakery training	Able to teach and trained in subject	8 years
To be hired	Assistant	Cooking and Bakery Training	Trained in subject	3 years minimum
To be hired	Keeper	Equipment maintenance and repair	Equipment Technician	3 years minimum
Cruz Feliz	Communitary Coordinator	Community Organization	Trained in Social Work	3 years minimum

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OMB Control No. 0412-0510  
Expiration Date: 12/31/89

APPENDIX 4D  
MANDATORY STANDARD PROVISIONS FOR  
NON-U.S., NONGOVERNMENTAL GRANTEE<sup>2</sup>

- |                                   |  |
|-----------------------------------|--|
| 1. Allowable Costs                | 7. Ineligible Countries                                    |
| 2. Accounting, Audit, and Records | 8. Debarment, Suspension, and Other Responsibility Matters |
| 3. Refunds                        | 9. U.S. Officials Not to Benefit                           |
| 4. Revision of Grant Budget       | 10. Nonliability   |
| 5. Termination and Suspension     | 11. Amendment  |
| 6. Disputes                       | 12. Notices  |

ALLOWABLE COSTS (MAY 1986)

(a) The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are determined by the grant officer to be reasonable, allocable, and allowable in accordance with the terms of this grant and the applicable\* cost principles in effect on the date of this grant, which are attached.

(1) Reasonable. Shall mean those costs that do not exceed those which would be incurred by an ordinarily prudent person in the conduct of normal business.

(2) Allocable Costs. Shall mean those costs which must be necessary to the grant.

(3) Allowable Costs. Shall mean those costs which must conform to any limitations set forth in this grant.

\*NOTE: For educational institutions use OMB Circular A-21; for all other non-profit organizations use OMB Circular A-122; and for profit making firms use Federal Acquisition Regulation 31.2 and AID Acquisition Regulation 731.2.

<sup>2</sup>When these Standard Provisions are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient" "Grant" means "Cooperative Agreement," and "AID Grant Officer" means "AID Agreement Officer."

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(4) Unallowable costs, direct or indirect, include but are not limited to the following examples: Advertising, bad debts, contingencies, entertainment, fines and penalties, interest, fund raising, investment management costs, losses on other awards, taxes, first class air fare unless specifically approved. Additionally, public information service costs are unallowable as indirect costs.

(b) Prior to incurring a questionable or unique cost, the grantee should obtain the grant officer's written determination as to whether the cost will be allowable.

\* 2. ACCOUNTING, AUDIT, AND RECORDS (MAY 1991)

(a) The grantee shall maintain books, records, documents, and other evidence relating to the AID-sponsored project or program in accordance with generally accepted accounting principles formally prescribed by the U.S., the cooperating country, or the International Accounting Standards Committee (an affiliate of the International Federation of Accountants) to sufficiently substantive charges to this grant. Accounting records that are supported by documentation will as a minimum be adequate to show all costs incurred under the grant, receipt and use of goods and services acquired under the grant, the costs of the program supplied from other sources, and the overall progress of the program. The grantee records and subgrantee records which pertain to this grant shall be retained for a period of three years from the date of expiration of this grants and may be audited by AID and/or its representatives. The grantee shall insert this paragraph (a) in all subgrants valued in excess of \$10,000.

(b) If the grantee receives \$25,000 per year or more under this grant, the grantee agrees that it shall have an audit made of the funds provided under this grant and of the financial statements of the organization as a whole. The grantee shall select an independent auditor in accordance with the "Guidelines for Financial Audits Contracted by Foreign Recipients" issued by the AID Inspector General. The audit shall be a financial audit performed in accordance with such guidelines and in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. Audits shall be performed annually.

(c) The audit report shall be submitted to AID within 30 days after completion of the audit, but the audit shall be completed and the report submitted not later than 13 months after the close of the grantee's fiscal year. The AID Inspector General will review this report to determine whether it complies with the audit requirements of this grant. No audit costs may be charged to this grant if audits have not been made in accordance with the terms of this provision. In cases of continued inability or unwillingness to have an audit performed in accordance with the terms of this provision, AID will consider appropriate sanctions which may include suspension of all or a percentage of disbursements until the audit is satisfactorily completed. \*

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- \* (d) The grantee shall require subgrantees that receive \$25,000 or more per year under this grant to have audits performed in accordance with the requirements of this provision. The subgrantee's audit report shall be submitted to the grantee within 30 days after completion of the audit, but the audit shall be completed and the report submitted not later than 13 months after the close of the subgrantee's fiscal year. The grantee shall ensure that appropriate corrective actions are taken on the recommendations contained in subgrantees' audit reports; consider whether subgrantees' audits necessitate adjustment of its own records; and require each subgrantee to permit independent auditors to have access to records and financial statements as necessary. \*

3. REFUNDS (SEPTEMBER 1990)

(a) The grantee shall remit to AID all interest earned on funds provided by AID.

(b) Funds obligated by AID but not disbursed to the grantee at the time the grant expires or is terminated shall revert to AID, except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant. Any funds advanced to but not expended by the grantee at the time of expiration or termination of the grant shall be refunded to AID except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant.

(c) AID reserves the right to require refund by the grantee of any amount which AID determines to have been expended for purposes not in accordance with the terms and conditions of this grant, including but not limited to costs which are not allowable in accordance with the applicable Federal cost principles or other terms and conditions of this grant. In the event that a final audit has not been performed prior to the closeout of this grant, AID retains the refund right until all claims which may result from the final audit have been resolved between AID and the grantee.

4. REVISION OF GRANT BUDGET (MAY 1986)

(a) The approved grant budget is the financial expression of the grantee's program as approved during the grant award process.

(b) The grantee shall immediately request approval from the grant officer when there is reason to believe that within the next 30 calendar days a revision of the approved grant budget will be necessary for any of the following reasons:

(1) To change the scope or the objectives of the project and/or revise the funding allocated among project objectives.

(2) Additional funding is needed.

(3) The grantee expects the amount of AID authorized funds to exceed its needs by more than \$5,000 or five percent of the AID award, whichever is greater.

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(4) The grantee plans to transfer funds budgeted for indirect costs to absorb increases in direct costs or vice versa.

(5) The grantee intends to contract or subgrant any of the work under this grant, and such contracts or subgrants were not included in the approved grant budget.

(c) Except as required by other provisions of this grant specifically stated to be an exception from this provision, the Government shall not be obligated to reimburse the grantee for costs incurred in excess of the total amount obligated under the grant. The grantee shall not be obligated to continue performance under the grant (including action under the "Termination and Suspension" provision) or otherwise to incur costs in excess of the amount obligated under the grant, unless and until the grant officer has notified the grantee in writing that such obligated amount has been increased and has specified the new grant total amount.

5. TERMINATION AND SUSPENSION (MAY 1986)

(a) For Cause. This grant may be terminated for cause at any time, in whole or in part, by the grant officer upon written notice to the grantee, whenever it is determined that the grantee has failed to comply with the conditions of the grant.

(b) For Convenience. This grant may be terminated for convenience at any time by either party, in whole or in part, if both parties agree that the continuation of the grant would not produce beneficial results commensurate with the further expenditure of funds. Both parties shall agree upon termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The agreement to terminate shall be set forth in a letter from the grant officer to the grantee.

(c) Suspension: Termination for Changed Circumstances. If at any time AID determines that continuation of funding for a program should be suspended or terminated because such assistance is not in the national interest of the United States or that it would be in violation of an applicable law, then AID may, following notice to the grantee, suspend this grant and prohibit the grantee from incurring additional obligations chargeable to this grant other than necessary and proper costs in accordance with the terms of this grant during the period of suspension. If the situation causing the suspension continues for 60 days or more, then AID may terminate this grant on written notice to the grantee and cancel that portion of this grant which has not been disbursed or irrevocably committed to third parties.

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(d) Termination Procedures. Upon receipt of and in accordance with a termination notice as specified in either paragraph (a) or (b) above, the grantee shall take immediate action to minimize all expenditures and obligations financed by this grant and shall cancel such unliquidated obligations whenever possible. Except as provided below, no further reimbursement shall be made after the effective date of termination. The grantee shall within 30 calendar days after the effective date of such termination repay to the Government all unexpended AID funds which are not otherwise obligated by a legally binding transaction applicable to this grant. Should the funds paid by the Government to the grantee prior to the effective date of the termination of this grant be insufficient to cover the grantee's obligations in the legally binding transaction, the grantee may submit to the Government within 90 calendar days after the effective date of such termination a written claim covering such obligations. The grant officer shall determine the amount(s) to be paid by the Government to the grantee under such claim in accordance with the applicable cost principles.

6. DISPUTES (NOVEMBER 1985)

(a) Any dispute under this grant shall be decided by the AID grant officer. The grant officer shall furnish the grantee a written copy of the decision.

(b) Decisions of the AID grant officer shall be final unless, within 30 days of receipt of the decision of the grant officer, the grantee appeals the decision to AID's Deputy Assistant to the Administrator for Management Services. Any appeal made under this provision shall be in writing and addressed to the Deputy Assistant to the Administrator for Management Services, Agency for International Development, Washington, D.C. 20523. A copy of the appeal shall be concurrently furnished to the grant officer.

(c) In order to facilitate review on the record by the Deputy Assistant to the Administrator for Management Services, the grantee shall be given an opportunity to submit written evidence in support of its appeal. No hearing will be provided.

(d) A decision under this provision by the Deputy Assistant to the Administrator for Management services shall be final.

7. INELIGIBLE COUNTRIES (MAY 1986)

Unless otherwise approved by the AID grant officer, funds will only be expended for assistance to countries eligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

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8. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (MARCH 1989)

(1) The grantee certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions, by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) The grantee agrees that, unless authorized by the Grant Officer, it will not knowingly enter into any subagreements or contracts under this grant with a person or entity that is included on the "Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs". The grantee further agrees to include the following provision in any subagreements or contracts entered into under this grant:

DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION (MARCH 1989)

The recipient/contractor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(3) The policies and procedures applicable to debarment, suspension and ineligibility under AID-financed transactions are set forth in 22 CFR Part 208.

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9. U.S. OFFICIALS NOT TO BENEFIT (NOVEMBER 1985)

No member of or delegate to the U.S. Congress or resident U.S. Commissioner shall be admitted to any share or part of this grant or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this grant if made with a corporation for its general benefit.

10. NONLIABILITY (NOVEMBER 1985)

AID does not assume liability for any third party claims for damages arising out of this grant.

11. AMENDMENT (NOVEMBER 1985)

The grant may be amended by formal modifications to the basic grant document or by means of an exchange of letters between the grant officer and an appropriate official of the grantee.

12. NOTICES (NOVEMBER 1985)

Any notice given by AID or the grantee shall be sufficient only if in writing and delivered in person, mailed, or cabled as follows:

To the AID grant officer, at the address specified in the grant.

To grantee, at grantee's address shown in the grant or to such other address designated within the grant.

Notices shall be effective when delivered in accordance with this provision, or on effective date of the notice, whichever is later.

(END OF MANDATORY STANDARD PROVISIONS)

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**REQUIRED AS APPLICABLE STANDARD PROVISIONS FOR  
NON-U.S., NONGOVERNMENTAL GRANTEES**

The following standard provisions are required to be used when applicable. Applicability statements are contained in the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with Paragraph 1E of Chapter 1 of this Handbook. Each grant is required to have a payment provision. Check off the provisions which are to be included in the grant. Only those standard provisions which have been checked off are included within the grant.

- |   |                                     |
|---|-------------------------------------|
| 1. Payment - Periodic Advance                                 | <input checked="" type="checkbox"/> |
| 2. Payment - Cost Reimbursement                               | <input type="checkbox"/>            |
| 3. Air Travel and Transportation                              | <input checked="" type="checkbox"/> |
| 4. Ocean Shipment of Goods                                    | <input checked="" type="checkbox"/> |
| 5. Procurement of Goods and Services                          | <input checked="" type="checkbox"/> |
| 6. AID Eligibility Rules for Goods and Services               | <input checked="" type="checkbox"/> |
| 7. Subagreements  | <input type="checkbox"/>            |
| 8. Local Cost Financing                                       | <input checked="" type="checkbox"/> |
| 9. Patents Rights   | <input type="checkbox"/>            |
| 10. Publications  | <input checked="" type="checkbox"/> |
| 11. Nondiscrimination   | <input type="checkbox"/>            |
| 12. Regulations Governing Employees                           | <input type="checkbox"/>            |
| 13. Participant Training                                      | <input type="checkbox"/>            |
| 14. Voluntary Population Planning                             | <input type="checkbox"/>            |
| 15. Protection of the Individual as a Research Subject        | <input type="checkbox"/>            |
| 16. Negotiated Overhead Rates - Provisional                   | <input type="checkbox"/>            |
| 17. Government Furnished Excess Personal Property             | <input type="checkbox"/>            |
| 18. Title To and Use of Property (Grantee Title)              | <input checked="" type="checkbox"/> |
| 19. Title To and Care of Property (U.S. Government Title)     | <input type="checkbox"/>            |
| 20. Title To and Care of Property (Cooperating Country Title) | <input type="checkbox"/>            |
| 21. Cost Sharing (Matching)                                   | <input checked="" type="checkbox"/> |

*(see Attachments  
Special Provisions)*

(INCLUDE THIS PAGE IN THE GRANT)

(NEXT PAGE 4D-9)

*Martin F. Napp  
Grant Office*

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**PAYMENT - PERIODIC ADVANCE (NOVEMBER 1985)**

(This provision is applicable when (1) the grantee has an acceptable accounting system (2) the grantee has the ability to maintain procedures that will minimize the time elapsing between the transfer of funds and the disbursement thereof, and (3) the grantee's financial management system meets the standards for fund control and accountability required under the standard provision of this agreement entitled "Accounting, Audit, and Records".)

- (a) AID funds shall not be commingled with other grantee owned or controlled funds. The grantee shall deposit all AID cash advances in a separate bank account and shall make all disbursements for goods and services from this account.
- (b) Each quarter, after the initial cash advance, the grantee shall submit to the AID Controller, identified in the schedule, voucher SF 1034 (original) and SF 1034-A (three copies), entitled "Public Voucher for Purchases and Services Other Than Personal", copies of which are attached.
- (c) Each voucher shall be identified by the appropriate grant number and shall be accompanied by an original and three copies of a report in the following format:

**FEDERAL CASH ADVANCE STATUS REPORT  
(Report Control No. W-245)**

**A. Period covered by this report:**

FROM (Month, day, year) \_\_\_\_\_  
TO (Month, day, year) \_\_\_\_\_

**Period covered by the next report:**

FROM (Month, day, year) \_\_\_\_\_  
TO (Month, day, year) \_\_\_\_\_

**B. Cash Advance Use and Needs:**

1. Cash advance on hand at the beginning of this reporting period  
..... \$ \_\_\_\_\_
2. U.S. Treasury check advance(s) received during this reporting  
period..... \$ \_\_\_\_\_
3. Interest earned on cash advance during this reporting  
period..... \$ \_\_\_\_\_

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- 4. GROSS cash advance available during this reporting period (Lines 1, 2, & 3).....\$ \_\_\_\_\_
- 5. LESS, interest remitted to AID during this reporting period..... \$ \_\_\_\_\_
- 6. NET cash advance available during this reporting period (Line 4 minus Line 5)..... \$ \_\_\_\_\_
- 7. Total disbursements during this reporting period, including subadvances (see footnote 1)..... \$ \_\_\_\_\_
- 8. Amount of cash advances available at the end of this reporting period (Line 6 minus Line 7)..... \$ \_\_\_\_\_
- 9. Projected disbursements, including subadvances, for the next reporting period (see footnote 2)..... \$ \_\_\_\_\_
- 10. Additional cash advance requested for the next reporting period (Line 9 minus Line 8)..... \$ \_\_\_\_\_
- 11. Total interest earned on cash advance from the start of the grant to the end of this reporting period, but not remitted to AID ..... \$ \_\_\_\_\_
- 12. Total cash advances to subgrantees, if any, as of the end of this reporting period..... \$ \_\_\_\_\_

FOOTNOTES:

- 1. The grantee shall submit a cumulative detailed report of disbursements by BUDGET line item quarterly.
- 2. The grantee shall attach a Summary, by BUDGET line item, of its projected disbursements for the next reporting period.

C. Certification:

The undersigned hereby certifies: (1) that the amount in paragraph B.9 above represents the best estimate of funds needed for the disbursements to be incurred over the period described, (2) that appropriate refund or credit to the grant will be made in the event of disallowance in accordance with the terms of the grant, (3) that appropriate refund or

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AIR TRAVEL AND TRANSPORTATION (MAY 1986)

(This provision is applicable when any costs for air travel or transportation are included in the budget.)

- (a) The grantee is required to present to the project officer for written approval an itinerary for each planned international trip financed by this grant, which shows the name of the traveler, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advance of the proposed travel as possible, but in no event less than three weeks before travel is planned to commence. At least one week prior to commencement of approved international travel, the grantee shall notify the cognizant mission, with a copy to the project officer, of planned travel, identifying the travelers and the dates and times of arrival.
- (b) Travel to certain countries shall, at AID's option, be funded from U.S.-owned local currency. When AID intends to exercise this option, AID will, after receipt of advice of intent to travel required above, either issue a SF 1169, Government Transportation Request (GTR), which the grantee may exchange for tickets, or AID will issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.
- (c) All air travel and shipments under this grant are required to be made on U.S. flag air carriers to the extent service by such carriers is available. A U.S. flag air carrier is defined as an air carrier which has a certificate of public convenience and necessity issued by the U.S. Civil Aeronautics Board authorizing operations between the U.S. and/or its territories and one or more foreign countries.
- (d) Use of foreign air carrier service may be deemed necessary if a U.S. flag air carrier cannot provide the foreign air transportation needed, or if use of such service will not accomplish the agency's mission. Travel and transportation on non-free world air carriers are not reimbursable under this grant.
- (e) U.S. flag air carrier service is considered available even though:
  - (1) Comparable or a different kind of service can be provided at less cost by a foreign air carrier;
  - (2) Foreign air carrier service is preferred by or is more convenient for the agency or traveler; or

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(3) Service by a foreign air carrier can be paid for in excess foreign currency, unless U.S. flag air carriers decline to accept excess or near excess foreign currencies for transportation payable only out of such monies.

(f) Except as provided in paragraph (b) of this section, U.S. flag air carrier service must be used for all Government-financed commercial foreign air travel if service provided by such carriers is available. In determining availability of a U.S. flag air carrier, the following scheduling principles should be followed unless their application results in the last or first leg of travel to or from the U.S. being performed by a foreign air carrier:

(1) U.S. flag air carrier service available at point of origin should be used to destination or in the absence of direct or through service to the farthest interchange point on a usually traveled route;

(2) Where an origin or interchange point is not served by U.S. flag air carrier, foreign air carrier service should be used only to the nearest interchange point on a usually traveled route to connect with U.S. flag air carrier service; or

(3) Where a U.S. flag air carrier involuntarily reroutes the traveler via a foreign air carrier the foreign air carrier may be used notwithstanding the availability of alternative U.S. flag air carrier service.

(g) For travel between a gateway airport in the United States (the last U.S. airport from which the traveler's flight departs or the first U.S. airport at which the traveler's flight arrives) and a gateway airport abroad (that airport from which the traveler last embarks enroute to the U.S. or at which the traveler first debarks incident to travel from the U.S.) passenger service by U.S. flag air carrier will not be considered available:

(1) Where the gateway airport abroad is the traveler's origin or destination airport, and the use of U.S. flag air carrier service would extend the time in a travel status, including delay at origin and accelerated arrival at destination, by at least 24 hours more than travel by foreign air carrier:

(2) Where the gateway airport abroad is an interchange point, and the use of U.S. flag air carrier service would require the traveler to wait six hours or more to make connections at that point, or delayed

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departure from or accelerated arrival at the gateway airport in the U.S. would extend the time in a travel status by at least six hours more than travel by foreign air carrier.

- (h) For travel between two points outside the U.S. the rules in paragraphs (d) through (f) of this section will be applicable, but passenger service by U.S. flag air carrier will not be considered to be reasonably available:
- (1) If travel by foreign air carrier would eliminate two or more aircraft changes enroute;
  - (2) Where one of the two points abroad is the gateway airport (as defined in paragraph (g) of this section) enroute to or from the U.S., if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including accelerated arrival at the overseas destination or delayed departure from the overseas origin as well as delay at the gateway airport or other interchange point abroad; or
  - (3) Where the travel is not part of a trip to or from the U.S.; if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including delay at origin, delay enroute and accelerated arrival at destination.
- (i) When travel under either paragraph (g) or (h) of this section involves three hours or less between origin and destination by a foreign air carrier, U.S. flag air carrier service will not be considered available when it involves twice such travel time or more.
- (j) Nothing in the above guidelines shall preclude and no penalty shall attend the use of a foreign air carrier which provides transportation under an air transport agreement between the United States and a foreign government, the terms of which are consistent with the international aviation policy goals set forth at 49 U.S.C. 1502(b) and provide reciprocal rights and benefits.
- (k) Where U.S. Government funds are used to reimburse the grantee's use of other than U.S. air flag carriers for international transportation, the grantee will include a certification on vouchers involving such transportation which is essentially as follows:

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OCEAN SHIPMENT OF GOODS (MAY 1986)

(This provision is applicable when goods purchased with funds provided under this grant are transported to cooperating countries on ocean vessels.)

- (a) At least 50% of the gross tonnage of all goods purchased under this grant and transported to the cooperating countries shall be made on privately owned U.S. flag commercial ocean vessels, to the extent such vessels are available at fair and reasonable rates for such vessels.
- (b) At least 50% of the gross freight revenue generated by shipments of goods purchased under this grant and transported to the cooperating countries on dry cargo liners shall be paid to or for the benefit of privately owned U.S. flag commercial ocean vessels to the extent such vessels are available at fair and reasonable rates for such vessels.
- (c) When U.S. flag vessels are not available, or their use would result in a significant delay, the grantee may request a determination of non-availability from the AID Transportation Support Division, Office of Procurement, Washington, D.C. 20523, giving the basis for the request which will relieve the grantee of the requirement to use U.S. flag vessels for the amount of tonnage included in the determination. Shipments made on non-free world ocean vessels are not reimburseable under this grant.
- (d) Vouchers submitted for reimbursement which include ocean shipment costs shall contain a certification essentially as follows:

"I hereby certify that a copy of each ocean bill of lading concerned has been submitted to the U.S. Department of Transportation, Maritime Administration, Division of National Cargo, 400 7th Street, S.W., Washington, D.C. 20590, and that such bills of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement."

(END OF STANDARD PROVISION)

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PROCUREMENT OF GOODS AND SERVICES (MAY 1986)

(This provision is applicable when goods or services are procured under the grant.)

The grantee may use its own procurement policies and practices for the procurement of goods and services under this grant, provided they conform to all of AID's requirements listed below and the standard provision entitled "AID Eligibility Rules For Goods and Services".

(a) General Requirements:

(1) The recipient shall maintain a code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the awarding and administration of contracts using AID funds. Conflict of interest situations involving employees, officers or agents or their immediate families shall be avoided. The recipients' officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or potential contractors. Such standards shall provide for disciplinary actions to be applied for violations of such standards by the recipients' officers, employees or agents.

(2) All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The recipient should be alert to organizational conflicts of interest or noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or requests for proposals should be excluded from competing for such procurements. Awards shall be made to the offeror whose offer is responsive/responsible to the solicitation and is most advantageous to the recipient, price and other factors considered. Solicitations shall clearly set forth all requirements that the offeror must fulfill in order to be evaluated by the recipient. Any and all offers may be rejected when it is in the recipient's interest to do so.

(3) All grantees shall establish procurement procedures that provide for, at a minimum, the following procedural requirements:

(i) Proposed procurement actions shall follow a procedure to assure the avoidance of purchasing unnecessary items.

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(ii) Solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product or service to be procured. Such a description shall not, in competitive procurements, contain features which unduly restrict competition.

(iii) Positive efforts shall be made by the recipients to utilize U.S. small business and minority owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts utilizing AID funds. The grantee shall to the maximum extent possible provide the following information to the Office of Small Disadvantaged Business Utilization, AID, Washington, D.C. 20523, at least 45 days prior (except where a shorter time is requested of and granted by the Office of Small and Disadvantaged Business Utilization) to placing any order or contract in excess of \$25,000:

(A) Brief general description and quantity of goods or services;

(B) Closing date for receiving quotations or proposals; and

(C) Address where solicitations and specifications can be obtained.

(iv) The type of procuring instruments used, e.g. fixed price contracts, cost reimbursable contracts, purchase orders, incentive contracts, shall be determined by the recipient but must be appropriate for the particular procurement and for promoting the best interest of the program involved. In those instances where a cost type contract authorizes a fee, a fixed amount will be used in lieu of a percentage of cost.

(v) Contracts shall be made only to responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed contract. Consideration shall be given to such matters as integrity, record of past performance, financial and technical resources or accessibility to other necessary resources. Contracts shall not be made to firms or individuals whose name appears on the AID Consolidated List of Debarred, Suspended, and Ineligible Awardees. AID will provide the grantee with a copy of this list upon request.

(vi) All proposed sole source contracts or where only one proposal is received in which the aggregate expenditure is expected to exceed \$10,000 shall be subject to prior approval by an appropriate official within the grantee's organization.

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(vii) Some form of price or cost analysis should be made in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, and market prices, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

(viii) Procurement records and files for purchases in excess of \$10,000 shall include the following:

(A) Basis for contractor selection;

(B) Justification for lack of competition when competitive offers are not obtained;

(C) Basis for award: cost or price.

(ix) A system for contract administration shall be maintained to ensure contractor conformance with terms, conditions and specifications of the contract, and to ensure adequate and timely followup of all purchases.

(b) Each contract and subcontract shall contain in addition to provisions to define a sound and complete contract, the following contract provisions as well as any provision within this grant which requires such inclusion of that provision. Whenever a provision is required to be inserted in a contract under this grant, the grantee shall insert a statement in the contract that in all instances where AID is mentioned the grantee's name shall be substituted.

(1) Contracts in excess of \$10,000 shall contain contractual provisions or conditions that will allow for administrative, contractual or legal remedies in instances in which contractors violate or breach contract terms, and provide for such remedial actions as may be appropriate.

(2) All contracts in excess of \$10,000 shall contain suitable provisions for termination by the recipient including the manner by which termination will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

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(3) All negotiated contracts over \$10,000 awarded by recipients shall include a provision to the effect that the recipient, AID or their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(4) In all contracts for construction or facility improvement awarded for more than \$100,000, recipients shall observe generally accepted bonding requirements.

(5) Contracts, the principal purpose of which is to create, develop or improve products, processes or methods; or for exploration into fields that directly concern public health, safety or welfare; or contracts in the fields of science or technology in which there has been little significant experience outside of work funded by Federal assistance, shall contain a notice to the effect that matters regarding rights to inventions and materials generated under the contract are subject to the regulations included in these grant provisions. The contractor shall be advised as to the source of additional information regarding these matters.

(END OF STANDARD PROVISION)

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## AID ELIGIBILITY RULES FOR GOODS AND SERVICES (MAY 1986)

(This provision is applicable when goods or services are procured under the grant.)

(a) Ineligible and Restricted Goods and Services: If AID determines that the grantee has procured any of the restricted or ineligible goods and services specified below, or has procured goods and services from unauthorized sources, and has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to AID the entire amount of the reimbursement.

(1) Ineligible Goods and Services. Under no circumstances shall the grantee procure any of the following under this grant:

- (i) Military equipment,
- (ii) Surveillance equipment,
- (iii) Commodities and services for support of police or other law enforcement activities,
- (iv) Abortion equipment and services,
- (v) Luxury goods and gambling equipment, or
- (vi) Weather modification equipment.

(2) Ineligible Suppliers. Funds provided under this grant shall not be used to procure any goods or services furnished by any firm or individual whose name appears on AID's Consolidated List of Debarred, Suspended or Ineligible Awardees (AID Regulation 8 (22 CFR 208)). AID will provide the grantee with this list upon request.

(3) Restricted Goods. The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:

- (i) Agricultural commodities,
- (ii) Motor vehicles,
- (iii) Pharmaceuticals,
- (iv) Pesticides,
- (v) Rubber compounding chemicals and plasticizers,

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- (vi) Used equipment,
- (vii) U.S. Government-owned excess property, or
- (viii) Fertilizer.

(b) Source, Origin, and Nationality: The eligibility rules for goods and services are based on source, origin, and nationality and are divided into the two categories. One applies when the total procurement during the life of the grant is over \$250,000 and the other applies when the total procurement element during the life of the grant is not over \$250,000. The total procurement element includes procurement of all goods (e.g. equipment, materials, supplies) and services. Guidance on the eligibility of specific goods or services may be obtained from the grant officer. AID policies on source, origin, and nationality are contained in Chapters 4 and 5 of AID Handbook 1, Supplement B, (Procurement Policies).

(1) When the total procurement element during the life of this grant is valued at \$250,000 or less, the following rules apply:

(i) All goods and services, the costs of which are to be reimbursed under this grant and which will be financed with U.S. dollars, shall be purchased in and shipped from only "Special Free World" countries (i.e., AID Geographic Code 935) in accordance with the following order of preference:

- (A) The United States (AID Geographic code 000),
- (B) The Cooperating Country,
- (C) Selected Free World countries (AID Geographic Code 941),
- (D) Special Free World countries (AID Geographic Code 935).

(ii) Application of Order of Preference: When the grantee procures goods and services from other than U.S. sources, under the order of preference in paragraph (b)(1)(i) above, the grantee shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the grantee's documentation:

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(A) The procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,

(B) The price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,

(C) Impelling local political considerations precluded consideration of U.S. sources,

(D) The goods or services were not available from U.S. sources, or

(E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the grant.

(2) When the total procurement element exceeds \$250,000, the following rule applies: Except as may be specifically approved or directed in advance by the grant officer, all goods and services, which will be reimbursed under this grant and financed with U.S. dollars, shall be procured in and shipped from the U.S. (Code 000) and from any other countries within the authorized geographic code as specified in the schedule of this grant.

- (c) Marine Insurance: The eligibility of marine insurance is determined by the country in which it is placed. Insurance is placed in a country if payment of the insurance premium is made to and the insurance policy is issued by an insurance company located in that country. Eligible countries for placement are governed by the authorized geographic code, except that if Code 941 is authorized, the Cooperating Country is also eligible. Section 604(d) of the Foreign Assistance Act requires that if a recipient country discriminates by statute, decree, rule, or practice with respect to AID-financed procurement against any marine insurance company authorized to do business in the U.S., then any AID-financed commodity shipped to that country shall be insured against marine risk and the insurance shall be placed in the U.S. with a company or companies authorized to do marine insurance business in the U.S.
- (d) Ocean and air transportation shall be in accordance with the applicable provisions contained within this grant.
- (e) Printed or Audio-Visual Teaching Materials: If the effective use of printed or audio-visual teaching materials depends upon their being in the local language and if such materials are intended for technical.

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assistance projects or activities financed by AID in whole or in part and if other funds including U.S.-owned or U.S.-controlled local currencies are not readily available to finance the procurement of such materials, local language versions may be procured from the following sources in order of preference:

- (1) The United States (AID Geographic code 000),
- (2) The Cooperating Country,
- (3) Selected Free World countries (AID Geographic Code 941),
- (4) Free World countries (AID Geographic Code 899).

(f) Special Restrictions on the Procurement of Construction or Engineering Services: Section 604(g) of the Foreign Assistance Act provides that AID funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under Geographic Code 941, which have attained a competitive capability in international markets for construction services or engineering services." In order to insure eligibility of a Code 941 contractor for construction or engineering services, the grantee shall obtain the grant officer's prior approval for any such contract.

(END OF STANDARD PROVISION)

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\* LOCAL COST FINANCING (NOVEMBER 1988)

(This provision applies only when local costs are authorized by the grant, and must be used with the standard provision entitled "Procurement of Goods and Services.")

(a) Costs qualifying as local costs are eligible for financing under the grant in accordance with the terms of this standard provision. Local costs are defined as (1) indigenous goods, (2) imported shelf items, and (3) services provided by suppliers meeting the requirements contained in subparagraph (b). Indigenous goods are those that have been mined, grown or produced in the cooperating country through manufacture, processing or assembly. In the case of produced goods containing imported components, to qualify as indigenous a commercially recognized new commodity must result that is substantially different in basic characteristics or in purpose or utility from its components. Imported items are eligible for financing under the following situations: (1) Imported items available in the cooperating country which otherwise meet the source/origin requirements of the grant may be financed in unlimited quantities, regardless of dollar value, up to the total amount available for local procurement under the terms of the grant agreement. (2) Imported items from Geographic Code 941 countries which are available in the cooperating country can be funded in unlimited quantities, regardless of dollar value, up to the total amount available for local procurement under the terms of the grant. (3) Imported items from any Free World country which are available locally, or imported specifically for the grant, may be financed if the cost of the transaction, excluding the cost of the transportation, does not exceed the local currency equivalent of \$5,000. \*

(b) To qualify as local costs, goods and services must also meet the following additional requirements:

- (1) They must be paid for in local currency.
- (2) The supplier must be located in the cooperating country and must be of cooperating country nationality as defined in AID Handbook 1B, Chapter 5.
- (3) Any component from a country not included in AID geographic code 935 renders a commodity ineligible for financing.

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(c) Ineligible Goods and Services: Under no circumstances shall the grantee procure any of the following under this grant:

- (1) Military equipment,
- (2) Surveillance equipment,
- (3) Commodities and services for support of police or other law enforcement activities,
- (4) Abortion equipment and services,
- (5) Luxury goods and gambling equipment, or
- (6) Weather modification equipment.

(d) Ineligible Suppliers: Funds provided under this grant shall not be used to procure any goods or services furnished by any firm or individual whose name appears on AID's Consolidated List of Debarred, Suspended, or Ineligible Awardees (AID Regulation 8, (22 CFR 208)). AID will provide the grantee with this list upon request.

(e) Restricted Goods: The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:

- (1) Agricultural commodities,
- (2) Motor vehicles,
- (3) Pharmaceuticals,
- (4) Pesticides,
- (5) Rubber compounding chemicals and plasticizers,
- (6) Used equipment,
- (7) U.S. Government-owned excess property, or
- (8) Fertilizer.

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- (f) IF AID determines that the grantee has procured any of the restricted or ineligible goods and services specified in subparagraphs (c) through (e) above, or has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to AID the entire amount of the reimbursement.

(END OF STANDARD PROVISION)

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TITLE TO AND USE OF PROPERTY (GRANTEE TITLE) (MAY 1986)

(This provision is applicable only when the Government vests title to property in the grantee.)

- (a) Title to all property financed under this grant shall vest in the grantee.
- (b) The grantee agrees to use and maintain the property for the purposes of the grant.
- (c) With respect to property having an acquired value of \$1,000 or more, the grantee agrees to report such items to the grant officer as they are acquired and to maintain a control system which will permit their ready identification and location.
- (d) Within thirty calendar days after the end of the grant, the grantee will provide a list to the grant officer of each item that has an appraised value of \$1,000 or more with a detailed proposal of what the grantee intends to do with that property. If the grant officer does not respond within 120 calendar days, the grantee may proceed with the disposition of the property. However, if the grantee uses the property for purposes other than those of the grant or sells or leases the property, AID shall be reimbursed for its share of the property unless the grant officer authorizes AID's share of the income from selling or leasing the property to be used as program income. This share is based upon the percentage of AID's contribution to the grantee's program. If AID paid 100% of the grantee's costs, then AID would receive 100% of the selling cost less a nominal selling fee of \$100.

(END OF STANDARD PROVISION)

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COST SHARING (MATCHING) (MAY 1986)

(This provision is applicable when the recipient is required to provide a matching share or to cost share.)

- (a) For each year (or funding period) under this grant, the grantee agrees to expend from non-Federal funds an amount at least equal to the percentage of the total expenditures under this grant specified in the schedule of the grant. The schedule of this grant may also contain restrictions on the application of cost sharing (matching) funds. The schedule takes precedence over the terms of this provision.
- (b) Eligibility of non-Federal funds applied to satisfy cost sharing (matching) requirements under this grant are set forth below:
- (1) Charges incurred by the grantee as project costs. Not all charges require cash outlays by the grantee during the project period; examples are depreciation and use charges for buildings and equipment.
  - (2) Project costs financed with cash contributed or donated to the grantee by other non-Federal public agencies and institutions, and private organizations and individuals, and
  - (3) Project costs represented by services and real and personal property, or use thereof, donated by other non-Federal public agencies and institutions, and private organizations and individuals.
- (c) All contributions, both cash and in-kind, shall be accepted as part of the grantee's cost sharing (matching) when such contributions meet all of the following criteria:
- (1) Are verifiable from the grantee's records;
  - (2) Are not included as contributions for any other Federally assisted program;
  - (3) Are necessary and reasonable for proper and efficient accomplishment of project objectives;
  - (4) Are types of charges that would be allowable under the applicable Federal cost principles;

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- (5) Are not paid by the Federal Government under another grant or agreement (unless the grant or agreement is authorized by Federal law to be used for cost sharing or matching);
- (6) Are provided for in the approved budget when required by AID; and
- (7) Conform to other provisions of this paragraph.
- (d) Values for grantee in-kind contributions will be established in accordance with the applicable Federal cost principles.
- (e) Specific procedures for the grantee in establishing the value of in-kind contributions from non-Federal third parties are set forth below:

(1) Valuation of volunteer services: Volunteer services may be furnished by professional and technical personnel, consultants, and other skilled and unskilled labor. Volunteer services may be counted as cost sharing or matching if the service is an integral and necessary part of an approved program.

(i) Rates for volunteer services: Rates for volunteers should be consistent with those paid for similar work in the grantee's organization. In those instances in which the required skills are not found in the grantee's organization, rates should be consistent with those paid for similar work in the labor market in which the grantee competes for the kind of services involved.

(ii) Volunteers employed by other organizations: When an employer other than the grantee furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (exclusive of fringe benefits and overhead costs) provided these services are of the same skill for which the employee is normally paid.

(2) Valuation of donated expendable personal property: Donated expendable personal property includes such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to expendable personal property included in the cost (matching) share should be reasonable and should not exceed the market value of the property at the time of the donation.

(3) Valuation of donated nonexpendable personal property, buildings, and land or use thereof:

(i) The method used for charging cost sharing or matching for donated nonexpendable personal property, buildings and land may differ according to the purpose of the grant as follows:

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(A) If the purpose of the grant is to assist the recipient in the acquisition of equipment, buildings or land, the total value of the donated property may be claimed as cost sharing or matching.

(B) If the purpose of the grant is to support activities that require the use of equipment, buildings, or land; depreciation or use charges for equipment and buildings may be made. The full value of equipment or other capital assets and fair rental charges for land may be allowed provided that AID has approved the charges.

(ii) The value of donated property will be determined in accordance with the usual accounting policies of the grantee with the following qualifications:

(A) Land and buildings: The value of donated land and buildings may not exceed its fair market value, at the time of donation to the grantee as established by an independent appraiser; and certified by a responsible official of the grantee.

(B) Nonexpendable personal property: The value of donated nonexpendable personal property shall not exceed the fair market value of equipment and property of the same age and condition at the time of donation.

(C) Use of space: The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately owned building in the same locality.

(D) Borrowed equipment: The value of borrowed equipment shall not exceed its fair rental value.

-(f) The following requirements pertain to the grantee's supporting records for in-kind contributions from non-Federal third parties.

(1) Volunteer services must be documented and, to the extent feasible, supported by the same methods used by the grantee for its employees.

(2) The basis for determining the valuation for personal services, material, equipment, buildings and land must be documented.

(g) Individual expenditures do not have to be shared or matched provided that the total expenditures incurred during the year (or funding period) are shared or matched in accordance with the agreed upon percentage set forth in the schedule of the grant.

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- (h) If at the end of any year (or funding period) hereunder, the grantee has expended an amount of non-Federal funds less than the agreed upon percentage of total expenditures, the difference may be applied to reduce the amount of AID funding the following year (or funding period), or, if this grant has expired or been terminated, the difference shall be refunded to AID.
- (i) Failure to meet the cost sharing (matching) requirements set forth in paragraph (a) above shall be considered sufficient reasons for termination of this grant for cause in accordance with paragraph (a) entitled "For Cause" of the standard provision of this grant entitled "Termination and Suspension".
- (j) The restrictions on the use of AID grant funds hereunder set forth in the standard provisions of this grant are applicable to expenditures incurred with AID funds provided under this grant. The grantee will account for the AID funds in accordance with the standard provision of this grant entitled "Accounting, Audit, and Records".
- (k) Notwithstanding paragraph (b) of the standard provision of this grant entitled "Refunds", the parties agree that in the event of any disallowance of expenditures from AID grant funds provided hereunder, the grantee may substitute expenditures made with funds provided from non-Federal sources provided they are otherwise eligible in accordance with paragraph (b) of this provision.

(END OF STANDARD PROVISION)

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ATTACHMENT 5

Special Provisions

- A. Disbursement will be made by A.I.D. to EDUDELIC through the Banco Desarrollo Dominicano (BDD) which is under contract to A.I.D. to serve as the Fiduciary Agent for the PVO Co-Financing Project. The initial disbursement will be based upon an advance request from EDUDELIC to BDD to cover the first 90 days of reimbursable advances by EDUDELIC. Advance liquidations and requests for subsequent advances will be accomplished on a monthly basis and processed by the BDD for submission to A.I.D.
- B. EDUDELIC agrees to the following during implementation of the project:
1. Submission of annual work plans to ENTRENA, S. A. on the anniversary dates of the Grant award. The plan must include expected achievements, implementation schedule, verifiable and quantifiable indicators of progress, procurement plan and any other information which EDUDELIC, ENTRENA and A.I.D. may deem beneficial for the purpose of project monitoring and evaluation.
  2. EDUDELIC shall submit semiannual progress reports to ENTRENA by the end of every 6 months after the effective starting date of the Grant. Contents are described in B.3. (Monitoring Plan) of the Program Description.
  3. EDUDELIC shall submit semiannual reports to the Banco de Desarrollo Dominicano (copy to ENTRENA) on the financial status of the project in accordance with the format provided by BDD. The report shall contain a summary by budget element of the amounts committed, accrued expenditures and funds remaining. Separate columns should summarize the amounts advanced, liquidated and outstanding. Include a section on problems and delays with disbursement, cash flow, etc. The report should also include quantified amounts of contributions to the project from all counterparts, including EDUDELIC, and any other financial information deemed desirable by EDUDELIC, BDD, ENTRENA, and/or A.I.D. Auditable evidence of reported contributions from all sources must be maintained in EDUDELIC files for review by BDD, ENTRENA and/or auditors.
  4. EDUDELIC will be responsible for conducting baseline, midterm, and final evaluations of the project as

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described in B.4. (Evaluation Plan) of the Program Description. Progress will be measured against the indicators contained in this Agreement. Evaluation design, methodology and team composition must be approved by ENTRENA who will then monitor the overall effort. ENTRENA personnel will participate with the evaluation teams in the analysis of results. The baseline evaluation of the project shall be completed within the first six months after signing the Grant Agreement and a copy submitted to ENTRENA. The Evaluation shall contain at a minimum the following:

- Measurement of the actual situation regarding verifiable impact indicators at the beginning of the project.

Those indicators should be quantified where possible and submitted to ENTRENA for monitoring purposes.

- Pertinent findings which may cause the project assumptions to vary.
5. EDUDELIC shall submit to A.I.D. an annual audit of the institution after the end of the first year of implementation and at the end of the project which complies, in form and substance, to A.I.D. audit standards. This audit should include, in a separate section, relevant findings and recommendations regarding the activities financed with this Grant.
  6. Accompanying the monthly liquidation vouchers, EDUDELIC shall report, utilizing the format found on the attached sheet. The "source" and "origin of all goods and services purchased/provided with grant funds by EDUDELIC or its first tier of subcontractors/recipients.

The definition of the terms "source" and "origin" are defined below:

**Source of Goods:** The country location of the shipment port

**Source of Services:** The country location or incorporation of the firm supplying the service.

**Origin of Goods:** The country location where the commodity is manufactured or produced.

**Origin of Services:** The country location where the service payment is spent.

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

The Educadores Unidos del Cibao (EDUDELIC) (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: EDUCADORES UNIDOS DEL CIBAO (EDUDELIC)

BY: (Signature): \_\_\_\_\_ TITLE: \_\_\_\_\_

NAME: \_\_\_\_\_

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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 B of section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in regulation at 21 CFR 13.08.11 - 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, 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;

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(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) 91) 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.

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(7) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (b) 91) 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: EDUCADORES UNIDOS DEL CIBAO (EDUDELIC)

By: (Signature): \_\_\_\_\_ Title: \_\_\_\_\_

Name: \_\_\_\_\_

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