

EMBASSY OF THE  
UNITED STATES OF AMERICAOffice of Development Affairs  
July 31, 1987

Ms. Sebolelo Mohajane  
Director  
Careers Center  
P.O. Box 38  
Orlando  
Soweto 1804

Subject: Careers Center Planning Support for Port Elizabeth  
Careers Center  
Agreement No.: 674-0206-G-00-7032-00

Dear Ms. Mohajane:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter "the Recipient"), hereby enters into this agreement with Careers Centers (hereinafter "the Recipient") and obligates the sum of \$50,000 to provide support for a program described in Attachment No. 1, entitled "Schedule," and Attachment No. 2, entitled "Program Description and Financial Plan," of this Agreement.

This Agreement is effective and obligation is made as of July 31, 1987. The Agreement and obligation shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning July 31, 1987 and ending September 30, 1988, provided that all goods and services financed under the Agreement have been received by the Recipient by the latter date.

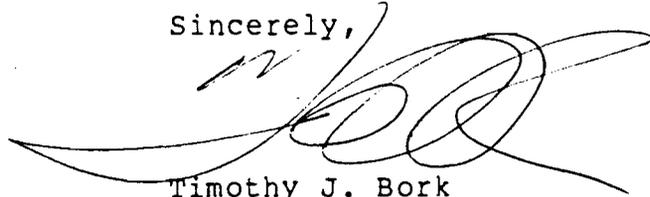
This Agreement is to be implemented in accordance with the terms and conditions set forth in Attachment 1, "the Schedule," Attachment 2, "Program Description and Financial Plan," and Attachment 3, "Standard Provisions." This letter and the three attachments just described, when agreed upon, constitute the Agreement.

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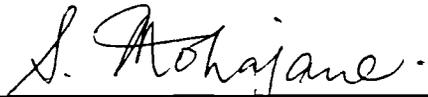
Please sign the original and six (6) copies of this letter. Please then return the original and five (5) copies of this letter to USAID/Pretoria.

Sincerely,



Timothy J. Bork  
Counselor for Development Affairs

ACKNOWLEDGED AND ACCEPTED  
Careers Center



By: Ms. Sebolelo Mohajane  
Title: Director

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

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FISCAL DATA:

Agreement No: 674-0206-G-00-7032-00

Appropriation: 72-117/81037

BPC: GES7-87-21674-KG14

Reservation Control No: B870115

Amount: \$50,000

Drafted: A. Marshall

Clearances: Mark Johnson, SPDO  
Carlos Pascual, Program Officer  
Donald Keene, RLA Draft  
Rick Solloway, Controller

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Careers Center Planning Support for  
Port Elizabeth Center

ATTACHMENT NO. 1

SCHEDULE

I. OVERVIEW OF THE AGREEMENT

This Agreement will provide funds to the Careers Center to conduct consultations with community groups, youth organizations and the Cape Town-based Careers Research and Information Center in order to develop a proposal and program for the proposed Careers Center in Port Elizabeth, a new educational resource center serving the South African black community. The nature of the program and the terms of the Agreement are fully described in Attachment 2 to this Agreement, entitled "Program Description and Financial Plan."

II. PERIOD OF AGREEMENT

The effective date of this Agreement is July 31, 1987. The expiration date is September 30, 1988, meaning that no USAID funds shall be applicable under this Agreement to goods and services not received by the Recipient by this date.

III. AMOUNT OF CONTRIBUTION

A. USAID hereby obligates the sum of \$50,000 for purposes of this Agreement. In no event shall the costs of the Recipient applicable to the Agreement exceed the U.S. dollar amount obligated, unless a written amendment to this effect is executed by the Agreement Officer in accordance with procedures set forth in Attachment 3, Standard Provision 10, entitled "Amendment."

B. Payment shall be made to the Recipient in accordance with procedures set forth in Attachment 2, Section VI, entitled "Financial Management."

C. The Financial Plan for this Agreement is provided in Attachment 2, Section VII, entitled "Financial Plan." Revisions of this plan shall be made in accordance with Standard Provision 4 of this Agreement, located in Attachment 3 and entitled "Revision of Agreement Budget." All line-item adjustments must receive prior USAID approval.

IV. REPORTING

Financial reporting requirements are detailed in Attachment 2, Section IV, entitled "Financial Management". Other reporting requirements are detailed in Attachment 2, Section V, entitled "Reporting".

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V. OVERHEAD RATE

Not applicable.

VI. TITLE OF PROPERTY

Title to all property purchased under this Agreement shall vest in the Recipient in accordance with the terms of Attachment 3, Additional Standard Provision 19, entitled "Title to and Use of Property."

VII. AUTHORIZED GEOGRAPHIC CODE

United States and Republic of South Africa.

VIII. LOCAL COST FINANCING

As provided for under Additional Standard Provision 8 of this Agreement, located in Attachment 3 and entitled "Local Cost Financing", it is hereby specified that the amount of U.S. dollars authorized to be used for local cost financing is the entire amount obligated under this Agreement.

IX. SPECIAL PROVISIONS

A. Conditions Precedent to Disbursement

1. Accounting. Prior to the disbursement of funds or to the issuance of any commitment documents under the Agreement, the Recipient shall provide, in form and substance satisfactory to USAID, evidence that the Recipient has established a bank account for the proper receipt and handling of all funds provided under this Agreement and that adequate fiscal management policies and practices exist. USAID will conduct a financial review to confirm that the Recipient can maintain adequate records and accounts.

B. Covenants

1. Procurement. The Recipient shall make every reasonable effort to procure with funds provided under this Agreement goods and services from legally disadvantaged individuals or businesses.

Where feasible, procurement of goods and services with funds provided under this Agreement shall be pursuant to a competitive bidding process.

X. STANDARD PROVISIONS

The Standard Provisions applicable to this Agreement are contained in Attachment 3, Standard Provisions.

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## ATTACHMENT NO. 2

### PROGRAM DESCRIPTION AND FINANCIAL PLAN

#### I. Summary

This Agreement will provide funds to the Careers Center to plan, in conjunction with community leaders and other youth programs, a youth information and careers center in Port Elizabeth. The Center will be modeled on both the Careers Center and the Cape Town-based Careers Research and Information Center, but will be modified to meet the particular needs of the young black communities of Port Elizabeth and its environs.

General outputs will be the design of the project, suggestions for its implementation, and recognized community support for the project. Specific outputs will be a project document, a proposal for funding, a curriculum for courses, a training program, and specific materials to be used by the Center and also by other community organizations.

#### II. Problem

Young people in the Eastern Cape are beset both by the problems facing young people generally in South Africa, and also by the socio-economic conditions prevailing in the area. The economic recession has totally devastated Port Elizabeth and surrounding areas, exacerbating already serious social problems. Young people are among the most serious casualties, as their hopes of improving their life-chances diminish rapidly and their descent into the poverty syndrome is inevitable. Oftentimes, due to disrupted and inferior education, young people lack the minimal qualifications to obtain employment. Even those with qualifications are competing for a limited number of positions, with the result that unemployment is the only reality for the vast majority.

It is generally recognized that improved life-chances and opportunities for education and employment, and hence control over their existence and environment, are the underlying requirements of young people. The persistent denial of these, solely on the grounds of race, is a cause for extreme resentment.

#### III. Purpose

The purpose of this Agreement is to enable the Careers Center, in conjunction with community leaders and organizations, young people and the Careers Research and Information Center (CRIC) to devise a program for a center modeled on both the Careers Center and CRIC, which would address some of the pressing needs of disadvantaged young people, and interlink with other organizations to provide technical skills training and information and advice on non-formal employment opportunities.

#### IV. Program Description

The broad aim of the Port Elizabeth-based information and careers center is to assist young people to acquire both technical and social skills necessary to channel their energies positively and to gain some element of control over their own lives. In this way, it is hoped that the cycle of poverty and alienation will be broken, and that young people will be able to create a role for themselves

in changing the current situation constructively, and also to better prepare themselves for a more equitable and democratic post-apartheid society.

This Agreement will provide funds for consultation with community leaders, young people, community and youth organizations. It will also provide a consultation fee to Careers Center and CRIC to have specific input into these consultations. To facilitate the consultations and production of planning documents, the Agreement will allow the Careers Center to hire a full-time coordinator to oversee the planning exercise.

Agreement funds will also be used to design the entire project, both for the Center and its outreach program; to form links with other organizations such as trade unions and advice centers and specify their input; to design a curriculum and training program for the center and its outreach program; and to produce specific course materials for use by the program.

Travel costs to the amount specified in the financial plan (Table 1) will be provided to enable the extensive, necessary consultations to take place. Administration costs to the amount specified in the Financial Plan will be provided to the Careers Center under this Agreement. Professional services such as financial and legal costs may also be met using Agreement funds, as specified in the financial plan. The Careers Center will contract with specific organizations and/or individuals with particular expertise to design the curricula, courses and to produce materials.

#### V. Reporting Requirements

The Careers Center will provide USAID with a copy of the program document and its recommendations, together with samples of materials and an illustrative list of course topics at the end of the period of this Agreement. All documents will be completed by September 30, 1988.

#### VI. Financial Management

A. Accounting Responsibilities. The Careers Center shall be responsible for accounting for all funds provided under this Agreement. Financial reporting shall be in the form of submission of invoices on an as-needed basis, as described in Part B of this Section, below. There shall be no other financial reporting requirements.

B. Disbursement Procedures. Local currency disbursements from USAID to Careers Center will be made through an advance and monthly reimbursements. Included in this Agreement as Table 2 is a budget for a 90-day advance based upon expected expenditures covered by the Agreement over a three-month period. Execution of this Agreement both constitutes USAID approval of the advance and earmarks and commits funds for the entire Agreement.

Each month, the Careers Center will submit invoices for all expenditures covered by the Agreement. USAID will replenish the advance for expenditures of recurring items. It will not replenish the advance for expenditures of a non-recurring nature.

At the end of the Agreement, the advance balance will be liquidated through submission of paid invoices and/or cash. Any interest earnings from funds provided under the Agreement will be returned to USAID.

Should there be a need to increase the level of the advance, USAID should be notified in writing at least 90 days before the required increase. USAID will advise, in writing, of any approved increases. Likewise, USAID reserves the right to decrease the level of the advance should expenditures fall below projected levels.

#### VII. FINANCIAL PLAN

A. Length of Assistance. The Agreement will provide funding for the items enumerated in Section V of this document from July 30, 1987 through September 30, 1988. An illustration of the financial assistance plan is set out below, in Table 1.

B. Level of Assistance. Funding for the activities financed under this Agreement is at a level of \$50,000. The budget line items provided in Table 1 have been calculated by taking the amounts required by Careers Center in South African Rands and then converting these to U.S. Dollars at an exchange rate of R1.85/US\$1. While the Rand amounts are included in Table 1 for illustrative purposes, the U.S. Dollar totals, and not their Rand equivalents, constitute the binding level of USAID assistance.

Due to exchange rate fluctuations, South African Rands available under any individual item financed under this Agreement may exceed levels budgeted for by Careers Center and thus allow other items to be financed as well. In such an event, Careers Center will consult with USAID on the priority use of these funds, and arrangements will be made to amend the Agreement to provide for their expenditure. However, should changes in the exchange rate result in fewer South African Rands being available than budgeted for, Careers Center must finance the shortfall since the U.S. Dollar amount prevails.

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