

PD - ABK-202
92530



PROJECT ASSISTANCE COMPLETION REPORT

PROJECT TITLE: Caribbean and Latin American Scholarship Program (CLASP) [including LAC Training Initiatives II and the Presidential Training Initiative for the Island Caribbean] - See Attachment I

PROJECT NUMBER: 538-0640

FUNDING PERIOD: February 14, 1985 - September 30, 1994

I.O.P FUNDING: \$19,225,675

IMPLEMENTING AGENCIES: Academy for Educational Development (AED) and Partners for International Education and Training (PIET)

PACD: Original: 09/30/92; Amended: 09/30/94

1. PROJECT PURPOSE:

To increase the number of U.S. trained public and private sector individuals, especially the disadvantaged, at the planning, implementation, technical and administrative levels. The PTIIC program in RDO/C sought to direct scholarship opportunities to individuals with demonstrated leadership potential across a broad spectrum of academic and technical fields, with particular emphasis on individuals from socially/economically disadvantaged groups.

While priority groups for inclusion in the PTIIC were tailored to the needs of each of the respective participating countries, the general focus of RDO/C's program was on: primary and secondary school teachers, youth leaders, labor leaders, private sector individuals, those individuals desiring training in areas vital to development, and individuals in ministries who had returned from Soviet Bloc training. Trainees were selected on the basis of economic need, scholastic aptitude, membership in a socially disadvantaged group, leadership potential and the development needs of the region.

2. BACKGROUND:

The Caribbean and Latin American Scholarship Program (CLASP) was initiated by the U.S. Agency for International Development in 1985 as a direct response to recommendations made in January 1984 by the National Bipartisan Commission on Central

America, chaired by Dr. Henry Kissinger. The Commission outlined a long-term program of support to strengthen the human resource base of the Latin American and Caribbean Region in order to provide an adequate foundation for viable democratic societies and social and economic development. The program was expanded to include the Eastern Caribbean in 1986 and the Andean region of South America in 1987. The first phase of the Program (CLASP I) extended through 1994 and consisted of three sub-programs: the Central American Peace Scholarship Program (CAPS), the LAC Training Initiatives II (LAC II) Project which included the Presidential Training Initiative for the Island Caribbean (PTIIC) Program, and the Andean Peace Scholarship Program (APSP).

CLASP training, like all USAID Mission training programs and projects, was required to support the Mission's Strategic Objectives which at that time were based on A.I.D.'s four primary strategic thrusts:

- advancing broad-based economic growth (growth with equity);
- strengthening democratic situations;
- smaller, healthier families; and
- sustaining an acceptable environmental balance.

CLASP supported two sub-objectives of the LAC Economic Objective (Encourage Increased Opportunities for the Disadvantaged, and Encourage Preservation and Sustainable Use of the Natural Resource Base); and two sub-objectives of the Democracy Objective (Strengthen Civilian Government Institutions, and Strengthen Public Participation in the Democratic Process).

The PTIIC program in the Eastern Caribbean was announced by Former President, Ronald Reagan, during a visit to Grenada in February 1986, as a new scholarship program for the Eastern Caribbean, Jamaica, Haiti and the Dominican Republic. The goal of the PTIIC program was to provide training opportunities to socially and economically disadvantaged individuals who have never had the opportunity to study in the United States and who would not otherwise have that opportunity. The objectives of RDO/C's PTIIC program were:

- ♦ To increase the number of U.S. trained individuals from socially or economically disadvantaged populations, including youth and women, who exhibit leadership potential and who would not otherwise have the opportunity to obtain training in the United States.

- ◆ To provide trainees with skills and knowledge which would help them perform their roles at home more effectively, especially those roles related to their nations' development.
- ◆ To enable trainees to experience American life and the democratic process through participatory activities and relationships with American people and institutions, and to ensure that these relationships and experience will continue to have an impact on trainees' personal or professional roles after returning home.
- ◆ To provide trainees with the knowledge and experiences to influence their own organizations and communities through acquisition of new technical skills and the motivation and enthusiasm to share their positive experiences and new ideas with others.
- ◆ To reinforce gains made through training by promoting multiplier effects and by conducting follow-on activities.
- ◆ To improve the education and human resource development capability of Caribbean nations through teacher training and training of educational administrators.
- ◆ To strengthen the private sector by increasing skills in the human resource base especially in business related to tourism, trade and agriculture.

The PTIIC program in RDO/C sought to direct scholarship opportunities to individuals with demonstrated leadership potential across a broad spectrum of academic and technical fields, with particular emphasis on individuals from socially/economically disadvantaged groups.

RDO/C's PTIIC program had four components: (1) long-term training (technical and academic); (2) short-term technical training; (3) teacher training; and (4) secondary school exchanges. In addition, the program had very specific project targets which had been set by AID/Washington. These were:

- ◆ By the conclusion of the program in 1994, 622 individuals were to have been trained in the United States by RDO/C.
- ◆ A minimum of 40 percent of all trainees had to be women.

- ◆ At least 70 percent of the trainees had to be economically or socially disadvantaged; the remaining 30% need not be classified as disadvantaged, but they could not be from among the elite who had the resources to study in the U.S.
- ◆ A minimum target level of 30 percent of the trainees had to be placed in long-term training.
- ◆ At least 10 percent of all trainees had to be placed in Historically Black Colleges and Universities.

3. PROJECT FUNDING:

During FY85-87, a total of \$2,081,925 was obligated to seven regional governments (\$1,085,000), a U.S. training provider (\$96,925) and a private sector institution (\$56,000) to implement the LAC Training Initiatives II Project. In addition, the sum of \$301,103 was transferred from the LAC Training Initiatives II Project to the Presidential Training Initiative for the Island Caribbean Program.

Following is a breakdown of the obligations:

Agencies	FY 1985	FY 1986	FY 1987
Gov't of Antigua	\$147,000	\$79,000	-0-
Barbados Chamber of Commerce	\$ 56,000	-0-	-0-
Gov't of Barbados	\$100,000	-0-	-0-
Gov't of Dominica	\$168,000	\$91,000	- 0 -
Gov't of Grenada	\$185,000	\$200,000	\$400,000
Gov't of St. Kitts	\$166,500	\$98,000	-0-
Gov't of St. Lucia	\$140,000	\$32,000	-0-
Gov't of St. Vincent	\$122,500	-0-	-0-
PASA - Voice of America	-0-	-0-	\$96,925
TOTAL	\$1,085,000	\$500,000	\$496,925

In 1986, the LAC Training Initiatives II Project was amended to include the Presidential Training Initiative for the Island Caribbean Program. A total of \$16,853,750 was obligated to this program.

Following is a breakdown of the funds obligated to the PTIIC program:

Buy-in to AID/W Contract with United Schools of America Contract	\$ 4,474,000
Mission's Institutional Contract with Academy for Educational Development (AED)	\$ 9,775,328
Grant with the Organization of Eastern Caribbean States (this amount included \$1,897,453 for the Institutional Contract with AED. Unfortunately since Contract negotiations had not yet started, the funds were "parked" in the Grant to be obligated to the Contract at a later date)	\$ 2,604,422
TOTAL FUNDS OBLIGATED TO PROGRAM	\$16,853,750 =====

4. SUMMARY OF INPUTS AND ACCOMPLISHMENTS:

4.1 Planned vs. Actual Accomplishments:

Under the LAC II Project, provision was made for both long-term academic and short-term technical training. The PTIIC program had four components: (1) long-term training (technical and academic); (2) short-term technical training; (3) teacher training; and (4) secondary school exchanges.

4.2 Planned Accomplishments:

Under the LAC II Project, provision was made for five individuals to pursue long-term training, two at the undergraduate level and three at the graduate level. Short-term technical training was planned for 100 individuals.

Under the PTIIC program, undergraduate scholarships were offered in the areas of agriculture, business, economics, education (including teacher training), engineering, hotel management, mathematics and statistics and public administration. Short-term technical training was offered to the following groups of individuals: agriculturalists, journalists, mid-level managers and public and private sector individuals. The teacher training component offered skills upgrading and enhancement to both primary and secondary school teachers. The secondary school exchange programs allowed disadvantaged youth between the ages of 17-18 to spend one year in a U.S. high school and live with an American host family as part of the American Field Scholarship Program. Overall, RDO/C projected training a total of 622 individuals, with 228 individuals receiving long-term training, 265

teachers receiving teacher training and 129 public and private sector individuals receiving short-term technical training.

4.3 Actual Accomplishments:

1. Under the LAC II Project, two individuals were granted scholarships to pursue undergraduate degrees and three individuals were awarded scholarships to pursue graduate degrees. Short-term technical training was provided to 101 individuals in the areas specified in the project paper.
2. Following are the accomplishments under the PTIIC program:
 - a) a total of 214 individuals, including 87 (or 41%) females, received long-term training leading to associate and undergraduate degrees in the areas identified above. Several of the trainees were able to complete a four-year degree in three years and in a few cases in two years.
 - b) Short-term technical training was provided to 242 individuals, 85 or 35% of whom were females. Training was provided in the following areas: Agribusiness Management; Entrepreneurial Management; Small Business Management and Practices; Hospitality Management; Farm Management Education; Management of Sustainable Natural Resource Development and Environmental Protection; Development and Management of Small Agribusiness Enterprises; International Financial Fraud; Middle Management Development in Tax Administration; Management of Health Services; Project and Programs; Customs and Excise Tax Administration; Management of Rural Development; Women in Development; Democratization and Leadership; Public Taxation Policy; and Public Budgeting and Financial Management.
 - c) A total of 264, including 167 (or 63%) females primary and secondary school teachers participated in specially tailored courses to upgrade and enhance their teaching skills. They were trained in two groups, the first group of 65 teachers (33 of whom were females) were trained at the University of the Virgin Islands. The second group of 199 teachers (134 of whom were females) were trained at

Florida A&M University where they were awarded undergraduate credits for this training which could later be credited towards a bachelor's degree.

- d) 11 secondary school students, all of whom were females, participated in the American Field Scholarship exchange program.

In summary, at the end of the LAC II project, a total of 5 individuals received academic training while 101 individuals received training at the short-term technical level.

At the end of the PTIIC program, a total of 225 individuals received long-term training (including the secondary school students). Short-term technical training was arranged for 242 individuals and 264 teachers were provided with specialized teacher training. Under this program, RDO/C had projected training a total of 622 trainees, of which 228 were to be long-term training. RDO/C trained a total of 731 individuals with 225 being long-term.

Following is a summary of the accomplishments under the PTIIC program:

	<u>Targets</u>	<u>Accomplishments</u>
Total Trainees	622	731
Females	40%	48%
Disadvantaged	70%	86%
Long-Term Trainees	30%	31%
HBCU Placements	10%	51%

All minimum target areas established by AID/Washington have been exceeded by RDO/C.

5. RECOMMENDATIONS FOR CONTINUED SUPPORT:

Continued monitoring is not required.

6. LESSONS LEARNED:

Lesson No. 1 Beneficiaries should be involved in the design of projects

A.I.D. needs to involve the public and private sectors at the project design stage rather than design and present them with a project.

In the case of PTIIC, former President, Ronald Reagan visited Grenada in February 1986 and promised Caribbean nationals that he would triple the number of scholarships to the Caribbean region through a new scholarship program. Caribbean leaders interpreted this to mean that the number of scholarships to the **Eastern Caribbean** region would be increased three-fold. Later on they were informed that the Caribbean region meant the Latin American and Caribbean. This was the first upset. This was quickly followed by the delivery of a project which contained numerous surprises for them.

PTIIC turned out to be the Central American Peace Scholarship Program with a name change. PTIIC contained very stringent selection criteria which had not been discussed with the participating countries and which they were told was "written in stone". They were also opposed to the specific targets which were established by AID/Washington, for example, percentage of females, percentage of long-term vs. short-term training, HBCU placements, etc.

With creative programming and a lot of hand-holding by Mission staff, this program was a success, as is evidenced by the fact that RDO/C's project goals were surpassed. However, this program could have been much more successful if regional governments had been involved in the design phase.

Lesson No. 2 Cost Containment - Ways in which it worked

Under the PTIIC program, Missions were encouraged to practice cost containment. Below are some examples of the Mission's efforts to lower training costs:

- ♦ **Careful selection, screening and monitoring of trainees.** When PIO/Ps are prepared, most missions estimate the duration of a program and allocate funding accordingly. RDO/C found that selecting individuals who were academically prepared for undergraduate training actually resulted in cost savings, for example, most of RDO/C's undergraduate trainees completed a four year degree in three years, a few in two years and in one exceptional case, in ten months. The trainee who completed in ten months had completed a three-year diploma in

his home country for which he received advanced placement credits. Along with the importance of selecting prepared candidates, the Mission also closely monitored all AETRs and communicated with governments and trainees on their performance.

◆ **Negotiation with training institutions.** RDO/C found that most institutions were willing to negotiate if the Mission and/or placement contract was persistent. Some of our successful negotiations which resulted in cost containment are listed below:

- a) negotiated tuition costs where several trainees were placed at the same institution;
- b) negotiated advanced placement credits for trainees who had successfully pursued post-secondary or vocational qualifications. This was a labor intensive process, which commenced at the time candidates were interviewed, since they had to be instructed to walk with transcripts and course outlines. It was further reinforced at pre-departure orientation. Finally, the Mission worked with the placement contractor to ensure that the trainees did receive the advanced placement credits;
- c) pursued cost sharing possibilities. RDO/C found that there were several institutions, organizations, and foundations which were willing to cost share. We successfully cost-shared with the Florida Inter-American Scholarship Foundation on several occasions;
- d) negotiated package deals for groups of short-term technical trainees with selected institutions.

Lesson No. 3 Avoid buy-ins to central contracts where the Mission has no control

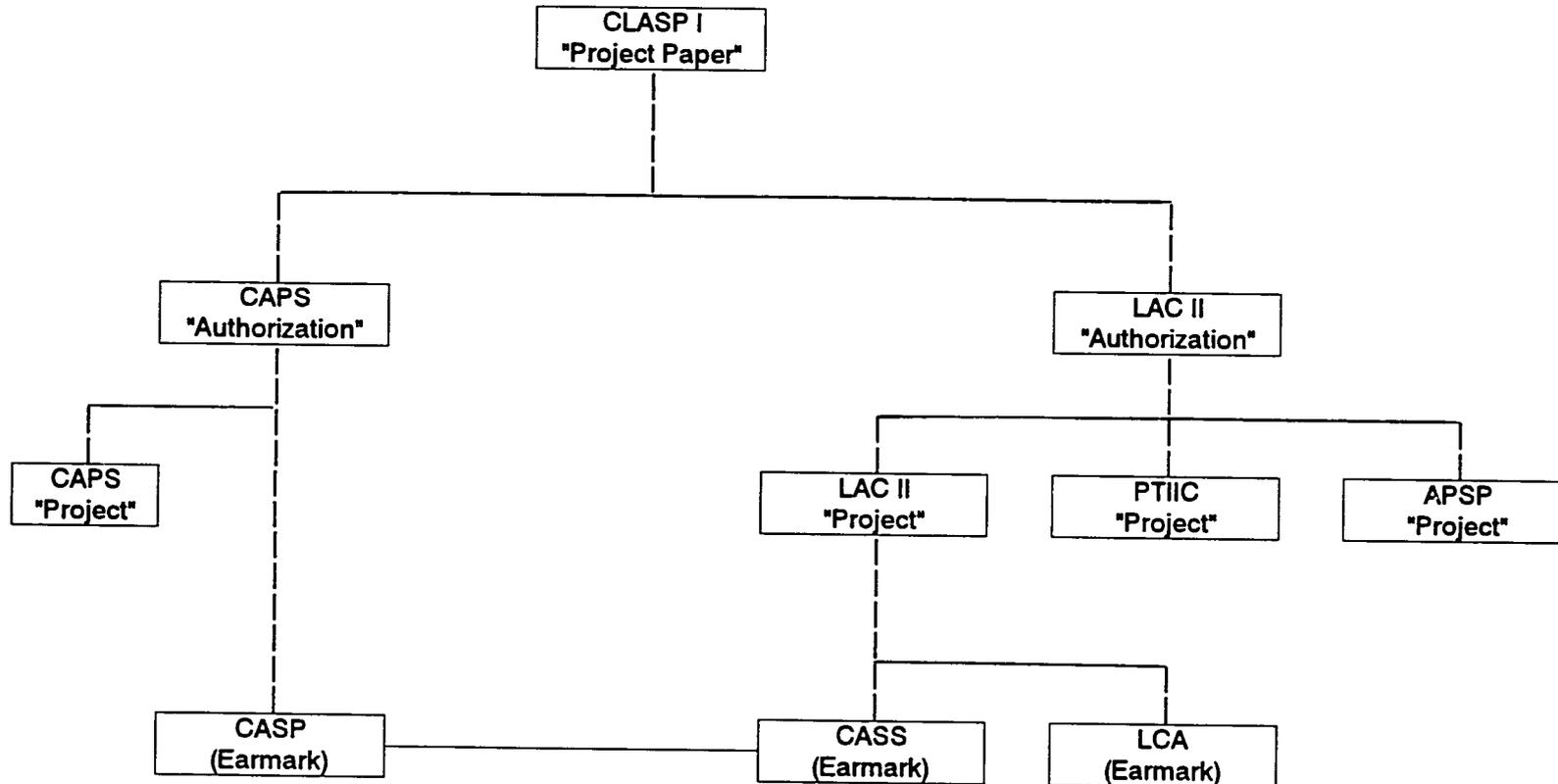
When PTIIC was implemented, AID/Washington entered into a Contract with the Small Business Association for administration of the program. The sub-contractor under the Contract was United Schools of America, Inc (USA). USA then entered into a subcontracting arrangement with Creative Associates, Inc. (CA). USA had overall responsibility for

contract implementation and specific geographic responsibility for Haiti and Jamaica while CA had specific geographic responsibility for the Dominican Republic and the Eastern Caribbean. Since funding for this program was regional funds, the four participating Missions bought-in to the Central Contract. The rationale for a central contract was to contain administrative and training costs through, inter alia, special arrangements that the contractor was required to develop with training institutions. RDO/C's buy-in to the central contract was \$4,474,000.

This contractual arrangement, rather than containing administrative costs, proved to be very expensive. This was due to the fact that contrary to information relayed to the Mission, RDO/C was charged double overheads, both to the prime contractor and the subcontractor. At the termination of the Contract, a total of \$4,006,033.72 of the Mission's buy-in had been expended. Of this amount, \$875,141.12 or 28% of the total was administrative costs. Since this was not a Mission contract, we had no say in whether we approved payment of double overheads, especially when we were assured that we would only be paying overhead to Creative Associates.

On another issue, the Mission found it extremely difficult, at times impossible to obtain documentation, including study plans and AETRs, on its trainees from the subcontractor. RDO/C became embroiled in several "verbal battles" with the subcontractor over what the Mission interpreted as a breach of the contract, however, we were reminded on several occasions by the subcontractor that they did not have a contractual arrangement with RDO/C.

CLASP I FLOW CHART



LEGEND:

- APSP Andean Peace Scholarship Program
- CLASP I Caribbean and Latin American Scholarship Program
- CAPS Central American Peace Scholarship Program
- CASP Central American Scholarship Program
- CASS Cooperative Association of States for Scholarships
- LAC II Latin American and Caribbean Training Initiatives II
- LCA Leadership Center of the Americas
- PTIIC Presidential Training Initiative for the Island Caribbean