



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

ENTERED

OCT 27 1993

Section

Dr. Joseph Jones, Associate Vice President
for Academic Affairs
Texas Southern University
3100 Cleburne Avenue
Houston, TX 77004

Subject: Grant No. PCE-5053-G-00-3052-00

Dear Dr. Jones:

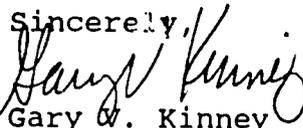
Pursuant to the authority contained in the Foreign Assistance Act of 1961 and the Federal Grant and Cooperative Agreement Act of 1982, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby grants to Texas Southern University (hereinafter referred to as "TSU" or "the Grantee") the sum of \$100,000 to provide financial support for the program described in Attachment 2 of this Grant entitled "Program Description."

This Grant is effective and obligation is made as of the date of this letter and shall apply to expenditures made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending September 30, 1995.

This Grant 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 Attachment 1 (the Schedule); Attachment 2 (the Program Description); and Attachment 3 (the Standard Provisions); all of which have been agreed to by your organization.

Please sign the original and all enclosed copies of this letter to acknowledge your receipt of this grant and return the original and all but one copy to the undersigned.

If you have any questions, please contact Ms. Karin Kolstrom of my staff at (703) 875-1189.

Sincerely,

Gary W. Kinney
Grant Officer
Chief, PCE Branch
Division B
Office of Procurement

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

ACKNOWLEDGED:

Texas Southern University

BY: Joseph Jones

TYPED NAME: Joseph Jones, Ph.D.

TITLE: Associate Vice President for Academic Affairs

DATE: 10/15/93

97861

FISCAL DATAA. GENERAL

A.1. Total Estimated A.I.D. Amount: \$100,000
A.2. Total Obligated A.I.D. Amount: \$100,000
A.3. Cost-Sharing Amount (Non-Federal): \$12,000
A.4. Other Contributions (Federal): \$0
A.5. Project No.: 936-5053
A.6. A.I.D. Project Office: R&D/UC
A.7. Funding Source: A.I.D./W
A.8. Tax I.D. No.: 74-6001391
A.9. CEC No.: N/A
A.10. LOC No.: N/A

B. SPECIFIC

B.1.(a) PIO/T No.: 936-5053-3692950
B.1.(b) Appropriation: 72-1131021.1
B.1.(c) Allotment: 341-36-099-00-20-31
B.1.(d) BPC: DDVA-93-16900-KG11
B.1.(e) Amount: \$100,000

ATTACHMENT 1**SCHEDULE****1A. PURPOSE OF GRANT**

The purpose of this Grant is to provide financial support for the program described in Attachment 2 of this Grant entitled "Program Description."

1B. PERIOD OF GRANT

The effective date of this Grant is the date of the Cover Letter and the estimated completion date is September 30, 1995. Funds obligated hereunder (see Section 1C.2. below) shall be used to reimburse the Grantee for allowable program expenditures incurred by the Grantee in pursuit of program objectives during such period. Funds obligated hereunder are anticipated to be sufficient for completion by the Grantee of the program described in Attachment 2 of this Grant by the estimated completion date.

1C. AMOUNT OF GRANT AND PAYMENT

1C.1. The total estimated amount of this Grant for its full period, as set forth in Section 1B. above, is \$100,000.

1C.2. A.I.D. hereby obligates the amount of \$100,000 for the purposes of this Grant during the indicated period set forth in Section 1B. above, thereby fulfilling A.I.D.'s funding requirements. A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount, except as specified in paragraph (f) of the Standard Provision of this Grant entitled "Revision of Grant Budget."

1C.3. Payment shall be made to the Grantee in accordance with procedures set forth in the Standard Provision of this Grant entitled "Payment - Letter of Credit," as shown in Attachment 3.

1D. GRANT BUDGET

1D.1. The following is the Budget for the total estimated amount of this Grant (see Section 1C.1. above) for its full period (see Section 1B. above). The Grantee may not exceed the total estimated amount or the obligated amount of this Grant, whichever is less (see Sections 1C.1. and 1C.2., respectively, above). Except as specified in the Standard Provision of this Grant entitled "Revision of Grant Budget," as shown in Attachment 3, the Grantee may adjust line item amounts as may be reasonably necessary for the attainment of program objectives.

1D.2. Budget

<u>Cost Element</u>	<u>A.I.D.</u>	<u>Cost-Sharing Non-Federal</u>	<u>Total</u>
Salaries	\$36,610	\$0	\$36,610
Fringe	\$10,983	\$0	\$10,983
Travel	\$11,000	\$2,000	\$13,000
Non-Exp. Equip.	\$9,150	\$0	\$9,150
ODC	\$13,952	\$10,000	\$23,952
Overhead	<u>\$18,305</u>	<u>\$0</u>	<u>\$18,305</u>
Total:	\$100,000	\$12,000	\$112,000

1D.3. Inclusion of any cost in the budget of this Grant does not obviate the requirement for prior approval by the Grant Officer of cost items designated as requiring prior approval by the applicable cost principles (see the Standard Provision of this Grant set forth in Attachment 3 entitled "Allowable Costs") and other terms and conditions of this Grant, unless specifically stated in Section 1I. below.

1E. REPORTING**1E.1. Financial Reporting**

1E.1.(a) Financial reporting requirements shall be in accordance with the Standard Provision of this Grant entitled "Payment - Letter of Credit," as shown in Attachment 3. If a Standard Form 269 is required by the aforesaid Standard Provision, the "Long Form" of said form shall be used.

1E.1.(b) All financial reports shall be submitted to A.I.D., Office of Financial Management, FA/FM/CMPD/DCB, Room 700 SA-2, Washington, D.C. 20523-0209. In addition, three copies of all financial reports shall be submitted to the A.I.D. Project Office specified in the Cover Letter of this Grant, concurrently with submission of the Quarterly Technical Reports (See Section 1E.2. below).

1E.1.(c) The frequency of financial reporting and the due dates of reports shall be as specified in the Standard Provision of this Grant referred to in Section 1E.1.(a) above.

1E.2. Program Reporting**1E.2.(a) Annual Workplan**

1E.2.(a)(1) The Grantee shall submit an annual workplan for this Grant which shall contain the following:

1E.2.(a)(1)(A) An action-oriented workplan describing planned activities for the next year, delineated by calendar quarter, and linked to the project goals and objectives, which describes the individuals to be involved, the activities to be conducted, and where and when they will be conducted. Planned activities shall be grouped by subject category, and then related to project objectives;

1E.2.(a)(1)(B) A projected budget, utilizing the same budget line items as are set forth in the budget of this Grant, for each calendar quarter, corresponding to the workplan; and

1E.2.(a)(1)(C) Publications, reports, workshops, seminars, and other information dissemination activities planned, by calendar quarter.

1E.2.(a)(2) The Grantee may develop the annual workplan in consultation with the A.I.D. Project Officer for this Grant.

1E.2.(a)(3) Five (5) copies of the annual workplan shall be submitted to the designated A.I.D. Project Officer for this Grant and one copy submitted to the Grant Officer. The annual workplan shall be submitted by the Grantee not later than sixty (60) days from the effective date of this Grant (see Section 1B. above).

1E.2.(b) Quarterly Reports

The Grantee shall submit five (5) copies of brief quarterly program performance reports, which coincide with the financial reporting periods described in Section 1E.1. above, to the A.I.D. Project Office specified in the Cover Letter of this Grant. In addition, two copies shall be submitted to A.I.D., POL/CDIE/DI, Washington, DC 20523-1802. These reports shall be submitted within 30 days following the end of the reporting period, and shall briefly present the following information:

1E.2.(b)(1) A comparison of actual accomplishments with the goals established for the period, the findings of the investigator, or both. If the output of programs can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

1E.2.(b)(2) Reasons why established goals were not met, if applicable.

1E.2.(b)(3) Other pertinent information including the status of finances and expenditures and, when appropriate, analysis and explanation of cost overruns or high unit costs.

1E.2.(c) Special Reports

1E.2.(c)(1) Within 30 days following the completion of each international trip, the Grantee shall submit 3 copies of a trip report summarizing the accomplishments of the trip to the A.I.D. Project Officer specified in the cover letter of this Grant. If several individuals are travelling together to one site, a single report representing the group will suffice. The report shall include the purpose of the trip, technical observations, suggestions and recommendations, overall impressions of the site situation (if appropriate), and a list of persons visited with their title and organization affiliation.

1E.2.(c)(2) Between the required program performance reporting dates, events may occur that have significant impact upon the program. In such instances, the Grantee shall inform the A.I.D. Project Officer as soon as the following types of conditions become known:

1E.2.(c)(2)(A) Problems, delays, or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any A.I.D. assistance needed to resolve the situation.

1E.2.(c)(2)(B) Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

1E.2.(c)(3) If any performance review conducted by the Grantee discloses the need for change in the budget estimates in accordance with the criteria established in the Standard Provision of this Grant entitled "Revision of Grant Budget," the Grantee shall submit a request for budget revision to the Grant Officer and the A.I.D. Project Officer specified in the Cover Letter of this Grant.

1E.2.(d) Environmental Impact

If it appears that the outputs of this project will result in an adverse environmental impact, the Grantee shall notify the A.I.D. Project Officer prior to implementation, in order to allow for orderly preparation of an environmental impact statement. The Grantee shall assure that appropriate U.S. Government and/or host country procedures are followed.

1E.2.(e) Care of Laboratory Animals

If the Standard Provision entitled "Care of Laboratory Animals" applies to this Grant, the Grantee shall include the certificate required by paragraph (c) of said Standard Provision in all of its reports which pertain to the use of laboratory animals.

1E.2.(f) Final Report

Within 90 days following the estimated completion date of this Grant (see Section 1B. above), the Grantee shall submit five (5) copies of a final report to the A.I.D. Project Office specified in the cover letter of this Grant. In addition, two copies shall be submitted to A.I.D., POL/CDIE/DI, Washington, DC 20523-1802. It will cover the entire period of the Grant and include all information shown in Sections 1E.2.(a) and 1E.2.(c) above.

1F. SPECIAL PROVISIONS

1F.1. OPTIONAL STANDARD PROVISIONS

The following Optional Standard Provisions for U.S., Nongovernmental Grantees, as listed in Attachment 3 of this Grant, are hereby deleted as follows:

<u>Provision</u>	<u>Page</u>
Payment - Periodic Advance	13
Payment - Cost Reimbursement	15
Local Cost Financing	33
Patent Rights	35
Negotiated Indirect Cost Rates - Provisional	46
Participant Training	48
Voluntary Population Planning	49
Care of Laboratory Animals	57
Title To and Care of Property(U.S. Government Title)	63
Title To and Care of Property(Cooperating Country Title)	67

All other Optional Standard Provisions are hereby incorporated into this Grant and have been checked off on page 9 of Attachment 3.

1F.2. Limitations on Reimbursement of Costs of Compensation for Personal Services and Professional Service Costs

1F.2.(a) Employee Salaries

Except as the Grant Officer may otherwise agree in writing, A.I.D. shall not be liable for reimbursing the Grantee for any costs allocable to the salary portion of direct compensation paid by the Grantee to its employees for personal services which exceed the highest salary level for a Foreign Service Officer, Class 1 (FS-1), as periodically amended.

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1F.2.(b) Consultant Fees

Compensation for consultants retained by the Grantee hereunder shall not exceed, without specific approval of the rate by the Grant Officer: either the highest rate of annual compensation received by the consultant during any full year of the immediately preceding three years; or the maximum rate of a Foreign Service Officer, Class 1 (FS-1) (as periodically amended), whichever is less. A daily rate is derived by dividing the annual compensation by 2,087 and multiplying the result by 8.

1F.3. Defense Base Act (DBA) and Medical Evacuation Insurance

Pursuant to Section J.16. of OMB Circular A-21 (for educational institutions) or Section 18 of Attachment B of OMB Circular A-122 (for nonprofit organizations other than educational institutions), the Grantee is authorized to purchase DBA and/or medical evacuation insurance under this Grant. If DBA insurance is purchased, it shall be purchased from the insurance company or agent with which A.I.D. has a contract to provide DBA insurance for A.I.D. contracts. The Grant Officer will provide the name, address, and telephone number of such insurance company or agent upon request.

1G. INDIRECT COST RATE

Pursuant to the Standard Provisions of this Grant entitled "Negotiated Indirect Cost Rates - Predetermined" and "Negotiated Indirect Cost Rates - Provisional (Nonprofits)," a predetermined indirect cost rate or rates shall be established for each of the Grantee's accounting periods which apply to this Grant. Pending establishment of predetermined indirect cost rates for the initial period (9/30/93 - 9/30/95), provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which is (are) set forth below:

<u>Type</u>	<u>Rate</u>	<u>Applicability</u>	<u>Base</u>
On-Campus/Home Office	50.0%	All programs	<u>1/</u>
Off-Campus	15.0%	Research	<u>1/</u>

1/ Base of Application: Direct salaries and wages excluding all fringe benefits.

1G.1. Rates for subsequent periods shall be established in accordance with the Standard Provision of this Grant entitled "Negotiated Indirect Cost Rates - Predetermined."

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1H. PROPERTY REQUIREMENTS

1H.1. Title to Property

Title to property acquired hereunder shall vest in the Grantee subject to the requirements of the Standard Provision of this grant entitled "Title To and Use of Property (Grantee Title)" regarding use, accountability, and disposition of such property.

1H.2. Equipment Purchases

Equipment purchases under this Grant must be made in accordance with the Standard Provisions entitled "Procurement of Goods and Services" and "AID Eligibility Rules for Goods and Services" included in Attachment 3 of this Grant. Inclusion of costs in the budget of this Grant for the purchase of nonexpendable equipment does not obviate the requirements of Section J.13. of OMB Circular A-21 (for educational institutions) or Section 13 of Attachment B of OMB Circular A-122 (for nonprofit organizations other than educational institutions) for prior approval of such purchases by the Grant Officer, nor any other terms and conditions of this Grant, unless specifically stated in Section 1H.2.(a)(3) below.

1H.2.(a) Requirement for Prior Approval

Pursuant to Sections 1D.3. and 1G.3. above and the Standard Provisions of this Grant entitled "Allowable Costs" and "Revision of Grant Budget," and by extension, Section 13 of Attachment B of OMB Circular A-122, the Grantee must obtain A.I.D. Grant Officer approval for purchases of the following:

1H.2.(a)(1) General Purpose Equipment, which is defined as an article of nonexpendable tangible personal property which is usable for other than research, medical, scientific or technical activities, whether or not special modifications are needed to make them suitable for a particular purpose (e.g., office equipment and furnishings, air conditioning equipment, reproduction and printing equipment, motor vehicles, and automatic data processing equipment), having a useful life of more than two years and an acquisition cost of \$500 or more per unit); and

1H.2.(a)(2) Special Purpose Equipment, which is defined as an article of nonexpendable tangible personal property, which is used only for research, medical, scientific, or technical activities (e.g., microscopes, x-ray machines, surgical instruments, and spectrometers), and which has a useful life of more than two years and an acquisition cost of \$1,000 or more per unit).

1H.2.(a)(3) Approvals

In furtherance of the foregoing, the Grant Officer does hereby provide approval for the following purchases, which shall not be construed as authorization to exceed the total estimated amount or the obligated amount of this Grant, whichever is less (see Section 1C. above):

- one Micro Rotary Evaporator
- one vacuum pump with manifold
- one residue extractor
- constant temperature water bath, hot plates

1H.2.(a)(4) Exception for Automation Equipment

Any approval for the purchase of automation equipment which may be provided in Section 1H.2.(a)(3) above or subsequently provided by the Grant Officer is not valid if the total cost of purchases of automation equipment (e.g., computers, word processors, etc.), software, or related services made hereunder will exceed \$100,000. The Grantee must, under such circumstances, obtain the approval of the Grant Officer for the total planned system of any automation equipment, software, or related services.

1I. RESOLUTION OF CONFLICTS

Conflicts between any of the Attachments of this Grant shall be resolved by applying the following descending order of precedence:

- Attachment 1 - Schedule
- Attachment 3 - Standard Provisions
- Attachment 2 - Program Description

(1)

TEXAS SOUTHERN UNIVERSITY
Houston, Texas 77004

Office of Sponsored Programs

April 27, 1993

CHEM 15 - 0493

Agency for International Development
Center for University Cooperation in Development
1815 North Myer Drive, 9th Floor
Arlington, VA 22209

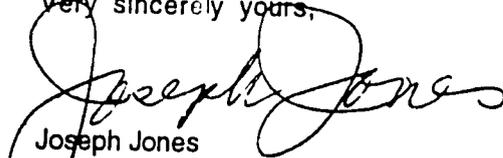
RE: Pollutants Level in Maternal Mother's Milk from Different Communities in
Egypt: A Model for the Developing Countries

Dear Sirs:

I am pleased to enclose a proposal requesting funding in the amount \$100,000 to support a program entitled "Pollutants Level in Maternal Mother's Milk from Different Communities in Egypt: A Model for the Developing Countries" for the period January 1, 1994 to December 31, 1995. This proposal has been endorsed on behalf of Texas Southern University by Dr. Joseph Jones, Associate Vice President for Academic Affairs, who is authorized to sign for the University. Therefore, if this project is approved for funding, Texas Southern University will provide appropriate support to ensure that the program is implemented.

Dr. Mahmoud A. Saleh, Professor of Chemistry, will be available to answer any technical questions that you may have pertaining to the proposed program at (713) 639-1912. However, if there are any fiscal, grant or contractual matters that require discussion, please call me at (713) 527-7232. After this proposal has been considered, please advise this office of the action taken.

Very sincerely yours,


Joseph Jones
Associate Vice President for
Academic Affairs

cc President William H. Harris
Vice President Bobby L. Wilson
Dr. Mahmoud A. Saleh

Enclosure

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**AGENCY FOR INTERNATIONAL DEVELOPMENT
Research Grants Program
For
Historically Black Colleges and Universities**

Submitted by

**TEXAS SOUTHERN UNIVERSITY
3100 Cleburne Avenue, Houston, Texas 77004**

Proposal Title

**Pollutants Level In Mother's Milk From Different Communities In Egypt:
A Model For The Developing Countries**

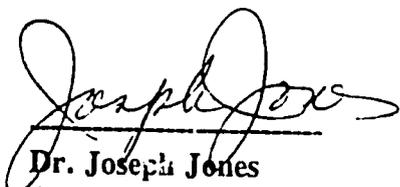
Principal Investigator

**Mahmoud A. Saleh
Professor. of Chemistry and
Director of the Environmental Chemistry and Toxicology Laboratory
Department of Chemistry, Texas Southern University, Houston, Texas 77004
Tel. (713) 639-1912, Fax. 713-527-7824**

April 27, 1993



**Dr. Mahmoud M. Saleh
Principal Investigator**



**Dr. Joseph Jones
Associate Vice President
of Academic Affairs**

Summary of Total Budget (2 years)

Personnel		
Dr. Mahmoud A. Saleh (TSU) P.I.	25% Release Time	\$ 30,000
Dr. Abdel Khalik El Sebae (Egypt)		\$ 5,000
Dr. Awd Abbas (Egypt)		\$ 3,000
Research Assistants (TSU)	50%	\$ 12,000
Total		\$ 50,000
Fringes		
(for TSU only)		\$ 9,000
Overhead		
(TSU only)		\$ 15,000
Supplies		
Chemicals and Glass ware		\$ 10,000
Equipment:		
		None
Travel		
International		\$ 11,000
Domestic		None
Others		
Publications, Reports preparation, Xerox and Computer time		\$ 5,000
<hr style="border: 1px solid black;"/>		
Total Budget Requested		\$ 100,000

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II-Needs for the Proposed Research

1. This research proposal addresses the important need for developing countries to monitor the levels of persistent toxic chemicals, including pesticides, in the human body as a biomarker for risk assessment of chronic exposure.
2. Egypt was adopted because it has applied pesticides heavily in cotton fields at high rates since 1955. Thus long term exposure to single and combined toxicants took place. In addition, the principal investigator has technical experience with the Egyptian environment and strong connections with regulatory agents.
3. The research proposal presents a comparative analysis of maternal mother's milk samples representing , in the main populations, of three different communities in Egypt.

Urban communities, where air pollutants and industrial wastes are abundant (mainly the cities of Cairo and Alexandria)

Rural communities where the exposure is mainly to the pesticides and agrochemicals (in villages away from the big cities).

Desert remote areas where Bedwin tribes are living away from the cities, and the Nile Valley, e.g. the Basharia tribe at the southern east borders of Egypt; and other tribes living in Sinai and western desert Oasis.

4. The maternal milk samples will be collected during babies deliveries in public hospitals or clinics, voluntarily with the prior permission of each pregnant volunteer mother, as a donor prior to delivery. Cooperation will be arranged with Egyptian authorities for collecting the samples.
5. Mother's milk is selected to avoid the hazards of handling blood or the adipose tissues.

Relevance of the Research Proposal to A.I.D.'s Mission and the Research Topics for the HBCU Programmer

1. This research proposal fulfills the A.I.D. goal of assisting Egypt, as one of the developing countries, to find a solution for the problem of long term exposure to persistent toxic pollutants.
2. The research proposal achievements will have impact on strengthening sustainable agricultural development, and in providing protection for safe maternal and infant nutrition. Both aspects are on the priority list of the research topics for the HBCU program.

The Broad Objectives of the Research Proposal

Collecting milk samples from volunteer mothers as donors with consensus from those delivering new babies in public hospitals and clinics representing the three main types of communities in Egypt: rural, urban, and the remote desert areas.

2. Analysis of the mother's milk samples to measure their content of:

Organochlorine insecticides, mainly DDT, DDE, BHC, endrin, and toxaphene as a criterion for the long term exposure to persistent pesticides using Gas chromatography/Mass spectrometry (GC/MS) techniques for identification and quantitation of these pollutants.

PCB's, TCDDs, a-benzopyrene as a criterion for the level of exposure to industrial and air pollutants using High Performance Liquid Chromatography (HPLC) and GC/MS techniques.

Lead (Pb) as a criterion for the exposure to the toxic heavy metals using atomic absorption technique.

3. Upgrading the capability of the participating Egyptian Institute by transferring know-how techniques for identification and quantitation of the selected pollutants. Local training in Egypt and at Texas Southern University (TSU) will be offered. Cooperation in analyzing the samples at TSU will be followed by inter calibration standards for verification of accuracy and reproducibility. GC/MS, HPLC, immunoassay techniques will be compared. Immunoassay is much cheaper and will be advantageous to developing countries.
4. Collecting background information concerning the types and levels of pesticides used, and the released toxic chemicals and their impact on health standards. Social behavior and human diseases information in the sampled locations will help in evaluating the health risk assessment in relation to epidemiological and occupational exposure to such toxicants.
5. Discussing the results according to threshold limit level for exposure and acceptable daily intake of such pollutants in food and water.
6. Deriving any significant correlations between level of exposure to single or mixed compounds and the exerted health adverse effects.

The Importance of The Expected Results:

Such study will be the first of its kind to be carried out in Egypt.

The analytical data together with the respective adverse health effects will enable risk assessment for hazards induced by these persistent compounds.

No overlapping or repetition is known to take place with other ongoing research projects between U.S.A. and Egypt.

III-TSU Characteristics and Capabilities Related To the Proposal
See ANNEX #1

IV-Collaborative Mechanisms Networks

The principal investigator from TSU and his coworkers will cooperate with a research group at the Pesticides Department, Faculty of Agriculture, University of Alexandria, Egypt. Dr. A.H. El-Sebae, the Egyptian Professor of Toxicology will act as the coordinator of the Egyptian research group under this project and will devote 40% of his time for the project.

The TSU/P.I. will devote 25% of his time for leading the work in this project. One graduate student will be appointed as a 50% research assistant throughout the period of the proposal.

V-The Specific Research Questions To Be Investigated:

The primary research question to be answered in this research proposal is to prove and apply the premise that maternal mother's milk samples constitute a reliable criteria as a biomarker for the human body burden of persistent toxicants resulting from environmental exposure.

2. Mother's milk, as an experimental tool, has the advantage of avoiding the hazards of handling blood or adipose tissue samples.
3. There is a great need for the anticipated data as a base line for human body burden of these toxicants data which is missing for Egypt and most of the developing countries. Such data will have health assessment implications.
4. Such information will have its impact on rationalization of the use of pesticides and other toxicants, such as leaded gasoline, which might help decision makers in future planning for a much safer environment.
5. The experimental part of the project will compare GC/MS and HPLC techniques with the recently developed immunoassay technique for detection of residues of pesticides and other toxicants. The immunoassay methodologies can be recommended to be adopted by the developing countries because they cannot afford to buy and maintain sophisticated equipment. This will be a positive contribution toward technology transfer to developing and least developing countries.

Scientific Aspects of Proposed Work

Variation In Human Exposure To Toxicants In Different Egyptian Communities:

Egypt is a semi-arid country where its six million acres (2.4 million hectares) of arable land lie in the Nile River delta and narrow valley. This irrigated land is only 5-7% of the total area of the country, while the rest is a mere desert. Additional agricultural activities in the vast deserts

are limited to some oases depending on underground water sources; and the only rain helpful for agriculture is confined to the northwestern coast along the Mediterranean, where only about 100,000 acres (40,000 hectares) are cultivated. The annual River Nile input is 60 billion cubic meters. It is estimated that more than one-third of that total flows to the Mediterranean Sea. Another third is used for irrigation, and the rest is lost in vaporization, runoff, and leaching down to the water table. The Nile water originates from the African plateau and crosses the following eight countries before reaching Egyptian territory: Sudan, Ethiopia, Uganda, Tanzania, Kenya, Zaire, Rwanda and Burundi. While flowing through these countries, the Nile River is loaded with various types of pesticides and many other contaminants. Thus it arrives in Egypt after already being polluted with different pollutants, including the persistent chlorinated pesticides.

The 60 million Egyptian inhabitants can be differentiated into three main different community types. The urban population (50%) living in the capital city of Cairo (14 million) and other big cities are exposed mainly to air pollutants, especially the tetraethyl lead evolving with vehicle exhaust, a-benzopyrene, petroleum and gasoline vapors, carbon monoxide, and mineral dusts. In addition, the urban communities are exposed to toxic residues in food and drinking water which includes pesticides and other toxicants. The second big community are those living in rural villages which are directly exposed to pesticides and other agrochemicals and their hazardous residues in food and drinking water. The third community (5%) includes those living in remote desert and mountain areas in the western and eastern deserts, Sinai peninsula, and northern and eastern sea coasts. The population in these areas is still limited by few agricultural activities. There are also some Bedwin tribes in the southern part of Egypt such as Bassharia who live mainly on raising herds of camels and sheep in the desert areas. In such locations, the exposure to man made chemicals and pollutants is a minimum. Therefore, it is reasonable to consider such inhabitants as a real unexposed reference group compared to the urban or rural communities. This Egyptian model structure, where clear differentiation can be drawn between rural, urban and remote desert inhabitants, can be expected to be successful in reaching significant correlations between types of human activities and levels of exposure to hazardous chemicals. Such differentiation is almost lost in the highly developed industrial countries such as the U.S.A. where no real barrier exists between rural and urban societies.

The Main Sources of Chemical Pollutants In Egypt:

1. Pesticides:

Egypt is one of the main cotton producing countries worldwide (Table 1). Cotton as a cash crop represents more than 50% of the annual Egyptian exports. More than one million acres are cultivated with cotton every year. More than 70% of the imported insecticides are used on cotton in about 30,000 tons of formulated compounds sprayed annually. Synthetic insecticides started to be used in Egyptian agriculture in 1955 by spraying toxaphene (60% E.C. chlorinated camphene on cotton to control the cotton leaf worm *Spodoptera littoralis* and the pink bollworm *Pectinophera gossypiella*. The continuous use of toxaphene at increasing field rate in four sprays per season in six successive years resulted in build up of resistance in the cotton leaf worm and thus failure of toxaphene leading to the loss of 50% of the cotton yield in 1961. Since that year, toxaphene could not be used anymore, and other insecticides from carbamate and

organophosphate esters replaced toxaphene. The data in Table 2 show the types, amounts of active ingredients, and duration of use of the insecticides on cotton pests which were replaced periodically due to the problem of cross and multi resistance in cotton pests during the period 1955-1990. Table 3, presents the compounds to which *Spodoptera littoralis* built resistant strains under field conditions.

The continuous pressure of resistance in cotton insect pests was much faster than the development of newly registered insecticides. Therefore, the Egyptian Ministry of Agriculture in the early seventies was obliged to take the risk of introducing compounds which were not fully registered in the manufacturing countries and which had deleterious health hazards to field workers, consumers and non-target organisms. Leptophos and EPN, which were proved to include delayed neuropathy, chloridimeform and Amitraz which were known for their carcinogenic potential. These four compounds were used for a number of years, but have been banned since 1976 in Egypt (El-Sebae, 1977). However, some additional hazardous pesticides are still currently used in Egypt as indicated in Table 4. Some of these chemicals are also currently used in the U.S.A., a fact which reflects common interests and common problems.

Incidents of human poisoning and deaths due to pesticides exposures have been recorded by the Ministry of Public Health as shown in Table 5. Although most of the organochlorine insecticides were stopped from being used during 1960's and 1970's due to the problem of insect cross and multi-resistance, their residues and metabolites have been highly absorbed on soil, aquatic sediments and along the food chain. Such persistent compounds are known for their high lipid solubility and have had access to be bound with adipose tissues and to be released with mother's milk fat (El-Sebae, 1989, 1985, 1993). Thus the rural inhabitants in Egypt are particularly highly exposed to appreciable amounts and various types of single or combined pesticides. Such a model will be a fertile field for the study of the epidemiological impact of long term exposure to pesticides on the body burden of humans, especially their impact on mother's milk load of pollutants which is a criterion for the mothers level of exposure and an indicator of the risk to infants.

2. Heavy Metals

Toxic heavy metals such as lead, mercury, cadmium, tin and aluminum are widely distributed as environmental pollutants in Egypt. Their toxicological hazard will cause adverse health effects to humans and non-target organisms. Salts and organo-metallic derivatives of these heavy metals are transportable in the environment. They tend to be stored either in body bones or other scleroprotein sites. However, they are mobile in the body and can be secreted with mother's milk. The more abundant toxic heavy metal is lead. Its main source is the internal combustion motors in vehicles where tetraethyl lead is used as a fuel additive. In Egypt, the leaded fuel is the only type of gasoline available. These lead vapors pollute the air and can be deposited on plants and water streams. Lead battery manufacturing plants and their polluted wastes are another input for environmental pollution by lead in Egypt. High levels of lead and other heavy metals has been detected in the drinking water and in many food commodities in Egypt. Lead enters the human body via respiration, or with polluted food and water will end up with accumulation in bones, teeth and it will be excreted with mother's milk.

is an alarming fact to both mothers and their infants. In Egypt, the pollution with lead will be more intensified in crowded, air polluted cities where urban mothers will be at higher risk for lead poisoning for them and their babies. This is another differentiation characteristic of the urban ecosystem in Egypt. This is another unique situation for studying lead poisoning impact on human health in the long term exposure because in the developed countries most of the fuel is unleaded.

C. Mother's Milk Reflects The Body Burden of Pollutants

According to Beck et.al (1992), levels of polychlorinated dibenzodioxin (PCDD) and polychlorinated dibenzofuran (PCDF) in mother's milk in the 6th and 12th weeks during the breast feeding periods decreased to an 85 to 75% level respectively. Highest levels of these pollutants in human milk were found in women having their first child (33 pg/g milk fat) and distinctly lower for women with the second and third child (26, and 19 pg/g milk fat respectively). An average daily intake of 15 pg of 2,3,7,8-TCDD/Kg body weight per day for breast fed infants was calculated. Due to the life long intake, levels of these pollutants PCDD/PCDF in humans increase continuously with age.

Faust et al.(1992) reported that 600 human milk samples have been analyzed for PCDD's, PCDF's, PCB's and organochlorine pesticides (OCP's). They concluded that the levels of all these pollutants in western countries decreased permanently due to the ban of persistent lipophilic pesticides, PCB's and PCDD's/PCDF's over the past few years.

Withy et al.(1992), indicated that human milk samples showed an increase of penta-, hexa-, and hepta-chlorinated dibenzofuran. Similar changes were detected in both human milk samples as well as the respective blood samples.

Saleh (1991), reported that toxaphene was detected in two large, pooled samples of milk collected from mothers living in Uppsala and Stockholm by Vaz and Blomkvist (1985). Paisley and Antero (1985) reported that toxaphene was found in Finish human milk at levels of 1-10 ppb.

Human milk samples from Nicaragua contain 1-8 mg/Kg lipid weight toxaphene which is about 10 fold higher than human milk samples from Netherlands (Buyer and Wester, 1993). There was no correlation between the number of children of the Nicaraguan mothers and the toxaphene concentration in their milk. This may be explained by a relatively high toxaphene intake, due to a regular application of toxaphene in that area, which may compensate the toxaphene elimination through the milk.

Skaare et al.(1988) collected samples of maternal blood, milk, and umbilical cord blood from mothers and their infants at Ullevål University Hospital in Oslo, Norway. A significant positive linear correlation was found between the levels of P,P'-DDE and PCB's in maternal serum from Norwegian mothers giving birth normally. The results demonstrate that organochlorines are transferred from mother to fetus and newborn babies through the placenta and milk and that human milk is a good indicator in monitoring human beings and their environment for organochlorine contamination. Not only persistent organochlorines are released with breast milk

fat, but also heavy metals such as a lead, were demonstrated to be released with mother's milk. Henning and Cooper (1988) reported that avid absorption of Pb has been found in the young of humans, monkeys, rats and mice. For the suckling offspring the principal source of Pb would be mothers milk. Investigations in rodents have showed substantial transfer of Pb from mother to offspring via mother's milk.

The importance of this source of pollution to human infants is illustrated by the recent report indicating that of the environmental predictors examined, mother's milk Pb is the strongest correlate of 6 month blood Pb. Sulbergeld (1988) indicated that lime lead can be released during demineralization, such as pregnancy, and lactation. In 1981 for black and white women, there was a highly significant increase in both whole blood and calculated blood plasma lead concentrations after menopause. The consequences of such lead mobilization from bones may also be of importance in assessing the risks of maternal lead exposure to fetal and infant health.

Table 1. The Main Cotton Producing and Exporting Countries
(1000 metric tons)
1985-1990

Country	Annual Production		Annual Exportation	
	1986	1990	1986	1990
U.S.A.	2119	3354	1455	1601
China	3540	4622	690	185
U.S.S.R.	2660	2527	74	718
India	1615	1927	866	33
Pakistan	1319	1518	680	158
Brazil	633	809	66	152
Turkey	517	631	112	54
Egypt	403	389	142	115
Australia	213	331	372	316
Greece	205	266	73	120
Mexico	139	243	13	166
Argentina	100	250	48	74
Paraguay	84	238	74	299
Sudan	163	183	138	163

Data from The International Cotton Magazine (1991)

Table 2. Insecticides to Which the Egyptian Cotton Leaf worm *Spodoptera littoralis* had developed resistance (1960-1975)

Insecticide	Year of Developed Resistance
Toxaphene	1961
DDT	1963
Lindane	1964
Endrin	1965
Carbaryl	1965
Trichlorfon	1965
Fenitrothion	1967
Azinphosmethyl	1968
Monocrotophos	1972
Methamidophos	1975

Table 3. Total Active Ingredient Insecticides Used in Egyptian Agriculture During the Period (1955-1990)

Compound	Total a.i metric tons	Years of consumption
Toxaphene	54,000	1955-1961
Endrin	10,500	1961-1981
DDT	13,500	1952-1971
Lindane	11,300	1952-1978
Carbaryl	21,000	1961-1978
Trichlorfon	6,500	1961-1970
Monocrotophos	8,300	1967-1978
Leptophos	5,500	1968-1978
Chlorpyrifos	13,500	1969-1990
Phosfolan	5,500	1963-1983
Mephosfolan	7,000	1968-1983
Methamidophos/Azinphos-Me	7,500	1970-1990
Triazophos	8,500	1977-1990
Profenofos	8,000	1977-1990
Methomyl	9,500	1975-1990
Fenvalerate	8,500	1976-1990
Cypermethrin	6,300	1976-1990
Deltamethrin	5,400	1976-1990
Cyanophos	3,000	1984-1990
Thiodicarb	5,000	1984-1990

(Data from Records of the Egyptian Ministry of Agriculture)

Table 4. Pesticides of Inevitable Hazards which Are Still In Use In Egypt On Large Scale

Pesticide	Manufacturer	Recommended Application	Type of Hazard
Methamidophos (Tamaron)	Bayer Co.	cotton insects aerial application	Delayed neuropathy in man
Diflubenzuron (Dimilin)	Dow Chem. & Dufar Co.	Cotton insects Aerial Application	Cytotoxicity of parent & metabolites
Triazophos (Hostathion)	Hoechst	cotton insects aerial application	Cytotoxic and WHO group Ib
Methomyl (Lannate)	Dupont & Shell	cotton insects aerial application	WHO group Ib
Azinphos-methyl (Gusathion)	Bayer	cotton insects aerial application	Cytotoxic and WHO group Ib.
Endosulfan	Sandoz	cotton insects aerial application	Cytotoxic and persistent chlor- -inated compound
Amitraz	Schering	cotton insects	Carcinogenic, parent and its xylidene
Captan	Chevron	cotton seeds fungi	Cytotoxic
Trichlorfon (Dipterex)	Bayer	cotton insects and vegetables	Delayed Neuro- -pathy in man
Dichlorvos (DDVP)	Shell and others	Households aerosols	Delayed Neuro- -pathy in man
Thiodicarb (Larvin)	Union Carbide	Cotton insects aerial application	Cytotoxic, parent and its acetamide
Niclosamide (Bayluscide)	Bayer	Bilharzia snails by dripping in water streams	Carcinogenic and toxic to fish

Table 5. Retorted Cases of Human Poisoning and Deaths Due To Pesticides *

Year	Poisoning Cases	Deaths
1966	1091	44
1967	1270	34
1968	1608	35
1969	1389	44
1970	1473	67
1971	741	21
1972	1309	44
1973	493	2
1974	1951	33
1975	967	4
1976	510	24
1977	2671	19
1978	1439	29
1979	894	31
1980	569	38

Data published by Amin EL-Gamal, Under Secretary Of State for Curative and Environmental Health Services, Ministry of Health, Cairo, Egypt (1982).

Methodologies

1. Base Line Studies

Recording all background information concerning the back history of the pesticides used, the more abundant toxic wastes and air pollutants, the health related incidents, and the state of infant mortality and other health adverse effects.

2. Sampling Location:

Arrangements will be carried out with the mother's milk bank, The Egyptian Ministry of Health in Cairo for sampling the selected locations representing:

Rural communities: Villages away from big cities

Urban communities: The big cities: Cairo and Alexandria

Remote desert areas: Bahariya and near Aswan, Tribes in Sinai, north and east coasts and Oasis tribes.

The human milk samples will be kept frozen in an ice box in duplicates. The first set will be shipped to the P.I. Laboratory in Texas Southern University. The second set will be stored frozen at the Pesticides Department, Faculty of Agriculture, Alexandria University, Egypt. The first set of samples will be analyzed for DDT, DDE; α , β and γ -HCH, endrin, and toxaphene (chlorinated insecticides); PCB's, chlorophenols, PCDD's, and a-benzopyrene (industrial wastes, water and air pollutants); and Lead (Pb).

The organo-chlorinated compounds will be determined using GC-MS technique according to the EPA protocol of multi residue analysis together with the A.O.A.C. procedures. Specific compounds will have specific methods: e.g. toxaphene (Saleh, 1983; Bidleman et al. 1983; Wideqvist et al. (1984). Lead content will be determined according to A.O.A.C. standard procedure using the atomic absorption spectrophotometric technique. Immunoassay types of analytical procedures will be also used for detection and quantification of the different toxicants. The immunoassay techniques and procedures will be implemented in the Egyptian research laboratory at Alexandria with the assistance of the T.S.U. research team.

3. Quality Assurance:

In order to ensure accurate sample analysis, several features will be incorporated. First, stock solutions and duplicated samples will be repeatedly analyzed to confirm initial conditions. Second, treatments in some analytical runs will be spiked with known concentrations of toxicants in order to determine percent recovery, method sensitivity and accuracy. Third, along the course of analysis, both spikes and low concentration standards will be carried out repeatedly in order to determine analytical precision.

4. Data Management:

Experimental data will be designed, tabulated and analyzed using a statistical computer package HPSS for calculating the averages, standard deviation (SD), standard error (SE) as well as performing the ANOVA test for determination of the significant interaction differences.

RESEARCH ACTIVITY TIME TABLE (2 YEARS)

Activity	1st Year (Month)				2nd Year (Month)			
	3	6	9	12	15	18	21	24
Mapping and Sampling Locations	X							
Background Data	X	X						
First batch sampling			X					
First batch analysis (TSU)			X	X				
Second batch sampling					X			
Second batch analysis						X		
Immunoassay residue analysis in Egypt and TSU					X	X	X	
Final Report								X

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TEACHING ACTIVITIES:

27 years of teaching at University of Cairo, Egypt., University of California,
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As (assistant, associate and full professor).

4 years of teaching assistant in the Department of Chemistry U.C.Davis and 3 years
of teaching assistant at U.of Cairo.

GRADUATE RESEARCH PROGRAM:

Supervised 15 M.Sc and 10 Ph.D degrees in the fields of organic chemistry, environmental chemistry and Toxicology

RESEARCH BACKGROUND:

I. Pesticides Chemistry and Biochemistry

Organic synthesis of pesticides and their metabolites including radiolabeling. Chemical, photochemical, and biological degradation of pesticides. Metabolisms of pesticides in animals and plants. Isolation and structure determinations of metabolites. The use of isotopes in metabolic studies. Mode of action of pesticides at the receptors level and the relationships between chemical structures and biological activity. Bioassay of insecticides, nematicides, fungicides, and metabolic inhibitors. Mutagenic assays of pesticides and other pollutants. Reaction mechanisms and kinetics of organic reactions.

II. Environmental and Analytical Chemistry

Impact and dynamics of pesticides and agrochemicals on the environment, wildlife, and fish production. Sampling and analysis of organic and inorganic pollutants in surface and in ground water. Fate of crude oil spills, and its effect on ocean biota. Methods development and residue analysis of complex mixtures of environmental toxicants and their metabolites in air, water, and foodstuff. Instrumentation including high field NMR, GC/MS, FTIR, HPLC, capillary GC, atomic absorption and selective ion electrodes.

III. Natural Products and Ecological Chemistry

Isolation and identification of natural insecticides, nematicides, herbicides, and fungicides from desert plants and marine organisms. Chemical interaction between plants and pests. Chemistry of marine algae, corals, and invertebrates. Utilization of desert plants and marine algae for producing energy or useful chemicals.

Other research experience includes supervising research groups, and organizing and conducting field collecting expeditions in remote areas of deserts and sea.

COLLABORATION WITH LEADING SCIENTISTS:

Collaborated in research programs and co-author publications with the following leading scientists :

Late Professor M. Winstein University of California, L.A
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RESEARCH ACTIVITY:

Involved in active research programs with the following Universities:
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Plant Protection Dept., Faculty of Agriculture
Alexandria University, Chatby, Alexandria, EGYPT.
Telephone: Office: 5971862 Alex.,;
Telex: 54467 UNIVY UN

EDUCATION

- 1961 Ph.D. in Chemistry of Pesticides, Alex. Univ.
1953 M.Sc. in Chemistry of Pesticides, Alex. Univ.
1948 B.Sc. in Agric. Specialized in Pesticides Chem., Alex. Univ.

Previous Appointments

- 1990-1991 Visiting Prof. at Div. of Biochemistry, Cornell Univ., Ithaca, NY.
1983-1987 Prof. of Environ, Toxicology, Head of Pesticides Div., Faculty of Agric.
Alex. Univ., Alex. Egypt.
1979-1983 Associate Director of Alexandria Univ. Research Center, UNARC.
1972-1978 Head of Plant Protection Dept., Fac. of Agric., Alex. Univ.
1971 Chairman of Pesticides Chemistry, Fac. Agric., Alex. Univ.
1967-1971 Associate Prof., Chem. and Toxicology of Pesticides, Alex. Univ.
1965-1967 Associate Prof., Chem. and Toxicology of Pesticides, Assiut Univ.
1961-1965 Assistant Prof., Chem. and Toxicology of Pesticides, Assiut Univ.
1948-1961 Teaching and Research Assistant, Fac. of Agric., Alex. Univ.

Awards

- 1991 The Honorary Golden Medal and Award, Alex. Univ., 1991
1971 & 1978 The Egyptian Academy National Award in Agricultural Sciences.

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1962-1963 The Fullbright Fellowship for Post-Doctoral Research Fellow in University of California, Riverside, U.S.A.

Experience

- 1- Conducting Research in Toxicology Testing of Pesticides, Heavy Metals, and industrial toxicants on exposed humans, and Test Organisms, and their impact on biochemical targets and the environment.
- 2- Risk Assessment, and evaluation of epidemiological data.
- 3- Teaching graduate and post-graduate Courses in Organic and Physical Chemistry., Environmental Chemistry, Comparative Toxicology and Integrated Pest and Pesticides management.
- 4- Reviewing Papers and Reports in toxicology, environmental pollution and Integrated Pest Management.

International Activities

- A member of the WHO Expert Advisory Panel on Food Safety since 1984.
- Principal Investigator of Joint Research Projects with: U.S. EPA, WHO, FAO, and UNEP.
- Organizer of Several National and Regional Conferences in IPM, Hazards of Agrochemicals, and genetic toxicology.
- On the Editorial Board of Journals in Toxicology, Health and Environmental hazards and Plant Protection.

Membership In

- American Chemical Society
- American Society in Toxicology
- Entomological Society of America
- European Society of Toxicology
- Vice-President of Egyptian Society of Toxicology
- Egyptian Society of Entomology
- President of the Egyptian Society of Pest Control and Environmental Protection

Publications - More than 200 scientific papers and reviews.

TEXAS SOUTHERN UNIVERSITY
Houston, Texas 77004

INSTITUTIONAL CAPABILITY STATEMENTS



Joseph Jones, Ph.D.
Associate Vice President for Academic Affairs

Bobby L. Wilson, Ph.D.
Vice President for Academic Affairs

William H. Harris, Ph.D.
President

TEXAS SOUTHERN UNIVERSITY

SUMMARY STATEMENT OF RESEARCH CAPABILITY

General Description

Texas Southern University, located in Houston, Texas, is a senior level, comprehensive, historically black, state-supported university which was founded in 1947. The mission of the University supports teaching, research, and public service. Texas Southern University has an administrative and an academic infrastructure that works interactively to implement the instructional, research, and outreach goals of the institution. Research and sponsored programs are organized to provide pre- and post-award administration for grants and contracts.

Science and Technology Degree Programs

Instructional and research objectives are achieved through faculty members in seven colleges and schools. Sixty percent of the faculty hold the doctorate and provide support for the 76 undergraduate and 35 graduate/professional academic programs offered to 10,800 students. In the sciences and technology programs, degrees are offered in biology, chemistry, computer science, mathematics, physics, pharmacy, health sciences, and industrial technology.

Science and Technology Grants and Contracts Administration

The University has a strong record of success in implementing grants and contracts awarded by the National Aeronautics and Space Administration, the Department of Defense, the Agency for International Development, the Environmental Protection Agency, the Department of Energy, the National Science Foundation, the National Institutes of Health, the Department of Education, the Department of Housing and Urban Development, and private foundations. A significant number of research and training programs in science, mathematics, and education are currently underway at the University. Some on-going projects include (1) "studies on the production of molecular oxygen for jet propulsion in outer space;" (2) "oxygen production from lunar soil;" (3) "transition metal complexes for rocket fuel modification;" (4) "laser induced fluorescence;" (5) "catalytic conversion of coal to liquid fuels;" (6) "analysis of toxic elements and compounds in a closed environment;" and (7) "trace metals in soil, soil sediments and wastewater;" (8) "trace metal uptake in plants;" (9) "study of solvent extraction of group VIII metals;" (10) "transport of heavy metal in wastewater process;" (11) "effects of metal mutagen carcinogens;" (12) "development of radioreceptor assay for monitoring human exposure to insecticides acting on the GABA receptor;" (13) "evaluation of insecticide metabolism;" and (14) "study of wastewater contaminants."

Texas Southern University occupies a modern campus valued at \$225,000,000 located on 125 acres and consisting of 43 buildings. Some special equipment at the University include state-of-the-art computers, electron microscope, radiation pulse height analyzer, gas chromatography mass spectrometer, polarographys, and nuclear magnetic resonance, infrared, ultraviolet and atomic absorption spectrometers. Major research facilities are located in Nabrit Science Center and Gray Pharmacy and Health Science Building which have a total of 118,712 square feet.

Because of the qualifications and experience of its faculty and the available facilities and equipment, Texas Southern University is capable of implementing training, research, and consultancies in fulfillment of its mission. The University has been successful in achieving its goals because of its commitment to a state-of-the-art institutional development process that includes the periodic, systematic evaluation of programs, services, and operations.

TEXAS SOUTHERN UNIVERSITY
Houston, Texas 77004

Office of Sponsored Programs

COMPREHENSIVE STATEMENT OF RESEARCH CAPABILITY

Texas Southern University is the oldest state supported institution in Houston, Texas, a metropolitan city of approximately three million people. The University was established by the fiftieth Texas Legislature in 1947 and was given the legislative designation as a special purpose institution for urban programming in 1973. As a senior level institution of higher education, Texas Southern University's student population has increased from an initial number of 2,303 to a current enrollment of approximately 10,800 students. This student population, though still predominantly black and from Texas, includes a large corps of non-blacks as well as international students from more than sixty foreign countries.

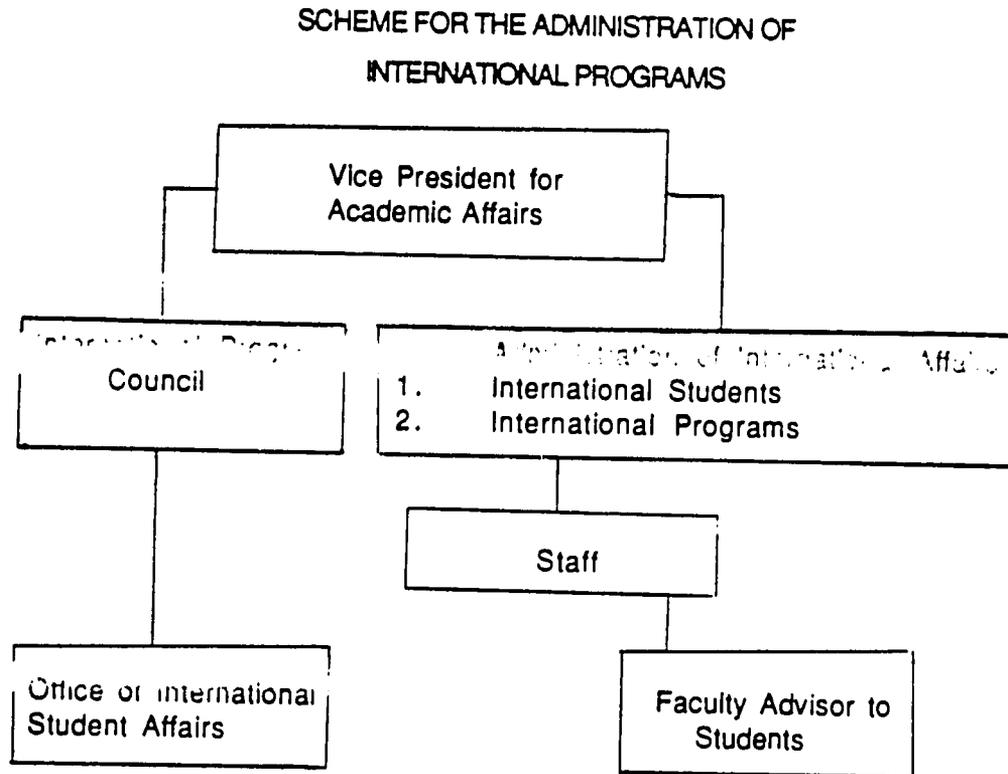
In the current profile of the student body, for the fall of 1992, the student population is 40% male and 60% female, 81% undergraduate and 19% graduate, and 80% Texas residents and 20% out-of-state or foreign residents. In descending social/ethnic order, the students are 79% blacks of non-Hispanic origin; 13% foreign nationals; 4% Hispanics; 3% whites of non-Hispanic origin; and 1% Asians, American Indians, or Alaskans.

Texas Southern University provides degree programs at the baccalaureate, master's and doctoral levels in four schools and three colleges. These units contain 23 departments which offer a total of 63 undergraduate degree programs of study and 34 graduate degree programs. Degrees are conferred in the arts and sciences, teacher education, management, technology, communications, pharmacy, allied health, and law. In 1974, the University became the first public historically black institution to offer the Doctorate of Education degree; and in 1983, Texas Southern initiated a graduate program leading to the Doctor of Pharmacy degree.

Although a very young institution by comparison with many others, the University has established an enviable record of educating minorities in its seven colleges and schools. For example, it has produced 33% of the nation's black pharmacists, 80% of the black lawyers in Texas, 30% of the Hispanic lawyers and 80% of the minority teachers in the Houston Independent School District.

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The following scheme shows the functional relationship between the administrator and other administrative offices:



The scheme shows that the Administrator of International Affairs reports directly to the Vice President for Academic Affairs. Advisory services to the Administrator are furnished by the International Program Council which is interdisciplinary and consists of representatives from the various macro-academic units (schools/colleges) and from appropriate administrative offices. Project directors for various international programs report to the Administrator of International Affairs. A secretary and two administrative assistants constitute the staff that is available to facilitate the work of the Office of international Affairs.

The Office of international Affairs has important functional linkages with the Grants and Contracts Office on campus which is responsible for control and accountability of all international programs. The Office of International Affairs works closely with the Grants and Contracts Office in the handling of grant funds and in the preparation of reports.

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SEPTEMBER 29, 1992

MANDATORY STANDARD PROVISIONS FOR
U.S., NONGOVERNMENTAL GRANTEES¹INDEX OF
MANDATORY STANDARD PROVISIONS

- | | |
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| 1. Allowable Costs | 8. Debarment, Suspension, and other
Responsibility Matters |
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| 3. Refunds | 10. U.S. Officials Not to Benefit |
| 4. Revision of Grant Budget | 11. Nonliability |
| 5. Termination and Suspension | 12. Amendment |
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* 1. ALLOWABLE COSTS (NOVEMBER 1985)

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, any negotiated advance understanding on particular cost items, and the applicable* cost principles in effect on the date of this grant.

* NOTE: For Educational Institutions use OMB Circular A-21; for all other non-profits use OMB Circular A-122; and for profit making firms use FAR 31.2. and AIDAR 731.2.

2. ACCOUNTING, AUDIT, AND RECORDS (AUGUST 1992)

(a) The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The grantee's financial management system shall provide for the following:

(1) Accurate, current, and complete disclosure for each AID-sponsored project or program in accordance with the reporting requirements of this grant. While AID requires reporting on an accrual basis, the grantee shall not be required to establish an accrual accounting system but shall develop such accrual data for its reports on the basis of an analysis of the documentation on hand.

¹When 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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(2) Records that identify adequately the source and application of funds for AID-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, and income.

(3) Effective control over and accountability for all funds, property, and other assets. Grantee shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.

(4) Comparison of actual outlays with budget amounts for each grant. Financial information should be related to performance and unit-cost data whenever appropriate.

(5) Procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and the disbursement by the recipient, whenever funds are advanced by the Federal Government.

(6) Procedures for determining the reasonableness, allowability, and allocability of costs in accordance with the provisions of the applicable Federal cost principles and the terms of the grant.

(7) Accounting records that are supported by documentation that at a minimum will identify, segregate, accumulate, and record all costs incurred under a grant and which fully disclose (i) the amount and disposition by the grantee of the proceeds of such assistance, (ii) the total cost of the project or undertaking in connection with which such assistance is given or used, (iii) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (iv) such other records as will facilitate an effective audit.

* (8) A systematic method to ensure timely and appropriate resolution of audit findings and recommendations.

(b) The grantee shall require subrecipients to adopt the standards in paragraph (a) above except that portion of subparagraph (a)(1) that would require specific financial reporting forms and frequencies in accordance with the payment provisions of this grant.

(c) If the grantee is a nonprofit institution, it shall conduct audits in accordance with the requirements of OMB Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions" and shall ensure that nonprofit subrecipients conduct audits and submit them to the grantee in accordance with the Circular.

(d) The grantee shall preserve and make available such records for examination and audit by AID and the Comptroller General of the United States, or their authorized representatives:

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- * (1) until the expiration of three years from the date of termination of the grant;
- (2) for such longer period, if any, as is required to complete an audit to resolve all questions concerning expenditures unless written approval has been obtained from the grant officer to dispose of the records. AID follows generally accepted accounting practices in determining that there has been proper accounting and use of grant funds. The grantee agrees to make available any further information requested by AID with respect to any questions arising as a result of the audit; and
- (3) If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

(e) The grantee shall insert paragraph (d) above in all subagreements.

3. REFUNDS (SEPTEMBER 1990) *

- (a) The grantee shall remit to AID all interest earned on funds provided by AID at least quarterly, except that interest amounts up to \$100 per year may be retained by the grantee for administrative expense.
- (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 and not encumbered by a legally binding transaction applicable to this grant at the time of expiration or termination of the grant shall be refunded to AID.
- (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.

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4. REVISION OF GRANT BUDGET (NOVEMBER 1985)

- (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 the following reasons:
- (1) Changes in the scope or the objectives of the program and/or revisions in the funding allocated among program objectives.
 - (2) The need for additional funding.
 - (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.
 - (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 substantive programmatic work under this grant, and such contracts or subgrants were not included in the approved grant budget.
 - (6) The grantee plans to incur an expenditure which would require advance approval in accordance with the applicable Federal cost principles and was not included in the approved grant budget.
 - (7) The grantee plans to transfer funds allotted for training allowances to other categories of expense.
- (c) When requesting approval for budget revisions, the grantee shall use the budget formats that were used in the application unless a letter request will suffice.
- (d) Within 30 calendar days from the date of the receipt of the request for budget revisions, the grant officer shall review the request and notify the grantee whether the budget revisions have been approved. If the revisions are still under consideration at the end of 30 calendar days, the grant officer shall inform the grantee in writing of the date when the grantee may expect the decision. The grant officer shall obtain the project officer's clearance on all such requests prior to communication with the grantee.

(e) If the requested budget revision requires the obligation of additional funding, and if after notification pursuant to this standard provision, AID determines not to provide additional funds, the AID grant officer will, upon written request of the grantee, terminate this grant pursuant to the standard provision of this grant, entitled "Termination and Suspension."

(f) 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 actions 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 in such notice the new obligated grant total amount.

5. TERMINATION AND SUSPENSION (AUGUST 1992)

* (a) For Cause. The grant officer may terminate this grant for cause at any time, in whole or in part, upon written notice to the grantee, whenever it is determined that the grantee has failed to comply with the terms and 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 or Termination for Changed Circumstances. If at any time AID determines that continuation of all or part of the funding for a program should be suspended or terminated because such assistance would not be in the national interest of the United States or would be in violation of an applicable law, then AID may, following notice to the grantee, suspend or terminate this grant in whole or in part and prohibit the grantee from incurring additional obligations chargeable to this grant other than those costs specified in the notice of suspension 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 (AUGUST 1992)

* (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 Associate Administrator for Finance and Administration. Any appeal made under this provision shall be in writing and addressed to the Deputy Associate Administrator for Finance and Administration, 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 Associate Administrator for Finance and Administration, 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 Associate Administrator for Finance and Administration 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 RELATED MATTERS (AUGUST 1992)

(a) As a condition of receiving this grant, the grantee has submitted the certifications required by AID Regulation 8 (22 CFR Part 208) both for itself and any prospective lower tier participants identified up to the date of award of the grant. The grantee also agrees to secure required certifications from lower tier participants identified after the date of the award, to notify AID in the event of changed circumstances affecting the validity of its certifications, to require lower tier participants to notify the grantee in the event of changed circumstances affecting the validity of their certifications, and to otherwise comply with AID Regulation 8 in all respects.

(b) In addition to the above, 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 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.

9. NONDISCRIMINATION (MAY 1986) *

(This provision is applicable when work under the grant is performed in the U.S. or when employees are recruited in the U.S.)

No U.S. citizen or legal resident shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this grant on the basis of race, color, national origin, age, handicap, or sex.

10. 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.

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11. NONLIABILITY (NOVEMBER 1985)

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

12. 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.

13. 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 the effective date of the notice, whichever is later.

* 14. METRIC SYSTEM OF MEASUREMENT (AUGUST 1992)

Wherever measurements are required or authorized, they shall be made, computed, and recorded in metric system units of measurement, unless otherwise authorized by the grant officer in writing when it has found that such usage is impractical or is likely to cause U.S. firms to experience significant inefficiencies or the loss of markets. Where the metric system is not the predominant standard for a particular application, measurements may be expressed in both the metric and the traditional equivalent units, provided the metric units are listed first.

(END OF MANDATORY STANDARD PROVISIONS) *

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OPTIONAL STANDARD PROVISIONS FOR
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 Handbook 13. Each grant is required to have a PAYMENT provision. Check off the optional standard provisions which are included in the grant. Only those standard provisions which have been checked off are included physically within this grant.

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* 1. OMB Approval Under the Paperwork Reduction Act	10	_____
2. Payment - Letter of Credit	11	_____
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21. Title to and Use of Property (Grantee Title)	58	_____
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* 1. OMB APPROVAL UNDER THE PAPERWORK REDUCTION ACT (AUGUST 1992)

(This provision is applicable whenever any of the nine provisions below containing an information collection requirement is included in the grant.)

Information collection requirements imposed by this grant are covered by OMB approval number 0412-0510; the current expiration date is 7/31/94. Identification of the Standard Provision containing the requirement and an estimate of the public reporting burden (including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information) are set forth below.

<u>Standard Provision</u>	<u>Burden Estimate</u>
5 Air Travel and Transportation	1 (hour)
6 Ocean Shipment of Goods	.5
7 Procurement of Goods and Services	1
77 Patent *	.5
12 Publications	.5
13/14 Negotiated Indirect Cost Rates - Predetermined and Provisional	1
18 Voluntary Population Planning	.5
19 Protection of the Individual as a Research Subject	1
21 Title to and Use of Property (Grantee Title)	1.5

Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Procurement Policy and Evaluation Staff (PA/PPE), Agency for International Development, Washington, DC 20523-1435 and to the Office of Management and Budget, Paperwork Reduction Project (0412-0510), Washington, DC 20503.

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2. PAYMENT - LETTER OF CREDIT (AUGUST 1992)

* (This provision is applicable only when the following conditions are met: (i) the total advances under all the grantee's cost-reimbursement contracts and assistance instruments with AID equal or exceed \$50,000 per annum, (ii) AID has, or expects to have, a continuing relationship with the grantee for at least one year; (iii) the grantee has the ability to maintain procedures that will minimize the time elapsing between the transfer of funds and the disbursement thereof; (iv) the grantee's financial management system meets the standards for fund control and accountability required under the standard provision of this grant, entitled "Accounting, Audit, and Records" and, either (v) the foreign currency portion of the total advance under this grant is less than 50% or (vi) the foreign currency portion of the total advance under this grant is more than 50% but more than one foreign currency country is involved.)

(a) Payment under this grant shall be by means of a Letter of Credit (LOC) in accordance with the terms and conditions of the LOC and any instructions issued by AID's Office of Financial Management, Cash Management and Payment Division (FA/FM/CMP).

(b) As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by FA/FM/CMP constitute payment conditions of this grant, superseding and taking precedence over any other provision of this grant concerning payment.

(c) Reporting:

(1) A "Financial Status Report" SF-269, shall be prepared on an accrual basis and submitted quarterly no later than 30 days after the end of the period, in an original and two copies to AID/FA/FM/CMP, Washington, D.C. 20523-0209. If the grantee's accounting records are not normally kept on the accrual basis, the grantee shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand. The final report must be submitted within 90 days after the conclusion of the grant to FA/FM/CMP. In cases where grants are Mission funded, the Grantee will forward an information copy to the AID Mission accounting station at the same time the original is mailed to FA/FM/CMP, AID/Washington.

(2) The grantee shall submit an original and one copy of SF-272, "Federal Cash Transactions Report," within 15 working days following the end of each quarter to FA/FM/CMP. Grantees receiving advances totaling more than \$1 million per year shall submit the SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report all cash advances in the remarks section of SF-272. Those cash advances in excess of immediate disbursement requirements in the hands of subrecipients or the grantee's field organizations shall be supported by short narrative explanations of actions taken by the grantee to reduce the excess balances. Interest earned shall be reported in Section 13a of the report and shall be paid to AID on a quarterly basis, unless under \$100.00 per annum.

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* (d) If during the term of the grant, FA/FH/CMP believes that the LOC should be revoked, FA/FH/CMP may, after consultation with the Grant Officer and GC, revoke the LOC by written notification to the grantee. FA/FH/CMP shall provide the grant officer a copy of the revocation notice and recommendation for an alternative method of payment (periodic advance or cost reimbursement) based upon the reasons for the revocation. The grant officer shall immediately amend this agreement to provide for an appropriate alternative method of payment.

(e) Notwithstanding the foregoing, the letter of credit shall be revoked one year after the completion date of the latest grant.

(END OF STANDARD PROVISION)

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3. PAYMENT - PERIODIC ADVANCE (JANUARY 1988)

(This provision is applicable when the conditions for use of letter of credit cannot be met (including those pertaining to mixed dollar and local currency advances) and when the grantee meets the requirements of paragraph 1.0.6 of Handbook 13.)

- (a) Periodic advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so that the funds are available to the grantee as close as is administratively feasible to the actual disbursements by the grantee for program costs. Cash advances made by the grantee to secondary recipient organizations or the grantee's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by AID to the grantee.
- (b) Grantees shall maintain advances in interest bearing accounts. Advances of AID funds to subgrantees shall be maintained in interest bearing accounts.
- (c) Grantees shall submit requests for advances at least monthly on SF-270, "Request for Advance or Reimbursement," in an original and two copies, to the address specified in the Schedule of this grant.
- (d) The grantee shall submit one copy of SF-272, "Federal Cash Transactions Report," 15 working days following the end of each quarter to the payment office address specified in the schedule. Grantees receiving advances totaling more than \$1 million per year shall submit SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report in the Remarks section of SF-272 the amount of cash advances in excess of thirty days requirement in the hands of subrecipients or the grantee's overseas field organizations and shall provide short narrative explanations of actions taken by the grantee to reduce the excess balances.
- (e) A "Financial Status Report," SF-269, shall be prepared on an accrual basis by the grantee and submitted quarterly no later than 30 days after the end of the period in an original and two copies to the payment office specified in the schedule. If the grantee's accounting records are not normally kept on the accrual basis, the grantee shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand. The final SF-269 must be submitted to the payment office within 90 days after the conclusion of the grant.

(F) If at any time, the AID Controller determines that the grantee has demonstrated an unwillingness or inability to: (1) establish procedures that will minimize the time elapsing between cash advances and the disbursement thereof, (2) timely report cash disbursements and balances as required by the terms of the grant, and (3) impose the same standards of timing of advances and reporting on any subrecipient or any of the grantee's overseas field organizations; the AID Controller shall advise the grant officer who may suspend or revoke the advance payment procedure.

(END OF STANDARD PROVISION)

4. PAYMENT - COST REIMBURSEMENT (AUGUST 1992)

(This provision is applicable to grants for construction, or to grants where the grantee does not meet the conditions for either a letter of credit or periodic advance payment.)

(a) At the end of each month of this grant, the grantee shall submit an original and two copies of SF-270, "Request for Advance or Reimbursement," to the payment office address specified in the schedule of this grant.

(b) A final SF-270, shall be submitted within 60 days after the conclusion of the grant to the payment office.

* (c) The reports will be prepared on an accrual basis. However, if the grantee's accounting records are not normally kept on an accrual basis, the grantee shall not be required to convert its accounting system to meet this requirement. *

(d) Assignment of Claims (otherwise known as assignment of proceeds) is authorized under this grant and will be processed by the payment office.

(END OF STANDARD PROVISION)

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5. AIR TRAVEL AND TRANSPORTATION (AUGUST 1992)

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

- * (a) The grantee is required to notify the project officer of the proposed itinerary for each planned international trip financed by this grant, by providing the name of the traveller, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advance of the proposed travel as possible, but at least three weeks before travel is planned to commence. International travel, as provided for in the grant, is authorized unless otherwise disapproved by the project officer in writing prior to the commencement of travel. At least one week prior to departure, the grantee shall notify the cognizant U.S. Mission or Embassy, with a copy to the project officer of planned travel, identifying the travellers and 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 U.S. Government S.F. 1169, 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 United States 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 otherwise available 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 United States being performed by 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 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 United States, 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 United States, 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.

(4) 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. flag air carriers for international transportation, the grantee will include a certification on vouchers involving such transportation which is essentially as follows:

"CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR CARRIERS. I hereby certify that the transportation service for personnel (and their personal effects) or property by certificated air carrier was unavailable for the following reason(s)." (State appropriate reason(s) as set forth above).

1) International Travel

(1) As used herein, the term "international travel" means travel to all countries other than those within the home country of the traveler.

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(2) The grantee will be reimbursed for travel and the reasonable cost of subsistence, post differentials and other allowances paid to employees in an international travel status in accordance with the grantee's established policies and practices which are uniformly applied to federally financed and other activities of the grantee. The standard for determining the reasonableness of reimbursement for overseas allowance is the Standardized Regulations (Government Civilians, Foreign Areas), published by the U.S. Department of State, as from time to time amended. The most current subsistence, post differentials, and other allowances may be obtained from the grant officer.

(m) This provision will be included in all subgrants and contracts which require air travel and transportation under this grant.

(END OF STANDARD PROVISION)

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E OCEAN SHIPMENT OF GOODS (AUGUST 1992)

* (This provision is applicable when goods purchased with funds provided under this grant are transported to cooperating countries on ocean vessels whether or not grant funds are used for the transportation.)

(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 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 reimbursable 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."

(e) Shipments by voluntary nonprofit relief agencies (i.e., PVOs) shall be governed by this standard provision and by AID Regulation 2, "Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies" (22 CFR Part 202).

(f) Shipments financed under this grant must meet applicable eligibility requirements set out in Handbook 1, Supplement B, Chapter 7.

(g) This provision will be included in all subagreements which will finance goods to be shipped on ocean vessels.

(END OF STANDARD PROVISION)

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7. PROCUREMENT OF GOODS AND SERVICES (NOVEMBER 1985)

(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 grantee 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. No employee, officer or agent shall participate in the selection, award or administration of a contract in which AID funds are used, where, to that individual's knowledge, the individual or the individual's immediate family, partners, or organization in which the individual or the individual's immediate family or partners has a financial interest or with whom that individual is negotiating or has any arrangement concerning prospective employment. The grantee's 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 grantees' 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 grantee 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, invitations for bids and/or requests for proposals should be excluded from competing for such procurements. Awards shall be made to the bidder/offeror whose bid/offer is responsive/responsible to the solicitation and is most advantageous to the grantee, price and other factors considered. Solicitations shall clearly set forth all requirements that the bidder/offeror must fulfill in order to be evaluated by the grantee. Any and all bids/offers may be rejected when it is in the grantee's interest to do so.

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

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(i) Proposed procurement actions shall follow a procedure to assure the avoidance of purchasing unnecessary or duplicative items. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical practical procurement.

(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. "Brand-name or equal" descriptions may be used as a means to define the performance of other salient requirements of a procurement and when so used the specific features of the named brand which must be met by bidders/offerors shall be clearly specified.

(iii) Positive efforts shall be made by the grantee to utilize 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. To permit AID, in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, to give United States small business firms an opportunity to participate in supplying commodities and services procured under this grant, 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, proposals, or bids; and
- (C) Address where solicitations or 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 grantee but must be appropriate for the particular procurement and for promoting the best interest of the program involved. The "cost-plus-a-percentage-of-cost" method of contracting shall not be used.

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(v) Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

* (vi) All proposed sole source contracts or where only one bid or 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. *

(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, market prices and similar indicia, 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 bids or 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 shall contain, in addition to provisions to define a sound and complete contract, the following contract provisions, if applicable, 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 the U.S. Government or 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.

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(2) All contracts in excess of \$10,000 shall contain suitable provisions for termination by the grantee 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.

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

(4) All contracts awarded by the grantee or subgrantee to be performed in the United States having a value of more than \$10,000, shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended, and as supplemented in Department of Labor Regulations (41 CFR Part 60).

(5) All contracts and subgrants in excess of \$2,000 for construction or repair to be performed in the United States awarded by the grantee or subgrantee shall include a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor Regulations (29 CFR Part 3). This Act provides that each contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which that individual is otherwise entitled. The grantee shall report all suspected or reported violations to AID.

(6) When required by the Federal program legislation, all construction contracts to be performed in the United States awarded by the grantee or subgrantee of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) as supplemented by Department of Labor Regulations (29 CFR Part 5). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The grantee shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The grantee shall report all suspected or reported violations to AID.

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(7) Where applicable, all contracts awarded by the grantee or subgrantees in excess of \$2,000 for construction contracts to be performed in the United States and its territories and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers, shall include a provision for compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor Regulations (29 CFR Part 5). Under section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of 8 hours and a standard workweek of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 8 hours in any calendar day or 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to the worker's health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies of materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(8) 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.

(9) All negotiated contracts over \$10,000 awarded by the grantee shall include a provision to the effect that the grantee, AID, the Comptroller General of the United States, or any of 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.

(10) Contracts in excess of \$100,000 to be performed in the United States shall contain a provision that requires the contractor to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 7401) and the Federal Water Pollution Control Act (33 U.S.C. 1251, et seq.) as amended. *
Violations shall be reported to AID and the Regional Office of the *
Environmental Protection Agency.

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(11) Contracts which require performance outside the United States shall contain a provision requiring Workmen's Compensation Insurance (42 U.S.C. 1651, et seq.). As a general rule, Department of Labor waivers will be obtained for persons employed outside the United States who are not United States citizens or residents provided adequate protection will be given such persons. The grantee should refer questions on this subject to the AID grant officer.

(END OF STANDARD PROVISION)

8. AID ELIGIBILITY RULES FOR GOODS AND SERVICES (AUGUST 1992)

(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. AID's policy on ineligible and restricted goods and services is contained in Chapter 4 of AID Handbook 1, Supplement B, entitled "Procurement Policies".

(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 firms or individuals whose name appears on the "Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs." AID will provide the grantee with a copy of these lists 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,
- (vi) Used equipment,
- (vii) U.S. Government-owned excess property, or
- (viii) Fertilizer.

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* (b) Source and Nationality: The eligibility rules for goods and services based on source and nationality are divided into two categories. One applies when the total procurement element 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, or the grant is funded under the Development Fund for Africa (DFA) regardless of the amount. 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 and definitions on source (including origin and componentry) and nationality are contained in Chapter 5 of AID Handbook 1, Supplement B, entitled "Procurement Policies."

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

(1) The authorized source for procurement of all goods and services to be reimbursed under the grant is AID Geographic Code 935, "Special Free World," and such goods and services must meet the source (including origin and componentry) and nationality requirements set forth in Handbook 1, Supp. B, Chapter 5 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), and
- (D) "Special Free World" countries (AID Geographic Code 935).

(11) 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)(1) 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:

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

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

(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 (unless funded by DFA), the following applies: Except as may be specifically approved or directed in advance by the grant officer, all goods and services financed with U.S. dollars, which will be reimbursed under this grant must meet the source (including origin and componentry) and nationality requirements set forth in Handbook 1, Supp B, Chapter 5 for the authorized geographic code specified in the schedule of this grant. If none is specified, the authorized source is Code 000, the United States. *

(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 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:

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

* (g) This provision will be included in all subagreements which include procurement of goods or services over \$5,000.

(END OF STANDARD PROVISION)

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9. SUBAGREEMENTS (AUGUST 1992)

(This provision is applicable when subgrants or cooperative agreements are financed under the grant.)

* (a) Funds provided under this grant shall not be used to support any subrecipient whose name appears on the "Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs." AID will provide the grantee with a copy of these lists upon request.

(b) All subagreements shall as a minimum contain, in addition to provisions to define a sound and complete agreement, the following provisions as well as any that are specifically required by any other provision in this grant. Whenever a provision within this grant is required to be inserted in a subagreement, the grantee shall insert a statement in the subagreement that in all instances where the U.S. Government is mentioned, the grantee's name will be substituted.

(1) Subagreements in excess of \$10,000 shall contain provisions or conditions that will allow for administrative or legal remedies in instances where subrecipients violate subagreement terms and provide for such remedial action as may be appropriate.

(2) All subagreements 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 subagreements shall describe conditions under which the subagreement may be terminated for default as well as conditions where the subagreement may be terminated because of circumstances beyond the control of the subrecipient.

(3) Subagreements, 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 subagreements in the field 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 subagreement are subject to the regulations contained in the provisions of this grant. The subrecipient shall be advised as to the source of additional information regarding these matters.

(4) A grantee that receives an AID grant and provides \$25,000 or more of it during its fiscal year to a sub-recipient shall follow the guidelines of OMB Circular A-133. The grantee shall ensure that: *

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* (i) the nonprofit institution sub-recipients that receive \$25,000 or more have met the audit requirements of OMB Circular A-133, and that sub-recipients subject to OMB Circular A-128 have met the audit requirements of that Circular;

(ii) appropriate corrective action is taken within six months after receipt of the sub-recipient audit report in instances of noncompliance with Federal laws and regulations;

(iii) they consider whether sub-recipients audits necessitate adjustment of the grantee's own records; and

(iv) each sub-recipient is required to permit independent auditors to have access to the records and financial statements as necessary for the grantee to comply with OMB Circular A-133.

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(END OF STANDARD PROVISION)

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* 10. LOCAL COST FINANCING (JUNE 1993)

This provision is applicable when the total estimated procurement element for the life of the grant is valued over \$250,000 and the grant is not funded under DFA.

(a) Financing local procurement involves the use of appropriated funds to finance the procurement of goods and services supplied by local business dealers or producers, with payment normally being in the currency of the cooperating country.

(b) All locally financed procurements must be covered by source and nationality waivers as set forth in AID Handbook 1, Supplement B, Chapter 1 with the following exceptions:

(1) Locally available commodities of U.S. origin, which are otherwise eligible for financing, if the value of the transaction is estimated not to exceed \$100,000 exclusive of transportation costs.

(2) Commodities of geographic code 935 origin if the value of the transaction does not exceed the local currency equivalent of \$5,000.

(3) Professional Services Contracts estimated not to exceed \$250,000

(4) Construction Services Contracts estimated not to exceed \$5,000,000

(5) Commodities and services available only in the local economy (a specific per transaction value applies to this category). This category includes the following items:

(i) Utilities including fuel for heating and cooking, waste disposal and trash collection;

(ii) Communications - telephone, telex, fax, postal and courier services;

(iii) Rental costs for housing and office space;

(iv) Petroleum, oils and lubricants for operating vehicles and equipment;

(v) Newspapers, periodicals and books published in the cooperating country;

(vi) Other commodities and services and related expenses that, by their nature or as a practical matter, can only be acquired, performed, incurred in the cooperating country, e.g., vehicle maintenance, hotel accommodations, etc.

(c) All procurements under grants financed with DFA funds and grants with procurement elements of \$250,000 or less are subject to the guidance provided under standard provision "AID Eligibility Rules for Goods and Services."

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(d) 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.

(e) Excluded Parties: 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 the "Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs." AID will provide the grantee with these lists upon request.

(f) 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.

(g) 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.

(h) This provision will be included in all subagreements where local procurement of goods or services will be required.

(END OF STANDARD PROVISION)

11. PATENT RIGHTS (AUGUST 1992)

(This provision is applicable whenever patentable processes or practices are financed by the grant.)

(a) Definitions.

(1) Invention means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code.

(2) Subject invention means any invention of the grantee conceived or first actually reduced to practice in the performance of work under this agreement.

(3) Practical application means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

(4) Made when used in relation to any invention means the conception or first actual reduction to practice of such invention.

(5) Small business firm means a domestic small business concern as defined at Section 2 of Public Law 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standards for small business concerns involved in Government procurement and subcontracting at 13 CFR 121.3-8 and 13 CFR 121.3-12, respectively, shall be used.

(6) Nonprofit organization means a domestic university or other institution of higher education or an organization of the type described in Section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any domestic nonprofit scientific or any educational organization qualified under a state nonprofit organization statute.

(b) Allocation of Principal Rights: The grantee may retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the grantee retains title, the Federal Government shall have a non-exclusive, non-transferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the subject invention throughout the world.

* (c) Invention Disclosure, Election of Title, and Filing of Patent Applications by Grantee:

(1) The grantee shall disclose each subject invention to AID within two months after the inventor discloses it in writing to grantee personnel responsible for patent matters. The disclosure to AID shall be in the form of a written report and shall identify the grant under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding, to the extent known at the time of the disclosure, of the nature, purpose, operation, and the physical, chemical, biological or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale or public use of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to AID the grantee shall promptly notify AID of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the grantee.

(2) The grantee shall elect in writing whether or not to retain title to any such invention by notifying AID within two years of disclosure to AID. However, in any case where publication, on sale, or public use has initiated the one-year statutory period wherein valid patent protection can still be obtained in the United States, the period of election of title may be shortened by AID to a date that is no more than 60 days prior to the end of the statutory period.

(3) The grantee shall file its initial patent application on a subject invention to which it elects to retain title within 1 year after election of title or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. The grantee shall file patent applications in additional countries within either ten months of the corresponding initial patent application or six months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

(4) Requests for extension of the time for disclosure to AID, election, and filing may, at the discretion of AID, be granted.

(d) Conditions When the Government May Obtain Title:
The grantee shall convey to AID upon written request, title to any subject invention: *

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- * (1) If the grantee fails to disclose or elect the subject invention within the times specified in (c) above, or elects not to retain title, AID may only request title within sixty days after learning of the grantee's failure to report or elect within the specified times.
- (2) In those countries in which the grantee fails to file patent applications within the times specified in (c) above; provided, however, that if the grantee has filed a patent application in a country after the times specified in (c) above, but prior to its receipt of the written request of AID the grantee shall continue to retain title in that country.
- (3) In any country in which the grantee decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding on a patent on a subject invention.

(e) Minimum Rights to Grantee:

- (1) The grantee shall retain a nonexclusive, royalty-free license throughout the world in each subject invention to which the Government obtains title except if the grantee fails to disclose the subject invention within the times specified in (c) above. The grantee's license extends to its domestic subsidiaries and affiliates, if any, within the corporate structure of which the grantee is a party and includes the right to grant sublicenses of the same scope to the extent the grantee was legally obligated to do so at the time the grant was awarded. The license is transferable only with the approval of AID except when transferred to the successor of that part of the grantee's business to which the invention pertains.
- (2) The grantee's domestic license may be revoked or modified by AID to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions in 37 CFR Part 4 and agency licensing regulations (if any). This license shall not be revoked in that field of use or the geographical areas in which the grantee has achieved practical application and continues to make the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of AID to the extent the grantee, its licensees, or its domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.

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* (3) Before revocation or modification of the license, AID will furnish the grantee written notice of its intention to revoke or modify the license, and the grantee shall be allowed thirty days (or such other time as may be authorized by AID for good cause shown by the grantee) after the notice to show cause why the license should not be revoked or modified. The grantee has the right to appeal, in accordance with applicable regulations in 37 CFR Part 404 and agency regulations, if any, concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of its license.

(f) Grantee Action to Protect the Government's Interest:

(1) The grantee agrees to execute or to have executed and promptly deliver to AID all instruments necessary to (a) establish or conform the rights the Government has throughout the world in those subject inventions to which the grantee elects to retain title, and (b) convey title to AID when requested under paragraph d. above, and to enable the Government to obtain patent protection throughout the world in that subject invention.

(2) The grantee agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the grantee each subject invention made under agreement in order that the grantee can comply with the disclosure provisions of paragraph (c) above, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by (c)(1) above. The grantee shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(3) The grantee shall notify AID of any decision not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than 30 days before the expiration of the response period required by the relevant patent office.

(4) The grantee agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement: "This invention was made with Government support under (identify the grant awarded by AID). The Government has certain rights in this invention." *

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* (g) Subagreements and Contracts: The grantee shall include this standard provision suitably modified to identify the parties, in all subagreements and contracts, regardless of tier, for experimental, developmental, or research work to be performed by a small business firm or nonprofit organization. The subrecipient or contractor shall retain all rights provided for the grantee in this standard provision, and the grantee shall not, as part of the consideration for awarding the contract or subagreement, obtain rights in the contractor's or subrecipient's subject inventions.

(h) Reporting Utilization of Subject Inventions: The grantee agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the grantee or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the grantee, and such other data and information as AID may reasonably specify. The grantee also agrees to provide additional reports as may be requested by AID in connection with any march-in proceedings undertaken by AID in accordance with paragraph (j) of this provision. As required by 35 USC 202(c)(5), AID agrees that, to the extent permitted by law, it shall not disclose such information to persons outside the Government.

(i) Preference for United States Industry: Notwithstanding any other provision of this clause, the grantee agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention shall be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by AID upon a showing by the grantee or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

(j) March-in Rights: The grantee agrees that with respect to any subject invention in which it has acquired title, AID has the right in accordance with the procedures in 37 CFR 401.6 and any supplemental agency regulations, to require the grantee, an assignee or exclusive licensee of a subject invention to grant a non-exclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the grantee, assignee, or exclusive licensee refuses such a request, AID has the right to grant such a license itself if AID determines that: *

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* (1) Such action is necessary because the grantee or assignee has not taken or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

(2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the grantee, assignee, or their licensees;

(3) Such action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the grantee, assignee, or licensees; or

(4) Such action is necessary because the agreement required by paragraph (f) of this clause has not been obtained or waived or because a license of the exclusive right to use or sell any subject invention in the United States is in breach of such agreement.

(k) Special Provisions for Grants with Nonprofit Organizations:
If the grantee is a nonprofit organization, it agrees that:

(1) Rights to a subject invention in the United States may not be assigned without the approval of AID, except where such assignment is made to an organization which has as one of its primary functions the management of inventions; provided that such assignee shall be subject to the same provisions as the grantee.

(2) The grantee shall share royalties collected on a subject invention with the inventor including Federal employee coinventors, when AID deems it appropriate when the subject invention is assigned in accordance with 35 U.S.C. 202(e) and 37 CFR 401.10;

(3) The balance of any royalties or income earned by the grantee with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, shall be utilized for the support of scientific research or education.

(4) It will make efforts that are reasonable under the circumstances to attract licensees of subject inventions that are small business firms, and it will give preference to a small business firm when licensing a subject invention if the grantee determines that the small business firm has a plan or proposal for marketing the invention which, if executed, is equally as likely to bring the invention to practical application as any plans or proposals from applicants that are not small business firms; provided, that the grantee is also satisfied that the small business firm has the capability and resources

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* to carry out its plan or proposal. The decision whether to give a preference in any specific case will be at the discretion of the grantee. However, the grantee agrees that the Secretary of Commerce may review the grantee's licensing program and decisions regarding small business applicants, and the grantee shall negotiate changes to its licensing policies, procedures, or practices with the Secretary of Commerce when the Secretary's review discloses that the grantee could take reasonable steps to more effectively implement the requirements of this subparagraph (k)(4). *

(1) Communications: Communications concerning this provision shall be addressed to the grant officer at the address shown in this grant. *

(END OF STANDARD PROVISION)

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12. PUBLICATIONS (AUGUST 1992)

(This provision is applicable when publications are financed under the grant.)

- * (a) AID shall be prominently acknowledged in all publications, videos or other information/media products funded or partially funded through this grant, and the product shall state that the views expressed by the author(s) do not necessarily reflect those of AID. Acknowledgements should identify the sponsoring AID Office and Bureau or Mission as well as the U.S. Agency for International Development substantially as follows:

"This [publication, video or other information/media product (specify)] was made possible through support provided by the Office of _____, Bureau for _____, U.S. Agency for International Development, under the terms of Grant No. _____. The opinions expressed herein are those of the author(s) and do not necessarily reflect the views of the U.S. Agency for International Development."

- (b) Unless the grantee is instructed otherwise by the cognizant technical office, publications, videos or other information/media products funded under this grant and intended for general readership or other general use will be marked with the AID logo and/or U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT appearing either at the top or at the bottom of the front cover or, if more suitable, on the first inside title page for printed products, and in equivalent appropriate location in videos or other information/media products. Logos and markings of co-sponsors or authorizing institutions should be similarly located and of similar size and appearance.

- (c) The grantee shall provide the AID project officer and PCL/CDIE, Room 215, SA-18, Washington, DC 20523-1802, with one copy each of all published works developed under the grant and with lists of other written work produced under the grant. *

- (d) In the event grant funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the grant unless the schedule of the grant has identified the profits or royalties as program income.

- (e) Except as otherwise provided in the terms and conditions of the grant, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this grant, but AID reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for Government purposes.

(END OF STANDARD PROVISION)

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13. NEGOTIATED INDIRECT COST RATES - PREDETERMINED (AUGUST 1992)

* (This provision is applicable to educational or nonprofit institutions whose indirect cost rate(s) under this grant are on a predetermined basis.)

(a) The allowable indirect costs under this grant shall be obtained by applying predetermined indirect cost rate(s) to the base(s) agreed upon by the parties, as specified in the schedule of this grant.

(b) Not later than 13 months after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity the required OMB Circular A-133 audit, a proposed predetermined indirect cost rate(s), and supporting cost data. In the event AID is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed predetermined indirect cost rate(s) and supporting cost data to the AID Inspector General, Washington, DC 20523, and to the Overhead and Special Costs - Contract Closeout Branch, Office of Procurement, Washington, DC 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of predetermined indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal.

(c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the provisions of the applicable cost principles in effect on the date of this grant. *

(d) Rates for subsequent periods shall be negotiated and the results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. Such agreement shall be automatically incorporated into this grant upon execution and shall specify (1) the agreed upon predetermined rate(s), (2) the base(s) to which the rate(s) apply, (3) the fiscal year (unless the parties agree to a different period) for which the rate(s) apply, and (4) the specific items treated as direct costs or any changes in the items previously agreed to be direct costs. The indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.

(e) Pending establishment of predetermined indirect cost rate(s) for any fiscal year or different period agreed to by the parties, the grantee shall be reimbursed either at the rate(s) fixed for the previous fiscal year or other period or at billing rate(s) acceptable to the AID grant officer subject to appropriate adjustment when the final rate(s) for the fiscal year or other period are established.

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14. NEGOTIATED INDIRECT COST RATES - PROVISIONAL (AUGUST 1992)

* (This provision is applicable to any EDUCATIONAL OR NONPROFIT INSTITUTION which does not have predetermined indirect cost rate(s); however, it shall also be included when the NEGOTIATED INDIRECT COST RATES - PREDETERMINED standard provision is used.)

(a) A provisional indirect cost rate(s) shall be established for each of the grantee's accounting periods during the term of this grant. Pending establishment of a final rate(s), the parties have agreed that provisional payments on account of allowable indirect costs shall be at the rate(s), on the base(s), and for the periods shown in the schedule of this grant.

(b) Not later than 13 months after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity, in accordance with the requirements of OMB Circular A-133, an audit report along with proposed final indirect cost rate(s) and supporting cost data. In the event AID is the cognizant agency or no cognizant agency has been designated, the grantee shall submit seven copies of the OMB Circular A-133 audit along with the proposed final indirect cost rate(s) and supporting cost data to the AID Inspector General, Washington, DC 20523, and a copy to the Overhead and Special Costs - Contract Closeout Branch, Office of Procurement, Washington, DC 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of final indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal. *

(c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the applicable cost principles in effect on the date of this grant.

(d) The results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. Such agreement shall specify (1) the agreed upon final rate(s), (2) the base(s) to which the rate(s) apply, and (3) the period for which the rate(s) apply. The indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.

(e) Pending establishment of final indirect cost rate(s) for any period, the grantee shall be reimbursed either at negotiated provisional rate(s) as provided above or at billing rate(s) acceptable to the grant officer, subject to appropriate adjustment when the final rate(s) for that period are established. To prevent substantial over or under payment, the provisional or billing rate(s) may, at the request of either party, be revised by mutual agreement, either retroactively or prospectively. Any such revision of negotiated provisional rate(s) provided in this standard provision shall be set forth in a modification to this grant.

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(f) Any failure by the parties to agree on final rate(s) under this standard provision shall be considered a dispute within the meaning of the standard provision of this grant entitled "Dispute" and shall be disposed of in accordance therewith.

(END OF STANDARD PROVISION)

15. NEGOTIATED INDIRECT COST RATE - PROVISIONAL (AUGUST 1992)

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(This provision is applicable to FOR-PROFIT organizations whose indirect cost rate(s) under this grant are on a provisional basis.)

(a) Until final annual indirect cost rate(s) are established for any period, the grantee shall be reimbursed either at the provisional rate(s) for the previous fiscal year or other period, or at billing rates acceptable to the AID grant officer subject to appropriate adjustment when the final rate(s) for the fiscal year or other period are established, depending on the availability of funds.

(b) The allowable indirect costs under this grant shall be obtained by applying final indirect cost rate(s) to the base(s) agreed upon by the parties, as specified in the schedule of this grant.

(c) Final annual indirect cost rate(s) and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (48 CFR Ch.1) in effect for the period covered by the indirect cost rate proposal.

(d) Not later than 90 days after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity proposed final indirect cost rate(s) and supporting cost data. In the event AID is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed final indirect cost rate(s) and supporting cost data to the AID Inspector General, Washington, DC 20523, and to the Overhead and Special Costs - Contract Closeout Branch, Office of Procurement, Washington, DC 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of final indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal.

(e) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the provisions of the applicable cost principles in effect on the date of this grant.

(f) Rates for subsequent periods shall be negotiated and the results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. The agreement shall specify (1) the agreed upon final annual indirect cost rate(s), (2) the basis to which the rate(s) apply, (3) the periods for which the rates apply, and (4) any specific items treated as indirect costs or any changes in the items previously agreed to be disallowed costs. The final indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.

(g) Any failure by the parties to agree on any final indirect cost rate(s) under this provision shall be a dispute within the meaning of the Disputes provision.

(END OF STANDARD PROVISION)

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16. REGULATIONS GOVERNING EMPLOYEES (AUGUST 1992)

(The following applies to the grantee's employees who are not citizens of the cooperating country.)

(a) The grantee's employees shall maintain private status and may not rely on local U.S. Government offices or facilities for support while under this grant.

* (b) The sale of personal property or automobiles by grantee employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire AID personnel employed by the Mission, including the rules contained in 22 CFR Part 136, except as this may conflict with host government regulations. *

(c) Other than work to be performed under this grant for which an employee is assigned by the grantee, no employee of the grantee shall engage directly or indirectly, either in the individual's own name or in the name or through an agency of another person, in any business, profession, or occupation in the foreign countries to which the individual is assigned, nor shall the individual make loans or investments to or in any business, profession or occupation in the foreign countries to which the individual is assigned.

(d) The grantee's employees, while in a foreign country, are expected to show respect for its conventions, customs, and institutions, to abide by its applicable laws and regulations, and not to interfere in its internal political affairs.

(e) In the event the conduct of any grantee employee is not in accordance with the preceding paragraphs, the grantee's chief of party shall consult with the AID Mission Director and the employee involved and shall recommend to the grantee a course of action with regard to such employee.

(f) The parties recognize the rights of the U.S. Ambassador to direct the removal from a country of any U.S. citizen or the discharge from this grant of any third country national when, in the discretion of the Ambassador, the interests of the United States so require.

(g) If it is determined, under either (e) or (f) above, that the services of such employee shall be terminated, the grantee shall use its best efforts to cause the return of such employee to the United States, or point of origin, as appropriate.

(END OF STANDARD PROVISION)

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* 17. PARTICIPANT TRAINING (AUGUST 1992)

(This provision is applicable when any participant training is financed under the grant.)

(a) Definition: A participant is any non-U.S. individual being trained under this grant outside of that individual's home country.

(b) Application of Handbook 10: Participant training under this grant shall comply with the policies established in AID Handbook 10, Participant Training, except to the extent that specific exceptions to Handbook 10 have been provided in this grant with the concurrence of the Office of International Training. (Handbook 10 may be obtained by submitting a request to the Office of International Training (R&D/OIT), Agency for International Development, Washington, D.C. 20523.)

(c) Orientation: In addition to the mandatory requirements in Handbook 10, grantees are strongly encouraged to provide, in collaboration with the Mission training officer, predeparture orientation (see Chapter 13 of Handbook 10) and orientation in Washington at the Washington International Center (see Chapter 18D of Handbook 10). The latter orientation program also provides the opportunity to arrange for home hospitality in Washington and elsewhere in the United States through liaison with the National Council for International Visitors (NCIV). If the Washington orientation is determined not to be feasible, home hospitality can be arranged in most U.S. cities if a request for such is directed to the grant officer, who will transmit the request to NCIV through R&D/OIT.

(END OF STANDARD PROVISION)

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* 18. VOLUNTARY POPULATION PLANNING (JUNE 1993) *

(This provision is applicable to all grants involving any aspect of voluntary population planning activities.)

(a) Voluntary Participation:

(1) The grantee agrees to take any steps necessary to ensure that funds made available under this grant will not be used to coerce any individual to practice methods of family planning inconsistent with such individual's moral, philosophical, or religious beliefs. Further, the grantee agrees to conduct its activities in a manner which safeguards the rights, health and welfare of all individuals who take part in the program.

(2) Activities which provide family planning services or information to individuals, financed in whole or in part under this agreement, shall provide a broad range of family planning methods and services available in the country in which the activity is conducted or shall provide information to such individuals regarding where such methods and services may be obtained.

(b) Voluntary Participation Requirements For Sterilization Programs:

(1) None of the funds made available under this grant shall be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to practice sterilization.

(2) The grantee shall ensure that any surgical sterilization procedures supported in whole or in part by funds from this grant are performed only after the individual has voluntarily gone to the treatment facility and has given informed consent to the sterilization procedure. Informed consent means the voluntary, knowing assent from the individual after being advised of the surgical procedures to be followed, the attendant discomforts and risks, the benefits to be expected, the availability of alternative methods of family planning, the purpose of the operation and its irreversibility, and the option to withdraw consent anytime prior to the operation. An individual's consent is considered voluntary if it is based upon the exercise of free choice and is not obtained by any special inducement or any element of force, fraud, deceit, duress, or other forms of coercion or misrepresentation.

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(3) Further, the grantee shall document the patient's informed consent by (i) a written consent document in a language the patient understands and speaks, which explains the basic elements of informed consent, as set out above, and which is signed by the individual and by the attending physician or by the authorized assistant of the attending physician; or (ii) when a patient is unable to read adequately a written certification by the attending physician or by the authorized assistant of the attending physician that the basic elements of informed consent above were orally presented to the patient, and that the patient thereafter consented to the performance of the operation. The receipt of the oral explanation shall be acknowledged by the patient's mark on the certification and by the signature or mark of a witness who shall be of the same sex and speak the same language as the patient.

(4) Copies of informed consent forms and certification documents for each voluntary sterilization procedure must be retained by the grantee for a period of three years after performance of the sterilization procedure.

(c) Prohibition on Abortion-Related Activities:

(1) No funds made available under this grant will be used to finance, support, or be attributed to the following activities: (i) procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (ii) special fees or incentives to women to coerce or motivate them to have abortions; (iii) payments to persons to perform abortions or to solicit persons to undergo abortions; (iv) information, education, training, or communication programs that seek to promote abortion as a method of family planning; and (v) lobbying for abortion.

(2) No funds made available under this grant will be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilizations as a means of family planning. Epidemiologic or descriptive research to assess the incidence, extent or consequences of abortions is not precluded.

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(d) The grantee shall insert this provision in all subsequent subagreements and contracts involving family planning or population activities which will be supported in whole or part from funds under this grant.

(END OF STANDARD PROVISION)

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(2) Prior to furnishing funds provided under this grant to another nongovernmental organization organized under the laws of any State of the United States, the District of Columbia, or the Commonwealth of Puerto Rico, the grantee shall obtain the written agreement of such organization that the organization shall not furnish assistance for family planning under this grant to any foreign nongovernmental organization except under the conditions and requirements that are applicable to the grantee as set forth in this paragraph (d).

(3) The grantee may not furnish assistance for family planning under this grant to a foreign nongovernmental organization (the subrecipient) unless;

(1) the subrecipient certifies in writing that it does not perform or actively promote abortion as a method of family planning in AID-recipient countries and does not provide financial support to any other foreign nongovernmental organization that conducts such activities, and

(1) the grantee obtains the written agreement of the subrecipient containing the undertakings described in subparagraph 4., below.

(4) Prior to furnishing assistance for family planning under this grant to a subrecipient, the subrecipient must agree in writing that.

(1) The subrecipient will not, while receiving assistance under this grant, perform or actively promote abortion as a method of family planning in AID-recipient countries or provide financial support to other foreign nongovernmental organizations that conduct such activities.

(1) The grantee and authorized representatives of AID may, at any reasonable time, (A) inspect the documents and materials maintained or prepared by the subrecipient in the usual course of its operations that describe the family planning activities of the subrecipient, including reports, brochures and service statistics; (B) observe the family planning activity conducted by the subrecipient; (C) consult with family planning personnel of the subrecipient; and (D) obtain a copy of the audited financial statement or report of the subrecipient, if there is one.

(1) In the event the grantee or AID has reasonable cause to believe that a subrecipient may have violated its undertaking not to perform or actively promote abortion as a method of family planning, the grantee shall review the family planning program of the subrecipient to determine whether a violation of the undertaking has occurred. The subrecipient shall make available to the grantee such books and records and other information as may be reasonably requested in order to conduct the review. AID may also review the family planning program of the subrecipient under these circumstances, and AID shall have access to such books and records and information for inspection upon request.

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(iv) The subrecipient shall refund to the grantee the entire amount of assistance for family planning furnished to the subrecipient under this grant in the event it is determined that the certification provided by the subrecipient under subparagraph (3), above, is false.

(v) Assistance for family planning provided to the subrecipient under this grant shall be terminated if the subrecipient violates any undertaking in the agreement required by subparagraphs (3) and (4), and the subrecipient shall refund to the grantee the value of any assistance furnished under this grant that is used to perform or actively promote abortion as a method of family planning.

(vi) The subrecipient may furnish assistance for family planning under this grant to another foreign nongovernmental organization (the sub-subrecipient) only if (A) the sub-subrecipient certifies in writing that it does not perform or actively promote abortion as a method of family planning in AID-recipient countries and does not provide financial support to any other foreign nongovernmental organization that conducts such activities; and (B) the sub-subrecipient obtains the written agreement of the sub-subrecipient that contains the same undertakings and obligations to the subrecipient as those provided by the subrecipient to the grantee as described in subparagraphs (4)(i)-(v), above.

(5) Agreements with subrecipients and sub-subrecipients required under subparagraphs (3) and (4) shall contain the definitions set forth in subparagraph (10) of this paragraph (d).

(6) The grantee shall be liable to AID for a refund for a violation of any requirement of this paragraph (d) only if (i) the grantee knowingly furnishes assistance for family planning to a subrecipient who performs or actively promotes abortion as a method of family planning, or (ii) the certification provided by a subrecipient is false and the grantee failed to make reasonable efforts to verify the validity of the certification prior to furnishing assistance to the subrecipient, or (iii) the grantee knows or has reason to know, by virtue of the monitoring which the grantee is required to perform under the terms of this grant, that a subrecipient has violated any of the undertakings required under subparagraph (4) and the grantee fails to terminate assistance for family planning to the subrecipient, or fails to require the subrecipient to terminate such assistance to a sub-subrecipient which violates any undertaking of the agreement required under subparagraph (4)(vi), above. If the grantee finds, in exercising its monitoring responsibility under this grant, that a subrecipient or sub-subrecipient receives frequent requests for the information described in subparagraph (10)(iii)(A)(II), below, the grantee shall verify that this information is being provided properly in accordance with subparagraph (10)(iii)(A)(II) and shall describe to AID the reasons for reaching its conclusion.

(7) In submitting a request to AID for approval of a grantee's decision to furnish assistance for family planning to a subrecipient, the grantee shall include a description of the efforts made by the grantee to verify the validity of the certification provided by the subrecipient. AID may request the grantee to make additional efforts to verify the validity of the certification. AID will inform the grantee in writing when AID is satisfied that reasonable efforts have been made. If AID concludes that these efforts are reasonable within the meaning of subparagraph (6) above, the grantee shall not be liable to AID for a refund in the event the subrecipient's certification is false unless the grantee knew the certification to be false or misrepresented to AID the efforts made by the grantee to verify the validity of the certification.

(8) It is understood that AID also may make independent inquiries, in the community served by a subrecipient or sub-subrecipient, regarding whether it performs or actively promotes abortion as a method of family planning.

(9) A subrecipient must provide the certification required under subparagraph (3) and a sub-subrecipient must provide the certification required under subparagraph (4)(vi) each time a new agreement is executed with the subrecipient or sub-subrecipient furnishing assistance for family planning under the grant.

(10) The following definitions apply for purposes of this paragraph (d):

(i) Abortion is a method of family planning when it is for the purpose of spacing births. This includes, but is not limited to, abortions performed for the physical or mental health of the mother but does not include abortions performed if the life of the mother would be endangered if the fetus were carried to term or abortions performed following rape or incest (since abortion under these circumstances is not a family planning act).

(ii) To perform abortions means to operate a facility where abortions are performed as a method of family planning. Excluded from this definition are clinics or hospitals which do not include abortion in their family planning programs.

(iii) To actively promote abortion means for an organization to commit resources, financial or other, in a substantial or continuing effort to increase the availability or use of abortion as a method of family planning.

(A) This includes, but is not limited to, the following:

(I) Operating a family planning counseling service that includes, as part of the regular program, providing advice and information regarding the benefits and availability of abortion as a method of family planning;

(II) Providing advice that abortion is an available option in the event other methods of family planning are not used or are not successful or encouraging women to consider abortion (passively responding to a question regarding where a safe, legal abortion may be obtained is not considered active promotion if the question is specifically asked by a woman who is already pregnant, the woman clearly states that she has already decided to have a legal abortion, and the family planning counselor reasonably believes that the ethics of the medical profession in the country require a response regarding where it may be obtained safely);

(III) Lobbying a foreign government to legalize or make available abortion as a method of family planning or lobbying such a government to continue the legality of abortion as a method of family planning;

(IV) Conducting a public information campaign in AID-recipient countries regarding the benefits and/or availability of abortion as a method of family planning.

(B) Excluded from the definition of active promotion of abortion as a method of family planning are referrals for abortion as a result of rape, incest or if the life of the mother would be endangered if the fetus were carried to term.

(C) Action by an individual acting in the individual's capacity shall not be attributed to an organization with which the individual is associated, provided that the organization neither endorses nor provides financial support for the action and takes reasonable steps to ensure that the individual does not improperly represent that the individual is acting on behalf of the organization.

(iv) To furnish assistance to a foreign nongovernmental organization means to provide financial support under this grant to the family planning program of the organization, and includes the transfer of funds made available under this grant or goods or services financed with such funds, but does not include the purchase of goods or services from an organization or the participation of an individual in the general training programs of the grantee, subrecipient or sub-subrecipient.

(v) To control an organization means the possession of the power to direct or cause the direction of the management and policies of an organization.

(11) In determining whether a foreign nongovernmental organization is eligible to be a subrecipient or sub-subrecipient of assistance for family planning under this grant, the action of separate nongovernmental organizations shall not be imputed to the subrecipient or sub-subrecipient, unless, in the judgment of AID, a separate nongovernmental organization is being used as a sham to avoid the restrictions of this paragraph (d). Separate nongovernmental organizations are those that have distinct legal existence in accordance with the laws of the countries in which they are organized. Foreign organizations that are separately organized shall not be considered separate, however, if one is controlled by the other. The grantee may request AID's approval to treat as separate the family planning activities of two or more organizations, which would not be considered separate under the preceding sentence, if the grantee believes, and provides a written justification to AID therefor, that the family planning activities of the organizations are sufficiently distinct as to warrant not imputing the activity of one to the other.

(12) Assistance for family planning may be furnished under this grant by a grantee, subrecipient or sub-subrecipient to a foreign government even though the government includes abortion in its family planning program, provided that no assistance may be furnished in support of the abortion activity of the government and any funds transferred to the government shall be placed in a segregated account to ensure that such funds may not be used to support the abortion activity of the government.

(13) The requirements of this paragraph are not applicable to family planning assistance furnished to a foreign nongovernmental organization which is engaged primarily in providing health services if the objective of the assistance is to finance integrated health care services to mothers and children and birth spacing or family planning is one of several health care services being provided by the organization as part of an integrated system of health service delivery.

(e) The grantee shall insert paragraphs (a), (b), (c), and (e) of this provision in all subsequent subagreements and contracts involving family planning or population activities which will be supported in whole or part from funds under this grant. Paragraph (d) shall be inserted in subagreements and sub-subagreements in accordance with the terms of paragraph (d). The term subagreement means subgrants and subcooperative agreements.

(END OF STANDARD PROVISION)

19. PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (AUGUST 1992)

(This provision is applicable when human subjects are involved in research financed by the grant.)

- * (a) Safeguarding the rights and welfare of human subjects involved in research supported by AID is the responsibility of the grantee. It is the policy of AID that no work shall be initiated under any grant for the support of research involving human subjects unless the research is given initial and continuing review and approval by an appropriate committee of the grantee. This review shall assure that (1) the rights and welfare of the individuals involved are adequately protected, (2) the methods used to obtain informed consent are adequate and appropriate, and (3) the risks and potential medical benefits of the investigation are assessed.
- (b) The grantee must provide written assurance to AID that it will abide by this policy for all research involving human subjects supported by AID. This assurance shall consist of a written statement of compliance with the requirements regarding initial and continuing review of research involving human subjects and a description of the organization's review committee structure, its review procedures, and the facilities and personnel available to protect the health and safety of human subjects. In addition to providing the assurance, the grantee must also certify to AID for each proposal involving human subjects that its committee has reviewed and approved the proposed research before any work may be initiated.
- (c) Since the welfare of the subject individual is a matter of concern to AID as well as to the grantee, AID advisory groups, consultants, and staff may independently review all research involving human subjects, and prohibit research which presents unacceptable hazards. This provision, however, shall not derogate in any manner from the responsibility of the grantee set forth herein.
- (d) All of the above provisions apply to any research involving human subjects conducted outside of the United States and, in addition, such overseas research will conform to legal and other requirements governing human research in the country where they are conducted.
- (e) In addition to the procedures set forth above, studies with unmarketed drugs will be carried out in accordance with provisions applicable in the country where the study is conducted. In the United States, the regulations of the Food and Drug Administration will be followed and evidence of such compliance provided to AID.
- (f) Guidance on procedures to safeguard human subjects involved in research is found in 45 CFR Part 46 as well as the AID-specific regulations in 22 CFR Part 225. Compliance with these procedures, except as modified above, is required. *

(END OF STANDARD PROVISION)

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20. CARE OF LABORATORY ANIMALS (NOVEMBER 1985)

(This provision is applicable when laboratory animals are involved in research performed in the U.S. and financed by the grant.)

(a) Before undertaking performance of any grant involving the use of laboratory animals, the grantee shall register with the Secretary of Agriculture of the United States in accordance with Section 6, Public Law 89-544, Laboratory Animal Welfare Act, August 24, 1966, as amended by Public Law 91-579, Animal Welfare Act of 1970, December 24, 1970. The grantee shall furnish evidence of such registration to the grant officer.

(b) The grantee shall acquire animals used in research under this grant only from dealers licensed by the Secretary of Agriculture, or from exempted sources in accordance with the Public Laws enumerated in (a) above.

(c) In the care of any live animals used or intended for use in the performance of this grant, the grantee shall adhere to the principles enunciated in the Guide for Care and Use of Laboratory Animals prepared by the Institute of Laboratory Animal Resources, National Academy of Sciences - National Research Council, and in the United States Department of Agriculture's (USDA) regulations and standards issued under the Public Laws enumerated in a. above. In case of conflict between standards, the higher standard shall be used. The grantee's reports on portions of the grant in which animals were used shall contain a certificate stating that the animals were cared for in accordance with the principles enunciated in the Guide for Care and Use of Laboratory Animals prepared by the Institute of Laboratory Animal Resources, NAS-NRC, and/or in the regulations and standards as promulgated by the Agricultural Research Service, USDA, pursuant to the Laboratory Animal Welfare Act of 24 August 1966, as amended (P.L. 89-544 and P.L. 91-579). NOTE: The grantee may request registration of the grantee's facility and a current listing of licensed dealers from the Regional Office of the Animal and Plant Health Inspection Service (APHIS), USDA, for the region in which the grantee's research facility is located. The location of the appropriate APHIS Regional Office as well as information concerning this program may be obtained by contacting the Senior Staff Office, Animal Care Staff, USDA/APHIS, Federal Center Building, Hyattsville, Maryland 20782.

(END OF STANDARD PROVISION)

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21. TITLE TO AND USE OF PROPERTY (GRANTEE TITLE) (NOVEMBER 1985)

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

Title to all property financed under this grant shall vest in the grantee, subject to the following conditions:

(a) The grantee shall not charge for any depreciation, amortization, or use of any property, title to which remains in the grantee under this provision under this grant or any other U.S. Government agreement, subagreement, contract, or subcontract.

(b) The grantee agrees to use and maintain the property for the purpose of the grant in accordance with the requirements of paragraphs (c), (d), (e), and (f) below.

(c) Real Property:

(1) Real property means land, including land improvements, structures, and appurtenances thereto, but excluding movable machinery and equipment.

(2) Use of Real Property:

(i) The grantee shall use the real property for the authorized purpose of the project, as long as it is needed.

(ii) The grantee shall obtain approval from AID for the use of real property in other projects when the grantee determines that the property is no longer needed for the purpose of the original program. Use in other programs shall be limited to those under other federally sponsored programs (i.e., grants or other agreements) that have purposes consistent with those authorized for support by AID.

(3) Disposition of Real Property: When the real property is no longer needed as provided in (2) above, the grantee shall request disposition instructions from AID or its successor Federal sponsoring agency. AID or the successor Federal sponsoring agency shall observe the following rules in the disposition instructions:

(1) The grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original program to the fair market value of the property.

(10) The grantee may be directed to sell the property under guidelines provided by the Federal sponsoring agency and pay the Federal Government an amount computed by applying the Federal percentage of participation in the cost of the original program to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sales proceeds). When the grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

(11) The grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the grantee shall be entitled to compensation computed by applying the grantee's percentage of participation in the cost of the program to the current fair market value of the property.

(d) Nonexpendable Property:

(1) Nonexpendable personal property means tangible personal property having a useful life of more than two years and an acquisition cost of \$500 or more per unit.

(2) Use of Nonexpendable Personal Property:

(1) The grantee shall use the property in the program for which it was acquired as long as needed, whether or not the program continues to be supported by Federal funds. When no longer needed for the original program, the grantee shall use the property in connection with its other federally sponsored activities in the following order of priority:

(A) Activities sponsored by AID

(B) Activities sponsored by other Federal agencies.

(1) Shared use - During the time that nonexempt nonexpendable personal property is held for use on the program for which it was acquired the grantee shall make it available for use on other programs if such other use will not interfere with the work on the program for which the property was originally acquired. First preference for such other use shall be given to other programs sponsored by AID; second preference shall be given to programs sponsored by other Federal agencies. User charges should be considered if appropriate.

(3) Disposition Of Nonexpendable Personal Property - With A Unit Acquisition Cost Of Less Than \$1,000: The grantee may use the property for other activities without reimbursement to the Federal Government or sell the property and retain the proceeds.

(4) Disposition Of Nonexpendable Personal Property With A Unit Acquisition Cost Of \$1,000 Or More:

(i) The grantee agrees to report such items to the grant officer from time to time as they are acquired and to maintain a control system which will permit their ready identification and location.

(ii) The grantee may retain the property for other uses provided that compensation is made to AID or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original program to the current fair market value of the property. If the grantee has no need for the property and the property has further use value, the grantee shall request disposition instructions from AID.

(iii) AID shall determine whether the property can be used to meet AID requirements. If no requirement exists within AID the availability of the property shall be reported to the General Services Administration by AID to determine whether a requirement for the property exists in other Federal agencies. AID shall issue instructions to the grantee no later than 120 days after the grantee's request and the following procedures shall govern:

(A) If so instructed or if disposition instructions are not issued within 120 calendar days after the grantee's request, the grantee shall sell the property and reimburse AID an amount computed by applying to the sales proceeds that percentage of Federal participation in the cost of the original program. However, the grantee shall be permitted to deduct and retain from the Federal share \$100 or ten percent of the proceeds, whichever is greater, for the grantee's selling and handling expenses.

(B) If the grantee is instructed to ship the property elsewhere, the grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the grantee's participation in the cost of the original grant program to the current fair market value of the property, plus any reasonable shipping or interim storage costs incurred.

(C) If the grantee is instructed to otherwise dispose of the property, the grantee shall be reimbursed by AID for such costs incurred in its disposition.

(e) Expendable Personal Property:

(1) Expendable personal property means all tangible personal property other than nonexpendable property.

(2) The grantee shall use the expendable personal property for the authorized purpose of the grant program, as long as it is needed.

(3) If there is a residual inventory of such property exceeding \$1,000 in total aggregate fair market value, upon termination or completion of the grant and the property is not needed for any other federally sponsored program, the grantee shall retain the property for use on nonfederally sponsored activities, or sell it, but must in either case, compensate the Federal Government for its share. The amount of compensation shall be computed in the same manner as nonexpendable personal property.

(f) The grantee's property management standards for nonexpendable personal property shall include the following procedural requirements:

(1) Property records shall be maintained accurately and shall include:

(i) A description of the property.

(ii) Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.

(iii) Source of the property, including grant or other agreement number.

(iv) Whether title vests in the grantee or the Federal Government.

(v) Acquisition date and cost.

(vi) Percentage (at the end of the budget year) of Federal participation in the cost of the project or program for which the property was acquired.

(vii) Location, use, and condition of the property and the date the information was reported.

(viii) Unit acquisition cost.

(ix) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where the grantee compensates AID for its share.

(2) A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The grantee shall in connection with the inventory, verify the existence, current utilization, and continued need for the property. The inventory listing shall be retained as documentation in accordance with the standard provision of this grant entitled "Accounting, Audit, and Records."

(3) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft of nonexpendable property shall be investigated and fully documented.

(4) Adequate maintenance procedures shall be implemented to keep the property in good condition.

(5) Where the grantee is authorized or required to sell the property, proper sales procedures shall be established which would provide for competition to the extent practicable and result in the highest possible return.

(END OF STANDARD PROVISION)

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22. TITLE TO AND CARE OF PROPERTY (U.S. GOVERNMENT TITLE) (NOVEMBER 1985)

(This provision is applicable when title to property is vested in the U.S. Government.)

(a) Property, title to which vests in the Government under this grant, whether furnished by the Government or acquired by the grantee, is subject to this provision and is hereinafter collectively referred to as "Government property." Title to Government property shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personal property by reason of affixation to any real property.

(b) Use of Government Property: Government property shall, unless otherwise provided herein or approved by the grant officer, be used only for the performance of this grant.

(c) Control, Maintenance and Repair of Government Property:

(1) The grantee shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this grant. The grantee shall take all reasonable steps to comply with all appropriate directions or instructions which the grant officer may prescribe as reasonably necessary for the protection of the Government property.

(2) The grantee shall submit, for review and written approval of the grant officer, a records system for property control and a program for orderly maintenance of Government property; however, if the grantee's property control and maintenance system has been reviewed and approved by another Federal department or agency pursuant to Attachment N of OMB Circular No. A-110, the grantee shall furnish the grant officer proof of such approval in lieu of another approval submission.

(3) Property Control: The property control system shall include but not be limited to the following:

(i) Identification of each item of Government property acquired or furnished under the grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of U.S. Government."

(ii) The price of each item of property acquired or furnished under this grant.

(iii) The location of each item of property acquired or furnished under this grant.

(iv) A record of any usable components which are permanently removed from items of Government property as a result of modification or otherwise.

(v) A record of disposition of each item acquired or furnished under the grant.

(vii) Date of order and receipt of any item acquired or furnished under the grant.

(viii) The official property control records shall be kept in such condition that at any stage of completion of the work under this grant, the status of property acquired or furnished under this grant may be readily ascertained. A report of current status of all items of property acquired or furnished under the grant shall be submitted yearly concurrently with the annual report.

(4) Maintenance Program: The grantee's maintenance program shall be consistent with sound business practice, the terms of the grant, and provide for:

(i) disclosure of need for and the performance of preventive maintenance,

(ii) disclosure and reporting of need for capital type rehabilitation, and

(iii) recording of work accomplished under the program.

(A) Preventive maintenance - Preventive maintenance is maintenance generally performed on a regularly scheduled basis to prevent the occurrence of defects and to detect and correct minor defects before they result in serious consequences.

(B) Records of maintenance - The grantee's maintenance program shall provide for records sufficient to disclose the maintenance actions performed and deficiencies discovered as a result of inspections.

(C) A report of status of maintenance of Government property shall be submitted annually concurrently with the annual report.

(d) Risk of Loss:

(1) The grantee shall not be liable for any loss of or damage to the Government property, or for expenses incidental to such loss or damage except that the grantee shall be responsible for any such loss or damage (including expenses incidental thereto):

(i) Which results from willful misconduct or lack of good faith on the part of any of the grantee's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives, who have supervision or direction of all or substantially all of the grantee's business, or all or substantially all of the grantee's operation at any one plant, laboratory, or separate location in which this grant is being performed;

(ii) Which results from a failure on the part of the grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above:

(A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of Government property as required by (a) above, or

(B) to take all reasonable steps to comply with any appropriate written directions of the grant officer under (c) above;

(iii) For which the grantee is otherwise responsible under the express terms designated in the schedule of this grant;

(iv) Which results from a risk expressly required to be insured under some other provision of this grant, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or

(v) Which results from a risk which is in fact covered by insurance or for which the grantee is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

(vi) Provided, that, if more than one of the above exceptions shall be applicable in any case, the grantee's liability under any one exception shall not be limited by any other exception.

(2) The grantee shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provision for a reserve, covering the risk of loss of or damage to the Government property, except to the extent that the Government may have required the grantee to carry such insurance under any other provision of this grant.

(3) Upon the happening of loss or destruction of or damage to the Government property, the grantee shall notify the grant officer thereof, shall take all reasonable steps to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the Government property in the best possible order, and furnish to the grant officer a statement of:

- (i) The lost, destroyed, or damaged Government property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the Government property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

(4) The grantee shall make repairs and renovations of the damaged Government property or take such other action as the grant officer directs:

(5) In the event the grantee is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the Government property, it shall use the proceeds to repair, renovate or replace the Government property involved, or shall credit such proceeds against the cost of the work covered by the grant, or shall otherwise reimburse the Government, as directed by the grant officer. The grantee shall do nothing to prejudice the Government's right to recover against third parties for any such loss, destruction, or damage, and upon the request of the grant officer, shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including assistance in the prosecution of suits and the execution of instruments or assignments in favor of the Government) in obtaining recovery.

(e) Access: The Government, and any persons designated by it, shall at all reasonable times have access to the premises wherein any Government property is located, for the purpose of inspecting the Government property.

(f) Final Accounting and Disposition of Government Property: Upon completion of this grant, or at such earlier dates as may be fixed by the grant officer, the grantee shall submit, in a form acceptable to the grant officer, inventory schedules covering all items of Government property not consumed in the performance of this grant or not theretofore delivered to the Government, and shall prepare, deliver, or make such other disposition of the Government property as may be directed or authorized by the grant officer.

(g) Communications: All communications issued pursuant to this provision shall be in writing.

(END OF STANDARD PROVISION)

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23. TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE) (NOVEMBER 1985)

(This provision is applicable to property titled in the name of the cooperating country or such public or private agency as the cooperating country government may designate.)

- (a) Except as modified by the schedule of this grant, title to all equipment, materials and supplies, the cost of which is reimbursable to the grantee by AID or by the cooperating country, shall at all times be in the name of the cooperating country or such public or private agency as the cooperating country may designate, unless title to specified types or classes of equipment is reserved to AID under provisions set forth in the schedule of this grant. All such property shall be under the custody and control of grantee until the owner of title directs otherwise or completion of work under this grant or its termination, at which time custody and control shall be turned over to the owner of title or disposed of in accordance with its instructions. All performance guarantees and warranties obtained from suppliers shall be taken in the name of the title owner.
- (b) The grantee shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this grant. The grantee shall take all reasonable steps to comply with all appropriate directions or instructions which the grant officer may prescribe as reasonably necessary for the protection of the Government property.
- (c) The grantee shall prepare and establish a program, to be approved by the appropriate AID Mission, for the receipt, use, maintenance, protection, custody and care of equipment, materials and supplies for which it has custodial responsibility, including the establishment of reasonable controls to enforce such program. The grantee shall be guided by the following requirements:
- (1) Property Control: The property control system shall include but not be limited to the following:
- (i) Identification of each item of cooperating country property acquired or furnished under the grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of (insert name of cooperating country)."
- (ii) The price of each item of property acquired or furnished under this grant.

(iii) The location of each item of property acquired or furnished under this grant.

(iv) A record of any usable components which are permanently removed from items of cooperating country property as a result of modification or otherwise.

(v) A record of disposition of each item acquired or furnished under the grant.

(vi) Date of order and receipt of any item acquired or furnished under the grant.

(vii) The official property control records shall be kept in such condition that at any stage of completion of the work under this grant, the status of property acquired or furnished under this grant may be readily ascertained. A report of current status of all items of property acquired or furnished under the grant shall be submitted yearly concurrently with the annual report.

(2) Maintenance Program: The grantee's maintenance program shall be consistent with sound business practice, the terms of the grant, and provide for:

(i) disclosure of need for and the performance of preventive maintenance.

(ii) disclosure and reporting of need for capital type rehabilitation, and

(iii) recording of work accomplished under the program:

(A) Preventive maintenance - Preventive maintenance is maintenance generally performed on a regularly scheduled basis to prevent the occurrence of defects and to detect and correct minor defects before they result in serious consequences.

(B) Records of maintenance - The grantee's maintenance program shall provide for records sufficient to disclose the maintenance actions performed and deficiencies discovered as a result of inspections.

(C) A report of status of maintenance of cooperating country property shall be submitted annually concurrently with the annual report.

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(d) Risk of Loss:

(1) The grantee shall not be liable for any loss of or damage to the cooperating country property, or for expenses incidental to such loss or damage except that the grantee shall be responsible for any such loss or damage (including expenses incidental thereto):

(i) Which results from willful misconduct or lack of good faith on the part of any of the grantee's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives, who have supervision or direction of all or substantially all of the grantee's business, or all or substantially all of the grantee's operation at any one plant, laboratory, or separate location in which this grant is being performed;

(ii) Which results from a failure on the part of the grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above:

(A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of cooperating country property as required by (i) above, or

(B) to take all reasonable steps to comply with any appropriate written directions of the grant officer under (b) above;

(iii) For which the grantee is otherwise responsible under the express terms designated in the schedule of this grant;

(vi) Which results from a risk expressly required to be insured under some other provision of this grant, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or

(v) Which results from a risk which is in fact covered by insurance or for which the grantee is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

(vi) Provided, that, if more than one of the above exceptions shall be applicable in any case, the grantee's liability under any one exception shall not be limited by any other exception.

(2) The grantee shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provision for a reserve, covering the risk of loss of or damage to the cooperating country property, except to the extent that AID may have required the grantee to carry such insurance under any other provision of this grant.

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(3) Upon the happening of loss or destruction of or damage to the cooperating country property, the grantee shall notify the grant officer thereof, shall take all reasonable steps to protect the cooperating country property from further damage, separate the damaged and undamaged cooperating country property, put all the cooperating country property in the best possible order, and furnish to the grant officer a statement of:

- (i) The lost, destroyed, or damaged cooperating country property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the cooperating country property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

(4) The grantee shall make repairs and renovations of the damaged cooperating country property or take such other action as the grant officer directs:

(5) In the event the grantee is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the cooperating country property, it shall use the proceeds to repair, renovate or replace the cooperating country property involved, or shall credit such proceeds against the cost of the work covered by the grant, or shall otherwise reimburse AID, as directed by the grant officer. The grantee shall do nothing to prejudice AID's right to recover against third parties for any such loss, destruction, or damage, and upon the request of the grant officer, shall, at the Government's expense, furnish to AID all reasonable assistance and cooperation (including assistance in the prosecution of suits and the execution of instruments or assignments in favor of the Government) in obtaining recovery.

(e) Access: AID, and any persons designated by it, shall at all reasonable times have access to the premises wherein any cooperating country property is located, for the purpose of inspecting the cooperating country property.

(f) Final Accounting and Disposition of Cooperating Country Property: Within 90 days after completion of this grant, or at such other date as may be fixed by the grant officer, the grantee shall submit to the grant officer an inventory schedule covering all items of equipment, materials and supplies under the grantee's custody, title to which is in the cooperating country or public or private agency designated by the cooperating country, which have not been consumed in the performance of this grant. The grantee shall also indicate what disposition has been made of such property.

(g) Communications: All communications issued pursuant to this provision shall be in writing.

(END OF STANDARD PROVISION)

24. COST SHARING (MATCHING) (AUGUST 1992)

(This provision is applicable when the grantee is required to cost share or provide a matching 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 amount or percentage of the total expenditures under this grant as 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 (may include public international organizations or foreign governments) 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;
 - (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);

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and (6) Are provided for in the approved budget when required by AID;

(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 share (match) 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:

(A) If the purpose of the grant is to assist the grantee 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.

(11) 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 amount or percentage as set forth in the schedule of the grant.

(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 amount or 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. *

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(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 funds set forth in the standard provisions of this grant are applicable to expenditures incurred with AID funds provided under this grant. Except for the requirements of this standard provision, the restrictions set forth in the standard provisions of this grant are not applicable to costs incurred by the grantee from non-Federal funds. The grantee will account for the AID funds in accordance with the standard provision of this grant entitled "Accounting, Audit, and Records"; however, in the event of disallowances of expenditures from AID grant funds, the grantee may substitute expenditures made with funds provided from non-Federal sources, provided they are eligible in accordance with all the standard provisions of this grant.

(k) Notwithstanding paragraph (c) 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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25. USE OF POUCH FACILITIES (AUGUST 1992)

(This provision is applicable when activities under the grant will take place outside of the United States.)

(a) Use of diplomatic pouch is controlled by the Department of State. The Department of State has authorized the use of pouch facilities for AID grantees and their employees as a general policy, as detailed in items (1) through (6) below. However, the final decision regarding use of pouch facilities rest with the Embassy or AID Mission. In consideration of the use of pouch facilities, the grantee and its employees agree to indemnify and hold harmless, the Department of State and AID for loss or damage occurring in pouch transmission:

* (1) Grantees and their employees are authorized use of the pouch for transmission and receipt of up to a maximum of .9 kgs per shipment of correspondence and documents needed in the administration of assistance programs.

(2) U.S. citizen employees are authorized use of the pouch for personal mail up to a maximum of .45 kgs per shipment (but see (a)(3) below).

(3) Merchandise, parcels, magazines, or newspapers are not considered to be personal mail for purposes of this standard provision and are not authorized to be sent or received by pouch.

(4) Official and personal mail pursuant to a.1. and 2. above sent by pouch should be addressed as follows:

Name of individual or organization (followed by
letter symbol "G")
City Name of post (USAID/_____)
Agency for International Development
Washington, D.C. 20523-0001

(5) Mail sent via the diplomatic pouch may not be in violation of U.S. Postal laws and may not contain material ineligible for pouch transmission.

(6) AID grantee personnel are not authorized use of military postal facilities (APO/FPO). This is an Adjutant General's decision based on existing laws and regulations governing military postal facilities and is being enforced worldwide.

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(b) The grantee shall be responsible for advising its employees of this authorization, these guidelines, and limitations on use of pouch facilities.

(c) Specific additional guidance on grantee use of pouch facilities in accordance with this standard provision is available from the Post Communication Center at the Embassy or AID Mission.

(END OF STANDARD PROVISION)

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26. CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY (NOVEMBER 1985)
(This provision is applicable when activities under the grant will take place outside of the United States.)

Upon arrival in the Cooperating Country, and from time to time as appropriate, the grantee's chief of party shall consult with the Mission Director who shall provide, in writing, the procedure the grantee and its employees shall follow in the conversion of United States dollars to local currency. This may include, but is not limited to, the conversion of currency through the cognizant United States Disbursing Officer or Mission Controller, as appropriate.

(END OF STANDARD PROVISION)

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* 27. PUBLIC NOTICES (AUGUST 1992)

It is AID's policy to inform the public as fully as possible of its programs and activities. The grantee is encouraged to give public notice of the receipt of this grant and, from time to time, to announce progress and accomplishments. Press releases or other public notices should include a statement substantially as follows:

"The U.S. Agency for International Development administers the U.S. foreign assistance program providing economic and humanitarian assistance in more than 80 countries worldwide."

The grantee may call on AID's Office of External Affairs for advice regarding public notices. The grantee is requested to provide copies of notices or announcements to the cognizant technical officer and to AID's Office of External Affairs as far in advance of release as possible.

(END OF STANDARD PROVISION) *

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* NEW MATERIAL

* 28. PROVISION ON RIGHTS IN DATA (AUGUST 1992)

(a) Definitions

"Data" means recorded information (including information relating to the research, testing, or development of any drug or device requiring approval for use in the United States), regardless of form or the media on which it may be recorded. In the aggregate these data may be in the form of reports, articles, manuals, or publications. The term includes technical data and computer software. The term does not include financial reports or other information incidental to grant administration.

"Form, fit and function data" means data relating to items, components, or processes that are sufficient to enable physical and functional interchangeability, as well as data identifying source, size, configuration, mating, and attachment characteristics. Functional characteristics, and performance requirements but specifically excludes the source code, algorithm, process, formulae, and flow charts of the software.

"Limited rights" means the rights of the Government in limited rights data as set forth in the following Limited Rights Notice:

— "These data are submitted with limited rights. These data may be reproduced and used by the Government with the limitation that they will not, without written permission of the Grantee, be used for purposes of manufacture nor disclosed outside the Government.

— "This Notice shall be marked on any reproduction of these data, in whole or in part."

"Limited rights data" means data (other than computer software) that embody trade secrets, or are commercial or financial and confidential or privileged, to the extent that such data pertain to items, components, or processes developed at private expense, including minor modifications thereof.

"Restricted computer software" means computer software developed at private expense and that is a trade secret; is commercial or financial and is confidential or privileged; or is published copyrighted computer software, including minor modifications of such computer software.

"Technical data" means data (other than computer software) which are of a scientific or technical nature.

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* NEW MATERIAL

* "Unlimited rights" means the right of the Government to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly, in any manner and for any purpose, and to permit others to do so.

(b) Allocation of Rights

(1) Except as provided in paragraph (c) of this provision regarding copyright, the Federal Government shall have unlimited rights in --

- (i) Data first produced in performance of this Grant;
- (ii) Form, fit and function data delivered under this Grant;
- (iii) Data delivered under this Grant (except for restricted computer software) that constitutes manuals or instructional and training material for installation, operation or routine maintenance and repair of items, components, or processes delivered or furnished for use under this Grant; and
- (iv) All other data delivered under this Grant unless provided otherwise for limited rights data or restricted computer software in accordance with paragraph (d) of this provision

(2) The Grantee shall have the right to --

- (i) Use, release to others, reproduce, distribute, or publish any data first produced or specifically used by the Grantee in the performance of this Grant;
- (ii) Protect from unauthorized disclosure and use those data which are limited rights data or restricted computer software to the extent provided in paragraph (d) of this provision;
- (iii) Substantiate use of, add or correct limited rights, restricted rights, or copyright notices;
- (iv) Establish claim to copyright subsisting in data first produced in the performance of this Grant to the extent provided in subparagraph (c) of this provision.

(c) Copyright

(1) Data first produced in the performance of this Grant. The Grantee may establish, without prior approval of AID, claim to copyright subsisting in scientific and technical articles based on or containing data first produced in the performance of this Grant and published in academic, technical or professional journals, symposia proceedings or similar works. The prior express written permission of AID is required to establish claim to copyright subsisting in all other data first produced in performance of this Grant. For computer software and other data the Grantee grants to the Government, and others acting on its behalf, a paid-up nonexclusive, irrevocable worldwide license in such copyrighted data to reproduce, prepare derivative works and display publicly by or on behalf of the Government.

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(2) Data not first produced in the performance of this Grant. The Grantee shall not, without prior written permission of AID incorporate in data delivered under this Grant any data not first produced in the performance under this Grant and which contains the copyright notice of 17 U.S.C. 401 or 402, unless the grantee identifies such data and grants to the Government, or acquires on its behalf, a license of the same scope as set forth above in paragraph (c).

(3) Removal of copyright notices. The Government agrees not to remove any copyright notices placed on data delivered under this Grant and to include such notice on all reproductions of such data.

(d) Protection of limited rights data and restricted computer software

When data other than that listed in subparagraph (b)(1)(i), (ii) and (iii) of this provision are specified to be delivered under this Grant and qualify as either limited rights data or restricted computer software, if the Grantee desires to continue protection of such data, the Grantee shall withhold such data and not furnish them to the Government under this Grant. As a condition to this withholding, the Grantee shall identify the data being withheld and furnish form, fit, and function data in lieu thereof.

(e) Subagreements

The Grantee has the responsibility to obtain from subgrantees and those who work in collaboration with the Grantee in performance of this Grant all data and rights necessary to fulfill the Grantee's obligations under this Grant. If a subgrantee or collaborator refuses to accept terms affording the Government such rights, the Grantee shall promptly bring such refusal to the attention of AID and not proceed without authorization from AID.

(f) Relationship to patents

Nothing contained in this provision shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right granted to the Government.

(END OF STANDARD PROVISION)

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