



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

SEP 28 1993

Ms. Barbara Knowles  
Director of Programs  
World Association for Children  
and Parents (WACAP)  
543 Industry Drive  
Tukwila, WA 98188

Subject: Cooperative Agreement No. EUR-0032-A-00-3046-00

Dear Ms. Knowles:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (AID) hereby provides to the World Association for Children and Parents ("WACAP" or "Recipient") the sum of \$337,246 to support a program under the "PVO Humanitarian/Development Initiatives (Project Number 180-0032), as more fully described in the Schedule and the Program Description of this Cooperative Agreement.

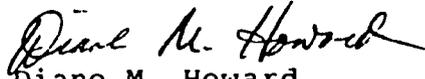
This Agreement is effective September 24, 1993 and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date and ending July 24, 1995.

The total estimated program amount is \$421,558. The total estimated AID amount is \$337,246 of which \$280,600 is being obligated. The balance is being incrementally funded subject to the availability of funds. AID shall not be liable for reimbursing the Recipient for any costs in excess of the Obligated Amount.

This Agreement is made to WACAP on the condition that the funds will be administered in accordance with the terms and conditions as set forth in this Cover Letter, the Schedule (Enclosure 1), the Program Description (Enclosure 2), and the Standard Provisions (Enclosure 3) which together constitute the entire Agreement document and have been agreed to by your organization.

Please sign the original and each copy of this letter to acknowledge your receipt of this Agreement, and return the original and one copy to me.

Sincerely,

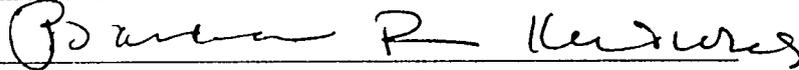


Diane M. Howard  
Grant Officer  
Eastern Europe Branch  
Office of Procurement

Enclosures:

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

ACKNOWLEDGED: WORLD ASSOCIATION FOR CHILDREN AND PARENTS (WACAP)

By: 

Typed Name: Barbara R. Knowles

Title: Director of Programs

Date: September 30, 1993

**FISCAL DATA**

Appropriation: 72-1131021.1  
 Allotment: 341-62-180-00-69-31  
 Budget Plan Codes: QDVA-93-32180-IG12  
 PIO/T No: 180-0032-3-3622762

Total Estimated Program Amount: \$421,558  
 Total Estimated AID Amount: \$337,246  
 Total Obligated AID Amount: \$280,600  
 Estimated Cost-Sharing Amount: \$ 84,312  
 Project No.: 180-0032  
 AID Project Office: EUR/DR/DPI, Mary Lee McIntyre  
 Funding Source: AID/W  
 Paying Office: FA/FM/CMP/LC  
 TIN: 91-0962079  
 CEC: 13-113-497F

SCHEDULE

I. PURPOSE OF AGREEMENT

The purpose of this Agreement is to provide services and technical assistance support to implement permanency planning services for children in Romania.

II. AMOUNT OF AGREEMENT AND PAYMENT

A. The total estimated program amount of this Agreement is \$421,558.

B. The total amount of AID contribution to the total estimated program costs shown in II.A above, to be provided through this Agreement for the period shown in IV.A. is \$337,246.

C. AID hereby obligates the amount of \$280,600 for program expenditures during the estimated period set forth in Section IV.A. AID shall not be liable for reimbursing the Recipient for any costs in excess of the Obligated Amount.

D. Payment shall be made to the Recipient in accordance with procedures set forth in the Standard Provision of this Agreement entitled "Payment - Letter of Credit," as set forth in Enclosure 3.

III. SUBSTANTIAL INVOLVEMENT

A. Countries: The following countries are approved for direct in-country program support under the Agreement: Romania. Other countries may be approved during the period of the Agreement. Such approval must be submitted in writing by AID after consultation with the relevant AID Mission.

B. Evaluation: The scope of work for the independent mid-term and/or final evaluation must be developed with, and the evaluator(s) chosen to carry out this activity must be approved in advance by, the AID/EUR/DR/DPI Project Officer. This approval must be submitted in writing. The Recipient is encouraged to provide at least one evaluator from its permanent staff for this evaluation(s). At least one evaluator will be an individual not currently employed by the Recipient. The AID/EUR/DR/DPI Project Officer is to participate in the pre- and post-evaluation briefings and is to receive six copies of the completed evaluation report for AID/EUR/DR/DPI and one copy of each country evaluated.

C. Review and Approval of WorkPlan. Within 60 days, the Recipient shall prepare and submit to the AID/EUR/DR/DPI Project Officer for approval a workplan, which will include the following:

1. a brief description of the major activities, indicating the expected outcomes, responsible persons, planned starting and completion dates and duration of the activity (actual time required to complete the task, which may be less than the planned time between starting and completion dates);

2. a timeline showing the sequential and concurrent activities, indicating which activities depend on the successful completion of prior activities, and highlighting those activities which are critical, i.e., if delayed, the overall project results will be delayed. AID preference is the earliest possible start dates for activities and realization of concrete results; and,

3. plans for periodic consultation and review of plans and progress with the AID/EUR/DR/DPI Project Officer, with AID representatives in the field.

D. The Recipient will appoint the Project Manager for these activities subject to the approval of the AID Project Officer.

#### IV. PERIOD OF AGREEMENT

A. The effective date of this Agreement is September 24, 1993 and the estimated completion date is July 24, 1995.

#### V. REPORTING REQUIREMENTS

##### A. Financial Reporting

1. Financial reporting requirements shall be in accordance with the Standard Provision of this Agreement entitled "Payment - Letter of Credit" as set forth in Enclosure 3.

2. All financial reports shall be submitted to AID, Office of Financial Management, FA/FM/CMP, Room 700 SA-2, Washington, D.C. 20523-0209. In addition, three (3) copies of all financial reports shall be submitted to the A.I.D. Project Officer specified in the Fiscal Data page of this Agreement.

3. With the exception of the final financial report, all financial reports shall be submitted within 30 days following the end of the reporting period. The final financial report shall be submitted within 90 days following the estimated completion date of this Agreement.

4. The Recipient's financial reports shall include expenditures of AID Agreement funds provided hereunder. The Recipient is expected to inform AID on the status of nonfederal matching funds in the financial report (if applicable).

5. All budget reports must be broken out by country, both in terms of numbers trained, estimated budget, and by actual expenditures.

#### **B. Quarterly Reports**

1. The Recipient shall submit three copies to the Project Officer a Quarterly Performance Report for this agreement that briefly presents the following information for the participant training activity:

a. 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.

b. Reasons why established goals were not met.

c. Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

#### **C. Special Reports**

The Recipient shall inform the AID Project Officer as soon as the following types of conditions become known:

1. 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 U.S.G., or possible host country, assistance needed to resolve the situation.

2. Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

3. If any performance review conducted by the Recipient 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 Recipient shall submit a request for a revision of the grant's financial plan to the Grant Officer and the AID Project Officer specified in the Cover Letter of this Agreement.

4. Self-Evaluation: Self-evaluation will be conducted by WACAP in accordance with the evaluation program described in its 4/9/93 proposal. In addition, from time-to-time, AID officers will, with prior notification to the PVO's headquarters, visit selected project sites. An independent mid-term and final evaluation in collaboration with the Recipient will be carried out at the midpoint of the program and no later than 60 days prior to the expiration date of the Agreement.

**D. Annual/Final Report of Project**

Three copies of the annual (final) report plus one copy for the AID Mission in each target country in the program will be submitted to the AID/EUR/DR/DPI Project Officer 30 days prior to each anniversary date of the Agreement. It should include: (1) an executive summary of the Recipient's accomplishments or failings; (2) a description of the Agreement activities from its inception; (3) significance of these activities; (4) comments and recommendations; and (5) a fiscal report that describes in detail how the Agreement funds were used. In addition, two copies shall be submitted to AID, FPC/CDIE/DI, Room 209, SA-18, Washington, D.C. 20523-1802.

**VI. INDIRECT COSTS**

Pursuant to the Standard Provisions of this Agreement entitled, "Negotiated Indirect Cost Rates - Provisional (Nonprofits), a rate or rates shall be established for each of the Recipient's accounting periods that apply to this Agreement. Pending establishment of revised provisional or final indirect cost rates for each of the Recipient's accounting periods which apply to this Agreement, 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 which is set forth below.

<u>Description</u>	<u>Rate</u>	<u>Base</u>	<u>Period</u>	<u>Type</u>
Payroll Burden	12.8%	a/	9/24/93-7/24/95	Provisional
Overhead	43.2%	b/	9/24/93-7/24/95	Provisional

- a/ Total Direct Labor
- b/ Total Direct Costs

**VII. AGREEMENT FINANCIAL PLAN**

**A.** The Financial Plan (budget) for the Agreement is attached as the last page to the Schedule. The Recipient may not exceed the Total AID obligated amount of this Agreement (see Section II.C. of this Schedule). Any revisions to the Agreement Financial Plan must be made in accordance with the Standard Provision entitled "Revision of Grant Budget," as shown in Enclosure 3.

**VIII. SPECIAL PROVISIONS**

**B. Title to Property**

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

**C. TITLE TO PROPERTY**

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

**D. PROCUREMENT AND (SUB)CONTRACTING**

**1. Authorized Geographic Codes**

The authorized geographic code for procurement of goods and services under this Agreement is 000.

**E. (Sub)contracting with Nonprofit Organizations**

For the purposes of this Agreement, references to "OMB Circular A-122" in the Standard Provisions of this Agreement shall include the AID implementation of this Circular, as set forth in Subpart 731.7 of the AID Acquisition Regulations (AIDAR) (48 CFR Chapter 7).

**F. Employee Salaries**

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

## **G. Consultant Fees**

Compensation for consultants retained by the Recipient 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.

## **H. Equipment and Other Capital Expenditures**

### **1. Requirement for Prior Approval**

Pursuant to the Standard Provisions of this Agreement entitled "Allowable Costs" and "Revision of Grant Budget," the Recipient must obtain AID Grant Officer approval for the following: Purchase of "General Purpose Equipment," which is defined as an article of nonexpendable tangible personal property, the use of which is not limited only to research, medical, scientific, or other activities (e.g., office equipment and furnishings, air conditioning equipment, reproduction and other 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.)

### **2. Approval for Automation Equipment**

If the purchase of automation equipment (e.g. computers, word processors, etc.), software, or related services exceeds \$100,000, the Recipient must obtain the approval of the Grant Officer.

## **I. Defense Base Act (DBA) and/or Medical Evacuation Insurance**

Pursuant to Section J.16. of OMB Circular A-21 the Recipient is authorized to purchase DBA and/or medical evacuation insurance under this Agreement.

## **J. ORDER OF PRECEDENCE**

The Recipient's application of 4/9/93 is incorporated by reference. In the event of any inconsistencies in this Agreement, they shall be resolved by applying the following descending order of precedence:

- Enclosure 1 - Schedule
- Cover Letter
- Enclosure 3 - Standard Provisions
- Enclosure 2 - Program Description
- Recipient's Proposal

## **IX. STANDARD PROVISIONS**

The Standard Provisions (Enclosure 3) are:

### **A. Mandatory Standard Provisions For U.S., Nongovernmental Grantees**

Allowable Costs (November 1985)  
Accounting, Audit, and Records (August 1992)  
Refunds (September 1990)  
Revision of Grant Budget (November 1985)  
Termination and Suspension (August 1992)  
Disputes (August 1992)  
Ineligible Countries (May 1986)  
Debarment, Suspension, and Other Responsibility Matters  
(March 1989)  
Nondiscrimination (May 1986)  
U.S. Officials Not to Benefit (November 1985)  
Nonliability (November 1985)  
Amendment (November 1985)  
Notices (November 1985)  
Metric System of Measurement (August 1992)

### **B. Additional Standard Provisions For U.S., Nongovernmental Grantees**

OMB Approval Under the Paperwork Reduction Act (August 1992)  
Payment - Letter of Credit (August 1992)  
Air Travel and Transportation (August 1992)  
Procurement of Goods and Services (November 1985)  
AID Eligibility Rules for Goods and Services (August 1992)  
Subagreements (May 1986)  
Publications (August 1992)  
Negotiated Indirect Cost Rates - Provisional (Nonprofits)  
(August 1992)  
Regulations Governing Employees (August 1992)  
Participant Training (August 1992)  
Title To and Use of Property (Grantee Title) (November 1985)  
Cost Sharing (Matching) (August 1992)  
Conversion of United States Dollars to Local Currency  
(November 1985)  
Public Notices (August 1992)  
Rights in Data (August 1992)

### **C. Cost Sharing**

1. "Project Costs" are defined in Attachment E of OMB Circular A-110 as all allowable costs (as set forth in the applicable cost principles [see the Standard Provision of this Agreement entitled "Allowable Costs] incurred by a Recipient and the value of in-kind contributions made by the Recipient or third parties in accomplishing the objectives of the Agreement during the program.

**X. FOLLOW-UP AUDIT REVIEW** - As recommended in DCAA's preaward survey dated 9/10/93, a follow-up audit review will be performed by AID's Audit Office in three months from date of assistance award.

WORLD ASSOCIATION FOR CHILDREN AND PARENTS (WACAP)

COOPERATIVE AGREEMENT NO. EUR-0032-A-00-3046-00

Financial Plan

<u>Cost Element</u>	<u>AID Oblig. Amount</u>	<u>Cost Share</u>	<u>Total Amount</u>
(a) DIRECT COSTS			
Salaries	\$195,754	\$48,939	\$244,693
Fringe Benefits*	25,057	6,264	31,321
Travel/Per Diem	9,185	2,296	11,481
Other Direct Costs	5,511	1,378	6,889
SUBTOTAL	\$235,507	\$58,877	\$294,384
(b) INDIRECT COSTS	101,739	25,435	127,174
TOTAL	\$337,246	\$84,312	\$421,558

\*Fringe benefits applicable to direct salaries and wages are treated as direct costs. The following fringe benefits are included in the above fringe benefit line item: FICA, insurance premiums, retirement, and State of Washington payroll taxes where applicable.

10

### PROGRAM DESCRIPTION

The goal of WACAP is to provide comprehensive permanency planning services to institutionalized children living in Judet Arges, and to children at risk of abandonment in maternity hospitals in Judet Arges. The project is based on agreements signed with both the Ministry of Health and the Ministry of Education. Both agreements also allow WACAP to provide volunteers to assist in the institutions, provide nutritional supplements, and assist in finding specialized medical care for children.

The purpose of this project is to implement permanent plans for 70% of the 381 children who are included in the permanency planning project. Based on the United Nations Children's Fund Report (October 1991), The Causes of Institutionalization of Romanian Children, it is expected that 23% of institutionalized children can be returned to their birth family; 27% of the children will be eligible for adoption; and 50% of the children will remain in the institutional setting or in foster care.

WACAP's project is intended to demonstrate how to implement permanency planning services for children. These services will be needed as long as there are children residing in institutions, or parents who are unable to provide care for their children, or children who are at risk of abandonment in maternity hospitals. The principles and practices of this project must become an inherent part of the services Romania is providing to her children and families for the foreseeable future.

Developmental assessments of each child in the project will document the child's progress. Within one month of entering the program, the child will be evaluated, and this evaluation will be documented in the child's file. The evaluation process, which will be facilitated by the psychologist assigned to the child, will include a review of the child's existing file, and medical, social, developmental and educational evaluations. Every six months thereafter, the child's development will be evaluated to document the progress of the child.

Structured educational activities and individualized attention enhance children's lives in the institution. Educators will be hired to meet 2 hours per day with a group of ten children. Volunteers will provide additional interaction with children. The number of additional hours the educators and the volunteers spend with the children will be documented. The educators and the volunteers will be involved in goal setting for each child assigned to them, and the six month 1

developmental evaluation of each of these children.

A nutritional supplement to the standard institutional diet improves the children's nutritional status. Volunteers will maintain height and weight graphs for a representative sample of at least twenty children selected from the project population. These graphs will demonstrate improved nutritional status.

During the developmental evaluation of the child by the psychologist, as described above, the social worker will review the recorded family history of the child to identify the present location of the birth family. A home visit will then be made to meet with the family. The purpose of this meeting will be to share information about the child with the family and to assess their ability and willingness to parent the child.

Following the initial assessments of the child and the family, a written plan will be made and implemented, either working toward returning the child home to the birth family, or working toward alternative family placement, within Romania or internationally through the Romanian Committee for Adoptions. The plan will be presented to the director of the institution where the child resides, and agreement reached about the goals set for the child. The director of the institution has final authority in approving the plan. The plan will include goal setting for placement of the child as well as goal setting for enhancing the development of the child.

During the three years of the project, permanent plans will be developed and accepted by the director of the institutions for 381 children under age 12 living in institutions in Judet Arges. These 381 children represent 72% of the children under age 12 who reside in these institutions. Quarterly goals have been set for the number of permanent plans to be developed, based upon the number of social workers that have been hired and trained during that period.

Social services will be provided to those families planning to parent their child. The social worker will work with the family and the local community to assure that the original reasons for placing the child in the institution have been resolved. In addition, the social worker will assist the family in networking with community services that may be needed. A one time stipend may be given to families to assist them in obtaining required services for the child. The plan will include a transition period for the child to become gradually reacquainted with his or her family members. The social worker will provide supervision of the placement until the relationship has stabilized and the best interests of the child have been served.

Support and transition services will also be given to those children being placed in adoption to assist them in leaving the institutional setting for family life.

Early intervention can prevent the abandonment of children. One Romanian social worker will be trained to work with mothers at risk of abandoning a newborn child in the maternity hospital to decrease the number and proportion of these children who become institutionalized. Records will be kept to indicate the number of plans prepared each quarter, detailing the numbers of children who remain with their

family of origin, are referred for adoption, or are placed in foster care.

A Permanency Planning Manual will be published in English and Romanian to be used as a training and reference tool for project social workers. The manual will also be available to governmental and non-governmental organizations working in permanency planning in Romania. A draft outline will be prepared and sections of the manual will be assigned to staff members to write. The draft versions for 75% of the sections of the manual will be prepared at the end of the first 18 months of the project, and will be used in social work training.

A regular networking mechanism improves prospects for acceptance of permanency planning by decision makers in Judet Arges. The number of regular meetings held with Arges officials will be documented, including but not limited to the Committee for the Protection of Minors, the Tutelary Authority, the Directia Sanitara, and the Ministry of Education. Networking with other private voluntary organizations working in Arges will also be documented.

Local and other resources will be investigated and involved for all children with special needs. This may include services for children residing in the institution, and services necessary for a family to access before a child with special needs can return home to live. Records will be kept of the resources contacted and the services mobilized.

The project will be operated by the Director of Social Services, Romania and a Project Administrator. Implementation of the project will begin with the opening of offices in Pitesti and Cimpulung which will become the headquarters from which services are organized and delivered. The offices will be fully equipped and staffed by eleven social workers, a bookkeeper, a secretary, a legal assistant, and two driver/mechanics. In addition, two psychologists and three to six educators will be hired to work directly with institutionalized children in Cimpulung.

The social workers will be trained to initiate casework services for project children, and to continue these services until a plan is determined and implemented for each child. Records will be kept documenting the number of children accepted into the project, the number of birth families contacted, and the number of contacts made with each family.

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-1
-------------------------	---------------------------	--------------------------------------	------------------

APPENDIX 4C

MANDATORY STANDARD PROVISIONS FOR  
U.S., NONGOVERNMENTAL GRANTEE<sup>1</sup>

INDEX OF  
MANDATORY STANDARD PROVISIONS

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>1. Allowable Costs</li> <li>2. Accounting, Audit, and Records</li> <li>3. Refunds</li> <li>4. Revision of Grant Budget</li> <li>5. Termination and Suspension</li> <li>6. Disputes</li> <li>7. Ineligible Countries</li> </ul> | <ul style="list-style-type: none"> <li>8. Debarment, Suspension, and other<br/>Responsibility Matters</li> <li>9. Nondiscrimination</li> <li>10. U.S. Officials Not to Benefit</li> <li>11. Nonliability</li> <li>12. Amendment</li> <li>13. Notices</li> <li>14. Metric System of Measurement</li> </ul> |
|---|---|

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.

---

<sup>1</sup>When these Standard Provisions are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient," "Grant" means "Cooperative Agreement," and "AID Grant Officer" means "AID Agreement Officer."

<b>Page No.</b> 4C-2	<b>Effective Date</b> September 29, 1992	<b>Trans. Memo. No.</b> / 13:60	<b>AID HANDBOOK 13, App 4C</b>
-------------------------	---	------------------------------------	--------------------------------

(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: \*

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-3
-------------------------	---------------------------	--------------------------------------	------------------

\* (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.

<b>Page No.</b> 4C-4	<b>Effective Date</b> March 30, 1989	<b>Trans. Memo. No.</b> 13:60	<b>AID HANDBOOK 13, App 4C</b>
-------------------------	---	----------------------------------	--------------------------------

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.

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-5
-------------------------	---------------------------	--------------------------------------	------------------

(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.



Page No. 4C-6	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
------------------	--------------------------------------	---------------------------	-------------------------

(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.

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-7
-------------------------	---------------------------	--------------------------------------	------------------

\* 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.

20+

Page No.	Effective Date	Trans. Memo. No.	
4C-8	September 29, 1992	13:60	AID HANDBOOK 13, App 4C

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)

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-9
-------------------------	---------------------------	--------------------------------------	------------------

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.

	<u>Page No.</u>	
* 1. OMB Approval Under the Paperwork Reduction Act	4C-10	✓
2. Payment - Letter of Credit	4C-11	✓
3. Payment - Periodic Advance	4C-13	✓
4. Payment - Cost Reimbursement	4C-15	✓
5. Air Travel and Transportation	4C-16	✓
6. Ocean Shipment of Goods	4C-20	✓
7. Procurement of Goods and Services	4C-21	✓
8. AID Eligibility Rules for Goods and Services	4C-27	✓
9. Subagreements	4C-31	✓
10. Local Cost Financing	4C-33	✓
11. Patent Rights	4C-35	✓
12. Publications	4C-42	✓
13. Negotiated Indirect Cost Rates - Predetermined	4C-43	✓
14. Negotiated Indirect Cost Rates - Provisional (Nonprofits)	4C-44	✓
15. Negotiated Indirect Cost Rates - Provisional (For-profits)	4C-46	✓
16. Regulations Governing Employees	4C-47	✓
17. Participant Training	4C-48	✓
18. Voluntary Population Planning	4C-49	✓
19. Protection of the Individual as a Research Subject	4C-56	✓
20. Care of Laboratory Animals	4C-57	✓
21. Title to and Use of Property (Grantee Title)	4C-58	✓
22. Title to and Care of Property (U.S. Government Title)	4C-63	✓
23. Title to and Care of Property (Cooperating Country Title)	4C-67	✓
24. Cost Sharing (Matching)	4C-71	✓
25. Use of Pouch Facilities	4C-75	✓
26. Conversion of United States Dollars to Local Currency	4C-77	✓
27. Public Notice	4C-78	✓
28. Rights in Data	4C-79	✓

(INCLUDE THIS PAGE IN THE GRANT)

Page No. 4C-10	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	---------------------------	-------------------------

\* 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
11 Patent Rights	.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 (FA/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.

\*

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-11
-------------------------	---------------------------	--------------------------------------	-------------------

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.

\*

Page No.	Effective Date	Trans. Memo. No.	
4C-12	September 29, 1992	13:60	AID HANDBOOK 13, App 4C

\* (d) If during the term of the grant, FA/FM/CMP believes that the LOC should be revoked, FA/FM/CMP may, after consultation with the Grant Officer and GC, revoke the LOC by written notification to the grantee. FA/FM/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)

BEST AVAILABLE COPY

Page No. 4C-16	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	---------------------------	-------------------------

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

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date June 19, 1987	Page No. 4C-17
-------------------------	---------------------------	---------------------------------	-------------------

(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:

Page No. 4C-18	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	---------------------------	-------------------------

(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.

(1) 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.



AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date June 19, 1987	Page No. 4C-19
-------------------------	---------------------------	---------------------------------	-------------------

(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)

Page No. 4C-20	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	---------------------------	-------------------------

6. 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)

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date June 19, 1987	Page No. 4C-21
-------------------------	---------------------------	---------------------------------	-------------------

7. PROCUREMENT OF GOODS AND SERVICES ( JUNE 1993 )

(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/offeree whose bid/offeree 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/offeree must fulfill in order to be evaluated by the grantee. Any and all bids/offerees 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:

Page No. 4C-22	Effective Date June 19, 1987	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	---------------------------------	---------------------------	-------------------------

(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.

AID HANDBOOK 13	Trans. Memo. No. 13:61	Effective Date August 10, 1993	Page No. 4C-23
-----------------	---------------------------	-----------------------------------	-------------------

(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.

33+

<b>Page No.</b> 4C-24	<b>Effective Date</b> June 19, 1987	<b>Trans. Memo. No.</b> 13:61	<b>AID Handbook</b> 13
--------------------------	--	----------------------------------	------------------------

(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

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-25
-------------------------	---------------------------	--------------------------------------	-------------------

(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 \*

<b>Page No.</b> 4C-26	<b>Effective Date</b> June 19, 1987	<b>Trans. Memo. No.</b> 13:60	<b>AID HANDBOOK 13, App 4C</b>
--------------------------	--	----------------------------------	--------------------------------

(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)

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-27
-------------------------	---------------------------	--------------------------------------	-------------------

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) Heater 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.

Page No. 4C-28	Effective Date September 29, 1992	Trans. Memo. No. /13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	----------------------------	-------------------------

\* (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.

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-29
-------------------------	---------------------------	--------------------------------------	-------------------

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

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

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

(2) When the total procurement element exceeds \$250,000 (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:

Page No. 4C-30	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	---------------------------	-------------------------

- (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)

BEST AVAILABLE COPY

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-31
-------------------------	---------------------------	--------------------------------------	-------------------

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:

\*

<b>Page No.</b> 4C-32	<b>Effective Date</b> September 29, 1992	<b>Trans. Memo. No.</b> 13:60	<b>AID HANDBOOK 13, App 4C</b>
--------------------------	---	----------------------------------	--------------------------------

\*

(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.

\*

(END OF STANDARD PROVISION)

BEST AVAILABLE COPY

Page No. 4C-42	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	---------------------------	-------------------------

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 POL/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)

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-47
-------------------------	---------------------------	--------------------------------------	-------------------

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.

Page No. 4C-48	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	---------------------------	-------------------------

\* 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)

Page No. 4C-44	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	---------------------------	-------------------------

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.

<b>AID HANDBOOK</b> 13, App 4C	<b>Trans. Memo. No.</b> 13:60	<b>Effective Date</b> June 19, 1987	<b>Page No.</b> 4C-45
--------------------------------	----------------------------------	--	--------------------------

(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)

Page No. 4C-58	Effective Date June 19, 1987	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	---------------------------------	---------------------------	-------------------------

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:

(i) 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.

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date June 19, 1987	Page No. 4C-59
-------------------------	---------------------------	---------------------------------	-------------------

(ii) 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.

(iii) 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.

(ii) 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.

Page No. 4C-60	Effective Date June 19, 1987	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	---------------------------------	---------------------------	-------------------------

(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:

(i) Expendable personal property means all tangible personal property other than nonexpendable pro

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date June 19, 1987	Page No. 4C-61
-------------------------	---------------------------	---------------------------------	-------------------

(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.

<b>Page No.</b> 4C-62	<b>Effective Date</b> June 19, 1987	<b>Trans. Memo. No.</b> 13:60	<b>AID HANDBOOK 13, App 4C</b>
--------------------------	--	----------------------------------	--------------------------------

(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)

BEST AVAILABLE COPY

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date June 19, 1987	Page No. 4C-77
-------------------------	---------------------------	---------------------------------	-------------------

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)

<b>Page No.</b> 4C-78	<b>Effective Date</b> September 29, 1992	<b>Trans. Memo. No.</b> 13:60	<b>AID HANDBOOK 13, App 4C</b>
--------------------------	---	----------------------------------	--------------------------------

\* 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) \*

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-71
-------------------------	---------------------------	--------------------------------------	-------------------

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);

BEST AVAILABLE COPY

Page No. 4C-72	Effective Date June 19, 1987	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	---------------------------------	---------------------------	-------------------------

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

(7) Conform to other provisions of this paragraph.

(d) Values for grantee in-kind contributions will be established in accordance with the applicable Federal cost principles.

(e) Specific procedures for the grantee in establishing the value of in-kind contributions from non-Federal third parties are set forth below:

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

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

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

(2) Valuation of donated expendable personal property: Donated expendable personal property includes such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to expendable personal property included in the cost 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.

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-73
-------------------------	---------------------------	--------------------------------------	-------------------

(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. \*

<b>Page No.</b> 4C-74	<b>Effective Date</b> September 29, 1992	<b>Trans. Memo. No.</b> 13:60	<b>AID HANDBOOK 13, App 4C</b>
--------------------------	---	----------------------------------	--------------------------------

(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)

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-79
-------------------------	---------------------------	--------------------------------------	-------------------

\* 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.

Page No. 4C-80	Effective Date September 29, 1992	Trans. Memo. No. 13:60	AID HANDBOOK 13, App 4C
-------------------	--------------------------------------	---------------------------	-------------------------

\*

"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.

\*

AID HANDBOOK 13, App 4C	Trans. Memo. No. 13:60	Effective Date September 29, 1992	Page No. 4C-81
-------------------------	---------------------------	--------------------------------------	-------------------

**\***

(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)

**\***

