



CREA SOUTH AFRICA

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GMTA - CONTRACTOR QUARTERLY PERFORMANCE REPORT 01 July 2002 - 30 September 2002

Contractor: Creative Associates International, Inc.
Contract #: 674-0322-C-00-7091-19
Grants Management and Technical Assistance (GMTA) to USAID/SA/SO#1
Dollar Value of Contract : \$42,107,901 - 26/09/1997
Obligated Contract Amount: \$31,746,441
Reporting Period : 01/07/02 - 30/09/02

A. Narrative:

This report, the eighteenth submitted under this contract, covers the status of those activities identified as "in progress" in the previous report as well as all new activities requested by USAID during this reporting period.

1. Contract Objective:

The objective of the contract is to provide services to USAID/South Africa's Democracy and Governance Strategic Objective Team (SO#1) in the areas of: grants management support for new and existing grants and cooperative agreements; long and short-term technical assistance; logistical support assistance for workshops, conferences and consultations; feasibility study and recommendations on developing endowment trust/foundation mechanisms; and sectoral assessments and environmental impact studies over a period of seven years and two and one half months.

2. Administrative Actions:

Malika Magagula, Finance Director, completed home leave and returned to post on 20 July 2002, thus committing to an additional two years as a member of the GMTA field team. Laura McGhee, Chief of Party, advised Stephen Snook, CTO, at a luncheon meeting on 5 July that she would not be taking home leave since she had decided not to remain for the full period of the contract extension. During the same meeting, the COP also advised the CTO of her plans to travel to the US for R&R during the month of August, at which time she would also consult with CAII home office regarding field office requirements, the timing for her departure and recruitment plans for her replacement. After returning from this trip,

the COP briefed both the CTO and the new SO#1 Team Leader on these discussions and the plans for a visit from home office to obtain USAID input regarding recruitment timelines and job requirements for the COP replacement.

3. Status of SOW Actions Previously Reported as **IN PROGRESS**

(A) CIVIL SOCIETY UNIT (CSU)

- 99/021 - (CSU) KZN Peace Initiatives Cooperative Agreement

The draft audit is about to be finalised by Deloitte & Touche. The major disallowed costs have been cleared. IMPD requested more time to provide documentation in support of the small amount of remaining disallowed costs. This activity will remain **IN PROGRESS** until all closeout actions have been completed.

- 01/089 - (CSU) Research Support for Civil Society Index

There has been no change in the status of this activity since the last report. Although all program activities have been completed, the cooperative agreement with IDASA cannot be closed due to outstanding liquidation issues. IDASA has been unable to resolve final liquidation issues with CORE, its subgrantee, and IDASA has not yet submitted its cost sharing (counterpart) report to CREA. Until these issues have been conclusively resolved, CREA will continue to report this activity as **IN PROGRESS**.

- 01/091 - (CSU) NPO Tax Communication and Support Services Program

Activity: The development and implementation of a communications and support services program to facilitate an enabling tax environment for non-profit organisations.

Programme activities continue as per the workplan. The original incumbent in the key personnel position responsible for advocacy and lobbying at the NPP's Cape Town office resigned and has been replaced by another lawyer with a human rights education background. The previous incumbent will continue to provide services to the NPP as a consultant on an ad hoc basis. During the previous reporting period, USAID expressed concern about the slow rate of spending on the NPP grants. CREA conducted a financial analysis of NPP budget expenditure and found that, although there are variances on some of the budget line items, the overall budget appears to be only slightly underspent. A meeting with NPP, USAID and CREA to discuss the variances revealed that the NPP was incorrectly costing out certain expenses. It was agreed that this would be rectified with the next liquidation submission. This activity will remain **IN PROGRESS** until June 2003.

- 01/102 - (CSU) Research and Analysis Skills Strengthening Program (RASSP)

Activity: To develop and strengthen research and analytical skills within the civil society sector under a cooperative agreement with the Centre for Civil Society (CCS).

This reporting period saw implementation of the first round of the research training workshops which were held in Durban, Cape Town and Johannesburg. The response to CCS's call to organisations for expressions of interest was overwhelming. Over 600 responses were received; however, only about 200 applicants could be accommodated in this first round. The

workshops offered two levels of research skills training: Basic and Intermediate. The CREA Programme Director attended an Intermediate course and reported that the workshop was excellent in terms of content, design and presentation. While the CCS is moving the programme forward and has begun conceptualising the small grant component of their programme, liquidations of advances are not being submitted monthly as required. The CCS project manager has been advised of the problem and has assured CREA that the matter will be resolved. This activity will remain **IN PROGRESS** until the end of November 2003.

- 01/106 - (CSU) APS Award to NPP

As this activity is synergistically linked with activities under the grant to the Non-Profit Partnership (NPP) for the NPO Tax Communication and Support Services Program (Request No. 01/091), the NPP has been reporting on both activities under one report. The status and progress of this activity is included above under Request No. 01/091 and will continue in that manner in future reports. This activity will remain **IN PROGRESS** until the end of August 2003.

- 01/107 - (CSU) APS Award to CORE

Activity: To build an effective civil society which can engage government from an informed position.

By the end of this reporting period CORE had finally provided all the documentation necessary for liquidation of their first advance. This was accomplished after much communication and numerous submissions by CORE of what appeared to be documents generated solely for the purpose of meeting the liquidation requirements. As mentioned in the previous quarterly report, the inconsistency in documentation which CORE submitted in support of various expenses, especially, salaries, caused CREA to be concerned about the validity and allowability of some of these expenses. In addition, neither workplans nor reports had been received from CORE since inception of this cooperative agreement more than eight months ago. CORE's response to a letter written by CREA and cleared by USAID was a slender report detailing mainly administrative developments under the cooperative agreement with very little information on substantive programme progress plus a "workplan" which did not comply with USAID/CREA requirements. As this response from CORE was clearly inadequate, CREA again consulted with USAID on how to proceed. It was agreed that CREA would send another letter to CORE with specific details of what was still outstanding and advising CORE that CREA would be amending the agreement to change the payment provision from Advance to Reimbursement, effective immediately. CORE was invited to meet with CREA and USAID to resolve these issues. This meeting has been scheduled for early next quarter. This activity is scheduled to remain **IN PROGRESS** until October 2003.

- 01/108 - (CSU) APS Award to SANGONET

Activity: Support for development and maintenance of an internet site with information on the South African funding environment and related matters under a cooperative agreement with SANGONET.

Programme activities continue with a significant milestone being met during this reporting period. The Thusanang portal has been activated and the initial response from the sector has been positive. USAID and CREA met this quarter to discuss spending patterns under this cooperative

agreement and, while the rate of spending was found to be slightly slower than expected, this was attributed to the nature of the programme design. However, with the development, design and launch of the portal, it is expected that more costs will be incurred and the rate of spending should increase to meet expectations. Since liquidations of advances are still not being turned around on a timely basis, CREA and Sangonet met and agreed on ways to ensure more efficient processing of liquidations. This activity will remain **IN PROGRESS** until the end of September 2003.

- 01/109 - (CSU) APS Award to AISA

Activity: Support for development of non-financial accountability mechanisms for non-profit organisations in South Africa under a cooperative agreement with AISA.

The amendment substituting the Sedibeng component as the pilot site and adding contextual research under this cooperative agreement with AISA has been signed. Only one advance/liquidation was received during this reporting period. CREA will follow up on this early next quarter. This two-year agreement will remain **IN PROGRESS** until November 2003.

- 02/134 - (CSU) Volunteers South Africa Conference

Activity: Logistical Support to Volunteer South Africa and the Department of Social Development for the Volunteer Vision Conference to be held on May 16-17, 2002.

Progress has been slow on this activity. CREA received a draft report for editing, layout and printing. CREA contracted with an editor and submitted the edited report to DSD for approval earlier this quarter. To date this report has not been approved. Attempts to set up a meeting with DSD have been unsuccessful because DSD prefers to wait until the report has been finalised before meeting with USAID so that they can discuss other possible areas of collaboration highlighted in the report. This activity will remain **IN PROGRESS** until all the outstanding actions have been completed.

- 02/135 - (CSU) FY 2002 Annual Program Statement (APS) for CSSP

Activity: Issuance of an Annual Program Statement for the Civil Society Strengthening Project (CSSP) for FY 2002.

Two applications have been selected for awards under this APS to civil society organisations; the Centre for Public Participation in Durban and The Contact Trust in Cape Town. Progress on these awards is reported herein under Requests #02/170 and 02/171 respectively. The status of activities under this APS will continue to be reported as **IN PROGRESS** until award of all its allocated funds or until expiry of the APS on 30 April 2003, whichever comes first.

(B) LOCAL GOVERNANCE UNIT (LGU)

- 99/047 - (LGU) Planact Cooperative Agreement

Activity: Support for building a relationship between the Bloemfontein Traditional Local Council (now Mangaung Municipality) and the communities

which it serves through establishment of ward committees.

All programme activities under this agreement have been completed and final disbursement has been made; however, the issue of the counterpart contribution has not yet been resolved. The municipality has been unable to provide acceptable evidence of in-kind contributions sufficient to meet the required amount. CREA recommends to USAID that the requirement be waived in order to close this activity and in keeping with the bilateral agreement USAID and DPLG. Until a decision has been made regarding this issue, the activity will continue to be reported as **IN PROGRESS**.

- 99/048 - (LGU) District Six Intern Assistance - Phase II

Activity: Support to the Western Cape Commission for the Restitution of Land Rights through payment of stipends for student interns to assist with the processing of land claims from former residents of District Six and other affected areas.

Activities under this request are on track and appear to be proceeding normally. During this reporting period, the Land Claims Commission appointed an intern to replace the one who was selected for a position with the Special Needs Unit. These interns will continue to be paid by CREA and the activity reported as **IN PROGRESS** through 31 March 2003.

- 00/051 - (LGU) Credit Control Study - MSI

Activity: Special study on credit control practices in South African municipalities.

As previously reported, all programme activities under this request were completed some time ago. CREA has not closed the activity because it has been awaiting approval from DPLG to proceed with printing of two reports for distribution. During this reporting period CREA contacted Ms. Muller from DPLG regarding the status of this activity and was advised that final review and approval are not likely to be completed in the near future. Ms. Muller suggested that the activity be closed, stating that if DPLG wants to print these documents at a later date they can reapply to USAID for assistance under a separate request. CREA recommends to USAID that the DPLG suggestion be accepted; however, until CREA has received USAID approval to close it, this activity will continue to be reported as **IN PROGRESS**.

- 00/061 - (LGU) Revenue Management - Cooperative Agreement

Activity: Support for revenue management and service delivery improvement for the Benede Oranje (now Siyanda) District Council, Umzinyathi (now AmaJuba) Regional Council, and Volksrust (now Seme) Local Council under a cooperative agreement with Vulindlela.

CREA met with Vulindlela on 25 September for further discussions on the problematic issues of VAT and the final liquidation of advances under the cooperative agreement. CREA advised Vulindlela that a written opinion from the Receiver of Revenue indicates that Vulindlela can claim back all the VAT paid over to the Receiver from the start of the project. According to the calculation done by CREA financial staff, approximately R276,260.92 should be claimed back from the Receiver and refunded to CREA by submission of a cheque in that amount or by submitting valid project expenses. Over and above the VAT issue, CREA pointed out to Vulindlela that they still need to liquidate approximately R139,370 in outstanding

advances. Vulindlela indicated to CREA that they were committed to finalizing all outstanding issues and that they have appointed an auditor to do a reconciliation of project expenditures to assist them in closing out the project. A timeframe of 3 weeks was given for Vulindlela to show some good faith by starting the VAT process. Mr. Langa Shangase undertook to advise CREA by 4 October on what progress has been made.

Vulindlela submitted a draft learning product during the last reporting period which has been forwarded to ODA and USAID for comments. This activity will remain **IN PROGRESS** until all outstanding issues have been resolved and all close out actions have been completed.

- 00/064 - (LGU) Eastern Tubatse/Origstad - Cooperative Agreement

Activity: The establishment and building of community structures and the development of appropriate governance capacity through a cooperative agreement with IMPD.

All programme issues under this grant have been completed and the final reports accepted. The draft audit is about to be finalised by Deloitte & Touche. The major disallowed costs have been cleared and IMPD has requested more time to provide documentation in support of the small amount of remaining disallowed costs. This activity will remain **IN PROGRESS** until all closeout actions have been completed.

- 00/066 - (LGU) Drakensberg - Contract

Activity: Assistance to enable the Drakensberg District Council (DDC) (now Ukwahlamba) and the Elliot, Indwe, Jamestown, Ventersstad, Ugie, MacLear and Sturkspruit municipalities to fulfil their constitutional mandate through building of relevant organizational, administrative, financial, technical and engineering skills and systems through a contract with Bigen Africa.

The programme component of this activity concluded at the end of August 2002. Unfortunately, due to circumstances beyond the control of the contractor, no workshop could be arranged as requested by USAID in the previous quarter.

Bigen Africa submitted a learning product which was sent to USAID and ODA for review and comments. Activities under this request will remain **IN PROGRESS** until approval has been obtained for the learning product and final payment has been made.

- 00/067 - (LGU) IDP Cluster - Contract

Activity: Integrated Development Plan (IDP) support for Bophirima District Council, Bronkhorstspuit/Ekangala (now Kungweni), Koster and Thohoyandou municipalities through a contract with PlanPractice.

All programme activities were completed during this reporting period. The contractor is expected to submit the learning product along with the IDP documents during the next quarter and these will be sent to USAID and ODA for review and comments. Activities under this request can be expected to remain **IN PROGRESS** until all reports have been submitted and approved and the final invoice has been paid.

- 00/075 - (LGU) Clarkson Community Trust - Cooperative Agreement

Activity: Assistance, under a cooperative agreement with Isandla Partners for Development (IPD), to establish an effective municipal presence in the area in order to improve the residents access to local government services and to develop a culture of municipal governance that shifts from representative government to participatory governance through establishing a jointly owned community-based structure.

CREA obtained approval from USAID for a final extension of the cooperative agreement to enable IPD to complete the learning product and the final report, and to hold a meeting with Province in Bisho regarding the lessons learnt on the project. CREA and USAID attended this meeting with Province and the Koukamma Municipality and IPD's presentation was well received. The learning product and the final report were submitted to CREA during this reporting period and forwarded to ODA and USAID for comment and acceptance. IPD also submitted their request for a final advance as well as a final liquidation during the last quarter. No further expenses are expected under this activity.

USAID has agreed, in principal, to fund the activity covered by the proposal which IPD submitted on behalf of the Koukamma Municipality. The activity will be covered by a new request from USAID and competed on a limited basis during the next quarter. The current activity will continue to be reported as **IN PROGRESS** until the final report and the learning product have been approved and all close out activities have been completed.

- 00/076 - (LGU) Voter Education Cooperative Agreements (2) - IMPD

The draft audit is about to be finalised by Deloitte & Touche. The major disallowed costs have been cleared. IMPD requested more time to provide documentation in support of the small amount of remaining disallowed costs. This activity will remain **IN PROGRESS** until all closeout actions have been completed.

- 00/079 - (LGU) CLC Assistance to DPLG - Cooperative Agreement

Activity: Assist DPLG and local government stakeholders to establish newly demarcated municipalities in the run-up to the local elections.

The final audit of this activity has been accepted by CREA. The only outstanding issue is a refund from CLC of the unspent balance of the funds advanced to them by CREA. This activity will remain **IN PROGRESS** until CREA receives said refund.

- 00/087 - (LGU) Hillbrow/Berea Inner City Project - Cooperative Agreement

Activity: Assist the Greater Johannesburg Metro Council (GJMC) and residents of the Hillbrow/Berea area with a participatory planning process for the GJMC's Hillbrow/Berea Regeneration Initiative.

The programme component of this activity was completed prior to the end of the previous reporting period. The amendment to the cooperative agreement covering the period of the extension from April through June was finalized in early July. This amendment also included the realigned budget which the CREA financial staff assisted Mr. Openshaw to prepare. CREA contacted the Consortium regarding the liquidation of the final advance and disposition of property provided by USAID as well as property acquired by the Consortium with grant funds; however, these were still outstanding as

of the end of the reporting period. This activity will remain **IN PROGRESS** until all advances have been liquidated and all close out activities have been completed.

- 01/098 - (LGU) Horizontal Learning & Information Sharing - ODA
Activity: Support under a cooperative agreement with ODA for the transformation of local government by enabling the sharing of information and knowledge relevant to the challenges faced by local government.

The programme continued to move slowly during this reporting period due to the delay in getting the memorandum of understanding (MOU) signed by the client group (DPLG, LGTP, and SALGA). At a client meeting on 8 August 2002, it was agreed that the programme could proceed on the basis that a management committee composed of representatives of the client group would be established and meet on a regular basis. It was also agreed at this meeting that an editorial committee composed of representatives from the client group would be appointed to oversee the e-newsletter and other material produced for learning dissemination under Task 2 of the programme.

It was agreed at the meeting that the learning research, Task 1 of the programme, should be fast-tracked in order to commit the first tranche of funding (R1 million) for this task as soon as possible. An amended request has been received from USAID to transfer the funds for this research to ODA for disbursement rather than having it done directly by CREA as had originally been intended. This is expected to simplify and expedite the procurement process. ODA will not undertake any of the research projects themselves in order to avoid the appearance of a conflict of interest. ODA will function solely as project manager for this aspect of the programme.

Among the research applications which have been received to date are 18 "best practices" proposals prepared by Andrew Borraine, consultant, on behalf of the Cities Network, a proposal which Kagiso submitted to DPLG, 6 suggested research projects from SALGA and 4 from LGTP. It was agreed that 8 sizable research projects, each for approximately R125,000, should be selected. Each of these projects must fall somewhere within 3 broad thematic areas which focus on immediate issues relating to the practical implementation of the new legislative and policy agenda.

At another client meeting on 23 August 2002, it was agreed that Task 3, Assistance to DPLG, would focus on developing the peer review programme. An implementation plan for peer review was adopted at this meeting. CREA continues to send learning products from Round 1 to ODA as they are received from the service providers. ODA provides regular feedback to USAID and CREA regarding these learning products. Uncertainties related to the issue of VAT under this cooperative agreement have now been clarified with the South African Revenue Services (SARS) to the satisfaction of both ODA and CREA. ODA submits claims for reimbursement of project expenses on a monthly basis and these claims are paid promptly by CREA. This activity is scheduled to remain **IN PROGRESS** until November 14, 2003.

- 01/104 - (LGU) Project Implementation Agent (PIA) - Round Two
Activity: Deloitte & Touche was contracted (with Manto Management as a subcontractor) to provide the services of Project Implementation Agent (PIA) for twenty-four months. Working under the technical guidance of the Programme Steering Committee, the Contractor will be responsible for

assisting with the selection of new municipal projects, final design and launch of new projects, providing technical advice and "trouble shooting" services during project implementation, and to serve as an "early warning system" to identify the need for additional assistance when projects experience difficulties, to analyse the implementation of all projects in the programme and to serve as an intellectual partner to the Programme Steering Committee.

During the early part of this reporting period, the PIA submitted the final two scopes of work for Round Two - Alfred Nzo and Waterberg. CREA and USAID held several meetings with the PIA Project Manager, Gail Motsi, regarding all the upcoming TECs for Round Two projects. Since the administrative workload associated with so many TECs was expected to be extremely heavy, the PIA was requested to assist CREA in handling the TEC process. The PIA assisted by taking minutes at TEC meetings and by drafting TEC memos for CREA approval. As soon as the TEC memo was approved, the PIA was given the green light to draft the debriefing letters to unsuccessful applicants/offerors. The PIA also participated as a member of each TEC in reading and evaluating applications/proposals. In preparing for negotiation with organisations selected for award, it was discovered that many of their cost proposals provided little or no detailed cost breakdown. CREA and the PIA met to develop a standard format which was then given to each selected organisation for resubmission of the cost proposal prior to start of negotiations. The PIA has also assisted CREA by reviewing each resubmitted budget and participating in discussions of the budget during negotiations. It is anticipated that during the next reporting period, once contracts and grant agreements have been finalized, the PIA will start setting up the project launch meetings with the Municipalities. Invoices received for June, July, August and September have been approved by USAID and paid by CREA. (**Issue:** While CREA feels that the PIA has provided valuable assistance during this period of heavy workload, there remains some concern about mechanisms for monitoring the quality of work produced by the PIA.) PIA activities are expected to remain **IN PROGRESS** through December 2003.

- 01/113 - (LGU) Johannesburg Metro Knowledge Management Conference

Activity: CREA, in conjunction with a conference facilitator, provided direct support to the Johannesburg Metro Council in coordinating a conference on shared learning.

No progress has been made in obtaining a refund from SAA City Centre. CREA has followed up with SAA City Centre regarding the refund on more than one occasion during the last reporting period. The travel agent informed CREA that they have not received any refund from SAA to date. CREA has requested they contact SAA directly and report back to CREA on developments within the next quarter. CREA expects this activity to remain **IN PROGRESS** for one more quarter before the activity can be closed.

- 02/114 - (LGU) Extension of Greater Tubatse Project

Activity: Support, under a cooperative agreement with Planact, for developing citizen and community participation through establishment of ward committees in Greater Tubatse.

All training under this activity has been completed with the exception of the half day training course in November 2002. Ms. Pinkie Morema (Mayor) contacted USAID for monetary assistance in preparing for the Graduation Ceremony. USAID contacted Planact to ask if they would be in a position

to arrange all logistics for the Graduation Ceremony. The ceremony was arranged for 28 September in Tubatse but was cancelled at the last minute due to a disagreement regarding the certificates. The Mayor of Tubatse had been given the opportunity to sign the certificates to be issued by Planact but, unfortunately, the councillors did not want certificates signed only by a colleague. The Mayor requested Planact to issue certificates to councillors from the first 6 wards who had been trained by IMPD. According to Planact, the Mayor felt that there would be resentment among the people who had received training if some and not all received certificates. Planact explained to the Mayor that they could only issue certificates to participants trained by Planact. CREA, USAID and Planact met on 30 September to discuss these problems and the reasoning behind cancelling the Graduation Ceremony. Planact explained that, since they had allowed the Mayor of Mangaung and the Speaker to sign the certificates in Mangaung and had encountered no problems there, they had expected this same practice to be acceptable for Tubatse. When asked if, perhaps, a better alternative might be to have UNISA sign the certificates, Planact agreed to look into that possibility.

Although CREA had reported in the previous quarter that an amount of R30,000 would be withheld until project completion, the CREA Finance Director pointed out that CREA cannot withhold money if the grantee has already incurred the costs for project-related expenses. CREA obtained concurrence from USAID to pay the balance of funds available, with the provision that Planact submit a letter to CREA committing themselves to the completion of the project.

To date Planact has not submitted the documentation as requested for an additional amount of R20,000 which they claim to have overspent on the programme. The cooperative agreement will only be amended once CREA has received the requested documentation from Planact. This activity is expected to remain **IN PROGRESS** until 17 January 2003.

- 02/115 - (LGU) Extension of Ulundi Project

Activity: Support for improving the rates and management of revenue collected by the Council. This activity is a monthly software rental with periodic technical support under a contract with Deptpack.

During this reporting period, Deptpack reported that the Ulundi Municipality experienced some problems which resulted in the Deptpack system being non-operational for a few months. The Deptpack consultant reported in July that all outstanding balances had been written off the books, and that the operators were busy capturing the correct balances in order to get the system operating and back on track. The Council is presently in negotiations for a meter that will work in conjunction with Deptpack. This meter will not allow defaulters to buy electricity without first making arrangements with Deptpack to settle their outstanding debt.

CREA was concerned to hear that the Deptpack system was out of use for a few months, as all invoices had been cleared and approved by the municipal contact person. CREA and USAID spoke with Deptpack and with Ulundi regarding the situation. Deptpack is to notify CREA immediately should they encounter any difficulty in the remaining months. To date Deptpack has not signed the amendment to the contract in which they would undertake to report to CREA and USAID on a quarterly basis. Follow up meetings to discuss the reporting requirements with Deptpack have not taken place to date. Activities under this request are expected to remain **IN PROGRESS** until December 2003.

- 02/118 - (LGU) Recipient Audit of IMPD

The status of activities under this request has been discussed above under Request Nos. 99/021, 00/064, and 00/076 (two projects) which cover the activities of IMPD that are still being audited. As reflected under each of those requests, the audit is still **IN PROGRESS** but is expected to be completed some time during the next reporting period.

- 02/119 - (LGU) Research on Powers and Functions Project for DPLG
Activity: Contract with Palmer Development Group (PDG) for analytical research of all municipalities in the country relating to the division of powers and functions among Category B and C municipalities. The research will enable DPLG to make recommendations to the Minister for Provincial and Local Government on how the four major powers and functions should be distributed.

As at the end of the reporting period, the contractor reported that the matter had been to cabinet, but due to certain differences between DPLG and Treasury, the Minister has not yet issued a pronouncement on the matter. As previously mentioned this activity is physically complete, but will remain **IN PROGRESS** until the Minister has issued a pronouncement on the matter and CREA has forwarded the reports to USAID.

- 02/120 - (LGU) DPLG Transformation Manager

Activity: CREA contracted a US consultant, Daniel Manyindo, to serve as Transformation Manager to assist DPLG with activities involving transformation of district municipalities.

During this reporting period, CREA continued to make travel arrangements for Mr. Manyindo to attend meetings throughout South Africa. CREA received Mr. Manyindo's workplans during the last reporting period. (**Issue**: Mr. Manyindo does not give CREA sufficient notice for making travel arrangements; i.e., CREA is only notified the day prior to the day he plans to travel, sometimes past mid day. In addition, Mr. Manyindo does not undertake to cancel any of the travel arrangements whenever his travel plans change. This has resulted in CREA being charged cancellation fees for hotels and car rentals. Mr. Manyindo has been advised that, in future, he must be responsible for cancelling such arrangements whenever his travel plans change. If he fails to do so, he will be held personally liable for the excess charges. CREA will deduct these charges from any reimbursements due to Mr. Manyindo. CREA is also concerned that Mr. Manyindo is not submitting quarterly reports on a regular basis. The only communications between CREA and Mr. Manyindo are his last minute requests to make travel arrangements and his monthly time sheets which are required to support monthly salary payments. Since he reports and responds only to DPLG and USAID, CREA has virtually no leverage with Mr. Manyindo in requiring his compliance with the terms of his consulting agreement. Assistance from USAID in this matter would be greatly appreciated.) This activity will remain **IN PROGRESS** at least until February 2003 or for an additional year if the option to extend is exercised.

- 02/121 - (LGU) Special Needs Unit - Western Cape Regional Commission

Activity: Provide support to the Western Cape Regional Commission for the Restitution of Land Rights to establish a Special Claims Unit. The Special Claims Unit will focus on the claims of people with special needs such as the elderly, the sickly and the indigent.

CREA received contracts from Ms. Waring from the WCRC for the two new employees of the Special Claims Unit during the last reporting period. CREA indicated to Ms. Waring that there were problems with the contracts and that new contracts would probably have to be signed, but that CREA would draw up Purchase Orders for the two individuals to create a vehicle to pay the individuals for the hours worked in July. CREA felt uneasy regarding the way the contracts had been set up and decided to contact a labour lawyer for guidance. CREA was advised that the contracts do not reflect the true nature of the relationship between the employees, CREA/USAID and RLCC. The labour lawyer drew up templates of contracts together with a Memorandum of Understanding which accurately reflected the relationship between the role players. CREA has set up a meeting with Mr. Roberts and Ms. Waring for 9th October in Cape Town to discuss the contracts and the MOU. (**Issue:** CREA will continue to pay the two individuals until November 1, 2002, after which all funding must be terminated if the new contracts and the MOU have not been signed.) This activity is expected to remain **IN PROGRESS** until approximately July 2003 provided agreement can be reached on the contracts and MOU.

- 02/130 - (LGU) Logistics for Preview of the Kagiso Ward Councils Video

Activity: CREA provided support directly for accommodation arrangements for the Greater Tubatse and Bloemfontein Councils to attend the previewing of the Ward Councils Video at Kagiso Educational TV.

CREA received and paid the final outstanding mileage claim from Mr. Silwane during this reporting period. This activity is now considered **COMPLETED**.

- 02/132 - (LGU) Assessment of the Local Government Support Program

Activity: An assessment, using the pretest/posttest/control group methodology, to determine the extent to which: 1) the local government framework is being effectively implemented; 2) local governments are performing their functions with increasing effectiveness, transparency and accountability; and 3) citizens are exercising their rights and meeting their obligations to local government.

The contract for this activity was signed with ISIS on 09 July 2002. After a few start-up hurdles, the contractor was able to commence initial interviews with various municipalities. ISIS reported that the contract was on track and that they had made good progress on the Elite interviews. The surveys has been distributed and approximately 3,000 completed surveys have already been received. Data is catalogued as completed surveys are received. ISIS is presently working on a KPI index to be used by USAID for internal reporting, a high priority for USAID. A draft report is anticipated during the next reporting period. This activity is expected to remain **IN PROGRESS** until completion of the contract in July 2004.

- 02/138 - (LGU) Travel of Municipal Representatives for TECs

Activity: USAID authorized CREA to arrange and fund travel costs for municipal representatives to participate as members of the technical evaluation committees during Round 2 of LGSP Assistance to Municipalities.

CREA coordinated and arranged the travel of municipal representatives for each of the 21 TECs held during this reporting period. Since there were no acceptable offers for two of the solicitations, these had to be

reissued and two additional TECs will take place during the next reporting period. This activity will remain **IN PROGRESS** until all TEC travel has been completed and CREA can determine that all costs associated with the travel have been paid.

- 02/139 - (LGU) Assistance to Cacadu District Municipality

Activity: Provide a Capacity Building Assessment Programme for Cacadu District Municipality through a contract with a service provider to be selected under competitive procurement procedures.

CREA received nine (9) timely proposals by the closing date of 15 July 2002 and two (2) late proposals received after the closing time. Convening on 31 July 2002 to evaluate the timely proposals, the TEC reached consensus and recommended P.E. Technikon for award of contract. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for signature and/or comments. The Acting Chief of Party approved the TEC memo on 27 August 2002 together with debriefing letters for the unsuccessful offerors. Negotiations with P.E. Technikon commenced on 04 September and it is anticipated that the contract will be signed early in October 2002. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

- 02/140 - (LGU) Assistance to Ekurhuleni District Municipality

Activity: Provide support for Capacity Building of Ward Committees and Institution of an Awareness Campaign for Ekurhuleni District Municipality through a contract with a service provider to be selected under competitive procurement procedures.

CREA received seventeen (17) timely applications by the closing date of 22nd July 2002 and two (2) late applications which were received after the closing time. Convening on 12 August to evaluate timely applications, the TEC reached consensus and recommended Interfaith Community Development Association for award of a cooperative agreement. The memorandum documenting TEC deliberations was drafted by Ms. Dominique Wooldridge, the TEC chairperson, and circulated to the TEC for signature and/or comments. The TEC memo was approved and signed by the Chief of Party on 09 September 2002 together with debriefing letters to unsuccessful applicants. CREA performed a financial review of Interfaith during September and found that the organisation did not have adequate financial systems to be deemed grant worthy. The CREA financial team provided technical assistance to Interfaith during September to enable the organisation to meet acceptable standards for obtaining a grant from CREA. It is anticipated that negotiations will commence early in the next reporting period. This activity is expected to remain **IN PROGRESS** until completion of the awarded grant agreement.

- 02/143 - (LGU) Assistance to West Coast District Municipality

Activity: Provide support for Community Participation and Capacity Building for Effective Local Governance for the West Coast District Municipality through a contract with a service provider to be selected under competitive procurement procedures.

CREA received six (6) timely proposals by the closing date of 22 July 2002. Convening on 02 August 2002 to evaluate timely proposals, the TEC reached consensus and recommended PriceWaterhouseCoopers for award of contract. The memorandum documenting TEC deliberations was drafted by the

PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party on 03 September 2002 together with the debriefing letters to unsuccessful offerors. Negotiations commenced toward the end of this reporting period and it is anticipated that a contract will be signed with PriceWaterhouseCoopers early in the next reporting period. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

- 02/144 - (LGU) Assistance to Central Karoo District Municipality

Activity: Provide support for a Community Empowerment Project for Central Karoo District Municipality through a cooperative agreement to be awarded to a service provider under competitive selection procedures.

CREA received fourteen (14) timely applications by the closing date of 22 July 2002. Convening on 06 August 2002 to evaluate all timely applications, the TEC reached consensus and recommended Fair Share, University of Western Cape, for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party on 17 September, together with the debriefing letters for all unsuccessful applicants. As CREA had some outstanding issues with the University of the Western Cape (UWC), it was felt that these issues should be resolved before CREA could award a grant to Fair Share. The outstanding issues have now been resolved and the financial review performed in September revealed no deficiencies that would preclude awarding the cooperative agreement to Fair Share. Negotiations have begun and award is anticipated early in the next quarter. This activity is expected to remain **IN PROGRESS** until completion of the awarded grant agreement.

- 02/145 - (LGU) Assistance to Vhembe District Municipality

Activity: Provide a Training Programme for Ward Committees for the Vhembe District Municipality through a cooperative agreement to be awarded to a service provider under competitive selection procedures.

CREA received twelve (12) timely applications by the closing date of 22nd July 2002. Convening on 20 August 2002 to evaluate all timely applications, the TEC reached consensus and recommended Exegesis for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party on 27 September 2002. It is anticipated that debriefing letters for unsuccessful applicants will be sent during the first week of the next quarter. Once these letters have been sent CREA will arrange with Exegesis to review its financial systems. Negotiations will commence as soon as there has been a determination that Exegesis has systems adequate for safeguarding USAID funds. This activity is expected to remain **IN PROGRESS** until completion of the awarded grant agreement.

- 02/146 - (LGU) Assistance to West Rand District Municipality

Activity: Provide support for the Establishment of a Cluster Working Group and Regional Economic Development Agency for the West Rand District Municipality through a contract with a service provider to be selected under competitive procurement procedures.

CREA received three (3) timely proposals by the closing date of 5 August 2002. Convening on 16 August 2002 to evaluate all timely proposals, the

TEC reached consensus and recommended Urban Econ for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party on 23 September 2002, together with debriefing letters for unsuccessful offerors. Negotiations commenced during the last week of the quarter. It is anticipated that a contract will be signed early in the next quarter. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

- 02/147 - (LGU) Assistance to City of Johannesburg

Activity: Provide support for a Needs Assessment and Training Programme on People's Centres for the City of Johannesburg under a cooperative agreement to be awarded to a service provider under competitive selection procedures.

CREA received thirteen (13) timely applications by the closing date of 5 August 2002. Convening on 14 August 2002 to evaluate all timely applications, the TEC reached consensus and recommended Succinct for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party on August 2002. Debriefing letters were sent to unsuccessful applicants on 20 September 2002. CREA performed a financial review of Succinct prior to the end of this reporting period and negotiations commenced shortly thereafter. It is anticipated that a grant agreement will be signed early in the next quarter. This activity is expected to remain **IN PROGRESS** until completion of the awarded agreement.

- 02/148 - (LGU) Assistance to Karoo District Municipality

Activity: Provide support for Capacity Building of Ward Committees and a Public Information Programme for the Karoo District Municipality through a cooperative agreement to be awarded to a service provider under competitive selection procedures.

CREA received ten (10) timely applications by the closing date of 5 August 2002. Convening on 13 August 2002 to evaluate all timely applications, the TEC reached consensus and recommended Fair Share, University of Western Cape, for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party on 10 September 2002. Debriefing letters were sent to the unsuccessful applicants on the same day. As CREA had some outstanding issues with the University of the Western Cape (UWC), it was felt that these issues should be resolved before CREA could award a grant to Fair Share. The outstanding issues have now been resolved and the financial review performed in September revealed no deficiencies that would preclude awarding the cooperative agreement to Fair Share. Negotiations have begun and award of a grant agreement can be expected early in the next quarter. This activity is expected to remain **IN PROGRESS** until completion of the awarded grant agreement.

- 02/149 - (LGU) Assistance to Nelson Mandela Metropolitan Council

Activity: Provide support for Capacity Building of Community Structures and Councilors for Effective Governance for the Nelson Mandela Metropolitan Council through a cooperative agreement to be awarded to a service provider under competitive selection procedures.

CREA received four (4) timely applications by the closing date of 5 August 2002. Convening on 28 August 2002 to evaluate all timely applications, the TEC reached consensus and recommended P.E. Technikon for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party on 19 September 2002. Debriefing letters were sent to unsuccessful applicants on 25 September 2002. CREA performed a financial review of P.E. Technikon prior to the end of this reporting period and negotiations commenced shortly thereafter. It is anticipated that a grant agreement will be signed early in the next quarter. This activity is expected to remain **IN PROGRESS** until completion of the awarded agreement.

- 02/150 - (LGU) Assistance to Mangaung Local Municipality

Activity: Provide support for Research and Establishment of a Development Partnership for Mangaung Local Municipality through a contract with a service provider to be selected under competitive procurement procedures.

CREA received only one (1) timely proposal by the closing date of 12 August 2002. Convening on 14 August 2002 to evaluate this proposal, the TEC reached consensus that it did not adequately address the requirements of the RFP and therefore, recommended that the RFP be re-issued under a limited competitive procedure in an effort to gain additional interest and, hopefully, a better understanding of the requirements of the activity. A memorandum documenting TEC deliberations and the recommendation to re-issue the RFP under limited competition was submitted to the Chief of Party for approval. After the memo had been signed by the COP, the RFP was re-issued to organisations identified by the PIA, USAID and Mangaung Local Municipality. The new RFP is scheduled to close 14 October 2002. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

- 02/151 - (LGU) Assistance to City of Tshwane

Activity: Provide support for a Capacity Building Programme for Ward Committees for the City of Tshwane through a cooperative agreement to be awarded to a service provider under competitive selection procedures.

CREA received eleven (11) timely applications by the closing date of 12 August 2002. Convening on 4 September, 2002 to evaluate the timely applications, the TEC reached consensus and recommended JUPMET for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. It is anticipated that the TEC memo will be signed by the Chief of Party early in October 2002, together with the debriefing letters to the unsuccessful organisations. A financial review has been set up for early in the next reporting period and negotiations will commence as soon as CREA has determined that JUPMET has adequate financial systems to safeguard USAID funds. It is anticipated that a grant agreement will be signed early in the next quarter. This activity is expected to remain **IN PROGRESS** until completion of the awarded agreement.

- 02/152 - (LGU) Assistance to Bohlabela District Municipality

Activity: Provide support for a Capacity Building and Training Programme for Ward and Portfolio Committees for the Bohlabela District Municipality through a cooperative agreement to be awarded to a service provider under competitive selection procedures.

CREA received seven (7) timely applications by the closing date of 12 August 2002. Convening on 21 August 2002 to evaluate the applications, the TEC reached consensus and recommended Exegesis for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party on 30 September 2002. Debriefing letters will be sent to unsuccessful organisations and a review of Exegesis financial systems will be conducted early in the next reporting period. Negotiations will commence as soon as CREA determines that Exegesis has adequate financial controls to safeguard USAID funds. This activity is expected to remain **IN PROGRESS** until completion of the awarded grant agreement.

- 02/153 - (LGU) Assistance to Ehlanzeni District Municipality

Activity: Provide support for Development of a Ward Planning System and Capacity Building for Ehlanzeni District Municipality through a co-operative agreement to be awarded to a service provider under competitive selection procedures.

CREA received three (3) timely applications by the closing date of 26 August 2002. Convening on 13 September 2002 to evaluate the applications, the TEC reached consensus that none of the three applications adequately addressed the RFA and recommended that the RFA be re-issued, advertising in local newspapers in the area where Ehlanzeni District Municipality is located and encouraging consortia to include local service providers. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party together with debriefing letters to the unsuccessful applicants who were informed that they will be eligible to submit revised applications under the re-issued RFA. The new RFA has now been advertised in the Mpumalanga News and the Lowvelder. In response to USAID and municipality requests to expedite the selection process for this re-issued RFA, only thirty calendar days as opposed to the normal 45 calendar days will be allowed for preparation of applications. The RFA will be issued on 18 October with a closing date of 18 November 2002. It is anticipated that the selection process will be completed during the next quarter. This activity is expected to remain **IN PROGRESS** until completion of the awarded agreement.

- 02/155 - (LGU) Assistance to Ugu District Municipality

Activity: Provide support for Development of an Information Technology/ Communications Strategy and Community Participation Programme for Ugu District Municipality through a contract with a service provider to be selected under competitive procurement procedures.

CREA received seven (7) timely proposals by the closing date of 19 August 2002. Convening on 28 August 2002 to evaluate the applications, the TEC considered Working Solutions to be the best proposal, however, they requested a presentation from the organisation to help in making a final decision. After the presentation, the TEC reached consensus and recommended Working Solutions for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. Negotiations with Working Solutions were underway at the end of this reporting period and it is anticipated that the contract will be signed early in October. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

- 02/156 - (LGU) Assistance to Umzinyathi District Municipality

Activity: Provide support for a Capacity Enhancement Programme for Ward-based Structures and Development of a Communication Strategy for the Umzinyathi District Municipality through a cooperative agreement to be awarded to a service provider under competitive selection procedures.

CREA received twelve (12) timely applications by the closing date of 19 August 2002. Convening on 26 August 2002 to evaluate applications, the TEC was unable to decide between the two top ranked applications, IDASA and Actus Integrated Management. Letters requesting a presentation were sent to both organisations and these were provided 16 September 2002, in separate sessions. After the presentations, the TEC reached consensus and recommended Actus Integrated Management for award. The memorandum documenting TEC deliberations was cleared by all TEC representatives and approved by the Chief of Party on 30 September 2002. Debriefing letters were also sent to unsuccessful applicants on 30 September 2002 and negotiations with AIM will commence during the first week of the new quarter. This activity is expected to remain **IN PROGRESS** until completion of the awarded agreement.

- 02/157 - (LGU) Assistance to Sedibeng District Municipality

Activity: Provide support for Developing a Tourism Strategy, Assessing Capacity Building Needs and Developing and Implementing a Capacity Building Programme for the Sedibeng District Municipality under a contract with a service provider to be selected under competitive procurement procedures.

CREA received six (6) timely proposals by the closing date of 19th August 2002. Convening on 5 September 2002 to evaluate the timely proposals, the TEC reached consensus and recommended the Kagiso Consortium for award. The memorandum documenting the TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo was signed by the Chief of Party on 27 September 2002. It is anticipated that debriefing letters will be sent to the unsuccessful offerors and negotiations with Kagiso will commence during the first week of the next quarter. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

- 02/159 - (LGU) Assistance to Zululand District Municipality

Activity: Provide support for Developing a Coordinated Local Economic Development Framework for the Zululand District Municipality through a contract with a service provider to be selected under competitive procurement procedures.

CREA received ten (10) timely proposals by the closing date of 26 August 2002. Convening on 12 September 2002 to evaluate timely proposals, the TEC was unable to reach consensus regarding the two top ranked offerors and felt that more information was required. The two top ranked offerors, Urban Econ and Iver Rothaug, have been requested to make presentations before the TEC for purposes of clarification on a number of points. These presentations have been scheduled for 01 October 2002. The TEC is expected to make a final decision for recommendation of award shortly after viewing the presentations. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

- 02/160 - (LGU) Assistance to Buffalo City Municipality

Activity: Provide support for Situation Analysis and Development of a Tourism Master Plan for the Buffalo City Municipality through a contract with a service provider to be selected under competitive procurement procedures.

CREA received eleven (11) timely proposals by the closing date of 26 August 2002. Convening on 9 September 2002 to evaluate the timely proposals, the TEC was unable to reach consensus regarding the two top ranked offerors, Grant Thornton and KPMG, and felt that more information was required. Letters requesting clarification on a number of points were sent to both of these organisations. Clarifications were received and reviewed by the TEC on 27 September 2002, after which the TEC reached consensus and recommended Grant Thornton for award. The memorandum documenting all of the TEC deliberations will be drafted by the PIA and circulated to the TEC for comments and/or signature during the first week of the next quarter. After the memo has been cleared by the TEC and approved by the Chief of Party, debriefing letters will be sent to the unsuccessful offerors. Negotiations with Grant Thornton will commence shortly thereafter. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

- 02/161 - (LGU) Assistance to Bophirima District Municipality

Activity: Provide support for Establishment of a Local Economic Development Strategy and Capacity Building for the Bophirima District Municipality through a contract with a service provider to be selected under competitive procurement procedures.

CREA received seven (7) timely proposals by the closing date of 26 August 2002. Convening on 11 September 2002 to evaluate the timely proposals, the TEC reached consensus and recommended K2M for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The memo was cleared by the TEC prior to the end of this reporting period and the Chief of Party is expected to approve it in the first week of the next quarter. Debriefing letters will be sent to the unsuccessful offerors and negotiations with K2M will commence shortly thereafter. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

(C) RULE OF LAW UNIT (RLU)

- 98/006 - (RLU) Black Lawyers Association (BLA) Grant

Activity: Support for a program of practical academic training for historically disadvantaged law graduates, placing them in law firms where they can complete the required articles and pupillage to qualify as attorneys and advocates.

Activities under the program are progressing well. During this reporting period a second intake into articles of pupillage took place, with the placement of twenty-three (23) law graduates nationally. A further twenty-five (25) candidate attorneys were placed at various Practical Legal Training Schools nationwide. Forty (40) candidate attorneys were placed with various institutions such as state attorney offices and private firms. This activity is expected to remain **IN PROGRESS** until 31 March 2003.

- 98/016 - (RLU) Rights Education (1 of 3 Cooperative Agreements)

(2) CSLS

Activity: Program supporting the institutionalisation and implementation of democracy and human rights education in South Africa through the development of policy, curriculum, training and educational materials.

Programme activities continue to progress well under this agreement.

On the matter of fraud discovered under the subgrantee, UWC, the forensic audit determined that two of the Street Law unit employees had set up their own companies to provide services for workshops conducted under this project. The first company provided catering and the second provided transport for the participants. It was determined that certain amounts were fraudulent as they were billed for a workshop that did not take place. CSLS took the view that even though services had been provided for the workshops in most cases, all amounts paid to these two companies should be disallowed due to the conflict of interest issue relating to the two employees. The total billed to the companies in question is R 428,627.55. CREA is negotiating with CSLS and UWC on the return of the funds that were fraudulently billed. This activity will remain **IN PROGRESS** through the completion date of 30 September 2002 (or 31 March 2003 if extended) and until all issues for close out have been resolved.

- 00/071 - (RLU) Pretoria Magistrate Children's Court

Activity: Support to the Pretoria Magistrate Court to provide training to social workers handling children's issues at the Children's Court and other activities as approved by USAID.

Activities under this request are still ongoing and CREA continues to pay claims for expenses as they are submitted by the contact person at the magistrate court. During this reporting period, the magistrate court forwarded a request to have their period extended to be able to utilise the remaining funds. The extension request was granted, the expiration date for activities has been extended to 31 August 2003. Activities under this request will remain **IN PROGRESS** until 31 August 2003.

- 01/093 - (RLU) Organized Crime Study for NDPP (now NPA)

Activity: A study on organised crime in South Africa through a contract with Resolve to assist the NPA to develop a comprehensive strategy in addressing this problem.

The contract was amended to extended the period of performance and to add two new deliverables. Payments to Resolve have been slow due to the lengthy time that the NPA takes to approve the deliverables. This activity will remain **IN PROGRESS** until all deliverables have been accepted and final payment made.

- 01/094 - (RLU) ISS Criminal Justice Monitor

Activity: Support for development and implementation of a Criminal Justice Monitor through a grant to the Institute for Security Studies.

The amendment to the agreement to add more funds to their budget as per the request from USAID has still not be completed. ISS has not forwarded

to CREA the necessary budget information despite numerous follow-up attempts. This activity will remain **IN PROGRESS** until expiration of the agreement in April 2003 and after all close out activities have been completed.

- 01/101 - (RLU) Advice Centres

As previously reported all activities under this request ceased on 30 June 2002. All outstanding payments related to the four advice centres have been made. During this reporting period CREA assisted the advice centres with issues around claims under the Unemployment Insurance Fund (UIF). This activity is now considered **COMPLETED**.

- 02/123 - (RLU) APS Award to Centre for Criminal Justice (CCJ)

Activity: Support under a cooperative agreement with CCJ for a program to empower victims of violence in rural communities, especially women and children, to navigate the criminal justice system.

Activities progress well under this agreement. To date, the Centre has completed two information booklets on Domestic Violence and the Will Act under this activity. CREA is concerned with the financial management capacity of the Centre. Liquidations have been problematic and long drawn. CREA have attempted to provide TA telephonically; however, this has clearly not been effective. A site visit to CCJ is planned for early in October to attempt to resolve this problem. This activity will remain **IN PROGRESS** until March 2004.

- 02/124 - (RLU) APS Award to Mosaic

Activity: Support under a cooperative agreement to Mosaic for training of community volunteers to assist victims of domestic violence in applying for protection orders.

Mosaic launched their centre for women during this reporting period. Previously, Mosaic activities had operated from the home of the Director. The CREA Assistant Programme Manager attended the launch with USAID and reported that the event was quite successful. The centre appears to have a great deal of support within the community. The CREA Programme Director also made a site visit during this quarter to discuss workplans and reporting requirements as no reports had been received since the inception of the grant. These have now been received. Mosaic submitted a proposal for additional funding for the remainder of this year which is awaiting a final decision from USAID. In accordance with the RLU APS TEC, funding may also be provided for year two. Both requests are expected to be approved by USAID and the cooperative agreement amended accordingly during the next quarter. At this time, the activity is scheduled to remain **IN PROGRESS** until 12/2002.

- 02/125 - (RLU) APS Award to Childline

Activity: Support under a cooperative agreement with Childline for preparation of child witnesses and their families in child abuse cases.

Programme activities are proceeding well under this grant. The CREA Programme Director visited Childline during this reporting period to discuss workplan and reporting requirements. While the activities continue, neither the workplan nor any of the reports have been received. CREA offered to provide technical assistance in this regard but was assured

that the requirements could and would be met by Childline. USAID approved a request from Childline to fund expenses for their Director to present a paper at an international conference. This included travel for three staff members including the Director. An amendment to Request No 02/125 was received from USAID and the cooperative agreement was amended accordingly. This activity will remain **IN PROGRESS** until February 2003.

- 02/127 - (RLU) APS Award to Cape Town Child Welfare

Activity: Support under a cooperative agreement with Cape Town Child Welfare for training of community members who will be authorized to intervene in cases of child abuse and even to remove victims from the abusive environment.

Programme activities progress well under this agreement. CREA has recently been informed of three staff resignations at Child Welfare, two of which directly affect implementation and administration of this grant. Rashieda Ebrahim, a key social worker on the Isolabantwana Project resigned to accept a position in the UK. In addition Denise Cupido, the Marketing Assistant who prepared financial reports to CREA also left the organisation. CREA plans to visit the project during the next reporting period to discuss the possible impact of these resignations on the project. This activity is scheduled to remain **IN PROGRESS** until 31 March 2003.

- 02/128 - (RLU) APS Award to Khulisa

Activity: Support under a cooperative agreement with Khulisa for a diversion program in Alexandra to work with juvenile offenders before they enter the criminal justice system and after they are already in it.

All programme activities are progressing well. Reports are being submitted; however, the workplan has still not been received in spite of numerous conversations with the Khulisa programme manager and offers of technical assistance from CREA in this regard. CREA has encountered considerable difficulty with Khulisa's attitude toward the requirement for documentation in support of expenditures. A meeting attended by CREA, USAID, and Khulisa was held during this reporting period in an attempt to resolve the issue and to agree on the type of documentation that Khulisa will provide to CREA in future. CREA will continue to work with Khulisa to resolve these issues. This activity is scheduled to remain **IN PROGRESS** until 31 January 2003.

- 02/126 - (RLU) APS Award to Thohoyandou Victim Empowerment Program

Activity: Supporting and empowering victims of sexual abuse and domestic violence, especially women and children and creating an environment in perpetration of crimes of violence against women and children are socially unacceptable.

Programme activities continue under this agreement; however, reports have not been forthcoming. CREA will visit this project early next quarter in an attempt to resolve this matter. The activity will remain **IN PROGRESS** until 30 April 2004.

- 02/141 - (RLU) NPA Strategic Planning Workshop

CREA was requested to pay for the facilitator for a Strategic Planning workshop held in the Eastern Cape. All outstanding payments have been made on this activity and it is now considered **COMPLETED**.

- 02/158 - (RLU) National Conference for Scorpions

Activity: Logistical support to NPA Directorate of Special Operations (DSO) for a national conference scheduled for September 2002.

After a delay of approximately two months, the dates for this conference were finally agreed upon. A venue located between Johannesburg and Pretoria was found and booked for the 22 to 25 October 2002. The logistical co-ordinator appointed by CREA appears to be doing quite well with the arrangements.

In support of this activity, CREA was requested to solicit proposals for an OD team-building facilitator. The SOW was sent out to three organisations identified by CREA and the USAID Resident Legal Advisor at the NPA. By the closing date of 13 September CREA had received proposals from VHL Group and Chameleon. Convening on 23 September 2002 to evaluate the two proposals, the TEC reached consensus and recommended VHL Group for award of a contract to facilitate team building at the conference. The TEC met with VHL Group to clarify certain issues which had been identified for the contractor to successfully carry out the required task. CREA made arrangements for VHL Group to meet with relevant DSO liaison persons for coordination of the team building exercise. This activity will remain **IN PROGRESS** until payment for all costs have been made.

(D) SPECIAL CROSS-CUTTING ACTIONS (SCA)

- 01/100 - (SCA) Wits/Harvard Senior Executive Program Alumni Banquet

As previously reported, CREA was requested by USAID not to pay a deposit for the venue until a new date has been scheduled for the banquet. CREA has not yet been advised of the new date. This activity is expected to remain **IN PROGRESS** through most of 2002.

- 02/133 - (SCA) Afrobarometer Survey

Activity: Provide support for the 2002-2003 survey of Afrobarometer activities in South Africa under a cooperative agreement with IDASA as the sole source for this survey.

The cooperative agreement was signed during this reporting period and activities are underway and making good progress. This activity will remain **IN PROGRESS** until 30 June 2003.

- 02/142 - (SCA) Procurement of Computers for Soweto Schools

Activity: Procurement of computers and printers to be donated to schools in Soweto and other recipients as identified by USAID.

CREA was initially requested to purchase four (4) computers, two (2) printers and software suitable for use by a high school. The procurement was carried out by CREA under informal competitive procedures; i.e., purchase based on the lowest of three quotations. CREA arranged for two computers, one printer and required software to be delivered and installed at Meadowlands High School in Soweto on 23 May 2002 in preparation for the 24 May 2002 visit by US Treasury Secretary O'Neill. Per instructions from USAID, the remaining items (two computers, one printer and required software) were turned over to KHULISA on 28 May 2002. This request was subsequently amended to add funds sufficient to cover the purchase of two

additional computers, one printer and software for another school still to be identified. CREA purchased these items in the same manner as the others and awaited instructions from USAID regarding the time and place for delivery to the recipient. During this reporting period, Jill Thompson of SO#1 RLU, arranged to have the computers collected from CREA, stating that she would make the necessary arrangements to have them delivered to selected organizations in the Western Cape. CREA advised that the ultimate recipient should be required to sign a receipt for the computers in order to establish final accountability for audit purposes. Since all payments for these computers have been made, CREA now considered this request **COMPLETED**.

- 02/154 - (SCA) US Study Tour

Activity: Facilitate a study tour for four persons to include Dr. Doreen Atkinson of the Human Sciences Research Council and Mr. Mann Oelrich, MEC for Agriculture for Free State, as well as a senior official of DPLG and a senior official of IRDS still to be identified. The purpose of the visit is to investigate modalities of country service provision for migrant and other farm labour in the US.

Alia Ashfar of the CAII/DC office closely coordinated the US side of plans for this tour with Dr. Atkinson of HSRC and CREA made international travel arrangements with a SA local travel agent. CREA, assisted by Mamiki Sibanyoni of SO#2, made arrangements to obtain the necessary visas for the group to travel to the US for this activity. The group departed for the US on 23 September 2002 and are scheduled to return to South Africa on 09 October 2002. Activities under this request will be reflected as **IN PROGRESS** until CREA SA can determine that all related expenses have been paid.

4. New SOW Actions Received:

During this reporting period (01 June 2002 - 30 September 2002), the GMTA field team (CREA South Africa) received the following requests to carry out activities required by the contract scope of work:

02/162 - (RLU) National Child Witness Preparation Program
02/163 - (RLU) Commission on Gender Equality
02/164 - (CSU) Publication of "Impumelelo 2001"
02/165 - (RLU) Corporate Services Training for NPA
02/166 - (RLU) Child Rape Study
02/167 - (LGU) Waterberg District Municipality
02/168 - (LGU) Alfred Nzo Municipality
02/169 - (RLU) S.A. Women's Day Celebration
02/170 - (CSU) Centre for Public Participation
02/171 - (CSU) The Contact Trust
02/172 - (RLU) NPA Strategic Review for NPA
02/173 - (RLU) RLU Workshop
02/174 - (LGU) Planact Graduation Ceremony
02/175 - (LGU) Ekurhuleni Metro Women's Day
02/176 - (LGU) ICLEI Conference
02/177 - (CSU) Civil Society Roundtable Discussion

5. Status of New SOW Actions:

(A) CIVIL SOCIETY UNIT (CSU)

- 02/164 - (CSU) Impumelelo 2001 Publication

Activity: Support for the publication of the Impumelelo 2001, which forms a broader public relations strategy of the Impumelelo Awards which recognizes and rewards innovative government/CSO partnerships.

This activity required the processing of purchase orders with the printer of the publications. Impumelelo had already received three quotes and had selected a printer based on the lowest price. The invoice has been received and paid; therefore, this activity is now considered **COMPLETED**.

- 02/170 - (CSU) Centre for Public Participation

Activity: Supporting activities aimed at strengthening public participation in governance processes.

CREA was requested to enter into a cooperative agreement with the Parliamentary Participation Programme (PPP) for \$200,000 under the CSSP APS. The PPP notified CREA that they were changing their name to the Centre for Public Participation. CREA had completed budget negotiations with the Centre by the end of this quarter and will have the agreement signed early next quarter with an effective date of 01 September 2002. This agreement is for a two year period and will remain **IN PROGRESS** until 31 August 2004.

- 02/171 - (CSU) The Contact Trust

Activity: Enhancement of capacity and opportunities for CSOs and government to partner, dialogue and cooperate for policy development, implementation and monitoring.

CREA was requested to enter into a cooperative agreement with Contact Trust for \$165,000 under the CSSP APS. CREA had completed budget negotiations with Contact Trust by the end of this quarter and will have the agreement signed early in the next quarter with an effective date of 01 October 2002. This agreement is for a two year period and will **IN PROGRESS** until 30 Sep 2004.

- 02/177 - (CSU) USAID Civil Society Roundtable

Activity: Logistical support to USAID for a civil society roundtable discussion to be held with the SO#1 Team Leader and the Mission Director on.

CREA was requested to provide logistical support to CSU partners to participate in the roundtable discussions scheduled for 11 October 2002 in the USAID office facility. This activity will remain **IN PROGRESS** until all costs related to the event have been paid.

- 02/180 - (CSU) USAID's CSU Strategic Planning Workshop

Activity: Logistical support for a strategic workshop for the CSU unit.

No actions have been performed on this activity to date. CREA will contract with the Farm Inn for use of their conference facilities on 07 November 2002 in accordance with USAID request. This activity will remain **IN PROGRESS** until the event has occurred and all related costs have been paid.

(B) LOCAL GOVERNANCE UNIT (LGU)

- 02/167 - (LGU) Assistance to the Waterberg District Council

Activity: Development and Institution of an Integrated Financial and Information Technology System for Waterberg District Municipality through a contract to be awarded to a service provider under competitive selection procedures.

This activity was advertised on SANGONET and the Mail and Guardian on 19 July 2002. The Request for Proposals was issued on 02 August 2002 with a closing dated of 16 September 2002. CREA received four (4) timely proposals by the closing date and one late proposal after the closing date. Convening on 23 September 2002 to evaluate the timely proposals, the TEC reached consensus and recommended Transpay for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo will be approved and debriefing letters sent to the unsuccessful offerors early in the next quarter, after which negotiations will commence with the selected organisation. This activity is expected to remain **IN PROGRESS** until completion of the awarded contract.

- 02/168 - (LGU) Assistance to the Alfred Nzo Municipality

Activity: Development of an Integrated Participation and Communication Strategy for the Alfred Nzo Municipality through a cooperative agreement to be awarded to a service provider under competitive selection process.

This activity was advertised on SANGONET and the Mail and Guardian on 19 July 2002. The Request for applications was issued on 02 August 2002 with a closing dated of 16 September 2002. CREA received eight (8) timely applications by the closing date. Convening on 26 September 2002 to evaluate the applications, the TEC reached consensus and recommended Common Ground Consulting for award. The memorandum documenting TEC deliberations was drafted by the PIA and circulated to the TEC for comments and/or signature. The TEC memo will be approved and debriefing letters sent to unsuccessful applicants early in the next quarter. CREA will visit Common Ground to review their financial systems early in the next quarter and negotiations will commence as soon as CREA has determined that adequate systems are in place to safeguard USAID funds. This activity is expected to remain **IN PROGRESS** until completion of the awarded grant agreement.

- 02/174 - (LGU) Assistance to the Greater Tubatse Municipality

Activity: Reimburse Planact for costs associated with arranging the graduation ceremony for the ward committee training conducted for the Greater Tubatse Municipality.

CREA received a request on 13 September to reimburse Planact for costs associated with arranging the graduation ceremony for the ward committee training conducted for Greater Tubatse Municipality. Planact was to provide all logistical arrangements for the ceremony, as well as arrange for catering and the transportation of participants. The ceremony was arranged for the 28 September in Tubatse, but was cancelled at the last minute due to a disagreement regarding the certificates. The Mayor of Tubatse had been given the opportunity to sign the certificates to be issued by

Planact, but the councillors objected to receiving certificates signed by a colleague. The Mayor had also requested Planact to issue certificates for the first 6 wards which had been trained by IMPD which Planact was unable to do. CREA, USAID and Planact had a meeting on the 30 September 2002 to discuss the problems encountered and the reasoning behind cancelling the Graduation Ceremony. Planact indicated that certain expenses had already been incurred for the ceremony. An invoice for R7681.31 was submitted for USAID approval and payment. Payment will be made during the next quarter. This activity will remain **IN PROGRESS** until the invoice has been approved and payment made.

- 02/175 - (LGU) Ekurhuleni Metro Council

Activity: Provide logistical support to the Ekurhuleni Metro Council Women's Day celebration.

CREA received a request dated 20 September to negotiate purchase orders with two vendors who had been selected by the Ekurhuleni Metro to provide services. Purchase orders were issued to Ekhaya Catering to provide refreshments the event and Enterprises CC for t-shirts and caps. Invoices for services rendered by the two organisations were submitted and payment made during this quarter. This activity is now **COMPLETED**.

- 02/176 - (LGU) ICLEI Conference

Activity: Purchase an international ticket for Ms. Joanne Murphy, a USAID partner, who will be travelling with the LGU leader to a conference in Delhi, India.

CREA was requested to purchase an international airline ticket for Ms. Joanne Murphy to attend a ICLEI conference with the LGU leader. Arrangements are underway with CREA's travel agent to issue an economy airline ticket for Ms. Murphy to depart with Ms. Naidoo on 25 October 2002 and return on 01 November 2002. The ticket will be delivered and payment made early in the next quarter. This activity will remain **IN PROGRESS** for one more quarter.

(C) RULE OF LAW UNIT (RLU)

- 02/162 - (RLU) National Child Witness Preparation Programme

Activity: The development and piloting of a national child witness preparation programme for use in the South African Sexual Offences Courts.

CREA was requested to enter into a contract with Dr. Karen Muller for the development of a national child witness preparation programme. USAID had already negotiated this contract; however, CREA verified that all necessary requirements had been met, specifically, with regard to cost reasonableness. The contract with Dr. Muller was signed and work was progressing well with the first three deliverables received prior to the end of this reporting period. This activity will remain **IN PROGRESS** until completion of this contract in February 2004.

- 02/163 - (RLU) Commission on Gender Equality

Activity: Support for activities aimed at celebrating the 5th anniversary of the South African Constitution.

CREA received a request on 7 July to provide support to the Commission on Gender Equality for activities aimed at celebrating the 5th anniversary of the South African Constitution. The Commission was to hold provincial workshops that would culminate in a women's march to the Union Building on Women's Day, 9 August 2002. Purchase orders were issued to various vendors who provided services such as accommodation, travel, catering, and transport. Requests for payments are still being forwarded to CREA. This activity will continue to be classified as **IN PROGRESS** until all payments have been made.

- 02/165 - (RLU) PFMA/Batho Pele Training

Activity: Provision of training covering the Public Finance Management Act and Batho Pele (Public Sector Customer Policy) to the Corporate Services Unit of the National Prosecutory Authority (NPA).

CREA received a request to procure, under limited competitive procedures, training for the NPA Corporate Services Unit on the Public Management Finance Act and Batho Pele. CREA assisted the NPA to develop the scope of work and disseminated it to the three service providers identified by the NPA. Two proposals were received and a TEC composed of representatives from the NPA, USAID and CREA selected Blazing Solutions for award. A purchase order has been signed with Blazing Solutions and work is proceeding as per their workplan. This activity will remain **IN PROGRESS** until all the deliverables have been received and all invoices have been paid.

- 02/166 - (RLU) Child Rape Study Workshop

Activity: Support to the NPA for a research study on child rape to inform a national strategy to combat the rape of children.

CREA was requested to provide support to the NPA for a research study on child rape in this country. CREA provided logistical support to the NPA for a two day workshop to discuss an imminent child rape study to be managed by the NPA. CREA worked in conjunction with the NPA and USAID in this regard. CREA sent out invitations, contracted for the venue and a facilitator and co-ordinated all travel arrangements. The event was well attended and the NPA appears to have met its objectives in this regard. This activity will remain **IN PROGRESS** until all activities for the rape study have been completed.

- 02/169 - (RLU) SOCA Women's Day Celebration

Activity: Logistical support to the SOCA Unit of the NPA to host a conference celebrating National Women's Day.

CREA was requested to provide logistical support to the NPA for a one day conference to celebrate National Women's Day. CREA met with representatives of the NPA's SOCA unit on two occasions to plan the event. CREA was subsequently notified that the NPA had decided to cancel the event. The activity will remain **IN PROGRESS** until instructions are received from USAID on how to proceed.

- 02/172 - (RLU) Strategic Review of the NPA

Activity: The facilitation of a strategic and organisational review of the NPA's Corporate Services Unit.

CREA was requested to contract with XKM Consulting to conduct a strategic and organisational review of the Corporate Service Unit of the NPA. By the end of this quarter CREA had still not concluded a negotiation due to non response from XKM. It is hoped that this can be accomplished early next quarter with the assistance of Prince Mofokeng from the NPA. CREA has been informed that work began on the activity before the USAID request was received by CREA. According to reports, the work appears to be progressing well. This activity will remain **IN PROGRESS** until confirmation that the final deliverable has been received and payment has been made.

- 02/173 - (RLU) USAID's RLU Strategic Planning Workshop

Activity: Logistical support for a strategic workshop for the RLU unit.

CREA provided logistical support to USAID by processing a purchase order with the Farm Inn for a strategic planning meeting held by the RLU on 19 September 2002. The invoice has been paid and this activity is considered **COMPLETED**.

(D) SPECIAL CROSS-CUTTING ACTIONS (SCA)

(None Received During This Reporting Period)

B. Administrative Information (as of 30 September 2002):

1. Contract Data:

a. Total Estimated Cost Plus Fixed Fee: \$42,107,901
 b. Total Obligated Amount : \$31,746,441
 c. Expenditures as of 30/09/02 : \$23,030,617
 d. Remaining Balance Obligated Amt : \$ 8,715,824

2. Expenditures by Contract/Project Components:

a. Home Office/Field Office General Management	\$ 4,640,840
b. Technical Assistance	\$ 4,635,091
1. Technical Support to Grantees	\$3,506,361
2. Special Studies	\$ 590,162
3. Workshops for Grantees	\$ 538,568
c. Logistic Support for Annual SO1/Partners Consultation Meetings, Strategy Workshops/Seminars with Partners, And International Exchanges with Partners	\$ 310.061
d. Grants & Participants Training Tuition	<u>\$13,444,625</u>
TOTAL	\$23,030,617 =====

Note: The cost information set forth above is preliminary in nature and should be viewed only as a reflection of the division of activities to date. Cost data for activities reported as in progress and some of the data for completed activities are not yet available due to the normal time lag between disbursement in the field and recording/reporting to CAII home office. This information will be provided in subsequent reports as it becomes available.

3. **DIRECT COST INFORMATION (ACTUAL VS BUDGETED) BY REQUEST NUMBER**

The following attachments reflect a breakdown of direct costs incurred for individual activities identified by USAID Request Number as of the end of this reporting period. The amounts shown as "actual" are the best information available at this time. The system of tracking direct costs against individual requests was not put in place at the beginning of the contract; therefore, the amounts shown for some of the earlier requests may not be complete. Time spent by GMTA staff on individual activities has not been included in this compilation and no attempt has been made to allocate any portion of the GMTA office operations or the CAII indirect costs or fixed fee to individual activities. The system of budgeting and reporting only **direct costs** is a procedure devised by the COTR and agreed to by the COP only as a measure of accountability for individual requests and has no affect on cost recovery by the contractor. (Note: Earlier reports included other direct costs incurred for technical assistance to grantees outside the amount of the grant, such as travel by CREA personnel; however, this practice has been discontinued with the concurrence of the COTR since a new system has been devised by SO#1 to allocate CREA costs not specific to individual requests on a pro rata basis to each of the SO#1 projects supported by CREA under this contract. This is an internal allocation made by USAID for recording costs by MACS elements in the USAID accounting system and has no affect on CAII's reporting or vouchering process.)