



PD BBW 711
Embassy of the United States of America

Office of Development Affairs
August 15, 1990

Ms. Linda Biersteker, Director
Early Learning Resource Unit
All Saints Parish Center
37 Denver Road
Lansdowne 7764
South Africa

Subject: Educational Support and Training Project (674-0302);
Early Learning Resource Unit Agreement
██████████-SS-0031-00

Dear Ms. Biersteker

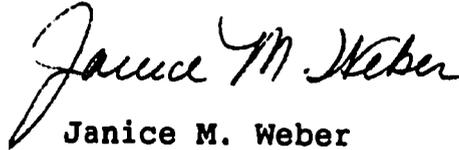
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter "USAID") hereby enters into this Agreement with the Early Learning Resource Unit (hereinafter "the Recipient" or "ELRU"), and obligates the sum of US \$250,000 (two hundred and fifty thousand United States Dollars) to provide support for a program described in Attachment No. 1, entitled "Schedule," and Attachment No. 2, entitled "Program Description," of this Agreement.

This Agreement is effective and obligation is made as of the date of this letter. The Agreement and obligation shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning August 15, 1990, and ending July 31, 1993.

This Agreement is entered into with ELRU on condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, "the Schedule," Attachment 2, "Program Description," and Attachment 3, "Standard Provisions." This letter, and the three attachments just described, which have been agreed to by your organization, constitutes the Agreement.

Please sign the original and copy of this letter, and return the original to USAID/Pretoria.

Sincerely,

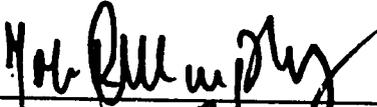


Janice M. Weber
Acting Director

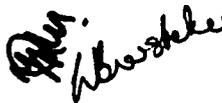
ACKNOWLEDGED AND ACCEPTED
Early Learning Resource Unit



By: Ms. Linda Biersteker
Title: Director



By: Mr. John R. Murphy
Title: Chairman, Finance Committee
Board of Trustees



Attachments:

1. Schedule
2. Program Description
3. Standard Provisions
4. A.I.D. Geographic Code 935 List

ATTACHMENT NO. 1

SCHEDULE

I. OVERVIEW OF AGREEMENT

Funds under this Agreement are to assist the Early Learning Resource Unit with staff development and program expenses in the areas of rural outreach, research and information, and parent and community services. Staff development will emphasize black staff advancement to senior positions and include assistance for upgrading formal qualifications and participation in workshops and conferences. Activities eligible for financing in the program areas include: preschool training programs in urban and rural areas; the development and dissemination of resource and training materials; health and nutrition advisory services; and community networking. ELRU presently operates throughout South Africa, including in the rural areas of the Western Cape, Namaqualand, Northern Cape and Karoo, South West and Southern Cape.

II. PERIOD OF AGREEMENT

The effective date of this Agreement is August 15, 1990. The expiration date is July 31, 1993, meaning that no USAID funds under this Agreement shall be applicable to goods not furnished or services not performed for the program by this date.

III. AGREEMENT FUNDING AND PAYMENT

The total estimated amount of A.I.D. funds to be provided under this Agreement for the period beginning August 15, 1990, through July 31, 1993, is US\$250,000.

IV. FINANCIAL MANAGEMENT

A. ELRU shall be responsible for accounting for all funds provided under this Agreement. ELRU shall open a separate bank account to be used solely for funds provided under this Agreement. ELRU shall deposit all USAID cash advances into this separate account and shall make all disbursements for goods and services from this account. Execution of this Agreement constitutes USAID approval of the advance and, for A.I.D.'s internal purposes, earmarks and commits all funds obligated under the Agreement. Any interest earned from funds provided under this Agreement must be returned to USAID.

Each month after the initial advance, ELRU will submit to the USAID Controller's Office a voucher for reimbursement based on expenses incurred during the previous month. The voucher will consist of three parts:

1. Disbursement Report. A detailed report of disbursements by budget line item. Each report will include:

- (a) a summary sheet listing, in a format compatible with the budget, the purpose and amount of all individual expenses incurred with a sub-total for each budget line-item and a grand total for the current reporting period;
- (b) the cumulative amount of Rands received under the Agreement by budget line item; and
- (c) copies of paid invoices (not proforma invoices), checks, or other documentary evidence showing that funds were expended and the payee received such funds; e.g. an invoice stamped "paid", a cancelled check, a payroll sheet signed by the employee.

2. Cash Advance Status Report in the following format:

USAID CASH ADVANCE STATUS REPORT
Early Learning Resource Unit Agreement
674-0302-G-SS-0031-00

A. Period covered by this report:

From (Month, day, year) _____

To (Month, day, year) _____

Period covered by next report:

From (Month, day, year) _____

To (Month, day, year) _____

B. Cash Advance and Needs:

1. Cash advance on hand at the beginning of this reporting period R_____

2. USAID check advances received during this reporting period R_____

3. Interest¹ earned on cash advance during this reporting period R_____

4. GROSS cash advance available during this reporting period (add lines 1,2+3) R_____

- 5. LESS, interest remitted to USAID during this reporting period R _____
- 6. NET cash advance available during this reporting period R _____
- 7. Total disbursements² during this reporting period R _____
- 8. Amount of cash advances available at the end of this reporting period (line 6 minus line 7) R _____
- 9. Projected disbursements³ for the next reporting period R _____
- 10. Additional cash advance requested for the next reporting period (line 9 minus line 8) R _____
- 11. Total interest earned on cash advance from the start of the grant to the end of this reporting period, but not remitted to USAID R _____
- 12. Total cash advances to subgrantees, if any, as of the end of this reporting period R _____

C. Certification

The undersigned hereby certifies: (1) that the amount in paragraph B.9 above represents the best estimate of funds needed for the disbursements to be incurred over the period described, (2) that appropriate refund or credit to the Agreement will be made in the event of a disallowance in accordance with the terms of the Agreement, (3) that appropriate refund or credit to the Agreement will be made in the event funds are not expended, and (4) that any interest accrued on the funds made available herein will be refunded to USAID.

Date _____

By _____

Title _____

Attachments:
Disbursement Report

V. FINANCIAL PLAN

A. The Illustrative Financial Plan for this Agreement is set forth in Table I below. Revisions of this Plan shall be made in accordance with Standard Provision 4 of this Agreement, located in Attachment 3 and entitled "Revision of Agreement Budget." The Recipient is authorized a 15% deviation between line items. However, any deviation above this amount, or any increase in the total Grant, must be approved in advance in writing by the Counselor for Development Affairs.

Table 1

Illustrative Financial Plan (SAR) ¹

Salaries.....	381,225
Travel and Per Diem.....	93,850
Other Direct Costs.....	<u>174,925</u>
TOTAL.....	R650,000

¹

Funds under this Agreement may not be used to finance vehicles, liquor, participation in USAID funded activities by families and friends, or construction or renovation.

B. Level of Assistance

The total Rand amount in the Illustrative Financial Plan (Table I) above is the maximum Rand available under this Agreement. The conversion rate from U.S. dollars will be the prevailing rate at the time of conversion by the Controller, USAID/South Africa. To determine the U.S. dollar amount of the Agreement, an exchange rate of R2.6 was used. Notwithstanding the above, in no event will the total level exceed the obligated dollar amount.

Due to exchange rate fluctuations, South African Rands available under any individual line item financed under this Agreement may exceed levels budgeted for by ELRU, and thus allow additional program expenses to be financed as well. In such an event, ELRU may request in writing its proposed priority uses of such funds. If USAID is in agreement with ELRU's proposal, the Agreement will be amended to provide for the authorized expenditures. USAID reserves the right to deobligate any dollars in excess of those needed to fund the initial Rand budget. However, should changes in the exchange rate result in fewer South African Rands being available than budgeted for, ELRU must finance the shortfall as the U.S. dollar amount prevails.

VI. REPORTING

ELRU will submit semi-annual progress reports on activities funded under the Agreement. ELRU will also submit a final report on all activities financed by the Agreement. The content and format of the final report will be agreed upon by USAID and the Recipient at a later date.

VII. OVERHEAD RATE

Not Applicable.

VIII. TITLE OF PROPERTY

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

IX. AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for all procurement with USAID funds under the Agreement is the United States, the Republic of South Africa, and A.I.D. Geographic Code 935 countries, meaning that all goods and services financed by this Agreement shall have, with respect to goods, their source and origin and, with respect to services, their nationality in the United States, the Republic of South Africa, or other countries included in AID Geographic Code 935. (See Attachment 4)

X. LOCAL COST FINANCING

It is hereby specified that the amount of U.S. dollars authorized to be used for local cost financing is the entire amount obligated under this Agreement.

XI. SPECIAL PROVISIONS

A. Priority will be given to the development and advancement to senior positions of South African staff members that have been disadvantaged by apartheid.

B. In December each year, a training plan will be submitted to USAID for prior approval. This plan will include the names of people to be trained, the name and location of the training institution, and a timetable. It is understood that schedules for non-formal training opportunities, such as conferences, seminars and workshops, are tentative and may change during the course of the year.

C. Procurement

(1) Scope. This provision is applicable to the extent that local cost financing is otherwise authorized by the Agreement. It does not require procurement in South Africa where off-shore procurement could otherwise occur.

(2) Policy. In the procurement of goods and services in South Africa, the Recipient shall, to the maximum extent practicable, award contracts to individuals or organizations which are disadvantaged by apartheid and which are responsive and appropriate providers of goods and services.

(3) Definitions. Individuals and organizations disadvantaged by apartheid shall mean: (1) South African individuals of black, "colored" or Asian descent whose principal place of business is in the Republic of South Africa; and (2) private partnerships or commercial firms which are incorporated in or organized under the laws of the Republic of South Africa, whose principal place of business is in the Republic of South Africa, and which are more than 50 percent beneficially owned by South African persons of black, "colored" or Asian descent. The Republic of South Africa includes the so-called "independent" and "self-governing" homelands.

D. Except as provided in Section C.1. above, all procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, free and open competition.

E. Prior to the disbursement of any funds or issuance of any commitment documents under this Agreement, ELRU agrees to allow USAID to conduct a financial review to confirm that adequate management systems exist.

F. ELRU shall continue efforts to identify a variety of funding organizations and to avoid, whenever possible, dependence on any one organization for funding.

G. ELRU will provide for USAID approval a copy of its travel and per diem policy covering both domestic and international travel for its staff, committee and consultants not to exceed U.S. official rates. In the event ELRU does not establish a policy, U.S. Government regulations governing travel and per diem will be applied.

H. ELRU salary levels will be established by ELRU's Board of Directors in accordance with levels for comparable non-profit, community-based organizations.

XII. STANDARD PROVISIONS

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

ATTACHMENT NO. 2

PROGRAM DESCRIPTION

I SUMMARY

This Agreement supports the Early Learning Resource Unit (ELRU), an eleven-year old non-governmental organization concerned with preschool education in black communities in South Africa. Funds are provided to assist with ELRU staff development and ELRU operating expenses in the areas of rural outreach, research and information, and parent and community services. Priority will be given to the advancement to senior positions of ELRU South African staff members that have been disadvantaged by apartheid. ELRU currently has programs throughout South Africa, including in the rural areas of the Western Cape, Namaqualand, Northern Cape and Karoo, South West and Southern Cape.

II. BACKGROUND

A. Educational Support and Training Project

This Agreement is financed under USAID's Educational Support and Training Project (ESAT). The purpose of ESAT is to support indigenous, nongovernmental initiatives which demonstrate improved models for basic education for disadvantaged South Africans and confront the waste of human resources that has resulted from the apartheid system. Based on extensive consultations with educationists, community leaders, parents, students, and non-governmental organizations, priority is given to projects which: help disadvantaged South Africans cope with and overcome the inadequacies of apartheid education; are nonracial yet affirm black culture and history; promote community involvement in education; or provide a foundation for nonracial education in a post-apartheid South Africa.

B. The Early Learning Resource Unit

ELRU is a non-racial independent organization, administered by the Cape Educational Trust. Established in 1978, ELRU works to help oppressed communities realize their human potential. The Unit has a staff of 14 educators and four other administrative staff. The Board of Trustees consists of: R.E. Van der Ross (Chairman), C. Bekwa, E. Engelbrecht, W. James, F. Johnson, I. Le Roux, J. Murphy, B. Mvovo, W. Ndungane, F.A. Sonn, N. Khanyile, N. Morgan, D. Roberts, and T. Vergnani, the mayor of Cape Town. Before 1987, ELRU received substantial funding from the Bernard van Leer Foundation in the Hague. ELRU receives no financial support from the South African Government.

The focus of ELRU's work is on improving the education and care of oppressed and deprived children aged 0-6 years. Parents are given assistance and support so that they can fulfill their potential as primary educators. ELRU helps communities to improve the quality of preschool education and care by designing training programs and materials and providing consulting services for teachers and parents in rural and urban areas. Some 5,000 adults have participated in ELRU training courses, seminars and workshops. An estimated 6,500 parents have been reached by ELRU awareness programs.

III. PROBLEM

Throughout the world there is a growing understanding of the importance of a nurturing and stimulating environment for children under age five. Without such an environment, disadvantaged children enter school with limited experience in coping with the type of intellectual problems which often arise in the classroom.

The Carnegie sponsored report, Uprooting Poverty, showed that while many black parents would like formal preschooling for their children, few have access to quality childcare. Meanwhile, the movement away from the extended family towards a more nuclear model reduces the opportunity for care by an older relative, and the option of pulling an older child out of school is undesirable. This high level of demand is causing unemployed women throughout the country to open creches and home educare centers at any location available. These women often lack the necessary skills and resources to create a stimulating and healthy setting. Thus, rather than benefiting, children suffer from nutritionally poor food, unhygienic conditions and inadequate intellectual stimulation.

There will be an estimated increase in the numbers of black children aged 0-6 years from around 5,870,000 in 1985 to 6,981,000 in 1995 (Grobbelaar, Institute of Futures Research, 1983). The need for good preschool education programs will remain critical and the need to find ways of spreading limited resources to the greatest possible numbers of children will remain urgent.

Despite the situation, the South African Government takes very little responsibility for preschool education, either in the form of subsidies to preschools or in the provision of formal training of preschool teachers. The role of non-formal training programs is all the more critical in this context and there is more freedom to implement alternative curricula, such as those designed by ELRU.

IV. PURPOSE

The purpose of this Agreement is to assist the Early Learning Resource Unit with staff development and program expenses in the areas of rural outreach, research and information and parent and community services.

V. PROGRAM DESCRIPTION

The program includes: staff development and general support in the areas of rural outreach, parent and community services, and information and program development services.

A. STAFF DEVELOPMENT

An important part of the purpose of this Agreement is to provide opportunities for disadvantaged South Africans to advance to senior positions within the ELRU organization. In keeping with this objective, ELRU's annual training plans are expected to demonstrate that disadvantaged South Africans are benefiting substantially from training opportunities and are upwardly mobile within the organization.

Since 1989, ELRU has embarked on a vigorous staff training program aimed at upgrading the skills of its management staff, especially those staff members disadvantaged by apartheid. The objectives of the staff development program are to provide financial support for staff to further their formal qualifications on a part time basis--secondary and tertiary level courses--and to expose members of the ELRU staff to international, regional and national conferences, seminar and workshop programs and meetings on the practice of adult education, early childhood education and related issues. Formal training will be provided in the first year for four ELRU staff members to complete secondary and university degrees. Non-formal training will take the form of courses, seminars and conferences on early childhood development overseas and in South Africa. ELRU's intentions for the out-years will be presented in the annual training plans presented each December.

B. PROGRAM ASSISTANCE

Assistance with operating expenses will be provided for the rural outreach, parent and community support, and information and dissemination services divisions of ELRU.

(a) Rural Outreach

The aim of the rural outreach is to develop strategies and programs for young children in rural areas through parent awareness training, childcare worker training, the facilitation of local support networks, and production of simple resource materials. The program consists of training in the rural areas of the Western Cape, Namaqualand, Northern Cape and Karoo, South West and Southern Cape.

The funds will be used to support coordination of the entire rural project in the Western, Northern, South Western Cape and Namaqualand, representing approximately 80% of the coordinator's salary. Part of the salary of a Western Cape fieldworker will be financed from this Agreement. The direct costs will primarily support the resource room in the Hottentots Holland area.

(b) Parent/Community Services

Parent and community education support services are provided through consultation and workshops for childminders and play groups. This division of ELRU is aimed at encouraging alternative initiatives that meet the needs of the 96% of oppressed and disadvantaged preschoolers who are not in preschool centers. Parent education is a major thrust of this work, as is training for home-based initiatives.

Under this component, funds are provided for the partial salaries of a coordinator (approximately 33% in year one, 66% in years 2 and 3), a health worker (about 20%), a trainer (about 40%) and part-time services of a fieldworker. Materials to support the growing number of grassroots initiatives are also budgeted for this division.

(c) Information Services

The information and dissemination services division aims to research, collate and disseminate information related to young children and preschool issues and programs both locally and from other parts of the world. The ELRU Newsletter and resource materials for preschool workers are produced by this division.

The funds provided under this Agreement will partially finance the salary of an educational associate (15%) to produce materials and coordinate the activities of the whole division which includes research, library services and resource materials production. The costs of art work, a temporary librarian and research assistant are also included in this budget line item.