



המלגה לילדים

Embassy of the United States of America

DBBY 992

April 11, 1991

USAID/South Africa

Mrs. Jane Evans
Ntataise Rural Preschool Development Trust
P.O. Box 41
Viljoenskroon
9520

Subject: Educational Support and Training Project
Agreement with the Ntataise Rural Preschool
Development Trust - Agreement No.
674-0302-G-SS-1009-00

Dear Mrs. Evans,

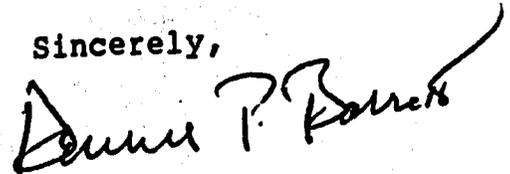
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter "USAID") hereby enters into this Agreement with the Ntataise Rural Preschool Development Trust (hereinafter the "Ntataise" or the "Recipient") and obligates the sum of \$185,000 (one hundred and eighty-five thousand U.S. 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 this letter is signed by an authorized USAID representative. The Agreement and obligation shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning the effective date of this letter, and ending April 30, 1994.

This Agreement is entered into with Ntataise 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, constitute the Agreement.

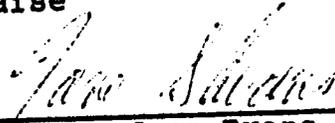
Please sign the original and one copy of this letter and the return the original to USAID/Pretoria.

Sincerely,



Dennis P. Barrett
Director

ACKNOWLEDGED AND ACCEPTED
Ntataise



By: Mrs. Jane Evans
Title: Director

By: Mr. Ismael Mabitle
Title: Trustee

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions and optional provisions as appl:
4. A.I.D. Geographic Code 935 List

ATTACHMENT NO. 1

SCHEDULE

I. OVERVIEW OF AGREEMENT

This Agreement partially finances the Ntataise Rural Preschool Development Trust's outreach program to the Central Transvaal and the Eastern Orange Free State farming areas. In addition, funds are provided for a part-time health educator, development of a trainer of trainers program, upgrading of Ntataise's financial systems and an evaluation.

II. PERIOD OF AGREEMENT

The effective date of this Agreement is the date the cover letter is signed by an authorized USAID representative. Unless otherwise agreed to by USAID, the expiration date is April 30, 1994, 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 amount of USAID funds hereby obligated under this Agreement for the estimated period beginning the effective date of this letter through April 30, 1994, is US\$185,000.

IV. FINANCIAL MANAGEMENT

A. Ntataise shall be responsible for accounting for all funds provided under this Agreement and shall open a separate bank account to be used solely for these funds. Ntataise shall deposit all USAID cash advances into and shall make all disbursements for goods and services from this separate bank 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. The Recipient shall maintain all cash advances from USAID in an interest-bearing account and remit the interest earnings to USAID at least quarterly. All cash advances shall be liquidated at least on a quarterly basis.

Each month or quarter after the initial advance, Ntataise will submit to the USAID Controller's office a voucher for reimbursement based on expenses incurred during the previous period. The voucher will consist of two 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
Ntataise Agreement Number 674-0302-G-SS-1009-00

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. Interest earned on cash advance during this reporting period R _____

4. GROSS cash advance available during this reporting period (total of lines 1, 2 and 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 disbursements 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 disbursements 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. 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:

1. 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, provided that USAID is notified of such deviations in the Recipient's next Disbursement Report. However, any deviation above this amount, or any increase in the total grant, must be approved in advance in writing by the Director, USAID/South Africa.

Table 1

Illustrative Financial Plan
SAR

<u>Item</u>	<u>Total</u>
I. Outreach to Middelburg & Bethlehem branches	
2 Trainer Salaries	206,000
2 Trainer Staff training	27,000
Advisors' & Trainers' travel costs	15,000
Educare basic Equipment	<u>35,000</u>
sub-total	R283,000
II. Development of Training Program	
Consultant fee	R10,000
III. Health Educare into Preschool Community	
Salary for Part-time health educator	44,000
Travel	7,500
Community work training	<u>4,500</u>
subtotal	R56,000
IV. Evaluation	R29,000
V. Computer for Financial Accounting	<u>9,000</u>
SUBTOTAL	387,000
VI. Overhead 15% of total budget	58,000
GRAND TOTAL	<u>-----</u> R445,000

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 R2.4 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 Ntataise, and thus allow additional eligible program expenses in support of activities described in this Agreement to be financed as well. In such an event, Ntataise may request in writing its proposed priority uses of such funds. If USAID is in agreement with Ntataise's proposal, the Agreement will be modified to provide for the authorized expenditures. USAID reserves the right to deobligate any dollars in excess of those needed to fund the Rand Budget contained in Table I above.

However, should changes in the exchange rate result in fewer South African Rands being available than budgeted for, Ntataise must finance the shortfall since the U.S. dollar amount prevails.

VI. REPORTING

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

VII. OVERHEAD RATE

The overhead rate of this Agreement is 15%.

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 A.I.D. funds under the Agreement is the United States, the Republic of South Africa and countries included in A.I.D. Geographic Code 935, meaning that all goods and services financed by this Agreement shall have, with respect to goods, their source and origin and, with respect to the suppliers of goods and services, their nationality in the United States, the Republic of South Africa or in other countries included in A.I.D. Geographic Code 935. Please refer to Attachment 4 for a list of countries included in Code 935.

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

1. Procurement

(a) 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.

(b) 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.

(c) 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.

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

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3. **Staff Recruitment.** Ntataise agrees that all staff recruitment for positions funded by USAID will be carried out through an appropriate competitive process and that salary levels will be in accordance with community and professional standards.

4. **Travel and Per diem.** Ntataise agrees to abide by its travel policy provided in its proposal for assistance. It states:

"Ntataise staff travel on either trains, buses, economy class seats on airplanes or by car (reimbursement based on receipts, for personally owned vehicles this entails reimbursement of petrol receipts) depending on their destination. Full travel costs are covered by Ntataise.

A daily allowance of R15 is made to trainers being offered accommodation by farmers and other trainers. A R15 allowance is also made to cover costs of light lunches when hosts are providing dinner and breakfast. In the case where trainers have to stay overnight in a hotel, a nightly lodging allowance of R100 is made available with a R50 allowance for meals. If trainers are staying in areas where there is no choice of hotel and where the amount exceeds R100, then the full amount of lodging will be paid by Ntataise."

The amounts, described in the stated Ntataise policy above, will increase each year by approximately 15% to accommodate inflation. No international travel is included. In the event there is a travel issue not covered by Ntataise's policy, U.S. Government regulations governing travel and per diem will be applied.

5. **Political Affiliation.** Ntataise agrees that programs funded under this Agreement will be made available to individuals and groups regardless of their political beliefs or affiliations. The Recipient will periodically review the level of actual provision of its services to various political groupings active in its areas of operation.

6. **Audit.** Ntataise agrees that Agreement funds may be utilized to finance an audit of programmatic activities if so requested by USAID.

XII. STANDARD PROVISIONS

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

ATTACHMENT 2

PROGRAM DESCRIPTION

I. SUMMARY

This Agreement supports Ntataise's preschool outreach program into the farming communities around Middelburg, Transvaal and the Bethlehem area of the Orange Free State. It also finances the part-time cost of the services of a health educare worker. To assist the program to respond to all the requests for assistance, funds are provided for the costs of developing a trainer of trainers program. Finally, an evaluation and a computer for financial management purposes are funded.

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 victimized by the apartheid education 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. Ntataise Rural Preschool Development Trust

In 1977, a preschool was started on a farm near Viljoenskroon utilizing the services of two semi-literate farm workers' wives as teachers. It was immediately apparent that the benefits of preschool education and employment opportunities were tremendous, even in this reactionary corner of South Africa. Soon nearby farms were introducing similar programs, with various degrees of success. To respond to the need for training, Ntataise Rural Preschool Development Trust was formally created in 1980.

Ntataise, which means "to lead a young child by the hand", operates from the philosophy that preschool education is the joint responsibility of the farmer/employer and of the parent. This is a novel attitude for many farms which, as described below, operate in often horrendous conditions. Empowering the farm workers' wives through employing them as para-professional teachers and through parental education is a central feature of the program.

The number of requests for training and directions on how to set up a low-cost, high quality farm preschool continued to pour in and Ntataise continued to grow. In addition, to the farm preschools in the Orange Free State, it services farm areas through training and support in the Northern and Western Transvaal and the Northern Cape.

III. PROBLEM

Throughout the world there is 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 formal classroom.

Opportunities for preschool education are particularly limited for black children in South Africa. Even in urban areas, access is difficult, but in rural areas it is almost non-existent. The result is the extraordinary high rate of failure in the first year of school, which ranges from 40 to 90 percent. Many teachers attribute this degree of failure to the lack of school readiness of these children.

There are approximately 1 million men employed and living on South Africa's 65,000 white-owned farms with an estimated six to seven million dependents. This reflects approximately 20% of the population of South Africa as a whole. These farm workers and their families have minimal rights under South African law and, correspondingly, the State only takes marginal responsibility for their educational opportunities. The burden rests largely on the farm owner who can, if he wishes, provide a building for a school and then the DET will pick up salary costs. Only sub-A to Standard five is included, resulting in a vicious cycle of semi-literate dependence.

Ntataise is one project trying to break this cycle through encouraging farm owners to accept a responsibility for preschools and through parental education to farm workers on their rights and responsibilities. Ntataise provides the training which ensures that children are ready for school and able to cope with the new environment. To ensure that the farm primary school teachers do not find the preschooled child threatening, they also run seminars for the teachers on how to make the environment more stimulating. Finally, farmers learn that an empowered, literate work force is more productive.

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IV. PURPOSE

The purpose of this Agreement is to support rural preschool outreach efforts of Ntataise, assist in the development of a trainer of trainers program, and increase the standards of health education in farm preschools. Specifically, this agreement funds salaries, travel, materials, training expenses, a computer and an evaluation.

V. PROGRAM DESCRIPTION

Ntataise structures its program around community interest and the willingness of the farm owner to support a preschool. Based on this philosophy, a Ntataise support region will only be started after 20 farms and their communities are firmly committed to supporting preschools. The structure for each region consists of a trainer who trains preschool teachers, parents and community leaders. She is supported by a farm owners' wife who acts in an honorary advisor position. The advisor has three primary responsibilities: to serve as a role model with the preschool on her farm; to give the trainer administrative support; and to assist in providing access and encouraging commitment to preschools on surrounding farms.

Farm workers are often ill-paid with a worst case scenario of R40 a week to support a family of five to ten people. Therefore, it is often difficult to pay fees for preschool education and parents are generally requested to contribute food and help with the construction/maintenance of the school. The responsibility of the farm owner is to pay the preschool teachers' salary (approximately R100 a month), contribute to the cost of her training, and provide a building/location for the preschool (some perfectly adequate preschools are held under trees with a shack for storing equipment). Although some toys are provided by Ntataise particularly for the "toy libraries", the majority of equipment is created out of waste material (old tires, metal bars, magazines, etc.).

Teachers attend at least one course at the Ntataise headquarters and follow-up courses are held by the trainer and specialized staff who travel to the region. Trainers currently attend Grassroots and ELRU courses and report weekly to the Deputy Director (Training). It takes approximately three years for a farm preschool to run without the constant support of a trainer. Therefore each trainer is responsible for between 15 and 20 preschools, after three years the number can be expanded to between 30 and 35.

This Agreement finances the following areas:

1. Outreach into Middelburg and Bethlehem areas:

This Agreement covers the costs of establishing two regions of Ntataise in the platteland of the Transvaal and the eastern OFS. Both areas are known for the conservative/reactionary level of local politics. Nonetheless, requests from the community and farm owners have been made to Ntataise to assist in the creation of farm preschools.

This line item covers the salary costs of two trainers, their training and travel costs, petrol expenses for the trainers and the honorary advisors, and educational equipment. Note that in year one of the Agreement, approximately 70 percent of the equipment line item will be expended to set up the region. Thereafter, 15 percent of this line item is available for years two and three respectively.

During the three year program, there will be impact on 20 preschools in each region and an average of 20 children in each, leading to an estimated impact of 2,400 overall during the Agreement. The program will also provide training and skills to approximately 60 women in the management and educare of preschools.

The impact of the preschool on the children and farm workers' wives should spread to the home situation and community at large, enabling a better understanding of child care. The aim of the training is to give women and parents the necessary skills to share in the education of their children and to lessen their dependence on the farm owner, however helpful his input.

2. Development of Trainer of Trainer Program

Ntataise trainers are trained by Ntataise, ELRU and Grassroots. The increasing demand country-wide for training has led to the need to develop a trainer of trainers course which will address the needs of trainers who have already participated in the basic courses listed above. This line item will be used to pay an experienced preschool consultant to develop the program.

Approximately 15 trainers will be trained in the first year of the Agreement from Ntataise and other organizations. As the program develops it is expected that the number of participating trainers will grow substantially.

3. Health Worker

One of the major problems affecting children's ability to learn is poor health and malnutrition. It is important for trainers and teachers to be able to identify and encourage awareness of health issues in the educare and community environment. This line item covers the cost of a part-time health educator/nurse to provide training for trainers and to visit preschools. A crucial aspect of her job will be to teach methods of interactive play with children to give them a life-long understanding of health, hygiene and nutrition. This program will impact on more than 100 farm preschools each year, ensuring a long-term impact on the community.

This line item includes reimbursement of the health educator's salary, petrol costs and training costs.

4. Evaluation

Periodic evaluation is essential to ensure the long-term success of any non-governmental organization. Therefore the costs of an external evaluation have been included for year two of the Agreement. However, prior to use of these funds, Ntataise must provide a draft scope of work, suggested name of the evaluator(s), and an illustrative budget for USAID's formal written approval.

5. Computer

The financial review of Ntataise recommended that the expansion of the program necessitates the computerization of the financial systems. This line item includes the cost of the computer, the financial software system and other necessary software (e.g. word processing).

6. Overhead

This aspect of the budget covers the administrative costs of running the programs described above. In each claim for reimbursement, line items 1 to 5 will be subtotaled and 15% will be levied as the administrative costs. These illustratively include a portion of the costs of the central salaries, telephone and other utilities at headquarters, the annual audit, use of the training facilities, etc.