

PDBC B 289

Embassy of the United States of America



USAID/South Africa
June 25, 1991

Mr. Dan Monyemore
Careers Centre
P.O. Box 154
Diepkloof
1864

Subject: Support for Tertiary Education Project (STEP 0309)
Agreement with the Careers Centre; Agreement No:
674-0309-G-SS-1007-00

Dear Mr. Monyemore:

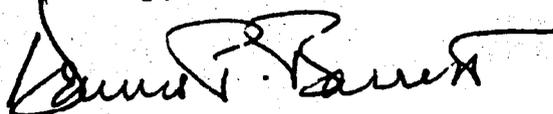
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter "USAID") hereby enters into this Agreement with the Careers Centre (hereinafter "CC" or "the Recipient") and obligates the sum of \$159,000 (one hundred fifty nine 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 April 1, 1991, and ending March 31, 1994.

This Agreement is entered into with the CC 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 then return the original to USAID/Pretoria.

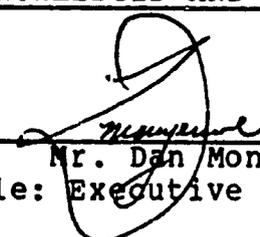
Sincerely,



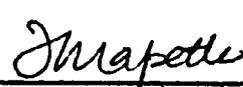
Dennis P. Barrett
Director

ACKNOWLEDGED AND ACCEPTED

CC



By: Mr. Dan Monyemore
Title: Executive Director



Mrs. Nomathemba Mapetla
Title: Professional Services Manager

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions and optional provisions as applicable
4. Advance Request (as applicable)
5. A.I.D. Geographic Code 935 List

ATTACHMENT NO. 1

SCHEDULE

I. OVERVIEW OF AGREEMENT

A. Purpose of Agreement

This Agreement provides funds to the Careers Center to continue providing career guidance services which include: a) advice and counselling through personal interviews, correspondence and telephone inquiries; b) career information dissemination through Careers Week and Careers Clubs; c) information dissemination through Outreach Programs; and d) liaison with other organizations in gathering materials on careers and education information.

II. PERIOD OF AGREEMENT

The effective date of this Agreement is the date it is signed by an authorized USAID Representative. The Agreement will cover eligible costs incurred by the Recipient on or after April 1, 1991. Unless otherwise agreed to by USAID in writing, the expiration date is March 31, 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

A. The total estimated amount of USAID funds to be provided under this Agreement for the estimated period beginning on April 1, 1991 through March 31, 1994, is U.S. \$591,326.

B. A.I.D. hereby obligates the amount of US\$159,000 for program expenditures during the estimated period of April 1, 1991, to March 31, 1992, as shown in the Financial Plan below. Additional funds up to the total amount of the Agreement shown above may be obligated by A.I.D. subject to the availability of funds, and to the requirements of Attachment III, Standard Provisions entitled "Revision of Financial Plan."

IV. FINANCIAL MANAGEMENT

A. The Recipient shall be responsible for accounting for, and shall open a separate interest bearing bank account to be used solely for, all funds provided under this Agreement. The Recipient shall deposit all USAID funds, including cash advances, into this separate account and shall make all disbursements for goods and services financed under this Agreement from this account. Execution of this Agreement constitutes USAID approval of the initial advance amount. All cash advances shall be liquidated on a quarterly basis

B. Any interest exceeding the Rand equivalent of U.S. \$100 per annum earned from funds provided under this Agreement must be returned to USAID not less often than quarterly. Up to the Rand equivalent of US \$100 in interest earnings per annum may be retained by the Recipient to cover administrative costs such as bank charges on the separate interest bearing account.

Each month after the initial advance, the CC 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 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
CC Agreement Number 674-0309-G-SS-1007-00

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 that: (1) 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) 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) appropriate refund or credit to the Agreement will be made in the event funds are not expended; and (4) any interest exceeding the Rand equivalent of US \$100 per annum accrued on the funds made available herein will be refunded to USAID in accordance with the terms of this Agreement.

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 in writing of such budget changes in the Recipient's following 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>
Prog. Costs	258,499
Operating Costs	27,743
Library Materials	29,029
Capital Expenses	7,280
Evaluation	30,000
Overhead	<u>50,625</u>
TOTAL	405,434

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 R2.55 to one (1) U.S. Dollar 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 the Recipient. If the Recipient desires to use such excess to finance additional eligible program expenses, it may submit in writing to USAID its proposed priority uses of such funds. If USAID is in agreement with the Recipient's proposal, the Agreement may 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. However, should changes in the exchange rate result in fewer South African Rands being available than budgeted for, the Recipient will be responsible for financing the shortfall since the U.S. dollar amount prevails.

VI. REPORTING

The Recipient will submit quarterly progress reports on activities funded under the Agreement. The Recipient will also submit a final report on 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. The Recipient will also submit an evaluation of all activities financed by the Agreement.

VII. OVERHEAD RATE

The Agreement provides for an overhead fee calculated at 15% of program costs, to cover CC's management and supervision of the career guidance unit. The overhead fee is provisional, subject to a final audit by USAID.

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 5 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

A. 1. Evaluation

The CC agrees to develop a written evaluation plan in a form acceptable to A.I.D. within 60 days from the effective date of this Agreement. The evaluation will be conducted by an external evaluator. Both CC and USAID will agree on the scope of work for the evaluation as well as the evaluator. The evaluation plan will incorporate the points outlined below and will be conducted in coordination with the evaluation of all Career Guidance Centers funded by USAID.

The evaluation will focus on: 1) the quality, appropriateness and impact of CC's career guidance and information services, particularly the nature of the information disseminated to students in terms of the dynamic educational sector in South Africa; 2) the quality, appropriateness and impact of the Post-Matric Project, the Enrichment Project, the Teacher Training Program and the Job Search Program; 3) an examination of how well the CC has worked with other career guidance centers and other professional bodies in developing and sharing material for its in-house training courses; and 4) an examination of how well the CC has worked with other career guidance centers in developing a work plan for the program strategy of the South African Vocational Guidance and Education Association. The evaluation should also include a list of recommendations for improving the operation of the CC, as necessary, and recommend a strategy for the CC over the remaining life of the project. Similar evaluation criteria will be applied to other career guidance centers funded by USAID and the same evaluator or panel of evaluators will evaluate each center using this criteria by the end of the first year of each grant.

The CC's board of directors or sub-committee thereof will review and comment on the findings of the evaluation. Funding for this evaluation is provided in this Agreement. Future A.I.D. funding for the program is contingent upon a positive evaluation and CC's performance in implementing the recommendations presented in the evaluation.

B. 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 who or organizations which are disadvantaged by apartheid and which are responsive and appropriate providers of goods and services.

8

(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.

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

D. Staff Recruitment: The Recipient 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.

E. Travel and Per diem: The Recipient will provide for USAID approval a copy of its travel and per diem policy covering both domestic and international travel for its staff and for program participants not to exceed U.S. rates. In the event the CC does not establish a policy, U.S. Government regulations governing travel and per diem shall be applied.

F. Political Affiliation: The Recipient agrees that programs funded under this Agreement will be made available to individuals and groups regardless of their political beliefs or affiliations. The Recipient shall not discriminate in its hiring practices or in the provision of its services against individuals or organizations who associate themselves with any particular political philosophy. The recipient shall periodically review the level of actual provision of its services to assure that persons or organizations sympathetic to certain political groupings or philosophies are not intentionally excluded from activities financed 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 provides funds to enable the Careers Centre to continue its career guidance programs and to liaise with other organizations to develop career guidance materials. Specifically, the funds will cover the salaries of the career guidance staff, operational costs of the careers unit, research and development of career guidance materials; careers reference library costs and capital expenses.

II. BACKGROUND

A. Support to Tertiary Education Project

This Agreement is financed under USAID's Support to Tertiary Education Project (STEP). The goal of STEP is to ensure that black South Africans are full contributors to and participants in the political, social, economic and intellectual life of their nation. To support the realization of the program's goal, the purpose of the STEP is to prepare and empower black South Africans and selected institutions for positions of leadership and importance in order to promote peaceful change and transition to a nonracial democracy that is envisioned in the nation's future. The STEP is, therefore, designed to promote leadership, develop human resources and support the success of black students in tertiary education institutions. Based on extensive consultations with educationists, community leaders, parents, students, and based also on the Mission's own assessment of the Bursary Project, priority is given to education projects which: help disadvantaged South Africans cope with and overcome the inadequacies of apartheid education; are nonracial yet affirm black leadership within the organization; promote communication and resource-sharing with organizations providing similar services; and support the development of nonracial education in a post-apartheid South Africa.

B. Careers Centre

The Centre was established in 1981 by a group of black community leaders, educationists, the private sector and professional institutions such as the Institute for Personnel Research. Its initial mandate was to empower young people through professional counselling to take control over their own lives and to make informed career choices so as to later assume responsible roles within the community. This mandate was carried out through the provision of career guidance to school leavers from Soweto schools. However, as the political upheavals which have dogged black education reached a climax in the mid 80s, the black community turned to organizations such as the CC for help. This led to extra demands being made on the scarce resources of the CC. The extra demands forced the CC to amend its original mandate to incorporate activities which should normally be

provided under the formal educational system. As a result, the Center has moved away from being a mere career information center to becoming a major non-formal education center for secondary school students, school leavers as well as teachers from Soweto schools and outlying areas. The activities of the Center now include: 1) educational enrichment programs and library services for secondary school pupils; 2) an in-house post-matric training program for secondary school leavers; 3) career and educational information workshops and seminars for career guidance teachers; and 4) job search and life skills programs for unemployed adults.

To make its services more accessible to the black community, the Center also runs a career information and life skills outreach programs for communities outside Johannesburg.

The CC considers evaluation to be an integral part of its operation. As a result, an internal assessment of its programs and course materials is conducted annually. The objective of the evaluation is to obtain feedback from the participants in order to enhance the quality of their work. Tutors, pupils and parents are the main source of feedback. It is envisaged that, apart from the internal assessment, outside evaluation might be necessary in the future.

The CC is part of the network of career and educational information organizations including the Educational Information Centre (EIC), the Career Research and Information Center (CRIC) in Cape Town, and the Careers Opportunity Research Information Centre (CORIC) in Port Elizabeth. Besides cooperating with other careers centres, the CC associates with and shares its resources with the following organizations: AGSPA (Association of Guidance and Assistance to Pupils of Soweto and Alexandra), University of South Africa (UNISA) students, Project for Technological Careers (PROTEC), Teachers English Language Improvement Project (TELIP), Wits Career Counselling Unit, Soweto College of Education, The Twilight Children, South African Black Social Workers Association (SABSWA), National Institute for Personnel Research (NIPR), schools, churches and youth clubs.

Although most of its services are targeted at secondary school level students, the services are directly supportive to STEP type activities because they help prepare students for tertiary level studies. The career guidance services provide information about financial assistance for university and technikon level studies as well as enable students to make informed choices about fields of study to pursue at institutions of tertiary level study. The Post-Matric and the Educational Enrichment Programs are all aimed at preparing students for tertiary level studies.

III. PROBLEM

It is generally agreed that improved opportunities for education and employment, hence access to and control over their socio-economic and intellectual life, are the underlying requirements of young black people, and the denial of these are a cause of resentment and disillusionment. The situation of the black youth in South Africa has been worsened in recent years by escalating unemployment, the breakdown of the school system (especially in urban areas), and social problems which develop as more and more young people see their chances of formal education being eroded by political and economic factors. There are inadequate support networks to provide information on alternative means of employment or to explore skills training or non-formal education. There is little opportunity for young people to be exposed to such training as decision making, problem solving or conflict resolution. Similarly there are few mechanisms to provide young people with information about social and economic problems and to enable them to increase their understanding of such issues. Consequently, it is difficult for young people to find means of expressing their frustrations and aspirations or to have any chance of defining the parameters of their own existence or the way in which they relate to society as a whole.

The CC is committed to the empowerment of black South Africans through the closely related fields of education and work. For this reason, its objective is to continue to play a meaningful role in order to address some of the problems inherent in the education system for blacks. The facilitation of a broad skills base, particularly in the scientific, technological and commercial fields, is regarded as of vital importance for the growth of a more equitable economy, capable of generating and sustaining the development of all people in South Africa, particularly those historically disadvantaged by apartheid. It is through education and economic development that black South Africans, particularly the youth, can realize their goal of participating fully in the intellectual, political and economic life of the country.

In most countries, the provision of career and vocational guidance is regarded as the responsibility of the state educational authorities. Both A.I.D. and CC acknowledge this role but it is unlikely that any South African Government, given the enormous demands placed on the education sector and the state, will, in the medium-term, find the resources to fund these services. Currently, career guidance is not provided to the black community by the South African Government. A.I.D. is committed to filling this gap and to servicing the career guidance needs of the black community.

It is also clear that the absence of the state in this vital field has led to different non-government organizations (NGOs) providing similar services to the black community. There is the potential for duplication of effort and a waste of important

resources in the field. The NGO community providing career guidance services is aware of this potential and has begun taking steps to ensure that they coordinate and maximize their services, including: (1) the development of an informal information exchange; (2) the establishment of a National Association of Career Guidance Centers; (3) the establishment of a Commission of Inquiry under the National Association to investigate the quality of services provided by sister career guidance centers; and (4) the development of a national strategy for the development of career guidance in South Africa. A.I.D., as a major funder in the area of career guidance, wishes to reinforce and support those steps taken by the various career guidance centers and the national Association. As a result, A.I.D. will assume a proactive role to encourage these efforts to coordinate career guidance services through this grant and other grants to similar NGOs.

IV. PURPOSE

The purpose of this Agreement is to provide funds to enable the CC to continue its career guidance services, networking efforts with other organizations, and material development for its career guidance programs. Specifically, the funds will cover the salaries and operational costs of the career guidance unit, purchase of books and journals for the reference library and capital expenses to furnish its new offices.

V. PROGRAM DESCRIPTION

The Agreement is devoted to the development of a response to the lack of adequate and appropriate career information and counselling and educational enrichment in the black community. The CC is well known within the black community for the career guidance and educational enrichment programs it provides. The diversity and the nature of services provided by the CC has resulted in a dramatic increase in its clientele over the years. As a result, in FY90 its services reached over 800,000 people.

With the expansion of its clientele came the need to expand its premises. For this reason, the CC has sought funding from the private sector to expand its premises so as to create more space to carry out its activities. USAID funding will, however, be devoted exclusively to maintaining and improving the career guidance programs of the CC.

1. Activities and Services

Provision of career guidance and information is approached in three different methods including: 1) correspondence; 2) face to face interviews; and 3) practical workshops. Through correspondence, the CC responds to over 6000 inquiries annually. Most of the letters come from high school students. Face to face counselling is an integral part of this service and

is offered to individuals and groups. Most of the counselling has been for matriculants and post-matriculants but, increasingly, it has become necessary to provide counselling to parents, especially in instances where the children's educational level surpasses that of the parents. Practical workshops include the following activities:

a. Careers Weeks: Careers weeks are held at regular intervals throughout the year. They are devoted to information dissemination to pupils, teachers and parents about specific career fields. Professionals and experts are invited to provide information about their particular areas of specialization.

The current formal school system is structured such that pupils are required to make a final subject choice for their senior secondary school phase at the end of Standard 7. During the Careers week the CC attempts to focus more attention to Standard 7 pupils so as to provide them with an informed basis for their matriculation curriculum. For guidance teachers in Soweto schools, the CC has designed a kit composed of a teacher's manual, pupil's workbooks and posters.

b. Career Clubs: Career Clubs are formed with pupils who utilize the CC's services regularly. They are composed of a group of pupils interested in a particular career. A mentor who is a specialist in the field is assigned to each group to help the pupils gain a deeper understanding of their career choice. So far seventeen (17) clubs have been formed. The CC selects the mentors from the black community carefully, to ensure real commitment, as well as excellent role modelling. The Clubs include the following: medical technology, medicine, journalism, commerce, economics, law, social work, speech therapy, marketing and administration, computers, engineering, traffic control, dramatic art and teaching.

c. Library Services: The CC library stocks reference materials in the form of leaflets and pamphlets. It contains basic information, which is constantly updated, on the available training institutions, correspondence colleges, universities, technical colleges, technikons, as well as bursary information and guidance on career fields. The library is a major resource of the CC and its use is increasing.

3. Other Programs:

As mentioned earlier in the document, the CC provides a variety of educational enrichment and skills training workshops which are not funded under this Agreement. However, the Agreement provides for an evaluation of the CC's career guidance services as well as an evaluation of CC's other programs, some of which may be considered for funding in FY92/93. These include:

a) Life Skills Training workshops which are aimed at assisting individuals to cope with real-life problems and adaptation to the world of work;

b) educational enrichment programs for secondary school pupils. The enrichment programs include a computer exhibition centre, computer college and a laboratory for secondary school pupils;

c) a post matric project which includes a full-time in-house training program targeted at students who have passed matric but who for various reasons have not been able to acquire placement at a tertiary education institution or employment; and

d) a job search program which is targeted at unemployed adults and aimed at increasing their opportunity for acquiring employment.

Funds provided under this Agreement will support the core career guidance services of the CC. Specifically, the funds will provide for salaries and operating costs, including rent, utilities, telephone, postage, printing and publications. Section VI, entitled "Illustrative Financial Plan" contains the itemized breakdown and level of funding provided.

D. Program Implementation

It is planned that the STEP/CC grant will be implemented in stages, over a three year period. The first tranche of funds will be provided to cover the CC's operational costs for FY91 only, including funding for a major external evaluation of the CC. Both the CC and USAID will agree on the incumbent as well as the scope of work for the evaluation. The scope of the evaluation is more fully described in section XI of Attachment Number 1. Funding decisions for FY92 and FY93 are contingent upon a positive evaluation and the CC's performance in implementing the recommendations presented in the evaluation.

VI. ILLUSTRATIVE FINANCIAL PLAN

SAR

<u>LINE ITEM</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>TOTAL</u>
1. Salaries & Associated Costs				
Reception (80%)	17,138	20,565	25,011	62,714
Student counsls. x 3	206,395	277,674	363,208	847,277
Counsel. Asst. (100%)	14,967	17,960	21,551	54,478
Purchase of Career Guidance Materials	20,000	24,000	28,800	72,800
Subtotal	258,499	340,199	438,570	1,037,268
2. Operating Costs				
Postage	2,630	3,156	3,788	9,574
Telephone	10,022	12,026	14,432	36,480
Photocopying	4,800	5,760	6,912	17,472
Printing	6,156	7,387	8,865	22,408
Publications	4,135	4,962	5,955	15,052
Sub total	27,743	33,291	39,952	100,986
3. Library Mater	29,029	34,834	41,802	105,665
4. Furniture & Equipment	7,280	-	-	7,280
5. Research & Development		15,000	15,000	30,000
6. Evaluation	30,000			30,000
7. Overheads at 15% of total costs	52,883	63,499	80,299	196,681
GRAND TOTAL	405,434	486,823	615,623	

*Amounts to \$591,326, calculated at 2.55 \$/R exchange rate