



PDCAX 463

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

USAID THAILAND  
BANGKOK, THAILAND

CABLE : USAID THAILAND

*Handwritten initials: ST, CB, SD*

TELEPHONE: 252-8191-9

September 2, 1986

Loan and Grant Agreements

- FM/LMD (if Loan)
- FM/PAFD
- FM/CAD
- GC/ANE
- ANE/Desk
- ANE/TR Officer
- ANE/PD Officer & File ✓
- PPC/CDIE/DI

Mr. Allen C. Choate  
Representative  
The Asia Foundation  
Sri Bunruang 2 Building  
1/7 Convent Road  
Bangkok 10500

Dear Mr. Choate:

Subject: GR-493-0342-G-SS-6089-00

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development, (hereinafter referred to as "AID") under PYO Co-Financing II, Project No. 493-0342, agrees to grant the Asia Foundation (TAF) (hereinafter referred to as the "Grantee") under the terms of this Agreement the amount of 3,889,756 Baht (Three-Million Eight Hundred Eighty-Nine Thousand, Seven Hundred Fifty-Six Baht), not to exceed the Baht equivalent of US\$149,606 (exchange rate of US\$1=Baht26.00) to provide support for a three-year project entitled "Vocational Skills Training for Students in Private Islamic Religious Schools", as more fully described in Annex A, "Project Description", to this grant and Annex D, TAF proposal, dated July 8, 1986. During the period involved, it is understood that TAF will contribute an additional \$102,980 either in cash or in kind.

The effective date of this grant will be the date accepted by TAF.

This Grant is made to the TAF on condition that the funds will be administered in accordance with the terms and conditions as set forth in Annex A entitled "Project Description", and Annex B entitled "Standard Provisions".

Please sign the Statement of Assurance of Compliance, enclosed herein (Annex E), and the original and three (3) copies of this letter to

acknowledge your acceptance of the conditions under which these funds have been granted.

Sincerely yours,

  
John R. Eriksson  
Director

Accepted:

The Asia Foundation

BY : Allen C. Chate

TITLE: Representative

DATE : Sept. 9, 1986

- Annexes:
1. Project Description (Annex A)
  2. Standard Provisions OMB Control No. 0412-0510 (Annex B)
  3. Financial Report Format (Annex C)
  4. TAF Proposal dated July 8, 1986 (Annex D)
  5. Statement of Assurance of Compliance (Annex E)

Project Description

A. Purpose of Grant:

The purpose of this grant is to enable the TAF to undertake a three-year operational design project to most effectively meet the objectives stated below.

B. Project Objectives:

1) To develop and test a pilot program in vocational education at five private Islamic religious (PIR) schools that may be replicated at other institutions in the PIR system.

2) To increase the income of program trainees and their families through the use of technical/vocational skills.

3) To develop the capacity of a local PYO to serve as a catalyst for introducing self-sustaining, community oriented, vocational education to other institutions in the private Islamic religious schools system.

C. Implementation:

The project financed by this Grant and its manner of implementation are described in the TAF proposal dated July 8, 1986 (Annex 'D').

D. Reporting:

The TAF will prepare and submit detailed progress reports from the date of the Grant and such reports will become due within 30 days following the 3rd, 6th, 9th, 12th, 15th, 18th, 21st, 24th, 27th, 30th, 33rd, and 36th months of the project. Reports will describe the progress and problems of project activities as set forth in the project proposal.

E. Evaluation:

An evaluation report will be due within sixty days following the 36th month (the terminal date of the project). Such evaluation report will be in sufficient detail so that AID can judge the effectiveness of the project and the efficiency with which it was implemented.

F. Budget:

1. The project budget is summarized as follows and is provided as part of Annex 'D':

Expense Category	USAID		TAF/RTG
	Baht	Dollars	Baht
1. Project Administration	517,440	-	140,378
2. Program Expenditures	2,028,503	-	2,537,115
3. Employment Analysis	446,250	-	-
4. Program Service Costs	117,000	4,057	-
5. Indirect Costs at 21% of total direct costs (item 1 through 5)	-	25,965	-
<b>Total</b>	<b><u>3,109,193</u></b>	<b><u>30,022</u></b>	<b><u>2,677,493</u></b>

2. The amount of \$149,606 or the Baht equivalent (US\$1=Baht26), represents the total contribution of AID for this project. The TAF will provide a minimum of 25% of the Grant total amount to the project.

3. After the Agreement has become effective, and in accordance with Standard Provisions (Annex 'B'), an initial release of funds for the project will be made upon submission by TAF to the Controller USAID Office of Finance, 37 Soi Somprasong 3, Petchburi Road, Bangkok 10400 of Voucher Standard Form 1034 in original and three (3) copies requesting disbursement of an amount equal to the AID share of anticipated requirements for authorized expenditures by budget line item, for the ensuing two months. As soon as feasible after the end of the first month, and every month thereafter, the TAF will submit to AID an accounting of the previous month's expenditures of the funds advanced by AID, certified correct by an authorized TAF official, together with Voucher SF-1034 for those expenditures to be applied to the advance. The TAF will also submit a statement of cash needs for the ensuing two months, certified correct by an authorized TAF official, together with Voucher SF-1034, for an advance replenishment representing those cash needs. Beginning with the fourth month thereafter, advance replenishment will be contingent on the submission of the required status reports of the project described in para 'D' above.

4. To maintain the conditions of certification of eligibility, the TAF is required to supply USAID the following information reports annually within 30 days after the close of its fiscal years:

- a. Annual audited financial statement including a statement of income and expenditures.
- b. Current operational year budget, detailing sources of income, administrative expenses and program costs. This information could also be provided as part of annual progress reports for the project.

Following completion of the sixth month of the Grant period and at six month intervals, the TAF will submit an accounting of the expenditure for the non-AID portion of the budget.

5. TAF may make adjustments among line items of up to 15% of the amount of any line item provided, however, the total amount of the Grant may not be exceeded.

G. Audit:

In the event that the independent audit report on a non-U.S. sub-grantee or contractor, as provided for, and/or program reports, do not satisfy AID's requirements as determined by the AID Inspector General (Audit), and the AID Inspector General chooses to make an on site fiscal or program audit, the TAF agrees to AID taking reasonable steps to coordinate the scheduling and conduct of such audit with TAF in advance, and to providing unrestricted access to its books and records, in accordance with Mandatory Standard Provision 2.

H. Overhead (Indirect Cost) Rate:

Pending establishment of final overhead rates for the period beginning October 1, 1985, payment of indirect cost shall be on a provisional basis, applicable to the base, and for the period specified below:

<u>Rate</u>	<u>Base Applies To</u>	<u>Period</u>
21%	Total Direct Costs	From October 1, 1985 until amended

I. Special Provisions:

The Standard Provisions to this grant contained in Annex 'B' consist of Mandatory and Optional Standard Provisions for U.S., Nongovernmental Grantees (November 1985). The following Optional Standard Provisions are hereby deleted:

- a) Payment - Letter of Credit
- b) Payment - Cost Reimbursement
- c) Patent Rights
- d) Negotiated Indirect Cost Rates - Predetermined
- e) Participant Training
- f) Voluntary Population Planning
- g) Protection of the Individual as a Research Subject
- h) Care of Laboratory Animals
- i) Government Furnished Excess Personal Property
- j) Title To and Care of Property (U.S. Government Title)