

PDCBK871

ENE/MENTA

From: MS/OP/OS/EE, M. DARVIN

MEMORANDUM OF DISTRIBUTION

I. OBLIGATION: This is a partial final award under PIO/T 268-0342-3-1633182 + No. 398-0375-3-1633195. If final obligation, Office of Procurement (OP) has no objections to the dereferencing of any remaining funds.

II. DOCUMENT IDENTIFICATION/INFORMATION:

- a) Document No. ANE-0375-A-00-1027-00 Mod: No. _____
- b) Incremental funding action: YES NO
- c) Buy-in: YES NO
- d) Document has been transmitted to recipient/grantee for signature. Date transmitted: 7/29/91
- e) Method of Financing (check one only)
 - Letter of Credit
 - Periodic Advance
 - Direct Reimbursement

change LOC
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III. FM DISTRIBUTION:

- One original signed copy to FM for recording obligation. FM/A/PNP, Room 612; SA-2
- One copy to FM paying office. PAFD FM/~~OPD~~, Room 700; JA-2

IV. TECHNICAL OFFICE/MISSION/CONTRACTOR DISTRIBUTION:

- Technical Office: Wm. Cole, ENE/DR/DPI Bm 4725 NS
(office symbol, name, rm, & bldg. #)
- Mission: TUNISIA & MOROCCO
(specify)
- Program Office: ENE/PD/PCS, Judy Britt, Room 3320, NS
- Contractor: AMIDEAST date mailed: 7/29/91
(copy of document signed by all parties)

V. OP DISTRIBUTION:

- Helen Tartaro, PS/SUP, Room 1435; SA-14
Copy of Delivery Orders. (Plus copy of PIO/T facesheet)
- Anne Robinson, PS/SUP, Room 1436; SA-14
OP/PS/SUP copy of all other documents, including final assistance document signed by all parties. (Plus a copy of the PIO/T facesheet)

Copy of this form goes with each copy of the document distributed and original remains in the official file.

Diane M. Miller
Diane M. Miller
Acting Chief, OP/OS/EE

Date: 7/29/91

8/8/91
MMD

sent copy of agreement officer's sig only - for purpose of delegation.
8/6/91
MMD

Send another copy when fully executed
MMD
2548r

Agency for International Development
Washington, D.C. 20523

JUL 26 1991

Mr. Jim McCloud
America-Mideast Educational & Training
Services, Inc. (AMIDEAST)
1100 17th Street, N.W. Suite 400
Washington, D.C. 20036

Subject: Cooperative Agreement No. ANE-0375-A-00-1027-00
Development of Democratic Institutions

Dear Mr. McCloud:

Pursuant to the authority contained in the Foreign Assistance act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby provides to America-Mideast Educational & Training Services, Inc. (hereinafter referred to as "AMIDEAST" or Recipient") the sum of one million, six hundred thousand dollars (\$1,600,000) in support of a project entitled Development of Democratic Institutions, as more fully described in Attachment 1, Article I-D, entitled "Program Description".

This Cooperative Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives during the term of this Agreement.

The total estimated amount of the program is \$1,600,000, which amount is obligated hereunder. A.I.D. will not be liable for reimbursing the Recipient for any costs in excess of the obligated amount.

This Cooperative Agreement is made to the Recipient on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, the Schedule, the Recipient's proposal of Attachment 2, and the Standard Provisions of Attachment 3, which have been agreed to by your organization.

Please acknowledge receipt and acceptance of this Cooperative Agreement by signing all copies of this Cover letter, retain one for your files, and return the remaining copies to this office.

Sincerely,



Judith D. Johnson
Agreement Officer
Overseas Division
Office of Procurement

Attachments:

1. Schedule
2. Recipient's Proposal
3. Standard Provisions

ACKNOWLEDGED:

AMERICA-MIDEAST EDUCATION & TRAINING SERVICES, INC.

BY: James McCloud

TYPED NAME: James McCloud

TITLE: Senior Vice President

DATE: August 5, 1991

Cooperative Agreement No.: ANE-0375-A-00-1027-00

	<u>PIO/Ts</u>	
	<u>268-0342-3-1633182</u>	<u>398-0375-3-1633195</u>
Appropriation:	72-1111021.6	721111021.6
Budget Plan Code:	QDSA-91-33268-IG-15	QDSA-91-33398-KG-12
Project No.:	398-0357	398-0357
Total Obligated Amt:	\$100,000	\$1,500,000
Total Estimated Amt: \$1,600,000	
DUNS No.: 07-480-7124	
IRS Employee ID No : 53-0243270	
Paying Office: AID/FM/PAFD	
Technical Office: ENE/DR/DPI	

SCHEDULE

ARTICLE I - AUTHORITY, PURPOSE, AND PROGRAM DESCRIPTIONA. Authority:

This Cooperative Agreement is entered into pursuant to the Foreign Assistance Act of 1961, as amended, and the Federal Grant and Cooperative Agreement Act of 1977 (P.L. 95-224).

B. Goal and Purpose:

The goal of this Cooperative Agreement with AMIDEAST is to strengthen the capability of governments and private institutions in the Near East to undertake democratic political and legal development initiatives. The specific purpose of this agreement is to expand AMIDEAST's organizational capacity to undertake the design and implementation of political and legal programs which will significantly contribute to the above goal. This Cooperative Agreement is an important component in the Near East Democratic Pluralism Initiatives (DPI) Program.

C. Background:

Near East countries exhibit a broad range in level of development of political and legal institutions, in many cases posing important constraints both to effective and stable governance and to sustainable and equitable economic growth. Major problem areas include the lack of well-established participatory institutions (legislatures, political parties, electoral systems, etc.), underdeveloped judicial institutions transparency in governance, highly constrained mass media, and weak guarantees for basic human rights.

Opportunities for A.I.D. funded cooperative assistance in these critical areas exists, but is currently hampered by a shortage of skilled intermediary Non-Governmental Organizations (NGO) with both in-country expertise and strong political and legal development expertise. AMIDEAST has a long-standing in-country presence in many countries of the Near East, and is now seeking to expand its organizational expertise and programming capacity to assist A.I.D. through the Near East USAIDs to undertake democratic political and legal development initiatives.

Within three years AMIDEAST hopes to establish largely self-financed in-country DPI programs using funds which might be provided by A.I.D. As an essential step toward achieving the objective, however, this Cooperative Agreement provides funds for three years of core support to AMIDEAST. The project

provides for;

- 1. Expansion and development of AMIDEAST staff, including the addition of three persons--Program Director, Program Officer, Administrative Assistant--based in Washington D.C., though the Program Director will spend substantial time in program development in the Near East.**
- 2. Limited funding for seed activities, in the region including pilot activities already identified in Tunisia, and development of an A.I.D. DPI Program Strategy in Lebanon.**

D. Program Description:

1. The work to be performed by the Recipient is described in this Cooperative Agreement which includes the Recipient's unsolicited proposal of Attachment 2. In the event of any conflict(s) between Attachment 2 and any other provision(s) of this Cooperative Agreement, the other provision(s) of this Agreement will govern.

2. Workplans for Use of Program Funds: AMIDEAST will submit Semi-Annual Workplans showing how program funds (set forth in Item II of the Financial Plan of Article VII) will be utilized over the next six month period. These workplans shall be made available to the the Project Officer or his designee by March 10 for the periods from April 1 to September 30, and by September 10 for the periods from October 1 to March 31, unless otherwise agreed by the Project Officer. An initial Workplan outlining plans for use of program funds set aside for Tunisia and Lebanon will be submitted before November 1, 1991.

Written concurrence from the cognizant Project Officer on these workplans is required before the Recipient initiates program activities funded under this Agreement. While this clearance process is the preferred mechanism, AMIDEAST will obtain separate concurrence for program activities which could not be included in the relevant Semi-Annual Workplans when they were submitted.

AMIDEAST will work directly and closely with USAID/Tunisia to program the funds allocated in Item II-A of the Article VII Financial Plan for activities conducted in that country. AMIDEAST will obtain USAID Mission and/or host country clearance, as deemed appropriate by the Mission, and provide progress reports on funded activities as may be required by the Mission.

AMIDEAST will prepare a draft Lebanon DPI Strategy document for A.I.D. that identifies the priority political and legal development tasks in Lebanon and outlines a practical and appropriate portfolio of cooperative assistance activities. Program activity funds are set forth in Item II-B of the Article VII Financial Plan for this purpose, and for possible follow-on seed activities in Lebanon. AMIDEAST will work closely with, and obtain the concurrence of, the Project Officer and A.I.D./Washington Lebanon Desk Officer in the preparation of the plan and in the selection of the team to do this work.

AMIDEAST will work closely with, and obtain the concurrence of, the Project Officer in the development of any plans for utilization of the funds in Item II-C of the Article VII Financial Plan.

3. Program Performance Indicators: AMIDEAST will submit, for A.I.D. concurrence, a list of Program Performance Indicators related to the Agreement objectives by January 1, 1992.

4. Project Monitoring and Evaluation: The Recipient will facilitate access to all project sites by officials of the U.S. Government for purposes of monitoring program activities.

The Recipient will arrange for at least one external evaluation of the project. This evaluation will take place approximately mid-term in the project implementation or as otherwise agreed by the Recipient and the Project Officer. A.I.D. will be involved in the development of the plan for the performance of this evaluation. The concurrence of the Project Officer will be obtained for the plan, and on the Recipient's selection of the evaluation team members.

ARTICLE II - FUNDS OBLIGATED, PAYMENT, AND ESTIMATED COST

A. Total Estimated Cost and Obligated Amount: The total estimated cost of this Agreement is \$1,600,000 which amount is obligated hereunder. In no event will A.I.D. be liable for the reimbursement of costs to the Recipient which exceed the obligated amount.

B. Payment: Payment shall be made to the Recipient in accordance with the procedures set forth in Attachment 3, Standard Provision No. 1, entitled "Payment - Letter of Credit". Submission of Standard Forms, supported by a summary of expenses incurred by line item through the previous period, the current period, and the total to date, shall be directed to:

Agency for International Development
Office of Financial Management (FM/PAFD)
Room 700 SA-2
Washington, D.C. 20523-0209

ARTICLE III - SUBSTANTIAL INVOLVEMENT

It is understood and agreed that A.I.D. shall be substantially involved during the implementation of the Cooperative Agreement as follows:

- A. AMIDEAST will report to, and consult with, the A.I.D./Washington designated Near East DPI Project Officer (hereafter referred to as the "Project Officer") on all matters pertaining to implementation of this Cooperative Agreement.
- B. AMIDEAST will fully coordinate its efforts with the Project Officer during the process of selection for the positions of DPI Program Director and DPI Program Officer funded under this Agreement. The Recipient must obtain written concurrence from the Project Officer for the persons selected for these positions.
- C. AMIDEAST will consult with, and obtain written concurrence of, the Project Officer on the six countries selected for the needs assessment funded under this Agreement.
- D. AMIDEAST will coordinate and obtain written concurrence from the Project Officer and/or A.I.D. Missions for work plans developed for the performance of activities under this Cooperative Agreement.
- E. A.I.D. will be involved in the planning of the external review, and will approve the definitized plan for such review, as stipulated in this Agreement.
- F. The Project Officer will approve international travel to be performed by the Recipient's personnel under this Agreement.

ARTICLE IV - PERIOD OF AGREEMENT

A. The effective date of this agreement is the date of the Agreement Letter and the estimated completion date is December 31, 1994.

ARTICLE V - REPORTING REQUIREMENTS

The following reports shall be submitted to A.I.D.:

A. Semi-Annual Progress Reports will be submitted for reporting periods ending September 30 and March 31. They will be submitted within two weeks of the last day of each reporting period unless otherwise agreed by the Project Officer. Six (6) copies of such reports will be submitted, plus a copy in Word Perfect on a computer diskette, to the Project Officer. The

reports shall consist of the following:

1. Cover Sheet (one page), listing project objectives (22 lines), and describing project status (24 lines), and major actions over the following six months (5 lines);

2. Body of the Report (not to exceed nine pages), addressing:

- status of project components (continuation from cover page, as required);
- results and accomplishments since the last report relating to Agreement objectives;
- identification and explanation of problems and/or delays;
- actions taken or contemplated to resolve problems/delays;
- initial indications of impact of project activities;
- status of finances and expenditures as of the last day of the reporting period;
- "success stories" of on-going sub-project activities;
- other pertinent information, such as a list of products generated under this Agreement.

3. Tabular Annex of Program Activities including a description of current and planned project activities carried out using program funds provided under this Agreement.

Included in the table should be: country, organization/site, purpose, funding levels budgeted and expended, start and end dates for the activity, problems identified and means of resolution, contributions toward realization of grant objectives.

B. Final Report due within ninety (90) days of the completion date of the Agreement. It shall be limited to 25 pages excluding annexes. The report will summarize the total experience of the program addressing at least the same items required for the semi-annual reports. AMIDEAST will submit six (6) paper copies of this report and a copy in Word Perfect on computer diskette to the Project Officer.

C. Financial Reports shall be submitted quarterly to the Project Officer (five copies), and to the Grant Officer (one copy). The report will show, by budget line item, (i) total cumulative expenditures through the report date, (ii) total expenditures for the quarter being reported, and (iii) total anticipated expenditures for the following quarter. This report is in addition to any other financial reports required under this Agreement.

D. Special Reports which may be requested from time to time by A.I.D.

ARTICLE VI - NEGOTIATED OVERHEAD RATES

Pursuant to the Standard Provision of this Cooperative Agreement entitled "Negotiated Indirect Cost Rates - Provisional", a rate or rates shall be established for each of the Recipient's accounting periods during the term of this Agreement. Pending establishment of final indirect cost rates for the initial period, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rates applied to the base which is set forth below:

<u>Provisional</u> Overhead	<u>Rate</u>	<u>Base*</u>	<u>Period</u>
	48.78%	Total Direct Labor (total salaries & fringe benefits)	10/1/90 until amended
Fringe Ben'fts	25.00%	Total Salaries	10/1/90 until amended
G & A	37.12%	Total Modified Direct Costs**	10/1/90 until amended

* Bases for the application of indirect cost rates are more precisely defined in the Negotiated Indirect Cost Rate Agreement between A.I.D. and AMIDEAST dated 8/28/90.

**Modified Direct Costs: Total direct costs including allocated overhead costs less student costs, subgrantee/contractor expenses, equipment and application and test fees.

ARTICLE VII - FINANCIAL PLAN

A. The following is the Financial Plan for this Grant, including local cost financing items, if authorized. Revisions to this Plan shall be made in accordance with the Standard Provision of this Agreement entitled "Revision of Grant Budget" (November 1985). The Recipient may adjust line item amounts within the total obligated amount as may be reasonable necessary to attain program objectives, with the advance written approval of the A.I.D. Project Officer. Such adjustments, however, may not be made from or within the "PROGRAM BUDGET".

I. ADMINISTRATIVE BUDGET	Through <u>FY92*</u>	<u>FY93</u>	<u>FY94</u>	<u>Total</u>
A. Staffing:				
Headquarters	\$77,806	\$95,496	\$100,271	\$273,573
Field Office	32,077	27,795	21,979	81,851
On Site Consultants	5,538	0	0	5,538
Fringe @ 25%	27,471	30,823	30,563	88,857
Overhead @ 48.78%	67,001	75,177	74,542	216,720
B. Other Direct Costs	18,307	10,238	10,749	39,294
C. Travel/Per Diem	<u>39,986</u>	<u>27,687</u>	<u>26,108</u>	<u>93,781</u>
Total Modified Direct Costs	\$268,186	\$267,216	\$264,212	\$799,614
G & A @ 37.12%	<u>96,121</u>	<u>99,189</u>	<u>98,076</u>	<u>293,386</u>
Total Admin. Costs	\$364,307	\$366,405	\$362,288	\$1,093,000
II. PROGRAM BUDGET				
A. Tunisia				\$207,000
B. Lebanon				100,000
C. Other Countries				<u>200,000</u>
TOTAL COSTS	\$364,559	\$366,405	\$362,288	\$1,600,000

* From the effective date of this Agreement through FY '92

Recipient's Contribution - In addition to the Total Admin. Costs of \$1,093,000 funded by A.I.D., the recipient shall contribute an additional \$110,000 for its Administrative Costs incurred during performance under this Agreement.

B. The Financial Plan sets forth the estimates for payment of dollar costs for individual line items for each budget period stipulated. The Recipient may not exceed the total costs for each budget period, nor can total costs exceed \$1,600,000. Within the totals for each budget period, the Recipient may reprogram funds among line items provided such reprogramming adjustments do not exceed 15% for any single line item. Reprogramming of funds in excess of the 15% within the totals, will be contingent upon the Program Officer's prior written approval. This provision for adjustments does not apply to (1) Fringe, Overhead, and G & A, which are determined in accordance with Article VI, and (2) the PROGRAM BUDGET, for which there can be no adjustment without prior written approval of the Project Officer.

C. The Recipient agrees to furnish data which the Agreement Officer may request on costs expended or expected to be expended under this Cooperative Agreement.

ARTICLE VII - SPECIAL PROVISIONS

A. Title to Property: Title to all property financed under this Agreement shall vest in the Recipient, subject to the conditions of the Standard Provision entitled, "Title to and Use of Property (Grantee Title)".

B. Authorized Geographic Codes: The authorized Geographic Codes for procurement of goods and services under this Agreement are, in order of preference:

(A) The United States (Code 000)

(B) The Cooperating Countries

C. Logistic Support: The Recipient will provide or arrange for its own logistic support.

D. International Travel: Whenever international travel is to be carried out under this Agreement, the Recipient will be responsible for obtaining USAID mission clearance for those countries in which Agreement related activities are to be carried out. The Recipient will thereafter advise the Project Officer in writing of such clearance, providing the names, dates of travel, and purpose of proposed travel, and obtain the Project Officer's written approval for such travel.

Notwithstanding the above paragraph, the Additional Standard Provision No. 4 of this Agreement entitled "Air Travel and Transportation" remains in full force and effect.

E. Closeout: The closeout of a cooperative agreement is the process by which A.I.D. determines that all applicable administrative actions and all required work of the cooperative agreement have been completed by the Recipient and A.I.D.

Date of Completion - The date of completion is the date on which all work under grants is completed or the date on the award document, or any supplement or amendment thereto, on which A.I.D. sponsorship end.

Disallowed Costs - Disallowed costs are those charges to a grant that A.I.D. or its representative determines to be unallowable, in accordance with the applicable Federal cost

principles or other conditions contained in the cooperative agreement.

A.I.D. closeout procedures include the following requirements:

- Upon request, A.I.D. shall make prompt payments to a recipient for allowable reimbursable costs under the cooperative agreement being closed out.

- The recipient shall immediately refund any balance of unobligated (unencumbered) case that A.I.D. has advanced or paid and that is not authorized to be retained by the recipient for use in other cooperative agreements.

- A.I.D. shall obtain from the recipient within ninety (90) calendar days after the date of completion of the cooperative agreement all financial, performance, and other reports required as the condition of the cooperative agreement. A.I.D. may make grant extensions when requested by the recipient.

- When authorized by the cooperative agreement, A.I.D. shall make a settlement for any upward or downward adjustments to A.I.D.'s share of costs after these reports are received.

- The recipient shall account for any property acquired with A.I.D. funds, or received from the Government in accordance with any provisions of this agreement.

- In the event a final audit has not been performed prior to the closeout of the cooperative agreement, A.I.D. shall retain the right to recover an appropriate amount after fully considering the recommendations on questioned costs resulting from the final audit.

F. Employee Salaries: Except as the Grant Officer may otherwise agree in writing, A.I.D. shall not be liable for reimbursing the Grantee for any costs allocable to the salary portion of direct compensation paid by the Grantee to its employees for personal services which exceed the highest salary level for a Foreign Service Officer, Class 1 (FS-1), as periodically amended.

G. Consultant Fees: Compensation for consultants retained by the Grantee hereunder shall not exceed, without specific approval of the rate by the Grant Officer: either the highest rate of annual compensation received by the consultant during any full year of the immediately preceding three years; or the maximum rate of a Foreign Service Officer, Class 1 (FS-1) (as periodically amended), whichever is less. A daily rate is derived by dividing the annual compensation by 2,087 and multiplying the result by 8.

Recipient's Proposal

DEVELOPMENT OF DEMOCRATIC INSTITUTIONS
IN THE NEAR EAST

Presented to:

**Mr. Jerry Hyman
Chief, DPI
U.S. Department of State
AID/DPI
320 21st St., N.W.
Room 4725
Washington, D.C. 20523**

Submitted by:

**AMIDEAST, Inc.
Contact: Jim McCloud**

May 29, 1991

EXECUTIVE SUMMARY

America-Mideast Educational and Training Services, Inc. (AMIDEAST) is requesting a grant from the U. S. Agency for International Development for the purpose of expanding AMIDEAST's capacity to develop and implement programs to strengthen key democratic institutions in the Near East (NE). Such a program of assistance will contribute to the goal of more open and just societies in the NE and lead to increased social and economic development.

During the past several years there have been encouraging democratic developments in a number of NE countries. Despite the upheaval and uncertainty created by the Gulf War, interest in and support for democratic development in the Near East appears to be growing. Yet, there has been and continues to be little AID or other donor funding to support and strengthen this trend. Moreover, as a result of the disruption to Mission programming by the Gulf war and the constraints of the budget cycle, it is unlikely that many USAID missions in the NE will be able to undertake such a program for some time.

As a private non-profit, non-political organization with 40 years of programming experience in the NE, AMIDEAST is well placed to develop and carry out a program to identify and respond to democratic institutional development needs. The proposed program is in keeping with AMIDEAST's mission to promote cooperation between Americans and the people of the Near East through

educational advising, training, technical assistance and public outreach. In addition, it is consonant with organizational values, that include the belief that social and economic development in the NE is dependent on more open societies.

In carrying out such a program, the organization will be building on a strong network of offices across the region, an array of professional relationships and contacts, demonstrated expertise in linking Near Eastern institutional development needs with appropriate forms of assistance, and the trust and respect of Arabs and Americans who have worked with or benefitted from the organization during its 40 years of service.

As with other cooperative agreements, AMIDEAST anticipates a close working relationship with AID. Throughout the grant period AMIDEAST will consult with and provide regular reporting to AID/Washington, as well as seek AID concurrence to program developments. A grant award will enable AMIDEAST to initiate and implement democracy-building programs. At the same time, it will permit the organization to respond to USAID requests for assistance by providing missions with a vehicle for program development, implementation, and funding. Successful AMIDEAST interventions may also encourage AID missions and host-country institutions to expand their commitment to democratic initiatives.

developed a strategy for self-sustainability beyond the 3 year term of the grant, and become recognized as the leading American organization working to promote and strengthen democratic institutions in the NE.

I. BACKGROUND

Founded in 1951, AMIDEAST is a private, nonprofit organization promoting cooperation and understanding between Americans and the people of the Near East. Headquartered in Washington, D.C., AMIDEAST has a network of field offices located in Egypt, Jordan, Lebanon, Morocco, Syria, Tunisia, the West Bank/Gaza, and Yemen. Together they serve the entire region and the U.S.. Services include:

Educational advising and testing for individuals interested in U.S. educational opportunities. Each year, over 120,000 visitors to field offices have free access to resource libraries on U.S. higher education, professional advisers, and special group advising sessions and orientations. Other services, such as translations of educational documents, are offered for a fee. AMIDEAST is the regional agent for the Test of English as a Foreign Language (TOEFL), and registers students on-site for most other major standardized tests required for admission to U.S. universities.

Participant Training Program Administration, mainly arranging and managing some 50 programs for various sponsors of Near Eastern students in the U.S. on corporate manpower development programs, U.S. government-funded Fulbright scholarships and AID participant training programs. AMIDEAST also designs and manages some programs for Arab trainees studying in Arab countries and organizes programs that bring American educators and students to the Near East for

study, research, and curriculum development. In 1990, the organization managed programs for over 2,400 individuals including those trained in AMIDEAST technical assistance projects.

Technical assistance in cooperation with governmental and private agencies to design and implement projects which develop the technical and administrative capabilities of Near Eastern institutions and promote self-reliance. Projects have focused largely on educational, legal/legislative, and judicial institutions, health-care facilities, small enterprises, and NGOs. AMIDEAST's role in technical assistance includes project design, management, and evaluation; sector surveys; training; and technical advisory services provided by AMIDEAST-recruited experts for short and long-term assignments.

Public outreach services focussing on two major areas: improving knowledge and teaching about the Near East in the U.S., and promoting quality educational exchange between the U.S. and the Near East.

There are 155 staff persons in Washington and the region, most of whom are professional-level staff with long experience in international education, the contemporary Near East, and U.S. higher education and training. The operating budget for 1991 is \$6.2 million; total budget is \$27 million. Sources of funding include: contract fees for services; grants for special projects; donations from individuals and corporations; sales of publications;

membership dues; and investment income.

Experience Relevant to Strengthening Democratic Institutions

AMIDEAST's role in promoting democratic initiatives in the Near East has been most notable in its A.I.D.-funded West Bank Human Resource Development and Legal Education and Training projects.

In the case of the West Bank HRD project, AMIDEAST has provided substantial assistance in training and institution building to a broad range of institutions in the West Bank and Gaza, including educational institutions, health facilities, charitable organizations, chambers of commerce, municipalities, unions, and private sector businesses. Activities have included training, technical assistance, research grants, conferences and workshops, and procurement.

The Legal Education and Training Project has brought AMIDEAST into collaborative relationships with and provided assistance to the judicial and legislative branches of governments in the NE and the U.S., of legal and judicial training institutions, and human rights and other non-governmental organizations. Project activities carried out under the LET have included the organization of conferences and seminars, sponsorship of publications, procurement of equipment and documentary resources, technical observation missions, programmed specialized training, consultation and the provision of U.S. experts. The primary substantive fields which the Legal Education and Training Project have addressed included constitutional law, international and national human rights

practices, the administration of justice, and legislative development.

Additional relevant experience has been gained with funding from USIA in which AMIDEAST annually organizes a workshop in Tunisia for third world journalists. The organization has also designed and administered visitor programs for groups of print and media journalists.

AMIDEAST's broad experience in the areas of education and training, private and public sector development, and its strong institutional history, presence, and interests provide a sound base for building programs to promote open societies in the Near East.

II. ENVIRONMENT

Many NE countries emerged from World War II out of a long colonial history. The nations of this region have diverse government structures, including relatively stable monarchies, military-oriented governments, and elected civilian leaders. Few political, cultural and economic generalizations with respect to trends and tendencies are valid region-wide. For the past few years, there has been evidence of emerging democratic concepts and supporting organizations and institutions in varying degrees. There has been substantive movement in support of broad citizen participation in political, economic, and social life. Notable democratic developments have taken place in Jordan, Algeria, Tunisia and

Egypt. Even Lebanon and Yemen have shown promise - a growing sense of stability in the former, and the reunification of the latter and recently a successful LET project intervention with Yemeni parliamentary representatives.

In the wake of the Gulf war, the Near East, victors and vanquished alike, are shaken and apprehensive. While the outward anger is subsiding, there remain deep divisions, a charged political climate and an uncertain future. As the postwar landscape begins to take shape, conflicting and competing currents ripple across the area. On the one hand, in response to a groundswell of demand for greater participation in the political process, some of the more autocratic regimes are promising greater democracy and pluralism, even in the midst of chaos and civil war. On the other, countries that have experimented and tolerated certain forms of openness in recent years are reported to be muzzling the voices of dissent.

This is the framework within which AMIDEAST proposes to embark upon a program to strengthen democratic institutions in the Near East. Formidable challenges lie ahead: resentment and bitterness toward the U.S. are evident everywhere, even in those countries whose leadership supported the coalition in the war. The U.S. allied itself with some unusual partners, most notably some of the least democratic nations in the region. It also sought to punish those who had supported Iraq, including some of the more liberal and democratically-inclined Arab regimes. On a more positive note, the administration is now perceived as more serious in its pursuit of

a solution to that most intractable of problems, the Arab-Israeli conflict. Progress on this front would substantially alter Arab perceptions vis-a-vis the U.S.

The Gulf war and its aftermath has clearly rendered more problematic implementation of a program to promote democratic development in the Near East. The precise impact of the events of the past nine months on AMIDEAST's ability to carry out and sustain a viable program will only become known over time. What is certain at the moment is that AMIDEAST must proceed with caution and sensitivity as it pursues its objectives.

III. PROGRAM DEFINITION AND ELEMENTS

The goal of this program is to promote more open, just, and democratic societies in the Near East. The purpose is to expand AMIDEAST's capacity to strengthen key democratic institutions in 6 - 8 NE countries. The DPI program covers activities in the three basic areas defined below. The specific subset of activities supported in any given country will depend on the local political context and on broader development priorities in that country.

1. Increasing Citizen Participation in Public Policy Formation (establishing peaceful and stable forms of political competition)

- legislature development
- municipal/local councils development
- political party development
- electoral institutions

- strengthening constituent and/or public advocacy non-government organizations (business, labor, farmers, professional, tribal, etc.)
- 2. Promoting the Rule of Law (limiting the bureaucracy and military/police and establishing a framework for peaceful and predictable social and economic interaction)
 - judicial development
 - strengthening legal education
 - expanding legal services
 - reforming the law
 - reducing official corruption
 - reducing violent intergroup conflict
- 3. Increasing the Free Flow of Public Information
 - reducing censorship & encouraging independent journalism
 - strengthening journalistic ethics
 - increasing media professionalism
 - making bureaucratic decision-making processes more transparent

To achieve this program, AMIDEAST will take the following approach:

- o Evaluate the potential in Near Eastern environments for democratic initiatives, determine appropriate programming areas, identify key democratic institutions for project support, and design projects responsive to specific institutional needs;
- o Arrange/administer/deliver appropriate services to targeted institutions/beneficiaries;
- o Establish an organizational structure that facilitates project objectives;
- o Develop a strategy to ensure the sustainability of AMIDEAST's democracy-building initiatives.

At the core of this approach will be a headquarters-based technical unit consisting of a program director, program officer, and administrative assistant who in collaboration with AMIDEAST field office directors, AID representatives, and outside experts, will develop a base of knowledge on Near Eastern environments and institutions, leading to the design, implementation and management

of democracy-building activities.

A. Environmental Assessment/Program Design

During the first 8 months, the program director with the support of the program officer and administrative assistant will:

- o conduct needs/environmental assessments in 6 NE countries;
- o determine appropriate programming areas for project support;
- o identify key institutions for project assistance;
- o design programs which promote and strengthen democratic institutions.

Surveys/designs will be carried out in 2 - 4 weeks per country by the program director, the AMIDEAST field office director, and a local-hire consultant with substantive expertise.

In preparation for the survey/design visits, the program director and field office directors will consult with AID/Washington and Missions, and selected U.S. and in-region experts. Resource materials will also be collected for background reading. Based on these preparations, countries will be targeted for 2 or 4 week visits. Countries showing significant promise of project activity will be targeted for 4-week visits while those where a more modest level of activity is anticipated or for which considerable information has already been obtained, a 2-week visit.

The six countries will be selected from among Morocco, Tunisia, Egypt, Jordan, Syria, Lebanon, and Yemen. If Lebanon is included,

the study/design will be carried out with the AMIDEAST field office director and in-country experts due to travel restrictions on Americans. AMIDEAST expects to complete the initial survey/designs in two visits during the first 6-8 months of the grant period. As stated earlier an additional 2 countries may be surveyed during program Year 2, with Algeria, and Syria or Yemen most likely. A corollary benefit of the survey/design process will be the beginning of the institutional strengthening of AMIDEAST through the participation of field office and headquarters staff.

Following each of the survey/design visits, U.S. and NE resources will be consulted to assist in the synthesis of information gathered and planning of activities. AID agreement will be sought on proposed program activities prior to finalization of plans. For those activities in which USAID/Mission funding is requested, grant proposals will be submitted accordingly. Activities to be funded out of the core grant will be implemented based on the project design.

B. Activities

After program month 9 and continuing to the end of program year 3, AMIDEAST expects to be implementing project activities in selected NE countries. Among specific program implementation objectives are to:

- o provide U.S.-based and in-region short-term education and training to the leadership/staff of selected democratic

institutions

- o arrange and/or facilitate conferences, symposia, and workshops;
- o support research and publications;
- o provide short-term technical assistance using U.S. and in-region expertise;
- o promote/facilitate professional exchanges;
- o procure limited material and equipment for support of libraries and resource centers;

The AMIDEAST Headquarters technical unit's efforts will be supplemented with outside administrative and program assistance drawn either from AMIDEAST U.S. and in-region staff or its network of resources as described below. U.S. and in-region resources/experts, will be utilized in the design, development and management of project activities based on need with the level of effort varying from project to project and from country to country. This approach will ensure cost effectiveness while maintaining program flexibility and responsiveness.

Funding for such supplemental staff and consultants will be covered by the core grant in some cases and by USAID missions in others. In cases where projects require fielding full-time U.S. staff and or local hires for a year or more, AMIDEAST proposes that the costs be covered by the USAID mission in the country of project implementation.

C. Advisory Committee

During the initial stage of the grant period, the program director

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will establish a Program Advisory Committee composed of individuals with expertise in democracy-building fields and Near East affairs. The Advisory Committee will likely meet once or twice a year to review project plans and provide guidance. In addition, members will be called on as needed for assistance with specific issues. AMIDEAST has formed Advisory Committees for other projects, such as the LET, and found them to be a valuable resource.

D. Network of Resources

The program director will develop a network of resources to be accessed for purposes of project planning/development and as providers of services to targeted beneficiaries. The network will consist of individuals available for consulting assignments, as well as representatives of institutions relevant to program focus. Examples include education and training institutions; the legislative, judicial, and executive branches of federal/state/municipal level government; media/press organizations, unions, and non-governmental organizations. An in-region network will also be developed for the same purpose.

IV. ORGANIZATION AND STAFFING

AMIDEAST's staffing structure will be organized to ensure program flexibility and efficient utilization of resources in designing and implementing a possibly wide range of project activities in multiple sectors. The staffing structure will ensure that tasks are appropriately allocated, authority distributed and reporting

relationships and controls established.

A. Organization

The proposed program will be integrated into AMIDEAST's current organizational structure and will function as a program component of that structure. At the heart of the design and implementation will be the hiring of a headquarters-based program director, program officer, and administrative assistant. Overall authority and responsibility for the program will fall on an AMIDEAST Vice President, who will act as Senior Program Advisor.

The organizational structure of the program at the country/regional level will vary, depending on opportunities and demand for services, the types, scope and volume of project activities identified, and the availability of funding from and support by USAID missions. It is anticipated that the program's organizational structure and allocation of human resources in the field will range from the use of short-term local and U.S. consultants to the fielding of full-time, U.S.-hire project staff assigned to specific countries. However, as noted above, it is proposed that long-term administrative costs at the field level be assumed by USAID missions.

Any short-term consultants assigned to specific project activities in the field will be overseen by AMIDEAST field office directors while in-country. If any long term expatriate staff are assigned to field-based projects, the project staff will report to both the

AMIDEAST field office director for day to day operations and the Washington-based program director for overall technical and policy direction. The field office director and the headquarters-based program director will both be responsible to the senior program advisor. This model has worked well for the organization and is typical of several AMIDEAST projects including the West Bank Human Resources Development Project, the Educational Testing Services Project, the Primary Teacher Training Institutes Project, and the Educational Advising Project.

B. Staffing

Proposed staffing, to be covered by A.I.D. core grant funding, is reiterated below:

- o Program Director (HQ, 100% Yrs 1-3, New)
- o Program Officer (HQ, 100% Yrs 1-3, New)
- o Administrative Assistant (HQ, 100% Yrs 1-3, New)
- o Short-term consultants;
- o AMIDEAST Field Office Directors (Field, 10% Yrs 1-3 + time for surveys, research and support activities)

No funding is requested for the Senior Program Advisor whose time will be an AMIDEAST overhead contribution.

An explanation of the roles, responsibilities and lines of authority for the program director and program officer is described below:

Program Director

The program director will be a full-time position based at Headquarters and will be filled, during the first 1 of the grant period, by an individual with substantial experience in political, legislative, and governmental affairs. A thorough knowledge of the Near East will also be essential. The individual will be entrepreneurial and pro-active, and possess vision and creativity. The individual should be capable of interacting effectively with leaders of public and private institutions and should be skilled in project design and management. The incumbent will preferably have experience in working with USAID missions and be familiar with AID's philosophy and project development and management methodology.

The primary responsibilities of the program director will include:

- o Overall responsibility for program operations and management;
- o Addressing a wide range of administrative and technical questions; assuring overall coordination of project activities;
- o Through field surveys, investigating project possibilities in a wide range of Near Eastern countries; monitoring on-going changes in the NE environment as they impact on program management
- o Planning, initiating and managing project activities;
- o Establishing and maintaining a strong and on-going rapport with officials at AID/Washington and USAID missions in the NE region; collaborating with missions on project identification and management;
- o Where applicable, technical oversight of activities of project staff based in the field;
- o Reporting and evaluating performance and effectiveness of projects.

Program Officer

In project month 7, the program officer will be hired to provide support to the program director in program development and implementation. Specific responsibilities will include:

- o Backstopping of the program survey visits
- o Backstopping for the program director during subsequent field visits
- o Research to identify a network of resources
- o Assisting in the implementation of U.S.-based project activities i.e fielding of experts to the region, arrangements for education and training programs, procurement of materials and equipment

Short-term staff will be hired as needed for project development or implementation and will be AMIDEAST staff members or outside consultants brought in for technical or administrative assistance. AMIDEAST field office directors will provide on-going support and direction for any in-country activities, liaison with the program director, AID missions and institutions targeted for assistance, and supervision of in-country staff or consultants assigned to project activities. During the proposed survey/design visits, the field office directors will spend substantial time in the preparation for and participation in this activity and their time is budgeted accordingly.

V. MANAGEMENT AND STAFF DEVELOPMENT

The program will be integrated into AMIDEAST's general management structure and administrative/financial systems. Yearly program

activities will be reflected in annual work plans. A management information system will be developed, to ensure an adequate information base on which to build and manage the program. Program monitoring and control will follow the established standards and norms applied to other A.I.D.-funded AMIDEAST projects.

A well-oriented and trained staff of specialists and support staff will be critical to an effective program. In this regard, objective-oriented training plans will be developed on a yearly basis to ensure a comprehensive program of training, which could include attendance at conferences, seminars and workshops, and customized training programs designed by both the field and Headquarters.

Although highly qualified and carefully selected staff will reduce the need for training, key program personnel will nevertheless require both specially-organized training as well as on-the-job experience to upgrade their skills and understanding of new approaches and different ways of dealing with program beneficiaries. Staff development is expected to be accomplished in a number of ways. Strong guidance and leadership from AMIDEAST program and management staff as well as on-the-job training is likely to be the most effective and continuous form of training provided to the program director, program officer and field office directors. Additionally and to the degree possible, program staff will attend workshops, conferences and symposia on democracy-related issues in general and specifically as they relate to the

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Near East.

Focusing on modest but effective training for program staff should result in the creation or strengthening of appropriate skills and attitudes to deal effectively with diverse and complex Near Eastern environments. The training program is also expected to aid in the development of commitment and belonging in program staff, thus strengthening their motivation to perform.

VI. PROGRAM REPORTING AND EVALUATION

Program reporting will include internal monthly and semi-annual progress reports produced by the program director. In addition to on-going contacts with A.I.D./Washington and appropriate USAID missions, AMIDEAST will submit quarterly narrative and financial reports to A.I.D. The format will be consistent with existing reporting for other A.I.D.-funded AMIDEAST projects.

Program evaluation will consist of three principal components: 1) baseline data on Near Eastern environments, institutions and key personalities; 2) routine collection of data on program projects; 3) an external evaluation which will take place in the first year and a half of the program funding period.

Institutional data as well as an assessment of environmental constraints, opportunities and changes will be collected during the initial stages of the program. Routine data collection will

continue throughout the life of the program. Data and information collected during both phases of the program will play a critical role in the selection, design and implementation of project activities. AMIDEAST will evaluate project activities on an on-going basis over the life of the program.

AMIDEAST proposes that an external evaluation of the program be conducted midway through the grant period to identify program strengths and weaknesses. It is proposed that this external evaluation be conducted by a team selected jointly by AMIDEAST and A.I.D.

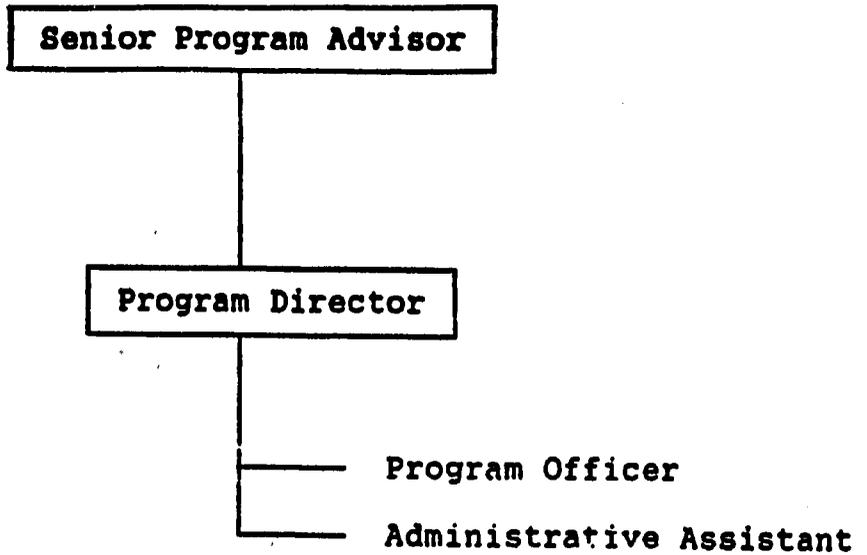
VII. PROGRAM SUSTAINABILITY

In many ways, the core grant sought in this proposal establishes the framework for the continuation of a long-term program to promote and strengthen democratic institutions. The successful implementation of program activities under this grant will serve as a demonstration project encouraging USAID mission and host country representatives to increase efforts on behalf of democratic institutional development. It will also lay valuable groundwork upon which subsequent projects can be built. Of course, the mutual confidence and respect derived from productive working relationships between AMIDEAST, AID/Washington, AID missions, and host-country institutions will also be an essential element in sustaining democracy programming activities in the future.

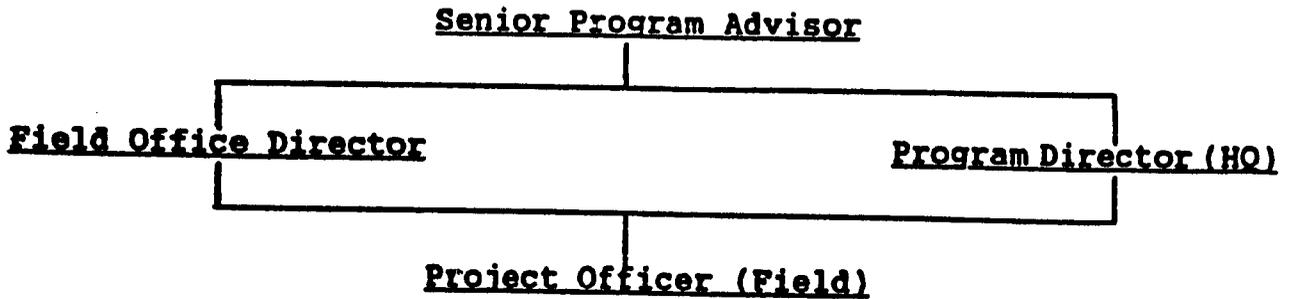
Building on this foundation, AMIDEAST recognizes the need for a steady stream of future projects. In large part, AMIDEAST anticipates that by the end of the 3 year term of the core grant, most, if not all, NE USAID missions will have funds to allocate for democracy-building activities. In collaboration with USAID, AMIDEAST will develop grant proposals to missions seeking their support for future project activities.

In addition, during the three year term of the grant, the program director will identify potential corporate and foundation donors to develop a base for successful solicitation of grants for future activities. A number of private foundations have supported international programming in this area, including the Ford Foundation and the Rockefeller Foundation. The Ford Foundation Regional Office in Cairo knows AMIDEAST well and has already been supportive of AMIDEAST institutional development activities in other areas.

HQ PROGRAM ORGANIZATIONAL STRUCTURE



DUAL CONTROL STRUCTURE
WITH I-T COUNTRY-BASED PROJECT OFFICERS



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**AMIDEAST DPI PROGRAM
LOG FRAME**

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>Program Goal:</p> <p>Promote more open, more just, and more democratic societies and markets in the Arab world.</p>	<p>Measure of Goal Achievement:</p> <p>Greater evidence of democracy initiatives in targeted environments</p>	<p>Means of Verification</p> <p>Local media, formal and informal discussions, newspaper articles, government documents</p>	<p>Assumptions for Achieving this Goal:</p> <p>Relative geo-political and economic stability Government commitment to more open societies and markets</p>
<p>Project Purpose:</p> <p>Encourage and strengthen the capability of governments and private institutions in the Arab world to undertake democracy initiatives</p>	<p>Conditions Indicating Purpose has been Achieved [End of Project Status]:</p> <p>Specific project activities designed and implemented</p>	<p>Means of Verification:</p> <p>1. Letters of approval Evaluations</p>	<p>Assumptions for Achieving Purpose:</p> <p>1. Demand for strengthening activities 2. Program and funding support from USAID missions</p>
<p>Outputs:</p> <ol style="list-style-type: none"> Staff of targeted institutions are more effective in promoting their agendas and achieving institutional objectives AMIDEAST administrative and programmatic capability to design, implement, manage and evaluate DPI-related activities developed Select AMIDEAST personnel trained in DPI issues, methodology and programming Strong partnership between AMIDEAST and AID in DPI program development, management and promotion developed 	<p>Magnitude of Outputs:</p> <ol style="list-style-type: none"> A range of sub-projects initiated during the course of the grant period Ongoing contacts and joint sub-project design activities with 10-15 institutions Ongoing contacts with government leaders in the United States and abroad 	<p>Means of Verification:</p> <ol style="list-style-type: none"> Internal and external evaluations Monthly reports to AID, IF/ID/US/Arab, and AMIDEAST MIS data retrieval system Meeting reports Staffing histories 	<p>Assumptions for Realizing Outputs:</p> <ol style="list-style-type: none"> Opportunities exist for sub-project activities Funds support available MIS Management and technical personnel available
<p>Inputs:</p> <ol style="list-style-type: none"> AID and USAID mission funding Hiring and training of AMIDEAST staff Library Acquisitions 	<p>Magnitude of Inputs:</p> <ol style="list-style-type: none"> Budget: Administrative: \$1,000,000 Program: \$1,000,000 1 full-time HQ-based program manager for the duration of the project period 1 full-time HQ-based program officer 	<p>Means of Verification:</p> <p>Budget approved Program and financial reports Project annual plan and budget Internal reviews and evaluations</p>	<p>Assumptions for Providing Inputs:</p> <p>Cost estimates are correct AID grant agreement signed</p>

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APPENDIX 4C
OMB Control No. 0412-0510
Expiration Date: 12/31/89

MANDATORY STANDARD PROVISIONS FOR
U.S., HONGOVERNMENTAL GRANTEES¹

INDEX OF
MANDATORY STANDARD PROVISIONS

- | | |
|-----------------------------------|---|
| 1. Allowable Costs | 8. Debarment, Suspension, and other
Responsibility Matters |
| 2. Accounting, Audit, and Records | 9. Nondiscrimination |
| 3. Refunds | 10. U.S. Officials Not to Benefit |
| 4. Revision of Grant Budget | 11. Nonliability |
| 5. Termination and Suspension | 12. Amendment |
| 6. Disputes | 13. Notices |
| 7. Ineligible Countries | |

1. ALLOWABLE COSTS (NOVEMBER 1985)

The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are determined by the grant officer to be reasonable, allocable, and allowable in accordance with the terms of this grant, any negotiated advance understanding on particular cost items, and the applicable* cost principles in effect on the date of this grant.

* NOTE: For Educational Institutions use OMB Circular A-21; for all other non-profits use OMB Circular A-122; and for profit making firms use FAR 31.2. and AIDAR 731.2.

* 2. ACCOUNTING, AUDIT, AND RECORDS (SEPTEMBER 1990) *

(a) The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The grantee's financial management system shall provide for the following:

¹When these Standard Provisions are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient," "Grant" means "Cooperative Agreement," and "AID Grant Officer" means "AID Agreement Officer."

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(b) The grantee shall preserve and make available such records for examination and audit by AID and the Comptroller General of the United States, or their authorized representatives:

(1) until the expiration of three years from the date of termination of the grant;

(2) for such longer period, if any, as is required to complete an audit to resolve all questions concerning expenditures unless written approval has been obtained from the grant officer to dispose of the records. AID follows generally accepted accounting practices in determining that there has been proper accounting and use of grant funds. The grantee agrees to make available any further information requested by AID with respect to any questions arising as a result of the audit; and

(3) If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigations, claims or audit findings involving the records have been resolved.

(c) The grantee shall require subrecipients to adopt the standards in paragraphs (a) and (b) above except that portion of subparagraph (a) 1 that would require specific financial reporting forms and frequencies in accordance with the payment provisions of the grant.

* 3. REFUNDS (SEPTEMBER 1990)

(a) The grantee shall remit to AID all interest earned on funds provided by AID at least quarterly, except that interest amounts up to \$100 per year may be retained by the grantee for administrative expense.

(b) Funds obligated by AID but not disbursed to the grantee at the time the grant expires or is terminated shall revert to AID, except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant. Any funds advanced to but not expended by the grantee and not encumbered by a legally binding transaction applicable to this grant at the time of expiration or termination of the grant shall be refunded to AID

(c) AID reserves the right to require refund by the grantee of any amount which AID determines to have been expended for purposes not in accordance with the terms and conditions of this grant, including but not limited to costs which are not allowable in accordance with the applicable Federal cost principles or other terms and conditions of this grant. In the event that a final audit has not been performed prior to the closeout of this grant, AID retains the refund right until all claims which may result from the final audit have been resolved between AID and the grantee. *

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(e) If the requested budget revision requires the obligation of additional funding, and, if after notification pursuant to this standard provision, AID determines not to provide additional funds, the AID grant officer will, upon written request of the grantee, terminate this grant pursuant to the standard provision of this grant, entitled "Termination and Suspension."

(f) Except as required by other provisions of this grant specifically stated to be an exception from this provision, the Government shall not be obligated to reimburse the grantee for costs incurred in excess of the total amount obligated under the grant. The grantee shall not be obligated to continue performance under the grant (including actions under the "Termination and Suspension" provision) or otherwise to incur costs in excess of the amount obligated under the grant, unless and until the grant officer has notified the grantee in writing that such obligated amount has been increased and has specified in such notice the new obligated grant total amount.

5. TERMINATION AND SUSPENSION (MAY 1986)

(a) For Cause. This grant may be terminated for cause at any time, in whole or in part, by the grant officer upon written notice to the grantee, whenever it is determined that the grantee has failed to comply with the conditions of the grant.

(b) For Convenience. This grant may be terminated for convenience at any time by either party, in whole or in part, if both parties agree that the continuation of the grant would not produce beneficial results commensurate with the further expenditure of funds. Both parties shall agree upon termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The agreement to terminate shall be set forth in a letter from the grant officer to the grantee.

(c) Suspension: Termination for Changed Circumstances. If at any time AID determines that continuation of funding for a program should be suspended or terminated because such assistance is not in the national interest of the United States or that it would be in violation of an applicable law, then AID may, following notice to the grantee, suspend this grant and prohibit the grantee from incurring additional obligations chargeable to this grant other than necessary and proper costs in accordance with the terms of this grant during the period of suspension. If the situation causing the suspension continues for 60 days or more, then AID may terminate this grant on written notice to the grantee and cancel that portion of this grant which has not been disbursed or irrevocably committed to third parties.

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8. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (MARCH 1989)

(1) The grantee certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) The grantee agrees that, unless authorized by the Grant Officer, it will not knowingly enter into any subagreements or contracts under this grant with a person or entity that is included on the "Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs". The grantee further agrees to include the following provision in any subagreements or contracts entered into under this grant:

DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION (MARCH 1989)

The recipient/contractor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(3) The policies and procedures applicable to debarment, suspension and ineligibility under AID-financed transactions are set forth in 22 CFR Part 208.

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**OPTIONAL STANDARD PROVISIONS FOR
U.S., NONGOVERNMENTAL GRANTEES**

The following standard provisions are required to be used when applicable. Applicability statements are contained in the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with Paragraph 1E of Chapter 1 of Handbook 13. Each grant is required to have a payment provision. Check off the optional standard provisions which are included in the grant. Only those standard provisions which have been checked off are included physically within this grant.

- | | |
|---|-------------------|
| 1. Payment - Letter of Credit | <u> X </u> |
| 2. Payment - Periodic Advance | <u> </u> |
| 3. Payment - Cost Reimbursement | <u> </u> |
| 4. Air Travel and Transportation | <u> X </u> |
| 5. Ocean Shipment of Goods | <u> X </u> |
| 6. Procurement of Goods and Services | <u> X </u> |
| 7. AID Eligibility Rules for Goods and Services | <u> X </u> |
| 8. Subagreements | <u> X </u> |
| 9. Local Cost Financing | <u> X </u> |
| 10. Patent Rights | <u> </u> |
| 1. Publications | <u> X </u> |
| 12. Negotiated Indirect Cost Rates - Predetermined | <u> </u> |
| 13. Negotiated Indirect Cost Rates - Provisional | <u> x </u> |
| 14. Regulations Governing Employees | <u> X </u> |
| 15. Participant Training | <u> </u> |
| 16. Voluntary Population Planning | <u> </u> |
| 17. Protection of the Individual as a Research Subject | <u> </u> |
| 18. Care of Laboratory Animals | <u> </u> |
| 19. Government Furnished Excess Personal Property | <u> </u> |
| 20. Title to and Use of Property (Grantee Title) | <u> x </u> |
| 21. Title to and Care of Property (U.S. Government Title) | <u> </u> |
| 22. Title to and Care of Property (Cooperating Country Title) | <u> </u> |
| 23. Cost Sharing (Matching) | <u> </u> |
| 24. Use of Pouch Facilities | <u> </u> |
| 25. Conversion of United States Dollars to Local Currency | <u> x </u> |

(INCLUDE THIS PAGE IN THE GRANT)

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Payment - Letter of Credit (NOVEMBER 1985)

(This provision is applicable only when the following conditions are met: (i) the total advances under all the grantee's cost-reimbursement contracts and assistance instruments with A.I.D. exceed \$120,000 per annum, (ii) A.I.D. has, or expects to have, a continuing relationship with the grantee for at least one year; (iii) the grantee has the ability to maintain procedures that will minimize the time elapsing between the transfer of funds and the disbursement thereof; (iv) the grantee's financial management system meets the standards for fund control and accountability required under the standard provision of this grant, entitled "Accounting, Audit, and Records" and, either (v) the foreign currency portion of the total advance under this grant is less than 50% or (vi) the foreign currency portion of the total advance under this grant is more than 50% but more than one foreign currency country is involved.)

(a) Payment under this grant shall be by means of a Letter of Credit (LOC) in accordance with the terms and conditions of the LOC and any instructions issued by A.I.D.'s Office of Financial Management, Program Accounting and Finance Division (M/FM/PAFD).

(b) As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by M/FM/PAFD constitute payment conditions of this grant, superseding and taking precedence over any other provision of this grant concerning payment.

(c) Reporting:

(1) A "Financial Status Report" SF-269, shall be prepared on an accrual basis and submitted quarterly no later than 30 days after the end of the period, in an original and two copies to A.I.D./M/FM/PAFD, Washington, D.C. 20523. If the grantee's accounting records are not normally kept on the accrual basis, the grantee shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand. The final report must be submitted within 90 days after the conclusion of the grant to M/FM/PAFD. In cases where grants are Mission funded, the Grantee will forward an information copy to the A.I.D. Mission accounting station at the same time the original and one copy are mailed to M/FM/PAFD, A.I.D./Washington.

(2) The grantee shall submit an original and one copy of SF-272, "Federal Cash Transactions Report," within 15 working days following the end of each quarter to M/FM/PAFD. Grantees receiving advances totaling more than \$1 million per year shall submit the SF-272 on a monthly basis within 15

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AIR TRAVEL AND TRANSPORTATION (NOVEMBER 1985)

(This provision is applicable when any costs for air travel or transportation are included in the budget.)

(a) The grantee is required to present to the project officer for written approval an itinerary for each planned international trip financed by this grant, which shows the name of the traveler, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advance of the proposed travel as possible, but in no event at least three weeks before travel is planned to commence. At least one week prior to commencement of approved international travel, the grantee shall notify the cognizant U.S. Mission or Embassy, with a copy to the project officer, of planned travel, identifying the travelers and the dates and times of arrival.

(b) Travel to certain countries shall, at A.I.D.'s option, be funded from U.S.-owned local currency. When A.I.D. intends to exercise this option, A.I.D. will, after receipt of advice of intent to travel required above, either issue a U.S. Government S.F. 1169, Transportation Request (GTR) which the grantee may exchange for tickets, or A.I.D. will issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.

(c) All air travel and shipments under this grant are required to be made on U.S. flag air carriers to the extent service by such carriers is available. A U.S. flag air carrier is defined as an air carrier which has a certificate of public convenience and necessity issued by the U.S. Civil Aeronautics Board authorizing operations between the United States and/or its territories and one or more foreign countries.

(d) Use of foreign air carrier service may be deemed necessary if a U.S. flag air carrier otherwise available cannot provide the foreign air transportation needed, or if use of such service will not accomplish the agency's mission. Travel and transportation on non-free world air carriers are not reimbursable under this grant.

(e) U.S. flag air carrier service is considered available even though:

(1) Comparable or a different kind of service can be provided at less cost by a foreign air carrier;

(2) Foreign air carrier service is preferred by or is more convenient for the agency or traveler; or

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(1) If travel by foreign air carrier would eliminate two or more aircraft changes enroute;

(2) Where one of the two points abroad is the gateway airport (as defined in paragraph (g) of this section) enroute to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including accelerated arrival at the overseas destination or delayed departure from the overseas origin as well as delay at the gateway airport or other interchange point abroad; or

(3) Where the travel is not part of a trip to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including delay at origin, delay enroute and accelerated arrival at destination.

(i) When travel under either paragraph (g) or (h) of this section involves three hours or less between origin and destination by a foreign air carrier, U.S. flag air carrier service will not be considered available when it involves twice such travel time or more.

(j) Nothing in the above guidelines shall preclude and no penalty shall attend the use of a foreign air carrier which provides transportation under an air transport agreement between the United States and a foreign government, the terms of which are consistent with the international aviation policy goals set forth at 49 U.S.C. 1502(b) and provide reciprocal rights and benefits.

(k) Where U.S. Government funds are used to reimburse the grantee's use of other than U.S. flag air carriers for international transportation, the grantee will include a certification on vouchers involving such transportation which is essentially as follows:

"CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR CARRIERS. I hereby certify that the transportation service for personnel (and their personal effects) or property by certificated air carrier was unavailable for the following reason(s)." (State appropriate reason(s) as set forth above).

(1) International Travel

(1) As used herein, the term "international travel" means travel to all countries other than those within the home country of the traveler. Travel outside the United States includes travel to the U.S. Trust Territories of the Pacific Islands.

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OCEAN SHIPMENT OF GOODS (MAY 1986)

(This provision is applicable when goods purchased with funds provided under this grant are transported to cooperating countries on ocean vessels.)

(a) At least 50% of the gross tonnage of all goods purchased under this grant and transported to the cooperating countries shall be made on privately owned U.S. flag commercial ocean vessels, to the extent such vessels are available at fair and reasonable rates for such vessels.

(b) At least 50% of the gross freight revenue generated by shipments of goods purchased under this grant and transported to the cooperating countries on dry cargo liners shall be paid to or for the benefit of privately owned U.S. flag commercial ocean vessels to the extent such vessels are available at fair and reasonable rates for such vessels.

(c) When U.S. flag vessels are not available, or their use would result in a significant delay, the grantee may request a determination of non-availability from the A.I.D. Transportation Division, Office of Procurement, Washington, D.C. 20523, giving the basis for the request which will relieve the grantee of the requirement to use U.S. flag vessels for the amount of tonnage included in the determination. Shipments made on non-free world ocean vessels are not reimbursable under this grant.

(d) Vouchers submitted for reimbursement which include ocean shipment costs shall contain a certification essentially as follows:

"I hereby certify that a copy of each ocean bill of lading concerned has been submitted to the U.S. Department of Transportation, Maritime Administration, Division of National Cargo, 400 7th Street, S.W., Washington, D.C. 20590, and that such bills of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement."

(e) Shipments by voluntary nonprofit relief agencies (i.e., PVOs) shall be governed by this standard provision and by A.I.D. Regulation 2, "Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies" (22 CFR Part 202).

(END OF STANDARD PROVISION)

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PROCUREMENT OF GOODS AND SERVICES (NOVEMBER 1985)

(This provision is applicable when goods or services are procured under the grant.)

The grantee may use its own procurement policies and practices for the procurement of goods and services under this grant, provided they conform to all of A.I.D.'s requirements listed below and the standard provision entitled "A.I.D. Eligibility Rules for Goods and Services."

(a) General Requirements:

(1) The recipient shall maintain a code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the awarding and administration of contracts using A.I.D. funds. No employee, officer or agent shall participate in the selection, award or administration of a contract in which A.I.D. funds are used, where, to that individual's knowledge, the individual or the individual's immediate family, partners, or organization in which the individual or the individual's immediate family or partners has a financial interest or with whom that individual is negotiating or has any arrangement concerning prospective employment. The recipients' officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or potential contractors. Such standards shall provide for disciplinary actions to be applied for violations of such standards by the recipients' officers, employees or agents.

(2) All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The recipient should be alert to organizational conflicts of interest or noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals should be excluded from competing for such procurements. Awards shall be made to the bidder/offeror whose bid/offer is responsive/responsible to the solicitation and is most advantageous to the recipient, price and other factors considered. Solicitations shall clearly set forth all requirements that the bidder/offeror must fulfill in order to be evaluated by the recipient. Any and all bids/offers may be rejected when it is in the recipient's interest to do so.

(3) All grantees shall establish procurement procedures that provide for, at a minimum, the following procedural requirements:

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(vi) All proposed sole source contracts or where only one bid or proposal is received in which the aggregate expenditure is expected to exceed \$5,000 shall be subject to prior approval by an appropriate official within the grantee's organization.

(vii) Some form of price or cost analysis should be made in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

(viii) Procurement records and files for purchases in excess of \$10,000 shall include the following:

- (A) Basis for contractor selection;
- (B) Justification for lack of competition when competitive bids or offers are not obtained;
- (C) Basis for award cost or price.

(ix) A system for contract administration shall be maintained to ensure contractor conformance with terms, conditions and specifications of the contract, and to ensure adequate and timely followup of all purchases.

(b) Each contract shall contain, in addition to provisions to define a sound and complete contract, the following contract provisions, if applicable, as well as any provision within this grant which requires such inclusion of that provision. Whenever a provision is required to be inserted in a contract under this grant, the grantee shall insert a statement in the contract that in all instances where the U.S. Government or A.I.D. is mentioned the grantee's name shall be substituted.

(1) Contracts in excess of \$10,000 shall contain contractual provisions or conditions that will allow for administrative, contractual or legal remedies in instances in which contractors violate or breach contract terms, and provide for such remedial actions as may be appropriate.

(2) All contracts in excess of \$10,000 shall contain suitable provisions for termination by the recipient including the manner by which termination will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

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any calendar day or 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to the worker's health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies of materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(8) Contracts, the principal purpose of which is to create, develop or improve products, processes or methods; or for exploration into fields that directly concern public health, safety or welfare; or contracts in the fields of science or technology in which there has been little significant experience outside of work funded by Federal assistance, shall contain a notice to the effect that matters regarding rights to inventions and materials generated under the contract are subject to the regulations included in these grant provisions. The contractor shall be advised as to the source of additional information regarding these matters.

(9) All negotiated contracts over \$10,000 awarded by the grantee shall include a provision to the effect that the grantee, A.I.D., the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(10) Contracts in excess of \$100,000 to be performed in the United States shall contain a provision that requires the contractor to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 7401) and the Federal Water Pollution Control Act (40 CFR 15) as amended. Violations shall be reported to A.I.D. and the Regional Office of the Environmental Protection Agency.

(11) Contracts which require performance outside the United States shall contain a provision requiring Workmen's Compensation Insurance (42 U.S.C. 1651, et seq.). As a general rule, Department of Labor waivers will be obtained for persons employed outside the United States who are not United States citizens or residents provided adequate protection will be given such persons. The grantee should refer questions on this subject to the A.I.D. grant officer.

(END OF STANDARD PROVISION)

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A.I.D. ELIGIBILITY RULES FOR GOODS AND SERVICES (NOVEMBER 1985)

(This provision is applicable when goods or services are procured under the grant.)

(a) **Ineligible and Restricted Goods and Services:** If A.I.D. determines that the grantee has procured any of the restricted or ineligible goods and services specified below, or has procured goods and services from unauthorized sources, and has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to A.I.D. the entire amount of the reimbursement. A.I.D.'s policy on ineligible and restricted goods and services is contained in Chapter 4 of A.I.D. Handbook 1, Supplement B, entitled "Procurement Policies".

(1) **Ineligible Goods and Services.** Under no circumstances shall the grantee procure any of the following under this grant:

- (i) Military equipment,
- (ii) Surveillance equipment,
- (iii) Commodities and services for support of police or other law enforcement activities,
- (iv) Abortion equipment and services,
- (v) Luxury goods and gambling equipment, or
- (vi) Weather modification equipment.

(2) **Ineligible Suppliers.** Funds provided under this grant shall not be used to procure any goods or services furnished by any firms or individuals whose name appears on the A.I.D. Consolidated List of Debarred, Suspended, and Ineligible Awardees under A.I.D. Regulation 8, entitled "Debarment, Suspension and Ineligibility" (22 CFR 208). A.I.D. will provide the grantee with a copy of this list upon request.

(3) **Restricted Goods.** The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:

- (i) Agricultural commodities,
- (ii) Motor vehicles,
- (iii) Pharmaceuticals,
- (iv) Pesticides,
- (v) Rubber compounding chemicals and plasticizers,
- (vi) Used equipment,
- (vii) U.S. Government-owned excess property, or
- (viii) Fertilizer.

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(E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the grant.

(2) When the total procurement element exceeds \$250,000, the following rule applies: Except as may be specifically approved or directed in advance by the grant officer, all goods and services, which will be reimbursed under this grant and financed with U. S. dollars, shall be procured in and shipped from the U. S. (Code 000) and from any other countries within the authorized geographic code as specified in the schedule of this grant.

(c) Marine Insurance: The eligibility of marine insurance is determined by the country in which it is placed. Insurance is placed in a country if payment of the insurance premium is made to, and the insurance policy is issued by an insurance company located in that country. Eligible countries for placement are governed by the authorized geographic code, except that if Code 941 is authorized, the Cooperating Country is also eligible. Section 604(d) of the Foreign Assistance Act requires that if a recipient country discriminates by statute, decree, rule, or practice with respect to A.I.D.-financed procurement against any marine insurance company authorized to do business in the U. S., then any A.I.D.-financed commodity shipped to that country shall be insured against marine risk and the insurance shall be placed in the U. S. with a company or companies authorized to do marine insurance business in the U. S.

(d) Ocean and air transportation shall be in accordance with the applicable provisions contained within this grant.

(e) Printed or Audio-Visual Teaching Materials: If the effective use of printed or audio-visual teaching materials depends upon their being in the local language and if such materials are intended for technical assistance projects or activities financed by A.I.D. in whole or in part and if other funds including U.S.-owned or U.S.-controlled local currencies are not readily available to finance the procurement of such materials, local language versions may be procured from the following sources, in order of preference:

- (1) The United States (A.I.D. Geographic Code 000),
- (2) The Cooperating Country,
- (3) "Selected Free World" countries (A.I.D. Geographic Code 941), and
- (4) "Special Free World" countries (A.I.D. Geographic Code 899).

(f) Special Restrictions on the Procurement of Construction or Engineering Services: Section 604(g) of the Foreign Assistance Act provides that A.I.D. funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under Geographic Code 941, which

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SUBAGREEMENTS (NOVEMBER 1985)

(This provision is applicable when subgrants or cooperative agreements are financed under the grant.)

(a) Funds provided under this grant shall not be used to support any subrecipient whose name appears on the A.I.D. Consolidated List of Debarred, Suspended, or Ineligible Awardees under A.I.D. Regulation 8, entitled "Debarment, Suspension and Ineligibility" (22 CFR 208). A.I.D. will provide the grantee with a copy of this list upon request.

(b) All subagreements shall as a minimum contain, in addition to provisions to define a sound and complete agreement, the following provisions as well as any that are specifically required by any other provision in this grant. Whenever a provision within this grant is required to be inserted in a subagreement, the grantee shall insert a statement in the subagreement that in all instances where the U.S. Government is mentioned, the grantee's name will be substituted.

(1) Subagreements in excess of \$10,000 shall contain provisions or conditions that will allow for administrative or legal remedies in instances where subrecipients violate subagreement terms and provide for such remedial action as may be appropriate.

(2) All subagreements in excess of \$10,000 shall contain suitable provisions for termination by the recipient including the manner by which termination will be effected and the basis for settlement. In addition, such subagreements shall describe conditions under which the subagreement may be terminated for default as well as conditions where the subagreement may be terminated because of circumstances beyond the control of the subrecipient.

(3) Subagreements, the principal purpose of which is to create, develop or improve products, processes or methods; or for exploration into fields that directly concern public health, safety or welfare; or subagreements in the field of science or technology in which there has been little significant experience outside of work funded by Federal assistance, shall contain a notice to the effect that matters regarding rights to inventions and materials generated under the subagreement are subject to the regulations contained in the provisions of this grant. The subrecipient shall be advised as to the source of additional information regarding these matters.

(4) All subagreements over \$10,000 issued by recipients shall include a provision to the effect that the recipient, A.I.D., the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the subrecipient which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(END OF STANDARD PROVISION)

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* **LOCAL COST FINANCING (NOVEMBER 1988)**

(This provision applies only when local costs are authorized by the grant, and must be used with the standard provision entitled "Procurement of Goods and Services.")

(a) Costs qualifying as local costs are eligible for financing under the grant in accordance with the terms of this standard provision. Local costs are defined as (1) indigenous goods, (2) imported shelf items, and (3) services provided by suppliers meeting the requirements contained in subparagraph (b). Indigenous goods are those that have been mined, grown or produced in the cooperating country through manufacture, processing or assembly. In the case of produced goods containing imported components, to qualify as indigenous a commercially recognized new commodity must result that is substantially different in basic characteristics or in purpose or utility from its components. Imported items are eligible for financing under the following situations: (1) Imported items available in the cooperating country which otherwise meet the source/origin requirements of the grant may be financed in unlimited quantities, regardless of dollar value, up to the total amount available for local procurement under the terms of the grant agreement. (2) Imported items from Geographic Code 941 countries which are available in the cooperating country can be funded in unlimited quantities, regardless of dollar value, up to the total amount available for local procurement under the terms of the grant. (3) Imported items from any Free World country which are available locally, or imported specifically for the grant, may be financed if the cost of the transaction, excluding the cost of the transportation, does not exceed the local currency equivalent of \$5,000. *

(b) To qualify as local costs, goods and services must also meet the following additional requirements:

- (1) They must be paid for in local currency.
- (2) The supplier must be located in the cooperating country and must be of cooperating country nationality as defined in AID Handbook 1B, Chapter 5.
- (3) Any component from a country not included in AID geographic code 935 renders a commodity ineligible for financing.

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PUBLICATIONS (NOVEMBER 1985)

(This provision is applicable when publications are financed under the grant.)

- (a) If it is the grantee's intention to identify A.I.D.'s contribution to any publication resulting from this grant, the grantee shall consult with A.I.D. on the nature of the acknowledgement prior to publication.**
- (b) The grantee shall provide the A.I.D. project officer with one copy of all published works developed under this grant and with lists of other written work produced under the grant.**
- (c) In the event grant funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the grant unless the schedule of the grant has identified the profits or royalties as program income.**
- (d) Except as otherwise provided in the terms and conditions of the grant, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this grant, but A.I.D. reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for Government purposes.**

(END OF STANDARD PROVISION)

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NEGOTIATED INDIRECT COST RATES - PROVISIONAL (MAY 1986)

(This provision is applicable to any organization which does not have predetermined indirect cost rate(s); however, it shall also be included when the NEGOTIATED INDIRECT COST RATES - PREDETERMINED standard provision is used.)

(a) A provisional indirect cost rate(s) shall be established for each of the grantee's accounting periods during the term of this grant. Pending establishment of a final rate(s), the parties have agreed that provisional payments on account of allowable indirect costs shall be at the rate(s), on the base(s), and for the periods shown in the schedule of this grant.

(b) Not later than 90 days after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity in accordance with OMB Circular A-88 proposed final indirect cost rate(s) and supporting cost data. In the event A.I.D. is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed final indirect cost rate(s) and supporting cost data to the A.I.D. Inspector General, Washington, D.C. 20523, and to the Overhead and Special Costs - Contract Closeout Branch, Office of Procurement, Washington, D.C. 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of final indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal.

(c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the applicable cost principles in effect on the date of this grant.

(d) The results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. Such agreement shall specify (1) the agreed upon final rate(s), (2) the base(s) to which the rate(s) apply, and (3) the period for which the rate(s) apply. The indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.

(e) Pending establishment of final indirect cost rate(s) for any period, the grantee shall be reimbursed either at negotiated provisional rate(s) as provided above or at billing rate(s) acceptable to the grant officer, subject to appropriate adjustment when the final rate(s) for that period are established. To prevent substantial over or under payment, the provisional or billing rate(s) may, at the request of either party, be revised by mutual agreement, either retroactively or prospectively. Any such revision of negotiated provisional rate(s) provided in this standard provision shall be set forth in a modification to this grant.

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REGULATIONS GOVERNING EMPLOYEES (NOVEMBER 1985)

(The following applies to the grantee's employees who are not citizens of the cooperating country.)

- (a) The grantee's employees shall maintain private status and may not rely on local U.S. Government offices or facilities for support while under this grant.
- (b) The sale of personal property or automobiles by grantee employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire A.I.D. personnel employed by the Mission except as this may conflict with host government regulations.
- (c) Other than work to be performed under this grant for which an employee is assigned by the grantee, no employee of the grantee shall engage directly or indirectly, either in the individual's own name or in the name or through an agency of another person, in any business, profession, or occupation in the foreign countries to which the individual is assigned, nor shall the individual make loans or investments to or in any business, profession or occupation in the foreign countries to which the individual is assigned.
- (d) The grantee's employees, while in a foreign country, are expected to show respect for its conventions, customs, and institutions, to abide by its applicable laws and regulations, and not to interfere in its internal political affairs.
- (e) In the event the conduct of any grantee employee is not in accordance with the preceding paragraphs, the grantee's chief of party shall consult with the A.I.D. Mission Director and the employee involved and shall recommend to the grantee a course of action with regard to such employee.
- (f) The parties recognize the rights of the U.S. Ambassador to direct the removal from a country of any U.S. citizen or the discharge from this grant of any third country national when, in the discretion of the Ambassador, the interests of the United States so require.
- (g) If it is determined, under either (e) or (f) above, that the services of such employee shall be terminated, the grantee shall use its best efforts to cause the return of such employee to the United States, or point of origin, as appropriate.

(END OF STANDARD PROVISION)

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TITLE TO AND USE OF PROPERTY (GRANTEE TITLE) (NOVEMBER 1985)

(This provision is applicable when the Government vests title to property in the grantee only.)

Title to all property financed under this grant shall vest in the grantee, subject to the following conditions:

(a) The grantee shall not charge for any depreciation, amortization, or use of any property, title to which remains in the grantee under this provision under this grant or any other U.S. Government agreement, subagreement, contract, or subcontract.

(b) The grantee agrees to use and maintain the property for the purpose of the grant in accordance with the requirements of paragraphs (c), (d), (e), and (f) below.

(c) Real Property:

(1) Real property means land, including land improvements, structures and appurtenances thereto, but excluding movable machinery and equipment.

(2) Use of Real Property:

(i) The grantee shall use the real property for the authorized purpose of the project, as long as it is needed.

(ii) The grantee shall obtain approval from A.I.D. for the use of real property in other projects when the grantee determines that the property is no longer needed for the purpose of the original program. Use in other programs shall be limited to those under other federally sponsored programs (i.e., grants or other agreements) that have purposes consistent with those authorized for support by A.I.D.

(3) Disposition of Real Property: When the real property is no longer needed as provided in (2) above, the grantee shall request disposition instructions from A.I.D. or its successor Federal sponsoring agency. A.I.D. or the successor Federal sponsoring agency shall observe the following rules in the disposition instructions:

(i) The grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original program to the fair market value of the property.

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CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY (NOVEMBER 1985)

(This provision is applicable when activities under the grant will take place outside of the United States.)

Upon arrival in the Cooperating Country, and from time to time as appropriate, the grantee's chief of party shall consult with the Mission Director who shall provide, in writing, the procedure the grantee and its employees shall follow in the conversion of United States dollars to local currency. This may include, but is not limited to, the conversion of currency through the cognizant United States Disbursing Officer or Mission Controller, as appropriate.

(END OF STANDARD PROVISION)