

ORIGINAL
DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

PS-FAA-074 6 JUL 1977
Joy m... - D Kohan
Reg - R Ware
BNA/Pvc/OPN

JUN 9 1977

Mr. John Hammock
Executive Director
ACCION International
AITEC Division
10C Mt. Auburn Street
Cambridge, Massachusetts 02138

Subject: Amendment No. 2 to
Grant No. AID/pha-G-1109
PIO/T No. 3279240

Dear Mr. Hammock:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (AID) hereby grants to ACCION International the additional sum of One Hundred Thousand Dollars (\$100,000) to further improve planning and evaluation as more fully described in the attachment to this Grant entitled "Program Description".

The funds are obligated as of the date of this letter and shall apply to costs incurred during the period set forth in the Budget of this Grant, as herein amended. The amount obligated by this amendment, together with previous obligations, results in the total AID obligation of \$300,000.

This Grant is made to ACCION on the condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachments A, B and C hereto attached.

This Grant is further amended to delete Paragraph E-Budget in Attachment A-

ORIGINAL

Mr. J. Hammock
ACCION Int'l.

-2-

Program Description in its entirety and to substitute in lieu thereof
the following:

"E. BUDGET

<u>Item</u>	<u>From: 6/1/75</u> <u>To: 5/31/76</u>	<u>From: 6/1/76</u> <u>To: 5/31/77</u>	<u>From: 6/1/77</u> <u>To: 5/31/78</u>	<u>Total</u>
Salaries & Benefits	\$ 52,500	\$ 58,144	\$ 61,000	\$171,644
Consultants	5,490	14,595	12,000	32,085
Training	14,000	6,774	16,000	36,774
Travel	14,000	14,565	16,000	44,565
Other Direct Costs - Admin.	<u>4,010</u>	<u>5,922</u>	<u>5,000</u>	<u>14,932</u>
	<u>\$ 90,000</u>	<u>\$100,000</u>	<u>\$110,000</u>	<u>\$300,000</u>

The Grantee may not exceed the total amount obligated by AID. However, adjustments between line items and funded years are unrestricted".

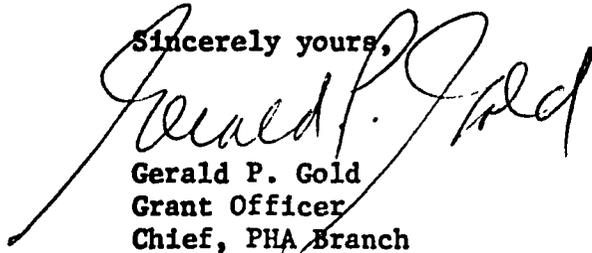
Please sign the original and seven (7) copies of this letter to acknowledge your acceptance of the conditions under which these additional funds are granted. Please return the original and six (6) copies to this

Mr. J. Hammock
ACCION, Int'l.

-3-

office, making sure to return all copies stamped "Funds Available".

Sincerely yours,



Gerald P. Gold
Grant Officer
Chief, PHA Branch
Central Operations Division
Office of Contract Management

ACCEPTED:

ACCION INTERNATIONAL

BY: John C. Hammock

PRINTED NAME: John C. Hammock

TITLE: Executive Director

DATE: June 28, 1977

ORIGINAL
DEPARTMENT OF STATE

21 JUN 1976

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

*paymgt - J Thomas
PHH/NO P/9213
neg - J Burke*

Mr. John Hammock
Executive Director
ACCION International
AITEC Division
100 Mt. Auburn Street
Cambridge, Massachusetts 02138

MAY 27 1976

Subject: Amendment No. 1 to
Grant No. AID/pha-G-1109
PIO/T: 3269237

Dear Mr. Hammock:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (AID) hereby grants to ACCION International the additional sum of One Hundred Thousand Dollars (\$100,000) to improve planning and evaluation as more fully described in the attachment to this Grant entitled "Program Description".

The total cumulative obligation under this grant is now \$200,000. This Grant is effective and obligation made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period 6/1/76 to 5/31/77 as set forth in the Budget in Attachment A.

This Grant is made to ACCION on the condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachments A, B, and C hereto.

FUNDS OBLIGATED

Approp. No. 72-1181027
Allot. No. 427-32-072-00-26-61
Obl. No. 3269237 Obl. Cl. 2522
Amount \$ 100,000.00
Proj. No. 72-11-250-023

By JHenderson FM/CSD
Date 5/31/76

ORIGINAL

ORIGINAL

The subject grant is hereby further amended to delete Paragraph E - Budget in Attachment A - Program Description in its entirety and to substitute in lieu thereof the following:

"E. BUDGET

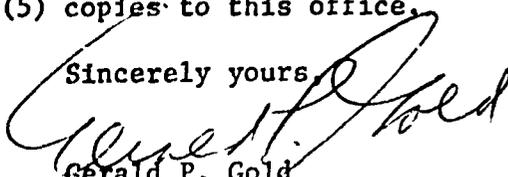
<u>Item</u>	<u>Actual Funding</u>		<u>Estimated Funding</u>
	<u>6/1/75-5/31/76</u>	<u>6/1/76-5/31/77</u>	<u>6/1/77-5/31/78</u>
Salaries & Benefits	\$52,500	\$ 61,000	\$ 60,760
Consultants	5,490	12,100	5,450
Training	14,000	16,000	15,000
Travel	14,000	16,000	15,000
Other Direct Costs-Admin.	<u>4,010</u>	<u>4,900</u>	<u>3,790</u>
	<u>\$90,000</u>	<u>\$110,000</u>	<u>\$100,000</u>

The first 2 years funding have been provided. The additional estimated funds may be provided subject to their availability.

The Grantee may not exceed the total amount obligated by AID. However, adjustments between line items and funded years are unrestricted".

Please acknowledge your understanding and acceptance of this amendment by signing the original and all copies in the space provided below. Please return the original and five (5) copies to this office.

Sincerely yours,



Gerald P. Gold
Grant Officer
Chief, PHA Branch
Central Operations Division
Office of Contract Management

ACKNOWLEDGED:
ACCION INTERNATIONAL, AITEC DIVISION

BY: John C. Hammock

TITLE: Executive Director

PRINTED NAME: John C. Hammock

DATE: June 14, 1976

ORIGINAL

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

ORIGINAL

*Mrs. Kelly
M. Kahan, PHA/PA*
11 JUL 1975

SPECIFIC SUPPORT GRANT

Mr. John Hancock
Executive Director
ACCION International,
ALTEC Division
100 Mt. Auburn Street
Cambridge, Massachusetts 02138

JUN 26 1975

SUBJECT: Grant No. AID/pha-G-1109
PIO/1 : 932-13-950-073-73-3259041

Dear Mr. Hancock:

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." or "Grantor") hereby grants to ACCION International (hereinafter referred to as "ALTEC" or "Grantee") the sum of \$100,000 to provide support for a Development Program Grant to improve programing and evaluation as more fully described in the attachment to this Grant entitled "Program Description."

This Grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period 6/1/75 through 5/31/76. Additional funds may be granted subject to their availability.

This Grant is made to ACCION International, on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment A entitled "Program Description," Attachment B entitled "Standard Provisions," and Attachment C entitled "Payment Provisions."

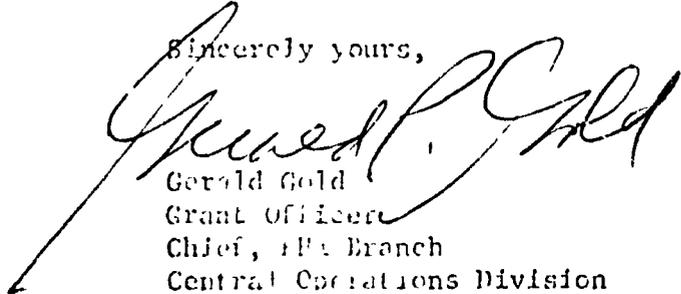
FUNDS AVAILABLE

Date June 27, 1975
Project No. 932-13-950-073
Obligation No. 3259041
Object Class 2590
Allotment 427-32-09900-74-52
Amount \$ 100,000.00
By (initials) JHL

Please sign the Statement of Assurance of Compliance, enclosed herein, and the original and seven (7) copies of this letter to acknowledge your acceptance of the conditions under which these funds have been granted.

Please return the Statement of Assurance of Compliance and the original and six (6) copies of this Grant to the Office of Contract Management.

Sincerely yours,



Gerald Gold
Grant Officer
Chief, IFA Branch
Central Operations Division
Office of Contract Management

Encl: a/s "

ACCEPTED:

ACCION International

BY:  John C. Hammock

TITLE: Executive Director

DATE: July 8, 1975

PROGRAM DESCRIPTIONA. PURPOSE OF GRANT

This grant will create an expanded program staff which will expand AITEC programing and evaluation capacity to:

- (1) Provide assistance in employment generating projects, nutrition projects and social services to rural regional organizations in less developed countries, working with the poorest majority, and (2) transfer the operational model utilized in Ecuador to developing countries in Latin America.

B. SPECIFIC OBJECTIVES

The major objectives of the grant will be to (1) increase the programing effectiveness and competence of AITEC; (2) improve existing evaluation systems, including the evaluation of the operational model; and (3) increase operational capacity to implement the Ecuadorian Model in new LDC's of the area.

AITEC intends to maximize its program performance in a wide spectrum with the following results at the end of the DPG period: overall programing effectiveness will have been increased; evaluation systems, including evaluation of the operational model, will have been improved; operational capacity to implement the Ecuadorian model in three new countries will have been created; 20 new labor intensive small agribusinesses will have been established; three new credit mechanisms to small entrepreneurs will be functioning and planning and implementation of social services (nutrition, education, health and family planning) will be operative.

The outputs to be obtained from the grant, and its indicators, will be:

1. An expanded program staff and facilities. A Programing Expert and an Evaluation Expert position, with support staff and logistics, will have been created and filled.
2. Added programing and evaluation capability. With the addition of two professionals, one clerical and logistic support, a programing and evaluation system will be operative.
3. Staff trained in operational system of technical assistance. An indicator will be the training increased to include additional sessions and conferences as needed.

c. IMPLEMENTATION

The proposed Development Program Grant (DPG) would assist AITEC in benefitting the rural poor by developing the capability in developing country organizations to plan and execute employment generating and social services projects, such as nutrition, education, health and family planning. To do this, AITEC must expand its technical and financial capacity, thus being able to transfer the successful operational model used in Ecuador to the developing areas of Latin America. With the assistance of the DPG, AITEC will hire new professional and administrative personnel, will install a planning system for its operational programs, will have in operation a comprehensive evaluation system, will integrate the evaluation capability into the programing process and will train its personnel in its operational methods of technical assistance.

Once the additional Program Planning and Evaluation Staff is in place, priorities and specific programs will be defined in terms of quantifiable and measurable indicators. Country selection will be based on an analysis of four major factors:

1. Identification of suitable employment generation and social services problem solving programs.
2. Establishment of appropriate agreements with selected host country governments.
3. Availability of local support.
4. A.I.D. priorities and USAID's concurrence.

An illustrative implementation plan is detailed on the work plan for the DPG, Appendix No. 1. In general it indicates that the first year will see the hiring of professional and administrative staff, the expansion of physical facilities, administration and back-up capacity, the designing of new Central Office planning and work systems, training the new professional staff in AITEC methodologies and upgrading the evaluation system.

The second year sees the design and establishment of a programing system and the operational order of work; the integration of evaluation capability into the programing process, and the refinement of the operational model of technical assistance.

The third year continues with the refinement of the operational model plus refinement of the evaluation and programing, and the feedback of the built-in local evaluation and programing.

D. REPORTING

1. A detailed annual report (6 copies) shall be submitted to PHA/PVC prior to May 31, of each year of the grant. The report shall include all the information pertinent to the grant and include such output indicators as indicated

AITEC shall, to the extent possible, analyze how women are employed and include such findings in their reports. It is expected, though not required, that all quarterly reports, technical papers, journal articles, state of the art monographs that may directly or indirectly emanate from the increased capability of AITEC, be submitted to assist in evaluation of the grant and, when applicable, for consideration for inclusion in the "AID Research and Development Abstracts" and/or other AID technology transfer publications. Copies of agreements between AITEC and developing country governments will also be forwarded, as related to the DPG. One copy of the fiscal report required by Attachment C shall be submitted to the Grant Officer.

2. AITEC is solely responsible for negotiations and agreements between itself and host country governments, but shall keep the local A.I.D. Mission informed as to the substance of agreements. The AID/W principal technical liaison office to AITEC is the Project Manager, PHA/PVC/OPNS.

E. BUDGET

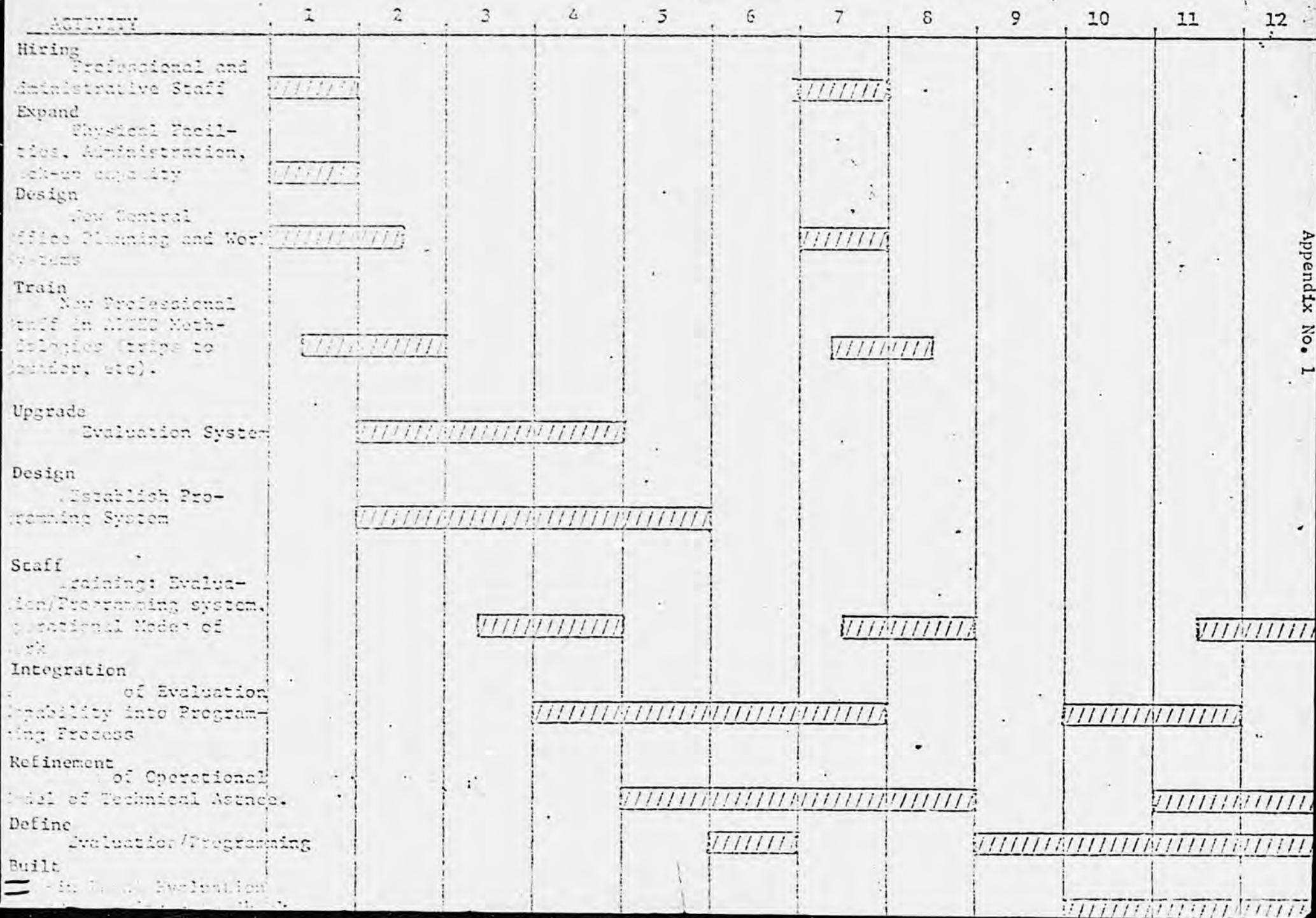
The funds provided herein shall be used to finance the following items:

	Actual Funding 6/1/75 <u>5/31/76</u>	Estimated Funding 6/1/76 <u>5/31/77</u>	6/1/77 <u>5/31/78</u>
Salaries & Benefits	\$ 57,505	\$ 59,135	\$ 60,760
Consultants	7,350	7,100	5,450
Training U.S.	15,000	15,000	15,000
Domestic & International			
Travel	15,000	15,000	15,000
Other Direct Costs -			
Admin.	<u>5,145</u>	<u>3,765</u>	<u>3,790</u>
	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>

The Grantee may not exceed the total amount obligated by A.I.D. Adjustments among the line items are unrestricted.

WORK PLAN: DEVELOPMENT PROGRAM GRANT

QUARTERS



STANDARD PROVISIONS

a. Allowable Costs and Payment (Oct. 1974)

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 allowable in accordance with the terms of this Grant and Subpart 15.2 of the Federal Procurement Regulations (FPR) (Principles and Procedures for use in Cost Reimbursement Type Supply and Research Contracts with Commercial Organizations)* in effect on the date of this Grant. Payment of allowable costs shall be in accordance with Attachment C of this Grant.

[*If this Grant is made to a university, the applicable cost principles are "Federal Management Circular, 73-8 (Cost Principles for Educational Institutions)" instead of Subpart 15.2 of the FPR as cited above]

b. Accounting, Records, and Audit (Oct. 1974)

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 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 program and (2) for such longer period, if any, as is required to complete an audit and to resolve all questions concerning expenditures unless written approval has been obtained from the AID Grant Officer to dispose of the records. AID follows generally accepted auditing practices in determining that there is proper accounting and use of grant funds. The Grantee agrees to include the requirements of this clause in any subordinate agreement hereunder.

c. Refunds (Oct. 1974)

(1) If use of the Grant funds results in accrual of interest to the grantee or to any other person to whom Grantee makes such funds available in carrying out the purposes of this Grant, Grantee shall refund to AID an amount equivalent to the amount of interest accrued.

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

(3) If, at any time during the life of the Grant, it is determined by AID that funds provided under the Grant have been expended for purposes not in accordance with the terms of the Grant, the Grantee shall refund such amounts to AID.

d. Equal Opportunity Employment (Oct. 1974)

With regard to the employment of persons in the U.S. under this Grant, Grantee agrees to take all reasonable steps to ensure equality of opportunity in its employment practices without regard to race, religion, sex, color or national origin of such persons and that, in accordance with Title VI of the Civil Rights Act of 1964, when work funded by this Grant is performed in the U.S. no person shall, on the grounds of race, religion, sex, color or national origin, be excluded from participation, be denied benefits, or be subjected to discrimination. In addition, the Grantee agrees to comply in accordance with its written assurance of compliance, with the provisions of Part 209 of Chapter II, Title 22 of the Code of Federal Regulations, entitled "Non-Discrimination in Federally Assisted Programs of the Agency for International Development - Effectuation of Title VI of the Civil Rights Act of 1964."

e. Termination (Oct. 1974)

This Grant may be terminated at any time, in whole or in part, by the Grant Officer upon written notice to the Grantee, whenever for any reason he shall determine that such termination is in the best interest of the Government. Upon receipt of and in accordance with such notice, the Grantee shall forthwith take immediate action to minimize all expenditures and obligations financed by this Grant, and shall cancel such obligations and commitments whenever possible. Except as provided below, no further financial payment shall be made after the effective date of termination, and the Grantee shall within thirty (30) calendar days after the effective date of such termination repay to the Grantor all unexpended portions of funds heretofore paid by the Grantor to the Grantee which are not otherwise obligated by a legally binding transaction applicable to the Grantee. If the funds paid by the Grantor to the Grantee prior to the effective date of this termination of this Grant, be insufficient to cover the Grantee's obligations pursuant to the aforementioned legally binding transaction, the Grantee may submit to the Grantor within (90) calendar days after the effective date of such termination a written claim for such obligations, and, subject to the regulations contained in the award, the Grant Officer shall determine the amount or amounts to be paid by the Grantor to the Grantee under such claim.

f. Officers Not to Benefit (Oct. 1974)

No officer or delegate to Congress or resident commissioner shall be admitted to any share or part of this Grant or to any benefit that may arise therefrom but this provision shall not be construed to extend to this Grant if made with a corporation for its general benefit.

g. Covenant Against Contingent Fee (Oct. 1974)

The Grantee warrants that no person or selling agency has been employed or retained to solicit or secure this Grant upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees or bona fide established commercial or selling agencies maintained by the Grantee for the purpose of securing business. For breach or violation of this warranty, AID shall have the right to cancel this Grant without liability or, in its discretion, to deduct from the Grant amount, or otherwise recover, the full amount of each commission, percentage, brokerage, or contingent fee.

n. Liability (Oct. 1974)

AID does not assume liability with respect to any claims for damages arising out of work supported by its grants.

i. Amendment (Oct. 1974)

The Grant Agreement may be amended by formal modifications to the basic grant document or by means of an exchange of letters between the AID Grant Officer and an appropriate official of the Grantee.

j. Grant Agreement (Oct. 1974)

The Letter to the Grantee signed by the Grant Officer, the Program Description and the Standard Provisions which have been reviewed and agreed to by the Grantee, constitute the Grant Agreement.

k. Notices (Oct. 1974)

Any notice given by any of the parties hereunder, shall be sufficient only if in writing and delivered in person or sent by telegraph, cable, registered or regular mail as follows:

To the cognizant AID Grant Officer

To Grantee - At Grantee's address shown in this Grant, or to such other address as either party shall designate by notice given as herein required. Notices hereunder, shall be effective when delivered in accordance with this clause or on the effective date of the notice, whichever is later.

1. Travel and Transportation (Oct. 1974)

(1) The Grant Officer hereby approves international travel hereunder provided that the Grantee shall obtain written concurrence from the cognizant technical office in AID prior to sending any individual outside the United States to perform work under the Grant. For this purpose the Grantee shall advise the Project Manager at least thirty (30) days in advance of any travel to be undertaken outside the United States. After concurrence is received the Grantee shall provide the cognizant USAID Mission or U.S. Embassy advance notification with a copy to the project officer of the arrival date and flight identification of Grant financed travellers.

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

(3) The Grantee agrees to travel by the most direct and expeditious route, and to use less than first class transportation unless such use will result in unreasonable delay or increased costs.

(a) All international air travel under this Grant shall be made on United States flag carriers. Exceptions to this rule will be allowed in the following situations provided that the Grantee certifies to the facts in the voucher or other documents retained as part of his Grant records to support his claim for reimbursement and for post audit:

1. Where a flight by a United States carrier is scheduled but does not have accommodations available when reservations are sought;

2. Where the departure time, routing, or other features of a United States carrier would interfere with or prevent the satisfactory performance of official business;

3. Where a scheduled flight by a United States carrier is delayed because of weather, mechanical, or other conditions to such an extent that use of a non-United States carrier is in the Government's interest;

Travel and Transportation - Page 2 of 2

4. Where the appropriate class of accommodations is available on both United States and non-United States carriers, but the use of the United States carrier will result in higher total United States dollar cost to the grant due to additional per diem or other expenses; and

5. Where the appropriate class of accommodations is available only on a non-United States carrier and the cost of transportation and related per diem on the non-U.S. carrier is less than the cost of available accommodations of another class on a United States carrier and related per diem.

(b) All international air shipments under this grant shall be made on United States flag carriers unless shipment would, in the judgment of the Grantee, be delayed an unreasonable time awaiting a United States carrier either at point of origin or transshipment, provided that the Grantee certifies to the facts in the vouchers or other documents retained as part of the Grant records to support his claim for reimbursement and for post audit.

(4) Travel allowances shall be reimbursed in accordance with the Federal Travel Regulations (FTR).

m. Regulations Governing Employees Outside the United States (Oct. 1974)

(1) The Grantee's employees, when employed in work overseas, shall maintain private status and may not rely on local U.S. Government Offices or facilities for support while so engaged.

(2) 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 AID personnel employed by the mission, except as this may conflict with host government regulations.

(3) Other than work to be performed under this Grant for which an employee or consultant is assigned by the Grantee, no regular or short term employee or consultant of the Grantee shall engage, directly or indirectly, either in his 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 he is assigned.

(4) 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.

(5) On the written request of the Grant Officer or of a cognizant Mission Director, the Grantee will terminate the assignment of any individual to any work under the Grant and, as requested, will use its best efforts to cause the return to the United States of the individual from overseas or his departure from a foreign country or a particular foreign locale.

(6) Allowances for employees assigned overseas shall be reimbursed in accordance with the Federal Travel Regulations (FTR).

n. Conversion of United States Dollars to Local Currency (Oct. 1974)

In countries designated "excess" or "near-excess" currency countries, Grantee agrees to convert all United States dollars to local currency through the United States Disbursing Officer, (USDO), American Embassy, unless the Disbursing Officer directs the Grantee otherwise or certifies that no local currency is available.

o. Ineligible Countries (Oct. 1974)

Unless otherwise approved by the Grant Officer, no grant funds will be expended in countries ineligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

p. Subordinate Agreements (Oct. 1974)

The placement of subordinate agreements (e.g., leases, options, etc.), grants, or contracts with other organizations, firms or institutions and the provisions of such subordinate agreements are subject to prior written consent of the Grant Officer if they will be funded hereunder. In no event shall any such subordinate agreement, grant, or contract be on a cost-plus-a-percentage-of-cost basis. Subordinate contractors (including suppliers) shall be selected on a competitive basis to the maximum practicable extent consistent with the obligations and requirements of this Grant.

9. Procurement of Equipment, Vehicles, Supplies, Materials, and Services (Oct. 1974)

(1) Except as may be specifically approved or directed in advance by the Grant Officer, or as provided in paragraphs (2), (3), and (4) below, all equipment, vehicles, materials, supplies and services the costs of which are to be attributed to this Grant and which will be financed with United States dollars shall be purchased in and shipped from the United States. In addition, for any U.S. purchase transaction in excess of \$2,500 the Grantee shall notify the seller that the item(s) must be of U.S. source and production and comply with the componentry limitations and other requirements applicable to suppliers under AID Regulation 1, and that the supplier must execute and furnish Form AID-282 "Suppliers Certificate and Agreement with the Agency for International Development".

(2) Exceptions to the foregoing are as follows (for Title X Grants only):

Grantee may permit a subgrantee (or the Grantee on his behalf) to procure commodities already in its country (with the exception of contraceptives, drug products, pharmaceuticals, and motor vehicles) in an amount not exceeding a total cost of \$3,000 per subgrantee per annum without regard to limitations, rules and procedures applicable to commodity transactions financed by AID. Such commodities shall not be considered "Already in its country" within the meaning of the aforementioned exception if the commodities have been imported or otherwise brought into the country at the request of the Grantee or subgrantee. A subgrantee's own country for this purpose shall in no event include any of the following: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Spain, Italy, Japan, Luxembourg, Monaco, Netherlands, New Zealand, Norway, South Africa, Sweden, Switzerland, and United Kingdom. The Grantee shall take all reasonable precautions to ensure that the subgrantee does not procure any commodity which has as its country of origin any of the following countries: Albania, Bulgaria, China (Mainland and other Communist-controlled areas), including Manchuria, Inner Mongolia, the provinces of Tsinghai and Szechwan, Sinkiang, Tibet, and former Kwantung Leased Territory, the present Port Arthur Naval Base Areas, and Liaoning Province, Cuba, German Democratic Republic, Hungary, North Korea, North Vietnam, Outer Mongolia, Poland, Rumania, and the Union of Soviet Socialist Republics.

(3) Printed or audio visual teaching materials may, to the extent necessary, be purchased outside the United States when:

Procurement of Equipment, Etc. - Page 2 of 3

(a) Effective use of the materials depend on their being in the local language, and

(b) Other funds including U.S. owned and controlled local currencies are not readily available for procurement of such material.

The order of preference as to countries in which such purchases outside the United States are made shall be:

1. The AID receiving country
2. Countries falling within AID Geographic Code 901
3. Other Countries falling within AID Geographic Code 999

AID Geographic Codes are defined in AIDPR 7-6.5201.1.

(4) Procurements in the country in which an activity is being undertaken and which are less than \$2,500 and are for materials (regularly available and normally sold on the local market) which are to be consumed or expended during the period of this Grant, are exempt from the conditions of Paragraph 1 above, provided that the origin of such materials and supplies and the component parts thereof is a free world country as described in AID Geographic Code 935.

(5) All international air shipments made by the Grantee, to be financed hereunder, shall be made on U.S. flag carriers unless shipment would, in the judgment of the Grantee, be delayed an unreasonable time awaiting a U.S. carrier, either at the point of origin or transshipment, provided that the Grantee certifies to the facts in the documents retained as part of his Grant records for post audit by AID. All international ocean shipment made by the Grantee, to be financed hereunder, shall be made on U.S. flag vessels, where U.S. flag vessels are not available, or their use would result in a significant delay, the Grantee may obtain a release from this requirement from the Transportation Support Division, Office of Commodity Management, AID, Washington, D.C. 20523, as appropriate, giving the basis for the request.

(6) The Grantee shall obtain competition to the maximum extent possible for any procurements to be financed hereunder. Procurement by the Grantee without consideration of more than one source must be approved by the Grant Officer. In no event will any procurement be on a cost-plus-a-percentage-of-cost basis. The Grantee shall take all reasonable steps necessary to insure that subgrantees procuring in accordance with Paragraph (2) obtain competition to the maximum extent possible. In addition to the foregoing, for purchases made in the United States the cost of which are to be attributed to this Grant, the Grantee shall comply with the following requirements:

To permit AID, in accordance with the Small Business Provisions of the Mutual Security Act, to give United States Small Business firms an opportunity to participate in supplying commodities and services procured under this Grant, the Grantee, shall, to the maximum extent possible, provide the following information to the Office of Small Business, AID, Washington, D.C. 20523 at least 45 days prior to placing any order or contract in excess of Five Thousand (\$5,000) Dollars, except where a shorter time is requested of, and granted by the Office of Small Business:

(a) Brief general description and quantity of commodities or services;

(b) Closing date for receiving quotations or bids;

(c) Address where invitations or specifications may be obtained.

(7) Funds provided under this Grant shall not be used to procure any commodity or commodity-related services furnished by any supplier whose name appears on the List of Ineligible Suppliers under AID Regulation 8, "Suppliers of Commodities and Commodity-Related Services Ineligible for AID Financing", Grantee agrees to review said list prior to undertaking any procurement the cost of which is to be attributed to this Grant. AID will provide Grantee with this list.

r. Title to and Use of Property (Grantee) (Oct. 1974)

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

(1) The Grantee shall not, under any Government contract or subcontract thereunder, or any Government grant, charge for any depreciation, amortization, or use of any property title to which remains in the Grantee under this clause.

(2) The Grantee agrees to use and maintain the property for the purpose of the grant.

(3) With respect to items having an acquisition cost of \$1,000 or more, title to which vests in the Grantee, the Grantee agrees:

(a) to report such items to the Grant Officer from time to time as they are acquired and to maintain a control system which will permit their ready identification and location.

(b) to transfer title to any such items to the Government in accordance with any written request therefor issued by the Grant Officer at any time prior to final payment under the Grant.

s. Salaries (Oct. 1974)

All salaries, wages, fees, and stipends reimbursed under this Grant shall be in accordance with the Grantee's policy and practice as reviewed and approved by the Grant Officer. In the absence of an approved policy the Grantee shall follow the regulations contained in Section 7-15.205-6 of the Agency for International Development Procurement Regulations.

PAYMENT PROVISIONPeriodic Grant Disbursement

Each month, or at less frequent intervals as agreed upon in advance, Grantee will submit to the Office of Financial Management, FM/CSD, AID, Washington, D.C. 20523 Voucher Form SF 1004 (original) and SF , three copies, each voucher identified by the appropriate grant number, in the amount of estimated cash needs for the following month. The voucher shall be supported by an original and two copies of a report rendered as follows:

Amount of Grant	\$xxx
Expended to date	\$xxx
Expended this period (by line item as set forth in budget)	
1.	\$xxx
2.	\$xxx
3.	\$xxx
etc.	
TOTAL THIS PERIOD	\$xxx
Advances outstanding to subgrantees (if any)	\$xxx
Anticipated expenditures next month (dates)	\$xxx
Cash received to date	\$xxx
Cash required next month	\$xxx

The report shall include a certification as follows:

"The undersigned hereby certifies: (1) that the above represents the best estimates of funds needed for expenditures to be incurred over the period described, (2) that appropriate refund or credit to the grant will be made in the event funds are not expended, (3) that appropriate refund will be made in the event of disallowance in accordance with the terms of this grant and (4) that any interest accrued on the funds made available herein will be refunded to AID.

BY _____

TITLE _____ DATE _____