



PD-FAC-32
UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
U. S. AID MISSION TO PANAMA

FEB 12 1980

P. O. Box "J"
BALBOA CANAL ZONE

August 31, 1979

Mr. George F. Baldino
Director, Special Programs
International Educational Development, Inc.
815 Second Ave., Suite 1021
New York, New York 10017

Subject: Grant No. AID 525-388G

Dear Mr. Baldino,

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 International Educational Development, Inc. (hereinafter referred to as "IED" or "Grantee") the sum of \$150,000 to provide support for a program for training of Panamanian Private Voluntary Organizations as more fully described in the attachment to this Grant entitled "Program Description". Additional funds, up to the amount finally agreed to pursuant to Paragraph F. of Attachment No. 1 and Paragraph 19 of Attachment No. 2, may be added to this Grant.

This Grant is effective and obligation is made as of the date of the Grantee's acceptance of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period starting with the grant effective date and ending August 2, 1980.

This Grant is made to IED on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1 entitled "Program Description", and Attachment 2 entitled "Standard Provisions", which have been agreed to by your organization.

Please sign the original and six (6) copies of this letter to acknowledge your acceptance of the conditions under which these funds have been granted.

Please return the original and five (5) copies of this Grant to the USAID Grant Officer.

Sincerely yours,

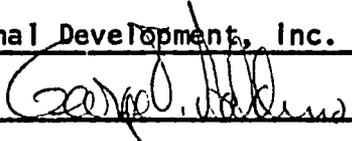

Adelmo Ruiz
Grant Officer

Attachments:

1. Program Description
2. Standard Provisions
3. Assurance of Compliance

ACCEPTED:

International Educational Development, Inc.

By: George F. Baldino 

Title: Director, Special Programs

DATE: AUG 31 1979

BISCAL DATA-

Appropriation: 72-1191021
Allotment: 945-50-525-00-69-91
PIO/T No.: Not applicable.
Project No.: 525-0218
Total Grant Amount: \$150,000

PROGRAM DESCRIPTION

A. Purpose of Grant

1. The purpose of this Grant is to assist local, private, voluntary organizations (LPVOs) to strengthen and improve their management and development capabilities so that they can upgrade their services and programs with the rural and marginal poor majority.
2. The Grantee agrees to aid these development agencies to better identify and prioritize their needs as well as those of the poor; to acquire or improve the skills, methods and techniques appropriate to solving their administrative, programming and fiscal management problems; to compete for project funding on an equitable basis; and to generate feasible self-help projects which are based on perceived needs and which lead to greater self-reliance.
3. Special attention will be given to the role of women and to their participation in the decision-making process in non-paternalistic social and economic development programs.
4. AID expects that skills and information acquired by the LPVOs will be further disseminated through improved collaborative projects at the grassroots level.

B. Specific Objectives

In order to achieve the purpose described above, the Grantee agrees:

- 1) to assess the needs of private development agencies in Panama with relation to the entire range of the project development process, including project planning and design, project proposal preparation, the implementation, management, monitoring, reporting and evaluation of projects, fiscal administration and management, project financing, and the identification and use of appropriate resources for the solution of low-income community problems;
- 2) based on the assessment, to develop an appropriate training model for the communication of skills needed to improve all the components of the project development process; and
- 3) to implement a series of 4 seminar workshops to train approximately 80-120 representatives of the LPV0s identified. The project would be carried out by IED, capable LPV0 and other Panamanian representatives, and experienced international personnel.

C. Implementation

1. Phase I - Assessment of Needs of LPV0s

- a. Through group meetings under the direction of IED, the administrators of the LPV0s will participate maximally in the identification of their priority needs for skills upgrading and special training. The needs assessment will establish a firm base for four 5-day training seminars utilizing, where possible, the training skills of experienced and

capable U.S. minority group and qualified local PV0 personnel. The seminars will be designed to increase the LPV0 administrators' understanding of their own needs and capabilities, as well as heighten their appreciation of fellow administrators' problems, strengths and resources. Particular attention will also be paid to the identification of women LPV0 leaders and to their participation in all aspects of the training workshops.

b. Phase I - Estimated Performance Period

Approximately 8-10 weeks for assessment design, organization, implementation, tabulation and evaluation of data will be required.

This includes recruiting and hiring for Phases II and III.

2. Phase II - Curriculum Design and Materials Development

a. Based on the needs assessment carried out in Phase I, IED will prepare the training workshops curriculum and elaborate appropriate training materials for the workshops described in Phase III. IED will also prepare a project and fiscal management training manual.

b. Phase II - Estimated Performance Period

IED will require approximately 12-14 weeks for curriculum design, materials development, selection of LPV0s, invitations/responses, site selection, workshop planning and composition of training team.

c. Methodology

The development by IED of the training design and materials will be carried out based on a

- 1) task analysis clearly specifying the LPVO representatives' scope of responsibilities; and
- 2) the delineation of terminal training objectives. The core training tool, a project and fiscal management manual, will be elaborated including sections on project planning and design, proposal preparation, project and fiscal management, funding strategies and sources, use of educational and promotional media, and project monitoring, reporting and evaluation.

3. Phase III - Four 5-day Training Workshops

a. IED will provide training to meet the felt needs expressed by the less-prepared LPVOs during Phase I.

b. Phase III - Estimated Performance Period

IED will require approximately 12-13 weeks for two series of training workshops. Each series will cover a continuous 4 week period and be punctuated by one extended break of at least 4-5 weeks as follows:

c. Methodology

- (1) Each seminar will train 20-30 administrators utilizing group discussions and participatory action, including case work,

individual project study, simulation exercises and role playing. Each seminar will include a core curriculum and specialization areas managed by discussion leader facilitators. Curriculum will be planned by consultants with expertise in needed skill areas identified by the needs assessment of project Phase I. Both self-evaluation (including skills analysis) and program evaluation will be integrated into the core curriculum design. The curriculum planners and consultants will, inasmuch as possible, also become the seminar discussion leaders. Curriculum will be supplemented by a syllabus.

- (2) The week between workshops #2 and #3, and the week between workshops #3 and #4, will enable the training team to identify and correct problems quickly and incorporate feedback into the curriculum design of the succeeding workshop. The final workshop should produce a model that can be adapted to other developing countries where such needs exists, as well as opening the way for future training seminars to upgrade skills in Panama.

4. Phase IV - Final Evaluation and Reports

a. IED will:

- (1) measure the impact of training workshops #1 and 2 on the respective LPVO participants approximately 12 weeks after the completion of the seminars.

- (2) measure the effectiveness of the training model, materials and of the training team at the completion of each workshop.
- (3) document methodologies utilized to meet the needs of the LPVOs, the problems encountered, and the impact of the project on the participants by means of both written and video reports to USAID/Panama and IED.
- (4) provide an audited accounting of fiscal costs and expenditures of grant funds for the project.

b. Phase IV - Estimated Performance Period

IED will require approximately 8 work weeks for Phase IV

5. Personnel Requirements

IED will carry out the objectives of this Grant in accordance with the procedures and with the personnel described in the Grantee's proposal dated August 24, 1979 to AID.

6. Final Objectives of the Grant

AID and the Grantee anticipate that by the end of the Grant the LPVO participants will be in a position to approach their responsibilities in project development and management in a much more knowledgeable and efficient manner. Some conditions which can be expected at the completion of the training workshops are:

- New awareness of and a clear understanding of the funding criteria of international organizations;
- Strengthened LPVO management and administration capabilities;
- Heightened awareness of resources available in Panama for low-cost solutions to low-income community problems;
- Collaborative plan to mobilize skilled LPVO resources to meet needs of participating agencies;
- A completed case study by each LPVO administrator, i.e., project design, project proposal, management study, etc.;
- Identification and development of a local team of persons capable of providing future training in Panama as well as in other regions;
- Identification of additional groups in need of training provided by seminars;
- Increased capacity to analyze, identify, and prioritize project areas which address basic human needs of grassroots communities;
- Improved skills to plan and design projects and to formulate their proposal for project funding;
- Improved understanding of responsibilities of grantees;
- Increased eligibility of participants for financial assistance by USAID, local government and international organizations;
- Increased confidence in LPVO participants by grassroots communities.

D. Reports

1. The Grantee agrees to provide AID with a written monthly report, in English, describing the progress being made towards the goals of the Grant, significant problems being encountered and suggested solutions to the problems mentioned. In addition, the Grantee will include a statement of the dollar amount drawn down from the FRLC provided for this Grant.
2. With the second monthly report, the Grantee shall provide a detailed work plan for meeting the objectives of the Grant.
3. Not later than sixty (60) days after the completion of the Grant, the Grantee shall prepare a final report in English and Spanish, describing his entire activities during the Grant period, a statement of accomplishments, list of participants in the workshops and suggestions for additional work that may be required.
4. The reports called for above are in addition to the reports described in Paragraph C.4 above.

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E. Budget

LINE ITEMS	Total Estimated Cost From Aug. 31/79 - Aug. 2/80	Total Obligated Amount From Aug. 31/79 - May 24/80
Salaries and Fringe Benefits	\$ 60,179	\$ 39,861
Consultants and Contract Services	69,660	45,913
Video Equipment, Supplies and Local Assistance	8,300	3,537
Workshops including On-Site Costs	18,000	9,000
Travel & Per Diem	47,200	29,900
Administrative, Occupancy Services, Supplies & Equipment	32,545	21,789
	\$235,884	\$150,000

The Grantee may not exceed the total amount of the funds obligated to this Grant. Adjustments among the line items of the budget are unrestricted.

F. Special Provisions

The total estimated cost of this Grant, as proposed by the Grantee and conditionally accepted by AID, is \$235,884. The cost breakdown for this amount prepared by IED does not include an item clearly defined as overhead or indirect expense associated with the Grant activities. However, a review of the breakdown reveals that several cost items are of a type normally associated with an indirect pool of costs that should be spread over all of the Grantee's operation. Further, USAID/Panama is aware that the Grantee has a Development

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Grant from AID that is designed to cover some or all of the Grantee's internal operation. Therefore, while USAID/Panama has conditionally agreed to the total dollar amount proposed by the Grantee, we reserve the right to contact AID/Washington to determine what direct costs, if any, presently proposed by the Grantee for this Grant are, in fact, being paid from other sources. Based upon information obtained in this manner, USAID/Panama may propose a different total estimated cost to the Grantee and the parties to this grant agree to negotiate in good faith such revised total estimated cost of this Grant.

G. Overhead

Upon the date of execution of this Grant, any overhead or indirect costs incurred by the Grantee will not be an allowable charge to this Grant. Based upon the results of the inquiry to AID/Washington described in Paragraph F. above, the parties to this Grant may negotiate acceptable indirect costs to be allowable under this Grant.

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STANDARD PROVISIONS1. ALLOWABLE COSTS AND PAYMENT

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 (Contracts with Commercial Organizations) of the Federal Procurement Regulations (42 CFR 1-15.2) in effect on the date of this Grant. Payment of allowable costs shall be in accordance with the payment provision of this Grant.

2. ACCOUNTING, RECORDS, AND AUDIT

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 (a) until the expiration of three years from the date of termination of the program and (b) 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.

3. REFUNDS

(a) 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, the Grantee shall refund to AID an amount equivalent to the amount of interest accrued.

(b) 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.

(c) 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.

74. PAYMENT - FEDERAL RESERVE LETTER OF CREDIT (FRLC) ADVANCE

(a) AID shall open a Federal Reserve Letter of Credit (hereinafter referred to as an "FRLC") in the amount of this Grant, against which the Grantee may present payment vouchers (i.e., Form TFS 5401). Payment vouchers shall not ordinarily be submitted more frequently than daily and shall not be less than \$5,000 or more than \$5,000,000. Since the FRLC method enables the recipient organization to obtain funds from the U.S. Treasury concurrently with and as frequently as disbursements are made by the recipient, there need be no time lag between disbursements by the recipient organization and drawdowns from the U.S. Treasury by FRLC. Therefore, there is no necessity for the recipient to maintain balances of Federal cash other than small balances.

(b) In no event shall the accumulated total of all such payment vouchers exceed the amount of the FRLC.

(c) If at any time, *the AID Controller* determines that the Grantee has presented payment vouchers in excess of the amount or amounts allowable in (a) and (b) above, *the AID Controller* shall advise the Grant Officer who may: (1) cause the FRLC to be suspended or revoked; or (2) direct the Grantee to withhold submission of payment vouchers until such time as, in the judgment of *the AID Controller*, an appropriate level of actual, necessary and allowable expenditures has occurred or will occur under this Grant, and/or (3) request the Grantee to repay to AID the amount of such excess. Upon receipt of the Grant Officer's request for repayment of excess advance payments, the Grantee shall promptly contact *the AID Controller* to make suitable arrangements for the repayment of such excess funds. Advances made by primary recipient organizations (those which receive payments directly from the Government) to secondary recipients shall conform to the same standards outlined above applicable to advances made by the Government to primary recipient organizations.

(d) Procedure for Grantee

(1) After arranging with a commercial bank of its choice for operation under the FRLC and obtaining the name and address of the Federal Reserve Bank or branch serving the commercial bank, the Grantee shall deliver, to the AID Controller, 3 originals of Standard Form 1194, "Authorized Signature Card for Payment Vouchers on Letters of Credit" signed by those official(s) authorized to sign payment vouchers against the FRLC and by an official of the Grantee who has authorized them to sign.

(2) The Grantee shall subsequently receive one certified copy of the FRLC.

(3) The Grantee shall confirm with his commercial bank that the FRLC has been opened and is available when funds are needed.

(4) To receive payment, the Grantee shall:

(A) Periodically, although normally not during the last five days of the month, prepare payment vouchers (Form TFS 5401) in an original and three copies.

(B) Have the original and two copies of the voucher signed by the authorized official(s) whose signature(s) appear on the Standard Form 1194.

(C) Present the original, duplicate and triplicate copy of the Form TFS 5401 to his commercial bank.

(D) Retain the quadruplicate copy of the voucher.

(5) After the first payment voucher (Form TFS 5401) has been processed, succeeding payment vouchers shall not be presented until the existing balance of previous payments has been expended or is insufficient to meet current needs.

(6) In preparing the payment voucher, the Grantee assigns a voucher number in numerical sequence beginning with 1 and continuing in sequence on all subsequent payment vouchers submitted under the FRLC.

(7) A report of expenditures (i.e., SF 269, "Financial Status Report") shall be prepared and submitted not more than quarterly within 30 days of the end of the period to the AID Controller, AID, Washington, D.C. 20523. This SF 269 Report, submitted with Standard Form 1034, "Public Voucher for Purchases and Services Other Than Personal," shall be in an original and 2 copies.

(8) The SF 269 report is reviewed against the Grant provisions, and any improper disbursement is disallowed. The Grantee is notified of the reason for the disallowance and is directed to adjust the next periodic report of expenditures to reflect the disallowance and to reduce its next payment voucher against the FRLC by the amount of the disallowance.

(9) In addition to the submission of the SF 269 and the SF 1034, the Grantee shall submit an original and 2 copies of SF 272, "Federal Cash Transaction Report" as follows:

(A) For advances totaling less than \$1 million per year, the Grantee shall submit the SF 272 within 15 working days after the end of the reporting quarter,

(B) For advances totaling more than \$1 million per year, the Grantee shall submit the SF 272 within 15 working days after the end of each month, and

(C) The Grantee's cash needs for the ensuing period (i.e., quarter or month) shall be explained under the "Remarks" section of the SF 272.

(e) Refund of Excess Funds

(1) If all costs have been settled under the Grant and the Grantee fails to comply with the Grant Officer's request for repayment of excess FRLC funds, the Government shall have the right, on other contracts or grants held with the Grantee, to withhold reimbursements due to the Grantee in the amount of the excess being held by the Grantee.

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(2) If the Grantee is still holding excess FRLC funds on a Grant, contract, or similar instrument under which the work has been completed or terminated but all costs have not been settled, the Grantee agrees to:

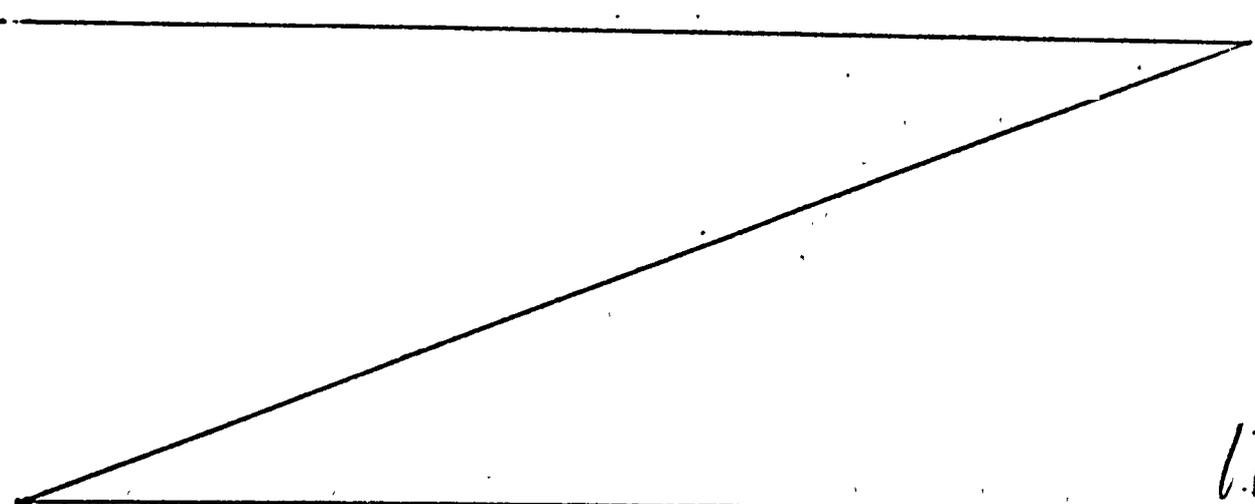
(A) Provide within 30 days after requested to do so by the Grant Officer, a breakdown of the dollar amounts which have not been settled between the Government and the Grantee. (The Grant Officer will assume no costs are in dispute if the Grantee fails to reply within 30 days.)

(B) Upon written request of the Grant Officer, return to the Government the sum of dollars, if any, which represents the difference between (i) the Grantee's maximum position on claimed costs which have not been reimbursed and (ii) the total amount of unexpended funds which have been advanced under the Grant; and

(C) If the Grantee fails to comply with the Grant Officer's request for repayment of excess FRLC funds, the Government shall have the right, on other contracts, grants or similar agreements held with the Grantee, to withhold payment of FRLC or other advances and/or withhold reimbursements due the Grantee in the amount of the excess being held by the Grantee.

5. TRAVEL AND TRANSPORTATION

- (a) The Grant Officer hereby approves international travel hereunder provided that the Grantee shall obtain written concurrence from the cognizant Project Officer 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 Officer at least 30 days in advance of any travel to be undertaken outside the United States. After concurrence is received the Grantee shall provide the cognizant 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.
- (b) 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.
- (c) All international air travel and all international air shipments 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 and other documents retained as part of his Grant records to support his claim for reimbursement and for post audit:
 - (1) Where a traveler, while enroute, has to wait 6 hours or more to transfer to a U.S. flag air carrier to proceed to the intended destination, or



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- (2) Where a flight by a U.S. flag air carrier is interrupted by a stop anticipated to be 6 hours or more for refueling, re-loading, repairs, etc. and no other flight by a U.S. flag air carrier is available during the 6 hour period, or
- (3) Where by itself or in combination with other U.S. flag air carriers (if U.S. flag air carriers are "unavailable") it takes 12 hours or longer from the original airport to the destination airport to accomplish the Grantee's program than would service by a non-U.S. flag air carrier or carriers, or
- ((4) When the elapsed traveltime on a scheduled flight from origin to destination airports by non-U.S. flag air carrier(s) is 3 hours or less, and services by U.S. flag air carrier(s) would involve twice such traveltime.

NOTE: Where U.S. Government funds are used to reimburse 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 U.S. flag air carrier was unavailable for the following reason(s):
(State appropriate reason(s) as set forth above; see 41.CFR 1-1.323-3 for further guidance).

- (d) Travel allowances shall be reimbursed in accordance with the Federal Travel Regulations (FTR); however, if the Grantee's domestic and international travel allowance policies and procedures have been reviewed and approved by AID or another Federal department or agency pursuant to the applicable Federal cost principles, the Grantee may use its travel allowance system in lieu of the FTRs after it has furnished the Grant Officer with a copy of such approval.

6. PROCUREMENT OF GOODS AND SERVICES UNDER \$250,000

(a) Ineligible Goods and Services

Under no circumstances shall the Grantee procure any of the following under this Grant:

- (1) military equipment,
- (2) surveillance equipment,
- (3) commodities and services for support of police or other law enforcement activities,
- (4) abortion equipment and services,
- (5) luxury goods and gambling equipment, or
- (6) weather modification equipment.

(For a more detailed discussion of the subject, see AID Handbook 1, Supplement B, Chapter 4D.)

If AID determines that the Grantee has procured any of the ineligible goods and services specified above under this Grant, and has received reimbursement for such purpose, the Grantee agrees to refund to AID the entire amount of the purchase.

(b) Restricted Goods

The Grantee shall not procure any of the following goods or services from a non-U.S. source (i.e., other than AID Geographic Code 000) without the prior written authorization of the Grant Officer:

- (1) agricultural commodities,
- (2) motor vehicles,
- (3) pharmaceuticals,
- (4) pesticides,
- (5) plasticizers,
- (6) used equipment, or
- (7) U.S. Government-owned excess property.

(For a detailed discussion of the subject, see AID Handbook 1, Supplement B, Chapter 4C).

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If AID determines that the Grantee has procured any of the restricted goods specified above under this Grant, without the prior written authorization of the Grant Officer, and has received reimbursement for such purpose, the Grantee agrees to refund to AID the entire amount of the purchase.

(c) Geographic Source and Order of Preference

Except as may be specifically approved or directed in advance by the Grant Officer under paragraph 6 (b) above, all other goods (e.g., equipment, materials, and supplies) and services, the costs of which are to be reimbursed under this Grant and which will be financed with United States dollars, shall be purchased in and shipped from only "Special Free World" countries (i.e., AID Geographic Code 935) in accordance with the following order of preference:

- (1) the United States (AID Geographic Code 000),
- (2) "Selected Free World" countries (AID Geographic Code 941),
- (3) the cooperating country,
- (4) "Special Free World" countries (AID Geographic Code 935).

(d) Application of Order of Preference

When the Grantee procures goods and services from other than U.S. sources, under the order of preference in 6 (c) above, it shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the Grantee's documentation:

- (1) the procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,
- (2) the price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,
- (3) impelling local political considerations precluded consideration of U.S. sources,

- (4) the goods or services were not available from U.S. sources, or
- (5) procurement of locally available goods or services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance Program under the Grant.

(e) The Grantee's Procurement System

- (1) The Grantee may use its own procurement policies and procedures provided they conform to the geographic source and order of preference requirements of this provision and paragraph 1.U.3 of Chapter 1, AID Handbook 13.
- (2) If the Grantee's procurement policies and procedures have been reviewed against the procurement requirements of paragraph 1.U.3 and have been approved by AID or another Federal department or agency, the Grantee shall furnish the Grant Officer a copy of such approval; otherwise the Grantee's procurement policies and procedures shall conform to those specified in paragraph 1.U.3 of Chapter 1, AID Handbook 13.

(f) Small Business

To permit AID, in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, 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 Small Business Office, AID, Washington, D.C. 20523 at least 45 days prior (except where a shorter time is requested of, and granted by the Small Business Office) to placing any order or contract in excess of \$25,000:

- (1) Brief general description and quantity of goods or services;
- (2) Closing date for receiving quotations, proposals, or bids; and
- (3) Address where invitations or specifications can be obtained.

(g) Ineligible Suppliers

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

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Regulation 8, "Suppliers of Commodities and Commodity-Related Services Ineligible for AID Financing" (22 CFR 208). The Grantee agrees to review said list prior to undertaking any procurement the cost of which is to be reimbursable under this Grant. AID will provide the Grantee with this list.

7. TITLE TO AND CARE OF PROPERTY (U.S. GOVERNMENT TITLE)

(a) Property, title to which vests in the Government under this Grant, whether furnished by the Government or acquired by the Grantee, is subject to this provision and is hereinafter collectively referred to as "Government property." Title to Government property shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personalty by reason of affixation to any realty.

(b) Use of Government Property

Government property shall, unless otherwise provided herein or approved by the Grant Officer, be used only for the performance of this Grant.

(c) Control, Maintenance and Repair of Government Property

The Grantee shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this Grant. The Grantee shall take all reasonable steps to comply with all appropriate directions or instructions which the Grant Officer may prescribe as reasonably necessary for the protection of the Government property.

The Grantee shall submit, for review and written approval of the Grant Officer, a records system for property control and a program for orderly maintenance of Government property; however, if the Grantee's property control and maintenance system has been reviewed and approved by another Federal department or agency pursuant to Attachment N of OMB Circular No. A-110 (see paragraph 1T of Chapter 1, Handbook 13), the Grantee shall furnish the Grant Officer proof of such approval in lieu of another approval submission.

(1) Property Control

The property control system shall include but not be limited to the following:

(A) Identification of each item of Government property acquired or furnished under the Grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of U.S. Government."

(B) The price of each item of property acquired or furnished under the Grant.

(C) The location of each item of property acquired or furnished under the Grant. * *

* * (D) A record of any usable components which are permanently removed from items of Government property as a result of modification or otherwise.

(E) A record of disposition of each item acquired or furnished under the Grant.

(F) Date of order and receipt of any item acquired or furnished under the Grant.

The official property control records shall be kept in such condition that at any stage of completion of the work under this Grant, the status of property acquired or furnished under this Grant may be readily ascertained. A report of current status of all items of property acquired or furnished under the Grant shall be submitted yearly concurrently with the annual report.

(2) Maintenance Program

The Grantee's maintenance program shall be such as to provide for, consistent with sound business practice and the terms of the Grant:

(i) disclosure of need for and the performance of preventive maintenance, (ii) disclosure and reporting of need for capital type rehabilitation, and (iii) recording of work accomplished under the program.

(A) Preventive maintenance - Preventive maintenance is maintenance generally performed on a regularly scheduled basis to prevent the occurrence of defects and to detect and correct minor defects before they result in serious consequences.

(B) Records of maintenance - The Grantee's maintenance program shall provide for records sufficient to disclose the maintenance actions performed and deficiencies discovered as a result of inspections.

A report of status of maintenance of Government property shall be submitted annually concurrently with the annual report.

(d) Risk of Loss

(1) The Grantee shall not be liable for any loss of or damage to the Government property, or for expenses incidental to such loss or damage except that the Grantee shall be responsible for any such loss or damage (including expenses incidental thereto):

(i) Which results from willful misconduct or lack of good faith on the part of any of the Grantee's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives, who have supervision or direction of all or substantially all of the Grantee's business, or all or substantially all of the Grantee's operations at any one plant, laboratory, or separate location in which this Grant is being performed;

(ii) Which results from a failure on the part of the Grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above, (A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of Government property as required by (i) above, or (B) to take all reasonable steps to comply with any appropriate written directions of the Grant Officer under (c) above;

(iii) For which the Grantee is otherwise responsible under the express terms of the article or articles designated in Attachment A to this Grant.

(iv) Which results from a risk expressly required to be insured under some other provision of this Grant, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or

(v) Which results from a risk which is in fact covered by insurance or for which the Grantee is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

Provided, that, if more than one of the above exceptions shall be applicable in any case, the Grantee's liability under any one exception shall not be limited by any other exception.

(2) The Grantee shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provision for a reserve, covering the risk of loss of or damage to the Government property, except to the extent that the Government may have required the Grantee to carry such insurance under any other provision of this Grant.

(3) Upon the happening of loss or destruction of or damage to the Government property, the Grantee shall notify the Grant Officer thereof, shall take all reasonable steps to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the Government property in the best possible order, and furnish to the Grant Officer a statement of:

(i) The lost, destroyed, and damaged Government property;

(ii) The time and origin of the loss, destruction, or damage;

(iii) All known interests in commingled property of which the Government property is a part; and

(4) In the event the Grantee is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the Government property, it shall use the proceeds to repair, renovate or replace the Government property involved, or shall credit such proceeds against the cost of the work covered by the Grant, or shall otherwise reimburse the Government, as directed by the Grant Officer. The Grantee shall do nothing to prejudice the Government's right to recover against third parties for any such loss, destruction, or damage, and upon the request of the Grant Officer, shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including assistance in the prosecution of suit and the execution of instruments of assignments in favor of the Government) in obtaining recovery.

(e) Access

The Government, and any persons designated by it, shall at all reasonable times have access to the premises wherein any Government property is located, for the purpose of inspecting the Government property.

(f) Final Accounting and Disposition of Government Property

Upon completion of this Grant, or at such earlier dates as may be fixed by the Grant Officer, the Grantee shall submit, in a form acceptable to the Grant Officer, inventory schedules covering all items of Government property not consumed in the performance of this Grant or not theretofore delivered to the Government, and shall prepare, deliver, or make such other disposal of the Government property as may be directed or authorized by the Grant Officer.

(g) Communications

All communications issued pursuant to this provision shall be in writing.

8. TERMINATION

- (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 for any reason he/she shall determine that such termination is in the best interest of the Government.
- (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) Termination Procedures. Upon receipt of and in accordance with a termination notice as specified in either paragraph (a) or (b) above, the Grantee shall forthwith take immediate action to minimize all expenditures and obligations financed by this Grant, and shall cancel such unliquidated obligations whenever possible. Except as provided below, no further reimbursement shall be made after the effective date of termination, and the Grantee shall within 30 calendar days after the effective date of such termination repay to the Government all unexpended portions of funds theretofore paid by the Government to the Grantee which are not otherwise obligated by a legally binding transaction applicable to this Grant. Should the funds paid by the Government to the Grantee prior to effective date of the 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 Government within 90 calendar days after the effective date of such termination a written claim covering such obligations, and, subject to the limitations contained in this Grant, the Grant Officer shall determine the amount or amounts to be paid by the Government to the Grantee under such claim in accordance with the applicable Federal cost principles.

9. PUBLICATIONS

- (a) If it is the Grantee's intention to identify AID's contribution to any publication resulting from this Grant, the Grantee shall consult with AID on the nature of the acknowledgement prior to publication.
- (b) The Grantee shall provide the Project Manager with one copy of all published works developed under the Grant. The Grantee shall provide the Project Manager 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.
- (d) The Grantee is permitted to secure copyright to any publication produced or composed under the Grant in accordance with paragraph 1T8.b. of Chapter 1, Handbook 13. Provided, the Grantee agrees to and does hereby grant to the Government a royalty-free, non-exclusive and irrevocable license throughout the world to use, duplicate, disclose, or dispose of such publications in any manner and for any purpose and to permit others to do so.

10. SUBORDINATE AGREEMENTS

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, unless the Grantee's procurement system has been reviewed and approved pursuant to the appropriate section(s) of paragraph 1U, Chapter 1 or AID Handbook 13. 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.

11. U.S. OFFICIALS NOT TO BENEFIT

No member of or delegate to the U.S. Congress or resident U.S. commissioner shall be admitted to any share of 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.

12. COVENANT AGAINST CONTINGENT FEES

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.

13. NONLIABILITY

AID does not assume liability with respect to any third party claims for damages arising out of work supported by this Grant.

14. AMENDMENT

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

5. THE GRANT

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.

6. NOTICES

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 AID Grant Officer at the address specified in the Grant

To Grantee - At Grantee's address shown in the Grant;

or to such other address as either of such parties shall designate by notice given as herein required. Notices hereunder shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

17. EQUAL OPPORTUNITY IN EMPLOYMENT

(This provision is applicable to all grantees and subgrantees who either perform work in the United States or who recruit personnel in the United States to do work abroad.)

(a) With regard to the employment of persons in the U.S. under this Grant, the Grantee agrees to take all reasonable steps to ensure equality of opportunity in its employment practices without regard to race, 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, 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."

b) In addition, the grantee agrees to take all reasonable steps to ensure equality of opportunity in its employment practices without regard to sex, religion, age and handicap, in accordance with P.L. 92-261, P.L. 93-259, P.L. 93-112 and P.L. 93-508, when work funded by A.I.D. under this grant is performed in either the U.S. or overseas no person shall, on the grounds of sex, religion, age or handicap, be excluded from participation, be denied benefits, or be subjected to discrimination.

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18. REGULATIONS GOVERNING EMPLOYEES OUTSIDE THE UNITED STATES

(This provision is applicable only to the Grantee's U.S. and third country national employees; it is not applicable to the Grantee's cooperating country national employees.)

(a) 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.

(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 AID 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 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, nor shall he make loans or investments to or in any business, profession or occupation in the foreign countries to which he 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 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 right 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.

19. .LIMITATION OF FUNDS

~~(This provision is applicable to all incrementally or partially funded grants; it becomes inapplicable when the grant is fully funded.)~~

- (a) It is estimated that the cost to the Government for the performance of this Grant will not exceed the estimated cost set forth in Attachment 1. (hereinafter referred to as "the Schedule") to this Grant, and the Grantee agrees to perform the work specified in the Schedule and all obligations under this Grant within such estimated cost.
- (b) The amount presently available for payment and obligated under the Grant, the items covered thereby, and the period of performance which it is estimated the obligated amount will cover, are specified in the Schedule. It is contemplated that from time-to-time additional funds will be obligated under this Grant up to the full estimated cost set forth in the Schedule. The Grantee agrees to perform or have performed work on this Grant up to the point at which the total amount paid and payable by the Government pursuant to the terms of this Grant approximates but does not exceed the total amount actually obligated under the Grant.
- (c) If at any time the Grantee has reason to believe that the costs which it expects to incur in the performance of this Grant in the next succeeding 30 days, when added to all costs previously incurred, will exceed 75 percent of the total amount then obligated under the Grant, the Grantee shall notify the Grant Officer in writing to that effect. The notice shall state the estimated amount of additional funds required to continue performance for the period set forth in the Schedule. Thirty days prior to the end of the period specified in the Schedule, the Grantee will advise the Grant Officer in writing as to the estimated amount of additional funds, if any, that will be required for the timely performance of the work under the Grant or for such further period as may be specified in the Schedule or otherwise agreed to by the parties. If, after such notification, additional funds are not obligated by the end of the period set forth in the Schedule or an agreed date substituted therefor, the Grant Officer will, upon written request by the Grantee, terminate this Grant pursuant to the "Termination" provision of this Grant on such date. If the Grantee, in the exercise of its reasonable judgment, estimates that the funds available will allow it to continue to discharge its obligations hereunder for a period extending beyond such date, it shall specify the later date in its request and the Grant Officer, in his discretion, may terminate this Grant on that later date.
- (d) Except as required by other provisions of this Grant specifically citing and stated to be an exception from this provision, the Government shall not be obligated to reimburse the

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Grantee for costs incurred in excess of the total amount obligated under the Grant, and the Grantee shall not be obligated to continue performance under the Grant (including actions under the "Termination" 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 an increased amount constituting the total amount then obligated under the Grant. To the extent the amount obligated exceeds the estimated cost set forth in the Schedule, such estimated cost shall be correspondingly increased. No notice, communication or representation in any other form or from any person other than the Grant Officer shall affect the amount obligated under this Grant. In the absence of the

specified notice, the Government shall not be obligated to reimburse the Grantee for any costs in excess of the total amount then obligated under the Grant, whether those excess costs were incurred during the course of the Grant or as a result of termination. When and to the extent that the amount obligated under the Grant has been increased, any costs incurred by the Grantee in excess of the amount previously obligated shall be allowable to the same extent as if such costs had been incurred after such increase in the amount obligated; unless the Grant Officer issues a termination or other notice and directs that the increase is solely for the purpose of covering termination or other specified expenses.

(e) Nothing in this provision shall affect the right of the Government to terminate this Grant. In the event this Grant is terminated, the Government and the Grantee shall negotiate an equitable distribution of all property produced or purchased under the Grant based upon the share of cost incurred by each.

I. BACKGROUND DATA

- A. Project Number and Title: 525-0204 - Population II
- B. Proposed Funding: \$3,100,000
- C. Proposed Counterpart Contribution: \$4,977,000
- D. Grantee: Government of Panama
- E. Executing Agencies: Ministry of Health (MOH)
Ministry of Education (MOE)
Panamanian Family Planning Association (APLAPA)
Panamanian Institute for Special Education (IPHE)
- F. Project Manager: Angela de Mata
- G. Finance Officer: Christina Schoux
- H. Project Description:

1. Purpose/Inputs: The purpose of the project is to expand delivery of family planning information and services to a higher proportion of the fertile age group with emphasis on rural women, low-income urban women, adolescents and men. Major assistance will be provided the MOH to expand and upgrade service and IE&C delivery and family planning data base. Project will help support APLAPA's new adolescent center and expanded program of private sector outreach, and assist the MOE and IPHE in a new National program for sex education.

Major Project inputs include contraceptives, equipment (sterilization, family planning clinical, audio visual, and mobile generators), vehicles, and family planning personnel; and information, education and communication inputs such as printed materials and radio contracts. Other inputs include in-country and external training, a limited amount of technical assistance; and funds for evaluation, four special studies, and other supportive research.

2. Status: The Project Paper is expected to be reviewed by the Mission on early July and submitted to AID/W by July 15.

ASSURANCE OF COMPLIANCE WITH THE AGENCY FOR
INTERNATIONAL DEVELOPMENT REGULATION UNDER TITLE VI
OF THE CIVIL RIGHTS ACT OF 1964

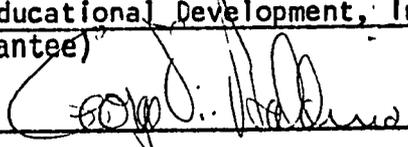
INTERNATIONAL EDUCATIONAL DEVELOPMENT, INC(hereinafter called the "Grantee")
(Name of Grantee)

HEREBY AGREES THAT it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Regulation of the Agency for International Development (22 CFR Part 209, 30 FR 317) issued pursuant to that title, to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Grantee receives Federal financial assistance from the Agency; and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Grantee by the Agency, this assurance shall obligate the Grantee, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Grantee for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Grantee for the period during which the Federal financial assistance is extended to it by the Agency.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Grantee by the Agency, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The Grantee recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Grantee, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Grantee.

International Educational Development, Inc.
(Grantee)

BY(Signature) 

TYPED NAME George F. Baldino

TITLE Director, Special Program

DATE _____