

PD FA 8 850

CONTRACT

CONTRACT/AGREEMENT
DATA SHEET

B 9554

1.M/SER/CM/SD/SS
Action Monitor:

L.B.

2. Date PIO/T Received:

7/17/85

PART ONE: COMPLETE EACH BLOCK FOR BOTH NEW ASSISTANCE/ACQUISITION AND MODIFICATION ACTIONS

3. Contract/Agreement Number: PDC-0502-A-00-5095-00 Rec'd. in Value: 8/31/85

4. Contractor/Recipient Name: Save the Children 5. Organization Symbol: SAVE

6. Project Title: Child Survival Action Program

7. Project Officer's Name: D. Kennedy 8. Organization Symbol: FVA/PVC

9. Requisitioning
Document ID No: 938-0502-5384351 ✓

19. Budget
Plan Code: EDAA/85 13810 FG11 ✓
App. 72-1151021,7, All. 547-38-099-00-76-51 ✓

10. TYPE OF ACTION:
A. New Acquisition/Assistance **A**
B. Continuation of activities set forth in a contractual document
C. Revision of work scope/purpose of award

20. Country or Region of Performance: WW ✓ 899 ✓

11. Amount of this PIO/T: Ob1. U.S. \$ 2,870,471 (inc.) ✓

21. a. This Action Increases TEC by \$ 0- ✓
b. Total Est. Cost of Contractual Document \$ 2,870,471 ✓

12. Amount Obligated/
Subobligated/
Deobligated by this Action: U.S. \$ 2,870,471 ✓

22. Amount of Non-Federal Funds Pledged to the Project: U.S. \$ 1,343,860 ✓

13. Cumulative Obligation: U.S. \$ 2,870,471 ✓

23. Effective Date of this Action: 8/31/85 ✓

14. This Action Funded Through: 08/31/88 ✓

24. Estimated Completion/Expiration Date: 08/31/88 ✓

15. Date Contractual Documents Signed by AID Official: 8/31/85 ✓

25. Contractor DUNS Number: 0171211299119 ✓

16. Incrementally Funded Contract: NO ✓

26. Consultant Type Award: NO ✓

17. Host Country/Counterpart Inst.: (Univ. Contracts) N/A ✓

27. Number of Person Months: (PASA/RSSA only) N/A ✓

18. Campus Coordinator: (Univ. Contracts) N/A ✓

28. Number of Persons: (PASA/RSSA only) N/A ✓

29. Negotiator's Typed Name: R. Swindell

30. Negotiator's Signature: [Signature]

31. Date Signed: 8/13/85 ✓

32. Contract/Grant Officer's Organization Symbol: SOD/PDC

33. Contract/Grant Officer's Signature: [Signature]

34. Date Signed: 8/31/85 ✓

PART TWO: COMPLETE EACH BLOCK FOR NEW ASSISTANCE/ACQUISITION ACTIONS ONLY

35. SELECTION PROCEDURES:
A. Formally Advertised
B. Negotiated Price Competition, General Procedure
C. A&E
D. Ed. Inst. and/or Int'l. Research
E. Collaborative Assistance
F. Predominant Capability
G. Unsolicited Proposal

ENTERED
001 09 1985
STAT. Section

H. Procurement to be Performed by the Contractor in Person **L**
I. Sole Source
J. Impairment of Foreign Policy Objectives
K. 8(a) Selection
● Grant/Cooperative Agreement
L. Competitive
M. Noncompetitive
N. Small Business Set Aside
O. Overseas Procuring Activities

Advance
[Signature]
AUG 30 1985

36. CONTRACT TYPE: A. Fixed Price (Specify: FFP, FPRD, FPEPA, FPI) <input type="checkbox"/> D B. Cost Reimbursement (Specify: CR, CPFF, CS, CPAF, CPIF) C. IQC & Requirements Contracts D. Other	45. LABOR SURPLUS AREA PREFERENCE: <input type="checkbox"/> D <input checked="" type="radio"/> Labor Surplus Area A. No Preference B. Tie Bid Preference C. Total Set Aside D. Not a Labor Surplus Area Preference Award
37. ADVANCE: A. No Advance B. Advance Non-FRLC C. Advance FRLC <input type="checkbox"/> C	46. Number of Bidders Offering Items or Services of Foreign Content: NONE
38. SUBJECT TO STATUTORY REQUIREMENT: <input type="checkbox"/> E A. Walsh-Healey Act, Manufacturer* B. Walsh-Healey Act, Regular Dealer* C. Service Contract Act (U.S. ONLY - Guards, Maintenance, Laborers) D. Davis-Bacon Act (Construction) E. Not subject to Walsh-Healey; Service Contract or Davis-Bacon Act (Most AID Contracts) * Equipment, Supplies, Materials, and Commodities	47. TYPE OF BUSINESS: <input type="checkbox"/> H A. Source: Non-U.S. and Used Outside U.S. & Possessions B. Source: Non-U.S. and Possessions (Foreign Purchases Used Inside U.S.) (If U.S. Source, complete C through Q) C. Firm - Profit Making & PSC's <input checked="" type="radio"/> Non-Profit Organizations D. Private Educational Organizations E. Hospitals F. Research Institutions, Foundations, and Laboratories G. Other <input checked="" type="radio"/> Private Voluntary Organizations H. U.S. Registered I. U.S. Non-Registered J. Foreign <input checked="" type="radio"/> State/Local Government K. Educational Institutions L. Hospitals M. Research Organizations N. Other O. International Agricultural Research Organizations P. Public International Organizations Q. U.S. Cooperatives
39. Country of Manufacture (Specify) <u>N/A</u>	48. Women Owned Business? NO
40. CURRENCY INDICATOR: <input type="checkbox"/> A A. U.S. Dollar B. Local Currency C. Combination D. Unfunded	49. TYPE AWARD: <input type="checkbox"/> H <input checked="" type="radio"/> Small Business A. Not Set Aside B. Partial Set Aside C. Total Set Aside D. Personal Service Contract E. Individual Non-Personal Service Contract F. U.S. Government G. University H. Other Non-Profit Organizations I. Large Businesses
41. SUBCONTRACTS: is There a Provision for a Subcontract? (Contracts only) <u>N/A</u>	50. Paying Office: Payment will be made by <u>AID/W, M/FM/PAFD</u>
42. TYPE SERVICE: <input type="checkbox"/> A A. Training of Participants B. Technical Assistance to Host Country (Program, Project related except A&E Services) C. A&E Services D. Construction E. Research F. Technical Services to AID (other than training; usually operating expense) G. Training Service for AID H. Equipment, Materials, Supplies, Commodities I. Translation Service	
43. CONTRACT/AGREEMENT SOURCE: <input type="checkbox"/> A A. U.S. Contractor/Grantee B. Non-U.S. Contractor/Grantee C. Combination of A & B	
44. TYPE OF AMERICAN OWNERSHIP: <input type="checkbox"/> G <input checked="" type="radio"/> Minority A. Asian/Pacific Islander B. Black American C. American Aleuts or Eskimos D. American Indian E. Hispanic F. Other (Specify) _____ G. Non-Minority	

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

ORIGINAL

AUG 31 1985

Ms. Phyliss Dobyms
Save The Children Federation
54 Wilton Road
Westport, CT 06880

Subject: PDC-0502-A-00-5095-00

Dear Ms. Dobyms:

Pursuant to the authority of 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 Save the Children Federation (hereinafter referred to as "SAVE" or "Recipient") a sum of \$2,870,471 in support of SAVE's development program as described in the Schedule of this Cooperative Agreement and Attachment 2 entitled "Program Description".

This agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives for the estimated period September 1, 1985 to August 31, 1988.

This agreement is made to SAVE on condition that the recipient will be required to contribute at least 25% of the total program costs (see Paragraph H of the Schedule of the agreement) and that the agreement will be administered in accordance with the terms and conditions set forth in the Schedule (Attachment 1) and the Standard Provisions (Attachment 3) all of which have been agreed to by your organization.

Please sign and return the original and six copies of this letter to acknowledge your receipt of this agreement.

Sincerely,



Jean M. Hacken
Agreement Officer
Office of Contract Management

Attachments:

1. Schedule
2. Program Description
3. Index of Standard Provisions

PDC-0502-A-00-5095-00

Acknowledged:

Save the Children Federation

By: Phyllis Dobyns

Typed Name: PHYLLIS DOBYNS

Title: VICE PRESIDENT, PROGRAM AND PLANNING

Date: September 13, 1985

Fiscal Data

PIO/T No:	5384351
Appropriation Symbol:	72-1151021.7
Allotment Symbol:	EDAA-85-13810-FG11
Budget Plan Code:	547-38-099-00-76-51
Project No.:	938-0502
Obligated Amount:	\$2,870,471
Cumulative Obligation:	\$2,870,471
DUNS No.:	07 212 9919
Project Office:	FVA/PVC, Deborah Kennedy

FUNDS AVAILABLE

ofc 4190

AUG 30 1985

R. Hampton

Program Acctg. Division
OFFICE OF FINANCIAL MANAGEMENT

ScheduleA. Purpose of Agreement

The purpose of this agreement is to provide support to the recipient's development program as described in Attachment 2 to this agreement, entitled "Program Description".

B. Period of Agreement

1. The effective date of this agreement is the date of the Agreement cover letter. The estimated expiration date of this agreement is August 31, 1988.

C. Amount of Agreement and Payment

1. AID hereby obligates the amount of \$2,870,471 for purposes of this grant.
2. Payment shall be made to the recipient in accordance with procedures set forth in Attachment 3 - Standard Provision No. 7A entitled "Payment-Letter of Credit."
3. Documentation required by the payment provision noted above shall be submitted to:

Agency for International Development
M/FM/PAFD
Room 623, SA-12
Washington, D.C. 20523

D. Financial Plan

The following is the financial plan for this Agreement, including local cost financing items, if authorized. Revisions to this Plan shall be made in accordance with the Standard Provision of this Agreement entitled "Revision of Financial Plans".

<u>Cost Element</u>	<u>Obligated Amount</u>
Bangladesh	\$ 431,144
Ecuador	693,041
Jakarta	223,540
Zimbabwe	955,700
Bolivia	627,870
Headquarters	912,140
Indirect Costs	370,896
TOTAL	<u>\$4,214,331</u>
AID	\$2,870,471
Recipient	\$1,343,860

E. Reporting and Evaluation

1. Annual progress reports will be submitted to A.I.D. on October 31, 1986 and October 31, 1987, which will include a description of inputs, outputs, progress to date, constraints, and highlights from the preceding year.

2. A final evaluation in collaboration with A.I.D. will be carried out in the final month of the agreement to evaluate project effectiveness and impact.

3. Based on the final evaluation, a final report will be submitted to A.I.D. within 90 days of the expiration date of the agreement with a description of inputs used, outputs achieved and project effectiveness/impact.

One copy of the final report shall be submitted to the Agreement Officer whose address appears on the agreement cover letter.

Prior to the required final performance reporting date, events may occur that have significant impact upon the project. In such instances, the Recipient shall inform the Agreement Officer as soon as the following types of conditions become known:

- a. Problems, delays or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work activities by the established time period. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

- b. Favorable developments or events that enable time schedules to be met sooner than anticipated or more work activities to be performed than originally protected.

F. Special Provisions

1. Countries: The following countries are approved for direct in-country program support under the agreement:

- a. Bangladesh
- b. Bolivia
- c. Zimbabwe
- d. Ecuador
- e. Jakarta

2. Standard Provisions 5A, 7B, 7C, 10A, 13B, and 13C are deleted as inapplicable.

3. Standard Provision 35, Patent Rights, is added.

4. Project Officer approval required by Paragraph (a) of Standard Provision 8 of this agreement is hereby granted for travel between the United States and the approved countries listed under item 1.

G. Overhead Rate

Pursuant to the Standard Provision of this agreement entitled "Negotiated Overhead Rates - Nonprofit Organizations Other Than Educational Institutions" the following overhead rate is established:

<u>Rate</u>	<u>Base</u>	<u>Period</u>
10.41%	Total direct costs excluding equipment and commodities	9/1/85 -Until Amended

H. Cost Sharing Provision

1. For each year (or funding period) under this agreement, the Recipient agrees to expend from non-Federal funds, an amount at least equal to 25% of total expenditures under this agreement.
2. Eligibility of non-Federal funds applied to satisfy cost sharing/matching requirements under this agreement are set forth in paragraph (b) of the Standard Provision of this agreement entitled "Allowable Costs and Contributions".

3. Individual expenditures do not have to be shared or matched provided that the total expenditures incurred during the year (or funding period) are shared or matched in accordance with the agreed percentage set forth in Paragraph 1., above.
4. If at the end of any year (or funding period) hereunder, the recipient has expended an amount of non-Federal funds less than the agreed percentage of total expenditures, as set forth in Paragraph 1., above, the difference may be applied to reduce the amount of AID funding the following year (or funding period), or, if this agreement has expired or terminated, the difference shall be refunded to AID.
5. Extended failure to meet the cost sharing/matching requirement set forth in Paragraph 1., above, shall be considered sufficient reason for termination of this agreement for cause in accordance with the Standard Provision of this grant entitled "Termination", Paragraph (a).
6. The restrictions on the use of AID agreement funds hereunder set forth in the Standard Provisions of this agreement are applicable to expenditures incurred with AID funds provided under this agreement. Except for paragraph (b) of the Standard Provision of this agreement entitled "Allowable Costs and Contributions", the Standard Provisions are not applicable to expenditures incurred with funds provided from non-Federal sources. The recipient will account for the AID funds in accordance with the Standard Provision of this agreement entitled "Accounting, Audit, and Records".
7. Notwithstanding paragraph (c) of the Standard Provision of this agreement entitled "Refunds", the parties agree that in the event of any disallowance of expenditures from AID agreement funds provided hereunder, the Recipient may substitute expenditures made with funds provided from non-Federal sources provided they are otherwise eligible in accordance with Paragraph 2 of this provision. At the expiration or termination of this agreement, amounts of disallowances of expenditures from AID agreement funds for which substitution with eligible expenditures from non-Federal sources cannot be made will be refunded to AID.

I. Substantial Involvement Understanding

The nature and extent of A.I.D.'s substantial involvement with the recipient concerning project activities management is set forth below:

- The Recipient will carry out the following activities:
1. Submit a detailed implementation plan for each country program by December 31, 1985 in accordance with FVA/PVC guidelines. (See appendix A to Attachment 2, Program Description).
 2. Submit to FVA/PVC by October 31, 1985 a detailed evaluation plan which will clearly define the : (a) objectives and outputs that each project will be held accountable for; (b) the specific indicators that will be used to measure program success in reaching objectives and outputs; (c) mechanisms for collecting data, i.e., surveys, sentinel systems, etc.; (d) manpower and other resources needed for carrying out monitoring and evaluation activities with a revised budget. The plan should include scheduled reports, internal and external evaluations, etc.
 3. Participate in an AID sponsored Child Survival Evaluation/Management Information System Workshop to be held September 9-12. The workshop will review state-of-the-art evaluation/monitoring techniques particularly for ORT, immunizations and nutrition interventions, and AID evaluation and reporting requirements. The set of recommended indicators for ORT, immunization and nutrition interventions which will be required for all projects receiving Child Survival Funding will be given to recipients.
 4. Develop/adopt project-specific Management Information System, responsive to field project, headquarters and AID information needs for tracking project performance. The system should be described in the first year progress report.

J. Title to Property

Title to property procured under this agreement will vest with the Recipient in accordance with Standard Provision 13A of this agreement.

K. Closeout Procedures

This section prescribes uniform closeout procedures for this agreement.

1. The following definitions shall apply for the purpose of this section:
 - a. Closeout. The closeout of a grant or agreement is the process by which AID determines that all applicable administrative actions and all required work of the grant or agreement have been completed by the recipient and AID.
 - b. Date of Completion. The date of completion is the date on which and work under grants and agreements is completed or the date on the award document, or any supplement or amendment thereto, on which AID sponsorship ends.
 - c. Disallowed Costs. Disallowed costs are those charges to a grant or agreement that AID or its representative determines to be unallowable in accordance with the applicable Federal cost principles or other conditions contained in the grant or agreement.
2. AID closeout procedures include the following requirements:
 - a. Upon request, AID shall make prompt payments to a recipient for allowable reimbursable costs under the grant or agreement being closed out.
 - b. The recipient shall immediately refund any balance or unobligated (unencumbered) cash that AID has advanced or paid and that is not authorized to be retained by the recipient for use in other grants or agreements.
 - c. AID shall obtain from the recipient within 90 calendar days after the agreement all financial, performance, and other reports required as a condition of the grant or agreement. AID may grant extensions when requested by the recipient.
 - d. The recipient shall account for any property acquired with AID funds or received from the Government in accordance with Attachment N of OMB Circular A-110 entitled "Property Management Standards".
 - e. In the event a final audit has not been performed prior to the closeout of the grant or agreement, AID shall retain the right to recover an appropriate amount after fully considering the recommendations on questioned costs resulting from the final audit.

PROGRAM DESCRIPTION

A. OBJECTIVE: The objective of this project is to demonstrate and document the methods which protect the life and health of children. Specifically, SAVE will (a) conduct "child-protective" training for families and communities in ten categories of behavior, to protect their children from illness and death, and (b) support families in the practice of these behaviors by assisting communities to organize, implement and monitor primary health care. Activities will be limited to five countries: Ecuador, Bolivia, Zimbabwe, Indonesia (Jakarta only) and Bangladesh.

B. SCOPE OF WORK: The general programmatic approach SAVE will follow in each country is as follows:

(a) Conduct Save the Children (SAVE) staff and personnel training

- Prepare documents for use in regional workshops, using a:

- o Description by SAVE personnel of family child-protective behavior currently practiced in each impact area with respect to the 10 child-protective behaviors.
- o Description by SAVE personnel of community services supportive of each of the 10 categories of child protective behavior which are accessible to every family in each impact area.
- o Description by SAVE personnel of further training needed for families in each impact area and of community organization, agents or management systems which must be developed in order to support child protective behavior.
- o Draft of family register/interview sheet needed to compliment community self-assessment information currently collected in each impact area.

- Conduct regional workshop for SAVE staff and personnel

(b) Establish documentation protocol and complete baseline data collection, including:

- Descriptions of current family behavior and community services to be assembled through regional workshops
- Descriptions of current programs to strengthen or institute family-training and community support of protective family behavior
- Definition of indicators for evaluation of impact

Preparation of protocols and instruments for record keeping

- Description of accounting procedures
- Preparation of tabulation plan, analysis plan and dissemination plan.

(c) Conduct community health committees training program

(d) Train families

1. Identify, recruit and train the family trainers
2. Supervise the family trainers to train every family in the impact area for each of the 10 categories of child protective behavior, as follows:
 - oral rehydration
 - vaccination of children and women
 - acquiring and using clean water
 - sanitary disposal of excreta
 - appropriate nursing, weaning and feeding of children
 - monitoring child growth and health
 - finding competent care in case of severe or complicated illness
 - appropriate feeding of pregnant and lactating women
 - finding competent care for pregnancy and delivery
 - preventing those pregnancies not wanted by the family
3. Support the family trainers to train according to protocol in the most practical manner appropriate, using demonstrations whenever possible, and report the identity of the family trained.

(e) Monitor/Evaluate project implementation: SAVE's ongoing monitoring of the projects will include at least the following:

- Exact cost of training a family in child protective behavior
- Success of trained parents in protecting their children from specific illnesses.
- Survival rates among children of trained parents compared to survival rates among children in comparable populations where mothers are not trained.
- Cost of a year of survival achieved through the program.
- Transfer of methods utilized in this program to government or other agencies and the associated results and costs.

Country-specific objectives and plans are described briefly below.

BANGLADESH

Project Description: SCF proposes building on its 13 years of

experience in Bangladesh by initiating, enhancing or expanding health activities in oral rehydration, immunization, growth monitoring/counseling, training and utilization of TBAs, and training in sanitation and nutrition in four rural impact areas (Rangunia Upazila, Nasirnagar Upazila, Ghior Upazila and Mirzapur Upazila). The emphasis will be on training multipurpose women workers (PDWs) who serve their own neighborhoods as resident home visitors; the PDWs will be assisted by male health aids to help avoid overload of the PDWs and bring fathers into the educational outreach program. The health goals of the program are to reduce infant and child (under five) morbidity and mortality. The target population is under five children (6,852) and their mothers, age 12-49 (9,830).

Specific interventions, collaborating agencies and potential service coverage are as follows:

1. growth monitoring of 0-3 year olds by PDWs. 90% coverage expected.
2. special nutrition counseling for 100% of 3rd degree malnutrition cases. General nutrition education for 95-100% of women.
3. 80% of target group immunized, through collaboration with GOB, UNICEF vaccine supply with SCF addition of cold chain equipment.
4. 60% of target group obtains prenatal care.

BOLIVIA

Project Description: SCF proposes establishing a community-based family-oriented primary health care system which provides four basic health interventions (ORT, 40%; Immunization, 25%; Growth Monitoring, 25%; and Nutrition/Health Education, 10%) to 80% of the families in each target community. The impact area will focus on one "concentrated" rural area, Saavedra and 23 surrounding small communities in Santiesteban Province and in Quime and Inquisivi, Inquisivi Province. SCF will train families in prevention and early treatment of diarrheal disease through ORT; recruit and train 80 community health promoters responsible for health education, growth monitoring of 0-5 year olds and scheduling immunization activities. Immunizations will be carried out on a quarterly massive immunization campaign according MPSSP norms. The target population is 40,000 people, of whom approximately 1,600 will be infants, 2,343 children 1-4, and 1,600-2,000 women of child bearing age.

ECUADOR

Project Description: This "Marginal-Urban Areas" project will promote health and survival of children and their mothers through

family training in all ten of the child-protective behaviors. SCF will also develop training systems at the institutional level (SCF staff and MOH personnel) and at the community level (health promoters). In addition, SCF will conduct, in collaboration with MOH, regular "health fairs" to provide access to services (e.g., immunization) not readily available. The impact areas will be (a) 20 of Quito's 90 "marginal communities", and (b) an urban-marginal area of Portoviejo. The goals of the project are to (1) lower infant mortality from 100/1000 to 70/1000, (2) lower 1-4 mortality rate by 50%, and (3) to enlist members of the communities in provision and supervision of their own health care. In the marginal areas of Quito, SCF will reach an approximate population of 100,000-150,000 (3% under one, and 12% 1-4). In Portoviejo the target population is 50,000, or more than 1/3 of total population of this area (5% or 2350 under 1, 19% or 9,500 between 1-4, and approximately 2,940 pregnant women). Average recurrent cost will be between \$2-\$3.00 per capita of population served (including mothers, young girls, and children under 15).

INDONESIA

Project Description: The Jakarta project would focus on a densely populated slum at the Northern limit of Jakarta (Clinging District), having a population of 35,000 including 8,000 women of childbearing age and at least 6,000 0-5 year olds. Average recurrent cost will be approximately \$1.70 per person per year.

ZIMBABWE

Country Description: SCF proposes expanding "child survival" activities in three of SCF's four on-going impact areas: the Muusha communal area of Chimanimani District (6,300 0-5 year olds), Mupedzahnano (2,300 0-5 years olds) and Tongogara refugee camp (1,200 under five). During the 3 years period 80% of the population will have received complete series of vaccination, and training in ORT and sanitation. AID grant funding of these activities will be replaced by SCF funds and community contributions after the initial 3 year period. The annual recurrent costs of the project is estimated at \$3.50 per person.

Reporting and Evaluation: SAVE will carry out the following activities as part of its evaluation and monitoring procedures:

1. Submit to FVA/PVC by October 31, 1985 a detailed evaluation plan which will clearly define the: (a) objectives and outputs that each project will be held accountable for; (b) the specific indicators that will be used to measure program success in reaching objectives and outputs; (c) mechanisms for collecting data, i.e., surveys, sentinel systems, etc, manpower and other resources needed for carrying out

monitoring and evaluation activities and a budget. The plan should include scheduled reports, internal and external evaluations, etc.

2. Participate in an AID sponsored Child Survival Evaluation/Management Information System Workshop to be held September 9-12. The workshop will review state-of-the-art evaluation/monitoring techniques particularly for ORT, immunizations and nutrition interventions, and AID evaluation and reporting requirements.
3. Develop/adopt project-specific Management Information System, responsive to field project, headquarters and AID information needs for tracking project performance. The system should be described in the first year progress report.
4. Annual progress reports will be submitted to AID on October 31, 1986, and October 31, 1987, which will include a description of inputs, outputs, progress to date, constraints, and highlights from the preceding year.
5. A final evaluation in collaboration with AID will be carried out in the final month of the grant to evaluate project effectiveness and impact.
6. Based on the final evaluation, a final report will be submitted to AID within 90 days of the expiration date of the grant with a description of inputs used, outputs achieved and project effectiveness/impact.

The recipient will submit a detailed field implementation plan for each country project by December 31, 1985 in accordance with AID guidance. Each plan should respond to the following:

(1) WHERE is the project located?

Attach a map diagraming the area to receive services; label villages or population centers; indicate your project headquarters; show where your health workers will be located; indicate location, number, and type of health service units (public or private) in area; indicate for each population center the average travel time to obtain immunizations/other health care.

(2) WHO will receive services?

(A) What is estimated population in your project area? How many families have children under 5 years? How many babies are born each year?

(B) If your project includes provision or promotion of immunizations, what is the target group for immunization? If pregnant females are included, will all females of child-bearing ages be immunized?

(C) What steps will be taken to inform and motivate the target population?

(D) Will any high-risk children be identified? if so, how? What steps will be taken to reach high-risk groups?

(E) Will any special steps be taken to reach "drop outs"?

(F) How will you identify vulnerable groups who are not reached by your services? What steps will be taken to reach such groups?

(3) WHAT do you need to carry out your health interventions?

(A) Does the project promote ORS home mix/packets/tablets? If home mix, are there shortages of sugar or salt in your project area? What will you recommend as liquid containers? If packets are promoted, what is your estimate of the numbers of children in your target group who will have a diarrhea episode each year and number of packets to be used for each episode? How will your project obtain packets and how distribute?

(B) If your project includes provision or promotion of immunizations, what vaccines, no. of doses, type of administration, ages and intervals for immunizations? From where will vaccines be obtained? What are the cold chain requirements and how will they be met?

(C) Does your suggested project deviate from the national immunization program? if so, how?

(4) HOW will interventions take place?

(A) If your project includes promotion or provision of immunizations, are immunizations given in special clinics or are services integrated? If special sessions, what is the frequency, and number of vaccinations planned per session?

(B) What categories of staff will arrange vaccination sessions? administer vaccine? be responsible for supplies including vaccine? supervise activities?

(C) How will records be kept? by parents or service provider?

(D) Who will give ORT instruction to mothers? Is ORT instruction given at home or in special clinics? If in the home, what is the frequency of visits for each health worker? How many mothers can a health worker see in one day? If special sessions, what is the frequency of sessions and how are mothers identified for attendance?

(E) What will be your general ORT advice to mothers? How will you verify mother's understanding of ORT advice? use of ORT?

(F) Describe staff training component in ORT, including manuals and educational materials to be used in training of local health workers or lay community groups.

(5) HOW will the project relate to the community and to others?

(A) What role will the community or groups within the community have in your project? When will community members take part?

(B) Are alternative sources for immunizations and maternal and child health care available in the area? from government? from other PVOs? if so, how will the programs relate to one another?

(C) How will project activities be coordinated with host country local health programming in EPI, MCH, and diarrhea disease control?

(D) Estimate number of active health workers in project area by type and total (include public, private and all levels). Will any of these people take part in your project?

(6) WHAT might be the needs for this project in the future?

(A) What initial and continuing training of staff is required?

(B) What is the estimated average recurrent cost per person of service? (Roughly calculate as annual operating costs divided by number of persons in designated target population.)

(C) How will recurrent cost be met after project funding ends?

U.S. Grantees and U.S. Subgrantees
NONPROFIT ORGANIZATIONS—OTHER THAN EDUCATIONAL INSTITUTIONS
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STANDARD PROVISIONS

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- 8. Travel and Transportation
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- 10A. Procurement of Goods and Services Under \$250,000.
- 10B. Procurement of Goods and Services Over \$250,000
- 11. Local Cost Financing With U.S. Dollars
- 12. Government Furnished Excess Personal Property
- 13A. Title to and Use of Property (Grantee Title)
- 13B. Title to and Care of Property (U.S. Government Title)
- 13C. Title to and Care of Property (Cooperating Country Title)
- 14. Conversion of United States Dollars to Local Currency
- 15. Termination
- 16. Voluntary Participation
- 17. Prohibition on Abortion—Related Activities
- 18. Voluntary Participation Requirements For Sterilization Programs
- 19. Publications
- 20. Patents
- 21. Regulations Governing Employees Outside The United States
- 22. Subordinate Agreements
- 23. Salaries
- 24. Ineligible Countries
- 25. Disputes
- 26. Participant Training
- 27. Health and Accident Coverage for AID Participant Trainees
- 28. Use of Pouch Facilities
- 29. U.S. Officials Not To Benefit
- 30. Covenant Against Contingent Fees
- 31. Nonliability
- 32. Amendment
- 33. The Grant
- 34. Notices

—SEE FOOTNOTE ON PAGE 22—

If the institution is not on a predetermined rate basis, omit 5A; otherwise use both provisions.
Select only 1 payment provision from Group 7.
Select only 1 procurement provision from Group 10.
Select only 1 title provision from Group 13, if title to all property is vested in one entity; however, if title is to be split by categories among two or more entities, select the appropriate provisions from Group 13 and identify the categories and entities in the Schedule of the Grant.

1. ALLOWABLE COSTS AND CONTRIBUTIONS (NONPROFIT ORGANIZATIONS—OTHER THAN EDUCATIONAL INSTITUTIONS)

(This provision is applicable to nonprofit organizations other than educational institutions)

(a) The Grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are determined by the Grant Officer to be reasonable, allocable, and allowable in accordance with the terms of (1) this grant, (2) any negotiated advance understanding on particular cost items, and

(3) cost principles contained in OMB Circular A-122 entitled "Cost Principles for Nonprofit Organizations" in effect on the date of this grant (hereinafter referred to as "applicable cost principles").

(b) If Grantee contributions in the form of cost sharing/matching are required under this grant, the allowability of costs applied to the grant for such contributions shall be determined by the Grant Officer in accordance with the terms of paragraph 1K, "Cost Sharing and Matching" of Handbook 13 in effect on the date of this Grant.

undertaken as promptly as practicable after receipt of the Grantee's proposal.

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

(d) Predetermined rates appropriate for the work under this grant in effect on the effective date of this grant shall be incorporated into the grant. Rates for subsequent periods shall be negotiated and the results set forth in a written overhead rate agreement executed by both parties. Such agreement shall be automatically incorporated into this grant upon execution and shall specify (1) the agreed predetermined overhead rates, (2) the base(s) to which the rates apply, (3) the fiscal year unless the parties agree to a different period for which the rates apply, and (4) the specific items treated as direct costs or any changes in the items previously agreed to be direct costs. The overhead rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.

(e) Pending establishment of predetermined overhead rates for any fiscal year or different period agreed to by the parties, the Grantee shall be reimbursed either at the rates fixed for the previous fiscal year or other period or at billing rates acceptable to the AID Grant Officer subject to appropriate adjustment when the final rates for the fiscal year or other period are established.

(f) Any failure by the parties to agree on any predetermined overhead rate or rates under this provision shall not be considered a dispute within the meaning of the "Disputes" provision of this grant. If for any fiscal year or other period specified in the grant the parties fail to agree to a predetermined overhead rate or rates, it is agreed that the allowable overhead costs under this grant shall be obtained by applying negotiated final overhead rates in accordance with the terms of the applicable "Negotiated Overhead Rates" provision of this grant.

**5B. NEGOTIATED OVERHEAD RATES—
NONPROFIT ORGANIZATIONS—
OTHER THAN EDUCATIONAL
INSTITUTIONS**

(This provision is applicable to nonprofit organizations which do not have predetermined rates; however, it shall also be included when the NEGOTIATED OVERHEAD RATES—PREDETERMINED provision is used, under the conditions set forth therein)

(a) Pursuant to this provision, an overhead rate shall be established for each of the Grantee's accounting periods during the term of this Grant. Pen-

ding establishment of a final rate, the parties have agreed that provisional payments on account of allowable indirect costs shall be at the rate(s), on the base(s), and for the period shown in the Schedule of this grant.

(b) The Grantee, as soon as possible but not later than 90 days after the close of each of its accounting periods during the term of this grant shall submit to the Grant Officer with copies to the Overhead and Special Cost Branch, Services Operations Division, Office of Contract Management, AID Washington, D.C. 20523, and to the Office of the Inspector General, AID/Washington, D.C. 20523, a proposed final rate or rates for the period, together with supporting cost data. Negotiation of final overhead rates by the Grantee and the Grant Officer shall be undertaken as promptly as practicable after receipt of the Grantee's proposal.

(c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with OMB Circular A-122 (Cost Principles for Non-profit Organizations) as in effect on the date of this grant.

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

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

(f) Any failure by the parties to agree on any final rate or rates under this provision shall be considered a dispute within the meaning of the Standard Provision of this Grant, entitled "Disputes," and shall be disposed of in accordance therewith.

6. REVISION OF FINANCIAL PLANS

(a) The Financial Plan, i.e., grant budget, is the financial expression of the project or program as approved during the application and/or award process.

(b) The Grantee shall immediately request approval from the Grant Officer when there is reason to

draw cash only when actually needed for disbursements.

(2) After arranging with a commercial bank for operations 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, three originals of Standard Form 1194, "Authorized Signature Card for Payment Vouchers on Letters of Credit," signed by those officials authorized to sign payment vouchers against the FRLC and by the designated official of the Grantee who has authority to specify individuals to sign payment vouchers. Only those officials whose signatures appear on the SF-1194 can sign the TFS Form 5401. New signature cards must be submitted whenever there is a change in the persons authorized to sign payment vouchers.

(3) The Grantee shall subsequently receive one certified copy of the Letter of Credit, SF-1193. No payment vouchers shall be presented to the commercial bank before the FRLC is opened. The SF-1193 indicates the effective date the FRLC is opened.

(4) As funds are required for immediate disbursement needs, the Grantee will submit a properly completed payment voucher (Form TFS 5401) to the commercial bank for transmission to the Federal Reserve Bank or branch. The commercial bank may at this time credit the account of the Grantee with the amount of funds being drawn down. 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. In no event shall the accumulated total of all such payment vouchers exceed the amount of the FRLC.

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

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

(c) FRLC Reporting

(1) A "Financial Status Report" SF-269, shall be prepared on an accrual basis and submitted quarterly no later than 30 days after the end of the period, in an original and two copies. If the Grantee's accounting records are not normally kept on the accrual basis, the grantee shall not be required to convert its accounting system, but shall develop such accrual information through best estimates

based on an analysis of the documentation on hand. The final report must be submitted within 90 days after the conclusion of the grant. This report shall be submitted to the addresses specified by AID in the Schedule of this grant. In cases where grants are Mission funded, the Grantee will forward an information copy to the AID Mission accounting station at the same time the original and one copy are mailed to AID/Washington.

(2) The Grantee shall submit an original and two copies of SF-272, "Federal Cash Transactions Report", 15 working days following the end of each quarter to the address specified in the Schedule. Grantees receiving advances totaling more than \$1 million per year shall submit SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report in the Remarks section of SF-272 all cash advances. Those cash advances in excess of immediate disbursement requirements in the hands of subrecipients or the Grantee's field organizations shall be supported by short narrative explanations of action taken by the Grantee to reduce the excess balances.

(d) Suspension of FRLC

(1) If at any time, the AID Controller determines that the Grantee has failed to comply with the terms and conditions of the FRLC, the AID Controller shall advise the Grant Officer who may cause the FRLC to be suspended or revoked.

(2) The Controller may recommend suspension or revocation to the Grant Officer on the grounds of an unwillingness or inability of the Grantee to: (A) establish procedures that will minimize the time elapsing between cash drawdowns and the disbursement thereof, (B) timely report cash disbursements and balances as required by the terms of the grant and (C) impose the same standards of timing of advances and reporting on any subrecipient or any of the Grantee's overseas field organizations.

7B. PAYMENT—PERIODIC ADVANCES

(This provision is applicable when the conditions for use of an FRLC cannot be met (including those pertaining to mixed dollar and local currency advances) and when: (i) the Grantee has the ability to maintain procedures that will minimize the time elapsing between the transfer of funds and the disbursement thereof, and (ii) the Grantee's financial management system meets the standards for fund control and accountability required under the standard provision of this grant entitled: "Accounting, Audit and Records")

The terms used in this provision have the following meanings:

(1) "International air transportation" means transportation of persons (and their personal effects) or property by air between a place in the United States and a place outside thereof or between two places both of which are outside the United States.

(2) "U.S. flag air carriers" means one of a class of air carriers holding a certificate of public convenience and necessity issued by the Civil Aeronautics Board, approved by the President, authorizing operations between the United States and/or its territories and one or more foreign countries.

(3) The term "United States" includes the fifty states, Commonwealth of Puerto Rico, possessions of the United States, and the District of Columbia.

(d) Passenger or freight service by a certificated air carrier is considered "available" even though:

(1) Service by noncertificated air carrier can be paid for in excess foreign currency, or

(2) Service by a noncertificated air carrier is preferred by the agency or traveler needing air transportation, or

(3) Service by a noncertificated air carrier is more convenient for the agency or traveler needing air transportation.

(e) Passenger service by a certificated air carrier will be considered to be "unavailable":

(1) When certificated air carriers offer only first class service, and less than first class service is available from noncertificated air carriers, or

(2) When the traveler, while en route, has to wait 6 hours or more to transfer to a certificated air carrier to proceed to the intended destination, or

(3) When any flight by a certificated air carrier is interrupted by a stop anticipated to be 6 hours or more for refueling, reloading, repairs, etc., and no other flight by a certificated air carrier is available during the 6 hour period, or

(4) When by itself or in combination with other certificated or noncertificated air carriers (if certificated air carriers are "unavailable") it takes 12 or more hours longer from the original airport to the destination airport to accomplish the agency's mission than would service by a noncertificated air carrier or carriers.

(5) When the elapsed travel time on a scheduled flight from origin to destination airports by noncertificated air carrier(s) is 3 hours or less, and service by certificated air carrier(s) would involve twice such scheduled travel time.

(f) Freight service by a certificated air carrier will be considered to be unavailable when:

(1) No certificated air carrier provides scheduled air freight service from the airport serving the

shipment's point of origin, and a noncertificated air carrier does.

(2) The certificated air carrier(s) serving the shipment's point of origin decline to issue a through airway bill for transportation to the shipment's final destination airport.

(3) Use of a certificated air carrier would result in delivery to final destination at least 7 days later than delivery by means of a noncertificated air carrier.

(4) The total weight of the consignment exceeds the maximum weight per shipment which a certificated air carrier will accept and transport as a single shipment, and a noncertificated air carrier will accept and transport the entire consignment as a single shipment.

(5) The dimensions (length, width, or height) of one or more of the items of a consignment exceed the limitation of the certificated aircraft's cargo door openings, but do not exceed the acceptable dimensions for shipment on an available noncertificated air carrier.

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

CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR CARRIERS

I hereby certify that the transportation service for personnel (and their personal effects) or property by certificated air carrier was unavailable for the following reason(s): (State appropriate reason(s) as set forth in (e) or (f) above; see 41 CFR 1-1.323-3 for further guidance.)

(h) *Travel Costs and Overseas Maintenance Allowances*

(1) *Travel Within the United States*

(i) As used herein, the term "travel within the United States" includes the 50 states, District of Columbia, Commonwealth of Puerto Rico, Virgin Islands, and all the U.S. Territories except the Trust Territories of the Pacific Islands.

(ii) Subsistence allowances paid to Grantee employees traveling within the United States will be reimbursed in accordance with the established policies and practices of the Grantee which are uniformly applied to both federally financed and other activities of the Grantee.

(2) *International Travel*

(i) As used herein, the term "international travel" includes travel to the U.S. Trust Territories of the Pacific Islands.

(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 paragraph (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

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 the standards set forth in paragraph 1U of AID Handbook 13, "Grants."

(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 maximum extent possible, provide the following information to the Office of Small and Disadvantaged Business Utilization, AID/Washington, D.C. 20523, at least 45 days prior (except where a shorter time is requested of, and granted by, the Office of Small and Disadvantaged Business Utilization) 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 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.

(h) Ocean and Air Transportation

For requirements relating to transportation by ocean vessel of commodities purchased under this grant, see the Standard Provision entitled "Ocean Shipment of Goods." For requirements relating to transportation of commodities by air, see the Standard Provision entitled "Travel and Transportation."

10B. PROCUREMENT OF GOODS AND SERVICES OVER \$250,000

(This provision is applicable when the total procurement element, i.e., the sum of all purchase orders and contracts for goods and services, of this grant will be greater than \$250,000 over the life of the grant)

(a) *General.* Except as may be specifically approved or directed in advance by the Grant Officer, all goods (e.g., equipment, vehicles, materials, and supplies) and services which will be financed under this grant with United States dollars shall be procured in and shipped from the United States (Code 000) and from any other countries within the authorized geographic code specified in the Schedule of this grant.

(b) *Procurement of goods.* In order to be eligible under this grant, goods purchased under this grant must be of eligible source and origin, and must satisfy AID's componentry requirements set forth below. In addition, the supplier of commodities must meet the nationality requirements specified in paragraph (d)(1) of this provision.

(1) *Source.* Source means the country from which a commodity is shipped to the Cooperating Country or the Cooperating Country itself if the commodity is located therein at the time of purchase. However, where a commodity is shipped from a free port or bonded warehouse in the form in which received therein, source means the country from which the commodity was shipped to the free port or bonded warehouse.

Cargo Preference Control Center, Commerce Building, Washington, D.C. 20235, and that such bills of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement."

(vi) For use of U.S. flag air carriers, see the Standard Provision, entitled "Travel and Transportation."

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

(d) *Nationality.* Except as specified in paragraph (c) above, in order to be eligible for AID financing under this grant, contractors, subcontractors, or suppliers must fit one of the following categories:

(1) *Suppliers of commodities.* A supplier providing goods must fit one of the following categories for the costs of such goods to be eligible for AID financing under this grant:

(i) An individual who is a citizen or legal resident of a country or area included in the authorized geographic code; or

(ii) A corporation or partnership organized under the laws of a country or area included in the authorized geographic code; or

(iii) A controlled foreign corporation; i.e., any foreign corporation of which more than 50 percent of the total combined voting power of all classes of stock is owned by the United States shareholders within the meaning of Section 957 et seq., of the Internal Revenue Code, 26 U.S.C. 957; or

(iv) A joint venture or unincorporated association consisting entirely of individuals, corporations, or partnerships which fit any of the foregoing categories.

(2) *Suppliers of services.* A contractor or subcontractor thereunder providing services under an AID-financed grant must fit one of the following

categories for the costs of such contracts or subcontracts to be eligible for AID financing under this grant. (NOTE: the term contractor includes personal services contractors):

(i) An individual who is a citizen of and whose principal place of business is a country included in the authorized geographic code or a non-U.S. citizen lawfully admitted for permanent residence in the United States whose principal place of business is in the United States; or

(ii) A corporation or partnership that is incorporated or legally organized under the laws of a country or area included in the authorized geographic code, has its principal place of business in a country or area included in the authorized geographic code, and meets the criteria set forth in either subparagraph (A) or (B), below:

(A) The corporation or partnership is more than 50% beneficially owned by individuals who are citizens of a country or area included in the authorized geographic code. In the case of corporations, "more than 50% beneficially owned" means that more than 50% of each class of stock is owned by such individuals; in the case of partnerships, "more than 50% beneficially owned" means that more than 50% of each category of partnership interest (e.g., general, limited) is owned by such individuals. (With respect to stock or interests held by companies, funds or institutions, the ultimate beneficial ownership by individuals in controlling.)

(B) The corporation or partnership:

(1) has been incorporated or legally organized in the United States for more than three years prior to the issuance date of the invitation for bids or request for proposals, and

(2) has performed within the United States administrative and technical, professional or construction services under a contract or contracts for services and derived revenue therefrom in each of the three years prior to the date described in the preceding paragraph, and

(3) employs United States citizens in more than half its permanent full-time positions in the United States, and

(4) has the existing capability in the United States to perform the contract; or

(iii) A joint venture or unincorporated association consisting entirely of individuals, corporations, or partnerships which fit categories (d)(2)(i) and (d)(2)(ii) above. However, joint ventures with firms wholly or partially owned by the host government are ineligible.

11. LOCAL COST FINANCING WITH U.S. DOLLARS

(This provision is applicable whenever local cost financing has been specifically authorized in the Schedule of this grant regardless of dollar amount)

(a) Local cost financing is the use of U.S. dollars to obtain local currency for the procurement of goods and services in the Cooperating Country in furtherance of the purpose of the grant. Local cost financing must be specifically authorized in the Schedule of the grant. The amount of U.S. dollars which may be used must be specified in the authorization, together with any special restrictions on their use.

(b) Procurement of goods and services under local cost financing is subject to the following restrictions:

(1) *Ineligible goods and services*

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

- (i) military equipment,
- (ii) surveillance equipment,
- (iii) commodities and services for support of police or other law enforcement activities,
- (iv) abortion equipment and services,
- (v) luxury goods and gambling equipment, or
- (vi) weather modification equipment.

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 reimbursement.

(2) *Restricted goods*

The Grantee shall not procure any of the following goods or services without the prior written authorization of the Grant Officer:

- (i) agricultural commodities,
- (ii) motor vehicles,
- (iii) pharmaceuticals,
- (iv) pesticides,
- (v) rubber compounding chemicals and plasticizers,
- (vi) used equipment,
- (vii) U.S. Government-owned excess property, or
- (viii) fertilizer.

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 reimbursement.

(3) Any component from a non-free world country makes a commodity ineligible for AID financing.

(4) *Nationality*

(i) Citizens or firms of any country not included in AID Geographic Code 935 are ineligible as suppliers, contractors, subcontractors, or agents for goods and services the costs of which will be reimbursed under this grant.

(ii) Local cost financing is the use of appropriated U.S. dollars to obtain local currency for the payment for goods and services purchased in the Cooperating Country. Authorization of local cost financing makes the Cooperating Country, in addition to the United States and any other country included in the authorized geographic code for the project, an eligible source for the purchase of goods or services in the Cooperating Country. Goods or services purchased under local cost financing must be located in the Cooperating Country at the time they are purchased; they cannot be imported specifically for the project being implemented by this grant. The supplier from which goods or services are purchased under local cost financing must also be in the Cooperating Country. Suppliers of goods or services under local cost financing must meet the nationality eligibility tests prescribed in paragraph (d) of the provision of this grant entitled "Procurement of Goods and Services over \$250,000." When local cost financing has been authorized, the Cooperating Country is deemed to be included in the "authorized geographic code" for purposes of determining nationality eligibility pursuant to paragraph (d) of the provision entitled "Procurement of Goods and Services over \$250,000."

(c) *General principles.* Under local cost financing, the Grantee shall follow sound procurement policies, utilizing competition to the maximum practical extent, obtaining the lowest available price, and documenting such procurements to justify the method used and the price established.

(d) *Procurement of goods.* In order to be eligible under local cost financing, goods are subject to the following specific requirements:

(1) *Indigenous goods.* Goods which have been mined, grown, or produced in the Cooperating Country through manufacture, processing, or assembly are eligible for local cost financing under this grant. Goods produced with imported components must result in a commercially recognized new commodity that is substantially different in basic characteristics or in purpose or utility from its components in order to qualify as indigenous; such goods may not contain components from any nonfree world country.

(2) *Imported shelf items.* Imported shelf items are goods that are normally imported and kept in

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shall provide, in writing, the procedure the Grantee and its employees shall follow in the conversion of United States dollars to local currency. This may include, but is not limited to, the conversion of said currency through the cognizant United States Disbursing Officer or Mission Controller, as appropriate.

15. 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 it is determined that the Grantee has failed to comply with the conditions of the grant.

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

(c) *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.

16. VOLUNTARY PARTICIPATION

(This provision is applicable to all grants involving any aspect of family planning or population assistance activities, and all Title X grants in particular)

(a) The Grantee agrees to take any steps necessary to ensure that funds made available under this grant will not be used to coerce any individual to practice methods of family planning inconsistent with such individuals' moral, philosophical, or religious beliefs. Further, the Grantee agrees to conduct its activities in a manner which safeguards the rights, health and welfare of all individuals who take part in the program.

(b) The Grantee shall insert paragraphs (a) and (b) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder.

17. PROHIBITION ON ABORTION-RELATED ACTIVITIES

(This provision is applicable to all grants involving any aspect of family planning or population assistance activities, and all Title X grants in particular)

(a) No funds made available under this grant will be used to finance, support, or be attributed to the following activities: (1) procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (2) special fees or incentives to women to coerce or motivate them to have abortions; (3) payments to persons to perform abortions or to solicit persons to undergo abortions; (4) information, education, training, or communication programs that seek to promote abortion as a method of family planning.

(b) The Grantee shall insert paragraphs (a) and (b) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder.

18. VOLUNTARY PARTICIPATION REQUIREMENTS FOR STERILIZATION PROGRAMS

(This provision is applicable when any surgical sterilization will be supported in whole or in part from funds under this grant)

(a) None of the funds made available under this grant shall be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to practice sterilization.

(b) The Grantee shall insure that any surgical sterilization procedures supported in whole or in part

funds to the Treasury for each 30-day period; the full charge shall also be applicable to periods of less than 30 days. The percentage rate will be calculated by the Treasury as an average of the current value of funds to the Treasury for a recent three-month period and will be transmitted to AID in TFRM Bulletins.

The late payment charge shall be applied to any portion of the fees in arrears and be remitted together with the fees as a separately identified item on the covering memorandum.

(2) Whenever possible, fee payments for groups of several participants entering the HAC Program within the 30-day reporting period shall be consolidated and covered by a single check. Participants covered by the fee payment shall be listed individually in the covering letter, identifying each participant (the name reported must be identical to that on the HAC enrollment card), showing period of enrollment (or period of coverage for which payment is remitted if this is different from the enrollment period), fee amount paid, grant number, and U.S. Government appropriation number (as shown under the "Fiscal Data" section of the grant cover letter).

(e) The Grantee, to the extent that it is an educational institution with a student health service program, shall also enroll all participants in their institution's student health service program. Medical costs which are covered under the institution's student health service shall not be eligible for payment under AID's HAC program. The Grantee shall provide the HAC Administrator with a copy of information showing what medical costs are covered by the institution's student health service program; medical costs that are not covered by the institution's student health service program shall be submitted to the HAC Administrator.

(f) If the Grantee has a mandatory, nonwaivable health and accident insurance program for students, the costs of such insurance will be allowable under this grant. Any claims eligible under such insurance will not be payable under AID's HAC plan or under this grant. Even though the participant is covered by the Grantee's mandatory, nonwaivable health and accident insurance program, the participant MUST be enrolled in AID's more comprehensive HAC program, and HAC payments MUST be made to AID as provided above. In addition, a copy of the mandatory insurance policy must be forwarded to the HAC Administrator.

(g) Any payments for medical costs not covered by the Grantee's student health service program, or mandatory, nonwaivable health and accident insurance program, or AID's HAC program shall be reimbursable under this grant only with specific writ-

ten approval of the Grant Officer and subject to the availability of funds.

(h) The HAC Administrator, for the period February 1, 1980 through January 31, 1983, is:

Trust Fund Administrators, Inc.
1030 15th Street, NW, Suite 500
Washington, D.C. 20005.

28. USE OF POUCH FACILITIES

(a) Use of diplomatic pouch is controlled by the Department of State. The Department of State has authorized the use of pouch facilities for AID Grantees and their employees as a general policy, as detailed in items (1) through (7) below; however, the final decision regarding use of pouch facilities rests with the Embassy or AID Mission. In consideration of the use of pouch facilities as hereinafter stated, the Grantee and its employees agree to indemnify and hold harmless the Department of State and AID for loss or damage occurring in pouch transmission.

(1) Grantees and their employees are authorized use of the pouch for transmission and receipt of up to a maximum of two pounds per shipment of correspondence and documents needed in the administration of assistance programs.

(2) U.S. citizen employees are authorized use of the pouch for personal mail up to a maximum of one pound per shipment (but see (a)(3) below).

(3) Merchandise, parcels, magazines, or newspapers, are not considered to be personal mail for purposes of this clause, and are not authorized to be sent or received by pouch.

(4) Official mail pursuant to (a)(1) above, sent by pouch should be addressed as follows:

Name of individual or organization
(followed by letter symbol "C")
Name of post (USAID/_____)
Agency for International Development
Washington, D.C. 20523

(5) Personal mail pursuant to (a)(2) above should be to the address specified in (a)(4) above, but without the name of the organization.

(6) Mail sent via the diplomatic pouch may not be in violation of U.S. Postal laws and may not contain material ineligible for pouch transmission.

(7) AID Grantee personnel are *not* authorized use of military postal facilities (APO/FPO). This is an Adjutant General's decision based on existing laws and regulations governing military postal facilities and is being enforced worldwide. Posts having access to APO/FPO facilities and using such for diplomatic pouch dispatch may, however, accept official mail from Grantees and letter mail from their

ALTERATIONS IN GRANT

The following alterations have been made in the standard provisions of this grant:

1. Standard Provision No. 7A entitled "Payment - Federal Reserve Letter of Credit (FRLC) Advance" is deleted in its entirety and Attachment A entitled "Payment - Letter of Credit (August 1984)" is substituted.
2. Standard Provision No. 7B entitled "Periodic Advance" is changed as follows:
 - a. Applicability Statement: Delete "an FRLC" and substitute "a letter of credit".
 - b. Paragraph (c): Delete "an original and two copies" and substitute "one copy".
3. Standard Provision No. 7C entitled, "Payment - Reimbursement": In the applicability statement, delete "an FRLC" and substitute "a letter of credit".
4. Standard Provision No. 8, entitled "Travel and Transportation", is deleted in its entirety and Attachment B entitled "Air Travel and Transportation" is substituted.
5. Standard Provision No. 9, entitled "Ocean Shipment Of Goods" is deleted in its entirety and Attachment C, entitled the same, is substituted.
6. Standard Provision No. 10A, entitled "Procurement of Goods and Services Under \$250,000": Delete paragraph (c) and substitute the following:

"(c) Geographic Source and Order of Preference

All 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) The cooperating country,

11. Standard Provision No. 17, entitled "Prohibition on Abortion-Related Activities":

a. Delete the applicability statement and substitute the following: "(This provision is applicable to all grants involving any aspect of family planning or population activities.)"

b. Add the following to the last line of paragraph (a):
"; (5) lobbying for abortion."

c. Delete paragraph (b) and substitute the following:

"(b) No funds made available under this Grant will be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of abortions or involuntary sterilizations as a means of family planning. Epidemiologic or descriptive research to assess the incidence, extent, or consequences of abortion is not precluded."

d. Add paragraph (c) as follows:

"(c) The Grantee shall insert paragraphs (a), (b), and (c) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder."

12. Standard Provision No. 20, entitled "Patents", is deleted in its entirety and Attachment E, entitled "Patent Rights", is substituted.

13. Standard Provisions No. 26 and 27 entitled, "Participant Training" and "Health and Accident Coverage for AID Participant Trainees", respectively, are deleted in their entirety and Attachment F, entitled "Participant Training", is substituted.

7A. Payment - Letter of Credit (AUGUST 1984)

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

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

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

(c) Reporting:

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

(2) The grantee shall submit an original and one copy of SF-272, "Federal Cash Transactions Report," within 15 working days following the end of each quarter to M/PM/PAPD. Grantees receiving advances totaling more than \$1 million per year shall submit the SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report all cash advances in the Remarks section of SF-272. Those cash advances in excess of immediate disbursement requirements in the hands of subrecipients or the grantee's field organizations shall be supported by short narrative explanations of action taken by the grantee to reduce the excess balances.

(d) Revocation of the LOC is at the discretion of the authorized LOC certifying officer of M/PM/PAPD after consultation with the grant officer. Notification of revocation must be in writing and must specify the reason for revocation. M/PM/PAPD shall provide the grant officer a copy of the revocation notice and a recommendation for an alternative method of payment (periodic advance or cost reimbursement) based upon the reasons for the revocation. The grant officer shall immediately amend this agreement to provide for an appropriate alternative method of payment. The recipient may appeal any such revocation to the grant officer.

TRAVEL AND TRANSPORTATION (OCTOBER 1964)

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

The grantee is required to present to the project officer written approval an itinerary for each planned international trip financed by this grant, which shows the name of the traveler, purpose of the trip, origin/destination (and where possible), and dates of travel, as far in advance of the proposed travel as possible, not in no event at least three weeks before travel is planned to commence. At least one week before commencement of approved international travel, the grantee shall notify the cognizant U.S. Mission or Embassy, in writing the project officer, of planned travel, including the travelers and the dates and times of arrival.

Travel to certain countries shall, at AID's option, be made from U.S.-owned local currency. When AID intends to finance travel to this section, AID will, after receipt of advice of the traveler, required above, either issue a U.S. Government Travel Transportation Request (GTR) which the grantee may use for tickets, or AID will issue the tickets directly. Such U.S.-owned currencies will constitute a dollar cost to this grant.

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

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

U.S. flag air carrier service is considered available through:

1. Comparable or a different kind of service can be obtained at less cost by a foreign air carrier;
2. Foreign air carrier service is preferred by or is convenient for the agency or traveler; or

3. Service by a foreign air carrier can be paid for in U.S. dollars through currency, unless U.S. flag air carriers are unable to accept excess or near excess foreign currencies for transportation payable only out of such sources.

4. Except as provided in paragraphs (a) of this section, U.S. flag carrier service must be used for all Government-owned commercial foreign air travel if service provided by other carriers is available. In determining availability of a U.S. flag air carrier, the following scheduling principles shall be followed unless their application results in the least cost of travel to or from the United States being achieved by foreign air carrier:

1. U.S. flag air carrier service available at point of origin shall be used to destination or in the absence of such service through service to the farthest interchange point on any traveled route;

2. Where an origin or interchange point is not served by a U.S. flag air carrier, foreign air carrier service should be used to the nearest interchange point on a usually traveled route to connect with U.S. flag air carrier service;

3. Where a U.S. flag air carrier involuntarily ceases to serve the traveler via a foreign air carrier the foreign air carrier may be used notwithstanding the availability of U.S. flag air carrier service.

4. Where travel between a gateway airport in the United States and the last U.S. airport from which the traveler's flight is to be made is not served by a U.S. flag air carrier, the traveler shall be transported to the gateway airport beyond that airport from which the traveler last boards enroute to the U.S. or at which the traveler last boards incident to travel from the U.S., passenger service by U.S. flag air carrier shall not be considered.

1. Where the gateway airport abroad is the traveler's origin or destination airport, and the use of U.S. flag air carrier service would extend the time in a travel status, including delay at origin and accelerated arrival at destination, by at least 24 hours more than travel by foreign air carrier;

2. Where the gateway airport abroad is an interchange point, and the use of U.S. flag air carrier service would require the traveler to wait six hours or more to make connections at that point, or delayed departure from or accelerated arrival at the gateway airport in the United States would extend the time in a travel status by at least six hours more than travel by foreign air carrier.

(b) For travel between two points outside the United States the rules in paragraphs (d) through (f) of this section will be applicable, but passenger service by U.S. flag air carrier will not be considered to be reasonably available:

1. If travel by foreign air carrier would eliminate two or more aircraft change enroute;

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

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

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

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

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

CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR CARRIERS

I hereby certify that the transportation service for personnel (and their personal effects) or property by certificated air carrier was unavailable for the following reason(s): State appropriate reason(s) as set forth above).

(1) International Travel

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

(ii) The grantee will be reimbursed for travel and the reasonable cost of subsistence, post differentials and other allowances paid to employees in an international travel status in accordance with the grantee's established policies and practices which are uniformly applied to federally financed and other activities of the grantee. The standard for determining the reasonableness of reimbursement for overseas allowance is the standardized regulations (Government Civilians, Foreign Areas), published by the U.S. Department of State, as from time to time amended. The cost current subsistence, post differentials, and other allowances may be obtained from the grant officer.

(3) This provision will be included in all subgrants and contracts which require air travel and transportation under this grant.

9. OCEAN SHIPMENT OF GOODS (OCTOBER 1964)

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

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

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

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

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

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

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

Procurement of Goods and Services Over \$250,000

"(d) Nationality. Except as specified in paragraph (e) of this provision, in order to be eligible for AID financing under this grant, suppliers, contractors, or subcontractors must fit one of the following categories:

(1) Suppliers of commodities. A supplier providing goods under this grant must fit one of the following categories for the goods of such goods to be eligible for AID financing:

(i) An individual who is a citizen of, or, except as provided in paragraph (d)(7) of this clause, a legal resident of a country or area included in the authorized geographic code;

(ii) A corporation or partnership organized under the laws of a country or area included in the authorized geographic code;

(iii) A controlled foreign corporation, i.e., any foreign corporation of which more than 50 percent of the total combined voting power of all classes of stock is owned by United States shareholders within the meaning of Section 137 or seq. of the Internal Revenue Code, 26 U.S.C. 137; or

(iv) A joint venture or unincorporated association consisting entirely of individuals, corporations, or partnerships which are eligible under any of the foregoing categories.

(2) Privately owned commercial suppliers of services. An individual or a privately owned commercial firm is eligible for financing by AID under this grant as a contractor providing services only if the criteria in paragraphs (d)(2)(i), (ii), or (iii) of this provision are met, in the case of the categories described in paragraph (d)(2)(i) and (ii), the certification requirements in paragraph (d)(2)(iv) are met.

(3) The supplier is an individual who is a citizen of and whose principal place of business is in a country or area included in the authorized geographic code or a non-U.S. citizen lawfully admitted for permanent residence in the United States whose principal place of business is in the United States;

(ii) The supplier is a privately owned commercial (i.e., for profit) corporation or partnership that is incorporated or legally organized under the laws of a country or area included in the authorized geographic code, has its principal place of business in a country or area included in the authorized geographic code, and meets the criteria set forth in either subparagraph (A) or (B) below:

(A) The corporation or partnership is more than 50% beneficially owned by individuals who are citizens of a country or area included in the authorized geographic code. In the case of corporations, "more than 50% beneficially owned" means that more than 50% of each class of stock is owned by such individuals; in the case of partnerships, "more than 50% beneficially owned" means that more than 50% of each category of partnership interest (e.g., general, limited) is owned by such individuals. (With respect to stock or interests held by companies, funds or institutions, the limited beneficial ownership by individuals is controlling.)

(B) The corporation or partnership:

(1) has been incorporated or legally organized in the United States for more than 1 year prior to the issuance date of the invitation for bids or request for proposals, and

(2) has performed within the United States similar administrative and technical, professional, or construction services under a contract or contracts for services and derived revenues therefrom in each of the 1 year prior to the issuance date of the invitation for bids or request for proposals, and

(3) employs United States citizens in more than half its permanent full-time positions in the United States, and

(4) has the existing capability in the United States to perform the contract.

(iii) The supplier is a joint venture or unincorporated association consisting entirely of individuals, corporations, partnerships, or nonprofit organizations which are eligible under paragraphs (d)(2)(i), (d)(2)(ii), or (d)(3) of this provision.

(iv) A duly authorized officer of a firm or nonprofit organization shall certify to the participating firm or nonprofit organization under either the requirements of paragraphs (d)(2)(ii)(A), (d)(2)(ii)(B), or (d)(3) of this clause. In the case of corporations, the certifying officer shall be the corporate secretary. (With respect to the requirements of paragraphs (d)(2)(ii)(A), the certifying officer may procure signatures on the part of the stockholder's record address, provided the certifying officer certifies, regarding any stockholder (including any corporate fund or institutional investor) whose holdings are material to the corporation's eligibility, that the certifying officer knows of no fact which might bear on that transaction.

(3) Nonprofit organizations. Nonprofit organizations, such as educational institutions, foundations, and associations, are eligible for financing by AID under this grant as contractors for services if they meet all of the criteria listed in paragraphs (d)(2)(i), (ii), and (iii) below, and the certification requirements in paragraph (d)(2)(iv) of this clause is met. (International agricultural research centers and such other international research centers as may be, from time to time, formally listed as such by the Senior Assistant Administrator, Bureau for Science and Technology, are considered to be of U.S. nationality for purposes of this provision.) Any such organizations must:

(i) be organized under the laws of a country or area included in the authorized geographic code; and

(ii) be controlled and managed by a governing body, a majority of whose members are citizens of countries or areas included in the authorized geographic code; and

(iii) have its principal facilities and offices in a country or area included in the authorized geographic code.

(4) Government-owned organizations. Except as may be specifically approved in advance by the Grant Officer (i.e., operating as commercial companies or other organizations (including nonprofit organizations other than public educational institutions) which are wholly or partially owned by governments or agencies thereof are not eligible for financing by AID under this grant as contractors.

(5) Joint ventures. A joint venture or unincorporated association is eligible only if each of its members is eligible in accordance with paragraphs (d)(2), (3), or (4) of this clause.

(6) Construction services from local firms. When the host country is an authorized source of services, and the estimated cost of the construction services is \$5 million or less, a corporation or partnership may be determined by AID to be an integral part of the local economy in accordance with AID Handbook II, Chapter 5, Paragraph 103, is eligible.

(7) Ineligible suppliers. Citizens of any country or area, and firms and organizations located in or organized under the laws of any country or area, which is not included in Geographic Code 933 are ineligible for financing by AID as suppliers of services or of commodities, or as agents acting in connection with the supply of services or of commodities, except that non-U.S. citizens lawfully admitted for permanent residence in the United States are eligible regardless of such citizenship.

(8) Special restrictions on procurement of construction or engineering services. Section 204(a) of the Foreign Assistance Act provides that AID funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under the Geographic Code 941, which have attained a competitive capability in international markets for construction services or engineering services." In order to insure eligibility of a Code 941 contractor for construction or engineering services, obtain the AID Grant Officer's approval for any such contract.

13. PATENT RIGHTS (OCTOBER 1984)

(This provision is applicable whenever patentable processes or inventions are financed by the grant).

a. Definitions.

- (1) "Invention" means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code.
- (2) "Subject Invention", means any invention of the recipient conceived or first actually reduced to practice in the performance of work under this agreement.
- (3) "Practical Application" means to manufacture in the case of a composition of matter, to practice in the case of a process or method, or to operate in the case of a machine or system and, in each case, under such conditions as to establish that the invention is being utilized and that the benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.
- (4) "Date" when used in relation to any invention means the conception or first actual reduction to practice of such invention.
- (5) "Small Business Firm" means a domestic small business concern as defined in Section 1 of Public Law 95-136 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standards for small business concerns involved in Government procurement and subcontracting as in CFR 121.1-6 and 121 CFR 121.1-12, respectively, shall be used.
- (6) "Nonprofit Organization" means a domestic university or other institution of higher education or an organization of the type described in Section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)(3)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any domestic nonprofit scientific or any educational organization qualified under a state nonprofit organization statute.

b. Assignment of Principal Rights.

The recipient may retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 102. With respect to any subject invention in which the recipient retains title, the Federal Government shall have a non-exclusive, non-transferable, irrevocable, paid-up license to practice or have practiced for or in behalf of the United States the subject invention throughout the world.

c. Invention Disclosure, Filing of Title and Filing of Patent Applications by Recipient.

- (1) The recipient shall disclose each subject invention to AID within two months after the invention disclosure is in writing to recipient personnel responsible for patent matters. The disclosure to AID shall be in the form of a written report and shall identify the invention under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding to the extent known at the time of the disclosure, of the nature, purpose, operation, and physical, chemical, biological or electrical characteristics of the invention. The disclosure shall also identify any publications, to date or pending, of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to AID the recipient shall promptly notify AID of the acceptance of any manuscript describing the invention for publication or of any in sale or pending use planned by the recipient.
- (2) The recipient shall alert in writing whether or not to retain title to any such invention by notifying AID within twelve months of disclosure to the recipient, provided that in any case where publication, in sale, or public use has occurred the recipient's statutory period versus valid patent protection can still be obtained in the United States, the period of election of title may be increased by AID to a date that is no more than 90 days prior to the end of the statutory period.
- (3) The recipient shall file its initial patent application in an elected invention within two years after election or, if earlier, prior to the end of any statutory period versus valid patent protection can be obtained in the United States after a publication, in sale, or public use. The recipient shall file patent applications in additional countries within either two months of the corresponding initial patent application or six months from the date disclosure is made by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been determined by a statutory office.
- (4) Requests for extension of the time for disclosure to AID, election, and filing may, at the discretion of AID be granted.

d. Conditions When the Government May Retain Title.

The recipient shall agree to AID upon written request, title to any subject invention:

(1) If the recipient fails to disclose or elect the subject invention within the times specified in c. above, or elects not to retain title. AID may only request title within sixty days after learning of the recipient's failure to report or elect within the specified times.

(2) In those countries in which the recipient fails to file patent applications within the times specified in c. above, provided, however, that if the recipient has filed a patent application in a country after the times specified in c. above, but prior to its receipt of the written request of AID the recipient shall continue to retain title in that country.

(3) In any country in which the recipient decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceedings, on, a patent on a subject invention.

e. License Rights to Recipient.

(1) The recipient shall retain a non-exclusive, royalty-free license throughout the world in each subject invention in which the Government retains title except if the recipient fails to disclose the subject invention within the times specified in c. above. The recipient's license extends to its domestic subsidiaries and affiliates, if any, within the corporate structure of which the recipient is a party and includes the right to grant sublicenses of the same scope to the extent the recipient was legally obligated to do so at the time the agreement was executed. The license is transferable only with the approval of AID except when transferred to the successor of that party of the recipient's business to which the invention pertains.

(2) The recipient's domestic license may be revoked or modified by AID to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions in the Federal Property Management Regulations and Agency Licensing Regulations (if any). This license shall not be revoked in that field of use of the technological areas in which the recipient has achieved practical application and continues to reap the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of AID to the extent the recipient, its licensee, or its domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.

(3) Before revocation or modification of the license, AID shall furnish the recipient written notice of its intention to revoke or modify the license, and the recipient shall be allowed thirty days (or such other time as may be authorized by AID for good cause shown by the recipient) after the notice to show cause why the license should not be revoked or modified. The recipient has the right to appeal, in accordance with applicable Agency Licensing Regulations (if any) and the Federal Property Management Regulations concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of its license.

f. Recipient Action to Protect the Government's Interests.

- (1) The recipient agrees to execute or to have executed and promptly deliver to AID all instruments necessary to establish or conform the rights the Government has throughout the world in those subject inventions to which the recipient elects to retain title, and (ii) convey title to AID when requested under paragraph 1. above, and to enable the Government to obtain patent protection throughout the world in those subject inventions.
- (2) The recipient agrees to require, by written agreement, its employees, other than clerical and nonconfidential employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a form requested by the recipient each subject invention made under agreement in order that the recipient can comply with the disclosure provisions of paragraph 1. above, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure (or any modification, as a minimum, the information required by 3. (1) above) shall be made by the recipient through employee agreements or other suitable educational programs to the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.
- (3) The recipient shall notify AID of any decision not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding as a patent. In any country, not less than 15 days before the expiration of the response period required by the relevant patent office.

(4) The recipient agrees to include, within the specification of any United States patent application and any patent arising therefrom covering a subject invention, the following statement: "This invention was made with Government support under agreement with the Government (AID). The Government has certain rights in this invention."

INTERNATIONAL TRAINING (OCTOBER 1964)

provision is applicable when any participant training is under the grant).

Definitions:

1. Participant training is the training of any individual outside of his or her home country using AID or under AID sponsorship.

2. A participant is any non-U.S. individual being trained under this grant outside of his or her home country.

Application of Handbook 10:

Participant training under this grant is to be conducted according to the policies established in AID Handbook 10, "Participant Training", except to the extent that specific provisions to Handbook 10 have been provided in this grant with the concurrence of the Office of International Training. Handbook 10 may be obtained by submitting a request to the Office of International Training (S&T/IT), Agency for International Development, Washington, D.C. 20523.)

Reporting Requirements

For participants trained in the United States, data to be submitted by means of the form AID 1381-4, "Participant Data", simultaneously with enrollment in the Health and Accident Coverage Program (see Section (d) below). Participants trained in third countries, grantees shall submit to S&T/IT only the top white sheet of the Participant Data Form (and blue copies if subsequent changes in the participant's training program are made). Copies of the Participant Data Form may be obtained from the Office of International Training at the address indicated in Section (b) above.

(d) Health and Accident Coverage (HAC) Program for Participants in the United States

The grantee shall enroll all participants trained in the United States in AID's HAC Program.

1. The HAC Program enables the participant, or the provider of medical services, to submit bills for medical costs arising from illness and accident to the HAC Claims Office.

The grantee pays all reasonable and necessary medical charges for medical services not otherwise covered by other insurance (see paragraphs 2 below), in accordance with the terms and coverage established by AID under the HAC Program.

2. The grantee shall, as early as possible and no later than the initiation of travel to the United States by each participant financed by AID under this grant, fill out form AID 1381-4 entitled "Participant Data" and mail it to the address indicated on the back of the form. The grantee shall also obtain a supply of these forms and instructions for completion from the Office of International Training at the address indicated in section (b) above.

3. Enrollment fees shall be submitted, thirty days prior to the beginning of each new enrollment period. The amount of enrollment fee shall be obtained from the rates indicated in section (b) above. Payments will be made by check made payable to A.I.D. and submitted to:

Agency for International Development
Office of Financial Development
Central Accounting Division-Cashier (PW/CAD)
Washington, D.C. 20523

(a) The enrollment fee shall be accompanied by a check which lists the names of the enrollees identical to that on the Participant Data Form, period of coverage, fee amount, grant number, and the U.S. Government appropriation account as shown on the grant.

(b) The enrollment fees shall be calculated on the basis of fixed rates per participant per each 10 day period. The enrollment fees may not be prorated for fractional periods of less than 10 days and should cover the current 10 day period for which funds are obligated under the grant.

4. The grantee shall assure that enrollment begins immediately upon the participant's departure for the United States for the purpose of participating in a training program financed or sponsored by AID, and that enrollment continues in full force and effect until the participant returns to his or her country of origin or is released from AID's responsibility, whichever occurs first.

5. The grantee shall provide each participant with a copy of the HAC brochure, copies of which are available from S&T/IT at the address indicated in section (b) above.

6. If the grantee has a mandatory, non-assignable health and accident insurance program for participants, the costs of such insurance will be allowable under this grant. Any claims eligible under such insurance will not be payable under AID's HAC plan or under this grant. However, even though the participant is covered by the grantee's mandatory, non-assignable health and accident insurance program, the participant must be enrolled in AID's HAC Program. In addition, a copy of the mandatory insurance policy must be forwarded to the HAC Claims Office.

7. Medical costs not covered by the grantee's health and accident insurance program or AID's HAC Program shall not be reimbursable under this grant unless specific written approval from the grant officer has been obtained.

PDC-0502-A-00-5095-00

AID 1350-1 (10-79) PIO/T	UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES	1. Cooperating Country Centrally Funded	Page 1 of Pages
		2. PIO/T No. 5384351	3. <input checked="" type="checkbox"/> Original or Amendment No. _____
		4. Project/Activity No. and Title 938-0502 Save the Children (SAVE) Child Survival Action Program	

DISTRIBUTION	5. Appropriation Symbol 72-1151021.7	6. Allotment Symbol and Charge 547-38-099-00-76-51 EDAA 85 13810 FG11
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7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document	8. Project Assistance Completion Date (Mo., Day, Yr.)
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9. Authorized Agent AID/W	10. This PIO/T is in full conformance with PRO/AG AA/FVA, J.C. Bloch Date _____
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11a. Type of Action and Governing AID Handbook <input type="checkbox"/> AID Contract (HB 14) <input type="checkbox"/> PASA/RSSA (HB 12) <input checked="" type="checkbox"/> AID Grant (HB 13) <input type="checkbox"/> Other	11b. Contract/Grant/PASA/RSSA Reference Number (if this is an Amendment)
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12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. 2)

Maximum AID Financing	A. Dollars	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
					2,870,471
	B. U.S.-Owned Local Currency				

13. Mission References

14a. Instructions to Authorized Agent

SER/CM/SOD/PDC is requested to negotiate a three-year grant with Save the Children (SAVE) to support a child survival action program. The total cost of this program is \$4,129,001, to which AID will contribute \$2,870,471. SAVE is required to make at least a 25% cash contribution to total project costs. A detailed budget, scope of work, and a copy of the proposal are attached.

This will be a cost sharing cooperative agreement in which, the grantee will be required to contribute at least 25% of the total program cost.

14b. Address of Voucher Paying Office

AID/FM
Washington, D.C. 20523

15. Clearances—Include typed name, office symbol, telephone number and date for all clearances.

A. The project officer certifies that the specifications in the statement of work are technically adequate FVA/PVC, Deborah Kennedy	Phone No. 235-1623 Date 7/8/85	B. The statement of work is within the purview of the initiating and approved agency programs FVA/PVC, I.A. Heyman	Date 7/8/85
C. FVA/PVC, Stephen W. Bergen	Date 7/8/85	D. FUNDS RESERVED IN FULL are available <u>R. Acemian</u>	
E. FVA/PPE, Nancy McKay	Date 7/12/85	POSTED FM/PAD, Richard Hemphill 7/15/85	

16. For the cooperating country: The terms and conditions set forth herein are hereby agreed to	17. U.S. Agency for International Development
Signature _____ Date _____	Signature <u>Louis C. Stamberg</u> Date <u>7/2/85</u>
Title _____	Title Louis C. Stamberg, Deputy Director, FVA/PPE