

CONTRACT/AGREEMENT DATA SHEET	B 15704	1. M/SER/AAM/A/SUP Action Monitor BAJ	2. Date PIO/T Received in M/SER/AAM/A/SUP 6 / 5 / 87
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COMPLETE EACH BLOCK FOR BOTH NEW ASSISTANCE/ACQUISITION AND MODIFICATION ACTIONS

1. Contract/Agreement/Number OTR-0288-A-00-7776-00	PDF PD 805
4. Contractor/Recipient Name Foster Parents Plan	5. Contractor Acronym 7196
6. Project Title FOSTER PARENTS PLAN - MATCHING GRANT	7. Project Number 938-0288
8. Project Officer's Name A. Bauman	9. Bureau or USAID Symbol FVA/PVC

10. PIO/T Number 7381608	21. Budget Plan Code EDSA-87-13810-KG11 APP. 72-1171021.6 ALL. 746-38-099-00-76-71
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11. TYPE OF ACTION A. New Acquisition/Assistance B. Amendment/Modification 1. New/Revised Scope 2. Funded Extension 3. No Cost Extension 4. Transfer of action from AID/W to Mission/Mission to AID/W 5. Incremental Funding 6. Overhead Rate Adjustment 7. Contract Closeout 8. Other C.FPR or FAR FAR	22. Country or Region of Performance WORLDWIDE 23. A. This Action Increases or Decreases TEC by \$ _____ B. Total Estimated Cost of Contractual Document \$ 2,250,000 24. Amount of Non-Federal Funds Pledged to the Project \$ 3,591,605
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12. Amount of this PIO/T OBL U.S. \$ 750,000	25. Effective Date of this Action 8/1/87
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13. Amount <input checked="" type="checkbox"/> Obligated <input type="checkbox"/> Subobligated <input type="checkbox"/> Deobligated by this Contract or Amendment U.S. \$ 750,000	26. Estimated Completion/Expiration Date 7/31/90
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14. Cumulative Obligation (Life of Contract) U.S. \$ 750,000	27. Contractor DUNS Number 063902761
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15. This Action Funded Through 7/31/88	28. Consultant Type Award <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
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16. Date Contractual Documents Signed by AID Official 8/28/87	29. Number of Person Months (PASA/RSSA only) N/A
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17. Incrementally Funded Contracts <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO ENTERED	30. Number of Persons (PASA/RSSA only) N/A
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18. Host Country/Counterpart Institution (University Contracts) N/A	31. CONTRACT TYPE A. Fixed Price (specify: <input type="checkbox"/> FFP <input type="checkbox"/> FPRD <input type="checkbox"/> FPEPA <input type="checkbox"/> FPI) <input checked="" type="checkbox"/> D B. Cost Reimbursement (specify: <input type="checkbox"/> CR <input type="checkbox"/> CPFF <input type="checkbox"/> CS <input type="checkbox"/> CPAF <input type="checkbox"/> CPIF) C. IQC and Requirements Contracts D. Grant/CA/PASA/RSSA E. Contracts with Individuals
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19. Campus Coordinator (University Contracts) N/A	COORS Section
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20. ADVANCE A. No Advance B. Advance Non-FRLC C. Advance FRLC <input checked="" type="checkbox"/> A	32. Negotiator's Typed Name C. Bennett
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33. Negotiator's Signature <i>Carol M. Bennett</i>	34. Date Signed 8/26/87
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35. Contract/Grant Officer's Organization Symbol W/MS	36. Contract/Grant Officer's Signature <i>Carolyn R. Eldridge</i>	37. Date Signed 8/28/87
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38. SUBJECT TO STATUTORY REQUIREMENT

- 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 -Bacon Act
(Most AID Contracts)

E

*Equipment, Supplies, Materials, and Commodities

39. Country of Manufacture

N/A US

40. CURRENCY INDICATOR

- A. U.S. Dollar
- B. Local Currency
- C. Combination
- D. Unfunded

A

41. SUBCONTRACTS

Is there a provision for a subcontract? *(Contracts only)*

YES NO

42. TYPE OF SERVICE

- 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

B

43. CONTRACT/AGREEMENT SOURCE

- A. U.S. Contractor/Grantee
- B. Non-U.S. Contractor/Grantee
- C. Combination of A & B

A

44. TYPE OF AMERICAN OWNERSHIP

(U.S. Persons or Firms Only)

Minority

- A. Asian/Pacific Islander
- B. Black American
- C. American Aleuts or Eskimos
- D. American Indian
- E. Hispanic

G. Non-Minority

G

45. METHOD OF SOLICITATION

- A. Sealed Bid
- B. Competitive Proposal
- C. Combination/Competition
- D. Other Competition
- E. Noncompetitive

E

46. LABOR SURPLUS AREA PREFERENCE

Labor Surplus Area

- A. No Preference
- B. Tie Bid Preference
- C. Total Set Aside
- D. Not a Labor Surplus Area Preference Award

D

47. TYPE OF BUSINESS

- 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

H

Non-Profit Organizations

- D. Private Educational Organizations
- E. Hospitals
- F. Research Institutions, Foundations, and Laboratories
- G. Other

Private Voluntary Organizations

- H. U.S. Registered
- I. U.S. Non-Registered
- J. Foreign

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

48. Women Owned Business?

YES NO

49. TYPE OF AWARD

Small Business

- A. Not Set Aside
- B. Partial Set Aside
- C. Total Set Aside

Other Than Small Business

- D. Personal Service Contract
- E. Individual Non-Personal Service Contract
- F. U.S. Government
- G. University
- H. Non-Profit Organizations and PVOs
- I. Large Businesses

H

50. Paying Office:

Payment will be made by

PAFD AID/Wj

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

ORIGINAL

AUG 28 1987

Mr. Fred Kirschstein
Director of Program Development
Foster Parents Plan
155 Plan Way
Warwick, R.I. 02886

Subject: Cooperative Agreement No. OTR-0238-A-00-7196-00

Dear Mr. Kirschstein:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby provides to Foster Parents Plan (hereinafter referred to as "PLANS" or "Recipient"), the sum of \$2,250,000 to provide support for a program to support PLANS ability to assist poorer rural families to increase their income in a substantive manner, as described in the Schedule and the Program Description of this Cooperative Agreement.

This Cooperative Agreement is effective August 1, 1987 and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date and ending July 31, 1990.

This Cooperative Agreement is made to the Recipient on condition that the funds will be administered in accordance with the terms and conditions as set forth in Enclosure 1, entitled "Schedule", Enclosure 2, entitled "Program Description," and Enclosure 3 entitled "Standard Provisions," which have been agreed to by your organization.

ORIGINAL

Please sign the original and six copies of this letter to acknowledge your receipt of the Cooperative Agreement, and return the original and five copies to the Office of Procurement.

Sincerely yours,

Carolyn R. Eldridge
Carolyn R. Eldridge
Grant Officer
Management Support Branch
Office of Procurement

Enclosures:

1. Schedule
2. Program Description
3. Standard Provisions
4. Payment Forms

ACKNOWLEDGED:

FOSTER PARENTS PLAN

BY: _____

TYPED NAME: Kenneth H. Phillips

TITLE: National Executive Director

DATE: September 15, 1987

FISCAL DATA

Total Estimated Amount: \$2,250,000
Total Obligated Amount: \$750,000
PIO/T No.: 7381608 Project No.: 938-0288
Appropriation: 72-1171021.6
Budget Plan Code (BPC): EDSA87-13810-KG11
Allotment: 746-38-099-00-76-71
Funding Source: AID/W
Financial Management Paying Office: M/FM/PAFD
Grant Administration: OP/W/MS
Recipient DUNS No.: 063902761
E.I. Number:
DOC # 4411

FUNDS AVAILABLE

J. Haddad
AUG 31 1987
o/k 4190
Program Acctg Fin Division
Office of Financial Management

SCHEDULE

A. Purpose of Cooperative Agreement:

The purpose of this Cooperative Agreement is to provide support for PLANS to consolidate on-going income generation programs with small farmer families in six countries; to initiate new programs in four countries; to document lessons learned and to institutionalize this knowledge within PLAN's overseas programs; and to improve PLAN's ability to assist the target population to gain access to and use appropriate local credit and technical resources, as more specifically described in Enclosure 2 to this Cooperative Agreement entitled "Program Description." and the Recipient's proposal dated October 17, 1986, and revised on February 26, 1987, which is incorporated herein by reference. In the event of an inconsistency between the Recipient's proposal, the program description, and this schedule; the schedule and then the program description shall take precedence.

B. Period of Cooperative Agreement:

1. The effective date of this Cooperative Agreement is August 1, 1987. The expiration date of this Cooperative Agreement is July 31, 1990.

2. Funds obligated hereunder are available for program expenditures for the period from August 1, 1987 to July 31, 1988 as shown in D below. In the event there are funds remaining after this date, the Recipient is authorized to utilize them for the purposes of the Agreement as long as they are used within the period shown in B.1 above.

C. Method of Payment and Amount of Cooperative Agreement:

1. The total A.I.D. estimated amount of this Cooperative Agreement for the period shown in B.1 above is \$2,250,000.

2. AID hereby obligates the amount of \$750,0000 for program expenditures during the period set forth in B.2. above and as shown in D below.

3. Additional funds up to the total amount of the Cooperative Agreement shown in C.1. above may be obligated by AID subject to the availability of funds, and to the requirements of the Standard Provision of the Cooperative Agreement, entitled "Revision of Budget"

4. Payment shall be made to the Recipient in accordance with procedures set forth in Attachment 3, Standard Provision No. 7c, entitled "Payment-Letter of Credit."

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D. Budget:

The following is the Budget for this Cooperative Agreement. Revisions to this Budget shall be made in accordance with the Standard Provision of this Cooperative Agreement, entitled "Revision of Budget."

Cost Element	Budget			Total Amount From: 8/1/87 To: 7/31/90	Total Cost Sharing Arrangement 8/1/87 - 7/31/90 A.I.D. / PLAN	
	From: 8/1/87 To: 7/31/88	From: 8/1/88 To: 7/31/89	From: 8/1/89 To: 7/31/90			
Int'l. HQ	\$ 486,218	\$ 455,618	\$ 455,318	\$1,387,154	\$1,387,154	-0-
U.S. Nat'l. Org.	50,600	53,160	55,000	158,760	110,800	47,960
Egypt	104,549	-0-	-0-	104,549	20,000	84,549
India	262,044	-0-	-0-	262,044	-0-	262,044
Indonesia	395,852	259,167	272,176	927,195	83,100	844,095
Nepal	123,943	130,139	136,646	390,728	63,050	327,678
Philippines	234,665	-0-	-0-	234,665	40,000	194,665
Sri Lanka	122,024	128,128	134,531	384,683	126,100	258,583
Sudan	-0-	438,732	460,669	899,401	129,150	770,251
Ecuador	-0-	132,149	138,756	270,905	43,050	227,855
Honduras	-0-	141,690	148,775	290,465	43,050	247,415
Indirect Costs	177,018	177,018	177,018	531,054	204,546	326,508
TOTAL	\$1,956,913	\$1,915,801	\$1,968,889	\$5,841,603	\$2,250,000	\$3,591,603

NOTES TO BUDGET:

1. Recipient is allowed 15% flexibility among programmatic line items in the budget with the exception of procurement and indirect cost. No flexibility is authorized for the procurement and indirect cost line items. The Recipient must obtain written authorization from the Grant Officer to exceed the percentage of flexibility among programmatic line items or to make any changes in the procurement or indirect cost line items.

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2. Cost-Sharing Arrangement: The Recipient has agreed to expend from their non-Federal funds by the end of the life-of-program (LOP) period at a ratio of at least 1 to 1. The Recipient is required to meet the requirements of the Standard Provision of this Agreement entitled "Cost Sharing/Matching".

If this award was made on the basis that the Recipient has offered to cost share at a rate greater than 1 to 1, the Recipient is required to notify the Grant Officer of any changes in the amount to be cost shared by the Recipient in accordance with the Standard Provision entitled "Revisions to Grant Budget." Such a change may impact on future funding decisions under this Agreement.

3. Procurement: The Recipient will use their own private cost-share funds for all non-U.S. procurement.

E. Substantial Involvement:

1. Countries: The following countries are approved for direct in-country program support under the Agreement: Egypt, India, Indonesia, Nepal, Philippines, Sri Lanka. Countries in which programs will be not be initiated until Stage 2 in Year 2 -- Sudan, Ecuador, Honduras, Sierra Leone -- are approved pending cable concurrence by these A.I.D. Missions prior to Year 2 of this Agreement. For these Stage 2 and other countries that may be approved during the period of this agreement, such approval will be communicated to PLAN by A.I.D. in writing after consultation with the relevant A.I.D. Mission and FVA/PVC Project Officer concurrence.

Other countries may be approved during the period of the Agreement. Such approval will be communicated by A.I.D. in writing after consultation with the relevant A.I.D. Mission.

F. Reporting and Evaluation:

1. Ten copies of the Annual Report plus one copy for the A.I.D. Mission in each target country in the program will be submitted to the A.I.D./FVA/PVC Project Officer 60 days prior to each anniversary date of this Agreement. Annual reports will describe project activities and the Recipient's financial contribution to the project. Guidance for Periodic and Final Reports to FVA/PVC on Accomplishments under this Agreement is provided as Enclosure 5 for illustrative purposes. (A.I.D. is in the process of submitting this guidance format to OMB for their clearance. Once the OMB clearance is obtained, the suggested format will be required.

The Annual Report will also include a country data sheet for each subproject activity and will be furnished in the standard format prescribed by FVA/PVC for its grant information system (A.I.D. Form 1550-11 included in Enclosure 5). Other current grants or cooperative agreements to the Recipient, such as Operational Program Grants (OPGs), will be noted in the report with an explanation of any relationship of such assistance instruments to this Agreement.

2. By the last day of the Cooperative Agreement period, one copy of the final report (last annual report) will be submitted to A.I.D./FVA/PVC and to the Grant Officer whose address appears on the Cooperative Agreement cover letter. The report shall include the following information as well as those items included in Enclosure 5 of this Agreement.:

- a. A comparison of actual accomplishments with the goals established for the Cooperative Agreement period.
- b. Reasons why established goals were not met; and
- c. Other pertinent information including, when appropriate, analysis and explanations of cost overruns, or unusually high expenses.

3. 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 Grant 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 projected.

4. **EVALUATION:** Self-evaluation will be conducted by the Recipient in accordance with its normal evaluation program as described in its proposal which has been incorporated herein by reference. In addition, from time-to-time A.I.D. officers, with prior notification to the Recipient's headquarters will visit selected project sites.

G. Indirect Cost Rates:

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

Type of Rate: Overhead
Rate: 10%

Base: Total Direct Costs
Period: August 1, 1987 until amended.

H. Title to Property:

Title to all property purchased under this Cooperative Agreement shall be vested in the Recipient and subject to the Standard Provisions entitled "Title to Property - Grantee".

I. Authorized Geographic Codes for Procurement:

1. Procurement under this project will follow the general order of precedence as necessary to effectively implement the project. No procurement in Code 935 or of restricted commodities is anticipated under this project.

2. Should any unanticipated Code 935 and/or restricted procurement become necessary, the Grantee will use its own private share of the grant match for this purpose. When this is Grantee's intention, written verification is to be sent to the A.I.D./FVA/PVC Project Officer for concurrence and forwarding to the Grant Officer.

J. Special Provisions:

Travel: The standard provision requiring advance notification of the Recipient's travel intentions overseas is waived for this Agreement.

PROGRAM DESCRIPTION

- I. Program Goal: The goal of this Income Generation Program (IGP) is to improve PLAN's ability to assist poorer rural families to increase their income in a sustainable manner.
- II. Program Purpose: The four-fold purpose of the IGP is: (1) to consolidate, document and disseminate what PLAN has learned in income generation; (2) to increase staff competence in the design, implementation and evaluation of successful and sustainable income generating projects; (3) to institutionalize income enhancement as one of the three major sectors of PLAN's development program (with health and education); and (4) to improve PLAN's ability to assist the target population to gain access to and use appropriate credit mechanisms and technical services.
- III. Principal Activities: To accomplish the goal and purpose PLAN will :
 1. Design and implement income generation projects with small farm families.
 2. Identify and introduce small scale appropriate technologies for these projects, particularly post harvest technology (e.g., pedal threshers, grain blowers and dryers, corn and peanut shellers, bakery ovens, hollow block makers, grain and water storage receptables).
 3. Conduct a thorough needs assessment for the four field offices which will receive all three years of support under this grant: Bali (Indonesia), Kathmandu (Nepal), and Kandy and Badulla (Sri Lanka).
 4. Develop field office and/or regional manuals on income generation.
 5. Document PLAN's income generation sector experience and lessons learned through a series of 15 case studies, 5 per year.

6. Organize and implement a conference for the field offices participating in the first year of the grant. An implementation plan for applying methodologies and lessons learned to the field offices joining the IGP in Year 2 will be developed at the conference.
7. Carry out detailed planning, including the design and installation of evaluation systems in the four field offices being assisted all three years of this agreement.
8. Conduct staff training workshops using the case studies, field manuals and evaluation materials developed under the program to increase in-house professionalism and awareness of lessons learned.
9. Organize small community business clubs as nuclei for continuing training and leadership development and for establishing small vocational training and development centers.
10. Establish links with local lending institutions which will enable the target population to gain access to the formal credit system.

IV. Program Management: Jim Byrne, the Director of Programs at Foster Parents Plan, will be principally responsible for the overall management and implementation of the Matching Grant program. PLAN is a particularly decentralized organization, but this Matching Grant will have more than normal review and supervision from headquarters. New Project Coordinator and Project Evaluator will be added to PLAN's staff to administer this program initially and subsequently the income generation activities in all of PLAN's overseas program. They both will be based at headquarters and will be backstopped by an IGP Advisory Committee. Field offices will receive technical assistance and guidance from Program Coordinators trained in IGP and local resource identification.

V. Proposed Evaluation Plan: PLAN has one of the most extensive evaluation programs in the PVO field and will incorporate IGP evaluation into its overall evaluation methodology. These include PLAN's Situation Assessment and Goal Establishment (SAGE), Sector Program Outlines (SPO's), and Project Design Outlines (PDO's). Reporting mechanisms include PLAN's Project Accountability Facesheets, Annual Field Office Program Reports, and special sector evaluations.

Nevertheless, the IGP is a special concern to PLAN and specialized evaluation programs and methodologies will be monitored and formal impact evaluations will take place during

the grant. To provide comparable data among all IGP projects, PLAN's Evaluation, Management, and Research Bureau with the new Project Evaluator will establish specific monitoring mechanisms for every project type funded through the IGP. Since the major objective of the grant is to increase family income, each project will have specific accounting procedures to identify revenues and expenses to determine changes in equity. Specific monitoring mechanisms will be developed for each "client category" identified as being the recipients of funds through this grant.

Because of cultural differences, each field office will develop its own wealth or project equity index to take into account the variability of cultural and economic conditions. These indices will supplement the monitoring mechanisms developed on the basis of fixed business indicators that will be standardized for all project types. Indicators will also be developed to measure non-economic project impact. Total aggregate income generated through field projects will be identified, and success rate in establishing viable small enterprises and specific kinds of projects will be determined.

ADDITIONAL STANDARD PROVISIONS FOR
U.S., NONGOVERNMENTAL GRANTEES

The following standard provisions which have been checked are hereby incorporated into the grant/agreement.

- | | |
|---|-------------------------------------|
| 1. Payment - Letter of Credit | <input checked="" type="checkbox"/> |
| 2. Payment - Periodic Advance | <input type="checkbox"/> |
| 3. Payment - Cost Reimbursement | <input type="checkbox"/> |
| 4. Air Travel and Transportation | <input checked="" type="checkbox"/> |
| 5. Ocean Shipment of Goods | <input checked="" type="checkbox"/> |
| 6. Procurement of Goods and Services | <input checked="" type="checkbox"/> |
| 7. AID Eligibility Rules for Goods and Services | <input checked="" type="checkbox"/> |
| 8. Subagreements | <input checked="" type="checkbox"/> |
| 9. Local Cost Financing | <input checked="" type="checkbox"/> |
| 10. Patent Rights | <input checked="" type="checkbox"/> |
| 11. Publications | <input type="checkbox"/> |
| 12. Negotiated Indirect Cost Rates - Predetermined | <input type="checkbox"/> |
| 13. Negotiated Indirect Cost Rates - Provisional | <input type="checkbox"/> |
| 14. Regulations Governing Employees | <input checked="" type="checkbox"/> |
| 15. Participant Training | <input checked="" type="checkbox"/> |
| 16. Voluntary Population Planning | <input checked="" type="checkbox"/> |
| 17. Protection of the Individual as a Research Subject | <input type="checkbox"/> |
| 18. Care of Laboratory Animals | <input type="checkbox"/> |
| 19. Government Furnished Excess Personal Property | <input type="checkbox"/> |
| 20. Title to and Use of Property (Grantee Title) | <input checked="" type="checkbox"/> |
| 21. Title to and Care of Property (U.S. Government Title) | <input checked="" type="checkbox"/> |
| 22. Title to and Care of Property (Cooperating Country Title) | <input checked="" type="checkbox"/> |
| 23. Cost Sharing (Matching) | <input checked="" type="checkbox"/> |
| 24. Use of Pouch Facilities | <input checked="" type="checkbox"/> |
| 25. Conversion of United States Dollars to Local Currency | <input checked="" type="checkbox"/> |

Payment - Letter of Credit (NOVEMBER 1985)

(This provision is applicable only when the following conditions are met: (i) the total advances under all the grantee's cost-reimbursement contracts and assistance instruments with 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/FM/PAFD).

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

(c) Reporting:

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

14X

(d) Revocation of the IOC is at the discretion of the authorized IOC certifying officer of M/FM/PAFD after consultation with the grant officer. Notification of revocation must be in writing and must specify the reason for revocation. M/FM/PAFD 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.

(END OF STANDARD PROVISION)

PAYMENT - PERIODIC ADVANCE (NOVEMBER 1985)

(This provision is applicable when the conditions for use of letter of credit cannot be met (including those pertaining to mixed dollar and local currency advances) and when the grantee meets the requirements of paragraph 1.0.6 of Handbook 13.)

(a) Periodic advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so that the funds are available to the grantee as close as is administratively feasible to the actual disbursements by the grantee for program costs. Cash advances made by the grantee to secondary recipient organizations or the grantee's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by AID to the grantee.

(b) Grantees shall submit requests for advances at least monthly on SF-270, "Request for Advance or Reimbursement," in an original and two copies, to the address specified in the Schedule of this grant.

(c) The grantee shall submit one copy of SF-272, "Federal Cash Transactions Report," 15 working days following the end of each quarter to the payment office 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 the amount of cash advances in excess of thirty days requirement in the hands of subrecipients or the grantee's overseas field organizations and shall provide short narrative explanations of actions taken by the grantee to reduce the excess balances.

(d) A "Financial Status Report," SF-269, shall be prepared on an accrual basis by the grantee and submitted quarterly no later than 30 days after the end of the period in an original and two copies to the payment office specified in the schedule. 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 SF-269 must be submitted to the payment office within 90 days after the conclusion of the grant.

(e) If at any time, the AID Controller determines that the grantee has demonstrated an unwillingness or inability to: (1) establish procedures that will minimize the time elapsing between cash advances and the disbursement thereof, (2) timely report cash disbursements and balances as required by the terms of the grant, and (3) impose the same standards of timing of advances and reporting on any subrecipient or any of the grantee's overseas field organizations; the AID Controller shall advise the grant officer who may suspend or revoke the advance payment procedure.

(END OF STANDARD PROVISION)

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PAYMENT - COST REIMBURSEMENT (NOVEMBER 1985)

(This provision is applicable to grants for construction, or to grants where the grantee does not meet the conditions for either a letter of credit or periodic advance payment.)

(a) At the end of each month of this grant, the grantee shall submit an original and two copies of SF-270, "Request for Advance or Reimbursement," to the payment office address specified in the schedule of this grant.

(b) A final SF-270, shall be submitted within 60 days after the conclusion of the grant to the payment office.

(c) The reports will be prepared on a cash basis. However, if the grantee's accounting records are not normally kept on a cash basis, the grantee shall not be required to convert its accounting system to meet this requirement.

(d) Assignment of Claims (otherwise known as assignment of proceeds) is authorized under this grant and will be processed by the payment office.

(END OF STANDARD PROVISION)

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AIR TRAVEL AND TRANSPORTATION (NOVEMBER 1985)

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

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

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

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

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

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

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

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

(3) Service by a foreign air carrier can be paid for in excess foreign currency, unless U.S. flag air carriers decline to accept excess or near excess foreign currencies for transportation payable only out of such monies.

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5f) Except as provided in paragraph (b) of this section, U.S. flag air carrier service must be used for all Government-financed commercial foreign air travel if service provided by such carriers is available. In determining availability of a U.S. flag air carrier, the following scheduling principles should be followed unless their application results in the last or first leg of travel to or from the United States being performed by foreign air carrier:

(1) U.S. flag air carrier service available at point of origin should be used to destination or in the absence of direct or through service to the farthest interchange point on a usually traveled route;

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

(3) Where a U.S. flag air carrier involuntarily reroutes the traveler via a foreign air carrier the foreign air carrier may be used notwithstanding the availability of alternative U.S. flag air carrier service.

(g) For travel between a gateway airport in the United States (the last U.S. airport from which the traveler's flight departs or the first U.S. airport at which the traveler's flight arrives) and a gateway airport abroad (that airport from which the traveler last embarks enroute to the U.S. or at which the traveler first debarks incident to travel from the U.S.), passenger service by U.S. flag air carrier will not be considered available:

(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 U.S. would extend the time in a travel status by at least six hours more than travel by foreign air carrier.

(h) For travel between two points outside the U.S. 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 changes enroute;

(2) Where one of the two points abroad is the gateway airport (as defined in paragraph (g) of this section) enroute to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier

including accelerated arrival at the overseas destination or delayed departure from the overseas origin as well as delay at the gateway airport or other interchange point abroad; or

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

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

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

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

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

(1) International Travel

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

(2) 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 most current subsistence, post differentials, and other allowances may be obtained from the grant officer.

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

(END OF STANDARD PROVISION)

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OCEAN SHIPMENT OF GOODS (MAY 1986)

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

- (a) At least 50% of the gross tonnage of all goods purchased under this grant and transported to the cooperating countries shall be made on privately owned U.S. flag commercial ocean vessels, to the extent such vessels are available at fair and reasonable rates for such vessels.
- (b) At least 50% of the gross freight revenue generated by shipments of goods purchased under this grant and transported to the cooperating countries on dry cargo liners shall be paid to or for the benefit of privately owned U.S. flag commercial ocean vessels to the extent such vessels are available at fair and reasonable rates for such vessels.
- (c) When U.S. flag vessels are not available, or their use would result in a significant delay, the grantee may request a determination of non-availability from the AID Transportation Division, Office of Procurement, Washington, D.C. 20523, giving the basis for the request which will relieve the grantee of the requirement to use U.S. flag vessels for the amount of tonnage included in the determination. Shipments made on non-free world ocean vessels are not reimburseable under this grant.
- (d) Vouchers submitted for reimbursement which include ocean shipment costs shall contain a certification essentially as follows:
- "I hereby certify that a copy of each ocean bill of lading concerned has been submitted to the U.S. Department of Transportation, Maritime Administration, Division of National Cargo, 400 7th Street, S.W., Washington, D.C. 20590, and that such bills of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement."
- (e) Shipments by voluntary nonprofit relief agencies (i.e., PVOs) shall be governed by this standard provision and by AID Regulation 2, "Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies" (22 CFR Part 202).

(END OF STANDARD PROVISION)

PROCUREMENT OF GOODS AND SERVICES (November 1985)

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

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

(a) General Requirements:

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

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

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

(i) Proposed procurement actions shall follow a procedure to assure the avoidance of purchasing unnecessary or duplicative items. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical practical procurement.

(ii) Solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product or service to be procured. Such a description shall not, in competitive procurements, contain features which unduly restrict competition. "Brand-name or equal" descriptions may be used as a means to define the performance of other salient requirements of a procurement and when so used the specific features of the named brand which must be met by bidders/offers shall be clearly specified.

(iii) Positive efforts shall be made by the recipients to utilize small business and minority-owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts utilizing AID funds. To permit AID, in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, to give United States small business firms an opportunity to participate in supplying commodities and services procured under this grant, the grantee shall to the maximum extent possible provide the following information to the Office of Small 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:

- (A) Brief general description and quantity of goods or services;
- (B) Closing date for receiving quotations, proposals, or bids; and
- (C) Address where solicitations or specifications can be obtained.

(iv) The type of procuring instruments used, e.g. fixed price contracts, cost reimbursable contracts, purchase orders, incentive contracts, shall be determined by the recipient but must be appropriate for the particular procurement and for promoting the best interest of the program involved. The "cost-plus-a-percentage-of-cost" method of contracting shall not be used.

(v) Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

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

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

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

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

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

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

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

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

(3) In all contracts for construction or facility improvement awarded for more than \$100,000, recipients shall observe generally accepted bonding requirements.

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(4) All contracts awarded by the grantee or subgrantee to be performed in the United States having a value of more than \$10,000, shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended, and as supplemented in Department of Labor Regulations (41 CFR, Part 60).

(5) All contracts and subgrants in excess of \$2,000 for construction or repair to be performed in the United States awarded by the grantee or subgrantee shall include a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor Regulations (29 CFR, Part 3). This Act provides that each contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which that individual is otherwise entitled. The grantee shall report all suspected or reported violations to AID.

(6) When required by the Federal program legislation, all construction contracts to be performed in the United States awarded by the grantee or subgrantee of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) as supplemented by Department of Labor Regulations (29 CFR, Part 5). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The grantee shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The grantee shall report all suspected or reported violations to AID.

(7) Where applicable, all contracts awarded by the grantee or subgrantees in excess of \$2,000 for construction contracts to be performed in the United States and its territories and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers, shall include a provision for compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor Regulations (29 CFR, Part 5). Under section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of 8 hours and a standard workweek of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 8 hours in any calendar day or 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to the worker's health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies of materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

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

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

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

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

(END OF STANDARD PROVISION)

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AID ELIGIBILITY RULES FOR GOODS AND SERVICES (NOVEMBER 1985)

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

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

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

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

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

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

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

(b) Source, Origin, and Nationality: The eligibility rules for goods and services are based on source, origin, and nationality and are divided into two categories. One applies when the total procurement during the life of the grant is over \$250,000 and the other applies when the total procurement element during the life of the grant is not over \$250,000. The total procurement element includes procurement of all goods (e.g., equipment, materials, supplies) and services. Guidance on the eligibility of specific goods or services may be obtained from the grant officer. AID policies and definitions on source, origin, and nationality are contained in Chapters 4 and 5 of AID Handbook 1, Supplement B, entitled "Procurement Policies".

(1) When the total procurement element during the life of this grant is valued at \$250,000 or less, the following rules apply:

(i) All goods and services, the costs of which are to be reimbursed under this grant and which will be financed with U. S. 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:

- (A) The United States (AID Geographic code 000),
- (B) The Cooperating Country,
- (C) "Selected Free World" countries (AID Geographic Code 941), and
- (D) "Special Free World" countries (AID Geographic Code 935).

(ii) 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 b(1)(i) above, the grantee 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:

- (A) The procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,
- (B) The price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,
- (C) Impelling local political considerations precluded consideration of U.S. sources,
- (D) The goods or services were not available from U.S. sources, or
- (E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the grant.

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

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

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

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

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

(f) Special Restrictions on the Procurement of Construction or Engineering Services: Section 604(g) 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 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, the grantee shall obtain the grant officer's prior approval for any such contract.

(END OF STANDARD PROVISION)

SUBAGREEMENTS (NOVEMBER 1985)

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

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

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

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

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

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

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

(END OF STANDARD PROVISION)

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LOCAL COST FINANCING (MAY 1986)

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

(a) Costs qualifying as local costs are eligible for financing under the grant in accordance with the terms of this standard provision. Local costs are defined as (1) indigenous goods, (2) imported shelf items, and (3) services provided by suppliers meeting the requirements contained in subparagraph (b). Indigenous goods are those that have been mined, grown or produced in the cooperating country through manufacture, processing or assembly. In the case of produced goods containing imported components, to qualify as indigenous a commercially recognized new commodity must result that is substantially different in basic characteristics or in purpose or utility from its components. Imported shelf items are goods that are normally imported and kept in stock, in the form in which imported, for sale to meet a general demand in the country for the item.

Imported shelf items are eligible in unlimited quantities if they have their origin in a country included in AID Geographic Code 941. Imported shelf items having their origin in any country included in Code 899 but not in Code 941 are eligible if the price of one unit does not exceed \$5,000. For goods sold by units of quantities; e.g., tons, barrels, etc., the unit to which the local currency equivalent of \$5,000 is applied that which is customarily used in quoting prices. The total amount of imported shelf items purchased from countries included in Code 899 but not in Code 941 may not exceed \$25,000 or 10% of the total local costs financed by AID for the grant, whichever is higher; however, in no case may the total amount of such purchases exceed \$250,000 without first obtaining a specific geographic source waiver. Imported shelf items produced in or imported from countries not included in Geographic Code 899 are ineligible for AID financing.

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

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

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

- (1) Military equipment,
- (2) Surveillance equipment,
- (3) Commodities and services for support of police or other law enforcement activities,
- (4) Abortion equipment and services,
- (5) Luxury goods and gambling equipment, or
- (6) Weather modification equipment.

(d) Ineligible Suppliers: Funds provided under this grant shall not be used to procure any goods or services furnished by any firm or individual whose name appears on AID's Consolidated List of Debarred, Suspended, or Ineligible Awardees (AID Regulation 8, (22 CFR 208)). AID will provide the grantee with this list upon request.

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

- (1) Agricultural commodities,
- (2) Motor vehicles,
- (3) Pharmaceuticals,
- (4) Pesticides,
- (5) Rubber compounding chemicals and plasticizers,
- (6) Used equipment,
- (7) U.S. Government-owned excess property, or
- (8) Fertilizer.

(f) If AID determines that the grantee has procured any of the restricted or ineligible goods and services specified in subparagraphs (c) through (e) above, or has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to AID the entire amount of the reimbursement.

(END OF STANDARD PROVISION)

PATENT RIGHTS (NOVEMBER 1985)

(This provision is applicable whenever patentable processes or practices 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 or product, 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 its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

(4) Made 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 at Section 2 of Public Law 85-536 (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 at 13 CFR 121.3-8 and 13 CFR 121.3-12, 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)) 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) Allocation 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. 203. 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 on behalf of the United States the subject invention throughout the world.

(c) Invention Disclosure, Election of Title, and Filing of Patent Applications by Recipient:

(1) The recipient shall disclose each subject invention to AID within two months after the inventor discloses it 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 agreement 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 the physical, chemical, biological or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale or public use 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 on sale or public use planned by the recipient.

(2) The recipient shall elect 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, on sale, or public use has initiated the one-year statutory period wherein valid patent protection can still be obtained in the United States, the period of election of title may be shortened by AID to a date that is no more than 60 days prior to the end of the statutory period.

(3) The recipient shall file its initial patent application on an elected invention within two years after election or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. The recipient shall file patent applications in additional countries within either ten months of the corresponding initial patent application or six months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

(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 Obtain Title: The recipient shall convey 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.

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(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 proceeding on a patent on a subject invention.

(e) Minimum Rights to Recipient:

(1) The recipient shall retain a nonexclusive, royalty-free license throughout the world in each subject invention to which the Government obtains 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 awarded. 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 or the geographical areas in which the recipient has achieved practical application and continues to make 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 licensees, 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 Interest:

(1) The recipient agrees to execute or to have executed and promptly deliver to AID all instruments necessary to (i) 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 (d) above, and to enable the Government to obtain patent protection throughout the world in that subject invention.

(2) The recipient agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the recipient each subject invention made under agreement in order that the recipient can comply with the disclosure provisions of paragraph (c) 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 format should require, as a minimum, the information required by (c) (1) above. The recipient shall instruct such employees through employee agreements or other suitable educational programs on 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 on a patent, in any country, not less than 30 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 issuing thereon covering a subject invention, the following statement: "This invention was made with Government support under (identify the agreement awarded by AID). The Government has certain rights in this invention."

(g) Subagreements and Contracts: The recipient shall include this standard provision suitably modified to identify the parties, in all subagreements and contracts, regardless of tier, for experimental, developmental, or research work to be performed by a small business firm or nonprofit organization. The subrecipient or contractor shall retain all rights provided for the recipient in this standard provision, and the recipient shall not, as part of the consideration for awarding the contract or subagreement, obtain rights in the contractor's or subrecipient's subject inventions.

(h) Reporting Utilization of Subject Inventions: The recipient agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the recipient or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the recipient, and such other data and information as AID may reasonably specify. The recipient also agrees to provide additional reports as may be requested by AID in connection with any march-in proceedings undertaken by AID in accordance with paragraph (j) of this provision. To the extent data or information supplied under this section is considered by the recipient, its licensee or assignee to be privileged and confidential and is so marked, AID agrees that, to the extent permitted by law, it shall not disclose such information to persons outside the Government.

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(i) Preference for United States Industry: Notwithstanding any other provision of this clause, the recipient agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention shall be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by AID upon a showing by the recipient or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

(j) March-in Rights: The recipient agrees that with respect to any subject invention in which it has acquired title, AID has the right to require the recipient, an assignee or exclusive licensee of a subject invention to grant a non-exclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the recipient, assignee, or exclusive licensee refuses such a request, AID has the right to grant such a license itself if AID determines that:

(1) Such action is necessary because the recipient or assignee has not taken or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

(2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the recipient, assignee, or their licensees;

(3) Such action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the recipient, assignee, or licensees; or

(4) Such action is necessary because the agreement required by paragraph (i) of this clause has not been obtained or waived or because a license of the exclusive right to use or sell any subject invention in the United States is in breach of such agreement.

(k) Special Provisions for Agreements with Nonprofit Organizations: If the recipient is a nonprofit organization, it agrees that:

(1) Rights to a subject invention in the United States may not be assigned without the approval of AID, except where such assignment is made to an organization which has as one of its primary functions the management of inventions and which is not, itself, engaged in or does not hold a substantial interest in other organizations engaged in the manufacture or sale of products or the use of processes that might utilize the invention or be in competition with embodiments of the invention provided that such assignee shall be subject to the same provisions as the recipient.

(2) The recipient may not grant exclusive licenses under the United States patents or patent applications in subject inventions to persons other than small business firms for a period in excess of the earlier of:

(i) Five years from first commercial sale or use of the invention;
or

(ii) Eight years from the date of the exclusive license excepting that time before regulatory agencies necessary to obtain premarket clearance, unless on a case-by-case basis, AID approves a longer exclusive license. If exclusive field of use licenses are granted, commercial sale or use in one field of use shall not be deemed commercial sale or use as to other fields of use and a first commercial sale or use with respect to a product of the invention shall not be deemed to end the exclusive period to different subsequent products covered by the invention.

(3) The recipient shall share royalties collected on a subject invention with the inventor; and

(4) The balance of any royalties or income earned by the recipient with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, shall be utilized for the support of scientific research or education.

(1) Communications: Communications concerning this provision shall be addressed to the grant officer at the address shown in this agreement.

(END OF STANDARD PROVISION)

PUBLICATIONS (NOVEMBER 1985)

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

(a) If it is the grantee's intention to identify AID's contribution to any publication resulting from this grant, the grantee shall consult with AID on the nature of the acknowledgement prior to publication.

(b) The grantee shall provide the AID project officer with one copy of all published works developed under this grant and with lists of other written work produced under the grant.

(c) In the event grant funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the grant unless the schedule of the grant has identified the profits or royalties as program income.

(d) Except as otherwise provided in the terms and conditions of the grant, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this grant, but AID reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for Government purposes.

(END OF STANDARD PROVISION)

NEGOTIATED INDIRECT COST RATES - PREDETERMINED (MAY 1986)

(This provision is applicable to organizations whose indirect cost rate(s) under this grant are on a predetermined basis.)

- (a) The allowable indirect costs under this grant shall be obtained by applying predetermined indirect cost rate(s) to the base(s) agreed upon by the parties, as specified in the schedule of this grant.
- (b) Not later than 90 days after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity in accordance with OMB Circular A-88 a proposed predetermined indirect cost rate(s) and supporting cost data. In the event AID is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed predetermined indirect cost rate(s) and supporting cost data to the AID Inspector General, Washington, D.C. 20523, and to the Overhead and Special Costs - Contract Closeout Branch, Office of Procurement, Washington, D.C. 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of predetermined indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal.
- (c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the provisions of the applicable cost principles in effect on the date of this grant.
- (d) Rates for subsequent periods shall be negotiated and the results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. Such agreement shall be automatically incorporated into this grant upon execution and shall specify (1) the agreed upon predetermined rate(s), (2) the base(s) to which the rate(s) apply, (3) the fiscal year (unless the parties agree to a different period) for which the rate(s) apply, and (4) the specific items treated as direct costs or any changes in the items previously agreed to be direct costs. The indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.
- (e) Pending establishment of predetermined indirect cost rate(s) for any fiscal year or different period agreed to by the parties, the grantee shall be reimbursed either at the rate(s) fixed for the previous fiscal year or other period or at billing rate(s) acceptable to the AID grant officer subject to appropriate adjustment when the final rate(s) for the fiscal year or other period are established.

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(f) Any failure by the parties to agree on any predetermined indirect cost rate(s) 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 on a predetermined indirect cost rate(s), it is agreed that the allowable indirect costs under this grant shall be obtained by applying negotiated final indirect cost rate(s) in accordance with the terms of the standard provision of this grant entitled "Negotiated Indirect Cost Rates - Provisional".

(END OF STANDARD PROVISION)

NEGOTIATED INDIRECT COST RATES - PROVISIONAL (MAY 1986)

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

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

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

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

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

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

(f) Any failure by the parties to agree on final rate(s) under this standard 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.

(END OF STANDARD PROVISION)

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REGULATIONS GOVERNING EMPLOYEES (NOVEMBER 1985)

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

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

(END OF STANDARD PROVISION)

PARTICIPANT TRAINING (MAY 1986)

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

(a) Definition: A participant is any non-U.S. individual being trained under this grant outside of that individual's home country.

(b) 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 exceptions 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.) Except for paragraph (h) on orientation, the following paragraphs in this standard provision are not subject to waiver except as specifically stated.

(c) Participant Training Information System: All grantees shall ensure that participants trained in the United States or in a third country are included in the Agency's Participant Training Information System.

The grantee shall fill out form AID 1381-4 entitled "Participant Data" and send it to the addresses indicated on the back of the form. The grantee can obtain a supply of these forms and additional instructions for completing them from the Office of International Training. Data should be submitted prior to the initiation of participant travel. If this is not possible, the forms should be prepared and submitted immediately after arrival of the participant(s). The grantee shall also submit to the Office of International Training a blue copy of the form when subsequent changes in the participant's training program are made and at termination of participant's training program, ensuring that the original participant number (pre-printed on the form) is used.

(d) Visa Requirements for Training Within The United States:

(1) Under the authority of Section 635(f) of the Foreign Assistance Act, AID-sponsored participants are admitted to the United States under the Department of State/USIA Exchange Visitor Program and are issued J-1 visas. The program identification number is G-2-0263.

(2) J-1 visas are issued by the U.S. Embassy or Consulate for AID-sponsored participants upon submission by the participant of Form IAP-66A which may be obtained only from the AID Mission. The Mission retains one copy of the IAP-66A and forwards one copy to AID/S&T/IT.

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(i) The enrollment fee shall be accompanied by a letter which lists the names of the participants (identical to that on the Participant Data Form), participant I.D. numbers from the Participant Data Form, period of coverage, fee amount paid, grant number, name of grantee, host country, and the U. S. Government appropriation number as shown on the grant.

(ii) The enrollment fees shall be calculated on the basis of fixed rates per participant per each 30 day period. The enrollment fees may not be prorated for fractional periods of less than 30 days and should cover the current training period for which funds are obligated under the grant. Current rates are found in Handbook 10 Participant Training Notices.

(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. The grantee shall continue enrollment coverage for participants whose departure is delayed due to medical or other compelling reasons, with the written concurrence of the grant officer.

(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, nonwaivable 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, nonwaivable 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 service program or mandatory, nonwaivable 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.

(g) Participant Counseling For Training Within The United States: Problems involving participants such as serious physical or emotional illness, accident or injury, arrest, death, the voluntary or involuntary early termination of a program, and the refusal of a participant to return to the home country upon completion of the program should be referred to the AID Participant Counselor at the Office of International Training.

The Counselor can be reached by calling the Office of International Training during workdays and the AID Duty Officer (202-647-1512) at other times. In referring cases, give the Counselor the name, country, and current location of

the participant as well as a brief description of the problem with names and telephone numbers of hospitals, physicians, attorneys, etc. Following verbal referral, the participant's name, home address, and next of kin, and location of training should be sent to the grant officer, who will transmit the information to the S&T/IT Counselor.

(h) Orientation: In addition to the above mandatory requirements for all participants, grantees are strongly encouraged to provide, in collaboration with the Mission training officer, predeparture orientation (see Chapter 13 of Handbook 10) and orientation in Washington at the Washington International Center (see Chapter 18D of Handbook 10). The latter orientation program also provides the opportunity to arrange for home hospitality in Washington and elsewhere in the United States through liaison with the National Council for International Visitors (N CIV). If the Washington orientation is determined not to be feasible, home hospitality can be arranged in most U.S. cities if a request for such is directed to the grant officer, who will transmit the request to N CIV through S&T/IT.

(END OF STANDARD PROVISION)

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VOLUNTARY POPULATION PLANNING (AUGUST 1986)

(This provision is applicable to all grants involving any aspect of voluntary population planning activities.)

(a) Voluntary Participation:

(1) 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 individual's 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.

(2) Activities which provide family planning services or information to individuals, financed in whole or in part under this agreement, shall provide a broad range of family planning methods and services available in the country in which the activity is conducted or shall provide information to such individuals regarding where such methods and services may be obtained.

(b) Voluntary Participation Requirements For Sterilization Programs:

(1) 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.

(2) The grantee shall ensure that any surgical sterilization procedures supported in whole or in part by funds from this grant are performed only after the individual has voluntarily gone to the treatment facility and has given informed consent to the sterilization procedure. Informed consent means the voluntary, knowing assent from the individual after being advised of the surgical procedures to be followed, the attendant discomforts and risks, the benefits to be expected, the availability of alternative methods of family planning, the purpose of the operation and its irreversibility, and the option to withdraw consent anytime prior to the operation. An individual's consent is considered voluntary if it is based upon the exercise of free choice and is not obtained by any special inducement or any element of force, fraud, deceit, duress, or other forms of coercion or misrepresentation.

(3) Further, the grantee shall document the patient's informed consent by (i) a written consent document in a language the patient understands and speaks, which explains the basic elements of informed consent, as set out above, and which is signed by the individual and by the attending physician or by the authorized assistant of the attending physician; or (ii) when a patient is unable to read adequately a written certification by the attending physician or by the authorized assistant of the attending physician that the basic elements of informed consent above were orally presented to the patient, and that the patient thereafter consented to the performance of the operation. The receipt of the oral explanation shall be acknowledged by the patient's mark on the certification and by the signature or mark of a witness who shall be of the same sex and speak the same language as the patient.

(4) Copies of informed consent forms and certification documents for each voluntary sterilization procedure must be retained by the grantee for a period of three years after performance of the sterilization procedure.

(c) Prohibition on Abortion-Related Activities:

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

(2) 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 abortions is not precluded.

(d) Ineligibility of Foreign Nongovernmental Organizations That Perform or Actively Promote Abortion As A Method of Family Planning:

(1) The recipient agrees that it will not furnish assistance for family planning under this grant to any foreign nongovernmental organization which performs or actively promotes abortion as a method of family planning in AID-recipient countries or which provides financial support to any other foreign nongovernmental organization that conducts such activities. For purposes of this paragraph (d), a foreign nongovernmental organization is a nongovernmental organization which is not organized under the laws of any State of the United States, the District of Columbia or the Commonwealth of Puerto Rico.

(2) Prior to furnishing funds provided under this grant to another nongovernmental organization organized under the laws of any State of the United States, the District of Columbia, or the Commonwealth of Puerto Rico, the recipient shall obtain the written agreement of such organization that the organization shall not furnish assistance for family planning under this grant to any foreign nongovernmental organization except under the conditions and requirements that are applicable to the recipient as set forth in this paragraph (d).

(3) The recipient may not furnish assistance for family planning under this grant to a foreign nongovernmental organization (the subrecipient) unless;

(i) the subrecipient certifies in writing that it does not perform or actively promote abortion as a method of family planning in AID-recipient countries and does not provide financial support to any other foreign nongovernmental organization that conducts such activities, and

(ii) the recipient obtains the written agreement of the subrecipient containing the undertakings described in subparagraph (4), below.

(4) Prior to furnishing assistance for family planning under this grant to a subrecipient, the subrecipient must agree in writing that:

(i) The subrecipient will not, while receiving assistance under this grant, perform or actively promote abortion as a method of family planning in AID-recipient countries or provide financial support to other foreign nongovernmental organizations that conduct such activities.

(ii) The recipient and authorized representatives of AID may, at any reasonable time, (A) inspect the documents and materials maintained or prepared by the subrecipient in the usual course of its operations that describe the family planning activities of the subrecipient, including reports, brochures and service statistics; (B) observe the family planning activity conducted by the subrecipient; (C) consult with family planning personnel of the subrecipient; and (D) obtain a copy of the audited financial statement or report of the subrecipient, if there is one.

(iii) In the event the recipient or AID has reasonable cause to believe that a subrecipient may have violated its undertaking not to perform or actively promote abortion as a method of family planning, the recipient shall review the family planning program of the subrecipient to determine whether a violation of the undertaking has occurred. The subrecipient shall make available to the recipient such books and records and other information as may be reasonably requested in order to conduct the review. AID may also review the family planning program of the subrecipient under these circumstances, and AID shall have access to such books and records and information for inspection upon request.

(iv) The subrecipient shall refund to the recipient the entire amount of assistance for family planning furnished to the subrecipient under this grant in the event it is determined that the certification provided by the subrecipient under subparagraph (3), above, is false.

(v) Assistance for family planning provided to the subrecipient under this grant shall be terminated if the subrecipient violates any undertaking in the agreement required by subparagraphs (3) and (4), and the subrecipient shall refund to the recipient the value of any assistance furnished under this grant that is used to perform or actively promote abortion as a method of family planning.

(vi) The subrecipient may furnish assistance for family planning under this grant to another foreign nongovernmental organization (the sub-subrecipient) only if (A) the sub-subrecipient certifies in writing that it does not perform or actively promote abortion as a method of family planning in AID-recipient countries and does not provide financial support to any other foreign nongovernmental organization that conducts such activities and (B) the subrecipient obtains the written agreement of the sub-subrecipient that contains the same undertakings and obligations to the subrecipient as those provided by the subrecipient to the recipient as described in subparagraphs (4)(i)-(v), above.

(5) Agreements with subrecipients and sub-subrecipients required under subparagraphs (3) and (4) shall contain the definitions set forth in subparagraph (10) of this paragraph (d).

(6) The recipient shall be liable to AID for a refund for a violation of any requirement of this paragraph (d) only if (i) the recipient knowingly furnishes assistance for family planning to a subrecipient who performs or actively promotes abortion as a method of family planning, or (ii) the certification provided by a subrecipient is false and the recipient failed to make reasonable efforts to verify the validity of the certification prior to furnishing assistance to the subrecipient, or (iii) the recipient knows or has reason to know, by virtue of the monitoring which the recipient is required to perform under the terms of this grant, that a subrecipient has violated any of the undertakings required under subparagraph (4) and the recipient fails to terminate assistance for family planning to the subrecipient, or fails to require the subrecipient to terminate such assistance to a sub-subrecipient which violates any undertaking of the agreement required under subparagraph (4)(vi), above. If the recipient finds, in exercising its monitoring responsibility under this grant, that a subrecipient or sub-subrecipient receives frequent requests for the information described in subparagraph (10)(iii)(A)(II), below, the recipient shall verify that this information is being provided properly in accordance with subparagraph (10)(iii)(A)(II) and shall describe to AID the reasons for reaching its conclusion.

(7) In submitting a request to AID for approval of a recipient's decision to furnish assistance for family planning to a subrecipient, the recipient shall include a description of the efforts made by the recipient to verify the validity of the certification provided by the subrecipient. AID may request the recipient to make additional efforts to verify the validity of the certification. AID will inform the recipient in writing when AID is satisfied that reasonable efforts have been made. If AID concludes that these efforts are reasonable within the meaning of subparagraph (6) above, the recipient shall not be liable to AID for a refund in the event the subrecipient's certification is false unless the recipient knew the certification to be false or misrepresented to AID the efforts made by the recipient to verify the validity of the certification.

(8) It is understood that AID also may make independent inquiries, in the community served by a subrecipient or sub-subrecipient, regarding whether it performs or actively promotes abortion as a method of family planning.

(9) A subrecipient must provide the certification required under subparagraph (3) and a sub-subrecipient must provide the certification required under subparagraph (4)(vi) each time a new agreement is executed with the subrecipient or sub-subrecipient furnishing assistance for family planning under the grant.

(10) The following definitions apply for purposes of this paragraph (d):

(i) Abortion is a method of family planning when it is for the purpose of spacing births. This includes, but is not limited to, abortions performed for the physical or mental health of the mother but does not include abortions performed if the life of the mother would be endangered if the fetus were carried to term or abortions performed following rape or incest (since abortion under these circumstances is not a family planning act).

(ii) To perform abortions means to operate a facility where abortions are performed as a method of family planning. Excluded from this definition are clinics or hospitals which do not include abortion in their family planning programs.

(iii) To actively promote abortion means for an organization to commit resources, financial or other, in a substantial or continuing effort to increase the availability or use of abortion as a method of family planning.

(A) This includes, but is not limited to, the following:

(I) Operating a family planning counseling service that includes, as part of the regular program, providing advice and information regarding the benefits and availability of abortion as a method of family planning;

(II) Providing advice that abortion is an available option in the event other methods of family planning are not used or are not successful or encouraging women to consider abortion (passively responding to a question regarding where a safe, legal abortion may be obtained is not considered active promotion if the question is specifically asked by a woman who is already pregnant, the woman clearly states that she has already decided to have a legal abortion, and the family planning counselor reasonably believes that the ethics of the medical profession in the country require a response regarding where it may be obtained safely);

(III) Lobbying a foreign government to legalize or make available abortion as a method of family planning or lobbying such a government to continue the legality of abortion as a method of family planning;

(IV) Conducting a public information campaign in AID-recipient countries regarding the benefits and/or availability of abortion as a method of family planning.

(B) Excluded from the definition of active promotion of abortion as a method of family planning are referrals for abortion as a result of rape, incest or if the life of the mother would be endangered if the fetus were carried to term.

(C) Action by an individual acting in the individual's capacity shall not be attributed to an organization with which the individual is associated, provided that the organization neither endorses nor provides financial support for the action and takes reasonable steps to ensure that the individual does not improperly represent that the individual is acting on behalf of the organization.

(iv) To furnish assistance to a foreign nongovernmental organization means to provide financial support under this grant to the family planning program of the organization, and includes the transfer of funds made available under this grant or goods or services financed with such funds, but does not include the purchase of goods or services from an organization or the participation of an individual in the general training programs of the recipient, subrecipient or sub-subrecipient.

(v) To control an organization means the possession of the power to direct or cause the direction of the management and policies of an organization.

(11) In determining whether a foreign nongovernmental organization is eligible to be a subrecipient or sub-subrecipient of assistance for family planning under this grant, the action of separate nongovernmental organizations shall not be imputed to the subrecipient or sub-subrecipient, unless, in the judgment of AID, a separate nongovernmental organization is being used as a sham to avoid the restrictions of this paragraph (d). Separate nongovernmental organizations are those that have distinct legal existence in accordance with the laws of the countries in which they are organized. Foreign organizations that are separately organized shall not be considered separate, however, if one is controlled by the other. The recipient may request AID's approval to treat as separate the family planning activities of two or more organizations, which would not be considered separate under the preceding sentence, if the recipient believes, and provides a written justification to AID therefor, that the family planning activities of the organizations are sufficiently distinct as to warrant not imputing the activity of one to the other.

(12) Assistance for family planning may be furnished under this grant by a recipient, subrecipient or sub-subrecipient to a foreign government even though the government includes abortion in its family planning program, provided that no assistance may be furnished in support of the abortion activity of the government and any funds transferred to the government shall be placed in a segregated account to ensure that such funds may not be used to support the abortion activity of the government.

(13) The requirements of this paragraph are not applicable to family planning assistance furnished to a foreign nongovernmental organization which is engaged primarily in providing health services if the objective of the assistance is to finance integrated health care services to mothers and children and birth spacing or family planning is one of several health care services being provided by the organization as part of an integrated system of health service delivery.

(e) The grantee shall insert paragraphs (a), (b), (c), and (e) of this provision in all subsequent subagreements and contracts involving family planning or population activities which will be supported in whole or part from funds under this grant. Paragraph (d) shall be inserted in subagreements and sub-subagreements in accordance with the terms of paragraph (d). The term subagreement means subgrants and subcooperative agreements.

(END OF STANDARD PROVISION)

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PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (NOVEMBER 1985)

(This provision is applicable when human subjects are involved in research financed by the grant.)

(a) Safeguarding the rights and welfare of human subjects involved in research supported by AID is the responsibility of the organization to which support is awarded. It is the policy of AID that no work shall be initiated under any grant for the support of research involving human subjects unless the research is given initial and continuing review and approval by an appropriate committee of the applicant organization. This review shall assure that (1) the rights and welfare of the individuals involved are adequately protected, (2) the methods used to obtain informed consent are adequate and appropriate, and (3) the risks and potential medical benefits of the investigation are assessed.

(b) The organization must provide written assurance to AID that it will abide by this policy for all research involving human subjects supported by AID. This assurance shall consist of a written statement of compliance with the requirements regarding initial and continuing review of research involving human subjects and a description of the organization's review committee structure, its review procedures, and the facilities and personnel available to protect the health and safety of human subjects. In addition to providing the assurance, the organization must also certify to AID for each proposal involving human subjects that its committee has reviewed and approved the proposed research before any work may be initiated.

(c) Since the welfare of the subject individual is a matter of concern to AID as well as to the organization; AID advisory groups, consultants, and staff may independently review all research involving human subjects, and prohibit research which presents unacceptable hazards. This provision, however, shall not derogate in any manner from the responsibility of the organization set forth herein.

(d) All of the above provisions apply to any research involving human subjects conducted outside of the United States and, in addition, such overseas research will conform to legal and other requirements governing human research in the country where they are conducted.

(e) In addition to the procedures set forth above, studies with unmarketed drugs will be carried out in accordance with provisions applicable in the country where the study is conducted. In the United States, the regulations of the Food and Drug Administration will be followed and evidence of such compliance provided to AID.

(f) Guidance on procedures to safeguard human subjects involved in research is found in Title 45, Part 46, of the Code of Federal Regulations. Compliance with these procedures, except as modified above, is required.

(END OF STANDARD PROVISION)

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CARE OF LABORATORY ANIMALS (NOVEMBER 1985)

(This provision is applicable when laboratory animals are involved in research financed by the grant.)

- (a) Before undertaking performance of any grant involving the use of laboratory animals, the grantee shall register with the Secretary of Agriculture of the United States in accordance with Section 6, Public Law 89-544, Laboratory Animal Welfare Act, August 24, 1966, as amended by Public Law 91-579, Animal Welfare Act of 1970, December 24, 1970. The grantee shall furnish evidence of such registration to the grant officer.
- (b) The grantee shall acquire animals used in research under this grant only from dealers licensed by the Secretary of Agriculture, or from exempted sources in accordance with the Public Laws enumerated in (a) above.
- (c) In the care of any live animals used or intended for use in the performance of this grant, the grantee shall adhere to the principles enunciated in the Guide for Care and Use of Laboratory Animals prepared by the Institute of Laboratory Animals Resources, National Academy of Sciences - National Research Council, and in the United States Department of Agriculture's (USDA) regulations and standards issued under the Public Laws enumerated in (a) above. In case of conflict between standards, the higher standard shall be used. The grantee's reports on portions of the grant in which animals were used shall contain a certificate stating that the animals were cared for in accordance with the principles enunciated in the Guide for Care and Use of Laboratory Animals prepared by the Institute of Laboratory Animal Resources, NAS-NRC, and/or in the regulations and standards as promulgated by the Agricultural Research Service, USDA, pursuant to the Laboratory Animal Welfare Act of 24 August 1966, as amended (P.L. 89-544 and P.L. 91-579). NOTE: The grantee may request registration of the grantee's facility and a current listing of licensed dealers from the Regional Office of the Animal and Plant Health Inspection Service (APHIS), USDA, for the region in which the grantee's research facility is located. The location of the appropriate APHIS Regional Office as well as information concerning this program may be obtained by contracting the Senior Staff Office, Animal Care Staff, USDA/APHIS, Federal Center Building, Hyattsville, Maryland 20782.

(END OF STANDARD PROVISION)

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GOVERNMENT FURNISHED EXCESS PERSONAL PROPERTY (NOVEMBER 1985)

(This provision applies when personal property is furnished under the grant.)

The policies and procedures of Handbook 16, "Excess Property," and the appropriate provisions of 41 CFR 101-43 apply to the Government furnished excess property under this grant.

(END OF STANDARD PROVISION)

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

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

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

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

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

(c) Real Property:

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

(2) Use of Real Property:

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

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

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

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

(ii) The grantee may be directed to sell the property under guidelines provided by the Federal sponsoring agency and pay the Federal Government an amount computed by applying the Federal percentage of participation in the cost of the original program to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any,

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from the sales proceeds). When the grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

(iii) The grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the grantee shall be entitled to compensation computed by applying the grantee's percentage of participation in the cost of the program to the current fair market value of the property.

(d) Nonexpendable Property:

(1) Nonexpendable personal property means tangible personal property having a useful life of more than two years and an acquisition cost of \$500 or more per unit.

(2) Use of Nonexpendable Personal Property:

(i) The grantee shall use the property in the program for which it was acquired as long as needed, whether or not the program continues to be supported by Federal funds. When no longer needed for the original program, the grantee shall use the property in connection with its other federally sponsored activities in the following order of priority:

(A) Activities sponsored by AID.

(B) Activities sponsored by other Federal agencies.

(ii) Shared use - During the time that nonexempt nonexpendable personal property is held for use on the program for which it was acquired the grantee shall make it available for use on other programs if such other use will not interfere with the work on the program for which the property was originally acquired. First preference for such other use shall be given to other programs sponsored by AID; second preference shall be given to programs sponsored by other Federal agencies. User charges should be considered if appropriate.

(3) Disposition Of Nonexpendable Personal Property - With A Unit Acquisition Cost Of Less Than \$1,000: The grantee may use the property for other activities without reimbursement to the Federal Government or sell the property and retain the proceeds.

(4) Disposition Of Nonexpendable Personal Property With A Unit Acquisition Cost Of \$1,000 Or More:

(i) The grantee agrees to report such items to the grant officer from time to time as they are acquired and to maintain a control system which will permit their ready identification and location.

(ii) The grantee may retain the property for other uses provided that compensation is made to AID or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original program to the current fair market value of the property. If the grantee has no need for the property and the property has further use value, the grantee shall request disposition instructions from AID.

(iii) AID shall determine whether the property can be used to meet AID requirements. If no requirement exists within AID the availability of the property shall be reported to the General Services Administration by AID to determine whether a requirement for the property exists in other Federal agencies. AID shall issue instructions to the recipient no later than 120 days after the grantee's request and the following procedures shall govern:

(A) If so instructed or if disposition instructions are not issued within 120 calendar days after the grantee's request, the grantee shall sell the property and reimburse AID an amount computed by applying to the sales proceeds that percentage of Federal participation in the cost of the original program. However, the grantee shall be permitted to deduct and retain from the Federal share \$100 or ten percent of the proceeds, whichever is greater, for the grantee's selling and handling expenses.

(B) If the grantee is instructed to ship the property elsewhere, the grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the recipient's participation in the cost of the original grant program to the current fair market value of the property, plus any reasonable shipping or interim storage costs incurred.

(C) If the grantee is instructed to otherwise dispose of the property, the grantee shall be reimbursed by AID for such costs incurred in its disposition.

(e) Expendable Personal Property:

(1) Expendable personal property means all tangible personal property other than nonexpendable property.

(2) The grantee shall use the expendable personal property for the authorized purpose of the grant program, as long as it is needed.

(3) If there is a residual inventory of such property exceeding \$1,000 in total aggregate fair market value, upon termination or completion of the grant and the property is not needed for any other federally sponsored program, the grantee shall retain the property for use on nonfederally sponsored activities, or sell it, but must in either case, compensate the Federal Government for its share. The amount of compensation shall be computed in the same manner as nonexpendable personal property.

(f) The grantee's property management standards for nonexpendable personal property shall include the following procedural requirements:

- (1) Property records shall be maintained accurately and shall include:
 - (i) A description of the property.
 - (ii) Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.
 - (iii) Source of the property, including grant or other agreement number.
 - (iv) Whether title vests in the grantee or the Federal Government.
 - (v) Acquisition date and cost.
 - (vi) Percentage (at the end of the budget year) of Federal participation in the cost of the project or program for which the property was acquired.
 - (vii) Location, use, and condition of the property and the date the information was reported.
 - (viii) Unit acquisition cost.
 - (ix) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where the grantee compensates AID for its share.
- (2) A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The grantee shall in connection with the inventory, verify the existence, current utilization, and continued need for the property. The inventory listing shall be retained as documentation in accordance with the standard provision of this grant entitled "Accounting, Audit, and Records."
- (3) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft of nonexpendable property shall be investigated and fully documented.
- (4) Adequate maintenance procedures shall be implemented to keep the property in good condition.
- (5) Where the grantee is authorized or required to sell the property, proper sales procedures shall be established which would provide for competition to the extent practicable and result in the highest possible return.

(END OF STANDARD PROVISION)

TITLE TO AND CARE OF PROPERTY (U.S. GOVERNMENT TITLE) (NOVEMBER 1985)

(This provision is applicable when title to property is vested in the U.S. Government.)

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

(b) Use of Government Property: Government property shall, unless otherwise provided herein or approved by the grant officer, be used only for the performance of this grant.

(c) Control, Maintenance and Repair of Government Property:

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

(2) The grantee shall submit, for review and written approval of the grant officer, a records system for property control and a program for orderly maintenance of Government property; however, if the grantee's property control and maintenance system has been reviewed and approved by another Federal department or agency pursuant to Attachment N of OMB Circular No. A-110, the grantee shall furnish the grant officer proof of such approval in lieu of another approval submission.

(3) Property Control: The property control system shall include but not be limited to the following:

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

(ii) The price of each item of property acquired or furnished under this grant.

(iii) The location of each item of property acquired or furnished under this grant.

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

(v) A record of disposition of each item acquired or furnished under the grant.

(vi) Date of order and receipt of any item acquired or furnished under the grant.

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

(4) Maintenance Program: The grantee's maintenance program shall be consistent with sound business practice, the terms of the grant, and provide for:

(i) disclosure of need for and the performance of preventive maintenance,

(ii) disclosure and reporting of need for capital type rehabilitation, and

(iii) recording of work accomplished under the program:

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

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

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

(d) Risk of Loss:

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

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

(ii) Which results from a failure on the part of the grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above:

(A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of Government property as required by (i) above, or

(B) to take all reasonable steps to comply with any appropriate written directions of the grant officer under (c) above;

(iii) For which the grantee is otherwise responsible under the express terms designated in the schedule of this grant;

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

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

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

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

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

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- (i) The lost, destroyed, or damaged Government property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the Government property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

(4) The grantee shall make repairs and renovations of the damaged Government property or take such other action as the grant officer directs.

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

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

(f) Final Accounting and Disposition of Government Property: Upon completion of this grant, or at such earlier dates as may be fixed by the grant officer, the grantee shall submit, in a form acceptable to the grant officer, inventory schedules covering all items of Government property not consumed in the performance of this grant or not theretofore delivered to the Government, and shall prepare, deliver, or make such other disposition of the Government property as may be directed or authorized by the grant officer.

(g) Communications: All communications issued pursuant to this provision shall be in writing.

(END OF STANDARD PROVISION)

TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE) (NOVEMBER 1985)

(This provision is applicable to property titled in the name of the cooperating country or such public or private agency as the cooperating country government may designate.)

(a) Except as modified by the schedule of this grant, title to all equipment, materials and supplies, the cost of which is reimbursable to the grantee by AID or by the cooperating country, shall at all times be in the name of the cooperating country or such public or private agency as the cooperating country may designate, unless title to specified types or classes of equipment is reserved to AID under provisions set forth in the schedule of this grant. All such property shall be under the custody and control of grantee until the owner of title directs otherwise or completion of work under this grant or its termination, at which time custody and control shall be turned over to the owner of title or disposed of in accordance with its instructions. All performance guarantees and warranties obtained from suppliers shall be taken in the name of the title owner.

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

(c) The grantee shall prepare and establish a program, to be approved by the appropriate AID Mission, for the receipt, use, maintenance, protection, custody and care of equipment, materials and supplies for which it has custodial responsibility, including the establishment of reasonable controls to enforce such program. The grantee shall be guided by the following requirements:

(1) Property Control: The property control system shall include but not be limited to the following:

(i) Identification of each item of cooperating country property acquired or furnished under the grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of (insert name of cooperating country)."

(ii) The price of each item of property acquired or furnished under this grant.

(iii) The location of each item of property acquired or furnished under this grant.

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(iv) A record of any usable components which are permanently removed from items of cooperating country property as a result of modification or otherwise.

(v) A record of disposition of each item acquired or furnished under the grant.

(vi) Date of order and receipt of any item acquired or furnished under the grant.

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

(2) Maintenance Program: The grantee's maintenance program shall be consistent with sound business practice, the terms of the grant, and provide for:

(i) disclosure of need for and the performance of preventive maintenance,

(ii) disclosure and reporting of need for capital type rehabilitation, and

(iii) recording of work accomplished under the program:

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

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

(C) A report of status of maintenance of cooperating country property shall be submitted annually concurrently with the annual report.

(d) Risk of Loss:

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

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

(ii) Which results from a failure on the part of the grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above:

(A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of cooperating country property as required by (i) above, or

(B) to take all reasonable steps to comply with any appropriate written directions of the grant officer under (b) above;

(iii) For which the grantee is otherwise responsible under the express terms designated in the schedule of this grant;

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

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

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

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

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

4/6/57

- (i) The lost, destroyed, or damaged cooperating country property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the cooperating country property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

(4) The grantee shall make repairs and renovations of the damaged cooperating country property or take such other action as the grant officer directs.

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

(e) Access: AID, and any persons designated by it, shall at all reasonable times have access to the premises wherein any cooperating country property is located, for the purpose of inspecting the cooperating country property.

(f) Final Accounting and Disposition of Cooperating Country Property: Within 90 days after completion of this grant, or at such other date as may be fixed by the grant officer, the grantee shall submit to the grant officer an inventory schedule covering all items of equipment, materials and supplies under the grantee's custody, title to which is in the cooperating country or public or private agency designated by the cooperating country, which have not been consumed in the performance of this grant. The grantee shall also indicate what disposition has been made of such property.

(g) Communications: All communications issued pursuant to this provision shall be in writing.

(END OF STANDARD PROVISION)

COST SHARING (MATCHING) (NOVEMBER 1985)

(This provision is applicable when the recipient is required to cost share or provide a matching share.)

(a) For each year (or funding period) under this grant, the grantee agrees to expend from non-Federal funds an amount at least equal to the percentage of the total expenditures under this grant specified in the schedule of the grant. The schedule of this grant may also contain restrictions on the application of cost sharing (matching) funds. The schedule takes precedence over the terms of this provision.

(b) Eligibility of non-Federal funds applied to satisfy cost sharing (matching) requirements under this grant are set forth below:

(1) Charges incurred by the grantee as project costs. Not all charges require cash outlays by the grantee during the project period; examples are depreciation and use charges for buildings and equipment.

(2) Project costs financed with cash contributed or donated to the grantee by other non-Federal public agencies (may include public international organizations or foreign governments) and institutions, and private organizations and individuals, and

(3) Project costs represented by services and real and personal property, or use thereof, donated by other non-Federal public agencies and institutions, and private organizations and individuals.

(c) All contributions, both cash and in-kind, shall be accepted as part of the grantee's cost sharing (matching) when such contributions meet all of the following criteria:

(1) Are verifiable from the grantee's records;

(2) Are not included as contributions for any other Federally assisted program;

(3) Are necessary and reasonable for proper and efficient accomplishment of project objectives;

(4) Are types of charges that would be allowable under the applicable Federal cost principles;

(5) Are not paid by the Federal Government under another grant or agreement (unless the grant or agreement is authorized by Federal law to be used for cost sharing or matching);

(6) Are provided for in the approved budget when required by AID; and

(7) Conform to other provisions of this paragraph.

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(d) Values for grantee in-kind contributions will be established in accordance with the applicable Federal cost principles.

(e) Specific procedures for the grantee in establishing the value of in-kind contributions from non-Federal third parties are set forth below:

(1) Valuation of volunteer services: Volunteer services may be furnished by professional and technical personnel, consultants, and other skilled and unskilled labor. Volunteer services may be counted as cost sharing or matching if the service is an integral and necessary part of an approved program:

(i) Rates for volunteer services: Rates for volunteers should be consistent with those paid for similar work in the grantee's organization. In those instances in which the required skills are not found in the grantee's organization, rates should be consistent with those paid for similar work in the labor market in which the grantee competes for the kind of services involved.

(ii) Volunteers employed by other organizations: When an employer other than the grantee furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (exclusive of fringe benefits and overhead costs) provided these services are of the same skill for which the employee is normally paid.

(2) Valuation of donated expendable personal property: Donated expendable personal property includes such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to expendable personal property included in the cost share (match) should be reasonable and should not exceed the market value of the property at the time of the donation.

(3) Valuation of donated nonexpendable personal property, buildings, and land or use thereof:

(i) The method used for charging cost sharing or matching for donated nonexpendable personal property, buildings and land may differ according to the purpose of the grant as follows:

(A) If the purpose of the grant is to assist the recipient in the acquisition of equipment, buildings or land, the total value of the donated property may be claimed as cost sharing or matching.

(B) If the purpose of the grant is to support activities that require the use of equipment, buildings, or land; depreciation or use charges for equipment and buildings may be made. The full value of equipment or other capital assets and fair rental charges for land may be allowed provided that AID has approved the charges.

(ii) The value of donated property will be determined in accordance with the usual accounting policies of the grantee with the following qualifications:

(A) Land and buildings: The value of donated land and buildings may not exceed its fair market value, at the time of donation to the grantee as established by an independent appraiser; and certified by a responsible official of the grantee.

(B) Nonexpendable personal property: The value of donated nonexpendable personal property shall not exceed the fair market value of equipment and property of the same age and condition at the time of donation.

(C) Use of space: The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately owned building in the same locality.

(D) Borrowed equipment: The value of borrowed equipment shall not exceed its fair rental value.

(f) The following requirements pertain to the grantee's supporting records for in-kind contributions from non-Federal third parties:

(1) Volunteer services must be documented and, to the extent feasible, supported by the same methods used by the grantee for its employees.

(2) The basis for determining the valuation for personal services, material, equipment, buildings and land must be documented.

(g) 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 upon percentage set forth in the schedule of the grant.

(h) If at the end of any year (or funding period) hereunder, the grantee has expended an amount of non-Federal funds less than the agreed upon percentage of total expenditures, the difference may be applied to reduce the amount of AID funding the following year (or funding period), or, if this grant has expired or been terminated, the difference shall be refunded to AID.

(i) Failure to meet the cost sharing (matching) requirements set forth in paragraph (a) above shall be considered sufficient reasons for termination of this grant for cause in accordance with paragraph (a) entitled "For Cause" of the standard provision of this grant entitled "Termination and Suspension".

(j) The restrictions on the use of AID grant funds set forth in the standard provisions of this grant are applicable to expenditures incurred with AID funds provided under this grant. The grantee will account for the AID funds in accordance with the standard provision of this grant entitled "Accounting, Audit, and Records".

(k) Notwithstanding paragraph (b) of the standard provision of this grant entitled "Refunds", the parties agree that in the event of any disallowance of expenditures from AID grant funds provided hereunder, the grantee may substitute expenditures made with funds provided from non-Federal sources provided they are otherwise eligible in accordance with paragraph (b) of this provision.

(END OF STANDARD PROVISION)

USE OF POUCH FACILITIES (NOVEMBER 1985)

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

(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 (6) below. However, the final decision regarding use of pouch facilities rest with the Embassy or AID Mission. In consideration of the use of pouch facilities, 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 standard provision and are not authorized to be sent or received by pouch.

(4) Official and personal mail pursuant to (a)(1) and (2) above sent by pouch should be addressed as follows:

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

(5) 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.

(6) 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 the grantee's official and personal mail for pouch, provided of course, adequate postage is affixed.

(b) The grantee shall be responsible for advising its employees of this authorization, these guidelines, and limitations on use of pouch facilities.

(c) Specific additional guidance on grantee use of pouch facilities in accordance with this standard provision is available from the Post Communication Center at the Embassy or AID Mission.

(END OF STANDARD PROVISION)

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

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

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

(END OF STANDARD PROVISION)

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 3 Pages
2. PIO/T No.
7381608
3. Original or
Amendment No. _____
4. Project/Activity No. and Title
938-0288
Foster Parents Plan - Matching Grant

DISTRIBUTION

5. Appropriation Symbol
72-1171021.6
6. Allotment Symbol and Charge
746-38-099-00-76-71 EDSA8713810 KG11
7. Obligation Status
 Administrative Reservation Implementing Document
8. Project Assistance Completion Date
(Mo., Day, Yr.)
9. Authorized Agent
AID/W
10. This PIO/T is in full conformance with PRO/AG
Date _____
11a. Type of Action and Governing AID Handbook
 AID Contract (HB 14) PASA/RSSA (HB 12) AID Grant (HB 13) Other
11b. Contract/Grant/PASA/RSSA
Reference Number (if this is an
Amendment)

12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. 1)

Maximum AID Financing	A. Dollars	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
		- 0 -	750,000	-	750,000
	B. U.S.-Owned Local Currency				

13. Mission References

14a. Instructions to Authorized Agent
SER/OP/W/MS is requested to execute a 3-year grant agreement with Foster Parents Plan (PLAN) effective from 8/1/87 through 7/31/90. Initial funding of \$750,000 is provided for expenditures during the first 12 months. Depending on availability of funds and progress in the program satisfactory to A.I.D., additional annual increments of funding will be provided up to a total of \$2,250,000. PIO/T Attachments: #1 Detailed Grant Program Budget, #2 Statement of Work, #3 Program Description, #4 PVO's Proposal with Revisions, #5 Guidance for Periodic and Final Reports, #6 PVC/IPS' "PVO Financial Profile" on PLAN dated 12/29/86.

Please clear grant document with PVC Project Officer before sending to PVO.

14b. Address of Voucher Paying Office
AID/M/FM/PAFD, 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, Andrea Baumann <i>A Baumann</i>	Phone No. 255-8420 Date 5/22/87	B. The statement of work lies within the purview of the initiating and approved agency programs FVA/PVC, Karen M. Poe <i>K Poe</i>	Date 5/26/87
C. FVA/PVC, Lenora F. Watlington <i>LFW</i>	Date 5/26/87	D. Funds for the services requested are available M/FM/PAFD	
E. FVA/PPM, Kathy Kosar <i>K Kosar</i>	Date 5.26.87		

16. For the cooperating country: The terms and conditions set forth herein are hereby agreed to
Signature _____ Date _____
Title _____

17. For the Agency for International Development
Signature *Louis C. Stenberg* Date 5/29/87
Title Louis C. Stenberg, Deputy Director, FVA/PPM

AID 1250-1 (10-79)

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES

1. Cooperating Country: **Centrally Funded**

2. PIO/T No.: **7381608**

3. Original or Amendment No.

4. Project/Activity No. and Title: **938-0288 Foster Parents Plan - Matching Grant**

Page 1 of 3 Pages

DISTRIBUTION
 POSTED 5/27/87
 FUNDS RESERVED BY
 [Signature]

5. Appropriation Symbol: **72-1171021.6**

6. Attachment Symbol and Charge: **746-38-099-00-76-71 EDSA8713810 KG 1**

7. Obligation Status: Administrative Reservation Implementing Document

8. Authorized Agent: **AID/W**

9. Project Assistance Completion Date (Mo., Day, Yr.)

10. This PIO/T is in full performance with PRO/AG Date

11a. Type of Action and Governing AID Handbook: AID Contract (HB 14) PASA/RBSA (HB 12) AID Grant (HB 13) Other

11b. Contract/Grant/PASA/RBSA Reference Number (if this is an Amendment)

12. Estimated Financing (A detailed budget in support of column (B) is attached as attachment no. _____)

Maximum AID Financing	A. Dollars	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
			- 0 -	750,000	-
	B. U.S.-Owned Local Currency				

13. Mission References

14a. Instructions to Authorized Agent:
 SER/OP/W/MS is requested to execute a 3-year grant agreement with Foster Parents Plan (PLAN) effective from 8/1/87 through 7/31/90. Initial funding of \$750,000 is provided for expenditures during the first 12 months. Depending on availability of funds and progress in the program satisfactory to A.I.D., additional annual increments of funding will be provided up to a total of \$2,250,000. PIO/T Attachments: #1 Detailed Grant Program Budget, #2 Statement of Work, #3 Program Description, #4 PVO's Proposal with Revisions, #5 Guidance for Periodic and Final Reports, #6 PVC/IPS "PVO Financial Profile" on PLAN dated 12/29/86.

Please clear grant document with PVC Project Officer before sending to PVO.

14b. Address of Voucher Paying Office:
 AID/M/FM/PAFD, 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, Andrea Baumann [Signature] Date 5/22/87 Phone No. 235-8420

B. The statement of work lies within the purview of the initiating and approved agency program.
 FVA/PVC, Karen M. Poe [Signature] Date 5/26/87

C. FVA/PVC, Lenora F. Watlington [Signature] Date 5/26/87

D. Funds for the services requested are available.
 M/FM/PAFD

E. FVA/PPM, Kathy Kosar [Signature] Date 5.26.87

16. For the cooperating country: The terms and conditions set forth herein are hereby agreed to.

17. For the Agency for International Development:
 Signature: [Signature] Date: 5/29/87
 Title: Louis C. Stamberg, Deputy Director, FVA/PPM

Signature: _____ Date: _____
 Title: _____

AID 1350-1
(10-79)

1. Cooperating Country

Centrally Funded

2. PIO/T No.

Page 2 of 3 Pages

PIO/T

4. Project/Activity No. and Title

938-0288 Foster Parents Plan - Matching Grant

SCOPE OF WORK

18. THE SCOPE OF TECHNICAL SERVICES REQUIRED FOR THIS PROJECT ARE DESCRIBED IN ATTACHMENT NUMBER 2 HERETO ENTITLED "STATEMENT OF WORK".

19. SPECIAL PROVISIONS

- A. LANGUAGE REQUIREMENTS (SPECIFY) N/A
(IF MARKED, TESTING MUST BE ACCOMPLISHED BY AIO TO ASSURE DESIRED LEVEL OF PROFICIENCY)
- B. ACCESS TO CLASSIFIED INFORMATION WILL WILL NOT BE REQUIRED BY TECHNICIAN(S).
- C. DUTY POST(S) AND DURATION OF TECHNICIANS' SERVICES AT POST(S) (MONTHS) N/A
- D. DEPENDENTS WILL WILL NOT BE PERMITTED TO ACCOMPANY TECHNICIAN. N/A
- E. WAIVER(S) HAVE BEEN APPROVED TO ALLOW THE PURCHASE OF THE FOLLOWING ITEM(S) (COPY OF APPROVED WAIVER IS ATTACHED)
- F. COOPERATING COUNTRY ACCEPTANCE OF THIS PROJECT (APPLICABLE TO AID/W PROJECTS ONLY)
 - HAS BEEN OBTAINED
 - HAS NOT BEEN OBTAINED
 - IS NOT APPLICABLE TO SERVICES REQUIRED BY PIO/T
- G. OTHER (SPECIFY)

20. BACKGROUND INFORMATION (ADDITIONAL INFORMATION USEFUL TO AUTHORIZED AGENT)

Additional information on this Project is contained in PLAN's attached proposal.

21. SUMMARY OF ATTACHMENTS ACCOMPANY THE PIO/T (INDICATE ATTACHMENT NUMBER IN BLANK)

- 1 DETAILED BUDGET IN SUPPORT OF INCREASED FUNDING (BLOCK 12)
- _____ EVALUATION CRITERIA FOR COMPETITIVE PROCUREMENT (BLOCK 14)
- _____ JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT (BLOCK 14)
- 2 STATEMENT OF WORK (BLOCK 18)
- _____ WAIVER(S) (BLOCK 19) (SPECIFY NUMBER)
- 3 DETAILED PROGRAM DESCRIPTION
- 4 Proposal with Revisions
- 5 Guidance for Periodic and Final Reports
- 6 PVO Financial Profile on PLAN

AID 1350-1 (10-79)	1. Cooperating Country Centrally Funded	2. PIO/T No.	Page 3 of 3 Pages
	4. Project/Activity No. and Title 928-0288 Foster Parents Plan - Matching Grant		

22. Relationship of Contractor or Participating Agency to Cooperating Country and to AID

A. Relationships and Responsibilities

See Attached Program Description

B. Cooperating Country Liaison Official

N/A

C. AID Liaison Officials

FVA/PVC, Project Officer, Andrea Baumann

LOGISTIC SUPPORT

23. Provisions for Logistic Support

A. Specific Items (Insert "X" in applicable column at right. If entry needs qualification, insert asterisk and explain below in C. "Comments")	IN KIND SUPPLIED BY		FROM LOCAL CURRENCY SUPPLIED BY		TO BE PROVIDED OR ARRANGED BY SUPPLIER
	AID	COOPERATING COUNTRY	AID	COOPERATING COUNTRY	
(1) Office Space					X
(2) Office Equipment					X
(3) Housing and Utilities					X
(4) Furniture					X
(5) Household Equipment (Stoves, Refrig., etc.)					X
(6) Transportation in Cooperating Country					X
(7) Transportation To and From Country					X
(8) Interpreter Services/Secretarial					X
(9) Medical Facilities					X
(10) Vehicles (official)					X
(11) Travel Arrangements/Tickets					X
OTHER SPECIFY) (12)					X
(13)					
(14)					
(15)					

B. Additional Facilities Available From Other Sources

APO/FPD

PX

COMMISSARY

OTHER (Specify, e.g., duty free entry, tax exemption)

N/A

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NOTES TO BUDGET: Please include the following in the Grant Agreement.

1. "PLAN's agreed share of the total program budget is higher than the 50% minimum cost share requirement for Matching Grants from A.I.D. No reduction in the PLAN share agreed to herein can be made without approval by AID/FVA/PVC of the programmatic consequences of any such reduction."

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FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
JULY 1, 1987 - JUNE 30, 1990

THREE-YEAR TOTALS

	PLAN	AID	TOTAL
International Headquarters	\$ --	\$ 1,387,154	\$ 1,387,154
US National Organization	47,960	110,800	158,760
Egypt	84,549	20,000	104,549
Bombay	12,016	--	12,016
H.D. Kote	135,525	--	135,525
Madakasira	114,503	--	114,503
Bali	715,070	63,100	778,170
Yogyakarta	129,025	20,000	149,025
Nepal	327,678	63,050	390,728
Bicol	27,061	20,000	47,061
Mindoro	167,604	20,000	187,604
Badulla	147,138	63,050	210,188
Gampola/Kandy	111,445	63,050	174,495
Freetown *	208,341	43,050	251,391
Khartoum *	296,034	43,050	339,084
Wad Medani *	265,876	43,050	308,926
Bolivar *	227,855	43,050	270,905
San Pedro Sula *	247,415	43,050	290,465
TOTAL	3,265,095	2,045,454	5,310,549
10% Indirect Costs	326,510	204,546	531,056
	\$ 3,591,605	\$ 2,250,000	\$ 5,841,605

* Pending concurrence by A.I.D. Mission prior to Year 2 of this agreement.

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FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
JULY 1, 1987 - JUNE 30, 1990
AID FUNDS
THREE-YEAR SUMMARY

	Year 1	Year 2	Year 3	Total
International Headquarters*	\$ 486,218	\$ 455,618	\$ 445,318	\$1,387,154
US National Organization	35,600	37,200	38,000	110,800
Egypt	20,000	--	--	20,000
Bombay	--	--	--	--
H.D. Kote	--	--	--	--
Madakasira	--	--	--	--
Bali	20,000	21,000	22,100	63,100
Yogyakarta	20,000	--	--	20,000
Nepal	20,000	21,000	22,050	63,050
Bicol	20,000	--	--	20,000
Mindoro	20,000	--	--	20,000
Badulla	20,000	21,000	22,050	63,050
Gampola/Kandy	20,000	21,000	22,050	63,050
Freetown**	--	21,000	22,050	43,050
Khartoum**	--	21,000	22,050	43,050
Wad Medani**	--	21,000	22,050	43,050
Bolivar**	--	21,000	22,050	43,050
San Pedro Sula**	--	21,000	22,050	43,050
TOTAL	681,818	681,818	681,818	2,045,454
10% Indirect Costs	68,182	68,182	68,182	204,546
	\$ 750,000	\$ 750,000	\$ 750,000	\$2,250,000

*Includes Regional Office and IGP Support Expenses

**Pending concurrence by A.I.D. Mission prior to Year 2 of this agreement.

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FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
 INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
 JULY 1, 1987 - JUNE 30, 1990
 AID FUNDS
 BUDGET SUMMARY

	Year 1	Year 2	Year 3	Total
INTERNATIONAL HEADQUARTERS				
Staff:				
Project Coordinator				
Salary	\$ 39,000	\$ 41,340	\$ 43,820	\$ 124,160
Salary-Related	7,800	8,270	8,765	24,835
	-----	-----	-----	-----
	\$ 46,800	\$ 49,610	\$ 52,585	\$ 148,995
Project Evaluator				
Salary	\$ 39,000	\$ 41,340	\$ 43,820	\$ 124,160
Salary-Related	7,800	8,270	8,765	24,835
	-----	-----	-----	-----
	\$ 46,800	\$ 49,610	\$ 52,585	\$ 148,995
Secretary				
Salary	\$ 14,000	\$ 14,900	\$ 15,800	\$ 44,700
Salary-Related	2,800	2,980	3,160	8,940
	-----	-----	-----	-----
	\$ 16,800	\$ 17,880	\$ 18,960	\$ 53,640
Total Salaries	\$ 110,400	\$ 117,100	\$ 124,130	\$ 351,630
Staff Support				
Office Rent	\$ 6,000	\$ 6,300	\$ 6,615	\$ 18,915
Equipment/Furniture	9,500	2,000	1,000	12,500
Utilities	1,000	1,050	1,105	3,155
Repairs, Maintenance, Service	500	525	550	1,575
Telephone/Telex/Cable	2,500	2,625	2,750	7,875
Insurance	2,000	2,100	2,200	6,300
Supplies	350	100	105	555
Miscellaneous	500	525	550	1,575
	-----	-----	-----	-----
	\$ 22,350	\$ 15,225	\$ 14,875	\$ 52,450

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INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

AID BUDGET

	Year 1	Year 2	Year 3	Total
	-----	-----	-----	-----
Travel				
Project Coordinator	\$ 26,000	\$ 27,300	\$ 28,665	\$ 81,965
Project Evaluator	26,000	27,300	28,665	81,965
	-----	-----	-----	-----
	\$ 52,000	\$ 54,600	\$ 57,330	<u>\$163,930</u>
Total IH Costs	\$184,750	\$186,925	\$196,335	\$568,010
 REGIONAL STAFF				
Salaries and Benefits for 2 regional TAs	\$ 30,000	\$ 31,500	\$ 33,075	\$ 94,575
 Staff Support				
Rent/Administrative Services	\$ 3,000	\$ 3,150	\$ 3,300	\$ 9,450
Equipment/Furniture	2,500	1,000	500	4,000
Utilities/Repairs, Maintenance, Service	900	945	1,000	2,845
Telephone/Telex/Cable	500	525	550	1,575
Insurance	350	370	400	1,120
Supplies	350	200	200	750
Miscellaneous	500	525	550	1,575
	-----	-----	-----	-----
	\$ 8,100	\$ 6,715	\$ 6,500	\$ 21,315
 Travel				
Two Regional TAs	\$ 30,000	\$ 36,000	\$ 38,000	<u>\$104,000</u>
Total-Regional Staff	\$ 68,100	\$ 74,215	\$ 77,575	\$219,890
 US NATIONAL ORGANIZATION				
Marketing Specialist (2/3)				
Salary	\$ 21,333	\$ 22,666	\$ 22,333	\$ 67,332
Salary-Related	4,267	4,534	4,667	13,468
	-----	-----	-----	-----
Subtotal	\$ 25,600	\$ 27,200	\$ 28,000	\$ 80,800
Travel	10,000	10,000	10,000	<u>30,000</u>
	-----	-----	-----	-----
USNO Total	\$ 35,600	\$ 37,200	\$ 38,000	\$110,800

INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

AID BUDGET

	Year 1	Year 2	Year 3	Total
	-----	-----	-----	-----
FIELD OFFICE IGP SUPPORT				
Orientation Conferences	\$ 50,000	\$ 60,000	\$ --	\$ 110,000
In-Country Workshops @\$6,000	18,000	18,000	18,000	54,000
Consultants	15,000	10,000	12,000	37,000
Training	15,000	10,000	12,000	37,000
Technical Assistance	15,000	10,000	11,000	36,000
Evaluation Support	15,000	10,000	12,000	37,000
Publications	5,000	3,000	6,000	14,000
Fund for Pilot Projects	100,368	73,478	100,408	274,254
	-----	-----	-----	-----
	\$ 233,368	\$ 194,478	\$ 171,408	\$ 599,254
 FIELD OFFICES (Each)				
Coordinator	\$ 10,000	\$ 10,500	\$ 11,025	\$ 31,525
Evaluator	8,000	8,400	8,820	25,220
Consultants	2,000	2,100	2,205	6,305
	-----	-----	-----	-----
	\$ 20,000	\$ 21,000	\$ 22,050	\$ 63,050
 Field Office Totals	\$ 160,000	\$ 189,000	\$ 198,500	\$ 547,500
 SUMMARY				
International Headquarters	\$ 184,750	\$ 186,925	\$ 196,335	\$ 568,010
Regional Office	68,100	74,215	77,575	219,890
US National Organization	35,600	37,200	38,000	110,800
IGP Support	233,368	194,478	171,408	599,254
Field Offices	160,000	189,000	198,500	547,500
	-----	-----	-----	-----
10% Indirect Costs	\$ 681,818	\$ 681,818	\$ 681,818	\$ 2,045,454
	68,182	68,182	68,182	204,546
	-----	-----	-----	-----
 Total	\$ 750,000	\$ 750,000	\$ 750,000	\$ 2,250,000

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INCOME GENERATING MATCHING GRANT PROJECT EXTENSION

AID BUDGET NOTES

1. USAID to pay 2/3 of Marketing Specialist's salary, benefits and travel expenses. PLAN will pay 1/3 of costs to cover the percentage of this individual's time which is spent in fund-raising activities.
2. First-Year Field Offices (8): Egypt, Bali, Yogyakarta, Nepal, Bicol, Mindoro, Badulla and Kandy. Three Field Offices in India, Bombay, H.D. Kote and Madakasira will participate in the IGP. However, PLAN cannot spend AID funds in India because PLAN operates in India on the basis of agreements with Indian partnership agencies.

Second and Third-Year Field Offices (9): Bali, Nepal, Badulla, Kandy, Freetown/Rural Western Area, Khartoum, Wad Medani, Bolivar, San Pedro Sula.

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FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
JULY 1, 1987 - JUNE 30, 1990
PLAN MATCH
THREE-YEAR SUMMARY

	Year 1	Year 2	Year 3	Total
International Headquarters	\$ --	\$ --	\$ --	\$ --
US National Organization	15,000	15,960	17,000	47,960
Egypt	84,549	--	--	84,549
Bombay	12,016	--	--	12,016
I.D. Kote	135,525	--	--	135,525
Madakasira	114,503	--	--	114,503
Bali	226,827	238,167	250,076	715,070
Jogyakarta	129,025	--	--	129,025
Nepal	103,943	109,139	114,596	327,678
Bicol	27,061	--	--	27,061
Mindoro	167,604	--	--	167,604
Madulla	46,673	49,008	51,457	147,138
Pampola/Kandy	35,351	37,120	38,974	111,445
Breetown *	--	101,630	106,711	208,341
Chartoum *	--	144,407	151,627	296,034
Mad Medani *	--	129,695	136,181	265,876
Bolivar *	--	111,149	116,706	227,855
San Pedro Sula *	--	120,690	126,725	247,415
TOTAL	\$1,098,077	\$1,056,965	\$1,110,053	\$ 3,265,095

* Pending concurrence by A.I.D. Mission prior to Year 2 of this agreement.

FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
 INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
 JULY 1, 1987 - JUNE 30, 1990
 PLAN MATCH
 BUDGET SUMMARY

	Year 1	Year 2	Year 3	Total
EGYPT				
Salaries	\$16,490	\$ --	\$ --	\$ 16,490
Salary-Related	5,809	--	--	5,809
Animal Husbandry	6,896	--	--	6,896
Small Business Development	24,674	--	--	24,674
Employment Opportunity	24,910	--	--	24,910
Special Services	1,724	--	--	1,724
Vehicle-Related Costs	1,393	--	--	1,393
Travel	137	--	--	137
Equipment	200	--	--	200
Training	2,068	--	--	2,068
Other	248	--	--	248
	<u>\$ 84,549</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 84,549</u>
GOMBAY				
Salaries	\$ 10,145	\$ --	\$ --	\$ 10,145
Salary-Related	1,030	--	--	1,030
Travel	306	--	--	306
Equipment	110	--	--	110
Training	425	--	--	425
	<u>\$ 12,016</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 12,016</u>
S.D. KOTE				
Salaries	\$ 4,595	\$ --	\$ --	\$ 4,595
Salary-Related	1,716	--	--	1,716
Grain Storage & Cereal Banks	8,510	--	--	8,510
Erosion Control/Reforestation	4,944	--	--	4,944
Animal Husbandry	41,266	--	--	41,266
Fruits & Vegetables	1,463	--	--	1,463
Fisheries	6,808	--	--	6,808
Grain Mills	3,404	--	--	3,404
Agricultural Implements	5,446	--	--	5,466
Agricultural Training	1,940	--	--	1,940
Demonstration Plots/Model Farms	7,494	--	--	7,494
Agricultural Credit	24,255	--	--	24,255
Small Business Development	3,870	--	--	3,870
Employment Opportunity	11,050	--	--	11,050

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INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
H.K. KOTE (Cont.)				
Vehicle-Related	2,158	--	--	2,158
Travel	204	--	--	204
Evaluation	425	--	--	425
Equipment	1,404	--	--	1,404
Supplies	425	--	--	425
Training	425	--	--	425
Other	723	--	--	723
	-----	-----	-----	-----
	\$ 132,525	\$ --	\$ --	\$ 132,525
MADAKASIRA				
Salaries	\$ 9,548	\$ --	\$ --	\$ 9,548
Salary-Related	3,846	--	--	3,846
Erosion Control/Reforestation	16,170	--	--	16,170
Animal Husbandry	12,446	--	--	12,446
Fruits & Vegetables	1,021	--	--	1,021
Irrigation	21,276	--	--	21,276
Agricultural Implements	10,127	--	--	10,127
Demonstration Plots/Model Farms	1,021	--	--	1,021
Small Business Development	17,021	--	--	17,021
Employment Opportunity	5,996	--	--	5,996
Vehicle Related	6,561	--	--	6,561
Travel	1,387	--	--	1,387
Equipment	6,987	--	--	6,987
Supplies	536	--	--	536
Training	382	--	--	382
Other	178	--	--	178
	-----	-----	-----	-----
	\$ 114,503	\$ --	\$ --	\$ 114,503
BALI				
Vehicle Related	\$ 584	\$ 613	\$ 644	\$ 1,841
Equipment	4,063	4,266	4,479	12,808
Erosion Control/Reforestation	14,327	15,043	15,795	45,165
Animal Husbandry	30,819	32,360	33,978	97,157
Fruits & Vegetables	62,498	65,623	68,904	197,025
Irrigation	92,766	97,404	102,275	292,445
Agricultural Implements	3,125	3,281	3,445	9,851
Small Business Development	16,978	17,827	18,718	53,523
Employment Opportunity	1,667	1,750	1,838	5,255
	-----	-----	-----	-----
	\$ 226,827	\$ 238,167	\$ 250,076	\$ 715,070

INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
YOGYAKARTA				
Salaries	\$ 5,760	\$ --	\$ --	\$ 5,760
Salary-Related	973	--	--	973
Animal Husbandry	26,666	--	--	26,666
Fruits & Vegetables	8,333	--	--	8,333
Irrigation	19,999	--	--	19,999
Fisheries	4,166	--	--	4,166
Agricultural Implements	15,000	--	--	15,000
Agricultural Landlease/ Purchase	10,000	--	--	10,000
Agricultural Credit	10,000	--	--	10,000
Employment Opportunity	15,000	--	--	15,000
Special Projects	9,167	--	--	9,167
Vehicle Related	2,455	--	--	2,455
Supplies	625	--	--	625
Training	631	--	--	631
Other	250	--	--	250
	<u>\$ 129,025</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 129,025</u>
NEPAL				
Salaries	\$ 2,389	\$ 2,508	\$ 2,634	\$ 7,531
Salary-Related	63	66	69	198
Travel	24	25	26	75
Other	38	40	42	120
Animal Husbandry	71,429	75,000	78,750	225,179
Fisheries	15,714	16,500	17,325	49,539
Agricultural Credit	14,286	15,000	15,750	45,036
	<u>\$ 103,943</u>	<u>\$ 109,139</u>	<u>\$ 114,596</u>	<u>\$ 327,678</u>
BICOL				
Animal Husbandry	\$ 16,626	\$ --	\$ --	\$ 16,626
Fisheries	10,435	--	--	10,435
	<u>\$ 27,061</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 27,061</u>
MINDORO				
Salaries	\$ 39,015	\$ --	\$ --	\$ 39,015
Salary-Related	1,430	--	--	1,430
Grain Cultivation	8,021	--	--	8,021
Animal Husbandry	37,632	--	--	37,632
Fruits & Vegetables	1,026	--	--	1,026
Irrigation	2,508	--	--	2,508
Fisheries	18,783	--	--	18,783
Agricultural Implements	18,043	--	--	18,043

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INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
MINDORO (Cont.)				
Small Business Development	22,443	--	--	22,443
Special Projects	5,869	--	--	5,869
Vehicle-Related	8,139	--	--	8,139
Travel	4,695	--	--	4,695
	-----	-----	-----	-----
	\$ 167,604	\$ --	\$ --	\$ 167,604
BADULLA				
Salaries	\$ 975	\$ 1,024	\$ 1,075	\$ 3,074
Salary-Related	394	414	434	1,242
Travel	54	57	60	171
Evaluation	45	47	50	142
Training	894	939	986	2,819
Other	27	28	30	85
Erosion Control/Reforestation	1,964	2,062	2,165	6,191
Irrigation	3,571	3,750	3,937	11,258
Agricultural Implements	1,730	1,817	1,907	5,454
Fertilizer/Seed	29,714	31,200	32,760	93,674
Agricultural Training	2,500	2,625	2,756	7,881
Employment Opportunity	1,786	1,875	1,969	5,630
Special Projects	3,019	3,170	3,328	9,517
	-----	-----	-----	-----
	\$ 46,673	\$ 49,008	\$ 51,457	\$ 147,138
GAMPOLA/KANDY				
Salaries	\$ 3,949	\$ 4,146	\$ 4,354	\$ 12,449
Salary-Related	1,798	1,888	1,982	5,668
Other	257	270	283	810
Grain Cultivation	1,714	1,800	1,890	5,404
Animal Husbandry	11,571	12,150	12,757	36,478
Fruits & Vegetables	2,143	2,250	2,363	6,756
Irrigation	536	563	591	1,690
Agricultural Training	232	244	256	732
Employment Opportunity	1,418	1,489	1,563	4,470
Demonstration Plots/Model Farms	3,857	4,050	4,252	12,159
Special Projects	7,876	8,270	8,683	24,829
	-----	-----	-----	-----
	\$ 35,351	\$ 37,120	\$ 38,974	\$ 111,445
FREETOWN/RURAL WESTERN AREA				
Salaries	\$ --	\$ 9,019	\$ 9,470	\$ 18,489
Salary-Related	--	2,366	2,484	4,850
Grain Storage & Cereal Banks	--	2,666	2,799	5,465
Erosion Control/Reforestation	--	12,999	13,649	26,648
Animal Husbandry	--	10,333	10,850	21,183

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INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
FREETOWN/RURAL WESTERN AREA (Cont.)				
Fisheries	--	10,000	10,500	20,500
Agricultural Training	--	5,166	5,424	10,590
Demonstration Plot	--	10,666	11,199	21,865
Model Farms	--	11,000	11,550	22,550
Small Business Development	--	6,666	6,999	13,665
Special Projects	--	2,500	2,625	5,125
Vehicle-Related	--	14,566	15,294	29,860
Travel	--	833	875	1,708
Equipment	--	1,000	1,050	2,050
Supplies	--	382	401	783
Training	--	1,033	1,085	2,118
Other	--	435	457	892
	\$ --	\$ 101,630	\$ 106,711	\$ 208,341
KHARTOUM				
Erosion Control/Reforestation	\$ --	\$ 6,182	\$ 6,491	\$ 12,673
Animal Husbandry	--	7,784	8,173	15,957
Irrigation	--	103,636	108,818	212,454
Special Projects	--	26,805	28,145	54,950
	\$ --	\$ 144,407	\$ 151,627	\$ 296,034
WAD MEDANI				
Salaries	\$ --	\$ 2,107	\$ 2,212	\$ 4,319
Salary-Related	--	2,618	2,749	5,367
Grain Storage/Cereal Banks	--	2,290	2,405	4,695
Erosion Control/Reforestation	--	3,636	3,818	7,454
Animal Husbandry	--	33,620	35,301	68,921
Fruits & Vegetables	--	2,072	2,176	4,248
Demonstration Plots	--	1,454	1,527	2,981
Small Business Development	--	72,300	75,915	148,215
Employment Opportunity	--	8,363	8,781	17,144
Evaluation	--	363	381	744
Other	--	872	916	1,788
	\$ --	\$ 129,695	\$ 136,181	\$ 265,876
BOLIVAR				
Salaries	\$ --	\$ 19,685	\$ 20,669	\$ 40,354
Salary-Related	--	1,988	2,087	4,075
Supplies	--	424	445	869
Erosion Control/Reforestation	--	13,939	14,636	28,575

INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
	-----	-----	-----	-----
BOLIVAR (Cont.)				
Agricultural Training	--	35,151	36,909	72,060
Small Business Development	--	34,507	36,232	70,739
Employment Opportunity	--	5,455	5,728	11,183
	-----	-----	-----	-----
\$	--	\$ 111,149	\$ 116,706	\$ 227,855
 SAN PEDRO SULA				
Salaries	\$ --	\$ 14,400	\$ 15,120	\$ 29,520
Salary-Related	--	548	575	1,123
Vehicle-Related	--	8,651	9,084	17,735
Travel	--	4,318	4,534	8,852
Equipment	--	320	336	656
Training	--	255	268	523
Grain Cultivation	--	10,529	11,055	21,584
Grain Storage/Cereal Banks	--	7,897	8,292	16,189
Animal Husbandry	--	7,075	7,429	14,504
Fruits & Vegetables	--	7,536	7,913	15,449
Fisheries	--	698	733	1,431
Grain Mills	--	11,273	11,837	23,110
Agricultural Landlease/Purchase	--	35,227	36,988	72,215
Demonstration Plots/Model Farms	--	1,091	1,146	2,237
Agricultural Credit	--	6,545	6,872	13,417
Small Business Development	--	4,327	4,543	8,870
	-----	-----	-----	-----
\$	--	\$ 120,690	\$ 126,725	\$ 247,415

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SCHEDULE

Attachment 2
PIO/T No. _____

- A. PURPOSE: The purpose of this Cooperative Agreement is to provide support for Foster Parents Plan to consolidate on-going income generation programs with small farmer families in six countries; to initiate new programs in four countries; to document lessons learned and to institutionalize this knowledge within PLAN's overseas program; and to improve PLAN's ability to assist the target population to gain access to and use appropriate local credit and technical resources.

The above is more specifically described in Attachment 3, "Program Description," and PLAN's proposal (Attachment 4) dated 10/17/86 and revised on 2/26/87, which is incorporated in Grant Agreement. In the event of an inconsistency, the Program Description shall take precedence over PLAN's proposal.

- B. REPORTING AND EVALUATION: Ten copies of the Annual Report plus one copy for the A.I.D. Mission in each target country in program will be submitted to the AID/FVA/PVC Project Officer 60 days prior to each anniversary date of the grant. Annual reports will describe project activities and PLAN's financial contribution to the project. Guidance for Periodic and Final Reports to FVA/PVC on Grant Accomplishments is provided as Attachment 5 for illustrative purposes. (AID/FVA/PVC is in the process of submitting this guidance format to OMB for their clearance. Once OMB clearance is given the suggested format will be required.)

The Annual Report will also include a country data sheet for each subproject activity to be furnished in this standard format prescribed for FVA/PVC's grant information system (AID FORM 1550-11 included in Attachment 5). Other current A.I.D. grants to PLAN, such as OPGs, will be noted in the report with an explanation of any relationship of such grants to this grant supported program.

- C. EVALUATION: Self-evaluation will be conducted by PLAN in accordance with its normal evaluation program as described in its grant proposal (Attachment 4). In addition, from time-to-time A.I.D. officers will, with prior notification to the PVO's headquarters, visit selected project sites.

D. SUBSTANTIAL INVOLVEMENT

1. Countries: The following countries are approved for direct in-country program support under the agreement: Egypt, India, Indonesia, Nepal, Philippines, Sri Lanka. Countries in which programs will not be initiated until Stage 2 in Year 2 -- Sudan, Ecuador, Honduras, Sierra Leone -- are approved pending cable concurrence by these A.I.D. Mission prior to Year 2 of this agreement. For these Stage 2 countries and other countries that may be approved during the period of the agreement, such approval will be communicated to PLAN by A.I.D. in writing after consultation with the relevant A.I.D. Mission and FVA/PVC Project Officer concurrence.

E. AUTHORIZED GEOGRAPHIC CODES FOR PROCUREMENT

1. Procurement under this project will follow the general order of precedence as necessary to effectively implement the project. No procurement in Code 935 or of restricted commodities is anticipated under this project.
2. Should any unanticipated Code 935 and/or restricted procurement become necessary, the Grantee will use its own private share of the grant match for this purpose. When this is Grantee's intention, written verification is to be sent to the A.I.D./FVA/PVC Project Officer for concurrence and forwarding to the Grant Officer.

F. TRAVEL

The Standard Provision requiring advance notification of the Grantee's travel intentions overseas is waived for all Matching Grants by the Action Memo cleared by the AA's of all A.I.D. bureaus and signed by the Administrator of A.I.D. on August 20, 1979. Copy of this memo is on file in SER/OP/W/MS and FVA/PVC.

PROGRAM DESCRIPTION

- I. Program Goal: The goal of this Income Generation Program (IGP) is to improve PLAN's ability to assist poorer rural families to increase their income in a sustainable manner.
- II. Program Purpose: The four-fold purpose of the IGP is: (1) to consolidate, document and disseminate what PLAN has learned in income generation; (2) to increase staff competence in the design, implementation and evaluation of successful and sustainable income generating projects; (3) to institutionalize income enhancement as one of the three major sectors of PLAN's development program (with health and education); and (4) to improve PLAN's ability to assist the target population to gain access to and use appropriate credit mechanisms and technical services.
- III. Principal Activities: To accomplish the goal and purpose PLAN will :
 1. Design and implement income generation projects with small farm families.
 2. Identify and introduce small scale appropriate technologies for these projects, particularly post harvest technology (e.g., pedal threshers, grain blowers and dryers, corn and peanut shellers, bakery ovens, hollow block makers, grain and water storage receptables).
 3. Conduct a thorough needs assessment for the four field offices which will receive all three years of support under this grant: Bali (Indonesia), Kathmandu (Nepal), and Kandy and Badulla (Sri Lanka).
 4. Develop field office and/or regional manuals on income generation.
 5. Document PLAN's income generation sector experience and lessons learned through a series of 15 case studies, 5 per year.

6. Organize and implement a conference for the field offices participating in the first year of the grant. An implementation plan for applying methodologies and lessons learned to the field offices joining the IGP in Year 2 will be developed at the conference.
7. Carry out detailed planning, including the design and installation of evaluation systems in the four field offices being assisted all three years of this agreement.
8. Conduct staff training workshops using the case studies, field manuals and evaluation materials developed under the program to increase in-house professionalism and awareness of lessons learned
9. Organize small community business clubs as nuclei for continuing training and leadership development and for establishing small vocational training and development centers.
10. Establish links with local lending institutions which will enable the target population to gain access to the formal credit system.

IV. Program Management: Jim Byrne, the Director of Programs at Foster Parents Plan, will be principally responsible for the overall management and implementation of the Matching Grant program. PLAN is a particularly decentralized organization, but this Matching Grant will have more than normal review and supervision from headquarters. New Project Coordinator and Project Evaluator will be added to PLAN's staff to administer this program initially and subsequently the income generation activities in all of PLAN's overseas program. They both will be based at headquarters and will be backstopped by an IGP Advisory Committee. Field offices will receive technical assistance and guidance from Program Coordinators trained in IGP and local resource identification.

V. Proposed Evaluation Plan: PLAN has one of the most extensive evaluation programs in the PVO field and will incorporate IGP evaluation into its overall evaluation methodology. These include PLAN's Situation Assessment and Goal Establishment (SAGE), Sector Program Outlines (SPO's), and Project Design Outlines (PDO's). Reporting mechanisms include PLAN's Project Accountability Facesheets, Annual Field Office Program Reports, and special sector evaluations.

Nevertheless, the IGP is a special concern to PLAN and specialized evaluation programs and methodologies will be monitored and formal impact evaluations will take place during

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the grant. To provide comparable data among all IGP projects, PLAN's Evaluation, Management, and Research Bureau with the new Project Evaluator will establish specific monitoring mechanisms for every project type funded through the IGP. Since the major objective of the grant is to increase family income, each project will have specific accounting procedures to identify revenues and expenses to determine changes in equity. Specific monitoring mechanisms will be developed for each "client category" identified as being the recipients of funds through this grant.

Because of cultural differences, each field office will develop its own wealth or project equity index to take into account the variability of cultural and economic conditions. These indices will supplement the monitoring mechanisms developed on the basis of fixed business indicators that will be standardized for all project types. Indicators will also be developed to measure non-economic project impact. Total aggregate income generated through field projects will be identified, and success rate in establishing viable small enterprises and specific kinds of projects will be determined.

6:6

 **Foster Parents Plan.**
Help so complete, it touches a child for life.

February 26, 1987

Ms. Andrea Baumann
U.S. Agency for International Development
Office of Private & Voluntary Assistance
FVA/PVC Room 258 SA-8
Washington, DC 20523

Dear Ms. Baumann:

Please find attached our modified IGP proposal with AID suggested changes and modifications. The budget has been completely revised to reflect the changes. It includes \$6,000 for office rental which takes the place of the Bangkok office.

This document does not replace the original proposal. Topics not treated here have, therefore, not changed from the original proposal.

I hope you find these revisions acceptable.

Sincerely,


Fred Kirschstein
Director of Program Development

Enclosures

cc: Kenneth Phillips
Sage Russell

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SUPPLEMENT TO:

**A Proposal To Extend The
Income-Generating Matching Grant**

Submitted to USAID by Foster Parents Plan, Inc.

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PROGRAM DESCRIPTION

INTRODUCTION

PLAN will complete its first matching grant in income-generation at the end of July 1987. The IGP, as it is called, is a three-year grant whose purpose is to help PLAN improve its ability to help families increase their income.

The grant is based in Asia, although two countries in Africa, Egypt and Kenya, are included as well. Other participating Field Offices are Bombay, H.D. Kote and Madakasira in India; Bali and Yogyakarta, Indonesia; Nepal; Bicol and Mindoro, Philippines; and Kandy and Badulla, Sri Lanka. During the first two years the IGP was managed by a Project Director located in Bangkok, Thailand. The IGP staff included two Assistant Directors for Training and Evaluation, also located in Asia and reporting to the Project Director, and an Assistant Director at the US National Organization, whose task has been to promote linkages between US-based organizations and the PLAN Field Offices.

The IGP has spurred a proliferation of institutional knowledge about income-generation. It has encouraged participating Field Offices to seek technical assistance, explore a variety of credit mechanisms, experiment with innovative projects, and develop and implement evaluation systems to measure the effectiveness and impact of their work in income-generation.

If the hallmark of the first IGP has been diversity and experimentation, the second IGP will be characterized by consolidation and institutionalization. We have learned a great deal about what to do and what not to do in income-generation, but that knowledge is largely limited to those Field Offices which have participated in the IGP. We have not yet collected, systematized or fully refined what we know about IGPs and what we mean by income-generating activities within PLAN. We feel this is as it should be at the two and a half year mark and are pleased with our progress to date. We have learned that IGPs are difficult to do; their success depends upon a number of factors outside PLAN's direct control, including government policies, the general level of economic activity, and the energy and determination of the entrepreneurs themselves.

PLAN is applying for a three-year extension of the IGP in order to consolidate and document what we have learned in income-generation, to continue to refine our knowledge of how to assist individuals and families to implement successful and sustainable income-generating activities, to develop workable credit mechanisms and to institutionalize this knowledge within PLAN and disseminate it throughout the agency.

AID funding has been extremely useful to PLAN in the past, as it enables us to direct human, technical and financial resources at a particular sector, thereby speeding and intensifying the process of institutional learning. We feel that the income-generating sector can continue to benefit from the concentration of resources which AID funding will bring to it.

GOALS

The four primary goals of the IGP extension are:

1. To improve PLAN's ability to assist families to increase their income in a sustainable manner.
2. To increase staff competence in the design, implementation and evaluation of income-generating projects.
3. To institutionalize income-enhancement as one of the three major sectors of PLAN's development program. The others are health and education.
4. To improve PLAN's ability to assist the target population to gain access to and use appropriate credit mechanisms and technical services.

STRUCTURE AND ORGANIZATION

Participating Field Offices:

Consolidation Phase -- Year I:

As with the original matching grant in income-generation, the extension will be divided into two phases. The first year will be essentially a continuation of the first grant and will include the following Field Offices, all of which participated in the first IGP: Egypt; Bombay, H.D. Kote, and Madakasira, India; Bali and Yogyakarta, Indonesia; Nepal; Bicol and Mindoro, Philippines; and Badulla and Kandy, Sri Lanka. Egypt, Bombay, H.D.

Kote, Madakasira, Yogyakarta, Bicol and Mindoro will participate in the IGP extension for the first year only. This will give them time to consolidate progress to date, document lessons learned and prepare for continuation of income-generating activities after cessation of AID funding. Bali, Nepal, Badulla and Kandy will remain in the IGP for the full three-year grant period.

The goals of the first-year consolidation are to:

1. Build on the experiences and lessons of the first IGP and document them through a series of case studies. We are planning to produce five case studies a year.
2. Conduct a thorough needs assessment for the four Field Offices which will be remaining in the IGP throughout the three-year extension. These Field Offices are Bali, Nepal, Kandy and Badulla.
3. Provide time for the new IGP staff to become oriented to PLAN, if necessary, and to their work on the IGP.
4. Carry out detailed planning, including the design and installation of evaluation systems in the experienced Field Offices, so that they are ready for the expansion phase, which will begin in Year II.
5. Organize and implement a conference for the Field Offices participating in the first year of the grant. Conference topics will include discussion of results in project implementation and evaluation, sharing and refining of lessons learned, identification of possible pilot projects and planning for project continuation when grant funding ends in affected Field Offices.
6. Develop an implementation plan for applying methodologies and lessons learned to the Field Offices joining the IGP in Year II.

Expansion Phase - Years II and III:

There will be two types of expansion: the addition of a limited number of Field Offices in Africa and Latin America to the IGP, and the planned and structured dissemination of information on small enterprise promotion to all Field Offices.

Field Offices in the first group will be able to spend AID funds on staff, training, technical assistance, evaluation, projects and other IGP activities; they will be visited regularly by IH and regional level IGP staff; and will be included in the program and financial reports to USAID. These Field Offices include the four in Asia already mentioned: Bali, Nepal, Kandy and Badulla.

In addition we will expand the IGP to Field Offices in Freetown/Rural Western Area, Sierra Leone; Khartoum and Wad Medani, Sudan; San Pedro Sula, Honduras; and Bolivar, Ecuador.

PLAN programs in El Salvador and Liberia were included in the expansion phase of the IGP extension in the first version of the proposal. El Salvador has since been eliminated from the IGP because the continuing instability in that country makes successful implementation of the project there problematic and because revised guidelines from AID request limited expansion of the IGP to new Field Offices in Year II. In Africa we have substituted the Sudan for Liberia because we feel that PLAN programs in the Sudan are better positioned than those in Liberia to profit from a focus on income-generating activities. Both El Salvador and Liberia will, however, benefit from the knowledge and experience PLAN gains through the grant, since knowledge acquisition and information dissemination are among the major goals of the extension.

In a sense, all PLAN Field Offices will be in the IGP, beginning in the second year of the extension (July 1988), if not before. By then we expect that we will have completed the following activities, which affect all Field Offices.

1. Trained the Program Coordinators and other IH staff in IGPs so that they can incorporate a focused review of IGP activities into their Field visits, recommendations and the plans of action they develop with the Field Offices. IGP review is and will remain only one element of a Program Coordinator's visit since Program Coordinators review all aspects of a Field Office's program and systems.
2. Incorporated IGP training into three regional conferences for all Internationals from the Africa, Asia and Latin America regions. Regional conferences provide a forum for training and information-sharing on topics of concern to the Field. IGP training will figure on the agenda of the next round of regional conferences because most Field Offices have identified it as a need.
3. Written and disseminated five case studies on experiences and lessons learned from the first IGP.
4. Developed, implemented and begun to analyze preliminary results of an IGP evaluation system.

Staffing and Structure:

PLAN International consists of Headquarters, Regional and Field Office levels and we will have specialized IGP staff working at each.

There will be two full-time AID-funded IGP staff members operating out of International Headquarters (IH): a Project Coordinator and a Project Evaluator. Job descriptions are attached. We plan to fill both positions before the IGP extension begins in July 1987. We are seeking candidates with strong technical backgrounds in income-generation and evaluation. The Project Coordinator will report to the International Program Director and the Evaluator will report to the Manager of the Evaluation and Management Research Bureau. They will work closely together and will spend much of their time traveling to the Field.

An IGP Advisory Committee will be formed, composed of the Program Director, the Manager of the Evaluation and Management Research Bureau, the Director of International Relations, the Special Funding Administrator, the Project Coordinator, the Project Evaluator and the Assistant Director from the US National Organization. The Director of International Relations is responsible for relations and communications with National Organizations, donor governments and other organizations external to PLAN. The Special Funding Administrator provides day-to-day administrative oversight and liaison on the IGP and will furnish continuity when the Coordinator is traveling. This structure will ensure proper coordination, communications and input into decision-making among the various entities directly concerned with the IGP.

The Program Coordinators are the primary link between IH and the Field. The IGP Coordinator will be responsible for keeping the Program Coordinators informed and consulting with them on IGP planning, activities and progress in the Field Offices they oversee.

Please refer to Table I for a schematic representation of this structure.

We will base IGP technical assistants at the regional level. We currently have one technical assistant in small business promotion and IGP training, operating out of Manila. We will maintain our base in Manila and station another technical assistant there, ideally someone with expertise in marketing or credit mechanisms. These technical assistants will spend much of their time traveling to Field Offices in the region to provide support, follow-up and staff and client training; to facilitate networking among PLAN Field Offices in the region; and to link PLAN to organizations with expertise in income-generation. These technical assistants will be supervised by the IGP Coordinator, who will meet with them at regular intervals. With this structure we hope to combine the advantages of a regional and a headquarters management structure: the access to and knowledge of the local situation provided by a regional office, with the opportunities for policy-making, institutionalization and dissemination which a headquarters location make possible.

The Field Offices, too, will have specialized IGP staff. At each Field Office, the IGP will be headed by a coordinator, who will be a senior-level staff member with experience in implementing IGPs.

Most Field Offices maintain technical assistants on the Resource and Skills Development staff. These TAs generally provide assistance in areas related to the primary income source of families in the area, including agriculture, livestock-raising, fishing and small business. Sometimes it is not necessary to hire technical assistants for the PLAN staff, as the necessary technical assistance is available from the government. In this situation the Field Office IGP Coordinator will be the liaison with the government. Each Field Office will have a specialized evaluation staff, consisting of one or more persons. A member of the evaluation staff will be designated as the Field Office IGP evaluator.

Continued and direct contact with PLAN families and communities is provided by line staff, generally referred to as social or community promoters. Promoters must be able to assist families with their IGPs, at least to the extent of knowing when and where to make referrals for technical assistance. To this end, one of the major thrusts of the first IGP has been to train line staff in small enterprise promotion skills. In the IGP, training of line staff will continue, and will emphasize business management and market and financial analysis. We will also stress training in business skills for clients.

The IGP Coordinator will have overall responsibility for ensuring that staff and client training takes place. The IGP Evaluator will work closely with Field Office evaluation staff to provide support and training and will monitor their progress.

The structure we envision for the IGP is designed to be compatible with existing PLAN systems; this becomes even more important in the extension than it was in the original IGP, since one of our overall goals is to institutionalize the knowledge and practice of income-generating activities within PLAN. Thus it is very important to use existing delivery and dissemination mechanisms to carry the message about the IGP. The more frequently the message is repeated and reinforced, the more thoroughly it will be assimilated into PLAN's development programs. This is one very important reason for using community promoters for IGP promotion and follow-up, since they have direct and sustained contact with PLAN families and are already well known to them. Similarly, the Program Coordinators serve as one of the major information-sharing mechanisms between IH and the Field. We intend to provide IGP training to Program Coordinators, to capitalize on this function. The Program Coordinators will then be better able to include IGP review as part of their general Field Office review and this will have a significant multiplier effect throughout the agency.

In addition to the full-time IGP staff described above, we will engage short or long-term consultants at IH and in the Field. We cannot pinpoint now how and where we will use these consultants; most of these decisions will be made based on the needs assessment carried out in the Field during the first year of the extension and by the specific areas of IGP expertise we have on staff.

Listed below are some of the areas in which we may use consultants and some of the models we are considering.

1. Prepare case studies, develop a dissemination strategy, or assess the technical assistance and training needs of both ongoing and new programs. These are areas which have been suggested by AID and we are considering them seriously.
2. Develop and help Field Offices implement a system for identifying and assisting entrepreneurs.
3. Develop an evaluation methodology. Design, carry out or analyze data from baseline survey(s).
4. Document and describe the various credit mechanisms in use at PLAN Field Offices and make recommendations.
5. At the Field level enter into a contract with a local individual or organization to provide technical assistance in a particular area: for example, in staff and client training or evaluation, as was done in Egypt and the Bicol.
6. Engage consultants to carry out short-term one-time assignments: for example, PLAN hired World Education, Inc., to carry out training of trainers programs in income-generation in four Field Offices. Credit unions and livestock projects were evaluated by outside consultants in Indonesia.
7. We will consider entering into a long-term contract with an agency to provide technical assistance in income-generation as AID has suggested, but the decision will depend on the skills and experience of the IGP staff we hire. Our preference is to hire most of the technical assistance we need because having these people on staff will facilitate institutional learning and fixing new knowledge within the agency. We would then use consultants to fill the gaps. We have a model for this approach in the first IGP in our contract with the Asian Institute of Technology to provide evaluation and data analysis services to the Field.

USE OF PLAN AND AID FUNDS

PLAN Funds:

PLAN carries out most of its income-generating program under the auspices of the Resource and Skills Development sector. Activities in this sector are often concerned with the family's primary income source. PLAN is committed to providing programs and services to its target population. We work with the poorest segments of the population, and we recognize that not everyone can

or wants to be an entrepreneur. Our traditional projects, many of which are in agriculture, are technically sound and well implemented, and we will continue to do them. However, we will use PLAN funds for these projects.

AID Funds:

Within the overall framework of the R&SD sector we will utilize AID funds for the staff, support and activity costs required to accomplish the four major goals of the IGP extension. AID funds will be used for the following purposes:

A. Technical assistance and project management -- at the IH, Regional and Field levels

Technical assistance will be focused on the ten Field Offices in the IGP. It will be provided by means of the full-time positions described above and by consultants on short or long-term contracts. There will be one or two technical assistants at the regional level, and each Field Office will have at least one staff member to direct and provide technical assistance to the IGP. IGP staff will help PLAN staff to identify entrepreneurs and to channel people into small enterprises which will generate income.

AID funds will also be used to provide travel, equipment and other support costs to these individuals.

B. Pilot Projects

In order to focus our institutional learning and to help to determine what is in fact an IGP, each Field Office will implement two to five pilot projects. We will provide a great deal of technical assistance and staff support to these projects, will monitor them closely and evaluate their impact. We will verify and document what happened, incorporate the findings into a case study, to pinpoint the lessons learned, which we will then circulate through the agency. We expect that many, if not most, of these projects will be innovative or experimental in nature, but that is not a requirement. A Field Office, most of whose target population consists of subsistence farmers, might wish to provide intensive assistance to a traditional agriculture project to determine if it can be in fact become a genuine IGP. This assistance might consist of new crops or methods of cultivation, improved agricultural inputs such as seeds or fertilizer, assistance with transport or marketing, or food processing. The Coordinator will ensure that the pilot projects encompass a broad spectrum of project types, to maximize the amount of information gathered.

The following activities are listed as sample pilot projects.

1. Introduction of small-scale appropriate technology, particularly in post-harvest technology; for example, pedal threshers, grain blowers and dryers, corn and peanut shellers, bakery ovens, hollow block makers, grain and water storage receptacles.
2. Food processing and related projects, including salt, palm oil and cassava processing; nut cracking; soap-making and bread baking.
3. Focusing on pilot areas as well as pilot projects.
4. Diversification into non-traditional crops.
5. Combining rice paddy fields and aquaculture.
6. Integration of livestock (pigs) with fish culture in marginal areas.
7. Tourist industry.
8. Organization of small community business clubs as nuclei for continuing training and leadership development and establishment of small centers for vocational training and development.
9. Promotion of domestic training and employment.
10. Establishment of a retail outlet in an urban area.

C. Generalizing from Lessons Learned

We will attempt to generalize from lessons learned to benefit the global organization. Because of variation among Field Offices, we recognize that it will not be possible to develop one specific methodology or set of lessons learned, but we hope to identify some general guiding principles and some regional or rural/urban models. Some Field Offices have already acquired a great deal of knowledge about income-generation and all that is needed is to write it down. As the lessons learned are verified and assimilated, we will extend IGP activities to new Field Offices.

D. Dissemination and Institutionalization

From there we will promulgate and institutionalize this information within the organization. For example, by the end of the IGP extension, we hope to know whether cross-training general program staff in income-generating project promotion

is workable or whether it is preferable to have technical experts in income-generation on staff. Answers to these questions are generalizable to other sectors of our programs and this will greatly increase the impact of the IGP and its benefit to PLAN.

Information will be collected in a sourcebook, as described in the original proposal. By the end of the three years, we will have developed an agency policy on income-generating activities which will be incorporated into the Program Manual.

STRATEGIES AND ACTIVITIES

We will use the following strategies to accomplish our four program goals.

- A. To improve PLAN's ability to assist families to increase their income in a sustainable manner.
 - 1. Pilot projects.
 - 2. Capital.
 - 3. Technical assistance (from Field staff and local agencies/individuals) in the various elements of IGPs, such as feasibility studies, marketing, bookkeeping, use of credit, new project ideas, monitoring and evaluation.
 - 4. Access to technical inputs, ie, seeds, fertilizers, tools.
 - 5. Identification of and support to entrepreneurs.
 - 6. Documenting and disseminating lessons learned to other Field Offices.
- B. To increase staff competence in the design, implementation and evaluation of IGPs.
 - 1. Specialized IGP staff at IH, regional and Field Office levels.
 - 2. IGP training for Program Coordinators and other IH staff. IGP training for technical assistants in R&SD sector, community promoters and other Field Office staff.
 - 3. Linkages with other local, regional and international organizations for training and technical assistance. We will look internationally for technical assistance only if we find that it is not available locally or regionally. Training can be provided in the following ways:

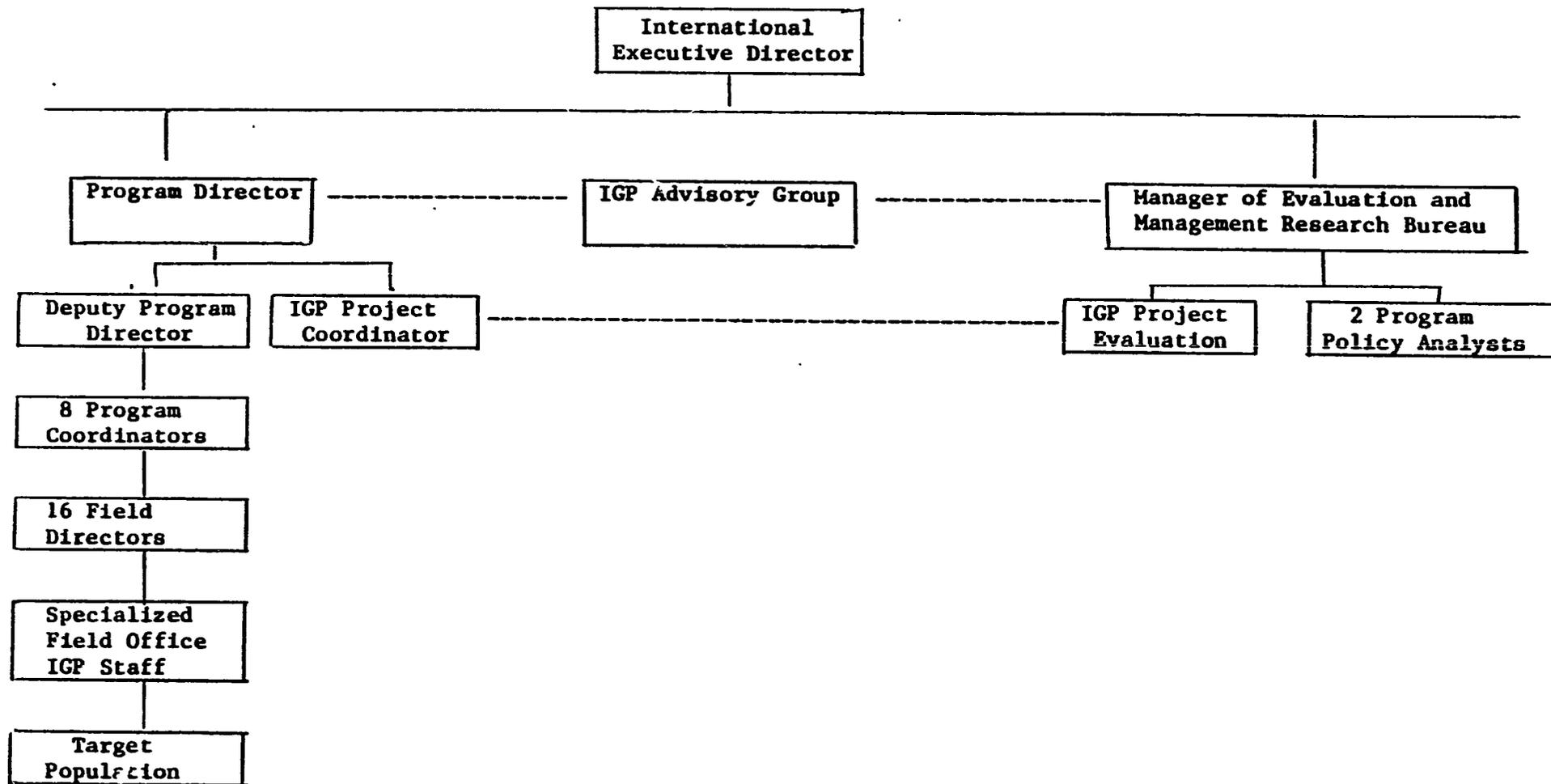
- a. In-house training programs.
 - b. Outside training courses for selected staff.
 - c. Workshops and conferences.
 - d. Field Office learning from their own experience.
 - e. Sharing of experience via dissemination of case studies and lessons learned.
 - f. Results, conclusions and recommendations from the monitoring and evaluation systems.
 - g. Field visits by IH and regional IGP project staff and by Program Coordinators.
- C. To institutionalize income-enhancement as one of the three major sectors of PLAN's development programs.
1. Workshops and conferences for all PLAN Field Offices.
 2. Sharing of case studies and lessons learned throughout the agency.
 3. Program Coordinator visits.
 4. Functioning of IH advisory council.
 5. Field Office or regional manuals on income-generation. IGP sourcebook.
 6. Developing PLAN policy on income-generation and incorporating it in Program Manual.
- D. To improve PLAN's ability to assist the target population to gain access to and use appropriate credit mechanisms and technical services.
1. Establish links with local lending institutions which will enable the target population to gain access to the formal credit system. Provide education, support and follow-up in the responsible use of credit, emphasizing the importance of repaying loans.
 2. Develop Field Office and agency-wide policies on the use of credit. One example might be deciding that loans must be made for productive purposes only.
 3. Develop and pilot test methods for improving loan repayment rates.
 4. Provide capital by means of grants as well as loans when warranted by the level of risk or the nature of the

activity. For example, grants may be appropriate in starting a loan fund.

5. Search actively for solutions where banking policies and practices inhibit or prevent the poor from utilizing the formal credit system.

TABLE I.

IGP STRUCTURE - PLAN INTERNATIONAL



Supervisory Relationship
----- Advisory, Coordinating Relationship

WORK PLAN

YEAR I

<u>Activity</u>	<u>To Start</u>
1. Recruit, hire, orient, train Project Coordinator, Evaluator, secretary.	April 1987
2. Recruit, hire, orient, train regional technical staff.	May 1987
3. Locate, equip office space for IH-based and regional IGP staff.	April 1987
4. Plan orientation conference.	June 1987
5. Issue and disseminate IGP material to all Field Offices.	Ongoing
6. Recruit, hire, orient, train (if necessary) Field Office project staff: coordinator and evaluator.	July 1987
7. First visits to Field for project staff, to serve as orientation and needs assessment (for projects, training and technical assistance).	July 1987
8. Develop implementation plans for each Field Office, to include training, technical assistance, evaluation, personnel, and to identify possible pilot projects.	July 1987
9. IGP training for Program Coordinators. PCs incorporate IGP review into Field Office visits.	August 1987
10. IGP conference for participating Field Offices.	September 1987
11. Start to develop implementation plans for FY '89 (July 1988 - June 1989) in Field Offices which will not be continuing in Year II of extension, with focus on project sustainability: Egypt, Bombay, H.D. Kote, Madakasira, Yogyakarta, Bicol, Mindoro.	September 1987

WORK PLAN
YEAR I (CONT.)

<u>Activity</u>	<u>To Start</u>
12. Identify, develop, write, and disseminate 5 case studies.	September 1987
13. South America, West Africa and Asia regional conferences for all PLAN Field Offices (will include IGP component).	May, October 1987 January 1988
14. Undertake baseline surveys.	September 1987
15. Annual report to USAID.	November 1987
16. Investigate various possible IGP credit mechanisms. Write up and distribute information.	December 1987
17. Evaluation of first IGP grant.	January 1988
18. Begin pre-project planning for Field Offices coming on line in Year II of grant.	March 1988
19. Three in-country workshops/conferences.	April 1988

WORK PLAN

YEAR II

<u>Activity</u>	<u>To Start</u>
1. Project implementation in Bali, Nepal, Badulla and Kandy.	Ongoing
2. Full implementation of evaluation systems in Bali, Nepal, Badulla and Kandy.	Ongoing
3. Dissemination of IGP materials to all Field Offices.	Ongoing
4. Identify, develop, write and disseminate 5 case studies.	Ongoing
5. Expansion of IGP to Freetown/Rural Western Area, Sierra Leone; Khartoum and Wad Medani, Sudan; Bolivar, Ecuador; San Pedro Sula, Honduras.	July 1988
6. Central America/Caribbean, East Africa and Asia regional conferences for all PLAN Field Offices. (Will include IGP component).	July, August 1988; January 1989
7. IGP conference for participating Field Offices.	October 1988
8. Identification of pilot projects in new Field Offices.	October 1988
9. Develop strategy for dissemination of IGP material to all PLAN Field Offices.	October 1988
10. Implementation of pilot projects and baseline surveys in new Field Offices.	December 1988
11. Implementation of evaluation systems in new Field Offices.	January 1988
12. Annual report to USAID.	November 1988
13. 2-3 in-country IGP workshops/conferences.	January 1989
14. Information on capital provision, credit mechanisms and ways to institutionalize credit systems distributed to Field.	March 1989

WORK PLAN

YEAR III

<u>Activity</u>	<u>To Start</u>
1. Project planning, implementation, monitoring and evaluation in all participating Field Offices.	Ongoing
2. Identify, develop, write and distribute 5 case studies.	Ongoing
3. Dissemination of IGP-related material to Field Offices.	Ongoing
4. 3 in-country training/evaluation workshops.	Ongoing
5. Develop and issue IGP manuals.	July 1989
6. Develop and issue new IGP section of Program Manual.	September 1989
7. Develop strategies and plans for continuation of IGP in participating Field Offices after grant ends.	September 1989
8. Annual Report to USAID.	November 1989
9. Overall evaluation of project.	January 1990
10. IGP grant ends.	July 1990

SUDAN

PLAN works in two locations in the Sudan, Khartoum and Wad Medani, and both will participate in the IGP. The Khartoum program serves 5,000 PLAN families and their neighbors, a total of approximately 42,000 people, and consists of 37 villages strung along the eastern bank of the White Nile. The area is arid and barren and the environmental and agricultural consequences of the climate have been exacerbated in recent years by drought conditions. PLAN also works with 7,000 families and their neighbors in the Eastern Gezira around the town of Wad Medani. Both programs in the Sudan are rural and both have identified income-generating activities as a major program thrust.

The main agricultural activity of the region is rain-fed sorghum production, using labor-intensive traditional methods of cultivation. Okra is also an important food source for families. A small amount of millet is grown in rotation with the sorghum in areas where rainfall is sufficient.

As a result of PLAN's efforts in potable water provision, water has become more available in the program area and families have been able to start backyard fruit and vegetable gardens, which produce spinach, peppers, okra, onions, tomatoes, cucumbers and eggplant for consumption and sale. The average net income derived from agricultural production is \$241/year and average net income derived from other forms of employment is \$93/year.

Non-agricultural sources of income include handicrafts (mat-making), sewing and embroidery, day laboring, trade and other small businesses. Livestock raising is an important economic activity. Goats, sheep, cattle, donkeys and camels are kept by PLAN families: children or paid village shepherds care for the livestock. Livestock ownership has lost much, but not all, of its former importance as a status symbol. It is used instead for food, as an income-generating activity, for transportation and also as a form of savings.

Erosion, and specifically desertification, is a serious problem in the PLAN program areas. Families continue to cut trees in the few areas where they can still be found, to use as firewood. The income derived from rain-fed agriculture is insufficient, principally due to lack of water. Other limiting factors are the lack of agricultural extension services or other sources of information on possible new crop varieties or cultivation techniques. Lack of skills and knowledge restricts the target population to low income activities.

PLAN will base its livelihood assistance programs on strengthening the family's primary income source and will directly address the problems which have been identified as the most critical.

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PLAN will assist families to improve their incomes and will develop services and work opportunities in villages through full participation of men and women in the introduction of new crop varieties and agricultural techniques, and will support traditional industries and small businesses. This support will include management training.

To combat desertification PLAN will encourage and assist families and communities to prevent further loss of arable land through afforestation programs. Vocational training will be offered through village community centers to increase the earning ability of villagers by improving their labor skills.

JOB DESCRIPTION

POSITION: IGP Project Coordinator

REPORTS TO: Program Director

PURPOSE: Manage and coordinate the Income-Generating Matching Grant Project (IGP), in cooperation with IH, Field, and specialized Project staff, such that overall program goals are accomplished by the end of the three-year grant period.

**DUTIES &
RESPONSIBILITIES:**

1. Work with Field Offices to develop and implement income-generating programs which are consistent with project goals.
2. Supervise IGP planning, budgeting and financial monitoring.
3. Provide directly or locate IGP-related training and technical assistance for participating Field Offices.
4. Plan, organize and implement IGP-related conferences and workshops.
5. Develop and implement plan for dissemination and institutionalization of IGP-related information throughout PLAN.
6. Function as liaison with AID on all matters related to the IGP grant. This includes responsibility for reporting to AID on the grant (shared with Project Evaluator).
7. Supervise IGP regional technical assistants.
8. Serve as resource in micro-enterprise development and related areas for the PLAN organization as a whole.

REQUIREMENTS:

1. Program management and technical background and experience in micro-enterprise development and promotion, preferably in a developing country.
2. At least two years' cross-cultural experience working in a developing country.
3. Preference will be given to candidates with actual experience as entrepreneurs.
4. Strong interpersonal and communications skills.
5. Excellent conceptual, analytical and organizational skills.
6. Four-year college degree or equivalent experience.
7. Willingness to travel 30-40% of time.

JOB DESCRIPTION: IGP EVALUATOR

Responsibilities:

1. Evaluation of project activities funded through the USAID Matching Grant for Income-Generating Projects.
2. Prepare all written evaluation documents for internal and external donor (USAID) needs.
3. In collaboration with training and small-enterprise specialists design and conduct evaluation training for IG project staff.
4. Work with the IGP Project Coordinator to provide evaluation and research support as requested to Field Offices participating in the grant.

Requirements:

1. Masters Degree in behavioral or economic sciences. Preference for academic training in public or business administration.
2. One year experience in program evaluation.
3. Strong analytical and communication skills.
4. Program experience in Third World micro-economic enterprises or income-generating activities highly preferred.
5. Foreign language skills, international or cross-cultural work experience highly preferred.

FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
JULY 1, 1987 - JUNE 30, 1990

THREE-YEAR TOTALS

	PLAN	AID	TOTAL
International Headquarters	\$ --	\$1,387,154	\$1,387,154
US National Organization	47,960	110,800	158,760
Egypt	84,549	20,000	104,549
Bombay	12,016	--	12,016
H.D. Kote	135,525	--	135,525
Madakasira	114,503	--	114,503
Bali	715,070	63,100	778,170
Yogyakarta	129,025	20,000	149,025
Nepal	327,678	63,050	390,728
Bicol	27,061	20,000	47,061
Mindoro	167,604	20,000	187,604
Badulla	147,138	63,050	210,188
Gampola/Kandy	111,445	63,050	174,495
Freetown *	208,341	43,050	251,391
Khartoum *	296,034	43,050	339,084
Wad Medani *	265,876	43,050	308,926
Bolivar *	227,855	43,050	270,905
San Pedro Sula *	247,415	43,050	290,465
TOTAL	3,265,095	2,045,454	5,310,549
10% Indirect Costs	326,510	204,546	531,056
	\$ 3,591,605	\$2,250,000	\$5,841,605

* Pending concurrence by A.I.D. Mission prior to Year 2 of this agreement.

FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
JULY 1, 1987 - JUNE 30, 1990
AID FUNDS
THREE-YEAR SUMMARY

	Year 1	Year 2	Year 3	Total
International Headquarters*	\$ 486,218	\$ 455,618	\$ 445,318	\$1,387,154
US National Organization	35,600	37,200	38,000	110,800
Egypt	20,000	--	--	20,000
Bombay	--	--	--	--
H.D. Kote	--	--	--	--
Madakasira	--	--	--	--
Bali	20,000	21,000	22,100	63,100
Yogyakarta	20,000	--	--	20,000
Nepal	20,000	21,000	22,050	63,050
Bicol	20,000	--	--	20,000
Mindoro	20,000	--	--	20,000
Badulla	20,000	21,000	22,050	63,050
Gampola/Kandy	20,000	21,000	22,050	63,050
Freetown**	--	21,000	22,050	43,050
Khartoum**	--	21,000	22,050	43,050
Wad Medani**	--	21,000	22,050	43,050
Bolivar**	--	21,000	22,050	43,050
San Pedro Sula**	--	21,000	22,050	43,050
TOTAL	681,818	681,818	681,818	2,045,454
10% Indirect Costs:	68,182	68,182	68,182	204,546
	\$ 750,000	\$ 750,000	\$ 750,000	\$2,250,000

*Includes Regional Office and IGP Support Expenses

**Pending concurrence by A.I.D. Mission prior to Year 2 of this agreement.

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FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
 INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
 JULY 1, 1987 - JUNE 30, 1990
 AID FUNDS
 BUDGET SUMMARY

	Year 1	Year 2	Year 3	Total
INTERNATIONAL HEADQUARTERS				
Staff:				
Project Coordinator				
Salary	\$ 39,000	\$ 41,340	\$ 43,820	\$ 124,160
Salary-Related	7,800	8,270	8,765	24,835
	<u>\$ 46,800</u>	<u>\$ 49,610</u>	<u>\$ 52,585</u>	<u>\$ 148,995</u>
Project Evaluator				
Salary	\$ 39,000	\$ 41,340	\$ 43,820	\$ 124,160
Salary-Related	7,800	8,270	8,765	24,835
	<u>\$ 46,800</u>	<u>\$ 49,610</u>	<u>\$ 52,585</u>	<u>\$ 148,995</u>
Secretary				
Salary	\$ 14,000	\$ 14,900	\$ 15,800	\$ 44,700
Salary-Related	2,800	2,980	3,160	8,940
	<u>\$ 16,800</u>	<u>\$ 17,880</u>	<u>\$ 18,960</u>	<u>\$ 53,640</u>
Total Salaries	\$110,400	\$117,100	\$124,130	\$351,630
Staff Support				
Office Rent	\$ 6,000	\$ 6,300	\$ 6,615	\$ 18,915
Equipment/Furniture	9,500	2,000	1,000	12,500
Utilities	1,000	1,050	1,105	3,155
Repairs, Maintenance, Service	500	525	550	1,575
Telephone/Telex/Cable	2,500	2,625	2,750	7,875
Insurance	2,000	2,100	2,200	6,300
Supplies	350	100	105	555
Miscellaneous	500	525	550	1,575
	<u>\$ 22,350</u>	<u>\$ 15,225</u>	<u>\$ 14,875</u>	<u>\$ 52,450</u>

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INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

AID BUDGET

	Year 1	Year 2	Year 3	Total
	-----	-----	-----	-----
Travel				
Project Coordinator	\$ 26,000	\$ 27,300	\$ 28,665	\$ 81,965
Project Evaluator	26,000	27,300	28,665	81,965
	-----	-----	-----	-----
	\$ 52,000	\$ 54,600	\$ 57,330	\$163,930
 Total IH Costs	 \$184,750	 \$186,925	 \$196,335	 \$568,010
 REGIONAL STAFF				
Salaries and Benefits for 2 regional TAs	\$ 30,000	\$ 31,500	\$ 33,075	\$ 94,575
 Staff Support				
Rent/Administrative Services	\$ 3,000	\$ 3,150	\$ 3,300	\$ 9,450
Equipment/Furniture	2,500	1,000	500	4,000
Utilities/Repairs, Maintenance, Service	900	945	1,000	2,845
Telephone/Telex/Cable	500	525	550	1,575
Insurance	350	370	400	1,120
Supplies	350	200	200	750
Miscellaneous	500	525	550	1,575
	-----	-----	-----	-----
	\$ 8,100	\$ 6,715	\$ 6,500	\$ 21,315
 Travel				
Two Regional TAs	\$ 30,000	\$ 36,000	\$ 38,000	\$104,000
Total-Regional Staff	\$ 68,100	\$ 74,215	\$ 77,575	\$219,890
 US NATIONAL ORGANIZATION				
Marketing Specialist (2/3)				
Salary	\$ 21,333	\$ 22,666	\$ 22,333	\$ 67,332
Salary-Related	4,267	4,534	4,667	13,468
	-----	-----	-----	-----
Subtotal	\$ 25,600	\$ 27,200	\$ 28,000	\$ 80,800
Travel	10,000	10,000	10,000	30,000
	-----	-----	-----	-----
USNO Total	\$ 35,600	\$ 37,200	\$ 38,000	\$110,800

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INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

AID BUDGET

	Year 1	Year 2	Year 3	Total
	-----	-----	-----	-----
FIELD OFFICE IGP SUPPORT				
Orientation Conferences	\$ 50,000	\$ 60,000	\$ --	\$ 110,000
In-Country Workshops @\$6,000	18,000	18,000	18,000	54,000
Consultants	15,000	10,000	12,000	37,000
Training	15,000	10,000	12,000	37,000
Technical Assistance	15,000	10,000	11,000	36,000
Evaluation Support	15,000	10,000	12,000	37,000
Publications	5,000	3,000	6,000	14,000
Fund for Pilot Projects	100,368	73,478	100,408	274,254
	-----	-----	-----	-----
	\$ 233,368	\$ 194,478	\$ 171,408	\$ 599,254
 FIELD OFFICES (Each)				
Coordinator	\$ 10,000	\$ 10,500	\$ 11,025	\$ 31,525
Evaluator	8,000	8,400	8,820	25,220
Consultants	2,000	2,100	2,205	6,305
	-----	-----	-----	-----
	\$ 20,000	\$ 21,000	\$ 22,050	\$ 63,050
 Field Office Totals	 \$ 160,000	 \$ 189,000	 \$ 198,500	 \$ 547,500
 SUMMARY				
International Headquarters	\$ 184,750	\$ 186,925	\$ 196,335	\$ 568,010
Regional Office	68,100	74,215	77,575	219,890
US National Organization	35,600	37,200	38,000	110,800
IGP Support	233,368	194,478	171,408	599,254
Field Offices	160,000	189,000	198,500	547,500
	-----	-----	-----	-----
10% Indirect Costs	\$ 681,818	\$ 681,818	\$ 681,818	\$ 2,045,454
	68,182	68,182	68,182	204,546
	-----	-----	-----	-----
 Total	 \$ 750,000	 \$ 750,000	 \$ 750,000	 \$ 2,250,000

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**INCOME GENERATING MATCHING GRANT PROJECT EXTENSION
AID BUDGET NOTES**

1. USAID to pay 2/3 of Marketing Specialist's salary, benefits and travel expenses. PLAN will pay 1/3 of costs to cover the percentage of this individual's time which is spent in fund-raising activities.

2. First-Year Field Offices (8): Egypt, Bali, Yogyakarta, Nepal, Bicol, Mindoro, Badulla and Kandy. Three Field Offices in India, Bombay, H.D. Kote and Madakasira will participate in the IGP. However, PLAN cannot spend AID funds in India because PLAN operates in India on the basis of agreements with Indian partnership agencies.

Second and Third-Year Field Offices (9): Bali, Nepal, Badulla, Kandy, Freetown/Rural Western Area, Khartoum, Wad Medani, Bolivar, San Pedro Sula.

FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
JULY 1, 1987 - JUNE 30, 1990
PLAN MATCH
THREE-YEAR SUMMARY

	Year 1	Year 2	Year 3	Total
International Headquarters	\$ --	\$ --	\$ --	\$ --
US National Organization	15,000	15,960	17,000	47,960
Egypt	84,549	--	--	84,549
Bombay	12,016	--	--	12,016
I.D. Kote	135,525	--	--	135,525
Madakasira	114,503	--	--	114,503
Bali	226,827	238,167	250,076	715,070
Jogyakarta	129,025	--	--	129,025
Nepal	103,943	109,139	114,596	327,678
Bicol	27,061	--	--	27,061
Mindoro	167,604	--	--	167,604
Badulla	46,673	49,008	51,457	147,138
Gampola/Kandy	35,351	37,120	38,974	111,445
Freetown *	--	101,630	106,711	208,341
Chartoum *	--	144,407	151,627	296,034
Vad Medani *	--	129,695	136,181	265,876
Bolivar *	--	111,149	116,706	227,855
San Pedro Sula *	--	120,690	126,725	247,415
TOTAL	\$1,098,077	\$1,056,965	\$1,110,053	\$3,265,095

* Pending concurrence by A.I.D. Mission prior to Year 2 of this agreement.

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FOSTER PARENTS PLAN INTERNATIONAL/U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
 INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN FISCAL YEARS 1988-1991
 JULY 1, 1987 - JUNE 30, 1990
 PLAN MATCH
 BUDGET SUMMARY

	Year 1	Year 2	Year 3	Total
EGYPT				
Salaries	\$16,490	\$ --	\$ --	\$ 16,490
Salary-Related	5,809	--	--	5,809
Animal Husbandry	6,896	--	--	6,896
Small Business Development	24,674	--	--	24,674
Employment Opportunity	24,910	--	--	24,910
Special Services	1,724	--	--	1,724
Vehicle-Related Costs	1,393	--	--	1,393
Travel	137	--	--	137
Equipment	200	--	--	200
Training	2,068	--	--	2,068
Other	248	--	--	248
	<u>\$ 84,549</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 84,549</u>
BOMBAY				
Salaries	\$ 10,145	\$ --	\$ --	\$ 10,145
Salary-Related	1,030	--	--	1,030
Travel	306	--	--	306
Equipment	110	--	--	110
Training	425	--	--	425
	<u>\$ 12,016</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 12,016</u>
I.D. KOTE				
Salaries	\$ 4,595	\$ --	\$ --	\$ 4,595
Salary-Related	1,716	--	--	1,716
Grain Storage & Cereal Banks	8,510	--	--	8,510
Erosion Control/Reforestation	4,944	--	--	4,944
Animal Husbandry	41,266	--	--	41,266
Fruits & Vegetables	1,463	--	--	1,463
Fisheries	6,808	--	--	6,808
Grain Mills	3,404	--	--	3,404
Agricultural Implements	5,446	--	--	5,466
Agricultural Training	1,940	--	--	1,940
Demonstration Plots/Model Farms	7,494	--	--	7,494
Agricultural Credit	24,255	--	--	24,255
Small Business Development	3,870	--	--	3,870
Employment Opportunity	11,050	--	--	11,050

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INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
H.K. KOTE (Cont.)				
Vehicle-Related	2,158	--	--	2,158
Travel	204	--	--	204
Evaluation	425	--	--	425
Equipment	1,404	--	--	1,404
Supplies	425	--	--	425
Training	425	--	--	425
Other	723	--	--	723
	-----	-----	-----	-----
	\$ 132,525	\$ --	\$ --	\$ 132,525
MADAKASIRA				
Salaries	\$ 9,548	\$ --	\$ --	\$ 9,548
Salary-Related	3,846	--	--	3,846
Erosion Control/Reforestation	16,170	--	--	16,170
Animal Husbandry	12,446	--	--	12,446
Fruits & Vegetables	1,021	--	--	1,021
Irrigation	21,276	--	--	21,276
Agricultural Implements	10,127	--	--	10,127
Demonstration Plots/Model Farms	1,021	--	--	1,021
Small Business Development	17,021	--	--	17,021
Employment Opportunity	5,996	--	--	5,996
Vehicle Related	6,561	--	--	6,561
Travel	1,387	--	--	1,387
Equipment	6,987	--	--	6,987
Supplies	536	--	--	536
Training	382	--	--	382
Other	178	--	--	178
	-----	-----	-----	-----
	\$ 114,503	\$ --	\$ --	\$ 114,503
BALI				
Vehicle Related	\$ 584	\$ 613	\$ 644	\$ 1,841
Equipment	4,063	4,266	4,479	12,808
Erosion Control/Reforestation	14,327	15,043	15,795	45,165
Animal Husbandry	30,819	32,360	33,978	97,157
Fruits & Vegetables	62,498	65,623	68,904	197,025
Irrigation	92,766	97,404	102,275	292,445
Agricultural Implements	3,125	3,281	3,445	9,851
Small Business Development	16,978	17,827	18,718	53,523
Employment Opportunity	1,667	1,750	1,838	5,255
	-----	-----	-----	-----
	\$ 226,827	\$ 238,167	\$ 250,076	\$ 715,070

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INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
YOGYAKARTA				
Salaries	\$ 5,760	\$ --	\$ --	\$ 5,760
Salary-Related	973	--	--	973
Animal Husbandry	26,666	--	--	26,666
Fruits & Vegetables	8,333	--	--	8,333
Irrigation	19,999	--	--	19,999
Fisheries	4,166	--	--	4,166
Agricultural Implements	15,000	--	--	15,000
Agricultural Landlease/ Purchase	10,000	--	--	10,000
Agricultural Credit	10,000	--	--	10,000
Employment Opportunity	15,000	--	--	15,000
Special Projects	9,167	--	--	9,167
Vehicle Related	2,455	--	--	2,455
Supplies	625	--	--	625
Training	631	--	--	631
Other	250	--	--	250
	<u>\$ 129,025</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 129,025</u>
NEPAL				
Salaries	\$ 2,389	\$ 2,508	\$ 2,634	\$ 7,531
Salary-Related	63	66	69	198
Travel	24	25	26	75
Other	38	40	42	120
Animal Husbandry	71,429	75,000	78,750	225,179
Fisheries	15,714	16,500	17,325	49,539
Agricultural Credit	14,286	15,000	15,750	45,036
	<u>\$ 103,943</u>	<u>\$109,139</u>	<u>\$114,596</u>	<u>\$ 327,678</u>
BICOL				
Animal Husbandry	\$ 16,626	\$ --	\$ --	\$ 16,626
Fisheries	10,435	--	--	10,435
	<u>\$ 27,061</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 27,061</u>
MINDORO				
Salaries	\$ 39,015	\$ --	\$ --	\$ 39,015
Salary-Related	1,430	--	--	1,430
Grain Cultivation	8,021	--	--	8,021
Animal Husbandry	37,632	--	--	37,632
Fruits & Vegetables	1,026	--	--	1,026
Irrigation	2,508	--	--	2,508
Fisheries	18,783	--	--	18,783
Agricultural Implements	18,043	--	--	18,043

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INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
	-----	-----	-----	-----
MINDORO (Cont.)				
Small Business Development	22,443	--	--	22,443
Special Projects	5,869	--	--	5,869
Vehicle-Related	8,139	--	--	8,139
Travel	4,695	--	--	4,695
	-----	-----	-----	-----
	\$ 167,604	\$ --	\$ --	\$ 167,604
 BADULLA				
Salaries	\$ 975	\$ 1,024	\$ 1,075	\$ 3,074
Salary-Related	394	414	434	1,242
Travel	54	57	60	171
Evaluation	45	47	50	142
Training	894	939	986	2,819
Other	27	28	30	85
Erosion Control/Reforestation	1,964	2,062	2,165	6,191
Irrigation	3,571	3,750	3,937	11,258
Agricultural Implements	1,730	1,817	1,907	5,454
Fertilizer/Seed	29,714	31,200	32,760	93,674
Agricultural Training	2,500	2,625	2,756	7,881
Employment Opportunity	1,786	1,875	1,969	5,630
Special Projects	3,019	3,170	3,328	9,517
	-----	-----	-----	-----
	\$ 46,673	\$ 49,008	\$ 51,457	\$ 147,138
 GAMPOLA/KANDY				
Salaries	\$ 3,949	\$ 4,146	\$ 4,354	\$ 12,449
Salary-Related	1,798	1,888	1,982	5,668
Other	257	270	283	810
Grain Cultivation	1,714	1,800	1,890	5,404
Animal Husbandry	11,571	12,150	12,757	36,478
Fruits & Vegetables	2,143	2,250	2,363	6,756
Irrigation	536	563	591	1,690
Agricultural Training	232	244	256	732
Employment Opportunity	1,418	1,489	1,563	4,470
Demonstration Plots/Model Farms	3,857	4,050	4,252	12,159
Special Projects	7,876	8,270	8,683	24,829
	-----	-----	-----	-----
	\$ 35,351	\$ 37,120	\$ 38,974	\$ 111,445
 FREETOWN/RURAL WESTERN AREA				
Salaries	\$ --	\$ 9,019	\$ 9,470	\$ 18,489
Salary-Related	--	2,366	2,484	4,850
Grain Storage & Cereal Banks	--	2,666	2,799	5,465
Erosion Control/Reforestation	--	12,999	13,649	26,648
Animal Husbandry	--	10,333	10,850	21,183

INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
FREETOWN/RURAL WESTERN AREA (Cont.)				
Fisheries	--	10,000	10,500	20,500
Agricultural Training	--	5,166	5,424	10,590
Demonstration Plot	--	10,666	11,199	21,865
Model Farms	--	11,000	11,550	22,550
Small Business Development	--	6,666	6,999	13,665
Special Projects	--	2,500	2,625	5,125
Vehicle-Related	--	14,566	15,294	29,860
Travel	--	833	875	1,708
Equipment	--	1,000	1,050	2,050
Supplies	--	382	401	783
Training	--	1,033	1,085	2,118
Other	--	435	457	892
	\$ --	\$ 101,630	\$ 106,711	\$ 208,341
KHARTOUM				
Erosion Control/Reforestation	\$ --	\$ 6,182	\$ 6,491	\$ 12,673
Animal Husbandry	--	7,784	8,173	15,957
Irrigation	--	103,636	108,818	212,454
Special Projects	--	26,805	28,145	54,950
	\$ --	\$ 144,407	\$ 151,627	\$ 296,034
WAD MEDANI				
Salaries	\$ --	\$ 2,107	\$ 2,212	\$ 4,319
Salary-Related	--	2,618	2,749	5,367
Grain Storage/Cereal Banks	--	2,290	2,405	4,695
Erosion Control/Reforestation	--	3,636	3,818	7,454
Animal Husbandry	--	33,620	35,301	68,921
Fruits & Vegetables	--	2,072	2,176	4,248
Demonstration Plots	--	1,454	1,527	2,981
Small Business Development	--	72,300	75,915	148,215
Employment Opportunity	--	8,363	8,781	17,144
Evaluation	--	363	381	744
Other	--	872	916	1,788
	\$ --	\$ 129,695	\$ 136,181	\$ 265,876
BOLIVAR				
Salaries	\$ --	\$ 19,685	\$ 20,669	\$ 40,354
Salary-Related	--	1,988	2,087	4,075
Supplies	--	424	445	869
Erosion Control/Reforestation	--	13,939	14,636	28,575

INCOME-GENERATING MATCHING GRANT PROJECT EXTENSION

PLAN MATCH

	Year 1	Year 2	Year 3	Total
BOLIVAR (Cont.)				
Agricultural Training	--	35,151	36,909	72,060
Small Business Development	--	34,507	36,232	70,739
Employment Opportunity	--	5,455	5,728	11,183
	-----	-----	-----	-----
\$	--	\$ 111,149	\$ 116,706	\$ 227,855
 SAN PEDRO SULA				
Salaries	\$ --	\$ 14,400	\$ 15,120	\$ 29,520
Salary-Related	--	548	575	1,123
Vehicle-Related	--	8,651	9,084	17,735
Travel	--	4,318	4,534	8,852
Equipment	--	320	336	656
Training	--	255	268	523
Grain Cultivation	--	10,529	11,055	21,584
Grain Storage/Cereal Banks	--	7,897	8,292	16,189
Animal Husbandry	--	7,075	7,429	14,504
Fruits & Vegetables	--	7,536	7,913	15,449
Fisheries	--	698	733	1,431
Grain Mills	--	11,273	11,837	23,110
Agricultural Landlease/Purchase	--	35,227	36,988	72,215
Demonstration Plots/Model Farms	--	1,091	1,146	2,237
Agricultural Credit	--	6,545	6,872	13,417
Small Business Development	--	4,327	4,543	8,870
	-----	-----	-----	-----
\$	--	\$ 120,690	\$ 126,725	\$ 247,415

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Financial Section of Attachment 5, "Guidance for Periodic and Final Reports" is being reviewed for responsiveness to the AID/IG recent Cost-Sharing Audit of Matching Grants. Guidance format will be transmitted to the Office of Procurement before June 30, 1987.

PVO PROFILE REPORT - FINANCIAL

PVO Name: Foster Parents Plan, Inc.

Year-end: 6/30/85

PVO Number: A0690

Date of Preparation: 12/9/86

Routing

<u>Name</u>	<u>Initials</u>	<u>Date</u>
<u>T. VANHARE FVA/PVC</u>	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

I. FINANCIAL CONDITION:

Rating

- 1. Excellent _____
- 2. Good _____
- 3. Stable X
- 4. Fair _____
- 5. Poor _____

II. RELIANCE ON U.S. GOVERNMENT

1. Privatness Percentage:

<u>95%</u>	<u>93%</u>	<u>97%</u>	<u>98%</u>
1982	1983	1984	1985

III. OVERALL ASSESSMENT

See attachment

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OVERALL ASSESSMENT

Foster Parents Plan, Inc. was in stable financial condition as of June 30, 1985. Although the financial ratios were low, there was an increase in working capital over the prior four years. The organization has had excesses of revenue and support over expenses for four years, due primarily to increased support from the private sector.

Foster Parents Plan relies mostly on income from the private sector and receives an insignificant portion of its support from the U.S. Government. In 1985, for example, 1.43% of total support and revenue was received in funds from the Agency for International Development; however, the budget projects a rise in the amount of U.S. Government support to represent 4% of the total amount of budgeted income.

Therefore, the organization relies primarily on private sector support to manage its international programs which principally comprise of grants to 70% of its affiliates.



Automation Research Systems, Limited

4401 Ford Avenue Suite 400
Alexandria Virginia 22302
703 820-9000

December 29, 1986
ARS-L-856-1986

Dr. Rhodina McIntosh
Office of Private and Voluntary Cooperation
Bureau for Food for Peace and Voluntary Assistance
Agency for International Development
Washington, D.C. 20523

Dear Dr. McIntosh:

We have performed an analytical review of the financial statements of Foster Parents Plan for the year ending June 30, 1985. The purpose of our review was to provide referenced information to determine the organization's continued eligibility for registration with the Agency for International Development in accordance with regulation 3, 22 CFR Part 203.

In conducting this review we have performed the stated procedures on the following items:

1. Review of auditor's report
2. Review of financial statements
3. Review of footnotes to financial statements
4. Analysis of sources of funds
5. Computation and interpretation of selected financial ratios
6. Review of current year's budget
7. Review of PVO annual report
8. Review of IRS Form 990
9. Reconciliation of AID Form 1550-2 with audited financial statements

The foregoing procedures do not constitute an examination made in accordance with generally accepted auditing standards. Accordingly, we do not express an opinion on the validity of the information contained in the financial statements and the related statements of support, revenue and expenditures (AID Form 1550-2). Our comments resulting from the aforementioned review of the information supplied by you are summarized in Attachment A.

Very truly yours,

ALBERT R. SPAULDING
PRESIDENT

ARS/kw

Enclosure

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FOSTER PARENTS PLAN, INC.

A. REVIEW OF AUDITOR'S REPORT

The independent accounting firm of Price Waterhouse, CPAs, issued an audit report dated August 20, 1985, and rendered an unqualified opinion on the financial statements of Foster Parents Plan, Inc. for the years ending June 30, 1984 and 1985. In its opinion, the financial statements fairly present the financial position and results of the of operations which conform with generally accepted accounting principles applied on a consistent basis.

B. REVIEW OF FINANCIAL STATEMENTS

Foster Parents Plan, Inc. is an independent, national non-profit agency formed for the purpose of seeking foster parents and other contributors in the United States. It distributes funds collected from foster parents and others to Foster Parents Plan, International.

In 1985, the organization had assets of \$6,513,448 which was .72% or \$47,564 less than 1984. Assets were chiefly a combination of cash and equivalents and fixed assets which, together, composed 88.83% of total assets. Investments totalled \$4,228,679 which was a \$143,679 increase above 1984. Most of the PVO's liabilities were current and mainly comprised of advance payments by foster parents of \$2,581,140. These were payments made prior to the end of the fiscal year and were applicable to periods subsequent to that date; and amounts due to Foster Parents Plan International, Inc. of \$720,446, and represent funds to be transferred to the international organization for foster care. These two liability accounts represented 77.60% of the organization's liabilities. These and the greater part of other

current liabilities constituted funds due to various program activities of the organization. The difference between assets and liabilities is the fund balance. The organization had a board designated fund balance of \$1,137,543 and plant fund balance of \$1,121,280. The plant fund balance represented the net investment in fixed assets. From 1984 to 1985, the organization experienced a \$556,562 increase in fund balances that was a result of an excess of support and revenue over expenditures.

Support and revenue in 1985 was \$18,107,969 as compared to \$14,350,556 for 1984. Pledges received from children and families and revenue producing sources account for an overall increase of \$3,757,413. Contributions, representing close to 81% of total support and revenue, were the largest single source of support for the PVO. A decrease from the revenue producing areas was primarily due to a \$22,190 loss on the sale of investments after an \$87,198 gain in 1984. Most of the funds received were expended on overseas programs which consisted of current and future program and management support committed to Foster Parents Plan International, Inc. These commitments increased by just over two million dollars from 1984 to 1985. Fundraising costs increased by \$917,963 for the same period. In 1985, the PVO received more support and revenue than expenditures resulting in a \$556,562 excess that was chiefly applied to the board designated fund balance.

C. REVIEW OF FOOTNOTES

The footnotes properly disclosed relevant information to the financial statements.

D. REVIEW OF THE CURRENT YEAR'S BUDGET

Foster Parents Plan, Inc. projected \$22,261,601 in total support and revenue. This figure constituted a 22.94% or \$4,153,632 increment due primarily to private contributions and represents over 94% of expected income in 1986. The amount of U.S. Government support is anticipated to rise over 286% or over \$741,000. Even an increase in support and revenue, only about 4% would be from U.S. Government sources. Total expenditures were budgeted at \$17,551,407 for 1986, a 25.12% or \$4,408,794 expected increase over 1985. Increased support and revenue is primarily budgeted for overseas programs and fundraising costs. The projected results for 1986 appear to be reasonable.

E. REVIEW OF ANNUAL REPORT

The annual report was in agreement with the audited financial statements.

F. REVIEW OF IRS FORM 990

The IRS Form 990 was consistent with the audited financial statements.

G. REVIEW OF AID FORM 1550-2

The AID Form 1550-2 was in agreement with the audited financial statements of support, revenue and expenditures.

H. OVERALL ASSESSMENT

Foster Parents Plan, Inc. was in stable financial condition as of June 30, 1985. Although the financial ratios were low, there was an increase in working capital over the prior four

years. The organization has had excesses of revenue and support over expenses for four years, due primarily to increased support from the private sector.

Foster Parents Plan relies mostly on income from the private sector and receives an insignificant portion of its support from the U.S. Government. In 1985, for example, 1.43% of total support and revenue was received in funds from the Agency for International Development; however, the budget projects a rise in the amount of U.S. Government support to represent 4% of the total amount of budgeted income.

Therefore, the organization relies primarily on private sector support to manage its international programs which principally comprise of grants to 70% of its affiliates.

APPENDIX AFINANCIAL RATIOS:

1. Fundraising costs as a percentage of funds raised and in-kind contributions:

Fundraising costs	<u>\$ 3,445,192</u>
Contributions	\$ 16,998,123 = 20.27%

2. Fundraising costs as a percentage of total expenditures:

Fundraising costs	<u>\$ 3,445,192</u>
Total expenditures	\$ 17,551,407 = 19.63%

3. General and administrative costs as a percentage of total expenditures:

Gen. and admin. costs	<u>\$ 1,730,361</u>
Total expenditures	\$ 17,551,407 = 9.86%

4. Fundraising and general and administrative costs as a percentage of total expenditures:

Fundraising, gen. and admin. costs	<u>\$ 5,175,553</u>
Total expenditures	\$ 17,551,407 = 29.49%

5. Domestic program costs as a percentage of total expenditures:

The PVO did not incur domestic program costs in 1985.

6. Overseas program costs as a percentage of total expenditures:

Overseas program costs	<u>\$ 12,375,854</u>
Total expenditures	\$ 17,551,407 = 70.51%

7. Total program costs as a percentage of total expenditures:

Total program costs	<u>\$ 12,375,854</u>
Total expenditures	\$ 17,551,407 = 70.51%

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8. Income distribution and 20% calculation:

A. Percentage of income derived from--

	<u>Amount</u>	<u>Percentage</u>
Private contributions	\$ 16,998,123	93.87%
Revenue	576,469	3.18%
U.S. Government support-AID	258,731	1.43%
Other government-interational agencies support	<u>274,646</u>	<u>1.52%</u>
TOTAL SUPPORT AND REVENUE	\$ 18,107,969	100.00%
	=====	=====

9. Fund balances:

	<u>Amount</u>	<u>Percentage</u>
Board designated general	\$ 1,137,543	50.36%
Plant fund	<u>1,121,280</u>	<u>49.64%</u>
TOTAL FUND BALANCES	\$ 2,258,823	100.00%
	=====	=====

10. Total current liabilities as a percentage of the fund balances:

Current liabilities:

	<u>Amount</u>	
Advance payments by foster parents	\$ 2,581,140	
Unremitted cash gifts to children	62,067	
Undisbursed designated contributions	240,391	
Accounts payable and accruals	179,667	
Amount due to Foster Parents Plan International, Inc.	<u>720,446</u>	
TOTAL CURRENT LIABILITIES	\$ 3,783,711	
	=====	
Total current liabilities	\$ 3,783,711	
Fund balances	\$ 2,258,823	= 167.51%

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11. Number of days average expenditures included in working capital:

Daily average expenditures:

Total expenditures	<u>\$ 17,551,407</u>
Days in a year	\$ 365 = \$ 48,086

Number of days:

Total fund balance	<u>\$ 1,227,200</u>
Daily average expenditures	\$ 48,086 = 26 days

12. Computation of the acid-test and the current ratios:

QUICK AND CURRENT ASSETS

	<u>Amount</u>
Cash	\$ 54,695
Investments	<u>4,228,679</u>
Total quick assets	<u>\$ 4,283,374</u>
Pledges due from foster parents	\$ 149,670
Pledges due from international service agencies	77,496
Grants receivable	155,987
Prepaid expenses and others	<u>344,384</u>
TOTAL CURRENT ASSETS	<u>\$ 5,010,911</u> =====

Current Liabilities

	<u>Amount</u>
Advance payments by Foster Parents	\$ 2,581,140
Unremitted cash gifts to children	62,067
Undisbursed designated contributions	240,391
Accounts payable and accruals	179,667
Amount due to Foster Parents Plan International, Inc.	<u>720,446</u>
TOTAL CURRENT LIABILITIES	<u>\$ 3,783,711</u> =====

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Acid-test ratio:

Quick assets	<u>\$ 4,283,374</u>	
Current liabilities	\$ 3,783,711	= 1.13 to 1

Current ratio:

Current assets	<u>\$ 5,010,911</u>	
Current liabilities	\$ 3,783,711	= 1.32 to 1

13. Analysis of selected items:

	1983	1984	1985
EXCESS (DEFICIENCY) OF SUPPORT AND REVENUE OVER EXPENDITURES	\$ 295,801	142,980	556,562
TOTAL ASSETS	\$ 6,334,536	6,561,012	6,513,448
TOTAL LIABILITIES	\$ 4,775,255	4,858,751	4,254,625
TOTAL FUND BALANCE	\$ 1,559,281	1,702,261	2,258,823
WORKING CAPITAL	\$ 622,118	745,440	1,227,200

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PVO SUMMARY

PVO Name: Foster Parents Plan, Inc.

Address: 155 Plan Way
Warwick, Rhode Island 02887

Contact Name: Donald W. Swartz
Title: Director of Finance

Fiscal Year Ending: June 30, 1985

1. The PVO's status appears to have changed significantly with respect to the following conditions of registration:

2. X The PVO's status does not appear to have changed significantly with respect to any of the conditions of registration.

John W. Woodley Jr. CPA
Automation Research Systems, Ltd.

12-30-86

Date

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