

<b>CONTRACT/AGREEMENT DATA SHEET</b>	<b>B</b> 24677	1. M/SER/AAM/A/SUP Action Monitor DLF	2. Date PIO/T Received in M/SER/AAM/A/SUP 4, 28, 89
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COMPLETE EACH BLOCK FOR BOTH NEW ASSISTANCE/ACQUISITION AND MODIFICATION ACTIONS

1. Contract/Agreement/Number OTR-0192-A-00-9140-00		21. Budget Plan Code EDNA-89-13810-KG11 APP. 72-1191021.3 AIL. 943-38-099-00-76-91	
4. Contractor/Recipient Name National Rural Electric Corp. Assoc.		5. Contractor Acronym NRECA	
6. Project Title Co-op Program Support Agreement Nat'l. Rural Electric Corp. Assoc		7. Project Number 938-0192	
8. Project Officer's Name D. Miller		9. Bureau or USAID Symbol FVA/PVC	
10. PIO/T Number 938-0192-3-9381105		22. Country or Region of Performance Worldwide	
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  A		23. A. This Action Increases or Decreases TEC by \$ - 0 -  B. Total Estimated Cost of Contractual Document \$ 4,476,000	
12. Amount of this PIO/T OBL U.S. \$ 650,000		24. Amount of Non-Federal Funds Pledged to the Project \$ 819,000	
13. Amount <input checked="" type="checkbox"/> Obligated <input type="checkbox"/> Subobligated <input type="checkbox"/> Deobligated by this Contract or Amendment U.S. \$ 650,000		25. Effective Date of this Action 4/1/89	
14. Cumulative Obligation (Life of Contract) U.S. \$ 650,000		26. Estimated Completion/Expiration Date 3/31/94	
15. This Action Funded Through 3131190		27. Contractor DUNS Number 04-549-7427	
16. Date Contractual Documents Signed by AID Official 7/25/89		28. Consultant Type Award <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
17. Incrementally Funded Contracts <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		29. Number of Person Months (PASA/RSSA only) N/A	
18. Host Country/Counterpart Institution (University Contracts) N/A		30. Number of Persons (PASA/RSSA only) N/A	
19. Campus Coordinator (University Contracts) N/A		31. CONTRACT TYPE A. Fixed Price (specify) <input type="checkbox"/> FFP <input type="checkbox"/> FPRD <input type="checkbox"/> FPA <input type="checkbox"/> FPI B. Cost Reimbursement (specify: <input checked="" type="checkbox"/> CR <input type="checkbox"/> CPF <input type="checkbox"/> CPD) <input type="checkbox"/> CS <input type="checkbox"/> CPA <input type="checkbox"/> CPD C. IQC and Requirements Contract D. Grant/CA/PASA/RSSA E. Contracts with Individuals  D	
20. ADVANCE A. No Advance B. Advance Non-FRLC C. Advance FRLC  C		32. Negotiator's Typed Name P. Merrill	
35. Contract/Grant Officer's Organization Symbol W/MS		33. Negotiator's Signature Pamela M. Merrill	
36. Contract/Grant Officer's Signature Pamela M. Merrill		34. Date Signed 7/26/89	
37. Date Signed 7/26/89		38. Contract/Grant Officer's Organization Symbol W/MS	

ENTERED  
COORS SECTION

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

USA 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

N/A

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

F

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

D

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

PFM / FM / PAFD 2

ORIGINAL

AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

JUL 25 1989

Mr. Samuel E. Bunker  
Administrator  
International Programs Division  
National Rural Electric Cooperative  
Association  
1800 Massachusetts Avenue, N.W.  
Washington, D.C. 20036

SUBJECT: Cooperative Agreement No. OTR-0192-A-00-9140-00

Dear Mr. Bunker:

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 the National Rural Electric Cooperative Association (hereinafter referred to as "NRECA" or "Recipient") the sum of \$4,476,000 to provide support to the Recipient under A.I.D.'s Co-op Program Support project as more fully described in Enclosure 1 of this Cooperative Agreement entitled "Schedule" and Enclosure 2, entitled "Program Description."

This Cooperative Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives from April 1, 1989 through March 31, 1994.

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 acknowledge receipt of this Cooperative Agreement by signing all copies of this Cover Letter, retaining one set for your files, and returning the remaining copies to the undersigned, including all copies stamped "Funds Available."

Sincerely,



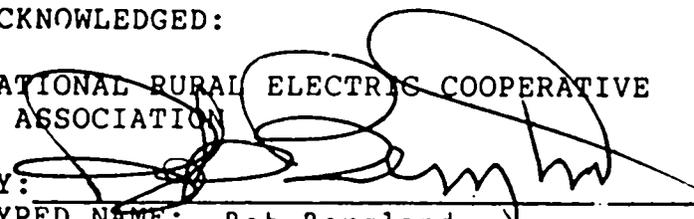
Carolyn R. Eldridge  
Grant Officer  
Management Services Branch  
Office of Procurement

Enclosures:

- 1. Schedule
- 2. Program Description
- 3. Standard Provisions

ACKNOWLEDGED:

NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

BY:   
 TYPED NAME: Bob Bergland  
 TITLE: Executive Vice-President and General Manager  
 DATE: August 7, 1989

FISCAL DATA

PIO/T No.:	9381105
Project No.:	938-0192
Appropriation No.:	72-1191021.3
Budget Plan Code:	EDNA 89-13810-KG11
Allotment No.:	943-38-099-00-76-91
Amount Obligated by this Action:	\$ 650,000
Total Obligated Amount:	\$ 650,000
Estimated Agreement Amount:	\$4,476,000
Technical Office:	FVA/PVC
Funding Source:	FVA/PVC
DUNS No.:	04-549-7427
E.I. No.:	53-0116145

**FUNDS AVAILABLE**  
*Glavin Craig*  
**JUL 28 1989**  
 o/c 4190  
 Program Acctg Fir Division  
 Office of Financial Management

SCHEDULE

A. Purpose of Cooperative Agreement

The purpose of this agreement is to provide support to the National Rural Electric Cooperative Association (NRECA) to assist in establishing technical, institutional, and financial conditions that promote the creation and sustainability of cooperative rural electrification in developing countries.

The above is more specifically described in Enclosure 2 to this agreement entitled "Program Description" and in NRECA's proposal dated September 16, 1988 and revision to the proposal dated November 23, 1988, which is incorporated by reference in this Agreement. 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 Agreement

1. This Agreement is effective on the date of signature of the A.I.D. Grant Officer. However, funds committed under the program description and within the terms of this agreement are authorized for the period beginning April 1, 1989 until the signature date of this agreement. The estimated completion date is March 31, 1994.

2. Funds obligated hereunder are available for program expenditures for the period April 1, 1989 through March 31, 1990 as shown in the budget 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. Amount of Agreement and Payment

1. The total estimated amount of this agreement for the period shown in B.1. above is \$4,476,000.

2. A.I.D. hereby obligates the amount of \$650,000 for program expenditures during the period set forth in B.2. above and as shown in the Budget below.

h

3. The Mission Support portion of this Agreement represents \$1,226,000 of the total estimated amount in paragraph 1 above. This amount is an estimate which is dependent upon unknown support by the A.I.D. Missions. Consequently, it is not expected that this figure will be obligated in the exact amount represented herein. At the point of expiration of this Agreement, this figure and the figure shown in the Cover Letter and in Paragraph 1 above will be adjusted accordingly.

4. Payment shall be made to the Recipient in accordance with procedures set forth in Enclosure 3 - Optional Standard Provision, entitled "Payment - Letter of Credit".

5. Additional funds up to the total amount of the agreement shown in C.1. above may be obligated by A.I.D. subject to the availability of funds, program priorities at the time, and the requirements of the Mandatory Standard Provision of this Agreement, entitled "Revision of Grant Budget."

D. Substantial Involvement

1. Evaluation: The scope of work for the independent mid-term and/or final evaluation must be developed with, and the evaluator(s) chosen to carry out this activity, with the prior approval of the FVA/PVC Project Officer. This approval must be communicated in writing. The Recipient is encouraged to provide at least one evaluator from its permanent staff for the evaluation(s). At least one evaluator will be an individual not currently employed by the Recipient. The FVA/PVC Project Officer is to participate in the pre- and post-evaluation briefings and to receive six (6) copies of the completed evaluation report for FVA/PVC.

2. Mission Support: Certain activities may require the substantial involvement of the A.I.D. Project Officer as follows:

a. When the activity is deemed by A.I.D. to be closely related to a broader program, A.I.D. will require advance review and approval of a detailed implementation plan, and identify any special monitoring and reporting requirements.

b. When the success of a later phase of an activity is contingent upon the achievement of certain objectives or conditions precedent, critical benchmarks will be identified. Before a later phase can proceed, A.I.D. will determine if the benchmarks have been achieved and provide written approval to proceed.

E. Budget

The Budget is listed below. The Recipient may not exceed the total estimated amount or the obligated amount, whichever is less (see Paragraph C above).

CENTRAL BUDGET

LINE ITEMS:	OBLIGATED	FUTURE	TOTAL
	AMOUNT	AMOUNT	AMOUNT
	FR: 4/1/89	FR: 4/1/90	FR: 4/1/89
	TO: 3/31/90	TO: 3/31/94	TO: 3/31/94
Program Costs	\$416,000	\$1,619,977	\$2,035,977
Indirect Costs	182,000	721,344	903,344
Evaluation	32,500	187,679	220,179
Procurement Costs	19,500	71,000	90,500
TOTAL CEN BUDGET	<u>\$650,000</u>	<u>\$2,600,000</u>	<u>\$3,250,000</u>

MISSION/BUREAU SUPPORT BUDGET

LINE ITEMS:	OBLIGATED	FUTURE	TOTAL
	AMOUNT	AMOUNT	AMOUNT
	FR: _____	FR: _____	FR: 4/1/89
	TO: _____	TO: 3/31/94	TO: 3/31/94
Mission Support	\$ -0-	\$1,226,000	\$1,226,000
			<hr/>
	TOTAL A.I.D. SUPPORT		\$4,476,000
	RECIPIENT SUPPORT		\$ 819,000

Notes to the Budget:

1. Recipient is allowed 5% flexibility among all line items in the Central Budget. No flexibility will be allowed in the Mission Support Budget. However, within each line item the Recipient has full flexibility of funds.
2. The Recipient is expected to use its own private funds for all procurement of non-expendable property estimated at over \$500 each and also for all non-U.S. procurements. This alleviates the requirement for a source/origin waiver and also places the title to property completely in the Recipient's name.
3. The Agreement is deliberately designed to include multiple funding sources from within A.I.D. The Recipient is encouraged to seek additional support from A.I.D. Missions. However, they

are admonished to ensure that the activity for which they are seeking support is indeed assistance to the Recipient or their program and is in no way technical assistance to the Missions. Technical assistance to the Missions must be implemented through a separate contractual document. Additionally, Mission supported activities must comply with the following:

a. The activity must be under the terms of the Program Description.

b. The activity must be such that it does not require other than general monitoring by the Mission.

c. The activity shall not be a long term project which should be processed by the Mission.

d. The cumulative total of all Mission Support Activities shall not exceed \$1,226,000.

e. Country Loan Financed activities and Pro-Ag Agreements shall not be funded under this Agreement.

4. A.I.D. will not pay salary rates in excess of the prevailing maximum payable salary rate for a Foreign Service Officer Class FS-1 as established in the payment schedule of the Uniform State/A.I.D./USIA Regulations. In the event a salary is in excess of the FS-1 rate, the Recipient is expected to absorb the difference.

#### F. Reporting

##### 1. Financial Reporting:

a. Financial reporting requirements shall be in accordance with the Optional Standard Provision of this agreement entitled "Payment - Letter of Credit", as shown in Enclosure 3.

b. The original and one copy of all financial reports shall be submitted to A.I.D., Office of Financial Management, Program Accounting and Finance Division (PFM/FM/PAFD), Room 700, SA-2, Washington, D.C. 20523. In addition, one copy of all financial reports shall be submitted to the technical office specified in the Cover Letter of this agreement.

##### 2. Program Reporting:

a. Semi-annual and Annual Reports: Semi-annual and annual reports will be submitted to the A.I.D./FVA/PVC Project Officer 30 days after each semi-annual and annual anniversary

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date of the Agreement. Reports will reflect progress made in achieving goals and objectives as specified in the Program Description and Implementation Plan. Reports will also include a detailed pipeline analysis of financial expenditures for the grant period which identifies disbursements by expense category.

Further guidance on the content and preparation of these reports will be provided by the A.I.D. Project Officer.

b. Interim Reports: 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 and Project Officer as soon as the following types of conditions become known.

i. 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.

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

c. Final Report: The final year report will be the last annual report required under this Agreement. All work to be charged to the Agreement, including preparation of the final report, must be completed prior to the expiration date of this Agreement.

### 3. Evaluation:

Self-evaluation will be conducted by the Recipient in accordance with its normal evaluation program as described in its grant proposal. In addition, from time-to-time A.I.D. Officers will, with prior notification to your headquarters office, visit selected project sites. In collaboration with FVA/PVC, the Recipient will carry out independent mid-term and final evaluations. Special requirements for this project evaluation are delineated under Section D.1, "Substantial Involvement" above.

G. Indirect Cost Rates

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

<u>Type of Rate</u>	<u>Rate</u>	<u>Period</u>
Provisional		
Overhead	45%	January 1, 1988 until amended
Base: Direct salaries plus deferred compensation		
G & A	30%	January 1, 1988 until amended
Base: Total direct salaries plus deferred compensation, including all of NRECA's subsidiaries		

H. Title to Property

Title to all property purchased under this agreement shall be vested in the Recipient.

PROGRAM DESCRIPTION

I. Program Goal

The goal of this Agreement is to accelerate development by increasing the supply and productive use of electrical energy in rural areas of developing countries.

II. Program Purpose

The purpose of this Agreement is to provide support to the National Rural Electric Cooperative Association (NRECA) to promote and strengthen the long-term capacity of national and subnational electric power authorities to respond to energy needs of rural populations with reliable and affordable electric energy. This will be accomplished through the development and support of rural electric cooperatives, specifically including: developing a secure financial base; reducing construction costs; maintaining adequate operations systems and skills; raising consumer services and productive energy use; and improving access to rural electrification innovations.

III. Principal Activities

The thrust of NRECA's activities under the support of the Agreement will be toward developing opportunities to implant and support rural electrification practices that follow the U.S. model of cooperatives, private sector efficiency, and productive growth of the communities they serve. This will extend to rural electrification on national power networks as well as in decentralized power generation schemes.

Five key interventions are envisioned: institutional development, technical support, training, demand-side management, and technology enhancement. This Agreement will support each of these interventions through project identification and development, direct short-term assistance, and setting up long-term sustainable support systems.

The Agreement will also support a range of activities aimed at broadening the involvement of NRECA's membership in its overseas work. These activities will include outreach efforts to increase the awareness of the U.S. rural electric community of NRECA's international programs, and specific activities to increase this community's direct involvement. For example, the Agreement will support the development of information programs and publications that would be distributed at NRECA's membership meetings.

A. Institutional Development

Based on its experience and the cooperative form of organizing energy systems, NRECA plans to prepare country-specific strategies for developing long-term institutional development projects to create and support rural electrification programs based on the U.S. cooperative model where it has a realistic chance for working effectively and surviving.

Assistance toward developing long-term viability will be provided under sister cooperative relationships in the form of exchanges between U.S. and developing country utility personnel to increase understanding of the U.S. institutional model, i.e., how the regulatory and financial systems work, the function of a Board of Directors, how cooperatives can work together, etc. In the latter regard, discrete efforts will be given to establishing and/or strengthening common-service associations as a basis for creating a long-term support basis for rural electric cooperatives in a country or region.

B. Technical Support

Technical support provided under this Agreement will be aimed at installing appropriate engineering and operational systems for rural electric development. Targeted technical assistance will be provided to correct problems of inappropriate technology in developing countries, such as concrete and steel utility poles which can be several times more costly than the preferred wood poles, and three-phase distribution which is twice as costly as the U.S. standard of single-phase construction. Similarly, many overseas utilities are very weak in basic utility operational systems.

C. Training

NRECA has developed a wide range of educational and training programs specifically suited to the requirements of professional and technical employees of electric utilities in developing countries. Informal, on-the-job learning, as well as targeted seminars to impart know-how on important technical and management elements of rural electric development and operations, are just two examples of the diversity of educational programs that NRECA has conducted both overseas and in the U.S.

Training activities will be carried out under this Agreement directly and through the sister cooperative program to increase the technical and managerial strength of rural electric cooperatives overseas, and other developing rural electric systems as part of the basic program strategy discussed above. Particular emphasis will be given to the very successful on-site training approach which was recently developed for NRECA's overseas program.

D. Demand-side Management

NRECA will introduce new demand-side management concepts developed with the U.S. rural electric cooperatives to improve the efficient use of power system investment. Frequently, electric service overseas is provided by public bureaucracies which give little attention to the service aspect of a public utility. No effort is made to develop electricity use as a business-like utility should, and extremely low power usage is typical. The electricity service itself is often excessively costly and unreliable, which acts as a disincentive to consumer investment in electrical equipment.

The U.S. rural electric cooperatives have built their success on the cooperative principle of service to membership and community. In recent years, NRECA has helped to raise the awareness in developing country utilities of the need to address consumers' needs in productive use development, and this will be continued and expanded to identify follow-on project opportunities for productive use program development. Appendix K of NRECA's proposal contains illustrative material on NRECA's demand-side management program approach, together with a model for productive use program development that will be used in this component.

**E. Technology Enhancement**

NRECA will undertake various activities to increase the access of developing country utilities to improved rural electric technology and new developments in rural electric technology, management, and finance, including the following:

1. Conduct and contribute to research in innovative rural electric technology, through its membership and associations with U.S. research and development groups.

2. Develop sources of utility equipment from surplus supplies at U.S. utilities.

3. Engage in rural electric evaluation studies and contribute to the general rural electric development literature in order to improve the understanding of optimal technical and institutional approaches to rural electrics in developing countries and to increase its economic and social impacts.

4. Contribute to development of innovative financing mechanisms in developing countries based on the U.S. model, and alternative capital development approaches (e.g., debt-to-equity, P.L. 480 sources).

**IV. Program Management**

Overall management of this Agreement will be vested in the Administrator of NRECA's International Programs Division, with routine administration by the Assistant Administrator for Special Projects.

MANDATORY STANDARD PROVISIONS FOR  
U.S., NONGOVERNMENTAL GRANTEEES<sup>1</sup>

INDEX OF  
MANDATORY STANDARD PROVISIONS

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

1. ALLOWABLE COSTS (NOVEMBER 1985)

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

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

2. ACCOUNTING, AUDIT, AND RECORDS (JANUARY 1988)

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

(1) Accurate, current, and complete disclosure for each A.I.D.-sponsored project or program in accordance with the reporting requirements of this grant. While A.I.D. requires reporting on an accrual basis, the grantee shall not be required to establish an accrual accounting system but shall develop such accrual data for its reports on the basis of an analysis of the documentation on hand.

<sup>1</sup>When these Standard Provisions are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient," "Grant" means "Cooperative Agreement," and "A.I.D. Grant Officer" means "A.I.D. Agreement Officer."

X  
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(2) Records that identify adequately the source and application of funds for A.I.D.-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, and income.

(3) Effective control over and accountability for all funds, property, and other assets. Grantee shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.

(4) Comparison of actual outlays with budget amounts for each grant. Financial information should be related to performance and unit-cost data whenever appropriate.

(5) Procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and the disbursement by the recipient, whenever funds are advanced by the Federal Government.

(6) Procedures for determining the reasonableness, allowability, and allocability of costs in accordance with the provisions of the applicable Federal cost principles and the terms of the grant.

(7) Accounting records that are supported by documentation that at a minimum will identify, segregate, accumulate, and record all costs incurred under a grant and which fully disclose (i) the amount and disposition by the grantee of the proceeds of such assistance, (ii) the total cost of the project or undertaking in connection with which such assistance is given or used, (iii) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (iv) such other records as will facilitate an effective audit.

(8) Examinations in the form of audits or internal audits shall be made by qualified individuals that are sufficiently independent of those that authorize the expenditure of A.I.D. funds to produce unbiased opinions, conclusions, or judgments. They shall meet independence criteria along the lines of Chapter IV, Part B of the U.S. General Accounting Office Publication Standards for Audit of Governmental Organizations, Programs, Activities, and Functions (1981 Revision). These examinations are intended to ascertain the effectiveness of the financial management systems and internal procedures that have been established to meet the terms and conditions of the grant. It is not intended that each grant awarded to the grantee be examined. Generally, examinations should be conducted on an organization-wide basis to determine whether the institution has implemented and utilizes appropriate financial and administrative systems and controls in accordance with the uniform administrative requirements of OMB Circular A-110 and the applicable cost principles specified in the "Allowable Costs" standard provision of this grant, and to test the fiscal integrity of financial transactions, including accuracy and reliability of financial reports submitted to A.I.D. and other Federal agencies under agreements to which the terms of Attachment G of OMB Circular A-110 apply, as well as compliance with the

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

PIO T	INTERNATIONAL DEVELOPMENT	Centrally Funded	3
	PROJECT IMPLEMENTATION ORDER TECHNICAL SERVICES	9381105	<input checked="" type="checkbox"/> Original or Amendment No.
		938-0192 Co-op Program Support Agreement National Rural Electric Cooperative Association (NRECA)	

DISTRIBUTION	5. Appropriation Symbol 72-1191021.3	6. Budget Plan Code 943-38-099-00-76-91 EDNA89-13810-KG11
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7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document	8. Project Assistance Completion Date (Mo. Day Yr.) 3/31/94
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9. Authorized Agent SER/OP/W/MS	10. Project Assistance Agreement with PHS/Ag. No. N/A	Date
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11a. Type of Action and Governing AID Handbook <input type="checkbox"/> AID Contract <input checked="" type="checkbox"/> AID Grant or Cooperative Agreement (HB 14) (HB 13)	11. Contract Grant Cooperative Agreement PASA/HSSA Reference Number (if this is an Amendment) N/A
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12. Estimated Financing (A detailed budget in support of projects is attached as Attachment No. 1A)					
Maximum AID Financing Available	A. Dollars	1. Program Total	2. Increase	3. Decrease	4. Total to Date
		-0-	650,000	-0-	650,000
	B. U.S. Owned Local Currency				

13. Mission References

14A. Instructions to Authorized Agent: SER/OP/W/MS is requested to execute a 5-year Cooperative Agreement with National Rural Electric Cooperative Association (NRECA) effective from April 1, 1989 through March 31, 1994. Initial funding of \$650,000 is provided, covering expenditures through March 31, 1990. 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 \$3,250,000. The total life-of-program cost is \$4,476,000, to allow for mission-funded contributions in an amount not to exceed \$1,226,000.

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 or program description are technically adequate. FVA/PVC, Devorah Miller FVA/PVC, Harry E. Wing	Phone No. 875-4647	B. The statement of work or program description lies within the purview of the initiating office and approved agency programs. FVA/PVC, Lawrence Tanner	Date 3/31/89
	Date 3/20/89		
C. FVA/PVC, Lenora Watlington	Date 3/31/89	D. Funds for the services requested are available	Date
E. FVA/PPM/PMS, Emmalita Jefferson	Date 3-31-89		

16. For the Cooperating Country: The terms and conditions set forth herein are hereby agreed to	17. For the Agency for International Development
Signature _____ Date _____	Signature <i>Robert A. Hard</i> Date 4/3/89
Title _____	Title FVA/PPM, Barry Riley

M/FM/PAFD  
 POSTED  
 4/4/89  
 FUNDS RESERVED BY  
*Devorah Miller*

\* See HB 3, Sup. A, App. C, Att. B, for preparation instructions. Note: The completed form contains sensitive information whose unauthorized disclosure may subject an employee to disciplinary action.