

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D C 20523

180-0029

PDFCQ405

JUN 26 1991

Mr. Michael M. Crouch
Director, Office of Research
University of Pittsburgh
350 Thackeray Hall
Pittsburgh, PA 15260

Subject: Grant No. EUR-0029-G-00-1047-00

Dear Mr. Crouch:

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.") hereby provides to the University of Pittsburgh (hereinafter referred to as "UP" or "Grantee") the sum of \$1,816,764 in support of the Management Training and Economics Education in Central and Eastern Europe Program (Project Number 180-0029) in Central and Eastern Europe, as more fully described in Attachment 1 of this Grant entitled "Schedule", Attachment 2, entitled "Program Description", and Attachment 4, UP's Grant Application.

This Grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives for the period stated in Section B of Attachment 1. Funds disbursed by A.I.D. but uncommitted by the Grantee at the expiration of this period shall be refunded to A.I.D.

The total estimated amount of the program is \$3,360,917, of which A.I.D. shall fund \$1,816,764 (hereinafter referred to as "Total Obligated Amount") and the Grantee shall fund \$1,544,153. A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount.

This Grant is made to the Grantee on the condition that the funds will be administered in accordance with the terms and conditions as set forth in this Cover Letter, Attachment 1, entitled "Schedule", Attachment 2, entitled "Program Description", Attachment 3, entitled "Standard Provisions", and Attachment 4, UP's Grant Application, which together constitute the entire Grant document and have been agreed to by your organization.

Please acknowledge receipt of this Grant by signing all copies of this Cover Letter, retaining one copy for your files, and returning the remaining copies to the undersigned.

Sincerely yours,



Judith D. Johnson
Grant Officer
Overseas Division
Office of Procurement

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions
4. UP Grant Application

ACKNOWLEDGED:

THE UNIVERSITY OF PITTSBURGH

BY: Michael M. Crouch

TYPED NAME: Michael M. Crouch, Director
Office of Research

TITLE: _____

DATE: 8-29-91

FISCAL DATA

A. GENERAL

- A.1. Total Estimated Amount: \$1,816,764
- A.2. Total Obligated Amount: \$1,816,764
- A.3. Cost-Sharing Amount (Non-Federal): \$1,544,153
- A.4. Project No.: 180-0029
- A.5. A.I.D. Project Office: ENE/EUR, Steve French
- A.6. Funding Source: A.I.D./W
- A.7. Paying Office: FM/CMP/LC
- A.8. Tax I.D. No.: 25-0965591
- A.9. DUNS No.: 00-451-4360

B. SPECIFIC

- B.1.(a) PIO/T No.: 180-0029-3-1183662
- B.1.(b) Appropriation: 72-11X1010
- B.1.(c) Allotment: 184-63-180-01-69-11
- B.1.(d) BPC: QAIX-91-33180-IG-12
- B.1.(e) Amount: \$1,816,764

ATTACHMENT 1

SCHEDULE

A. PURPOSE OF GRANT

The purpose of this Grant is to provide financial support for the program described in Attachment 2 of this Grant entitled "Program Description." This program is in response to the Request for Applications (hereinafter referred to as "RFA") for the Management Training and Economics Education Project.

B. PERIOD OF GRANT

B.1. The effective date of this Grant is the date of the Cover Letter and the estimated completion date is June 23, 1992.

B.2. Funds obligated hereunder shall be used to reimburse the Grantee for allowable program expenditures incurred by the Grantee in pursuit of program objectives for the estimated period from May 1, 1991 to approximately June 23, 1992.

C. AMOUNT OF GRANT AND PAYMENT

C.1. The total estimated amount of the program described in Attachment 2 of this Grant is \$3,360,917.

C.2. The total amount of the A.I.D. contribution to the total estimated program costs shown in C.1. above, to be provided through this Grant (hereinafter referred to as "Total Grant Amount") for the period shown in B.1. above is \$1,816,764.

C.3. A.I.D. hereby obligates the amount of \$1,816,764 (hereinafter referred to as "Obligated Amount") for program expenditures during the estimated period set forth in Section B.2. above. A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount.

C.4. Payment shall be made to the Grantee in accordance with procedures set forth in the Standard Provision of this Grant entitled "Payment - Letter of Credit," as set forth in Attachment 3.

D. GRANT BUDGET

D.1. The following is the Budget for the total estimated amount of this Grant for its full period. The Grantee may not exceed the total estimated amount or the obligated amount of this Grant, whichever is less (see Sections C.1. and C.2., respectively, above). Any revisions to the budget must be made in accordance with the Standard Provision entitled "Revision of Grant Budget."

D.2. Budget

<u>Cost Element</u>	<u>A.I.D.</u>	<u>Grantee/ Others (Non-Fed)</u>	<u>Total</u>
<u>OFF-CAMPUS:</u>			
<u>PROJECT MANAGEMENT</u>			
Salaries	\$30,300	\$20,000	\$50,300
Consultants	<u>0</u>	<u>4,800</u>	<u>4,800</u>
SUBTOTAL	\$30,300	\$24,800	\$55,100
<u>INSTRUCTION</u>			
<u>Non-Central European Faculty:</u>			
Salaries	165,125	193,125	358,250
Fringe Benefits	51,189	59,869	111,058
Housing Allowances	22,000	0	22,000
Travel	<u>9,000</u>	<u>0</u>	<u>9,000</u>
SUBTOTAL	247,314	252,994	500,308
<u>Faculty Retraining:</u>			
Consultants	4,800	48,000	52,800
Travel/Per Diem	<u>26,550</u>	<u>26,810</u>	<u>53,360</u>
SUBTOTAL	31,350	74,810	106,160
<u>Central European Consultants & Assts.:</u>			
Consultants	0	9,600	9,600
Assistantships	<u>18,000</u>	<u>0</u>	<u>18,000</u>
SUBTOTAL	18,000	9,600	27,600

<u>Cost Element</u>	<u>A.I.D.</u>	<u>Grantee/ Others (Non-Fed)</u>	<u>Total</u>
<u>WORKSHOPS</u>			
Consultants	\$50,400	0	\$50,400
Travel/Per Diem	<u>26,778</u>	<u>0</u>	<u>26,778</u>
SUBTOTAL	77,178	0	77,178
<u>EXECUTIVE TRAINING</u>			
Consultants	37,800	0	37,800
Travel/Per Diem	<u>11,826</u>	<u>0</u>	<u>11,826</u>
SUBTOTAL	49,626	0	49,626
<u>CASE DEVELOPMENT</u>	18,200	0	18,200
<u>MULTI-MEDIA/LIBRARY CENTER</u>			
English Language Books & Journals	34,375	0	34,375
Translations, Digests, & Editing	22,000	0	22,000
Prep. of Video	<u>24,000</u>	<u>0</u>	<u>24,000</u>
SUBTOTAL	80,375	0	80,375
<u>ADMINISTRATIVE TRAVEL/ PER DIEM</u>	7,200	0	7,200
<u>SHORT COURSES</u>			
Travel/Per Diem	39,600	0	39,600
Misc. Expenses	<u>0</u>	<u>6,628</u>	<u>6,628</u>
SUBTOTAL	39,600	6,628	46,228
<u>SUPPLIES/MISC.</u>	<u>64,965</u>	0	<u>64,965</u>
TOTAL DIRECT COSTS	\$664,108	\$368,832	\$1,032,940
INDIRECT COSTS (21%)	<u>139,463</u>	<u>1,575</u>	<u>141,038</u>
TOTAL	\$803,571	\$370,407	\$1,173,978

<u>Cost Element</u>	<u>A.I.D.</u>	<u>Grantee/ Others (Non-Fed)</u>	<u>Total</u>
ON-CAMPUS:			
<u>PROJECT MANAGEMENT</u>			
Salaries	\$243,163	\$41,437	\$284,600
Fringe Benefits	<u>76,021</u>	<u>12,845</u>	<u>88,866</u>
SUBTOTAL	319,184	54,282	373,466
<u>INSTRUCTION</u>			
Salaries	34,798	34,798	69,596
Fringe Benefits	10,787	10,788	21,575
Travel	2,250	750	3,000
Housing	<u>3,000</u>	<u>3,000</u>	<u>6,000</u>
SUBTOTAL	50,835	49,336	100,171
<u>TRAVEL/PER DIEM</u>	60,432	0	60,432
<u>MPE SCHOLARSHIPS</u>	36,000	33,000	69,000
<u>FACULTY TRAINING</u>	48,000	0	48,000
<u>WORKSHOPS</u>			
Consultants	50,400	0	50,400
Travel/Per Diem	<u>26,778</u>	<u>0</u>	<u>26,778</u>
SUBTOTAL	77,178	0	77,178
<u>EXECUTIVE TRAINING</u>			
Fees	25,200	0	25,200
Travel/Per Diem	<u>7,884</u>	<u>0</u>	<u>7,884</u>
SUBTOTAL	33,084	0	33,084
<u>CASE DEVELOPMENT</u>	18,200	0	18,200
<u>SUPPLIES/MISC.</u>	<u>34,900</u>	<u>0</u>	<u>34,900</u>
TOTAL DIRECT COSTS	677,813	136,618	814,431
INDIRECT COSTS (53%)	<u>335,380</u>	<u>37,128</u>	<u>372,508</u>
TOTAL	\$1,013,193	\$173,746	\$1,186,939

SUMMARY BUDGET

<u>Cost Element</u>	<u>A.I.D.</u>	<u>Grantee/ Others (Non-Fed)</u>	<u>Total</u>
Off-campus	\$ 803,571	\$1,370,407	\$2,173,978
On-campus	<u>1,013,193</u>	<u>173,746</u>	<u>1,186,939</u>
TOTAL	\$1,816,764	\$1,541,153	\$3,360,917

D.3. Inclusion of any cost in the budget of this Grant does not obviate the requirement for prior approval by the Grant Officer of cost items designated as requiring prior approval by the applicable cost principles (see the Standard Provision of this Grant set forth in Attachment 3 entitled "Allowable Costs") and other terms and conditions of this Grant, unless specifically stated in Section I. below.

E. REPORTING REQUIREMENTS

E.1. Financial Reporting

E.1.(a) Financial reporting requirements shall be in accordance with the Standard Provision of this Grant entitled "Payment - Letter of Credit," as set forth in Attachment 3.

E.1.(b) All financial reports shall be submitted to A.I.D., Office of Financial Management, FM/A/PNP, Washington, D.C. 20523-0209. In addition, three copies of all financial reports shall be submitted to the A.I.D. Project Office specified in the Cover Letter of this Grant.

E.1.(c) With the exception of the final financial report, all financial reports shall be submitted within 30 days following the end of the reporting period. The final financial report shall be submitted within 90 days following the estimated completion date of this Grant.

E.1.(d) The Grantee's financial reports shall include expenditures of A.I.D. Grant funds provided hereunder, as well as non-federal matching funds.

E.2. Program Performance Planning and Reporting

E.2.(a) Project Implementation Plan

Not later than ninety (90) days from the effective date of this Grant (see Section 1B. above), the Grantee shall prepare and submit to the A.I.D. Project Officer specified in the Cover Letter of this Grant three (3) copies and to the Grant Officer

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one (1) copy of a Project Implementation Plan (PIP), for the full term of this Grant. The PIP may be either jointly developed by the U.S. grantee and the counterpart institution(s), or developed by the U.S. grantee and reviewed and concurrence by the local organization(s). The PIP must be signed by a representative of the counterpart institution(s).

The substantive areas to be included in the implementation plan include the following:

- 1). Local content or local relevance of training materials;
- 2). Management of the trainee selection system;
- 3). Local institution's commitment of facilities and staff;
- 4). Coordination with other USG funded and/or other donor programs (as applicable);
- 5). Comments and recommendations made by local (AID Rep, if available) US Embassy; and
- 6). The development of formative evaluation indicators.

The PIP with counterpart concurrence must be submitted to the local AmEmbassy and ENE/EUR within 90 days of the signature date of the grant. Compliance with this requirement will be one of the key indicators considered in reviewing grant implementation when considering second year funding.

E.2.(b) Quarterly Reports by Reference to Quantifiable Indicators and Other Evaluation Benchmarks

E.2.(b)(1) The Grantee shall submit three (3) copies of quarterly program performance reports, which coincide with the financial reporting periods described in Section E.1. above, to the A.I.D. Project Office specified in the Cover Letter of this Grant, and to the A.I.D. Representative (or AID Affairs Officer, Economic Section at the Embassy) of the country where the program is being undertaken. In addition, two copies shall be submitted to A.I.D., PPC/CDIE/DI, Washington, DC 20523-1802. These reports shall include quantitative and qualitative measures of performance; shall be submitted within 30 days following the end of the reporting period, and shall briefly present the following information:

E.2.(b)(1)(A) Implementation status including a comparison of actual accomplishments with the established evaluation benchmarks for the period. If the output of programs can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

E.2.(b)(1)(B) Reasons why established goals were not met, if applicable, including any problems or difficulties requiring U.S. Government, possibly host country, or implementing organization attention.

E.2.(b)(1)(C) Summary financial report of all project expenditures, by subcomponent.

E.2.(b)(1)(D) Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

E.2.(b)(2) Special Reports

Between the required program performance reporting dates, events may occur that have significant impact upon the program. In such instances, the Grantee shall inform the A.I.D. Project Officer as soon as the following types of conditions become known:

E.2.(b)(2)(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 work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any U.S.G., or possible host country, assistance needed to resolve the situation.

E.2.(b)(2)(B) Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

E.2.(b)(2)(C) If any performance review conducted by the Grantee discloses the need for change in the budget estimates in accordance with the criteria established in the Standard Provision of this Grant entitled "Revision of Grant Budget," the Grantee shall submit a request for budget revision to the Grant Officer and the A.I.D. Project Officer specified in the Cover Letter of this Grant.

E.2.(b)(2)(D) Quarterly updates and proposed modifications of annual work plans, specifically to include travel projected for the subsequent quarter.

E.2.(c) Annual Report of Project

The annual report will be submitted to both ENE/EUR, A.I.D. Washington and to the A.I.D. Representative (or the AID Affairs Officer, Economic Section at the Embassy) of the country where

the program is being undertaken. The annual report will substantively review performance against planned quantitative and qualitative measures. Second year funding will be contingent on the Grantee submitting complete reporting, effectively resolving implementation problems, as well as on the availability of funds and any revisions in the overall program structure that A.I.D. may require.

Within 60 days following the estimated completion date of this Grant the Grantee shall submit three copies of the final report as indicated in the preceding paragraph. It should include: (1) an executive summary of the Grant's accomplishments or failings; (2) a description of the Grant activities from its inception; (3) significance of these activities; (4) comments and recommendations; (5) a fiscal report that describes in detail how the Grant funds were used. In addition, two copies shall be submitted to A.I.D., PPC/CDIE/DI, Washington, D.C. 20523-1802.

E.2.(d) Training Reports

E.2.(d)(1) If the Standard Provision entitled "Participant Training" applies to this Grant (see Section 1K. for applicability), the Grantee shall comply with reporting and information requirements of the Standard Provision of this Grant entitled "Participant Training," as well as Chapters 5 and 24 of A.I.D. Handbook 10.

E.2.(d)(2) The Grantee shall also provide five (5) copies of quarterly training reports to the A.I.D. Project Officer, covering this Grant. The report shall include the following information:

- Total number of new trainees during the period; and
- The following information for each trainee:
 - name
 - citizenship
 - gender
 - training site
 - beginning and ending dates of training
 - purpose of training
 - type of training activities
 - source of funding

E.2.(d)(3) The Grantee shall provide three (3) copies of all training manuals produced under this Grant to the A.I.D. Project Officer.

F. CLOSEOUT PROCEDURES (OMB Circular A-110)

1. This paragraph prescribes uniform closeout procedures for A.I.D. grants.
2. The following definitions shall apply for the purpose of this paragraph:
 - a. Closeout. The closeout of a grant is the process by which A.I.D. determines that all applicable administrative actions and all proposed work of the grant have been completed by the Grantee and A.I.D.
 - b. Date of completion: The date of completion is the date on which all work under the grant is complete or the date on the award document, or any supplement or modification thereto, on which A.I.D. sponsorship ends.
 - c. Disallowed costs: Disallowed costs are those charges to a grant that A.I.D. or its representative determines to be unallowable, in accordance with the applicable Federal cost principles or other conditions contained in the grant.
3. A.I.D. closeout procedures are the following requirements:
 - a. Upon request, A.I.D. shall make prompt payments to a recipient for allowable reimbursable costs under the grant being closed out.
 - b. The Grantee shall immediately return any balance of unobligated (unencumbered) cash that A.I.D. has advanced or paid and that is not authorized to be retained by the Grantee for use in other grants or cooperative agreements.
 - c. A.I.D. shall obtain from the Grantee within 90 calendar days after the date of completion of the grant all financial, performance, and other reports required as the condition of the grant. A.I.D. may grant extensions when requested by the Grantee.
 - d. When authorized by the grant, A.I.D. shall make a settlement for any award or downward adjustments to A.I.D.'s share of the costs after these reports are received.
 - e. The Grantee shall account for any nonexpendable property acquired with A.I.D. funds.

e. In the event a final audit has not been performed prior to the closeout of the grant, A.I.D. shall retain the right to recover an appropriate amount after fully considering the recommendations on questioned costs resulting from the final audit.

G. INDIRECT COSTS

1. Pursuant to the standard provision of this Grant entitled "Negotiated Indirect Cost Rates-Provisional", a rate shall be established for each of the Recipient's accounting periods which apply to this Grant. Pending the establishment of revised predetermined, provisional or final indirect cost rates for each of the Grantee's accounting periods which apply to the Grant, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which is (are) set forth below:

<u>Description</u>	<u>Rate</u>	<u>Base</u>	<u>Period</u>	<u>Type</u>
<u>Overhead</u>				
Instruction				
On-campus	53.0%	<u>1/</u>	7/1/88-6/30/91	Pred.
	53.0%	<u>1/</u>	7/1/91 until amnd.	Prov.
Off-campus	21.0%	<u>1/</u>	7/1/88-6/30/91	Pred.
	21.0%	<u>1/</u>	7/1/91 until amnd.	Prov.
<u>Fringe Benefits</u>				
All Employees except grad. students				
	31.0%	<u>2/</u>	7/1/90-7/30/91	Fixed
	31.0%	<u>2/</u>	7/1/91 until amnd.	Prov.
Grad. Students Only				
	34.0%*	<u>3/</u>	7/1/90 until amnd.	Fixed

1/ Total direct costs less individual items of equipment in excess of \$500 and having a useful life of two or more years, subcontracts and subgrants in excess of \$25,000 each, centers with separate billing rates (shops, stockrooms, academic and research computing center), student related costs (graduate student tuition remission and benefits, scholarships, stipends, tuition and fees, fellowships, room and board allowances), allowances, dependency costs of instruction/education, foreign post differential, (maintenance, participant and institutional), space rental costs, alterations and renovations and patient care costs.

2/ Salaries and wages

3/ Salaries and stipends

Treatment of Fringe Benefits: Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are charged to grants and contracts as part of the normal charge for salaries and wages. Separate charges for the costs of these absences are not made. The following fringe benefits are included in the fringe benefit rate: FICA, workers' compensation, unemployment compensation, health insurance, life insurance, liability insurance, disability insurance, pension costs, TIAA/CREF, tuition remission, craft union benefits and Early Retirement Incentive Program (ERIP). The following fringe benefits are included in the Graduate Student fringe benefit rate: Health insurance and tuition remission.

* The actual negotiated indirect cost rate for Graduate Students Only is 127.5% (rate is Fixed for the period 7/1/90- 6/30/91; Provisional 7/1/91 until amended). UP has agreed to charge a rate of 34.0% for the period of this grant.

H. TITLE TO PROPERTY

Title to property acquired hereunder shall vest in the Grantee, subject to the requirements of the Standard Provision of this Grant entitled "Title To and Use of Property (Grantee Title)" regarding use, accountability, and disposition of such property.

I. PROCUREMENT AND (SUB)CONTRACTING

I.1. Authorized Geographic Codes

For grants where the total value of goods and services will exceed \$250,000, the following shall apply:

All goods/commodities shall have their source/origin first in the United States (A.I.D. Geographic Code 000), then Czechoslovakia (A.I.D. Geographic Code 184), except as A.I.D. may otherwise agree in writing, in accordance with the Optional Standard Provision entitled, "A.I.D. Eligibility Rules for Goods and Services (November 1985)". All services shall have their nationality first in the United States (A.I.D. Geographic Code 000), then Czechoslovakia (A.I.D. Geographic Code 184), then the Special Free World (A.I.D. Geographic Code 935), in accordance with the Optional Standard Provision entitled, "A.I.D. Eligibility Rules for Goods and Services (November 1985)". Although A.I.D. Geographic Code 935 does not normally include the countries of Eastern Europe, for the period of this

grant, unless otherwise amended, the aforementioned Optional Standard Provision is amended to include the countries of Eastern Europe (Bulgaria, A.I.D. Geographic Code 183; Czechoslovakia, A.I.D. Geographic Code 184; Hungary, A.I.D. Geographic Code 185; Poland, A.I.D. Geographic Code 181; Romania, A.I.D. Geographic Code 186; and Yugoslavia, A.I.D. Geographic Code 158) as Code 935 countries. The order of preference in paragraph (b)(1) of that provision applies as stated, with Czechoslovakia (184) approved as the cooperating country.

Requests for deviations to this requirement must include a full justification to be submitted to the Project Office indicated in the cover letter of this Grant. Approval of the Grant Officer and the Project Officer is required before procurement of this nature may be undertaken. Ocean shipping financed by A.I.D. under the program shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

I.2. Procurement Cost Detail

Whenever feasible, the lead U.S. grantee and/or its subgrantees will be responsible for purchasing the U.S. equipment and commodities required for the technical assistance components of the program. This equipment must be specifically and directly linked to the training programs undertaken under the various subcomponents. The prime grantee will be responsible for providing more exact details and specifications of the commodities they propose to procure, including estimated costs of same, when requesting approval for the procurement of the commodities.

I.3. Air Transportation

The eligibility of air travel and transportation services is determined by the flag registry of the aircraft. The Standard Provision of this Grant entitled "Air Travel and Transportation" applies. Commodities are ineligible for A.I.D. financing hereunder if shipped under an air charter that has not received prior approval of the Grant Officer, regardless of whether such transportation costs are financed hereunder.

I.4. Government Owned Organizations

Notwithstanding the foregoing, a Government Owned Organization, i.e., a firm operated as a commercial company or other organizations (including nonprofit organizations other than public educational institutions) which are wholly or partially owned by governments or agencies thereof, are not eligible as suppliers of goods and commodities, commodity-related services, or services (other than commodity-related services), except as the Grant Officer may otherwise agree in writing.

J. SPECIAL PROVISIONS

J.1. For the purposes of this Grant, references to "OMB Circular A-122" in the Standard Provisions of this Grant shall include the A.I.D. implementation of this Circular, as set forth in Subpart 731.7 of the A.I.D. Acquisition Regulations (AIDAR) (48 CFR Chapter 7).

J.2. Employee Salaries

Except as the Grant Officer may otherwise agree in writing, A.I.D. shall not be liable for reimbursing the Grantee for any costs allocable to the salary portion of direct compensation paid by the Grantee to its employees for personal services which exceed the highest salary level for a Foreign Service Officer, Class 1 (FS-1), as periodically amended.

J.3. Consultant Fees

Compensation for consultants retained by the Grantee hereunder shall not exceed, without specific approval of the rate by the Grant Officer: either the highest rate of annual compensation received by the consultant during any full year of the immediately preceding three years; or the maximum rate of a Foreign Service Officer, Class 1 (FS-1) (as periodically amended), whichever is less. A daily rate is derived by dividing the annual compensation by 2,087 and multiplying the result by 8.

J.4. Equipment and Other Capital Expenditures

J.4.(a) Requirement for Prior Approval

Pursuant to the Standard Provisions of this Grant entitled "Allowable Costs" and "Revision of Grant Budget," the Grantee must obtain A.I.D. Grant Officer approval for the following:

Purchase of General Purpose Equipment, which is defined as an article of nonexpendable tangible personal property, the use of which is not limited only to research, medical, scientific, or other activities [e.g., office equipment and furnishings, air conditioning equipment, reproduction and other equipment, motor vehicles, and automatic data processing equipment, having a useful life of more than two years and an acquisition cost of \$500 or more per unit)

J.4.(b) Exception for Automation Equipment

Any approval for the purchase of automation equipment which may subsequently be provided by the Grant Officer is not valid if the total cost of purchases of automation equipment (e.g. computers, word processors, etc.), software, or related services made hereunder will exceed \$100,000. The Grantee must, under such circumstances, obtain the approval of the Grant Officer for the total planned system of any automation equipment, software, or related services.

J.4(c) Used Equipment

Used equipment may only be purchased with the prior written approval of the Grant Officer.

J.5. Defense Base Act (DBA) and/or Medical Evacuation Insurance

Pursuant to Section J.16. of OMB Circular A-21 the Grantee is authorized to purchase DB. and/or medical evacuation insurance under this Grant.

K. ORDER OF PRECEDENCE

The grantee's proposal (application) of December 31, 1990 and revision of May 13, 1991 are hereby incorporated as Attachment 4. In the event of any inconsistencies in this Grant, they shall be resolved by applying the following descending order of precedence:

- Attachment 1 - Schedule
- Cover Letter
- Attachment 3 - Standard Provisions
- Attachment 2 - Program Description
- Attachment 4 - Grantee's Proposal (Application)

K. STANDARD PROVISIONS

The Standard Provisions set forth as Attachment 3 of this Grant consist of the following Standard Provisions denoted by an "X" which are attached hereto and made a part of this Grant:

L.1. Mandatory Standard Provisions For U.S. Nongovernmental Grantees

- (X) Allowable Costs (November 1985)
- (X) Accounting, Audit, and Records (September 1990)
- (X) Refunds (September 1990)
- (X) Revision of Grant Budget (November 1985)
- (X) Termination and Suspension (May 1986)

- (X) Disputes (November 1989)
- (X) Ineligible Countries (May 1986)
- (X) Debarment, Suspension, and Other Responsibility Matters (March 1989)
- (X) Nondiscrimination (May 1986)
- (X) U.S. Officials Not to Benefit (November 1985)
- (X) Nonliability (November 1985)
- (X) Amendment (November 1985)
- (X) Notices (November 1985)

L.2. Additional Standard Provisions For U.S. Nongovernmental Grantees

- (X) Payment - Letter of Credit (November 1985)
- () Payment - Periodic Advance (January 1988)
- () Payment - Cost Reimbursement (November 1985)
- (X) Air Travel and Transportation (November 1985)
- (X) Ocean Shipment of Goods (May 1986)
- (X) Procurement of Goods and Services (November 1985)
- (X) AID Eligibility Rules for Goods and Services (November 1985)
- (X) Subagreements (November 1985)
- (X) Local Cost Financing (November 1988)
- () Patent Rights (November 1985)
- () Publications (November 1985)
- (X) Negotiated Indirect Cost Rates - Predetermined (May 1986)
- (X) Negotiated Indirect Cost Rates - Provisional (May 1986)
- (X) Regulations Governing Employees (November 1985)
- (X) Participant Training (May 1986)
- () Voluntary Population Planning (August 1986)
- () Protection of the Individual as a Research Subject (November 1985)
- () Care of Laboratory Animals (November 1985)
- () Government Furnished Excess Personal Property (November 1985)
- (X) Title To and Use of Property (Grantee Title) (November 1985)
- () Title To and Care of Property (U.S. Government Title) (November 1985)
- () Title To and Care of Property (Cooperating Country Title) (November 1985)
- (X) Cost Sharing (Matching) (November 1985)
- () Use of Pouch Facilities (November 1985)
- (X) Conversion of United States Dollars to Local Currency (November 1985)

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M. COST SHARING AND OTHER CONTRIBUTIONS

M.1. The Grantee agrees to expend from non-federal funds not less than the amount shown in the budget (Section D.) of this Grant under the column headed "Other".

M.2. If cost sharing is required under this Grant pursuant to section L.1. above, the Standard Provision of this Grant entitled "Cost Sharing (Matching)" applies.

M.3. The aforesaid Standard Provision makes reference to project costs. "Project Costs" are defined in Attachment E of OMB Circular A-110 as all allowable costs (as set forth in the applicable cost principles [see the Standard Provision of this Grant entitled "Allowable Costs"]) incurred by a Grantee and the value of in-kind contributions made by the Grantee or third parties in accomplishing the objectives of this Grant during the program period.

Attachment # 2
PROGRAM DESCRIPTION

A. Program Purpose

The purpose of the Management Training and Economics Education Program is to develop the technical, management, and economics skills necessary to restructure Central and Eastern European economies and develop competitive markets and businesses. The training provided by the grantee is to serve as a catalyst to market reform in the region.

B. Background

The countries of Central and Eastern Europe are experiencing dramatic political and economic change. One of the most important changes is the restructuring of the basic economic infrastructure from a centrally-planned to a market-driven system. After 40 years of socialism, most of the citizens are not prepared for the challenges of a market economy. While most of the countries generally have highly educated and intelligent work forces, years of central planning and state ownership have left most individuals with a lack of the basic skills necessary to manage private business. Managers of small and large enterprises do not know how to deal with the choices involved in buying and selling under constantly changing market conditions characterized by a large number of choices. Government economic planners and politicians have little knowledge of alternative ownership schemes; of how to finance the privatization process; of how to redirect trade toward a wider, more competitive world market. Even the public a large needs to be educated about the awards and difficulties associated with the differentiated income and capital accumulation levels as well as the impact of changing personal buying power that is part of market economies.

C. Program Objective and Description in Czechoslovakia

The objectives of the program in Czechoslovakia administered by the University of Pittsburgh are to build upon an ongoing relationship with two local counterparts to "help establish permanent, functional and efficient market economies..." The two local counterparts are the Czechoslovakia Management Center (CMC) and the Center of Economic Research and Graduate Education (CERGE), the latter located within Charles University in Prague.

180-808

AMENDMENT OF SOLICITATION, MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES
2. AMENDMENT/MODIFICATION NO. One (1)	3. EFFECTIVE DATE June 8, 1991	4. REQUISITION/PURCHASE REQ. NO. 180-0000-3-1182005 A-1	5. PROJECT NO. (if applicable) N/A
6. ISSUED BY Eastern Europe Branch Office of Procurement - Overseas Division Agency for International Development Washington, D.C. 20523-1423	7. ADMINISTERED BY (if other than Item 6)	CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) Mr. John J. Garney 4915 Van Walbeck Place Annandale, VA 22033		(f) 9A. AMENDMENT OF SOLICITATION NO.	9B. DATED (SEE ITEM 11)
CODE		FACILITY CODE	
10A. MODIFICATION OF CONTRACT/ORDER NO. X EUR-0000-S-1035-00		10B. DATED (SEE ITEM 13)	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:
 (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required)
72-11X1010; FAIX-91-16300-V913; Amount Obligated This Action: \$16,400

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

<input checked="" type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
<input checked="" type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 4 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF action headings, including solicitation/contract subject matter where feasible.)
 The purpose of this modification is to: (1) obligate an additional \$16,400; and (2) to extend the estimated completion date. By reason of this modification, this contract is hereby modified as follows:

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) John J. Garney		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Diane M. Miller	
15B. CONTRACTOR/OFFEROR 	15C. DATE SIGNED 6-10-91	16B. UNITED STATES OF AMERICA BY	16C. DATE SIGNED 6/27/91
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

INSTRUCTIONS

Instructions for items other than those that are self-explanatory, are as follows:

(a) Item 1 (Contract ID Code). Insert the contract type identification code that appears in the title block of the contract being modified.

(b) Item 3 (Effective date).

(1) For a solicitation amendment, change order, or administrative change, the effective date shall be the issue date of the amendment, change order, or administrative change.

(2) For a supplemental agreement, the effective date shall be the date agreed to by the contracting parties.

(3) For a modification issued as an initial or confirming notice of termination for the convenience of the Government, the effective date and the modification number of the confirming notice shall be the same as the effective date and modification number of the initial notice.

(4) For a modification converting a termination for default to a termination for the convenience of the Government, the effective date shall be the same as the effective date of the termination for default.

(5) For a modification confirming the contracting officer's determination of the amount due in settlement of a contract termination, the effective date shall be the same as the effective date of the initial decision.

(c) Item 6 (Issued By). Insert the name and address of the issuing office. If applicable, insert the appropriate issuing office code in the code block.

(d) Item 8 (Name and Address of Contractor). For modifications to a contract or order, enter the contractor's name, address, and code as shown in the original contract or order, unless changed by this or a previous modification.

(e) Items 9, (Amendment of Solicitation No.—Dated), and 10, (Modification of Contract/Order No.—Dated). Check the appropriate box and in the corresponding blanks insert the number and date of the original solicitation, contract, or order.

(f) Item 12 (Accounting and Appropriation Data). When appropriate, indicate the impact of the modification on each affected accounting classification by inserting one of the following entries:

(1) Accounting classification
Net increase \$

(2) Accounting classification
Net decrease \$

NOTE: If there are changes to multiple accounting classifications that cannot be placed in block 12, insert an asterisk and the words "See continuation sheet".

(g) Item 13. Check the appropriate box to indicate the type of modification. Insert in the corresponding blank the authority under which the modification is issued. Check whether or not contractor must sign this document. (See FAR 43.103.)

(h) Item 14 (Description of Amendment/Modification).

(1) Organize amendments or modifications under the appropriate Uniform Contract Format (UCF) section headings from the applicable solicitation or contract. The UCF table of contents, however, shall not be set forth in this document.

(2) Indicate the impact of the modification on the overall total contract price by inserting one of the following entries:

(i) Total contract price increased by \$

(ii) Total contract price decreased by \$

(iii) Total contract price unchanged.

(3) State reason for modification.

(4) When removing, reinstating, or adding funds, identify the contract items and accounting classifications.

(5) When the SF 30 is used to reflect a determination by the contracting officer of the amount due in settlement of a contract terminated for the convenience of the Government, the entry in Item 14 of the modification may be limited to —

(i) A reference to the letter determination; and

(ii) A statement of the net amount determined to be due in settlement of the contract.

(6) Include subject matter or short title of solicitation/contract where feasible.

(i) Item 16B. The contracting officer's signature is not required on solicitation amendments. The contracting officer's signature is normally affixed last on supplemental agreements.

I. COVER PAGE:

A. Under "Estimated Completion Date" delete "June 8, 1991" and substitute in lieu thereof "July 8, 1991."

B. Under "Amount Obligated" and "Total Estimated Contract Cost" delete the amount of "\$36,000" and substitute in lieu thereof "\$52,400."

C. Under "Accounting and Appropriation Data" add the following:

"PIO/T Number: 180-0000-3-1182005, A-1
Appropriation Number: 72-11X1010
Budget Plan Code: FAIX-91-16300-V913"

II. ARTICLE III - CONTRACTOR'S COMPENSATION AND REIMBURSEMENT IN U.S. DOLLARS:

Delete Paragraph C. "Allowable Costs" in its entirety and substitute the following in lieu thereof:

"C. Allowable Costs:

1. Compensation at the rate of \$307.12 per day. Adjustments in compensation (pay) for periods when the Contractor is not in compensable pay status shall be calculated as follows: Rate of \$38.39 per hour.

70 working days X 307.12 = \$ 21,500

2. Overtime (Unless specifically authorized in the Schedule of this contract, no overtime hours shall be allowed hereunder.)

3. Overseas Differential (Ref. GP Clause No. 6.)

Rate 10% 28 days at \$307.12 = \$8,599

\$8,599 X 10% = \$860 \$ 860

4. Allowances in Cooperating Country (Ref. GP Clause 6.) - n/a (Per diem in lieu of allowances)

5. Travel and Transportation (Ref. GP Clause 10.) (Includes the value of GTRs furnished by the Government, not payable to Contractor).

International & local \$ 3,500

6. Subsistence or Per Diem (Ref. GP Clause 10.)

Cooperating Country/travel status \$18,600

7. Other Direct Costs

a. Health and Life Insurance (Ref. GP Clause 9.)	<u>\$ n/a (1)</u>
b. Physical Examination (Ref. GP Clause 3.)	<u>\$ n/a (2)</u>
c. Communications, Misc. (3)	<u>\$ 6,295</u>
Subtotal Item 7	<u>\$ 6,295</u>

8. F.I.C.A. - U.S.G. contribution
(Not payable to Contractor)

$\$21,500 \times 6.2\% = \$1,333$

Medicare - U.S.G. contribution

$\$21,500 \times 1.45\% = \311.75

Total withholding not payable to Contractor \$ 1,645

Total Estimated Costs (lines 1 thru 8) \$52,400

(1) U.S.G. retirees do not receive contributions to health and life insurance per GP Clause 9.(b)(3).

(2) Physical exam costs are not included due to such expense having been covered under a previous AID contract.

(3) Includes sixty-six maximum pounds of excess air baggage, visas, secretarial and interpreter services, taxis, in-country ground transportation, car rental as needed, communications, and other miscellaneous."

III. EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.

AID 1350 1 (3 87) *PIO T	AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES	1. Cooperating Country Czechoslovakia	Page 1 of 2 Pages
		2. PIO/T No. 180-0000-3-1182005	3. <input checked="" type="checkbox"/> Original or Amendment No. <u>1</u>
		4. Project/Activity No. and Title OE	
		10300	

DISTRIBUTION	5. Appropriation Symbol 72-11X1010		6. Budget Plan Code FAIX-91-1000-V913		
	7. Obligation Status <input type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document		8. Project Assistance Completion Date (Mo., Day, Yr.)		
	9. Authorized Agent MS/OP		10. This PIO/T is in full conformance with PRO-AG No. _____ Date _____		
	11a. Type of Action and Governing AID Handbook <input checked="" type="checkbox"/> AID Contract (HB 14) <input type="checkbox"/> AID Grant or Cooperative Agreement (HB 13) <input type="checkbox"/> PASA/RSSA (HB 12) <input type="checkbox"/> Other			11b. Contract/Grant/Cooperative Agreement PASA/RSSA Reference Number (if this is an Amendment) EUR-0000-S-00-1035-00	

12. Estimated Financing (A detailed budget in support of column (2) is attached as Attachment No. _____)					
Maximum AID Financing Available	A. Dollars	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
		\$36,000	\$16,400	-0-	\$52,400
B. U.S.-Owned Local Currency					

13. Mission References	14A. Instructions to Authorized Agent
	1. The authorized agent is requested to extend the contract referenced in block 11 by one month from June 9 to July 8, 1991. 2. The revised budget is attached. 3. All other terms and conditions remain unchanged.
	14B. Address of Voucher Paying Office A.I.D FM/CMP Room 700, SA-2, 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.	Phone No. 5-1579	B. The statement of work or program description lies within the purview of the initiating office and approved agency programs	Date
	Date 5/13/91		Date 5/13/91
	Warren Duerback, MS/OMS Elizabeth Chaney, S/AA/ENE Denton Larson, ENE/EUR/FM Janet Rudanil-Bey, ENE/PP/F		Donald [unclear] ENE/EUR Jeane Burroughs PFM/FM/R/OE
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 _____		Accounting Division Signature _____ Date 5/13/91 Title Robert Nachtrieb, Chief, ENE/PDP	

*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.

AID 1350 I (3 87)	AGENCY FOR INTERNATIONAL DEVELOPMENT	1. Cooperating Country	Page 1 of Pages
		Eastern Europe Regional	
		2. PIO/T No. 180-0029-3-1183662	3. <input checked="" type="checkbox"/> Original or Amendment No. _____
		4. Project/Activity No. and Title Management Training and Market Economics Education Project 180-0029	
PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES			

OFFICE OF FINANCIAL MANAGEMENT DATE POSTED: 4-19-91 PFM/FM/A/PNP FUNDS RESERVED BY: R. Stodder	5. Appropriation Symbol 72-11X1010 (184-63-180-01-69-11)	6. Budget Plan Code OAIK-91-33180-IG-12
	7. Obligation Status <input type="checkbox"/> Administrative Reservation <input checked="" type="checkbox"/> Implementing Document	8. Project Assistance Completion Date (Mo., Day, Yr.) 12/31/1993
	9. Authorized Agent SER/OP	10. This PIO/T is in full conformance with PRO/AG No. 180-0029 Date 12/26/1990
	11a. Type of Action and Governing AID Handbook <input type="checkbox"/> AID Contract (HB 14) <input checked="" type="checkbox"/> AID Grant or Cooperative Agreement (HB 13) <input type="checkbox"/> PASA/RSSA (HB 12) <input type="checkbox"/> Other	11b. Contract/Grant/Cooperative Agreement/ PASA/RSSA Reference Number (if this is an Amendment) N/A
	12. Estimated Financing (A detailed budget in support of column (2) is attached as Attachment No. _____)	

Maximum AID Financing Available	A. Dollars	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
					1,816,764
	B. U.S.-Owned Local Currency				

13. Mission References

14A. Instructions to Authorized Agent
 SER/OP is requested to execute a grant with University of Pittsburgh. Funding of \$1,816,764 is provided for expenditures during the first 12 months. This grant is awarded under Request for Application (RFA) No. SPO/EE-91-002 which was issued on November 15, 1990 and closed on December 31, 1990. Depending on availability of funds and progress in the program satisfactory to A.I.D., additional annual increments of funding will be considered.

14B. Address of Voucher Paying Office
 PFM/FM/CMP, Room 700, SA-2 Agency for International Development (A.I.D.) Washington; D.C. 20523-0209

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. Thomas Chapman, ENE/TR Stephen French, ENE/EUR Date 4/17/91 Phone No. (202) 647-3852	B. The statement of work or program description lies within the purview of the initiating office and approved agency programs. Joseph Pastic, ENE/PD/EUR Date 4/15/91
C. Janet Rudasill-Bey, ENE/DP Date 4/18/91	D. Funds for the services requested are available Date
E. Donald Pressley, ENE/EUR Date 4/17/91	Rose Anderson, PFM/FM/A/PNP

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 *Robert Nachtrieb* Date 4-19-91
 Title Robert Nachtrieb, Director, ENE/DP

* See HB 3, Supp. A, App. C, Att. B, for preparation instructions. Note: The completed form contains sensitive information whose unauthorized disclosure may result in damage to the national defense.