



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

MAY -6 ..

Mr. Hobart Gardiner  
International Executive  
Service Corps  
8 Stamford Forum  
P.O. Box 10005  
Stamford, CT 06904-2005

Subject: Cooperative Agreement No. CCS-0005-A-00-2015-00

Dear Mr. Gardiner:

Pursuant to the authority contained in the Foreign Assistance Act of 1961 and the Federal Grant and Cooperative Agreement Act of 1982, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby provides to International Executive Service Corps (hereinafter referred to as "IESC" or "Recipient") the sum set forth in Section 1C.2. of Attachment 1 of this Cooperative Agreement to provide financial support for the program described in Attachment 2 of this Cooperative Agreement entitled "Program Description."

This Cooperative Agreement is effective as of the date of this letter and funds obligated hereunder shall be used to reimburse the Recipient for allowable program expenditures for the period set forth in Section 1B. of Attachment 1 of this Cooperative Agreement.

This Cooperative Agreement is made to the Recipient on the condition that the funds will be administered in accordance with the terms and conditions as set forth in the attachments listed under my signature below, which together constitute the entire Cooperative Agreement document and have been agreed to by your organization.

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

Sincerely yours,

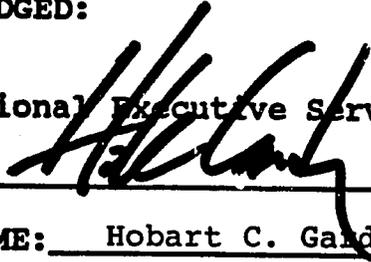
  
J. J. Kryschtal  
Grant Officer  
New Independent States Branch  
FA/OP/CC/N  
Office of Procurement

**Attachments:**

1. Schedule
2. Program Description
3. Standard Provisions
4. Special Provision entitled "Restrictions on Lobbying"

**ACKNOWLEDGED:**

International Executive Service Corps

BY: 

TYPED NAME: Hobart C. Gardiner

TITLE: Executive Vice President

DATE: May 12, 1992

**FISCAL DATA**

**A. GENERAL**

- A.1. Total Estimated A.I.D. Amount: \$1,000,000
- A.2. Total Obligated A.I.D. Amount: \$1,000,000
- A.3. Project No.: 110-0005
- A.4. A.I.D. Project Office: NIS Task Force,  
Laurier Mailloux
- A.5. Funding Source: A.I.D./W
- A.6. Tax I.D. No.: 13-2503656
- A.7. DUNS No.: 07-682-9480
- A.8. LOC No.: 72-00-1496

**B. SPECIFIC**

- B.1.(a) PIO/T No.: 110-0005-3-262-2885
- B.1.(b) Appropriation: 72-111/2103
- B.1.(c) BPC: QES1-92-32110-KG-12 (170-62-110-00-69-21)
- B.1.(d) Amount: \$1,000,000

**ATTACHMENT 1**

**SCHEDULE**

**1A. PURPOSE OF COOPERATIVE AGREEMENT**

The purpose of this Cooperative Agreement is to provide financial support for the program described in Attachment 2 of this Cooperative Agreement entitled "Program Description."

**1B. PERIOD OF COOPERATIVE AGREEMENT**

The effective date of this Cooperative Agreement is the date of the Cover Letter and the estimated completion date is May 31, 1993. The period of this Cooperative Agreement may be extended at the option of the Government depending on the availability of funds and with the agreement of the Recipient.

Funds obligated hereunder (see Section 1C.2. below) shall be used to reimburse the Recipient for allowable program expenditures incurred by the Recipient in pursuit of program objectives during the period March 9, 1992 (see Section 1D.4. below) through the estimated completion date. Funds obligated hereunder are anticipated to be sufficient for completion by the Recipient of the program described in Attachment 2 of this Cooperative Agreement by the estimated completion date.

**1C. AMOUNT OF COOPERATIVE AGREEMENT AND PAYMENT**

**1C.1.** The total estimated amount of this Cooperative Agreement for its full period, as set forth in Section 1B. above, is \$1,000,000.

**1C.2.** A.I.D. hereby obligates the amount of \$1,000,000 for the purposes of this Cooperative Agreement during the indicated period set forth in Section 1B. above, thereby fulfilling A.I.D.'s funding requirements. A.I.D. shall not be liable for reimbursing the Recipient for any costs in excess of the obligated amount, except as specified in paragraph (f) of the Standard Provision of this Cooperative Agreement entitled "Revision of Grant Budget."

1C.3. Payment shall be made to the Recipient in accordance with procedures set forth in the Standard Provision of this Cooperative Agreement entitled "Payment - Letter of Credit," as shown in Attachment 3.

1D. COOPERATIVE AGREEMENT BUDGET

1D.1. The following is the Budget for the full period of the Cooperative Agreement. The Recipient may not exceed the total obligated amount of this Cooperative Agreement (see Section 1C.2. above). Except as specified in the Standard Provision of this Cooperative Agreement entitled "Revision of Grant Budget," as shown in Attachment 3, the Recipient may adjust line item amounts as may be reasonably necessary for the attainment of program objectives.

1D.2. Budget

<u>Cost Element</u>	<u>Total</u>
<u>Field Support</u>	
Salaries	\$ 77,000
Labor Burden	\$ 15,000
Fixed Assets	14,000
Expenses	45,000
<u>NIS Volunteer Executives Teams</u>	
Per Diem	\$ 135,000
Benefits	\$ 12,000
Fixed Assets	31,000
Expenses	35,000
Training, Briefing	18,000
Office Rent/ Staff Support	34,000
<u>Travel Expenses</u>	
Field Support	66,000
NIS Volunteer Executive Teams	168,000
<u>Conference</u>	50,000
<u>Project Expenses</u>	
12 Projects @ \$25,000	300,000
 *TOTAL PROGRAM COST	 \$1,000,000

\*Funds provided under this Cooperative Agreement shall not be used to cover costs of U.S. Office Administration.

**1D.3.** Inclusion of any cost in the budget of this Cooperative Agreement 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 Cooperative Agreement set forth in Attachment 3 entitled "Allowable Costs") and other terms and conditions of this Cooperative Agreement, unless specifically stated in Section 1I. below.

**1D.4.** Notwithstanding the effective date of this Cooperative Agreement as shown in Section 1B. above, and subject to the Standard Provision of this Cooperative Agreement entitled "Allowable Costs," costs incurred by the Recipient in pursuit of program objectives on or after the earliest date set forth in Section 1B. above shall be eligible for reimbursement hereunder. Such costs are included in the Cooperative Agreement Budget shown above.

**1E. REPORTING**

**1E.1. Financial Reporting**

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

**1E.1.(b)** All financial reports shall be submitted to A.I.D., Office of Financial Management, PFM/FM/CMP/DC, Room 700 SA-2, 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 Cooperative Agreement, concurrently with submission of the Quarterly Technical Reports (See Section 1E.2. below).

**1E.1.(c)** The frequency of financial reporting and the due dates of reports shall be as specified in the Standard Provision of this Cooperative Agreement referred to in Section 1E.1.(a) above.

**1E.1.(d)** The Recipient's financial reports shall include expenditures of A.I.D. Cooperative Agreement funds provided hereunder.

**1E.2. Program Performance Planning and Reporting**

**1E.2.(a) Implementation Plan**

As soon as possible after the effective date of this Cooperative Agreement (see Section 1B. above), the Recipient shall prepare and submit to the Project Officer specified in the cover letter of this Cooperative Agreement three (3) copies of the implementation plan which shall include the following:

- A list of activities to be undertaken;
- A projected beginning and ending timeframe for the activities; and
- The projected outputs for each activity.
- Procurement Plan
- Logistic Support

It is understood that as projects are implemented, the Recipient may determine that revisions are necessary to the Implementation Plan. Thus, these plans may be amended periodically. Revisions must be submitted to the Project Officer for approval prior to implementation.

**1E.2.(b) Quarterly Reports**

The Recipient shall submit three (3) copies of brief quarterly program performance reports, which coincide with the financial reporting periods described in Section 1E.1. above, to the A.I.D. Project Office specified in the Cover Letter of this Cooperative Agreement. In addition, two copies shall be submitted to A.I.D., PPC/CDIE/DI, Washington, DC 20523-1802. These reports shall be submitted within 30 days following the end of the reporting period, and shall briefly present the following information:

**1E.2.(b)(1)** A comparison of actual accomplishments with the goals established 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.

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

**1E.2.(b)(3)** Reasons why established goals were not met, if applicable.

**1E.2.(b)(4)** As a supplement to each quarterly report, Recipient will provide for each project, a completed "Summary of IESC Project" sheet, specifying the purpose of the trip, the VE(s) involved in the project, the IESC assistance rendered, overall impressions of the site situation (if appropriate), and a list of persons visited with their title and organization affiliation.

**1E.2.(c) Special Reports**

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

**1E.2.(c)(1)** 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 A.I.D. assistance needed to resolve the situation.

**1E.2.(c)(2)** Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

**1E.2.(c)(3)** If any performance review conducted by the Recipient discloses the need for change in the budget estimates in accordance with the criteria established in the Standard Provision of this Cooperative Agreement entitled "Revision of Grant Budget," the Recipient 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 Cooperative Agreement.

**1E.2.(d) Final Report**

Within 90 days following the estimated completion date of this Cooperative Agreement (see Section 1B. above), the Recipient shall submit three (3) copies of a final report to the A.I.D. Project Office specified in the cover letter of this Cooperative Agreement. In addition, two copies shall be submitted to A.I.D., PPC/CDIE/DI, Washington, DC 20523-1802. It will cover the entire period of the Cooperative Agreement and include all information shown in Section 1E.2.(b) above.

**1F. SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS**

It is understood and agreed that A.I.D. will, at its discretion, be substantially involved during performance of this Cooperative Agreement as follows:

- 1F.1.** Prior review and approval of the IESC Implementation Plan which shall include a procurement plan, logistic support and objectives to be accomplished over the life of the project, submitted by IESC within 30 days of execution of agreement.
- 1F.2.** Prior review and approval of the proposed long-term resident advisors for each location within 30 days of execution of agreement. IESC will provide names with resumes and indicate the earliest available date for assignment and arrival to designated locations within the NIS.
- 1F.3.** Prior review and approval of the proposed short-term technical assistance and their purpose.
- 1F.4.** Prior review and approval of all international travel for field visits. Pursuant to the Standard Provision of this Cooperative Agreement entitled "Air Travel and Transportation," the A.I.D. Project Officer hereby provides advance approval of all international travel providing that the Project Officer has approved the Implementation Plan requiring the travel. (See Section 1E.2.(a).)
- 1F.5.** Prior review and approval of long-term resident advisors Business Trips. The long-term resident advisors shall submit a written request for Business Trips related to their projects to the A.I.D. Project Officer and to the IESC Headquarters for approval by both parties prior to travel. The request shall include detailed information regarding the purpose of the trip, the benefit to the project, and the itinerary and the required number of days. Upon completion of the trip the resident advisor shall submit a trip report within thirty (30) days to IESC with a copy to the Project Officer detailing what was accomplished during the trip.

**1G. PROCUREMENT AND (SUB) CONTRACTING**

**1G.1. Applicability**

This Section 1G. applies to the procurement of goods and services by the Recipient (i.e., contracts, purchase orders, etc.) from a supplier of goods and services (see the Standard Provisions of this Cooperative Agreement entitled "Procurement of Goods and Services" and "AID Eligibility Rules for Goods and Services"), and not to assistance provided by the Recipient (i.e., a [sub]grant or subagreement) to a subrecipient (see the Standard Provision of this Cooperative Agreement entitled "Subagreements").

**1G.2. Requirements**

In addition to other applicable provisions of this Cooperative Agreement, the Recipient shall comply with paragraph (b)(2) of the Standard Provision of this Cooperative Agreement entitled "AID Eligibility Rules for Goods and Services," concerning total procurement value of more than \$250,000 under this Cooperative Agreement. Further thereto, the following is (are) the Authorized Geographic Code(s):

**1G.2.(a) Authorized Geographic Codes**

**1G.2.(a)(1) Source, Origin, and Componentry of Goods and Commodities**

**1G.2.(a)(1)(A) Source, Origin, and Componentry**

Except as specified in Sections 1G.2.(a)(1)(B) and 1G.2.(a)(1)(D) below, all goods/commodities and incidental services related to these goods and services shall have their source and origin in the United States or the cooperating countries (A.I.D. Geographic Code 935), and shall meet A.I.D.'s componentry requirements, except as the Grant Officer may otherwise agree in writing (see also Section 1G.2.[a][4] below). The authorized source and origin for all goods/commodities shall be in accordance with the Optional Standard Provision entitled, "A.I.D. Eligibility Rules for Goods and Services (November 1985)". In reference to this Standard Provision, although not yet incorporated into A.I.D. Handbooks, A.I.D. Geographic code 935 has been amended to include the cooperating countries. Requests for deviations to this requirement must include a full justification to be submitted to the Project Office indicated on the Fiscal Data page of this Cooperative Agreement. Approval of the Grant Officer and the Project Office is required before procurement

of this nature can 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.

**1G.2. (a) (1) (B)            Exception for Purchase/Procurement Transactions not Exceeding \$5,000**

If the proposed purchase/procurement transaction does not exceed \$5,000 excluding transportation costs, paragraph (b)(1) of the Standard Provision of this Cooperative Agreement entitled "AID Eligibility Rules for Goods and Services" shall apply in lieu of Section 1G.2.(a)(1)(A) above.

**1G.2. (a) (1) (C)            Local Cost Financing**

Local cost financing is hereby authorized under this Cooperative Agreement, provided such financing falls within the legitimate needs of the Program Description of Attachment 2, and does not exceed the following limitations:

a. Procurement locally of items of U.S. origin up to a per transaction limit of the local currency equivalent of \$100,000.

b. Procurement locally of items of non-U.S. origin up to a per transaction limit of the local currency equivalent of \$5,000.

c. Commodities and services available only in the local economy (no specific per transaction value applies to this category). This category includes the following items:

- (1) utilities - including fuel for heating and cooking, waste disposal and trash collection;
- (2) communications - telephone, telex, facsimile, postal, and courier services;
- (3) rental costs for housing and office space;
- (4) petroleum, oils, and lubricants for operating vehicles and equipment;
- (5) newspapers, periodicals, and books published in the cooperating countries, and
- (6) other commodities and services (and related expenses) that, by their nature or as a practical matter, can only be acquired, performed, or incurred in the cooperating countries.

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In cases where local cost procurements are expected to exceed the above limitations, and authorization for such procurement does not already exist in this Cooperative Agreement, the Recipient must obtain approval from the A.I.D. Grant Officer prior to proceeding with the procurement.

Except as otherwise changed by the above limitations, the conditions of the Optional Standard Provision entitled "Local Cost Financing (November 1988)", hereby incorporated into this Cooperative Agreement, apply, including paragraphs (b), (c), (d), (e), and (f).

**1G.2. (a) (1) (D)      Restricted Goods**

Notwithstanding the foregoing, the restricted goods listed in paragraph (a)(3) of the Standard Provision of this Cooperative Agreement entitled "AID Eligibility Rules for Goods and Services," and, if applicable (see Section 1G.2.[a][1][C] above or Section 1K. below for applicability), paragraph (e) of the Standard Provision entitled "Local Cost Financing," must be specifically approved by the Grant Officer, except to the extent that such approval may be provided in Section 1I. below.

**1G.2. (a) (2)      Eligibility of Commodity-Related Services**

**1G.2. (a) (2) (A)      Ocean Transportation**

The eligibility of ocean transportation services is determined by the flag registry of the vessel. Notwithstanding the Standard Provision of this Cooperative Agreement entitled "Ocean Shipment of Goods," ocean shipping financed hereunder shall, except as the Grant Officer may otherwise agree in writing, be financed only on flag vessels of the United States (A.I.D. Geographic Code 000). If the Grant Officer approves the use of non-U.S. flag vessels, the Standard Provision of this Cooperative Agreement entitled "Ocean Shipment of Goods" will apply. Notwithstanding any of the foregoing, commodities shipped by a transportation medium owned, operated, or under the control of any country not included in A.I.D. Geographic Code 935 (see Section 1G.2.[a][4][B] below) are ineligible for A.I.D. financing hereunder, regardless of whether such transportation costs are financed hereunder. Moreover, commodities are ineligible for A.I.D. financing hereunder if shipped on a vessel which A.I.D. has designated as ineligible, regardless of whether such transportation costs are financed hereunder. Commodities are also ineligible for A.I.D. financing hereunder if shipped under an ocean charter that has not received prior approval of the Grant Officer, regardless of whether such transportation costs are financed hereunder.

**1G.2. (a) (2) (B)      Dead Freight**

Transportation costs attributable to dead freight are not eligible for A.I.D. financing.

**1G.2. (a) (2) (C)      Despatch and Demurrage**

If the Recipient finances the delivery costs beyond the port of loading, the Recipient must refund to A.I.D. all despatch earned at the port of unloading. Demurrage costs are ineligible for A.I.D. financing.

**1G.2. (a) (2) (D)      Air Transportation**

The eligibility of air travel and transportation services is determined by the flag registry of the aircraft. The Standard Provision of this Cooperative Agreement 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.

**1G.2. (a) (2) (E)      Marine Insurance**

The Authorized Geographic Code for marine insurance is the same as is set forth in Section 1G.2.(a)(3)(B) below. Paragraph (c) of the Standard Provision of this Cooperative Agreement entitled "AID Eligibility Rules for Goods and Services" applies. If the Cooperating Country is authorized for the placement of marine insurance but discriminates against any marine insurance company authorized to do business in any state of the United States, failure to insure all A.I.D.-financed commodities with U.S. insurance companies shall render the commodities ineligible for A.I.D. financing hereunder.

**1G.2. (a) (2) (F)      Other Delivery Services**

No special eligibility requirements pertain to other delivery services (such as export packing, loading, commodity inspection services, and services of a freight forwarder) except that citizens or firms of any country not included in Geographic Code 935 (see Section 1G.2.[a][4][B] below) are ineligible as suppliers of delivery services, and non-U.S. citizens lawfully admitted for permanent residence in the U.S. are eligible regardless of their citizenship.

**1G.2. (a) (2) (G) Incidental Services**

Incidental services are defined as installation or erection of A.I.D.-financed equipment or the training of personnel in the maintenance, operation, and use of such equipment. No special eligibility requirements pertain to incidental services except that citizens or firms of any country not included in Geographic Code 935 and the New Independent States (see Section 1G.2.[a][4][B] below) are ineligible as suppliers of incidental services, and non-U.S. citizens lawfully admitted for permanent residence in the U.S. are eligible regardless of their citizenship.

**1G.2. (a) (2) (H) Local Cost Financing**

If, pursuant to this Section 1G.2.(a)(2), the cooperating country is authorized for commodity-related services, the Standard Provision of this Cooperative Agreement entitled "Local Cost Financing" will apply (Section 1G.2.(a)(1)(c)).

**1G.2. (a) (3) Nationality of Supplier**

**1G.2. (a) (3) (A) Suppliers of Goods and Commodities**

Except as specified in Section 1G.2.(a)(3)(C) below, the suppliers of goods and commodities shall have their nationality in the United States or the New Independent States, except as the Grant Officer may otherwise agree in writing.

**1G.2. (a) (3) (B) Suppliers of Services (Other Than Commodity-Related Services)**

Except as specified in Section 1G.2.(a)(3)(C) below, the suppliers of services (other than commodity-related services, as described in Section 1G.2.[a][2] above) shall have their nationality in the United States or the New Independent States, except as the Grant Officer may otherwise agree in writing.

**1G.2. (a) (3) (C) 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.

**1G.2.(a)(3)(D) Local Cost Financing**

If, pursuant to this Section 1G.2.(a)(3), the cooperating country is authorized for supplier nationality purposes, the Standard Provision of this Cooperative Agreement entitled "Local Cost Financing" will apply (Section 1G.2.(a)(1)(c)).

**1G.2.(a)(4) Definitions**

**1G.2.(a)(4)(A) Source, Origin, Componentry, and Nationality of Supplier**

Source, origin, componentry requirements, and supplier nationality are defined in Chapter 5 of A.I.D. Handbook 1, Supplement B, which, as may be amended from time to time, is incorporated herein as a part of this Cooperative Agreement by reference (see also Attachment 5 of this Cooperative Agreement which reflects the substance of Chapter 5 of A.I.D. Handbook 1, Supplement B as of the effective date of this Cooperative Agreement).

**1G.2.(a)(4)(B) A.I.D. Geographic Codes**

A.I.D. Geographic Codes are defined in Appendix D of A.I.D. Handbook 18, which, as may be amended from time to time, is incorporated herein as a part of this Cooperative Agreement by reference (see also Attachment 5 of this Cooperative Agreement which reflects the substance of Appendix D of A.I.D. Handbook 18 as of the effective date of this Cooperative Agreement).

**1G.3. Approvals**

Inclusion of costs in the budget of this Cooperative Agreement for the purchase of nonexpendable equipment obviates neither the requirement of Section J.13. of OMB Circular A-21 (for educational institutions) or Section 13 of Attachment B of OMB Circular A-122 (for nonprofit organizations other than educational institutions) for prior approval of such purchases by the Grant Officer, nor any other terms and conditions of this Cooperative Agreement, unless specifically stated in Section 1I. below.

**1G.4. Title to Property**

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

and disposition of such property, except to the extent that disposition of property may be specified in Section 1I. below.

**1H. INDIRECT COST RATES**

**1H.1.** No indirect costs will be charged to this Cooperative Agreement. The Recipient understands and agrees that indirect costs attributable to this Cooperative Agreement will be funded from other sources by the Recipient.

**1I. SPECIAL PROVISIONS**

**1I.1. Limitations on Reimbursement of Costs of Compensation for Personal Services and Professional Service Costs**

**1I.1.(a) Employee Salaries**

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

**1I.1.(b) Consultant Fees**

Compensation for consultants retained by the Recipient 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.

**1I.2. Publications**

**1I.2.(a)** The Recipient agrees to provide one copy of the manuscript of any proposed publication to the A.I.D. Project Officer not later than submission to the publisher, and to give serious consideration to any comments received from the A.I.D. Project Officer.

**1I.2.(b)** In the case of publication of any of the reports described in Section 1E.2. of this Cooperative Agreement, A.I.D. reserves the right to disclaim endorsement of the

opinions expressed. For other publications, A.I.D. reserves the right to dissociate itself from sponsorship or publication. In both cases, the Recipient will consult with the A.I.D. Project Officer as to the nature and extent of any A.I.D. disclaimer of endorsement or dissociation from sponsorship or publication.

**1I.2.(c)** If A.I.D. does not choose to disclaim endorsement or dissociate itself from sponsorship or publication, the Recipient shall, in accordance with the Standard Provision of this Cooperative Agreement entitled "Publications," acknowledge A.I.D. support as follows:

"This publication was made possible through support provided by the NIS (New Independent States) Task Force, U.S. Agency for International Development, under Cooperative Agreement No. CCS-0005-A-00-2015-00."

**1I.2.(d)** In addition to providing one copy of all published works and lists of other written work produced under this Cooperative Agreement to the A.I.D. Project Officer, as required by paragraph (b) of the Standard Provision of this Cooperative Agreement entitled "Publications," the Recipient shall also provide two copies of such publications and lists to A.I.D., PPC/CDIE/DI, Washington, D.C. 20523-1802.

**1I.3. Equipment Purchases**

**1I.3.(a) Requirement for Prior Approval**

Pursuant to Sections 1D.3. and 1G.3. above and the Standard Provisions of this Cooperative Agreement entitled "Allowable Costs" and "Revision of Grant Budget," and by extension, Section 13 of Attachment B of OMB Circular A-122, the Recipient must obtain A.I.D. Grant Officer approval for purchases of the following:

**1I.3.(a)(1) General Purpose Equipment**, which is defined as an article of nonexpendable tangible personal property which is usable for other than research, medical, scientific or technical activities, whether or not special modifications are needed to make them suitable for a particular purpose (e.g., office equipment and furnishings, air conditioning equipment, reproduction and printing 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); and

**1I.3.(a)(2) Special Purpose Equipment**, which is defined as an article of nonexpendable tangible personal property, which is used only for research, medical, scientific, or technical activities (e.g., microscopes, x-ray machines, surgical instruments, and spectrometers), and which has a useful life of more than two years and an acquisition cost of \$1,000 or more per unit).

**1I.3.(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 Recipient must, under such circumstances, obtain the approval of the Grant Officer for the total planned system of any automation equipment, software, or related services.

**1I.3.(c) Compliance with A.I.D. Eligibility Rules**

Any approvals subsequently provided by the Grant Officer shall not serve to waive the A.I.D. eligibility rules described in Section 1G. of this Cooperative Agreement, unless specifically stated.

**1I.4. Restricted Goods**

Pursuant to Section 1G. above, paragraph (a)(3) of the Standard Provisions of this Cooperative Agreement entitled "AID Eligibility Rules for Goods and Services," and, if applicable (see Section 1K. below for applicability), paragraph (e) of the Standard Provision of this Cooperative Agreement entitled "Local Cost Financing," the Grant Officer's approval is required for purchase of the restricted goods described therein. Any approval subsequently provided by the Grant Officer shall not serve to waive any terms and conditions of this Cooperative Agreement unless specifically stated.

**1I.4.(a) Motor Vehicles**

Motor vehicles, if subsequently approved by the Grant Officer, must be of U.S. manufacture and must be of at least 51% U.S. componentry. The origin of the motor vehicles, and the nationality of the supplier of the vehicles, must be in accordance with Section 1G.2. above. Motor vehicles are defined as self-propelled vehicles with passenger carriage capacity, such as highway trucks, passenger cars and busses,

motorcycles, scooters, motorized bicycles, and utility vehicles. Excluded from this definition are industrial vehicles for materials handling and earthmoving, such as lift trucks, tractors, graders, scrapers, and off-the-highway trucks.

**11.4. (b) Used Equipment**

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

**11.5. Medical Evacuation Insurance**

Pursuant to Section 18 of Attachment B of OMB Circular A-122, the Recipient is authorized to purchase medical evacuation insurance under this Cooperative Agreement.

**11.6. Spouse Travel**

Business class travel for IESC personnel and spouses is authorized under this Cooperative Agreement in accordance with IESC policy and the Additional Standard Provision entitled "Air Travel and Transportation".

**11.7. Business Trips**

The long-term Volunteer Executives may be authorized up to a maximum of two (2) business trips for each one year assignment in the NIS. For each business trip the Volunteer shall submit a written request to the A.I.D. Project Officer and receive written approval prior to travel. The request shall state the purpose and duration of the trip and how the trip will benefit the project.

**11.8. Long-Term Volunteer Executive Per Diem/Living Allowance**

The Recipient shall develop and submit a policy for the IESC long-term volunteers executives program to the Grant Officer. This policy shall be formulated after further research by IESC in the NIS during the first month of the Cooperative Agreement period. This Cooperative Agreement may be amended to incorporate the IESC long-term volunteer executive policy once it is developed, reviewed and agreed to by both parties.

**1J. RESOLUTION OF CONFLICTS**

Conflicts between any of the Attachments of this Cooperative Agreement shall be resolved by applying the following descending order of precedence:

- Cover Letter
- Attachment 1 - Schedule
- Attachment 3 - Standard Provisions
- Attachment 2 - Program Description
- Attachment 4 - Special Provision entitled "Restrictions on Lobbying"

**1K. STANDARD PROVISIONS**

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

**1K.1. Mandatory Standard Provisions For U.S.,  
Nongovernmental Grantees**

- ( X ) Allowable Costs (November 1985)
- ( X ) Accounting, Audit, and Records (January 1988)
- ( X ) Refunds (January 1988)
- ( 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)

**1K.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)
- ( X ) Publications (November 1985)
- ( ) Negotiated Indirect Cost Rates - Predetermined (May 1986)
- ( ) Negotiated Indirect Cost Rates - Provisional (May 1986)
- ( X ) Regulations Governing Employees (November 1985)
- ( ) 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)
- ( ) Cost Sharing (Matching) (November 1985)
- ( X ) Use of Pouch Facilities (November 1985)
- ( X ) Conversion of United States Dollars to Local Currency (November 1985)

PROGRAM DESCRIPTION

PURPOSE OF COOPERATIVE AGREEMENT

The International Executive Service Corps (Hereinafter referred to as "IESC" or "Recipient") will use the funds obligated under this Cooperative Agreement for the specific purpose of implementing the program described in Recipients's proposal of May 4, 1992, which is hereby incorporated by reference.

**I. Purpose**

The purpose of this Cooperative Agreement is to provide support for Recipient's program to furnish management and technical expertise to participate in defense conversion, privatization and investment promotion within the New Independent States of the Former Soviet Union (NIS).

**II. Background**

The successful transformation of the economies of the various states of the NIS into free market economies will depend upon effective programs to promote: 1) the conversion of current and former defense establishments and resources to meet civilian needs, (2) privatization and 3) Foreign private investment. The U.S. private sector is a vast resource of technology, management and entrepreneurial skills and capital which can assist in the economic transformation of the NIS.

A fundamental tenet of U.S. foreign policy towards the NIS is that the private sector and international private investment will be the major source of capital and technical expertise for the transformation of the NIS. In turn private sector participation will depend upon two distinct conditions. First, there is the need for an economic environment that respects property rights, market competition, and the rule of law. Second, the U.S. government and the national and local governments of the separate states of the NIS need to

facilitate U.S. private sector access and transactions within the NIS until local economic and business infrastructure is sufficiently established.

The U.S. Government can play a crucial role in assisting both the U.S. private sector and the NIS by providing the services of advisors in selected cities of the NIS. Advisors with broad knowledge of the structure of a market economy and significant business experience would be able to provide valuable assistance to across all groups active in defense conversion, privatization and investment promotion. National and local governments within the NIS as well as indigenous enterprises will benefit from the presence of American business people who, as resident advisors can anticipate the needs of businesses interested in defense conversion, privatization and foreign investment.

### **III. Objective**

The objective of this initiative is to provide both short and longer term advisors, strategically located within selected cities of at least three of the republics of the NIS, who will assist in facilitating defense conversion, privatization and investment.

### **IV. Program Description**

Two three person teams of resident advisors will be assigned to two cities within the NIS. One of these teams will be located within the Russian Republic and one team in the Republic of the Ukraine respectively. To the extent possible all of the advisors will have one year assignments. At a minimum, if it is not possible to field three long-term advisors, each team will have one longer term advisor, the team leader, serving at least twelve months with general business and manufacturing experience, and concurrently positions for two short-term technical advisors who would provide expert advise on more specific finance and marketing issues. The short-term technical advisor positions will be rotated every two or three months consistent with local needs, availability, and the approval of A.I.D. The resident advisors will have three primary functions:

They will work with local political and business leaders (or "enterprise officials") to identify prerequisites for foreign business engagement and elicit specific commitments including a baseline industrial and service sectors inventory, tax incentives, and removal of barriers.

**Working through the embassies, they will serve as a conduit for the U.S. business community by providing on-the-ground support in country, a direct line to Washington regarding specific requirements for support, and follow-up contacts with U.S. business; and,**

**Again working through the embassies, they will serve as a conduit to Washington on local commitment, legal and regulatory barriers, western business involvement, and requirements for technical assistance and investment support on particular projects or commercial ventures.**

**The long-term resident advisors should be experienced business persons with at least 15 years experience in at least some combination of two or more of the following areas: investment, banking or finance; manufacturing; marketing and management. Individuals with solely academic or solely defense industry backgrounds are not acceptable. Previous experience in the former Soviet Union and with privatization of state-owned enterprises are desirable. Short term technical experts should also have at least 10 years of business experience, although engineering and scientific experience may be more relevant for a given local situation.**

**The resident advisory teams in each locality selected will be assigned the following responsibilities and tasks:**

- 1. Assist government authorities in understanding how current policies constrain defense conversion, privatization and investment. Assist these authorities to systematically analyze and correct policies that are detrimental to defense conversion, privatization and foreign investment through policy audits of domestic laws, regulations, policies and procedures.**
- 2. Provide technical assistance to local authorities responsible for designing and implementing policy changes.**
- 3. Counsel prospective investors on local operating conditions, laws, regulations, and procedures for conducting business. Identify for investors key local government and "business" leaders who are vital to the development and execution of business transactions involving defense conversion, privatization and investment.**

4. Identify and screen business opportunities in defense conversion and privatization including the potential opportunities for commercialization of both production and research establishments.
5. Prepare information which investors would require on specific defense conversion opportunities; communicate that information to potential investors through U.S. Government and private channels.
6. Provide within three months of arrival to their designated city, a report on local and national barriers to trade and investment and provide recommendations on commitments local and national authorities would have to make to attract western investment.
7. Provide timely assessments of the commitment of local and national authorities and enterprise directors to facilitate defense conversion, privatization, and western investment. Assist in the development of local economic and commercial infrastructure to facilitate investment and defense conversion.
8. Provide technical experts to advise local leaders and enterprise or research institutes on the commercialization and conversion of current and former defense establishments. Such expertise will include but not be limited to expertise on specific manufacturing and marketing processes and technologies.

#### **V. Supervision, Administration, and Reports**

Overall project supervision and monitoring will be the responsibility of AID Project Officer assigned to NIS Task Force. Field supervision will be the responsibility the A.I.D. Mission Director who will receive policy guidance from the A.I.D./Washington and the Department of State, including the Moscow representatives of the Deputy of the NIS Coordination.

Day to day coordination and supervision of the technical teams established under this activity will be done by an IESC Coordinator in a location to be mutually agreed. Technical teams will report periodically to A.I.D. on the status of their program. Written reports on project implementation status including financial data will be submitted on a quarterly basis in a form and substance agreed to by A.I.D. Written reports will be first submitted in draft for comment by the A.I.D.

Mission Director, the Moscow representative of the Deputy to the NIS Coordinator, U.S. Ambassador or his designee and the IESC Coordinator. Technical teams will provide such other reports and information as may be requested by A.I.D.

IESC will, within thirty days of the execution of this agreement, provide for A.I.D. review and approval an implementation plan to carry out the activities, including procurement, logistical support and objectives to be accomplished over the life of the project. Within this period IESC will submit for A.I.D. review and approval the names and resumes of the proposed long term resident advisors for each location and indicate their earliest available date for assignment and arrival to designated locations within the NIS. IESC will also submit for A.I.D. review and approval the names and purpose of IESC volunteers selected to provide short-term technical assistance for the longer term resident advisors.

#### **VI. Level of Effort**

The IESC shall provide six (6) resident advisors, each to be assigned for at least twelve months, in separate locations. These locations have been tentatively identified as Nizhny Novgorod (Russia) and Kharkov (Ukraine); however, these or subsequently selected sites may be changed upon further consultations between A.I.D. and the IESC. In the event only one long term advisor can be recruited for each site the IESC will also provide short term technical advisors sufficient to ensure that each resident advisor receives the equivalent of two person years of expert technical advice. Resident advisors will be authorized to procure secretarial services, translator or interpreter services in support of the resident advisor and short-term technical experts. This activity will total \$1 million and will be provided under the Private Sector Initiatives Project (110-0005).

#### **VII. Evaluation and Audit**

A.I.D. will conduct periodic evaluations and audits of project activities.

STANDARD PROVISIONS

OMB Contre No. 0412-0510  
Expiration Date: 12/31/89

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

INDEX OF MANDATORY STANDARD PROVISIONS

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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 (SEPTEMBER 1990)

(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.

(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.

1/ 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."

(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) Audits in accordance with the requirements of OMB Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions."

(9) A systematic method to ensure timely and appropriate resolution of audit findings and recommendations.

(b) The grantee shall preserve and make available such records for examination and audit by A.I.D. and the Comptroller General of the United States, or their authorized representatives:

(1) until the expiration of three years from the date of termination of the grant;

(2) for such longer period, if any, as is required to complete an audit to resolve all questions concerning expenditures unless written approval has been obtained from the grant officer to dispose of the records. A.I.D. follows generally accepted accounting practices in determining that there has been proper accounting and use of grant funds. The grantee agrees to make available any further information requested by A.I.D. with respect to any questions arising as a result of the audit; and

(3) If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigations, claims or audit findings involving the records have been resolved.

(c) The grantee shall require subrecipients to adopt the standards in paragraphs (a) and (b) above except that portion of subparagraph (a) 1 that would require specific financial reporting forms and frequencies in accordance with the payment provisions of the grant.

### 3. REFUNDS (SEPTEMBER 1990)

(a) The grantee shall remit to A.I.D. all interest earned on funds provided by A.I.D. at least quarterly, except that interest amounts up to \$100 per year may be retained by the grantee for administrative expense.

(b) Funds obligated by A.I.D. but not disbursed to the grantee at the time the grant expires or is terminated shall revert to A.I.D., except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant. Any funds advanced to but not expended by the grantee and not encumbered by a legally binding transaction applicable to this grant at the time of expiration or termination of the grant shall be refunded to A.I.D.

(c) AID reserves the right to require refund by the grantee of any amount which AID determines to have been expended for purposes not in accordance with the terms and conditions of this grant, including but not limited to costs which are not allowable in accordance with the applicable Federal cost principles or other terms and conditions of this grant. In the event that a final audit has not been performed prior to the closeout of this grant, AID retains the refund right until all claims which may result from the final audit have been resolved between AID and the grantee.

**4. REVISION OF GRANT BUDGET (NOVEMBER 1985)**

(a) The approved grant budget is the financial expression of the grantee's program as approved during the grant award process.

(b) The grantee shall immediately request approval from the grant officer when there is reason to believe that within the next 30 calendar days a revision of the approved grant budget will be necessary for the following reasons:

(1) Changes in the scope or the objectives of the program and/or revisions in the funding allocated among program objectives.

(2) The need for additional funding.

(3) The grantee expects the amount of A.I.D. authorized funds to exceed its needs by more than \$5,000 or five percent of the A.I.D. award, whichever is greater.

(4) The grantee plans to transfer funds budgeted for indirect costs to absorb increases in direct costs or vice versa.

(5) The grantee intends to contract or subgrant any of the substantive programmatic work under this grant, and such contracts or subgrants were not included in the approved grant budget.

(6) The grantee plans to incur an expenditure which would require advance approval in accordance with the applicable Federal cost principles and was not included in the approved grant budget.

(7) The grantee plans to transfer funds allotted for training allowances to other categories of expense.

(c) When requesting approval for budget revisions, the grantee shall use the budget formats that were used in the application unless a letter request will suffice.

(d) Within 30 calendar days from the date of the receipt of the request for budget revisions, the grant officer shall review the request and notify the grantee whether the budget revisions have been approved. If the revisions are still under consideration at the end of 30 calendar days, the grant officer shall inform the grantee in writing of the date when the grantee may expect the decision. The grant officer shall obtain the project officer's clearance on all such requests prior to communication with the grantee.

(e) If the requested budget revision requires the obligation of additional funding, and, if after notification pursuant to this standard provision, AID determines not to provide additional funds, the AID grant officer will, upon written request of the grantee, terminate this grant pursuant to the standard provision of this grant, entitled "Termination and Suspension."

(f) Except as required by other provisions of this grant specifically stated to be an exception from this provision, the Government shall not be obligated to reimburse the grantee for costs incurred in excess of the total amount obligated under the grant. The grantee shall not be obligated to continue performance under the grant (including actions under the "Termination and Suspension" provision) or otherwise to incur costs in excess of the amount obligated under the grant, unless and until the grant officer has notified the grantee in writing that such obligated amount has been increased and has specified in such notice the new obligated grant total amount.

5. TERMINATION AND SUSPENSION (MAY 1986)

(a) For Cause. This grant may be terminated for cause at any time, in whole or in part, by the grant officer upon written notice to the grantee, whenever it is determined that the grantee has failed to comply with the conditions of the grant.

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

(c) Suspension: Termination for Changed Circumstances. If at any time AID determines that continuation of funding for a program should be suspended or terminated because such assistance is not in the national interest of the United States or that it would be in violation of an applicable law, then AID may, following notice to the grantee, suspend this grant and prohibit the grantee from incurring additional obligations chargeable to this grant other than necessary and proper costs in accordance with the terms of this grant during the period of suspension. If the situation causing the suspension continues for 60 days or more, then AID may terminate this grant on written notice to the grantee and cancel that portion of this grant which has not been disbursed or irrevocably committed to third parties.

(d) Termination Procedures. Upon receipt of and in accordance with a termination notice as specified in either paragraph (a) or (b) above, the grantee shall take immediate action to minimize all expenditures and obligations financed by this grant and shall cancel such unliquidated obligations whenever possible. Except as provided below, no further reimbursement shall be made after the effective date of termination. The grantee shall within 30 calendar days after the effective date of such termination repay to the Government all unexpended AID funds which are not otherwise obligated by a legally binding transaction applicable to this grant. Should the funds paid by the Government to the grantee prior to the effective date of the termination of this grant be insufficient to cover the grantee's obligations in the legally binding transaction, the grantee may submit to the Government within 90 calendar days after the effective date of such termination a written claim covering such obligations. The grant officer shall determine the amount(s) to be paid by the Government to the grantee under such claim in accordance with the applicable cost principles.

6. DISPUTES (NOVEMBER 1989)

(a) Any dispute under this grant shall be decided by the AID grant officer. The grant officer shall furnish the grantee a written copy of the decision.

(b) Decisions of the AID grant officer shall be final unless, within 30 days of receipt of the decision of the grant officer, the grantee appeals the decision to AID's Deputy Assistant to the Administrator for Management Services. Any appeal made under this provision shall be in writing and addressed to the Deputy Assistant to the Administrator for Management Services, Agency for International Development, Washington, D.C. 20523. A copy of the appeal shall be concurrently furnished to the grant officer.

(c) In order to facilitate review on the record by the Deputy Assistant to the Administrator for Management Services, the grantee shall be given an opportunity to submit written evidence in support of its appeal. No hearing will be provided.

(d) A decision under this provision by the Deputy Assistant to the Administrator for Management Services shall be final.

**7. INELIGIBLE COUNTRIES (MAY 1986)**

Unless otherwise approved by the AID grant officer, funds will only be expended for assistance to countries eligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

**8. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (MARCH 1989)**

(a) The grantee certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

(b) The grantee agrees that, unless otherwise authorized by the Grant Officer, it will not knowingly enter into any subagreements or contracts under this grant with a person or entity that is included on the "Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs." The grantee further agrees to include the following provision in any subagreements or contracts entered into under this grant:

**DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION (MARCH 1989)**

The recipient/contractor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(c) The policies and procedures applicable to debarment, suspension, and ineligibility under AID-financed transactions are set forth in 22 CFR Part 208.

**9. NONDISCRIMINATION (MAY 1986)**

**(This provision is applicable when work under the grant is performed in the U.S. or when employees are recruited in the U.S.)**

No U.S. citizen or legal resident shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this grant on the basis of race, color, national origin, age, handicap, or sex.

10. U.S OFFICIALS NOT TO BENEFIT (NOVEMBER 1985)

No member of or delegate to the U.S. Congress or resident U.S. Commissioner shall be admitted to any share or part of this grant or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this grant if made with a corporation for its general benefit.

11. NONLIABILITY (NOVEMBER 1985)

AID does not assume liability for any third party claims for damages arising out of this grant.

12. AMENDMENT (NOVEMBER 1985)

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

13. NOTICES (NOVEMBER 1985)

Any notice given by AID or the grantee shall be sufficient only if in writing and delivered in person, mailed, or telexed as follows:

To the AID grant officer, at the address specified in the grant.

To grantee, at grantee's address shown in the grant or to such other address designated within the grant.

Notices shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

14. RESTRICTION ON LOBBYING (MARCH 1990)

(a) Definitions. As used in this clause,

"Agency," as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal action" means any of the following Federal actions:

- (1) The awarding of any Federal contract;
- (2) The making of any Federal grant;
- (3) The making of any Federal loan;
- (4) The entering into of any cooperative agreement; and
- (5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 4508). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (1) An individual who is appointed to a position in the Government under title 5, U.S. Code, including a position under a temporary appointment;
- (2) A member of the uniformed services as defined in section 101(3), title 37, U.S. Code;
- (3) A special Government employee as defined in section 202, title 18, U.S. Code; and
- (4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, U.S. Code, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Reasonable compensation" means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

"Reasonable payment" means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

"Recipient" includes all contractors and subcontractors at any tier in connection with a Federal contract. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed" means, with respect to an officer or employee of a person requesting or receiving a Federal contract, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or inter-state entity having governmental duties and powers.

**(b) Prohibitions.**

(1) Section 1352 of title 31, U.S. Code, provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

**(2) The prohibition does not apply as follows:**

**(i) Agency and legislative liaison by Own Employees.**

**(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.**

**(B) For purposes of paragraph (A) of this section, providing any information specifically requested by an agency or Congress is allowable at any time.**

**(C) For purposes of paragraph (A) of this section, the following agency and legislative liaison activities are allowable at any time only where they are not related to a specific solicitation for any covered Federal action:**

**(i) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and**

**(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.**

**(D) For purposes of paragraph (A) of this section, the following agency and legislative liaison activities are allowable only where they are prior to formal solicitation of any covered Federal action:**

**(i) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;**

**(ii) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and**

**(iii) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Pub. L. 95-507 and other subsequent amendments.**

**(E) Only those activities expressly authorized by paragraph (i) of this section are allowable under paragraph (i).**

**(ii) Professional and technical services by Own Employees.**

**(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract or an extension, continuation, renewal, amendment, or modification of a Federal contract if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract.**

(B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal action include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(D) Only those services expressly authorized by paragraph (ii) of this section are allowable under paragraph (i).

(iii) Reporting for Own Employees.

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(iv) Professional and technical services by Other than Own Employees.

(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that covered Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that covered Federal action.

(B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action.

Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal action include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(D) Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(E) Only those services expressly authorized by paragraph (iv) of this section are allowable under paragraph (iv).

(c) Disclosure.

(1) Each person who requests or receives from an agency a covered Federal action shall file with that agency a certification that the person has not made, and will not make, any payment prohibited by paragraph (b) of this provision.

(2) Each person who requests or receives from an agency a covered Federal action shall file with that agency a disclosure form, disclosure form, Standard Form-LLL, "Disclosure of Lobbying Activities," if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (b) of this provision if paid for with appropriated funds.

(3) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs an event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (2) of this section. An event that materially affects the accuracy of the information reported includes:

(i) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

(ii) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or

(iii) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

(4) Any person who requests or receives from a person referred to in paragraph (1) of this section a subcontract exceeding \$100,000 at any tier under a Federal contract shall file a certification, and a disclosure form, if required, to the next tier above.

SPECIAL PROVISION**RESTRICTIONS ON LOBBYING**

(a) Definitions. As used in this clause,

"Agency," as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal action" means any of the following Federal actions:

- (1) The awarding of any Federal contract;
- (2) The making of any Federal grant;
- (3) The making of any Federal loan;
- (4) The entering into of any cooperative agreement; and
- (5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 4506). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (1) An individual who is appointed to a position in the Government under title 5, U.S. Code, including a position under a temporary appointment;
- (2) A member of the uniformed services as defined in section 101(3), title 37, U.S. Code;
- (3) A special Government employee as defined in section 202, title 18, U.S. Code; and
- (4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, U.S. Code, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Reasonable compensation" means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

"Reasonable payment" means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

"Recipient" includes all contractors and subcontractors at any tier in connection with a Federal contract. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed" means, with respect to an officer or employee of a person requesting or receiving a Federal contract, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibitions.

(1) Section 1352 of title 31, U.S. Code, provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) The prohibition does not apply as follows:

(i) Agency and legislative liaison by Own Employees.

(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

(B) For purposes of paragraph (A) of this section, providing any information specifically requested by an agency or Congress is allowable at any time.

(C) For purposes of paragraph (A) of this section, the following agency and legislative liaison activities are allowable at any time only where they are not related to a specific solicitation for any covered Federal action:

- (i) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and
- (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(D) For purposes of paragraph (A) of this section, the following agency and legislative liaison activities are allowable only where they are prior to formal solicitation of any covered Federal action:

- (i) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
- (ii) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
- (iii) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Pub. L. 95-507 and other subsequent amendments.

(E) Only those activities expressly authorized by paragraph (i) of this section are allowable under paragraph (i).

(ii) Professional and technical services by Own Employees.

(A) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract or an extension, continuation, renewal, amendment, or modification of a Federal contract if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract.

(B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal action include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(D) Only those services expressly authorized by paragraph (ii) of this section are allowable under paragraph (ii).

(iii) Reporting for Own Employees.

No reporting is requirements with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(iv) Professional and technical services by Other than Own Employees.

(A) The prohibition on the use of appropriated funds, in paragraph (1) of this section, does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that covered Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that covered Federal action.

(B) For purposes of paragraph (A) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal action include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(D) Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(E) Only those services expressly authorized by paragraph (iv) of this section are allowable under paragraph (iv).

**(c) Disclosure.**

(1) Each person who requests or receives from an agency a covered Federal action shall file with that agency a certification that the person has not made, and will not make, any payment prohibited by paragraph (b) of this provision.

(2) Each person who requests or receives from an agency a covered Federal action shall file with that agency a disclosure form, disclosure form, Standard Form-LLL, "Disclosure of Lobbying Activities," if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (b) of this provision if paid for with appropriated funds.

(3) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (2) of this section. An event that materially affects the accuracy of the information reported includes:

(i) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

(ii) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or

(iii) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

(4) Any person who requests or receives from a person referred to in paragraph (1) of this section a subcontract exceeding \$100,000 at any tier under a Federal contract shall file a certification, and a disclosure form, if required, to the next tier above.

(5) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraph (1) of this section. That person shall forward all disclosure forms to the agency.

(d) Agreement. In accepting any covered Federal action resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

**(e) Penalties.**

(1) Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

(2) Any person who fails to file or amend the disclosure form to be filed or amended if required by this clause, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

(3) Contractors may rely without liability on the representation made by their subcontractors in the certification and disclosure form.

(f) Cost allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would otherwise be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provision of Part 31 of the Federal Acquisition Regulation.

1. Cooperating Country *New Independent States	2. PIO/T No. *110-0005-3-262-2885	3. PIO/T Amend No. n/a* Original
4. Project/Activity No. and Title *110-0005 Private Sector Initiatives	5. Appropriation Symbol(s) * 72-111/2103	
	6. Budget Plan Code(s) * OES1-92-32110-KG-12 (170-62-110-00-69-21)	
7. Pro Ag No. or Project Authorization Date *	8. Obligation Status [X] Administrative Reservation [ ] Implementing Document	
9. Project Assistance Completion Date (Month, Day, Year) *4/21/96	10. Authorized Agent *FA/OP	
11. Type of Action and Governing A.I.D. Handbook A.I.D. Cooperative Agreement (HB 13)	[*] <input checked="" type="checkbox"/> <input type="checkbox"/>	12. Contract/Grant/Cooperative Agreement/ Reference Number (if this PIO/T is for an order or a modification to an award) *

13. A.I.D. Funding (Attach a detailed budget in support of column (2) as Attachment A.				
	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
A. Dollars	*	1,000,000		1,000,000
B. U.S.-Owned Local Currency	*			

14. Mission References \*

15. Instructions to Authorized Agent \*FA/OP is requested to undertake a sole-source cooperative agreement with the ~~International Executive Service Corps~~. Attachments: Justification for other than free and open competition, program description, statement of work, and budget.

**OFFICE OF FINANCIAL MANAGEMENT**  
ACTION: Reserved  
DATE: 4-28-92 INITIALED RA

16. Address of Voucher Paying Office \*FA/FM/CMPD/DCB Room 700, SA-2 Washington D.C. 20523  
Agency for ~~International Development~~

17. Clearances - Include typed name, office symbol, and date for all clearances

A. The Project Officer certifies (1) that the specifications in the statement of work or program description are technically adequate, and (2) that (for contract actions only) all program personnel who are defined as procurement officials under 41 U.S.C 423 have signed the Procurement Integrity Certification (OF-333).

NIS/TF:LMailoux

Signature: LMailoux Date: \* 4/27/92 Phone No: \* 647-2808

B. The statement of work or program description lies within the purview of the initiating office and approved agency programs.  
Signature: \*NIS/TF:JWiles JWiles Date: \* 4/27/92 Signature: \* Date: \*

D. Funds for the services requested are available  
Signature: \*NIS/TF/FM:INesterczuk INesterczuk Date: \* 4/28/92 E. FA/FM/A/PA: Anderson Signature: \* Date: \*

18. For the Cooperating Country. The terms and conditions set forth herein are hereby agreed to:  
Signature: \* Title: \* Date: \*

19. For the Agency for International Development:  
Signature: \*NIS/TF:PO'Farrell Paul O'Farrell Title: \* Director Office of Joint Affairs Date: \* 4/28/92

**FOR CONTRACT ACTIONS ONLY: SOURCE SELECTION INFORMATION--SEE FAR 3.104. THIS DOCUMENT, OR PORTIONS THEREOF, CONTAINS PROPRIETARY OR SOURCE SELECTION INFORMATION RELATED TO THE CONDUCT OF A FEDERAL AGENCY ACQUISITION, THE DISCLOSURE OF WHICH IS RESTRICTED BY LAW (41 U.S.C. 423). UNAUTHORIZED DISCLOSURE OF THIS INFORMATION MAY SUBJECT BOTH THE DISCLOSER AND RECIPIENT TO CONTRACTUAL, CIVIL, AND/OR CRIMINAL PENALTIES AS PROVIDED BY LAW.**  
**FOR OTHER ACTIONS: UNAUTHORIZED DISCLOSURE OF PROPRIETARY OR SOURCE SELECTION INFORMATION MAY SUBJECT AN EMPLOYEE TO DISCIPLINARY ACTION.**