



**S P E E D**

Support for Private Enterprise Expansion & Development

## SPEED Grants Program

# Grants Manual

A USAID Project managed by **Chemonics International Inc.**

**USAID Contract No. PCE-I-00-99-00007-00**

**January, 2002**

## **I. INTRODUCTION**

The Support for Private Enterprise Expansion and Development (SPEED) project, funded by the United States Agency for International Development (USAID), contributes to the achievement of USAID program Strategic Objective Number 7 (SO7), “Expansion of Sustainable Economic Opportunities for Rural Sector Growth.” The strategy to achieve SO7 places priority on assisting the government of Uganda (GOU) to reduce rural based poverty by expanding economic opportunities and incomes.

Two key outcomes of the strategy are expected: increased enterprise incomes for farm enterprises, community and producer organizations, Micro-, Small and Medium Enterprises (MSMEs) and industry-scale export sectors; and enhanced policy and institutional capacity that improves the enabling environment, allowing Ugandans to pursue sustainable economic activities.

SPEED contributes directly to the achievement of these two intermediate results by working to meet its objective of supporting economic growth through the increased use of financial services by MSMEs. SPEED’s mandate under the terms of the USAID technical assistance contract is to increase:

- The use of financial services by MSMEs, by packaging business opportunities in which both Microfinance institutions (MFIs) and Financial Institutions (FIs) can participate;
- Levels of effective demand for Business Development Services (BDS) through improvements in the range and quality of services and providers;
- The capacity of the commercial justice system to respond to business needs.

The SPEED Grants Program is designed to fund activities that complement on-going SPEED Project activities and help achieve the project’s intermediate results. Specifically, the SPEED Grants Program will provide support to acceptable activities in the areas of: microfinance; business development services; MSME finance and business environment.

Grant assistance may be provided to private sector enterprises, business associations, and training institutions that meet SPEED’s selection criteria and will contribute to project results. These activities will consist primarily of cost-share ventures with SPEED collaborators implementing innovative projects.

## II. DEFINITIONS

**Applicant.** An eligible organization applying for grant funding from the SPEED Project.

**Application.** A written document in form and substance conforming to the requirements of this Manual, which outlines in detail the procurement or activities being proposed by an Applicant for funding under the SPEED Grants Program.

**Benchmarks.** Key programmatic and financial targets that must be met to qualify for initial or subsequent disbursements of SPEED grant funds.

**Beneficiary.** A generic term referring to an entity that has been awarded funding under a Grant Agreement. Also referred to as “Grantee.”

**Chemonics International Inc.** (Hereafter referred to as “Chemonics”) The firm which holds the contract with USAID for the SPEED Project and the legal principal who will enter into a legally binding grant agreement with Beneficiary agents.

**Chief of Party.** The SPEED Project Chief of Party is the legal representative of Chemonics on the SPEED Project in Uganda. In this respect, the Chief of Party approves the SPEED Grants Program strategy, terms of grants competition and chairs the SPEED Grant Selection Committee for all grant awards made under the Grants Program. The Chief of Party signs grant agreements and other financial instruments issued under the SPEED Grants Program.

**Cognizant Technical Officer.** (Hereinafter referred to as the “CTO”). The CTO is the USAID/Uganda official responsible for administration of the SPEED Project. The CTO will also receive any periodic reports provided by the Operations Manager detailing grants awarded, amounts disbursed, and current overall Grants Program status and maintains a substantial involvement in the grant process including the approval of grant awards to Beneficiaries.

**Contracting Officer.** (Hereinafter referred to as the “CO”). The CO is an employee of USAID/Uganda who also maintains substantial involvement in the Grant process and who has formally approved this Operations Manual for use under the SPEED Grants Program.

**Government of Uganda.** (Hereinafter referred to as the “GOU”). The Ministry of Finance, Planning and Economic Development, is the cognizant ministry for the SPEED Project.

**Grant Application Form.** A document filled and submitted by a potential Beneficiary specifying the Applicant’s goals and objectives as well as the proposed program that will be implemented using SPEED Grants Program funding. It therefore forms the primary source of information for evaluation of the prospective Beneficiary’s application.

**Grantee.** An eligible organization that has been awarded a grant under the SPEED Grants Program.

**Grant Agreement.** (Hereafter variously referred to as the “Agreement,” “Grant,” and/or the “Grant Agreement”). A legal instrument that governs allocation of funds and defines roles and responsibilities of the Beneficiary under the SPEED Grants Program.

**Operations Manager.** The Operations Manager is the SPEED staff member responsible for development of general objectives of the SPEED Grants Program, specific objectives of grants competition, proposal evaluation criteria and grants administration mechanisms. The Operations Manager drafts grant documents for review by the Chief of Party, manages and monitors the grant process, and reviews and evaluates grant outputs. S/he also prepares, advertises and solicits proposals, and communicates with other donors and relevant institutions to identify specific grants competition areas and potential grantee organizations and institutions.

**SPEED Grants Selection Committee.** (Hereinafter referred to as the “SGSC”). The SGSC consists of nine voting members: The SPEED Chief of Party, five Technical Advisors, the Project Administrator, the Operations Manager, and a representative of USAID’s SO7 team. The Chief of Party will chair the SGSC. Committee meetings to review and approve applications will take place on an as-needed basis following the grant competition deadline.

**SPEED Advisor(s).** (Hereinafter referred to in singular as an “Advisor” and in plural as the “Advisors”). The Advisors are a group of SPEED staff members who review formal applications and make recommendations to the Operations Manager and the SGSC as required. There are six expatriate Advisors and eight local specialists for the project’s three technical components, plus an Advisor and professional staff in the support unit.

**SPEED Project.** (Hereinafter referred to as “SPEED” or the “SPEED Project”). A three - year activity funded by the United States Agency for International Development and implemented by Chemonics International Inc.

**USAID/Uganda.** The mission of the United States Agency for International Development in Uganda, which provides funds for the SPEED Project, approves the form and substance of this manual, has a representative on the SGSC, and approves beneficiaries under the Grants Program.

### **III. GRANTS**

#### **A. Solicitation and Application Process**

The SPEED Project will publicize its Grants Program through issuance of periodic Requests for Applications (RFAs) in two leading newspapers. An illustrative RFA is provided in Annex A-1.

##### **1. Grant Tracking Form**

Following receipt of a concept paper in response to the SPEED RRFA, the Operations Manager will track the process using the Grants Process Tracking Form contained in Annex A-2. The Operations Manager will notify the Applicant by letter in the format specified in Annex A-3 hereto whether the concept was found acceptable. The Operations Manager will also create a grant file containing all information pertaining to the grant at any point in time. At every step of the application, evaluation, award, funding and monitoring process, the Operations Manager will update the SPEED Grants Database.

##### **2. Grants Instruction Manual Issuance**

Upon transmittal to the Applicant of a letter of approval (Annex A-3) of the concept paper, the Operations Manager shall formally issue the Applicant with a copy of the Grants Instruction Manual (Section B), which contains all necessary instructions and forms to apply for a Grant.

##### **3. Grant Application Format**

Applications for grants shall be in the format contained in Appendix A of the attached Grants Instruction Manual (Section B). Any application not conforming to the required format shall be returned to the Applicant.

##### **4. Pre-Application Assistance**

SPEED may provide training and technical assistance to Applicants to upgrade their organizational set-up in order to meet SPEED Grants Program requirements prior to submission of their Applications. Based on results of discussions with SPEED Project staff, a decision will be made as to what, if any, technical assistance or training is required prior to submission of an Application for SPEED funding. Although such assistance may not be financed by funds approved under the Grants Program, other project mechanisms may be used to fund direct technical counseling and other specialized activities.

## **5. Initial Application Review**

Any Applicant submitting an Application in the required format will immediately schedule a meeting with the SPEED Operations Manager and the appropriate SPEED Advisor(s) and Specialists. This meeting will enable both parties to ask questions and provide answers thereto. During this meeting, the Operations Manager and SPEED Advisors will thoroughly review the Application with the Applicant to ensure that it conforms to the required format and that its contents are fully understood.

## **6. Grant Application Evaluation**

After initial review, the reviewers shall evaluate the Application against both mandatory and supplementary criteria specified in Appendix B of the Grants Instruction Manual (Section B). All Grant Applications must meet each of the five mandatory requirements to continue in the evaluation process. Applications conforming to all five mandatory requirements will then be evaluated using the seven supplementary requirements. In order to be considered for grant award, all Applicants must receive at least 50% of the total points available for each of the supplementary requirements. An application scoring 75% or better on the supplementary requirements may be recommended for approval by the SPEED Advisors. An Applicant that does not receive a minimum of 50% of the available points for each requirement or score fewer than 75% will be notified that its Application has not been approved. A template notification letter is attached in Annex A-4 hereto.

## **7. Grant Recommendation and Approval Process**

Once a recommendation for approval is made, SPEED will present the Tracking Form, the Evaluation Score Sheet, and all other supporting documentation to the SGSC for final review. If the SGSC recommends the application for funding, it is then submitted by SPEED to the CTO for approval. The Applicant will be informed by Agreement Transmittal Letter in the format specified in annex A-7 that funding has been approved, enclosing a Grant Agreement illustrated in Appendix C of the Grant Instruction Manual (section B), for Applicant review and signature.

Applications not meeting all five mandatory requirements will not be recommended for approval. Those Applications that meet all five mandatory requirements but do not receive at least 50% of the total points available for each of the supplementary requirements, except requirement No. 3, or score fewer than 75 points on the supplementary requirements will not be recommended for approval. The Advisor's recommendation for approval or non-approval is signified on the Grant Process Tracking Form in Annex A-2 and signed in the appropriate spaces.

## **8. Application Recommendation & SGSC Meeting**

The Advisors and the Operations Manager will recommend any suitable Application to the SGSC, in the following manner:

- a. The Operations Manager or the SPEED Chief of Party will schedule a meeting of the SGSC at least a week prior to the date of the meeting.
- b. Copies of the Grant Application shall be circulated to all SGSC members.
- c. At the scheduled meeting the following individuals shall be present:
  - i. A minimum of five members of the SGSC, including the SPEED Chief of Party and a representative of USAID SO7 Team. The presence of five members of the SGSC shall constitute a quorum for the purposes of voting. A majority of votes is required to either recommend or not recommend an application for approval by the CTO. SGSC members who are unable to attend the meeting are welcome to submit their comments prior to the meeting; but will not be allowed to cast absentee votes;
  - ii. A minimum of one of the Advisors who evaluated the Application.
- d. The SPEED Advisors present shall present their evaluation results to the SGSC and shall, if necessary, make available any supporting documentation as may be required.
- e. Based on presentation made by the Advisors, the SGSC shall vote to recommend or not recommend the Application, and the chairperson shall signify the decision in the appropriate space provided on the SPEED Funding Approval Sheet.
- f. The Operations Manager shall have prepared a Funding Approval Sheet illustrated in Annex A-5 that will be submitted to the SPEED Chief of Party to signify the vote on the Application under consideration.
- g. Following the vote by the SGSC, the Chief of Party will send a letter of notification to USAID as specified in Annex A-6 listing all recommended grants and the amount of funding provided to each grantee. CTO approval is also required to approve an Application for grant funding, and if such award is so approved, the Operations Manager in consultation with SPEED Advisor(s) is authorized to draft the Grant Agreement illustrated in Appendix C of the Grants Instruction Manual (Section B).
- h. If any Application is returned as “not approved,” this will not prevent the Applicant from submitting a new application at some later date.

- i. Any SGSC member having a vested interest in a Grant Application before the committee shall excuse oneself from the selection process.
- j. The Operations Manager will draft an Agreement Transmittal Letter to the applicant as specified in Annex A-7 to serve as notification that its Application has been approved.

## **B. The Grant Agreement.**

During the process of finalizing the proposed Grant Agreement, the SPEED Operations Manager will meet with the Applicant to discuss the terms and conditions of the Agreement, relevant USAID and other US Government regulations, relevant SPEED Grants Program procedures, including but not limited to those relating to the disbursement of advances, and mutual expectations during grant implementation. This is to ensure full understanding on the part of both the Applicant and SPEED Project staff as to how implementation should proceed and to ensure that the agreement accurately reflects this understanding.

The Operations Manager will prepare the above-mentioned submission for the signature of the SPEED Chief of Party. A copy of the proposed Grant Agreement would also be sent to the Applicant for perusal.

### **1. Execution of Grant Agreements**

Upon receipt of the Grant Agreement from the Applicant, duly signed by the Applicant's Agent, the SPEED Chief of Party is authorized to sign the Grant Agreement on behalf of Chemonics. Originals of the signed Grant Agreement will then be sent to the CTO and the beneficiary for their files. Another original copy will be kept on file at the SPEED office. This would conclude the SPEED Grants Program application, evaluation, approval, and agreement process.

### **2. Terms and Conditions of Grant Agreements**

The "Terms and Conditions" stipulated in the Grant Agreement executed between the Beneficiary and the SPEED Project are designed to ensure that the Beneficiary's implementation, and SPEED management are in full compliance with USAID and other U.S. Government policies and regulations. These "Terms and Conditions" generally are non-negotiable. In particular, the Standard Provisions must be strictly adhered to by both the Beneficiary and the SPEED Project. They will govern the Beneficiary's implementation of its program, funding of that program, and resolution of any ambiguities, questions, or disputes that may arise in the course of that program.



## C. Management and Grant Implementation

1. **General.** Upon the signing of a Grant Agreement, the Applicant, now understood to have become the Beneficiary, will begin implementation of its Grant Program according to the programmatic time frame agreed upon with SPEED in the Grant Agreement.

The SPEED Project will also begin to exercise its management responsibilities as follows:

- a. Support of the Beneficiary in implementation with periodic disbursements of funds against the performance benchmarks agreed to in the Grant Agreement;
  - b. Monitor the Beneficiary's performance with respect to implementation through a series of reports as provided for in the Grant Agreement;
  - c. Report to USAID/Uganda through quarterly performance reports on the overall status of the SPEED Grants Program with respect to funds disbursed, beneficiary performance, SPEED intermediate results and other measures; and
  - d. Install and maintain a monitoring and evaluation system to track overall Grants Program activity and performance.
2. **Payment Methods.** Once a Grant Agreement has been signed by both parties, the Operations Manager will pass it, along with all supporting procurement documentation to the SPEED Accountant. Upon his/her verification of the documents with the Advisors, the Accountant will effect the following payment procedures:

- a. **Payment via Expense Reimbursement.** If the Grant Agreement calls for funds to be disbursed directly to the Beneficiary in the form of expense reimbursements, the SPEED Accountant will prepare a check payable to the Beneficiary organization against presentation of bona fide receipts from vendors supplying goods and services approved under the Grant Agreement.
- b. **Payment via Direct Vendor Payment.** If the Grant Agreement calls for funds to be paid in the form of direct payments to the vendor supplying goods and services approved under the Grant Agreement, the SPEED Accountant will prepare a check payable to the vendor(s) against a bona fide invoice, which invoice has been endorsed by the Beneficiary organization and stating that the goods and services have been received by the Beneficiary organization. In certain instances, advances or deposits may be called for to prompt action by a vendor. In such cases, such payments are authorized against documentation specified above.

c. **Advance/Liquidation.** In this case, funds will be disbursed according to Optional Standard Provision 1. “Payment-Advance” included in Attachment 1, Annex 3 of the Proforma Grant Agreement and the following procedures:

**1. Advance Request Forms.** Following the signing of a Grant Agreement, the Operations Manager shall prepare, for each agreement, a set of Advance Request and Reconciliation Worksheets based on the proforma worksheet specified in Annex A-8 and provide them to the Beneficiary for use in requesting advances.

**2. Advance Request.** Fifteen days prior to the beginning of the month in which the advance of funds is required, the Beneficiary will submit to the Operations Manager an Advance Request and Reconciliation Worksheet. The Advance request will be submitted with the Financial Report and shall include monthly budget projections for each month in the quarter with a detailed budget attached.

The required budget is the expression in financial terms of the activities the grant program proposes to undertake during the upcoming period and serves the following purposes:

- It projects the Beneficiary’s overall funding needs for the coming period;
- It projects the portion of funding that is being requested from the SPEED Project;
- It indicates how requested funds will be used by line item; and
- It contributes to uniformity of financial reporting across all SPEED grant activities.

In order to ensure that these purposes are indeed served, and that no double-billing or redundant financing occurs, the Beneficiary must present the budgets attached to the Advance Request and Reconciliation Worksheet in which it clearly distinguishes between SPEED and non-SPEED sources.

On each Advance Request and Reconciliation Worksheet, the Beneficiary must indicate in the appropriate space, the degree to which the agreed benchmarks have been accomplished.

**3. Verifying Advance Request and Reconciliation**

**Completeness.** Upon receipt of an Advance Request and Reconciliation Worksheet as described above, the Operations Manager will verify that the request is complete in terms of

benchmark indicators, attached budgetary information and signatures. The Operations Manager will then forward the completed worksheet to the appropriate SPEED Advisor for authorization of the advance. During program implementation, the Operations Manager, in conjunction with the relevant SPEED Advisor(s), will closely monitor monthly or quarterly financial information and progress reports to ensure funds are being used as agreed, and that Grants Program objectives are being met. Problems or impediments will be discussed with the Beneficiary in order to resolve them.

- 4. Advance Authorization.** The appropriate SPEED Advisor(s) together with the Operations Manager will use the Advance Request and Reconciliation Worksheet to determine whether the Beneficiary is entitled to receive the advance requested. Authorization will normally be granted if the beneficiary has achieved at least 80% of the targeted benchmarks for the period, however the SPEED Advisor may decide in exceptional circumstances merit either declining an advance where the 80% threshold has been achieved or authorizing an advance where the 80% threshold has not been achieved. In both of these exceptional cases, the SPEED Advisor will document his/her decision by memo.
- 5. Check Preparation.** Once the Advance is authorized, the Advance Request and Reconciliation Worksheet with all supporting documentation will be passed to the SPEED Accountant. Upon verification of the signatures of the Beneficiary's Agent, the Operations Manager and the SPEED Advisor, the SPEED Accountant will fill in the final section of the Advance Request and Reconciliation Worksheet and prepare a check for the advance. The Accountant will then present the check and all supporting documentation to the SPEED Chief of Party for signature. Following signature by the Chief of Party, the SPEED Accountant will ensure that the check is received by the Beneficiary, verifying the signature of the designated Beneficiary agent.
- 6. Non-Authorization of Advances.** In the event that the SPEED Project does not authorize an advance, whether for incompleteness of the request, failure to meet benchmarks, or for another reason, a letter to the Beneficiary will be written by the Operations Manager which will explain the reason why the Advance has not been authorized.

3. **Procurement Policy.** Whenever possible, SPEED will procure certain items (e.g. commodities) directly for the beneficiary and provide such items to the Beneficiary as “in-kind assistance.” These items shall be funded separately from the grant agreement and its funds. All items in this category will have been identified in the Agreement and spelled out so roles and responsibilities are clearly defined. The Beneficiary is expected to establish and maintain a procurement system which is simple and efficient, and which complies with policies of the US Agency for International Development. A copy of USAID’s Optional Standard Provision 1, Procurement of Goods and Services for non-U.S., Non-Governmental Grantees is included in the Proforma Grant Agreement and should be understood by all Beneficiaries. This and other supplemental information is included in Attachment 1, Annex 3 of the Proforma Grant Agreement illustrated in Appendix C of the SPEED Grants Program Instruction Manual (Section B).
4. **Beneficiary Financial Management, Audits and Reporting Requirements.** The Beneficiary shall assume full responsibility for effective and proper administration of funds. The SPEED Project reserves the right to audit the Beneficiary as described in Attachment 1, Annex 3 of the Proforma Grant Agreement illustrated in Appendix C of the Grants Program Instruction Manual (Section B).
5. **Monitoring and Evaluation.** The SPEED Operations Manager and the appropriate SPEED Advisor(s) will monitor and evaluate all grant activities for compliance with the terms and conditions of the Grant Agreement signed between the SPEED Project and the Beneficiary, including but not limited to the achievement of the benchmarks and objectives specified therein. In order to achieve this level of monitoring and evaluation, each beneficiary will accord the SPEED Project a close working relationship.

The beneficiary is required to submit quarterly narrative and financial reports, as detailed in the grant agreement, to the SPEED Operations Manager. These reports are key to the transparency, accountability and responsibility that must be maintained for a mutually beneficial arrangement between the SPEED Project and the Beneficiary to continue over the life of the program being funded. These reports are the chief management tools used by the SPEED Project to allow the Operations Manager to monitor the Beneficiary’s program performance. The SPEED Project reserves the right to contract with outside evaluators and auditors to perform audits and assessments of the Beneficiary’s program implementation with respect to expenditures, results achieved, and other measures of performance. The reports shall be summarized and submitted to the USAID CTO on a quarterly basis within 30 days of the close of the quarter.

The SPEED Advisors and the Operations Manager are responsible for verifying that reports are received on time, reviewing them for completeness, and monitoring progress against set benchmarks. If there are problems in Grant implementation, a report is incomplete, or Grant Program Benchmarks have not been met, SPEED will decide the appropriate action to be taken, including but not limited to cancellation of the Grant, a financial audit, and or legal action.

- 6. Grant Agreement Modification or Termination.** Grants may be modified or terminated as per terms described in the Grant Agreement. All modifications which call for an increase in the total amount of the Grant funding must first be recommended by the SGSC and approved by the CTO, and the tabling of an Agreement Modification Notice in form and substance presented in Annex A-9. The Agreement Modification Notice is prepared by the Operations Manager, endorsed by the responsible SPEED Advisor and approved by the Chief of Party prior to presentation to the SGSC.

If the CTO approves the Agreement Modification Notice, the relevant modification is signed and incorporated into the relevant agreement of issuance.

#### **D. Grant Completion**

Within ninety days of the Grant Program completion date, the Beneficiary will submit a narrative Grant Completion Report to the SPEED Project, which will describe how the grant contributed to the objectives of the Beneficiary's project as detailed in the Application, and to the purpose and objectives of the SPEED Project. SPEED review and acceptance of this report will serve to close the grant file.

**Grant Activity Completion Form.** After the Operations Manager has received and accepted the Grantee Completion Report, he/she will prepare the Grant Activity Completion Form in the format contained in Annex A-10 hereto. The report must be distributed to the SPEED Advisors for review and feedback. Prior to finalization of the form, the Operations Manager must ensure that all details related to the grant activity have been resolved.

Once the Completion Form has been prepared, copies will be distributed to the SPEED Advisors and the USAID CTO. A copy of the Completion Form will be placed in the grant activity file to serve as a closure statement.

## **Annex A-1**

### **A Sample Request for Applications (RFA)**

The Support for Private Enterprise Expansion and Development (SPEED) Project is a three-year Financial Services activity funded by the United States Agency for International Development (USAID) and is a key activity contributing to the achievement of USAID program Strategic Objective Number 7 (SO7), "Expansion of Sustainable Economic Opportunities for Rural Sector Growth."

Two key outcomes of the strategy are: increased enterprise incomes for farm enterprises, community and producer organizations, micro enterprises and SMEs (MSMEs) and industry-scale export sectors; and enhanced policy and institutional capacity that improves the enabling environment, allowing Ugandans to pursue sustainable economic activities.

SPEED directly contributes to the realization of both intermediate results. The objective of the SPEED project is to support economic growth through increased use of financial services by micro enterprises and SMEs. SPEED's mandate under the terms of the USAID technical assistance contract is to increase:

- The use of financial services by MSMEs by packaging business opportunities in which both MFIs and FIS can participate;
- Levels of effective demand for BDS through improvements in the range and quality of services and providers;
- The capacity of the commercial justice system to respond to business needs.

The SPEED Grants Program is designed to fund activities that complement on-going SPEED Project activities and help achieve the project's intermediate results. Specifically, the SPEED Grants program will provide support to acceptable activities in the areas of: microfinance, business development services (BDS), MSME finance, business environment, and private sector enterprises.

Grant assistance may be provided to private sector enterprises, business associations, and training institutions that will meet the selection criteria and will contribute to project results. These activities will consist primarily of cost-share ventures with SPEED collaborators implementing innovative projects.

Grant funds may be used to pay a portion of the local expenses related to the grantee's activities in the following categories:

- Technical assistance services;
- Training courses, including trainers, course materials, site costs, etc.;
- In certain special cases, a portion of management and staff salaries and other operating expenses;
- Equipment and machinery;
- Seminars, workshops, conferences and other events organized by the Beneficiary; and
- Any other allowable direct costs as may be approved by SPEED.

Applicants must submit a two-page concept paper to the SPEED Operations Manager containing the following information:

- The purpose and objectives of the organization and the proposed program;
- A general description of who will benefit from the proposed program;
- A description of who and how the program will be implemented as an integral part of the Applicant's Strategic Plan;
- An estimate of the total amount of Grants Program funding which would be required to implement the program; and
- Elements of Beneficiary contribution, in cash and in kind.

Applicants whose concept papers are accepted will then be invited to submit a formal Application. Grant Applications in the correct format must be submitted to the SPEED Operations Manager for initial review by SPEED Advisors. Applications that pass the initial review must meet all of the following five mandatory criteria.

### **MANDATORY REQUIREMENTS**

1. Is the purpose of the activity (ies) specified in the Application consistent with USAID's Strategic Objective 7 and the SPEED Project's objectives?
2. Is the Applicant an eligible organization as defined in the SPEED Grants Instruction Manual?
3. Does the proposed beneficiary have the organizational capability to successfully implement the activity (ies) specified in the Application?
4. Does the proposed beneficiary have the financial accounting system to adequately account (as per USAID regulations) for the funds that would be provided via the grant?
5. Is the proposed beneficiary contributing to the overall activity (ies) cost in cash or in kind?

The Applicant must meet all five mandatory requirements to proceed to the Supplementary Requirements.

### **SUPPLEMENTARY REQUIREMENTS**

1. Does the activity (ies) have a realistic well thought out implementation plan with clearly defined objectives, expected results, and quantifiable target/benchmarks? **(30 Points)**
2. Is the activity (ies) budget realistic and in line with costs for similar projects in Uganda? **(20 Points)**
3. Is the proposed beneficiary contributing to the overall activity (ies) cost in cash or in kind, or using other methods to leverage resources? **(Maximum 10 Points)**
  - 50 percent contribution **(5 Points)**
  - >50 percent contribution **(10 Points)**
4. Does the activity (ies) address issues of sustainability and replicability? **(10 Points)**

5. Does the proposed activity (ies) include women as project beneficiaries? **(10 Points)**
6. Does the applicant have a sound environmental plan? **(10 Points)**
7. Has the applicant worked with any USAID supported program before? If so, does its past work merit continued support? **(10 Points)**

**TOTAL POINTS:** \_\_\_\_\_ **(Maximum 100 Points)**

All Applicants must receive a minimum score of 50% of the available points for each of the supplementary requirements (excluding number 7) to be considered for award. SPEED Grant Applications receiving an overall score of 75 points or better on the supplementary requirements may be recommended for approval by the SPEED Advisor(s).

The SPEED Grants Program is authorized in accordance with the U.S. Foreign Assistance Act and USAID Contract # PCE-I-00-99-00007-00.

For U.S. organizations, awards may not exceed \$25,000 per ADS Section 302.5.6 (a) (1) and will be administered in accordance with provisions contained within 22 CFR Part 226, OMB Circulars and the USAID Standard Provisions for U.S. non-Governmental Recipients.

For non-U.S. organizations, awards will be administered in accordance with provisions contained in ADS Section 302.5.6, "Grants Under Contracts" ADS Chapter 303, "Grants and Cooperative Agreements to non-Governmental Organizations and within the terms of the USAID Standard Provisions applicable to non-US, non-Governmental Recipients. Information on these provisions can be accessed through the USAID external website at [www.info.usaid.gov](http://www.info.usaid.gov) "Business & Procurement" section. Per ADS Section 302.5.6 (f), Contractors are not authorized to execute Cooperative Agreements on USAID's behalf.

SPEED and USAID/Uganda reserve the right to fund any or none of the applications submitted. Concept papers shall be submitted by mail to the SPEED Operations Manager at:

SPEED Project  
Shimoni Office Village, Unit 3  
18 Clement Hill Road  
P. O. Box 26013, Kampala, Uganda.  
E-mail: [ikapalaga@speeduganda.org](mailto:ikapalaga@speeduganda.org)

Please include the name of the person in your organization who will be involved with the grant application as well as your telephone and fax numbers.



**Annex A-2**

**Grant Process Tracking Form**

Inquiry received from \_\_\_\_\_

Type of Inquiry: written (attached) verbal. If verbal, Contact Name \_\_\_\_\_

Date of Inquiry \_\_\_\_\_

Database updated? Yes \_\_\_\_\_ No \_\_\_\_\_

Date Application Received by Operations Manager \_\_\_\_\_

Date Circulated to SPEED Advisors \_\_\_\_\_

Operations Manager \_\_\_\_\_ Recommended/Not Recommended Date: \_\_\_\_\_

SPEED Advisor \_\_\_\_\_ Recommended/Not Recommended Date: \_\_\_\_\_

Grant Amount Recommended USH \_\_\_\_\_ (US\$ \_\_\_\_\_)

Score Sheet Attached: Yes \_\_\_\_\_ No \_\_\_\_\_

SPEED Grants Selection Committee Recommended/Not Recommended \_\_\_\_\_

USAID CTO Approved/Not Approved \_\_\_\_\_

Grant No. Issued SPEED- \_\_\_\_\_

Database updated? Yes \_\_\_\_\_ No \_\_\_\_\_

Date Applicant Notified of Approval/Non-Approval: \_\_\_\_\_

Copy of letter attached: Yes \_\_\_\_\_ No \_\_\_\_\_

Date Signed Agreement Received \_\_\_\_\_

Database updated: Yes \_\_\_\_\_ No \_\_\_\_\_

Check Amount USH \_\_\_\_\_ (US\$ \_\_\_\_\_)

Check No. \_\_\_\_\_

Check Date \_\_\_\_\_

Payee \_\_\_\_\_

File Fully Complete? Yes \_\_\_\_\_ No \_\_\_\_\_

Date Received Beneficiary Project Completion Report \_\_\_\_\_

Date Report Accepted and File Closed \_\_\_\_\_

Database updated? Yes \_\_\_\_\_ No \_\_\_\_\_

### **Annex A-3**

#### **Letter of Approval/Non-Approval**

*(SPEED Project Letterhead)*

Date *(date of letter)*

Mr./Ms. *(Name of Applicant's Authorized Signatory)*  
*(Name of Applicant Organization)*  
*(Address of Applicant Organization)*

Dear *(name of prime contact at applicant organization)*

I am writing in response to the concept paper you submitted to SPEED on *(date of application)* outlining your proposed program for a Grant under the SPEED Grants Program. Please be informed of the following:

After detailed review of your program concept, we must unfortunately inform you that your submission has not been accepted. This decision has been taken for the following reason:

*(state reason) or*

We are pleased to inform you that your program concept has been accepted. Enclosed is the SPEED Grants Program Instruction Manual so you can begin the formal application process. Please note that acceptance of your program concept in no way guarantees funding under the SPEED Grants Program.

If you have any questions, please contact the SPEED Operations Manager.

Thank you for your interest in supporting private enterprise expansion and development in Uganda and in the SPEED Project.

Sincerely,

Phil Broughton  
SPEED Chief of Party

**Annex A-4**

**Application Approval/Non-Approval Letter**

*(SPEED Project Letterhead)*

Date *(date of letter)*

Mr./Ms. *(Name of Applicant's Authorized Signatory)*  
*(Name of Applicant Organization)*  
*(Address of Applicant Organization)*

Dear *(name of applicant contact person)*

I am writing in response to the Grant Application you submitted to the SPEED Project on \_\_\_\_\_ requesting consideration for funding under the Grants Program.

After detailed review of your application, we must unfortunately inform you that your application has not been approved, for the following reason(s) (delete if not applicable):

- I. Application not in conformity with required format.
- II. Failure to meet specified mandatory requirements.
- III. Failure to receive at least 50% of the total points available for each of the supplementary requirements.
- IV. Failure to score 75 points or more overall on the supplementary requirements.

If you have any questions regarding this decision, please contact the SPEED Operations Manager.

Thank you for your interest in the SPEED Project.

Sincerely,

Phil Broughton  
SPEED Chief of Party

**Annex A-5**

**SPEED Grants Funding Approval Sheet**

**Grant Approval Process**

The SPEED Project's SGSC met today \_\_\_\_/\_\_\_\_/\_\_\_\_, to consider an Application for a Grant from \_\_\_\_\_. In connection with that application, SPEED confirms the following:

1. That said Application was submitted by the Applicant on: \_\_\_\_/\_\_\_\_/\_\_\_\_;
2. That said Application conformed to the required format;
3. That the Applicant met the following number of mandatory requirements \_\_\_\_\_ (must meet all 5 to proceed to supplementary requirements);
4. That said Applicant received at least 50% of the total points available for each of the supplementary requirements and that the Applicant received the following overall score on the supplementary requirements: \_\_\_\_\_ (> 75 points needed for approval) and that the relevant score sheet is attached; and
5. That the SPEED Advisor(s) hereby recommends that the SGSC recommend the said Application to USAID for approval and thereby authorizes the SPEED Project to enter into a Grant Agreement with the above-named Applicant in the amount of Uganda Shillings \_\_\_\_\_.

SPEED Project Administrator's Signature: \_\_\_\_\_

SGSC Decision Recorded: **Approved** \_\_\_\_\_ **Not Approved** \_\_\_\_\_

SPEED Chief of Party's Signature: \_\_\_\_\_

USAID Decision Recorded: **Approved** \_\_\_\_\_ **Not Approved** \_\_\_\_\_

CTO Signature: \_\_\_\_\_

If approved, the Operations Manager assigns a Grant tracking number here: \_\_\_\_\_

**Annex A-6**

**USAID Notification Letter**

*(SPEED Project Letterhead)*

Date: \_\_\_\_\_

Ms. Jackie Wakhweya  
SPEED CTO  
USAID  
P O Box 7856  
Kampala

Dear Ms. Wakhweya,

This is to advise that the SPEED Grants Selection Committee (SGSC) met on \_\_\_\_/ \_\_\_\_/\_\_\_\_, 200x. At the meeting, the following grant proposals were approved:

<u>Grantee</u>	<u>Grant Title</u>	<u>Amount of Funding</u>
----------------	--------------------	--------------------------

Attached is/are the SPEED Grants Funding Approval Sheet(s) together with Applications from each SGSC approved Grantee. Please record your decision by signing each form and return it to SPEED.

Sincerely,

Phil Broughton  
SPEED Chief of Party

**Annex A-7**

**Agreement Transmittal**

*(SPEED Project Letterhead)*

Date *(date of letter)*

Mr./Ms. *(Name of Beneficiary's Authorized Signatory)*

*(Name of Beneficiary Organization)*

*(Address of Beneficiary Organization)*

Dear *(name of prime contact at applicant organization)*

I am writing in response to the Application you submitted to the SPEED Project on (date of application) requesting consideration for funding under the Grants Program.

We are pleased to inform you that your Application has been approved. The Grant Agreement which will govern SPEED Project support for implementation of your proposed Program is attached for your signature. Please contact the SPEED Operations Manager to schedule a convenient date for signing.

Thank you for your commitment to the support for private enterprise expansion and development in Uganda. The SPEED project looks forward to working with you in this endeavor.

Sincerely,

Phil Broughton  
Chief of Party

**Annex A-8**  
**Advance Request and Reconciliation Worksheet**

1. Beneficiary Name: \_\_\_\_\_
2. Program Name: \_\_\_\_\_
3. Grant Tracking No: \_\_\_\_\_
4. Advance Period: \_\_\_\_\_ to \_\_\_\_\_
5. Total Program Budget: \_\_\_\_\_

Items I-III are to be completed by the Beneficiary. This form must be accompanied by an authorized Financial Report in order to be processed.

**I. Benchmarks Required for this Advance**

	Target	Achieved	% Achieved
Benchmark 1* _____			
<hr/>			
<b>Results:</b>	_____	_____	_____
Benchmark 2* _____			
<hr/>			
<b>Results:</b>	_____	_____	_____
Benchmark 3* _____			
<hr/>			
<b>Results:</b>	_____	_____	_____

\*Benchmarks to be determined with the beneficiary and included in the grant agreement terms

**II. Advance Projections (Detailed Budget Attached)**

Line Item	Month 1	Month 2	Month 3	Total Estimated Expenditure
A. Salaries				
B. Allowances				
C. Transportation				
D. Communications				
E. Training				
F. Other Direct Costs <i>(Provide Detail)</i>				
1.				
2.				
3.				
4.				
<b>TOTAL</b>				

**III. Reconciliation Worksheet**

**Worksheet No.:** \_\_\_\_\_

	<b>USH</b>	<b>USH</b>
1. Estimated advance request (Total from Above):		_____
2. Previous advance:	_____	
3. Interest earned:	_____	
4. Total funds available to-date (2+3)	_____	
5. Expenditures last period (Financial report)*	_____	
6. Ending cash on hand (4-5)		_____
7. Total amount of advance (1-6)		_____

\* The Beneficiary shall submit the original and one copy of a Financial Report and related disbursement documentation discussed below to the Operations Manager liquidating the amount of the last advance on a monthly/quarterly basis. The financial report shall include the following if applicable: a request for advance, general project expenses ledger, copies of bona fide receipts, timesheets for project staff, and inventory records.

**BENEFICIARY CERTIFICATION:** I certify that to the best of my knowledge and belief, the data reported above and the attached monthly financial statements are correct and that this request and our subcontract are in full compliance with the terms and conditions of the agreement between ourselves and Chemonics.

Signature: \_\_\_\_\_

Items IV-V are for SPEED Project use.

**IV. SPEED PROJECT APPROVAL**

SPEED Advisor: \_\_\_\_\_ Date: \_\_\_\_\_

SPEED Operations Manager: \_\_\_\_\_ Date: \_\_\_\_\_

**SPEED ACCOUNTING INFORMATION**

Amount of Advance: \_\_\_\_\_

Date of Issue: \_\_\_\_\_

Cheque No: \_\_\_\_\_

Total Program Budget: \_\_\_\_\_

Grant Funds Disbursed to-date: \_\_\_\_\_

Grant Funds Remaining: \_\_\_\_\_

SPEED Accountant: \_\_\_\_\_ Date: \_\_\_\_\_



**Annex A-9**

**Agreement Modification Notice**

Grant Agreement Modification Approval Process

The SPEED Project's SGSC met today, \_\_\_\_/\_\_\_\_/\_\_\_\_, to consider modification of a Grant Agreement entered into with

\_\_\_\_\_

Approval granted on \_\_\_\_/\_\_\_\_/\_\_\_\_ (reference Grant tracking number \_\_\_\_\_).

The Advisors hereby confirm:

1. That after modification as recommended below, the referenced Grant Agreement will continue to be consistent with all SPEED Project objectives;
2. That SPEED hereby recommends that the SGSC recommend that USAID Approve that the referenced Grant Agreement amount be increased/decreased by Ugandan Shillings \_\_\_\_\_ to a new total amount of Ugandan Shillings \_\_\_\_\_

SPEED Project Administrator's Signature: \_\_\_\_\_

SGSC Decision Recorded: Approved \_\_\_\_\_ Not Approved \_\_\_\_\_

SPEED Chief of Party's Signature: \_\_\_\_\_

USAID Decision: Approved \_\_\_\_\_ Not Approved \_\_\_\_\_

CTO Signature: \_\_\_\_\_

**Appendix A-10**

**Grant Activity Completion Form**

1. Beneficiary's Name:
2. Beneficiary's Address:
3. Beneficiary's Telephone: Fax:
4. Beneficiary's Authorized Agent: Title:
5. Grant Program Title:
6. Grant Tracking Number:
7. Final Budget Reconciliation
  - a. Total Grant Amount:
  - b. Total Grant Funds Expended:
8. Operations Manager's Report Attached (see note below)? Yes No
9. Beneficiary's Completion Report Attached? Yes No

Approved Amount of Grant:

Amount Disbursed:  
(Copy of Expense Report)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Operations Manager

Note: The Operations Manager's report must include the following information:

- I. Program Achievements and Relevance to SPEED's Purpose;
- II. Assessment of Implementation Process and Lessons Learned
- III. Follow-on activities under consideration

# SPEED Project Grants Program

## Section B

### Instruction Manual

USAID Project managed by Chemonics International Inc.  
USAID Contract No. PCE-I-00-99-00007-00  
January, 2002

## **A. Introduction**

The Support for Private Enterprise Expansion and Development (SPEED) project, funded by the United States Agency for International Development (USAID), contributes to the achievement of USAID program Strategic Objective Number 7 (SO7), “Expansion of Sustainable Economic Opportunities for Rural Sector Growth.” The strategy to achieve SO7 places priority on assisting the government of Uganda (GOU) to reduce rural based poverty by expanding economic opportunities and incomes.

Two key outcomes of the strategy are expected: increased enterprise incomes for farm enterprises, community and producer organizations, Micro-, Small and Medium Enterprises (MSMEs) and industry-scale export sectors; and enhanced policy and institutional capacity that improves the enabling environment, allowing Ugandans to pursue sustainable economic activities.

SPEED contributes directly to the achievement of these two intermediate results by working to meet its objective of supporting economic growth through the increased use of financial services by MSMEs. SPEED ‘s mandate under the terms of the USAID technical assistance contract is to increase:

- The use of financial services by MSMEs, by packaging business opportunities in which both Microfinance Institutions (MFIs) and Financial Institutions (FIS) can participate;
- Levels of effective demand for Business Development Services (BDS) through improvements in the range and quality of services and providers;
- The capacity of the commercial justice system to respond to business needs.

The SPEED Grants Program is designed to fund activities that complement on-going SPEED Project activities and help achieve the project’s intermediate results. Specifically, the SPEED Grants Program will provide support to acceptable activities in the areas of: microfinance; business development services; MSME finance and business environment.

Grant assistance may be provided to private sector enterprises, business associations, and training institutions that meet SPEED’s selection criteria and will contribute to project results. These activities will consist primarily of cost-share ventures with SPEED collaborators implementing innovative projects.

## B. The Grants Program

1. **Eligibility Requirements.** To be eligible for funding under the SPEED Grants Program, the Applicant must be: an institution providing specialized training in the financial services sector; a business membership-based association; a Ugandan financial services provider; a private sector enterprise or any other active MSME in Uganda. Organizations that meet the above requirements must be willing to contribute to the total cost of the proposed activity, either in cash or in kind.
2. **Eligible Activities.** Funding under SPEED's Grants Program shall be used to finance direct local expenses including, but are not limited to:
  - Technical assistance services;
  - Relevant training courses, including trainers, course materials, site costs, etc.;
  - Under certain circumstances, a portion of management and staff salaries and operating supplies;
  - Equipment and machinery;
  - Seminars, workshops, conferences and other events organized by the Beneficiary;
  - Other allowable direct costs as may be approved by the SPEED Project.
3. **Ineligible Activities and Unallowable Costs.** Funding under SPEED Grants Program shall **NOT** be used to finance:
  - International air travel;
  - Creation of endowments;
  - Indirect expenses of the Beneficiary;
  - Any Beneficiary headquarters expenses that are not directly linked to implementation of the proposed project;
  - Expenses of any training programs other than those integral to achievement of the targets specified in the proposed project;
  - Any expenses related to ceremonies, parties, and celebrations;
  - The purchase of goods restricted and prohibited under USAID regulations;
  - Purchase of surveillance equipment, military equipment or arms whether new or surplus, police or law enforcement equipment, abortion equipment and services, weather modification equipment, luxury goods and gambling equipment;
  - Purchase of goods which originate from Cuba, Vietnam, North Korea, Cambodia/Kampuchea, the People's Republic of China and other countries or suppliers as may be identified by USAID's consolidated list of debarred, suspended or ineligible sub-contractors;
  - Any purchases or activities unnecessary to accomplish purposes of any project funding that may be approved;

- Any previous obligations by USAID to the Beneficiary;
  - The bad debts of the Beneficiary;
  - Fines imposed on the Beneficiary; and
  - Penalties imposed on the Beneficiary.
4. **Size of Grants.** The size of individual grants shall vary from activity to activity as will be specified in the respective RFAs.
5. **Pre-Application Assistance.** SPEED may provide training and technical assistance to potential grantees to enable them strengthen their governance, administrative and financial management systems in order to meet the Grants Program requirements prior to submission of an Application. Based on results of discussions with SPEED Project staff, a decision will be made as to what, if any, technical assistance or training is warranted prior to submission of an Application for funding under the Grants Program. However, in no case shall such assistance be financed by Grant funds.

## 6. The Application/Implementation Process

**A. Applying for a Grant.** Applications for Grants may occur in two stages as follows:

*1. Concept Stage.* The SPEED Project requires the Applicant to submit a paper specifying its grant program concept. The concept paper should not exceed two pages and must include the following information:

- The purpose and objectives of the organization and the proposed program;
- A general description of who will benefit from the expanded program;
- A description of who and how the program will be implemented as an integral part of the Applicant's Strategic Plan;
- An estimate of the total amount of Grants Program funding which would be required to implement the program;
- Elements of Beneficiary contribution, in cash and in kind.

The appropriate SPEED Advisor and the Operations Manager will review the concept letter, discuss its contents with you and make a decision as to whether the concept paper presented is consistent with the objectives and policies of the SPEED Project.

If such consistency does exist, the applicant will be asked to submit a full application as described below. If such consistency does not exist, the applicant will be advised of this fact. However, if your concept is consistent with certain project objectives but needs revision, the SPEED Advisors will recommend necessary changes. If the recommended changes are incorporated into the Concept Form, you will be asked to submit a full application.

**2. Application Stage.** Please note that during this stage, all Applicants must submit an electronic version containing the Program description with clearly defined project goals/benchmarks and the budget including cost share figures. Regardless of whether a concept letter is required, **ALL** Applicants must submit an Application to the SPEED Operations Manager using the following format:

- A cover letter and other documents as may be necessary to clearly demonstrate that your organization meets the Conditions Precedent specified in B below; and
- A Grant Application Form in the format illustrated in Appendix A of this manual, including the specified attachments.

**B. Conditions Precedent Verification.** In order for your organization's Application to be evaluated it must be accompanied by a cover letter and other supporting documentation (board resolution, articles of incorporation, etc.) as may be necessary to clearly demonstrate that it meets the following Conditions Precedent to Application Evaluation:

- That your organization is an eligible organization as defined in the section entitled "Eligibility Requirements" above and that it is legally constituted under Ugandan law or is in the process of obtaining such legal status through formal registration;
- That your organization has the managerial commitment, as evidenced by written board of directors resolutions, to approve and authorize the implementation of the program described in the Grant Application Form submitted with the application;
- That your organization has received a copy of this Instruction Manual and that your organization management has read and understood its contents;
- That the Applicant has not received any funding from the SPEED Project for the preparation of its Application;
- That your organization has attached to the cover letter a filled Grant Application Form which outlines in as much detail as possible the program that your organization intends to implement using the grant funding;
- That your organization's Grant Application clearly demonstrates that your organization or some other non-US government source will share the cost of implementation of the program through cash or in-kind contributions to cover operating costs or capital requirements of the proposed program; and
- That the proposed period of funding in the application does not exceed the life of the SPEED Project currently ending December 31, 2003.

If your organization and your Application do not fully satisfy the Conditions Precedent the Application will be returned to the Applicant by letter. No further processing of the application will be undertaken. However, if at some later date

your organization can fully satisfy the Conditions Precedent, an entirely new application may be submitted.

- C. Initial Application Review.** Following your submission of an Application in the required format, you must immediately schedule a meeting with SPEED Advisors. This meeting serves as a briefing session and question-and answer opportunity. During this meeting, the SPEED Advisors will thoroughly review the Application with you to ensure that it conforms to the format required and to ensure their understanding of its content.
- D. Application Evaluation.** After the initial Application review, the Advisors will score your application against the evaluation criteria specified in Appendix B hereto. A decision will be made whether or not to recommend funding. An Application meeting all five of the mandatory requirements will then be evaluated against the supplementary requirements. All Applicants must receive at least 50% of the total points available for each of the supplementary requirements in order to be considered for a grant award. An Application receiving a score of 75 points or more on the supplementary requirements may be referred to the SGSC to recommend approval. Your application should, therefore, be made with all these evaluation criteria in mind. Should the SPEED Advisors determine that the Application needs to be revised, it will be returned to the Applicant for revision. Once the necessary revisions are made, the Application will be reviewed again. If the Applicant does not make the necessary changes, the Application process will end.
- E. Notice of Approval/Non-Approval.** If the SGSC does not recommend your application for approval or if USAID does not approve it, you will be notified in writing. If the Application is approved, you will be informed by letter together with a draft Grant Agreement in the format contained in Appendix C with required attachments for your review and signature. An electronic copy of the Beneficiary's projected quarterly or monthly disbursement needs, in the format provided in Appendix C, Attachment 1, Annex 1 will be submitted along with the signed Grant Agreement.

## **7. Grant Implementation**

- A. Payments Under a Grant Agreement.** Once the Grant Agreement is signed, the SPEED Project Accountant will issue a check to your organization, or to the vendor(s) who supply goods and or services approved under the Grant Agreement, depending on the terms of the agreement.
- B. Grant Completion Report.** Under the terms of the Grant Agreement, within ninety days after completion of the grant activities, you will be required to submit a Grant Completion Report to the Operations Manager. The report will include the following sections: a summary of the activity objectives and achievements, a



summary of the activity implementation process, lessons learned and recommendations, a description of the public dissemination process, and a discussion of how SPEED Grants Program funding contributed to the objectives of your organization or program and to the purpose and objectives of the SPEED Project. SPEED's review and acceptance of this report will serve to close the grant file.

SPEED will further monitor your operation for a period of up to 2 years to assess program impact on production, value, employment etc. With the specific approval of the USAID/Uganda Contracting Office, SPEED will also formally hand over all capital items, if any, to beneficiaries after 2 years if such items have continued to be utilized in furtherance of the plan outlined in the Grant Application Form. Otherwise, any time during the course of the grant or the subsequent two-year post-grant period, SPEED reserves the right to repossess redundant capital items that were procured with grant funds.

**Appendix A**

**SPEED Project Grants Program  
Grant Application Form**

Name of Organization

\_\_\_\_\_

Mailing Address

\_\_\_\_\_

Physical Location

\_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Organization Contact Person

\_\_\_\_\_

Year Registered \_\_\_\_\_

Type of Organization: \_\_\_\_\_ For Profit \_\_\_\_\_ Non-Profit

Ownership: \_\_\_\_\_ Private \_\_\_\_\_ Association \_\_\_\_\_ Other  
(Explain)

Organizational Structure: Government \_\_\_\_ Private \_\_\_\_ Society \_\_\_\_ Club \_\_\_\_  
Association \_\_\_\_ Professional Organization \_\_\_\_ Other \_\_\_\_\_

Dues Paying Requirement (if applicable): \_\_\_\_ Voluntary \_\_\_\_ Mandated by law or  
regulation

Fiscal year: \_\_\_\_\_ (for your accounting purposes)

Accounting System in Place? \_\_\_\_ Yes \_\_\_\_ No (if yes, name of system)  
\_\_\_\_\_. Is it  
computerized? \_\_\_\_ Yes \_\_\_\_ No. If so, software used  
\_\_\_\_\_

Are financials attached? \_\_\_\_ Yes \_\_\_\_ No; Most recent three years  
requested)

Number of Members/Employees: \_\_\_\_\_; \_\_\_\_\_ Female \_\_\_\_\_ Male

Number of Current Dues Paid Members (if applicable): \_\_\_\_\_ (number of members  
who have fully paid this year's annual dues). \_\_\_\_\_ Female \_\_\_\_\_ Male

Are Organizational Chart/Articles of Incorporation attached? \_\_\_\_\_ Yes \_\_\_\_\_ No

Is the business plan attached? \_\_\_\_\_ Yes \_\_\_\_\_ No

Mission and/or Objective of the Organization

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---

Proposed Activity to be funded

---

Objective(s) of Proposed Project Activity

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---

---

---

Outline any environmental impacts/mitigating measures to be followed

---

---

---

---

Describe what is needed from the SPEED Project

---

---

---

---

Value of Grant Request in USHS (attach one page budget summary with detailed budget notes and proforma invoices if available)

---

---

Scheduled Start Date \_\_\_\_\_

Scheduled Completion Date \_\_\_\_\_

Value of your organization's Contribution in USH (at least XX% of Grant Requested)

Description of your organization's contribution if other than cash:

---

---

---

---

---

---

Describe other collaborators or means of leveraging resources

---

---

---

---

---

Describe how your organization will measure the success of this proposed Activity

---

---

---

---

---

Submitted by

Date

---

## Appendix B

### Evaluation/Selection Criteria

After the initial Application review, the SPEED Advisors shall evaluate the Application against the following mandatory requirements and supplementary requirements.

#### MANDATORY REQUIREMENTS

1. Is the purpose of the activity(ies) specified in the Application consistent with USAID's Strategic Objective 7 and SPEED Project objectives? \_\_\_\_\_ Yes  
\_\_\_\_\_ No
2. Is the Applicant an eligible organization as defined in the SPEED Grants Instructional Manual? \_\_\_\_\_ Yes \_\_\_\_\_ No
3. Does the proposed beneficiary have the organizational capability to successfully implement the activity(ies) specified in the Application? \_\_\_\_\_ Yes \_\_\_\_\_ No
4. Does the proposed beneficiary have the financial accounting system to adequately account (as per USAID regulations) for the funds that would be provided via the grant? \_\_\_\_\_ Yes \_\_\_\_\_ No
5. Is the proposed beneficiary contributing to the overall activity(ies) cost in cash or in kind? \_\_\_\_\_ Yes \_\_\_\_\_ No

**SCORE:** \_\_\_\_\_

The Applicant must meet all five mandatory requirements to proceed to the Supplementary Requirements.

#### SUPPLEMENTARY REQUIREMENTS

1. Does the activity(ies) have a realistic well thought out implementation plan with clearly defined objectives, expected results, and quantifiable target/benchmarks? \_\_\_\_\_ Yes \_\_\_\_\_ No **(30 points)**
2. Is the activity(ies) budget realistic and in line with costs for similar projects in Uganda? \_\_\_\_\_ yes \_\_\_\_\_ No **(20 points)**
3. Is the proposed beneficiary contributing to the overall activity(ies) cost in cash or in kind? \_\_\_\_\_ Yes \_\_\_\_\_ No **(Maximum 10 points)**  
  
50 % contribution **(5 points)**  
>50 % contribution **(10 points)**

4. Does the activity(ies) address issues of sustainability and replicability?  
\_\_\_\_\_ Yes \_\_\_\_\_ No **(10 points)**
5. Does the proposed activity(ies) include women as project beneficiaries?  
\_\_\_\_\_ Yes \_\_\_\_\_ No **(10 points)**
6. Does the applicant have a sound environmental plan? \_\_\_\_\_ Yes  
\_\_\_\_\_ No  
**(10 points)**
7. Has the applicant worked with any USAID funded activity before? If so,  
what was the size of the grant? \_\_\_\_\_ USH. Does this merit continued  
support? \_\_\_\_\_ Yes \_\_\_\_\_ No **(10 points)**

**TOTAL POINTS:** \_\_\_\_\_ **(Maximum 100 Points)**

All Applicants must receive at least 50% of the total points available for each of the supplementary requirements to be considered for award. Applications that satisfy this requirement and receiving an overall score of 75 points or more on the supplementary requirements may be recommended for approval by the SPEED Advisors.

**Appendix C**

**SUPPORT FOR PRIVATE ENTERPRISE EXPANSION AND DEVELOPMENT (SPEED)  
PROJECT**

**GRANT AGREEMENT**

This grant agreement, hereinafter referred to as the "Agreement," is made and entered on the effective date specified below between the following parties:

XXXXXXXXXXXXXXXXXXXXXXXXXXXX, hereinafter referred to as the "Beneficiary", of P.O. Box XXXXXXXXXXXXXXXXXXXX Uganda, Telephone XXXXXXXXX, Fax XXXXXXXXX, and represented herein by \_\_\_\_\_ as a duly authorized Agent

**AND**

**Chemonics International Inc.**, hereinafter referred to as "Chemonics," of 1133 20<sup>th</sup> Street, N.W., Suite 600, Washington, DC, 20036 USA, Telephone 1-202-955-3300, Fax 1-202-955-7550, represented herein by Phil Broughton as duly authorized Agent, c/o SPEED Project, Shimoni Office Village, Unit 3, 18 Clement Hill Road, Kampala, Telephone 256-41-346864/5, 344704, Fax 256-41-346185.

**WITNESSETH**

The SPEED Project, a 3-year Financial Services project financed by the United States Agency for International Development (USAID) is being implemented by Chemonics. The SPEED Project manages a Grants Program, through which certain activities of eligible organizations are funded using grants. The Beneficiary is an eligible organization that has been awarded a grant under the Grants Program based on an application that met the evaluation criteria specified by the SPEED Project. All actions of both parties with respect to that grant shall be governed by the terms and conditions set forth herein, including the attachments hereto. These terms and conditions have been agreed to by both parties as evidenced by signatures of their authorized agents below.

**THE SCHEDULE: TERMS AND CONDITIONS**

- 1. Authority of Agents.** Each party hereby covenants to the other that the above named fully authorized Agents who have signed on behalf of each party below each have unrestricted and sole authority to represent their respective organizations in all matters related to this Grant Agreement.
- 2. Order of Precedence of Incorporated Documents.** The following documents, hereinafter referred to as "Incorporated Documents", are hereby agreed to be an integral part of this Agreement.
  - a. The Schedule
  - b. USAID ADS 303
  - c. Program Description (including Annexes)
  - d. Standard Provisions

In the event that Chemonics should determine that there exists a conflict of intent or interpretation between any sections of this Agreement and any section of Incorporated Documents, the order of

precedence shall be: First, the Schedule; second, USAID ADS 303, third, the Standard Provisions, and fourth, the Program Description, including its Annexes.

**3. Grant Title and Tracking Number.** Activities of the Beneficiary for which the grant funding governed by this Agreement will be used shall be entitled XXXXXXXXXXXXX Grants Program, which title shall be referenced along with the following Grant Tracking Number: SPEED-GP-00X, in all future correspondence between the parties.

**4. Period of the Grant.** The period of the grant shall begin on (XXXXXX XX, 200X) and unless otherwise modified in writing, the grant shall be completed by (XXXXXX XX, 200X), hereinafter referred to as the "Grant Completion Date." It is hereby agreed that all activities financed with grant funds under this Agreement will be completed and cease on the specified Grant Completion Date unless Chemonics, subject to USAID approval, provides an extension in writing prior to the specified Grant Completion Date.

**5. Approved Total Grant Funding, Cost Sharing Amount and Obligated Amount.**

The approved total grant funding, hereinafter referred to as "Approved Total Grant Funding," shall be in the amount of up to USH XX,XXX,XXX which amount shall not be exceeded unless subsequently modified in writing by Chemonics. The Beneficiary agrees to contribute USH XX,XXX,XXX to the total program cost of USH XX,XXX,XXX. This grant is being incrementally funded. The initial funding obligated is USH XX,XXX,XXX. The initial obligation is intended to fund the first XX months of the grant activity.

The following is the Agreement Budget:

**(INSERT BUDGET)**

1. Revisions to this budget shall be made in accordance with the Standard Provision entitled "Revision of Grant Budget." The Recipient shall not transfer funds from one Cost Category to another, unless written approval is granted by the SPEED Chief of Party.

2. Funds obligated, but not disbursed to the Recipient by Chemonics at the expiration or termination of the Period of Agreement shall revert to Chemonics, unless such funds have been encumbered by the Recipient via a legally binding transaction applicable to this Agreement. Any funds advanced to, but not expended or encumbered shall be refunded to Chemonics at the expiration or termination of this Agreement.

**6. Allowable Costs.** The Beneficiary shall not be reimbursed for expenditures incurred which are in excess of the obligated funding. Disbursement of funds to the Beneficiary shall be in accordance with the Grant Expenditure Schedule in Attachment 1, Annex 1 hereto. The Beneficiary may receive an initial advance of funds and monthly replenishment for Allowable Costs and only for allowable costs, as per the Grant Expenditure Schedule. However, this is not the case for cost reimbursement grants. Requests for advances shall be submitted using the Advance Request and Reconciliation Worksheet specified in Attachment 1, Annex 2. The following is a list of unallowable costs:

- International air travel;
- Creation of endowments;
- Indirect expenses of the Beneficiary



- Any Beneficiary headquarters expenses that are not directly linked to implementation of the proposed project;
- Costs of any training programs other than those integral to achievement of the targets specified in the proposed project;
- Any expenses related to ceremonies, parties, and celebrations;
- The purchase of goods restricted and prohibited under USAID regulations;
- The purchase of surveillance equipment, military equipment or arms, police or law enforcement equipment, abortion equipment and services, weather modification equipment, luxury goods and gambling equipment;
- The purchase of goods originating from Cuba, Vietnam, North Korea, Cambodia/Kampuchea, the People's Republic of China and other countries or suppliers as may be identified by USAID's consolidated list of debarred, suspended or ineligible sub-contractors;
- Any purchases or activities unnecessary to accomplish purposes of any project funding that may be approved;
- Any previous obligations by USAID to the Beneficiary;
- The bad debts of the Beneficiary;
- Fines imposed on the Beneficiary; and
- Penalties imposed on the Beneficiary.

**7. Grant Expenditure Schedule.** The quarterly schedule of expenses illustrated in Attachment 1, Annex 1 hereto, herein referred to as the "Grant Expenditure Schedule", has been derived from the Beneficiary's Application Form and has been mutually agreed between the parties. It lists the categories of Allowable Costs permitted for reimbursement under this Agreement. Chemonics will make its best efforts to provide written disbursement procedures and a schedule to the Beneficiary within 30 days following the date of signature of this grant agreement.

**8. Objective of Grant.** The objective of this grant is to support the implementation of private enterprise expansion and development activities which are acceptable to the SPEED Project, and which are more specifically described in the Beneficiary's Program Description which was the basis for approval of this grant, and is included in Attachment 1.

The Beneficiary hereby agrees that all funding disbursed under this Agreement shall be used exclusively towards activities that are described in Beneficiary's application upon which this agreement has been approved. The Beneficiary further covenants that those activities are required to achieve the objectives of its program, of which, the objectives must have been consistent with those of the SPEED Project and its Grants Program in order for this Agreement to receive approval. Furthermore, if at any time the Beneficiary should determine that achievement of the objectives described in its application are no longer reasonably feasible, for any reason, the Beneficiary's Agent hereby agrees to notify Chemonics in writing in a timely manner.

**9. Rights of Visitation and Inspection.** In accordance with Mandatory Standard Provision 2, Accounting, Audit and Records, the Beneficiary hereby grants Chemonics and its designated Advisor(s)/Auditor(s) the right of direct and unrestricted access to any Beneficiary offices and activity sites which are involved with implementation of activities which have been paid for in part or in full using funds disbursed under this Agreement and the right of direct and unrestricted access to all of the Beneficiary's financial records, reports and supporting documentation related to funds disbursed under this Agreement.

**10. Beneficiary Fiduciary Responsibilities.** In accordance with Mandatory Standard Provision 2, the Beneficiary hereby accepts full responsibility for:

- a. Establishment of a separate and segregated financial accounting system, which will effectively and properly record and report the deposit and expenditure of all funds disbursed under this Agreement. For purposes of control and review this may be a simple dual entry ledger and journal system that meets generally accepted accounting standards and the financial control requirements specified in Attachment 1, Annex 3;
- b. Expenditure of all funds disbursed under this Agreement only for Allowable Costs as described in this Agreement;
- c. Accurate accounting for all funds disbursed under this Agreement as per guidelines established by USAID; and
- d. Full, transparent, accountable, and responsible reporting to the SPEED Project of all funds disbursed under this Agreement according to the financial and program reporting requirements specified in Attachment 1, Annex 4 hereof.

The Beneficiary hereby acknowledges its understanding that SPEED is prepared to provide the Beneficiary with the resources to establish the above mentioned systems; that prior to the disbursement of any funds under this Agreement, the SPEED Project will determine what steps, if any, are necessary to bring the Beneficiary's administrative and financial systems into full compliance with USAID accountability and reporting requirements; and that based on that determination, the Beneficiary must adopt and implement the systems recommended by the SPEED Project as necessary to exercise effective control over, and accountability for, funds, property and other non-expendable program assets funded under this Agreement.

The Beneficiary hereby acknowledges that its failure to fully execute the above mentioned responsibilities will result in Chemonics requesting the refund to Chemonics of funds disbursed under this Agreement and the Beneficiary hereby promises to make such refunds if requested by Chemonics.

The Beneficiary hereby acknowledges that its failure to fully execute the above mentioned responsibilities, will result in the termination of this Agreement by Chemonics and could result in the Beneficiary being denied further funding from Chemonics and may result in legal proceedings, all at the cost of the Beneficiary.

**11. Accounting Systems and Control.** In accordance with Mandatory Standard Provision 2, the Beneficiary hereby agrees to establish the systems of accounting and financial control specified in Attachment 1, Annex 3 hereto including, but not limited to, the separate, special bank account for the purpose of depositing and expending the funds disbursed to the Beneficiary under this Agreement. No other funding shall be deposited into this account except the minimum amount required to open the account and no expenditures shall be paid for from this account which are not for Allowable Costs under this Agreement. Names and titles of those Beneficiary employees having signing authority over this bank account shall be provided to Chemonics by the Beneficiary upon the opening of the account.

**12. Reporting Requirements.** The Beneficiary hereby agrees that it will follow the financial programs special reporting requirements outlined in Attachment 1, Annex 4 hereto.

**13. Grant Disbursement Procedures.** The Beneficiary will be reimbursed for Allowable Costs incurred during the duration of the grant in the following manner:

**a. Payment via Expense Reimbursement.** If the Grant Agreement calls for funds to be disbursed directly to the Beneficiary in the form of expense reimbursements, the SPEED Accountant will prepare a check payable to the Beneficiary organization against presentation of bona fide receipts from the vendor supplying goods and services approved under the Grant Agreement.

**b. Payment via Direct Vendor Payment.** If the Grant Agreement calls for funds to be paid in the form of direct payments to the vendor supplying goods and services approved under the Grant Agreement, the SPEED Accountant will prepare a check payable to the vendor(s) against a bona fide invoice which invoice has been endorsed by the Beneficiary organization and to which a statement signed by the Beneficiary organization stating that the goods and services have been received by the Beneficiary is attached. In certain instances, advances or deposits may be called for to prompt action by a vendor. In such cases, such payments are authorized against the documentation specified above; and/or

**c. Direct Procurement by SPEED.** Whenever possible, Chemonics will procure certain items (e.g. commodities) directly and provide them to the Beneficiary as “in-kind assistance” outside the cost of the Grant Budget. All items in this category will be identified in the Agreement and spelled out, so roles and responsibilities are clearly defined; and/or

**d. Advance/Liquidation.** Payment by check payable to the Beneficiary in the form of an advance under Optional Provision 3 “Payment Advance” which the beneficiary will retire by subsequent presentation of a Financial Report, certified by the Beneficiary's authorized agent, for the Allowable Expenses incurred; and/or

**e. Using a combination of one or more of the payment methods above.**

Requests for payment shall be made to the Operations Manager, SPEED Shimoni Office Village, Unit 3, 18 Clement Hill Road, P. O. Box 26013 Kampala, Uganda. Payments shall be made in USH.

**14. Procurement Activities.** The Beneficiary hereby agrees that it will follow the procurement policies described either directly or by references in Attachment 1, Annex 5 hereto. Whenever possible, Chemonics shall procure commodities on behalf of the Beneficiary.

**15. Drug Free Workplace.** The Beneficiary hereby agrees that it will maintain a drug free workplace and will follow the guidelines provided in Attachment 1, Annex 6. Attachment 1, Annex 6, is hereby incorporated into this Grant Agreement and must be returned to the SPEED Project with the Grant Agreement.

**16. Debarment and Suspension Certification.** The Beneficiary hereby agrees that it will sign Attachment 1 Annex 7 hereby incorporated into this Grant Agreement and must be returned to the SPEED Project with the signed Grant Agreement.

**17. Hiring of Government Employees.** The hiring of Government of Uganda employees is not authorized under this Grant Agreement.

**18. Modification.** This Grant Agreement may only be modified by issuance of a formal written Agreement Modification Notice jointly endorsed by Chemonics and the Beneficiary's Agent.

**19. Grant Termination and Suspension.** The Beneficiary agrees that this Agreement may be terminated or suspended for an indefinite period within 30 days after the mailing of a registered letter by Chemonics or Recipient canceling or suspending the Agreement under the following conditions:

**a. For Cause.** Should Chemonics or the Beneficiary determine that:

1. It is unlikely that the "Objective of the Grant" will be achieved; and/or
2. If any of the Terms and Conditions of this Agreement are contravened by the Beneficiary;

**b. For Convenience.** In the event the U.S. Government or the Government of Uganda stops, delays, or transfers the services of or funding to, the SPEED Project for any reason. The SPEED Project and Chemonics International Inc. serve at the convenience of the U.S. Government, and may be impeded by the actions of the U.S. Government from executing this Grant Agreement;

**c. For Mutual Convenience.** The parties may withdraw from this agreement by mutual consent affirmed in writing.

**d. For Force Majeure.** By written notice of either party in the event of a "force majeure"-causes that prevent completion of the grant activities that are beyond the control and without the fault of either party. Examples of such causes include, but are not limited to, (i) acts of God or public enemy; (ii) acts of the U.S. or Ugandan Governments in either their Sovereign or contractual capacities; (iii) fires; (iv) floods; (v) epidemics; (vi) quarantine restrictions; (vii) strikes; (viii) freight embargoes; (ix) unusually severe weather; and (x) delays of subcontractors or suppliers at any tier from enforceable causes beyond the control and without the fault or negligence of both the Beneficiary and its subcontractors or suppliers.

The Beneficiary hereby agrees that it will hold the SPEED Project and Chemonics blameless in the event of termination or suspension of this Agreement for any reason. Notwithstanding the above, USAID may unilaterally terminate this agreement at any time.

**20. Liability.** The Beneficiary hereby agrees that under no circumstances will it hold USAID, Chemonics or the SPEED Project liable for any third-party claims for damages arising from implementation of any activity funded under this Agreement. The Beneficiary assumes full responsibility for compliance with the laws and regulations of the Government of Uganda.

**21. Arbitration.** In the event that any dispute arises concerning any aspect of this Grant Agreement that is not specifically addressed in these Terms and Conditions, it is hereby agreed that an ad hoc committee comprising the SPEED Chief of Party, Responsible SPEED Advisor and the Beneficiary will serve as the final and binding arbiter of such dispute. The Chief of Party will head the committee and will have final authority in resolving any disputes.

**22. Grant Completion Report.** Within 90 calendar days after the "Grant Completion Date", the Beneficiary shall submit three typed-written copies of a Grant Completion Report that will include, but is not limited to, the following sections:

- a. Summary of its Activity Objective Achievements;
- b. Summary of its Activity Implementation Process;
- c. Lessons Learned and Recommendations;

d. Public Dissemination Process;  
 e. Final Grant Funds Reconciliation; and  
 f. Commodity Inventory. It must be noted that all commodities procured under the Grant are to remain the property of Chemonics/USAID for a minimum of 2 years in furtherance of program objectives and that Chemonics reserves the right to determine if the commodities are being employed in accordance with their intended use. At the end of the two years and with the specific approval of the USAID/Uganda Contracting Officer, the commodities will become the Beneficiary's property. Failure to comply may result in recovery of the commodities by Chemonics.

**23. Statement of Agreement.** After having carefully studied the entirety of this Agreement, the undersigned, as authorized Agents of their respective organizations, fully and unconditionally agree with all of the above and by signature hereto bind their respective organizations to the terms and conditions of this Grant Agreement.

**24. Standard Provisions.** Attachment 3 hereto contains both Mandatory and Optional Standard Provisions applicable to this Grant. This Grant is being awarded and administered by Chemonics as an authorized USAID Contractor. Although USAID expects not to become substantially involved in the administration of this Grant other than as described above, it is understood and agreed that USAID may, in its discretion, supersede any decision, act or omission taken by Chemonics in respect of this grant, provided USAID acts in accordance with the grant provisions and in a timely manner, such that the Recipient has not detrimentally relied on the decision, act or omission of Chemonics.

References to the "Agreement Officer" or "Grant Officer" and "USAID" or "AID" in such Standard Provisions shall be deemed to refer, respectively, to the Chemonics SPEED Chief of Party, the SPEED Operations Manager, or to Chemonics.

**ON BEHALF OF THE BENEFICIARY**

**ON BEHALF OF CHEMONICS**

For: XXXXXXXXXXXXXXXXXXXXX.

For: Chemonics International Inc.

By:

By:

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Title:

Title:

Date Signed: \_\_\_\_\_

Date Signed: \_\_\_\_\_

Effective Date \_\_\_\_\_

Effective Date: \_\_\_\_\_

Place Signed:

Place Signed:

Attachments:

Attachment 1: Program Description

Annexes to Attachment 1:

1. Grant Expenditure Schedule (in Ugandan Shillings)
2. Advance Request and Reconciliation Worksheet
3. Financial Systems and Control Requirements
4. Reporting Requirements
5. Procurement Policy

6. Drug Free Workplace Certification
7. Debarment and Suspension Certification

Attachment 2: USAID ADS 303

Attachment 3: Standard Provisions

**DISTRIBUTION:**

1. One Original Copy to the Beneficiary
2. One Original Copy to the SPEED Project Files
3. One Original Copy to USAID

**Attachment 1**  
**Program Description**





**Attachment 1, Annex 1  
Grant Expenditure Schedule  
(in Uganda Shillings)**

<b>Line Item (Provide Details)</b>	<b>Quarter 1 (insert months)</b>	<b>Quarter 2 (insert months)</b>	<b>Quarter 3 (insert months)</b>	<b>Quarter 4 (insert months)</b>	<b>Program Total</b>
1. Salaries					
2. Allowances					
3. Transportation					
4. Communications					
5. Training					
6. Other Direct Costs					
Subtotal					



**Attachment 1, Annex 2  
Advance Request and Reconciliation Worksheet**

1. Beneficiary's Name: \_\_\_\_\_
2. Activity Name: \_\_\_\_\_
3. Grant Tracking No: \_\_\_\_\_
4. Advance Period: \_\_\_\_\_ to \_\_\_\_\_
5. Total Activity Budget: \_\_\_\_\_

Items I-III are to be completed by the Beneficiary. This form must be accompanied by an authorized Financial Report in order to be processed.

**I. Benchmarks Required for this Advance**

	<b>Target</b>	<b>Achieved</b>	<b>% Achieved</b>
Benchmark 1* _____			
<hr/>			
<b>Results:</b>	_____	_____	_____
Benchmark 2* _____			
<hr/>			
<b>Results:</b>	_____	_____	_____
Benchmark 3* _____			
<hr/>			
<b>Results:</b>	_____	_____	_____

\*Benchmarks to be determined with the beneficiary and included in the contract terms

**II. Advance Projections (Detailed Budget Attached)**

Line Item	Month 1	Month 2	Month 3	Total Estimated Expenditure
A. Salaries				
B. Allowances				
C. Transportation				
D. Communications				
E. Training				
F. Other Direct Costs (Provide Detail)				
1.				
2.				
3.				
<b>TOTAL</b>				

**III. Reconciliation Worksheet**

**Worksheet No.:** \_\_\_\_\_

		USH	USH
1.	Estimated advance request (Total from Above):	_____	
2.	Previous advance:	_____	
3.	Total funds available to-date (2)	_____	
4.	Expenditures last period (Financial report)*	_____	
5.	Ending cash on hand (3-4)		_____
6.	Total amount of advance (1-5)		_____

\* The Beneficiary shall submit the original and one copy of a Financial Report to the Operations Manager liquidating the amount of the last advance on a monthly/quarterly basis. The financial report shall include the following if applicable: a request for advance, general project expenses ledger, copies of bona fide receipts, timesheets for project staff, and inventory records.

**BENEFICIARY CERTIFICATION:** I certify that to the best of my knowledge and belief, the data reported above and the attached monthly financial statements are correct and that this request and our subcontract are in full compliance with the terms and conditions of the agreement between ourselves and Chemonics.

Signature: \_\_\_\_\_

Items IV-V are for SPEED Project use.

**IV. SPEED PROJECT APPROVAL**

SPEED Advisor: \_\_\_\_\_ Date: \_\_\_\_\_

SPEED Operations Manager: \_\_\_\_\_ Date: \_\_\_\_\_

**SPEED ACCOUNTING INFORMATION**

Amount of Advance: \_\_\_\_\_

Date of Issue: \_\_\_\_\_

Cheque No: \_\_\_\_\_

Total Activity Value: \_\_\_\_\_

Grant Funds Disbursed to date: \_\_\_\_\_

Grant Funds Remaining: \_\_\_\_\_

SPEED Accountant: \_\_\_\_\_ Date: \_\_\_\_\_

## Attachment 1 Annex 3

### Financial Systems and Control Requirements

**a. General Controls.** The financial management system implemented by the Beneficiary must contain adequate controls, books and records to ensure:

- That approved budgets by line-item category are not oversubscribed;
- That all property and equipment purchased with funds disbursed under this Agreement are properly identified and accounted for;
- The correct completion of the Advance Request Forms;
- The correct completion of financial and other reports submitted to the SPEED Project.

To ensure effective and accurate bookkeeping of all transactions, a minimum of two Beneficiary personnel should be trained to keep all financial records. This will generally solve potential problems created when staff members are sick, on vacation, or leave the organization.

**b. Cash Accounting System.** The Beneficiary must use a cash accounting system. If the Beneficiary expects to use an accrual accounting system it must contact the SPEED Project for specific technical assistance.

**c. Chart of Accounts.** The chart of accounts used in the accounting system must be approved by the SPEED Project prior to disbursement of any funds under this Agreement.

**d. Separate, Special Bank Account for Grant Agreement Funds.** In order to be in compliance with USAID regulations, before any funds can be disbursed under this Agreement, the Beneficiary must have established a separate, special bank account into which all funds disbursed under this Agreement shall be deposited and that account shall contain only funds disbursed under this Agreement. If an initial deposit is required to open that account, the Beneficiary may use non-SPEED funds for this purpose, and withdraw those non-SPEED funds following receipt of the initial disbursement of funds under this Agreement. To the maximum extent practical, all financial transactions for approved and allowable SPEED Grant Program costs to be funded under this Agreement should be paid by check drawn on the required separate, special bank account payable directly to the vendor or payee. No funds disbursed under this Agreement may be transferred to other bank accounts owned by the Beneficiary that contains funds from any source other than the SPEED Project.

Charges from the bank and currency exchange fees are Allowable Costs under the terms of this Agreement.

**e. Pre-Award Audit.** Chemonics reserves the right to conduct a pre-award audit, if necessary.

**f. Periodic Audits.** Depending on the size of the Grants or grant, together with any funding from other U.S. Government-funded agencies, it is possible that the Beneficiary will be audited. The audit may be interim, also known as a limited scope audit review, a final activity audit, or an organizational audit. *An audit may take place at any time up to three years after the submission of your final reports.* Under the terms of this Agreement, the Beneficiary is obligated to maintain all project records for at least that length of time, in such a way that they may be easily accessible to the representatives of Chemonics, the SPEED Project or USAID, or any auditors commissioned for the purpose of examining those records. The purpose of an audit is to confirm that the Beneficiary is in substantial compliance with the terms of this Agreement.

**g. Interim Audits.** The limited scope review, or interim audit, is a modestly scaled audit conducted to verify that the Beneficiary has systems and procedures in place to properly process and record financial transactions, to ensure that the terms and conditions of the Grant are met, and to detect any improper use of grant funds. This audit may properly be viewed as offering substantive technical assistance to the organization in order to help the Beneficiary function in the most efficient and effective way possible.

**h. Final Audits.** A final audit may be performed at the end of the program term. This may be routine, or may be performed specifically to address issues of noncompliance that may have been noted during the course of an interim review, as well as any additional issues as determined by SPEED, or its designee.

**i. Taxes.** The cost of installation, transportation, taxes, duty or protective in-transit insurance may be included or excluded from the cost of the Beneficiary's purchases in accordance with its regular accounting practices.

**j. Inventory Records.** Once the Beneficiary has purchased or received the equipment, it must establish and maintain equipment inventory records that include the following points.

- A description of the equipment
- Manufacturer's serial number
- Model number
- Organizational assigned inventory number
- Source of the equipment, including your grant reference number
- Where title vests (your organization, unless you are advised otherwise)
- Acquisition date
- Location of the equipment
- Current use of the equipment
- Condition of the equipment
- The date the information was recorded
- Unit acquisition cost

**k. Title.** All commodities procured under the Grant are to remain the property of Chemonics/USAID for a minimum of 2 years in furtherance of program objectives and Chemonics reserves the right to determine if the commodities are being employed in accordance with their intended use. The equipment acquired with SPEED funds may only be used for the purposes of the original activity under which it was purchased. In the event that equipment purchased no longer continues to be used for the same purpose as those of the program, or within 30 days after the end of the grant, the grantee will request instructions from Chemonics on disposition or continued use of the property as required by Optional Standard Provision 3, Title to and Use of Property (Grantee Title).

**l. Physical Inventory.** At least once a year but preferably every six months, you must perform a physical inventory of all equipment purchased with SPEED funds by visually identifying each piece, and updating your equipment inventory record. These physical inventories should continue, as a policy of your organization, after the termination date of the SPEED Grant.

**m. Control System.** Losses from fire or theft, or irreparable damage to the equipment are unfortunate possibilities. The Beneficiary should anticipate the possibility and obtain insurance where possible. However, the cost of this insurance is not an allowable cost under the SPEED Grants Program. The Beneficiary should also protect its office space where the equipment is housed. This protection may include but is not limited to, the installation of adequate locks on the doors or windows, and an electronic security system.

**n. Maintenance.** In addition to the Beneficiary's control system, it must have in place adequate maintenance procedures to ensure its equipment and facilities are kept in maximum operating efficiency. These procedures may include having its equipment serviced and repaired regularly, and protecting it from extreme temperatures.

**o. Services.** Purchase of professional services, such as translating, legal, or accounting services, follows the same guidelines as the purchase of equipment. The requirement to ensure full, open or adequate competition remains the same.



## **Attachment 1, Annex 4 REPORTING REQUIREMENTS**

The importance of prompt reports simply cannot be overemphasized. The Beneficiary is responsible for submitting the reports required below on time. Failure to submit narrative and financial reports on time will delay, or result in withholding of, disbursements under this agreement.

**A. Monthly/Quarterly Reports.** The following monthly (or quarterly, depending on nature of grant activities) reports shall be submitted along with any request for disbursement under this agreement.

**1. Program Report.** This should be a brief report discussing the degree to which the program activities are being accomplished and are achieving the program objectives. The report should also include any major program implementation problems, such as failure to meet program objectives and targets, and critical operational issues such as MIS management problems, staffing problems, etc.

**2. Financial Report.** The Recipient shall submit the original and one copy of a Financial Report to the SPEED Operations Manager on a quarterly basis not later than the 15th day of the month following the month for which the advance was requested. The Financial Report shall include:

- Request for Advance;
- General Project expenses ledger;
- Copies of bona fide receipts;
- Timesheets of project staff and experts;
- Travel forms; and
- Inventory records.

**B. Annual Report.** The Beneficiary is required to submit an annual summary of activities in the twelfth month of every annual period of the Agreement. This report will highlight major activities in program implementation as compared to the Strategic Plan and Program Benchmarks, and indicate annual goals for the following year. The Advisors at the SPEED Project are responsible for reviewing and approving revised project goals and plans made for overcoming any implementation problems against the original Strategic plan and organizational development plan.

## **Attachment 1, Annex 5 Procurement Policy**

The Beneficiary agrees to establish and maintain a procurement system that complies with policies of the U.S. Agency for International Development as set forth in Optional Standard Provision 1, Procurement of Goods and Services. To assist the Grantee in this effort, the following supplemental guidance is provided. In the event of any conflict between this supplemental guidance and specific provisions of Optional Standard Provision 1, the specific provisions will prevail.

The procurement system must avoid and eliminate the purchase of unnecessary or duplicate items, and must follow a procedure that ensures that purchases are not made without the approval of at least one person other than the individual who has identified the need or is making the purchase. The Beneficiary must establish a purchasing procedure whereby any purchase over the USH equivalent of US\$ 100 requires a purchase order.

**Procurement Plan.** Prior to the disbursement of any funds under this Agreement, the Beneficiary must submit to the SPEED Project a written list of the goods and services to be purchased with funds disbursed under this Agreement. This list, known as the Procurement Plan, must include:

- The criteria to be used in making the selection of goods or services;
- The source or origin of the goods or service (if known); and
- The approximate price the Beneficiary expects to pay.

The SPEED Project will review the Procurement Plan, will provide detailed information concerning all procurement regulations and will approve or recommend alterations to the plan.

**Competition.** Every time the Beneficiary purchases something with SPEED Grants Program funds, it must use an appropriate level of cost comparison and analysis. Each time the Beneficiary requests an oral or written bid from two or more vendors, it must provide each vendor with identical information regarding the specification of the goods or services it is procuring.

- \* *When purchasing any good or service with a unit cost of less than the USH equivalent of US\$ 500, price quotes are preferred but not required. If possible, three oral quotes should be obtained and documented (names of vendor and price quote). Selections should be made on the grounds of price, quality, dependability, timeliness, and other business considerations.*
- \* *When purchasing a good or service with a unit price greater than or equal to the USH equivalent of US\$ 500, but less than US\$ 5,000, three written quotes must be sought. Oral quotes are not acceptable. Selection should be made based on the factors of price, assured timely deliveries, proven ability to deliver a*

quality product, reputation of vendor, and other criteria fitting to the specific procurement.

- \* SPEED will have substantial involvement in *procurement of a good or service with a unit price greater than the USH equivalent of US\$ 5,000*. Three written quotes must be sought and evaluated in an open and transparent manner.

**Attachment 1, Annex 6**  
**Drug Free Workplace Certification**

The Beneficiary of this Grant Agreement, also known as the Grantee, hereby certifies the following:

1. That this certification is a material representation of fact from the Beneficiary upon which reliance was placed when the SPEED Project awarded the grant;
2. That the Beneficiary understands that if it is later determined that the Beneficiary knowingly rendered a false certification, or otherwise violated the requirements of the Drug-Free Workplace Act, the SPEED Project, in addition to any other remedies available to the U.S. Federal Government, may take action authorized under the Drug-Free Workplace Act; and
3. That the Beneficiary currently maintains and will continue to maintain and provide throughout the life of the grant a Drug-Free Workplace by:
  - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Beneficiary's workplace and specifying the actions that will be taken against employees for violation of such prohibition:
  - b. Establishing a Drug-Free awareness program to inform employees about:
    - i. The dangers of drug abuse in the workplace;
    - ii. The Beneficiary's policy of maintaining a Drug-Free Workplace;
    - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - c. Making it a requirement that each employee to be engaged in the performance of the grant is given a copy of the statement required by paragraph (a);
  - d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
    - i. Abide by the terms of the statement; and
    - ii. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
  - e. Notifying the agency within ten days after receiving notice under subparagraph (d) (2) from an employee or otherwise receiving actual notice of such conviction:

f. Taking one of the following actions, within 30 days of receiving notice under subparagraph (d) (2), with respect to any employee who is so convicted:

- i. Taking appropriate personnel action against such an employee, up to and including termination; or
- ii. Requiring such an employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

The Beneficiary further certifies that the site(s) for the performance of work to be done in connection with the grant is: (Street address, city)

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The Beneficiary certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance in conducting any activity with the grant.

Certified by: *(Signature of Beneficiary's Authorized Signatory)*

Name: *(Name of Beneficiary's Authorized Signatory)*

Title: *(Title of Beneficiary's Authorized Signatory)*

Date:

**Attachment 1, Annex 7**  
**Debarment and Suspension Certification**

A. The Beneficiary certifies to the best of its knowledge and belief, that it and its principals:

Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency; have not within a three-year period preceding this proposal been convicted of or had a civil judgment 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; are not presently indicated for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in this certification; and 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 Beneficiary agrees that, unless authorized by the Grant Officer, it will not knowingly enter into any sub-agreements or contracts under this grant with a person or entity that is included on the “Lists of Parties Excluded from Federal Procurement or Non-Procurement Programs.” Chemonics will provide the Beneficiary with a copy of these lists upon request.

The Beneficiary further agrees to include the following provision in any sub-agreements or contracts entered into under this grant:

“The Beneficiary/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 intelligibility under USAID-financed transactions are set forth in 22 CFR Part 208.

On behalf of \_\_\_\_\_ (*Name of Beneficiary Organization*),  
the Beneficiary, I hereby acknowledge our understanding and acceptance of the terms and conditions of this Certification.

By: (*Signature of Beneficiary's Authorized Signature*)  
Name: (*Name of Beneficiary's Authorized Signatory*)  
Title: (*Title of Beneficiary's Authorized Signatory*)

Date: \_\_\_\_\_

**Attachment 2**  
**USAID ADS 303**

**Functional Series 300: Acquisition and Assistance**  
**ADS Chapter 303 -Grants and Cooperative Agreements to Non-Governmental Organizations**

- 303.1 Authority
- 303.2 Objective
- 303.3 Responsibility
- 303.4 Definitions (See Glossary)
- 303.5 POLICY
- 303.5.1 USE OF GRANTS AND COOPERATIVE AGREEMENTS
- E303.5.1 Use of Grants and Cooperative Agreements
- 303.5.2 APPLICABLE REGULATION
- E303.5.2 Applicable Regulation - N/A
- 303.5.3 DEVIATIONS
- E303.5.3 Deviations
- E303.5.3a Requirements for Comments
- E303.5.3b Contents of a Deviation Request
- 303.5.4 PUBLIC NOTICE AND ADVERTISING
- E303.5.4 Public Notice and Advertising
- 303.5.4a ANNUAL PROGRAM STATEMENT
- E303.5.4a Annual Program Statement
- 303.5.4b REQUEST FOR APPLICATIONS
- E303.5.4b Request for Applications
- \*303.5.4c UNSOLICITED CONCEPT PAPERS AND APPLICATIONS
- \*E303.5.4c Unsolicited Concept Papers and Applications - N/A
- 303.5.5 COMPETITION
- 303.5.5a REQUIREMENTS FOR COMPETITION
- E303.5.5a Requirements for Competition
- 303.5.5b EVALUATION CRITERIA
- E303.5.5b Evaluation Criteria
- 303.5.5c REVIEW AND EVALUATION
- E303.5.5c Review and Evaluation
- 303.5.5d EXCEPTIONS TO COMPETITION
- E303.5.5d Exceptions to Competition
- 303.5.5e LATE OR INCOMPLETE SUBMISSIONS
- E303.5.5e Late or Incomplete Submission
- 303.5.6 APPLICATION FORM AND CONTENT
- E303.5.6 Application Form and Content
- 303.5.7 POST SELECTION ACTIONS
- E303.5.7 Post Selection Actions -N/A
- 303.5.7a NOTIFICATION
- E303.5.7a Notification
- 303.5.7b REQUEST FOR ADDITIONAL INFORMATION

E303.5. 7b Request for Additional Information  
303.5.8 STATUTORY AND REGULATORY CERTIFICATIONS  
E303.5.8 Statutory and Regulatory Certifications  
303.5.9 PRE-AWARD RESPONSIBILITY DETERMINATION  
E303.5.9 Pre-award Responsibility Determination  
303.5.9a PRE-AWARD SURVEYS  
E303.5.9a Pre-award Surveys  
303.5.9b HIGH RISK RECIPIENTS  
E303.5.9b High Risk Recipients  
303.5.10 COST SHARING  
E303.5.10 Cost Sharing  
303.5.10a COST SHARE IMPLEMENTATION  
E303.5.10a COST SHARING - N/A  
303.5.11 COOPERATIVE AGREEMENTS  
E303.5. 11 Cooperative Agreements  
303.5.11a SUBSTANTIAL INVOLVEMENT  
E303.5.11a Substantial Involvement  
303.5.12 NEGOTIATION AND AWARD  
E303.5.12 Negotiation and Award  
303.5.13 ADMINISTRATION OF AWARDS  
E303.5. 13 Administration of Awards  
303.5.13a MULTIPLE YEAR AWARDS  
E303.5.13a Multiple Year Awards  
303.5.14 INFORMAL COMMITMENTS  
E303.5.14 Informal Commitments  
303.5.15 SIMPLIFIED FORMAT GRANTS TO NON-U.S. ORGANIZATIONS  
E303.5.15 SMALL GRANTS TO NON-U.S. ORGANIZATIONS  
303.5.16 CONGRESSIONAL AWARD NOTIFICATION SYSTEM  
E303.5.16 Congressional Award Notification System  
303.5.17 OFFICIAL LANGUAGE  
E303.5.17 OFFICIAL LANGUAGE  
303.5.18 ENDOWMENTS  
E303.5.18 Endowments  
303.6 Supplementary Reference  
303.7 Mandatory Reference



## **Attachment 3**

### **STANDARD PROVISIONS**

#### **MANDATORY STANDARD PROVISIONS FOR NON-U.S., NON-GOVERNMENTAL GRANTEES**

#### **INDEX OF MANDATORY STANDARD PROVISIONS**

1. Allowable Costs
2. Accounting, Audit and Records
3. Refunds
4. Revision of Grant Budget
5. Ineligible Countries
6. U.S. Officials not to Benefit
7. Investment Promotion
8. Amendment
9. Notices
10. Metric-System of Measurement

#### **INDEX OF OPTIONAL STANDARD PROVISIONS**

1. Procurement of Goods and Services
2. USAID Eligibility Rules for Goods and Services
3. Payment Advances
4. Title to and Use of Property (Grantee Title)
5. Air Travel and Transportation
6. Regulations Governing Employees
7. Cost Sharing (Matching)
8. Local Cost Financing
9. Participant Training