



# CREA SOUTH AFRICA

Bank Forum Building, 2<sup>nd</sup> Floor (Lobby 2), 337 Bronkhorst St, New Muckleneuk 0181  
P O Box 40285, Arcadia 0007, Pretoria, South Africa  
Telephone No: ( 012) 460-2890 Fax No: (012) 460-2894

## GMTA - CONTRACTOR QUARTERLY PERFORMANCE REPORT 01 January 2002 - 31 March 2002

**Contractor:** Creative Associates International, Inc.  
**Contract #:** 674-0322-C-00-7091-19  
**Grants Management and Technical Assistance (GMTA) to USAID/SA/SO#1**  
**Dollar Value of Contract :** \$42,107,901 - 26/09/1997  
**Obligated Contract Amount:** \$28,212,241  
**Reporting Period :** 01/01/02 - 31/03/02

### A. Narrative:

This report, the sixteenth submitted under this contract, covers the status of those activities identified as "in progress" in the previous report as well as all new activities requested by USAID during this reporting period.

### 1. Contract Objective:

The objective of the contract is to provide services to USAID/South Africa's Democracy and Governance Strategic Objective Team (SO#1) in the areas of: grants management support for new and existing grants and cooperative agreements; long and short-term technical assistance; logistical support assistance for workshops, conferences and consultations; feasibility study and recommendations on developing endowment trust/foundation mechanisms; and sectoral assessments and environmental impact studies over a period of seven years and two and one half months.

### 2. Administrative Actions:

During this reporting period two vacancies in the Finance Division were filled; the senior accountant position was filled by Vincent Titus and the junior accountant position by Amanda Mateyisi. In addition, Lorraine Markgraaff was selected and brought on board as Administrative Assistant for the Program Division, a new position which had been approved by USAID during a budget realignment more than a year ago. The position had not been filled until now because the program managers were able to keep abreast of administrative work without this assistance. With the increase in workload occasioned by the issuance of several Annual Program

Statements and the second round of direct assistance to municipalities which will be starting shortly, the need for this additional staffing became apparent.

The only other administrative action of note during this reporting period was the decision to lease a heavy duty photocopier for the remaining life of the contract. Technical evaluation committees and other project-related meetings with requirements to photocopy multiple page documents such as contract proposals, grant applications, and various reports, have placed heavy demands on the Xerox machine which Crea purchased more than four years ago. The increasing frequency of problems with this over-worked machine have impacted on Crea's ability to meet program requirements in a timely manner. Quotations for purchasing and leasing were obtained for several brands of heavy duty photocopiers. Analysis of these quotations confirmed that leasing for the period remaining would be less expensive than purchasing and the decision to lease a heavy duty photocopier from Konica was made on the basis of the lowest quotation for monthly rental. The old Xerox machine was retained as a back-up since the trade-in or resale value of the machine was minimal in comparison to its utility as a reserve during periods of heavy duty photocopying.

### 3. Status of SOW Actions Previously Reported as IN PROGRESS

#### (A) CIVIL SOCIETY UNIT (CSU)

- 99/021 - (CSU) KZN Peace Initiatives Cooperative Agreement

The final audit of IMPD is still outstanding. The auditors claim that the delays have been caused by the fact that some serious issues relating to documentation and internal controls have come to light; however, IMPD is not responding to requests for additional information in a timely manner. This activity will remain IN PROGRESS until all closeout actions have been completed.

- 99/041 - (CSU) SANGOCO NGO Week Grant

An amendment to this agreement to change the dollar/rand exchange rate was processed during this quarter in order to cover additional expenses connected with the 2001 NGO Week activities. All other outstanding financial issues were resolved and final payment was processed. The final report on the last NGO Week was also received. This activity is now considered **COMPLETED**.

- 01/088 - (CSU) SANGOCO Management of the CIVICUS Study

All final close out actions have been completed on this activity and it is now classified as **COMPLETED**.

- 01/089 - (CSU) Research Support for Civil Society Index

All programmatic actions under the cooperative agreement with IDASA have been completed. CORE, a partner of IDASA under this activity, also submitted an informal assessment of the research process. Crea is still awaiting some final documentation for liquidation of advances before this activity can be officially closed. Until then, this activity is still considered **IN PROGRESS**.

- 01/091 - (CSU) NPO Tax Communication and Support Services Program

Activity: The development and implementation of a communications and support services program to facilitate an enabling tax environment for non-profit organisations.

Activities under both this program and the tax lobbying program continue with the NPP keeping both Crea and USAID closely involved. Both Crea and USAID were invited to be part of a reference group for a tax communication and support program for CBOs. The NPP sees the need to keep the tax

workshops for NGOs and CBOs separate because tax communication and support needs of the two differ. As a result, the NPP has now embarked on developing a different approach to workshops for CBOs. While this aspect of the activity was not covered under the original budget, the NPP will have enough funds to hold these workshops because of unanticipated sponsorship for other workshops already completed. The NPP still has sufficient funds to add at least the pilot and a few more workshops. The lobbying component also continues with a more positive outlook following a good meeting with SARS and National Treasury. This activity will remain **IN PROGRESS** until June 2003.

- 01/102 - (CSU) Research and Analysis Skills Strengthening Program (RASSP)

Activity: To develop and strengthen research and analytical skills of the civil society sector under a cooperative agreement with the Centre for Civil Society (CCS).

After the cooperative agreement had been signed and the CCS project manager had been appointed in January, Crea briefed her on the requirements of the agreement. CCS submitted a workplan and both Crea and USAID provided feedback on the plan. Crea is awaiting the revised workplan in final form. Financial management of the agreement has been somewhat problematic; however, a new finance person has been appointed by CCS to deal solely with this activity. Crea plans to provide training to this person during the next quarter. This activity is expected to be implemented over a two year period and will remain **IN PROGRESS** until the end of November 2003.

- 01/106 - (CSU) APS Award to NPP

As this activity is synergistically linked with activities under the grant to the Non-Profit Partnership (NPP) for the NPO Tax Communication and Support Services Program (Request No. 01/091), the NPP has been reporting on both activities under one report. The status and progress of this activity is included above under Request No. 01/091 and will continue in that manner in future reports. This activity will remain **IN PROGRESS** until the end of August 2003.

- 01/107 - (CSU) APS Award to CORE

Activity: To build an effective civil society which can engage government in from an informed position.

USAID and Crea met with CORE during this reporting period to discuss the impasse on the agreement budget and the issue of allowable costs. After what proved to be a difficult meeting addressing primarily the issue of actual costs versus "billing rates", CORE agreed to submit an amended budget. After analysing this budget, Crea requested USAID to waive the counterpart contribution which USAID agreed to do. Comments on the amended budget were submitted to CORE and another meeting was requested by CORE to discuss the comments and changes. It is anticipated that this meeting will occur early in next quarter. Program activities have resumed and appear to be on track, even though no report has been received as yet. This activity will remain **IN PROGRESS** until October 2003.

- 01/108 - (CSU) APS Award to SANGONET

Activity: Support for development and maintenance of an internet site with information on the South African funding environment and related matters under a cooperative agreement with SANGONET.

Activities are progressing well under this agreement. The workplans have been submitted and two reports received. Financial reports have not been submitted monthly; however, the delays have been addressed and reporting has now resumed. This activity will remain **IN PROGRESS** until the end of September 2003.

- 01/109 - (CSU) APS Award to AISA

Activity: Support for development of non-financial accountability mechanisms for non-profit organisations in South Africa under a cooperative agreement with AISA.

An advance has been made to AISA; however, there is no evidence of program activity to date. USAID met with AISA and NBI and there appears to be some move to kick-start the project. Crea is satisfied with the financial controls and monitoring mechanisms which are now in place. The two year agreement will remain **IN PROGRESS** until November 2003.

- 01/111 - RESERVED (request no yet received)

**(B) LOCAL GOVERNMENT UNIT (LGU)**

- 99/047 - (LGU) Planact Cooperative Agreement

Activity: Support for building a relationship between the Bloemfontein Traditional Local Council (now Mangaung Municipality) and the communities it serves through the establishment of ward committees.

The final report together with the learning product for this activity were due at the end of March and had not been submitted by that date. Crea contacted Planact regarding the submission of the reports and Planact informed Crea that they have submitted the learning product in draft to Mangaung for comment but no response has been received to date. A decision was made to finalize the document without Mangaung comments. USAID will follow up with Mzwandile at a meeting scheduled in April to request their comments on the learning product. Any comments received will be incorporated into the learning product via an annexure. Crea expects both reports to be submitted during the first half of the next quarter. Towards the end of the agreement period, the issue of the counterpart contribution (cost sharing) resurfaced. Both Mangaung and Planact had each separately assumed responsibility for fulfilling that requirement. After discussions with USAID, a decision was made that Planact would be permitted to claim reimbursement for project expenses which they had previously allocated to cost sharing since the contributions already provided by Mangaung were sufficient to meet the cost sharing requirement. Crea Finance Division is currently working with Planact to make final disbursement of funds under the agreement. This activity will be reported as **IN PROGRESS** until the final report and learning product have been received; all disbursements have been finalized; and all other close out actions have been completed.

- 99/048 - (LGU) District Six Intern Assistance - Phase II

Activity: Support to the Western Cape Commission for the Restitution of Land Rights through payment of stipends for student interns to assist with the processing of land claims from former residents of District Six and other affected areas.

Activities under this request are on track and appear to be proceeding normally. Two of the interns funded under this activity resigned during this quarter and were immediately replaced by the Land Claims Commission. The twelve interns for the Land Claims Commission will be paid by Crea and the activity reported as IN PROGRESS through 31 March 2003.

- 00/051 - (LGU) Credit Control Study - MSI

Activity: Special study on credit control practices in South African municipalities.

As of the end of the reporting period the status of this action had not changed. Crea still awaits the two reports from DPLG for printing. This activity will remain **IN PROGRESS** until Crea has paid for the printing of the two documents.

- 00/059 - (LGU) Knysna/Hermanus Contract - Deloitte & Touche

Activity: Improving operational effectiveness for a performance management system (PMS), human resource development (HRD), equity and new institutional arrangements in the Hermanus (now Overstrand) and Knysna municipalities.

Hermanus had delayed approval of the Deloitte & Touche (D&T) invoice for training workshops and implementation plans due to queries regarding the associated report. After discussing the report with the D&T consultant, Lesedi Makhurane, Hermanus approved the invoice and payment was made. USAID and Crea met with Mr. Makhurane in February regarding finalization of the learning product. It was agreed during that meeting that D&T (Mr. Makhurane) could finalize and submit the learning product to Crea by mid-March. Payment for the final deliverable will be made after acceptance and approval has been obtained from Hermanus, Knysna, and USAID on the final learning product. Activities under this request will remain **IN PROGRESS** until the learning product has been approved and final payment has been made.

- 00/061 - (LGU) Revenue Management - Cooperative Agreement

Activity: Support for revenue management and service delivery improvement for the Benede Oranje (now Siyanda) District Council, Umzinyathi (now AmaJuba) Regional Council, and Volksrust (now Seme) Local Council under a cooperative agreement with Vulindlela.

Training in accordance with the initial training schedule has been completed successfully in all areas. The only component of the project still outstanding is the additional training for councillors and officials in DC 25 (now AmaJuba District Council) and the final evaluation of the project which will be funded by the cash counterpart contribution. Vulindlela requested guidance from Crea regarding the interest earned on the cash counterpart. Crea advised Vulindlela in writing that AmaJuba District Council would need to make the decision regarding the interest earned. The funds should either be applied to the program or be refunded to the AmaJuba District Council.

Vulindlela requested guidance from Crea and USAID on the final learning product to be developed. A meeting with Vulindlela to discuss the learning product format has been scheduled for April. This activity will remain **IN PROGRESS** until the final report and learning product has been delivered and all close out actions have been completed.

- 00/064 - (LGU) Eastern Tubatse/Origstad - Cooperative Agreement

Activity: The establishment and building of community structures and the development of appropriate governance capacity through a cooperative agreement with IMPD.

Crea received copies of the final report and the learning product from IMPD on 8 February 2002. After receipt of USAID comments, Crea sent a letter advising IMPD of USAID comments and scheduling a visit in April to further discuss the two products. This activity will continue to be classified as **IN PROGRESS** until the revised reports have been delivered, audit has been completed, and all close out actions have been finalized.

- 00/066 - (LGU) Drakensberg - Contract

Activity: Assistance to enable the Drakensberg District Council (DDC) (now Ukwahlamba) and the Elliot, Indwe, Jamestown, Ventersstad, Ugie, MacLear and Sturkspruit municipalities to fulfil their constitutional mandate through building of relevant organizational, administrative, financial, technical and engineering skills and systems through a contract with Bigen Africa.

As this contract goes into its final stages the momentum of work has slowed down considerably. The contractor reported that they continue to monitor the process and continue to help the Ukwahlamba District Municipality to obtain buy-in from all the municipalities which come under the district. A mayoral forum meeting attended by the Mayor and the

Municipal Manager was held at the end of March and an integrated process plan was approved. The District Council made R200,000 available to implement the project at ground level and Bigen Africa was awarded the contract to do the work. Although not a part of this USAID-funded activity, their project demonstrates commitment to the process on the part of Ukwahlamba District Council.

Bigen Africa will continue to monitor the project for the duration of their contract. Billing is on track and invoices received during the reporting period have been paid. Activities under this request will remain IN PROGRESS until completion of the awarded contract which is currently scheduled for 23 August 2002.

- 00/067 - (LGU) IDP Cluster - Contract

Activity: Integrated Development Plan (IDP) support for Bophirima District Council, Bronkhorstspuit/Ekangala, Koster and Thohoyandou municipalities through a contract with PlanPractice.

The status of activities in each of the four municipalities is as follows:

Thohoyandou: Activities in this municipality have proceeded well. The two planned strategies workshops took place as scheduled during the last reporting period. This activity is currently in the project phase of the IDP. The projects have been identified and are in the process of being designed.

Kungweni: Activities in this municipality have proceeded as planned. The four strategies and projects workshops took place as scheduled. This activity is also now in the project phase of the IDP. The projects have been identified and are in the process of being designed.

Bophirima: PlanPractice reported that a final workshop took place in Vryburg on 18 March 2002 at which the final draft IDP document was vetted with all stakeholders. This meeting was well attended and well received by all stakeholders. The IDP for this municipality has been completed and handed to Council for approval and resolution. It is expected that it will be submitted to the MEC during the next reporting period.

Koster: Crea and USAID convened a meeting with PlanPractice on 01 March regarding the status of the Koster project and progress to date. It became apparent to all that there was some misinterpretation of what the council resolution meant for the project and what was expected from PlanPractice. During this reporting period two additional meetings were held to request the contractor to collect all research information and documentation and compile a comprehensive document for presentation to the Council. Crea is attempting to schedule a meeting in April to enable PlanPractice to present and hand over an end product to the Koster Municipal Manager, Mr. Tulsee.

Activities under this request can be expected to remain **IN PROGRESS** until completion of the awarded contract.

- 00/068 - (LGU) Greater Germiston - Contract

Activity: Conduct a survey of "Needs Assessment for Effective Local Governance" for the Greater Germiston (now Ekhuruleni) Council through a contract with ISIS. This survey will assist Council to identify and analyze community needs and develop strategies to respond effectively.

As previously reported, ISIS was experiencing problems setting up a meeting with the new Ekhuruleni Council for the purpose of making a presentation on the results of the survey. USAID's scheduled meeting with the new Council was also postponed several times. Finally, USAID obtained a presentation date of 21 February but, unfortunately, ISIS was unable to make the presentation to the Council due to other commitments. Utilizing a PowerPoint presentation prepared by ISIS, USAID made the long overdue presentation to the Ekhuruleni Council. USAID also presented the Council with a copy of the learning product which had been submitted in hard copy

and electronic form by ISIS. All payments under this contract have been made and this activity is now **COMPLETED**.

- 00/075 - (LGU) Clarkson Community Trust - Cooperative Agreement

Activity: Assistance, under a cooperative agreement with Isandla Partners for Development (IPD), to establish an effective municipal presence in the area in order to improve residents access to local government services and develop a culture of municipal governance that shifts from representative government to participatory governance through establishing a jointly owned community-based structure.

This project is progressing at a steady pace, with a few remaining administrative challenges for IPD, the CCPT and the Koukamma municipality to sort out. IPD is currently drafting performance standards; motivating the Forum to complete street names so that the debtors database can be updated; finalizing the indigent database format; assisting Koukamma with their filing system; drafting a Municipal Community Partnership Agreement and finalizing credit control procedures to be followed by the Clarkson office.

IPD has assisted Koukamma Council with the training of Committee Clerks in the writing of minutes for municipal meetings, investigation into community debt collection possibilities an updating and redesigning filing systems. IPD requested a three month no-cost extension of the agreement until 30 June 2002 to enable IPD to complete all aspects of the program. Crea has requested USAID concurrence with this extension and, assuming USAID concurs, will finalize the amendment during the next reporting period.

The Koukamma Municipality has also requested IPD to motivate to USAID to extend the program to include the establishment of municipal offices in six other rural settlements and training of the soon to be established ward committees and existing development forums which it hopes will be seen as a natural extension of the program. IPD is currently preparing the proposal for submission to USAID.

This activity will remain **IN PROGRESS** until the final report and the learning product has been received and all close out activities have been completed.

- 00/076 - (LGU) Voter Education Cooperative Agreements (2) - IMPD

The final audit of IMPD is still outstanding. The auditors claim that the delays have been caused by the fact that some serious issues relating to documentation and internal controls have come to light but IMPD is not responding to requests for additional information in a timely manner. This activity will remain **IN PROGRESS** until all close out actions have been completed.

- 00/079 - (LGU) CLC Assistance to DPLG - Cooperative Agreement

Activity: Assist DPLG and local government stakeholders to establish newly demarcated municipalities in the run-up to the local elections.

The final report has been completed and delivered to Crea and USAID. This activity is expected to remain **IN PROGRESS** until the final audit has been received and all close out actions have been completed.

- 00/087 - (LGU) Hillbrow/Berea Inner City Project - Cooperative Agreement

Activity: Assist the Greater Johannesburg Metro Council (GJMC) and residents of the Hillbrow/Berea area with a participatory planning process for the GJMC's Hillbrow/Berea Regeneration Initiative.

Crea received notification from Project Manager Vernon Openshaw that he had accepted a position with the Lutheran Church for 25 hours per week. Vernon had negotiated the 25 hours per week to enable him to stay on the Hillbrow/Berea project on a part time basis. He had proposed to continue

working on the project for 15 hours per week to assist JPNDAs in completing the project. Some tension arose within the consortium as some of the members felt that Vernon was leaving them in the lurch. Crea and USAID requested a meeting with the consortium to discuss this issue and the progress of the project in general. A meeting was held on 15 February but, unfortunately, only three of the consortium members attended the meeting. USAID and Crea advised that the consortium would have to make the decision about Vernon continuing on the project on a part time basis. It was emphasized, however, that Vernon Openshaw was the face of the consortium to date and a critical part of the puzzle they needed to put together for the learning product. The decision was left for the consortium to resolve after further discussion. A week later Vernon advised Crea that the consortium had accepted his offer of 15 hours per week and that this would become effective on 01 March 2002.

The JPNDAs have continued to identify stakeholders in the area and to engage and mobilize their participation in all aspects of the process. The primary tool of communication with the general public has been the use of the forum theater. The project coordinator has continued to meet with various stakeholders. Despite best efforts to get the officials of the City of Johannesburg involved, they have not seen this regeneration project as a priority since the timing of the project does not fit within Council's broader development plans. The JPNDAs have continued to engage the Advisory Panel in assisting with the ongoing conceptualization and monitoring of the project through means of regular meetings. The consortium members and staff joined by the Project Manager, Department of Development Planning, Transportation and Environment Department have held monthly meetings to evaluate the process and the development and production of the learning product.

As previously reported, the VAT payable under the cooperative agreement needs to be recalculated and the budget realigned accordingly. Crea financial staff are currently addressing that issue and an amendment realigning the budget will be processed during the next reporting period. The JPNDAs report for the period December 2001-February 2002 has been received and a copy provided to USAID. This activity is expected to remain **IN PROGRESS** until the end of April 2002.

- 01/096 - (LGU) Knowledge Bank Business Plan for DPLG - NBI

Activity: Produce a detailed research and options paper, run consultative workshops to identify a preferred option emanating from that paper and develop a detailed business plan for the establishment of a Knowledge Management Facility for DPLG through a contract with NBI.

The Final Business Plan has been delivered to DPLG, USAID and Crea. Approval was obtained and final payment was made to NBI in early March 2002. This activity is now **COMPLETED**.

- 01/098 - (LGU) Horizontal Learning & Information Sharing - ODA

Activity: Support for the transformation of local government by enabling the sharing of information and knowledge relevant to the challenges faced by local government under a cooperative agreement with ODA.

Due to a number of deficiencies in ODA's administrative and financial management systems, a decision was made jointly by USAID, Crea and ODA to award the cooperative agreement on a reimbursement rather than advance payment basis. It was agreed that ODA could request advances for specific items identified in their workplan as being too costly for ODA to finance up front, with the understanding that the advanced amounts will have to be liquidated by paid receipts within the same month. The cooperative agreement was signed on 13 February 2002.

ODA held several meetings during this reporting period with DPLG, LGTP, SALGA and USAID in an attempt to set up the first client meeting for the program. The client meeting was scheduled to take place in February but, due to internal politics and other dynamics with DPLG, LGTP and SALGA, the meeting has not yet taken place. ODA was requested by these stakeholders

to draw up a memorandum of understanding as the basis from which all parties will operate. ODA is confident that once the memorandum has been countersigned by all stakeholders that the first client meeting will be held and that the program will continue as planned. ODA mentioned that these delays have had an impact on the schedule set forth in their workplan; however, these delays should have only a negligible effect on the program in the long run.

ODA has requested two reimbursements to date and these have been paid by Crea. The subject of VAT surfaced as an issue on this project and is being addressed by the Crea Finance Division. Activities under this request are scheduled to remain **IN PROGRESS** until 14 November 2003.

- 01/104 - (LGU) Project Implementation Agent (PIA) - Round Two

Activity: Deloitte & Touche was contracted (with Manto Management as a subcontractor) to provide the services of Project Implementation Agent (PIA) for twenty-four months. Working under the technical guidance of the Programme Steering Committee, the Contractor will be responsible for assisting with the selection of new municipal projects, final design and launch of new projects, providing technical advice and "trouble shooting" services during project implementation, and to serve as an "early warning system" to enable additional assistance when projects experience difficulties, analyse the implementation of all projects in the programme and serve as an intellectual partner to the Programme Steering Committee.

Further meetings have been held with the Programme Steering Committee regarding the selection of projects received from the district councils, metro councils and aspirant metros. Crea received an invoice from Deloitte & Touche for the months of January and February and the invoice will be paid upon approval by USAID in accordance with the terms of the contract. The PIA intends to hold coordinating meetings with the selected districts, metros, and aspirant metros during the month of April to discuss their applications and to further define the scopes of work under each of the projects. (**Issue:** Since work under the PIA contract began, USAID and Crea have noticed a number of instances of poor quality control with regard to the work products submitted by the PIA. While these specific instances have been managed and necessary interventions made, there remains a general concern about monitoring the quality of work produced by the PIA.) Activities for the PIA are expected to remain **IN PROGRESS** through December 2003.

- 01/113 - (LGU) Johannesburg Metro Knowledge Management Conference

Activity: Crea, in conjunction with a conference facilitator, provided direct support to the Johannesburg Metro Council in coordinating a conference on shared learning.

To date, the refund from the SAA City Centre (travel agency) has not been received although Crea has contacted the agency to query when the refunds can be expected. SAA City Centre advised that they had received one refund from SAA and will be making a deposit into Crea's bank account during the next quarter. The remaining outstanding refund is for an international ticket which will only be finalized within the next four months. Crea expects this activity to remain **IN PROGRESS** for the next two quarters before the activity can be closed.

- 02/114 - (LGU) Extension of Greater Tubatse Project

Activity: Support, under a cooperative agreement with Planact, for developing citizen and community participation through establishment of ward committees in Greater Tubatse.

The first joint project steering committee meeting took place in Tubatse on 20 February 2002. It became apparent that the vast geographical area could pose a problem for Planact as their application had clustered wards for training and had not really taken the rural areas into consideration. The Greater Tubatse Municipal Manager and the Mayor undertook to structure the clustering of wards for training as they were familiar with the areas and the problems of each of the areas. Planact submitted the training

modules to the Greater Tubatse Council for comments before the meeting took place. The council was pleased with the current version of the manuals and did not request any changes. Although Crea and Planact had already completed budget negotiations prior to this meeting, Planact was not comfortable with signing the agreement at this stage because they wanted to review their allocation of funds to see if they could accommodate the Mayor's request to provide some transport and meals for the ward committee participants. Planact submitted a revised budget to Crea in which they moved funds out of the consultants line item and made provisions for travel and meals as requested by the Mayor of Tubatse. Planact received the clustering of the wards from the Municipal Manager in early March 2002. The first six-day training session commenced on 18 March. It was noted that no training would take place during the two weeks around Easter. Crea has sent the cooperative agreement with the revised budget to Planact for countersignature. This activity is expected to remain **IN PROGRESS** until 17 January 2003 which will allow for a one day project evaluation six months after training and a refresher training course after a few months.

- 02/115 - (LGU) Extension of Ulundi Project

Activity: Support for improving the rates and management of revenue collected by the Council. This activity is a monthly software rental with periodic technical support under a contract with Deptpack.

Activities under this request are on track and appear to be proceeding normally. Crea received invoices signed off on by Ulundi for January, February, and March and these have all been paid. Activities under this request are expected to remain **IN PROGRESS** until December 2003.

- 02/116 - (LGU) Extension of Bloemfontein Project - Kagiso TV

Activity: To fund a television program on the ward committee system using the Bloemfontein (now Mangaung) and Greater Tubatse municipalities as case studies under a contract with Kagiso Educational TV.

Production of the program started in late January 2002. Representatives from both councils were invited to Pretoria and Johannesburg to attend meetings with Kagiso Educational TV in order to make input into the program content and to preview the final script. The television program was aired on e-tv on 19 March 2002 at 4:30 pm. Ten (10) copies of the video were submitted to USAID; two copies were given to Mangaung and two copies will be taken to the Greater Tubatse Council on the next scheduled visit. USAID requested Crea to amend the contract with Kagiso to add a Public Service Announcement to be aired on e-tv and added to the USAID/SA website. Crea has paid all invoices except that of the Public Service Announcement and that will be paid early in the next reporting period. This activity will remain **IN PROGRESS** until all invoices have been paid.

- 02/118 - (LGU) Recipient Audit of IMPD

The status of activities under this request has been discussed above under Request Nos. 99/021, 00/064, and 00/076 (two projects) which cover the activities of IMPD that are still being audited. As reflected under each of those requests, the audit is still **IN PROGRESS** but is expected to be completed some time during the next reporting period.

- 02/119 - (LGU) Research on Powers and Functions Project for DPLG

Activity: Contract with Palmer Development Group (PDG) for analytical research of all municipalities in the country relating to the division of powers and functions among Category B and C municipalities. The research will enable DPLG to make recommendations to the Minister for Provincial and Local Government on how the four major powers and functions should be distributed.

Crea received approval from DPLG for the second, third, and fourth deliverables during this reporting period. All outstanding invoices have

been paid. Although PDG provided Crea with copies of the reports generated under the contract to enable Crea to make final payment, PDG requested Crea not to circulate the reports until the Minister approves them in May 2002. Although this activity is physically complete, it will remain **IN PROGRESS** until Crea submits the reports to USAID after the Minister has issued a pronouncement on the matter.

- 02/120 - (LGU) DPLG Transformation Manager

Activity: Crea contracted a US consultant, Daniel Manyindo, to serve as Transformation Manager to assist DPLG with activities involving transformation of district municipalities.

Mr. Manyindo commenced travel to South Africa on 01 February and started work at DPLG on 04 February 2002. During this reporting period, Crea made travel arrangements for several business trips within South Africa for Mr. Manyindo. Crea also paid directly for his accommodation at the Don Suites for the first month until he was able to find suitable permanent housing in Johannesburg. Crea disbursed the full amount of the negotiated housing allowance in March after receiving a copy of the one year lease which Mr. Manyindo had signed. (**Issue:** USAID has expressed a concern that the detailed annual workplan and the monthly reports of activities required by Mr. Manyindo's consulting agreement have not been received.) This activity will remain **IN PROGRESS** at least until February 2003 or for an additional year if the option to extend is exercised.

- 02/121 - (LGU) Special Needs Unit - Western Cape Regional Commission

Activity: Provide support to the Western Cape Regional Commission for the Restitution of Land Rights to establish a Special Claims Unit. The Special Claims Unit will focus on the claims of people with special needs such as the elderly, the sickly and the indigent.

Ms. Lauren Waring advised that, due to internal problems, the Commission was unable to place the advertisement in the newspaper to begin the selection and appointment process until late March 2002. Ms. Waring has indicated that they are hopeful to have the two positions filled by early May 2002. This activity is expected to remain IN PROGRESS until approximately February 2003.

#### **(C) RULE OF LAW UNIT (RLU)**

- 98/006 - (RLU) Black Lawyers Association (BLA) Grant

Activity: Support for a program of practical academic training for historically disadvantaged law graduates, placing them in law firms where they can complete the required articles and pupillage to qualify as attorneys and advocates.

During the month of January 2002, the BLA grant was amended to reflect a new expiration date of 31 ch 2002. In February 2002 Crea received a proposal from BLA requesting an extension of their grant for an additional twelve months, utilizing funds remaining from their original program and from the favorable dollar/rand exchange rate. Upon receipt of USAID approval of the requested extension, Crea requested BLA to submit a budget for activities to be carried out through 31 March 2003. The revised budget, which was received in March 2002, necessitated a considerable amount of communication between Crea and BLA in order to reach a mutual understanding of the costs to be covered under the extension. By the end of March, agreement had been reached on the new budget and the grant amendment will be signed early in the next reporting period. With the extension, this activity will remain **IN PROGRESS** until 31 March 2003.

- 98/016 - (RLU) Rights Education (2 of 3 Cooperative Agreements)

(1) CLRDC

Activity: Program supporting constitutional and bill of right education and access to justice.

The final report on this activity, due at the end of December 2001, was received in February 2002, thus completing all programmatic activity under the agreement. The final recipient audit of CLRDC has been completed and the report noted that an undocumented amount of R10,000 from a previous audit was still outstanding due to the fact that CLRDC had apparently lost the receipts for these expenses. Crea is currently working with CLRDC to determine if related documentation can be made available to prove that the activity took place and that the questioned costs were allowable expenses under the cooperative agreement. This activity will remain **IN PROGRESS** until all close out actions have been completed.

(2) CSLS

Activity: Program supporting the institutionalisation and implementation of democracy and human rights education in South Africa through the development of policy, curriculum, training and educational materials.

While program activities continue to progress well under this cooperative agreement, Crea has been informed that fraud was discovered at one of the sub-grantees of CSLS. Evidence of the fraud was revealed under a routine audit of the Street Law Program at the University of the Western Cape. It appears that the coordinator and the administrator of the project had set up companies that supplied services to the program. There were numerous issues cited in which there had been contravention of University policies. The staff members in question have been suspended and the University of the Western Cape has proceeded with disciplinary and criminal action against the staff members. However, for purposes of the cooperative agreement between CSLS and Crea, it is not clear which expenses were legitimate and which were fraudulent. Crea has informed CSLS that until this can be determined, Crea cannot make any decision regarding the resolution of questioned costs. CSLS will institute another round of testing to establish the disallowed costs. This activity will remain **IN PROGRESS** through the completion date of 30 September 2002 and until all issues for close out are resolved.

● 99/033 - (RLU) Assistance to National Prosecuting Authority (NPA)

Although bi-monthly meetings between Crea, USAID and the NPA were halted during this quarter due to the resignation of the designated contact person, work on outstanding actions for the NPA continued.

The only activity still outstanding from last quarter was that of the Policy and Legal Manual for the AFU which was being developed by Cheadle, Thompson and Haysom. The final manual was received and final payment has been made. This activity is now considered **COMPLETED**.

● 00/071 - (RLU) Pretoria Magistrate Children's Court

Activity: Support to the Pretoria Magistrate Court to provide training to social workers handling children's issues at the Children's Court.

Activities under this request are still ongoing and Crea continues to pay claims for expenses as they are submitted by the contact person at the Magistrate Court. Activities under this request are expected to remain **IN PROGRESS** until 31 August 2002.

● 01/093 - (RLU) Organized Crime Study for NDPP (now NPA)

The contractor, Resolve, submitted one invoice in February 2002 but it was not signed off on by the NPA and the deliverable amounts did not correspond to the purchase order. Mr. Fanaroff of Resolve explained that the NPA keeps revising both the content and the timing of the deliverables. It was agreed that he would meet with the relevant NPA officials and determine the final deliverables with an accompanying

timeline in order to enable Crea to amend the contract and make payment. This activity will remain **IN PROGRESS** until all deliverables have been accepted and final payment has been made.

- 01/094 - (RLU) ISS Criminal Justice Monitor

Activity: Support for development and implementation of a Criminal Justice Monitor through a grant to the Institute for Security Studies.

The program continues to progress well, however, the financial reporting issues of the last quarter have still not been fully resolved. ISS has appointed a new finance person to deal with expenses charged to the Crea grant. However, progress in getting their person properly trained on the financial requirements of the grant has been slow. Crea feels that this can be overcome and is working patiently with ISS to resolve issues and problems involving liquidations. Crea has been assisting ISS to realign its budget and expects that the amendment to increase funding under the ISS grant will be processed during the next reporting period. This activity will remain **IN PROGRESS** until its scheduled completion at the end of April 2003.

- 01/101 - (RLU) Advice Centres

Activity: Crea is providing direct support to four Advice Centres (Western Cape, Pietersburg, Dennilton and Soweto) which were previously funded under the cooperative agreement with NIPILAR. This activity is expected to remain **IN PROGRESS** until June 2002.

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Western Cape Advice Centre held two workshops on Domestic Violence and Children's Rights during this reporting period, on 16 March and 21 March 2002 (Human Rights Day), respectively, at the Bellville Technikon College.

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Pietersburg Advice Centre held 4 workshops during this reporting period. A Legal Literacy workshop was held on 16 February 2002 to educate the community on the laws that affect their daily lives. On 23 February 2002, the centre held a workshop in Thohoyandou on Children's Rights and Domestic Violence, focussing on issues relating to the girl-child, domestic violence and general human rights. On 21 March 2002 the centre held a workshop in Pietersburg with a specific focus on the rights of children. On 23 March 2002, a workshop was held to educate women on the Child Maintenance Act with a focus on informing participants about their rights and obligations under the Act. Crea and USAID visited the Pietersburg Advice Centre in February on their way to another meeting in the Northern Province.

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Dennilton Advice Centre held 3 workshops during this reporting period: the Children's Rights/HIV/AIDS workshop on 01 March 2002, the HIV/AIDS workshop on 14 March and the Human Rights Seminar on 21 March 2002. The Traditional Leadership workshop that was scheduled to take place on 13 February could not take place because the Moutse Town Council failed to have the hall opened as had been agreed. The councillor responsible had the key on his person and was out of town for a meeting. Despite the fact that the workshop did not happen as scheduled, Crea paid for the catering services since the vendor had already prepared the food as agreed.

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Soweto Advice Centre held one workshop during this reporting period. The centre had planned to host a two-day Domestic Violence workshop in Soweto on 28 February and 1 March 2002 but it failed to materialize due to poor attendance. Payment was made for the catering services since the vendor had already prepared the food for the workshop as agreed. The workshop was finally held on 7 and 8 March 2002 and was well attended.

- 01/103 - (RLU) Public Opinion Survey - HSRC

The invoice for the completed purchase order has finally been traced to Dr. Udit, the donor liaison person from the NPA who resigned in January. The contact person at the HSRC had also resigned and no one in their department could find the invoice. Crea has been trying to arrange for the invoice to be picked up but it has still not been received at NPA from Dr. Udit. The survey results were received by Dr. D'Olivera of the NPA who has agreed to sign off on the invoice for payment as soon as it becomes available. This activity will remain **IN PROGRESS** until the bill has been paid.

- 01/105 - (RLU) Annual Program Statement (APS) for CJSP

Activity: Activities to be funded are expected to support the Rule of Law Unit Intermediate result of "a more effective and accessible criminal justice system and a lower level result of crime and violence prevention strategies implemented."

The TEC reconvened in February to make a final decision on the twelve applications remaining for consideration under the APS. After intensive deliberations, the TEC narrowed the list to four organisations, then identified issues that needed to be clarified with these organisations before a final decision could be made. Letters requesting clarifications were sent and the TEC met again later to review the responses received from the four organisations. The TEC then decided that, for purposes of closure for the first round of evaluations under the APS, the process was deemed completed. The TEC memorandum was finalized and accepted by the Crea COP.

After reviewing responses from the four organisations, the TEC decided to fund only two of the organisations with Fy 2002 funds. Letters were then sent to the two unsuccessful organisations notifying them of the TEC decision. USAID TEC members, in consultation with the SO#1 Team Leader, still have to decide how much of the FY 2002 money is to be utilised for the two awards.

Also during this reporting period, Crea began pre-award discussions with the initially selected organisations, namely, Cape Town Child Welfare, Mosaic, Childline Family Centre, Khulisa Child Nurturing Organisation, Centre for Criminal Justice and Thohoyandou Victim Empowerment. Financial assessments of all six organisations were done by the Deputy Finance Director during the month of March. The assessments highlighted a number of financial issues that needed to be addressed by the organisations prior to signing of cooperative agreements. The agreements for Mosaic and Cape Town Child Welfare were signed during this reporting period, Mosaic with a start date of 1 January 2002 thru 31 December 2002 and Cape Town Child Welfare from 1 April 2002 thru 31 March 2003. Crea anticipates signing the remaining four organisations during the next reporting period. This activity will remain **IN PROGRESS** until USAID has issued separate requests for all selected organisations.

- 01/112 - (RLU) OD Study for Department of Justice

Activity: PriceWaterhouseCoopers (PWC) was contracted (with Manto Management as subcontractor) to carry out an organisational development (OD) study for the Department of Justice Court Services Unit.

The contract was signed and the very tight work schedule required by the DOJ was successfully implemented. PWC incorporated staff members from the Court Services Unit into the team which conducted the study. The first deliverable was received and approved by DOJ and paid for by Crea. While the feedback on the quality of work was good, the final report has not been completed due to adjustments required by the DOJ. To date Crea has been unable to secure a meeting with PWC for a briefing of the study to USAID; however, efforts to do so will continue. The activity was

physically completed on 18 March as scheduled; however, until the final report has been accepted and payment made, the activity will continue to be reported as **IN PROGRESS**.

- 02/117 - (RLU) Final Audit of CLRDC

The status of activities under this request was discussed above under Request No. 98/016 (CLRDC). This activity is **COMPLETED**.

**(D) SPECIAL CROSS-CUTTING ACTIONS (SCA)**

- 01/100 - (SCA) Wits/Harvard Senior Executive Program Alumni Banquet

As previously reported, Crea was requested by USAID not to pay a deposit for the venue until a new date has been scheduled for the banquet. Crea has not yet been advised of the new date. This activity is expected to remain **IN PROGRESS** through most of 2002.

**4. New SOW Actions Received:**

During this reporting period (01 January 2002 - 31 March 2002), the GMTA field team (Crea South Africa) received the following requests to carry out activities required by the contract scope of work:

- 02/123 - (RLU) APS Award to Criminal Justice Centre (CCJ)
- 02/124 - (RLU) APS Award to Mosaic
- 02/125 - (RLU) APS Award to Childline
- 02/126 - (Reserved) (not received)
- 02/127 - (RLU) APS Award to Cape Town Child Welfare
- 02/128 - (RLU) APS Award to Khulisa
- 02/129 - (CSU) APS/Indicator Workshop
- 02/130 - (LGU) Logistics for Preview of Kagiso Ward Councils Video
- 02/131 - (SCA) SEP Cohort No. 6 Tuition to Harvard

**5. Status of New SOW Actions:**

**(A) CIVIL SOCIETY UNIT (CSU)**

- 02/129 - (CSU) APS/Indicator Workshop

Activity: Crea was asked to provide logistical support to USAID's CSU for a workshop on the APS and on CSU indicators in general.

Crea mailed out invitations, facilitated travel, secured the services of a facilitator and paid for refreshments for the day. All actions have been completed; however, this activity will remain **IN PROGRESS** until receipt of the final report and payment of the facilitator.

**(B) LOCAL GOVERNANCE UNIT (LGU)**

- 02/130 - (LGU) Logistics for Preview of the Kagiso Ward Councils Video

Activity: Crea provided support directly for accommodation arrangements for the Greater Tubatse and Bloemfontein Councils to attend the previewing of the Ward Councils Video at Kagiso Educational TV.

Crea made reservations at the Auckland Park Holiday Inn for the Mayor of Tubatse and her driver and for Mr. Silwana and the Speaker of the Mangaung Council. Unfortunately, Mr. Silwana and the Speaker could not remain overnight as they had meeting they needed to attend early the next morning. Crea has paid for the hotel reservations at the Auckland Park Holiday Inn for the Mayor and her driver along with a mileage claim for the Mayor. A mileage claim form was also sent to Mr. Silwana but he has not yet submitted a claim for mileage from Bloemfontein to Johannesburg. This activity will remain **IN PROGRESS** until all claims have been submitted and paid.

**(C) RULE OF LAW UNIT (RLU)**

- 02/123 - (RLU) APS Award to Centre for Criminal Justice (CCJ)

Activity: Support under a cooperative agreement with CCJ for a program to empower victims of violence in rural communities, especially women and children, to navigate the criminal justice system.

The budget was negotiated and the agreement signed effective 1 April 2002. A meeting has been arranged with CCJ for early in the next quarter to brief them on the agreement and its requirements. This activity will remain **IN PROGRESS** until March 2004.

- 02/124 - (RLU) APS Award to Mosaic

Activity: Support under a cooperative agreement to Mosaic for training of community volunteers to assist victims of domestic violence in applying for protection orders.

The financial assessment was completed and technical assistance provided to Mosaic to deal with deficiencies noted. Mosaic has secured new premises and will soon be moving the project site. The financial manager will be leaving and Mosaic informed Crea that they will be recruiting for a new finance person who will require training from Crea. The agreement was signed effective 1 January 2002 and program activities have begun. This activity will remain **IN PROGRESS** until December 2002.

- 02/125 - (RLU) APS Award to Childline

Activity: Support under a cooperative agreement with Childline for preparation of child witnesses and their families in child abuse cases.

The financial assessment was completed and technical assistance provided to Childline as needed to meet the requirements. The agreement was signed with an effective date of 01 March 2002. This activity will remain **IN PROGRESS** until February 2003.

- 02/127 - (RLU) APS Award to Cape Town Child Welfare

Activity: Support under a cooperative agreement with Cape Town Child Welfare for training of community members who will be authorized to intervene in cases of child abuse and even to remove victims from the abusive environment.

The financial assessment was completed and the cooperative agreement signed with an effective date of 01 April 2002. This activity will remain **IN PROGRESS** until 31 March 2003.

- 02/128 - (RLU) APS Award to Khulisa

Activity: Support under a cooperative agreement with Khulisa for a diversion program in Alexandra to work with juvenile offenders before they enter the criminal justice system and after they are already in it.

The financial assessment was completed and noted deficiencies have been satisfactorily addressed by Khulisa. There are queries on certain budget line items and a meeting has been set for the next quarter to resolve the outstanding issues. Khulisa requested that their agreement be made effective 1 February 2002 and remain **IN PROGRESS** until 31 January 2003.

**(D) SPECIAL CROSS-CUTTING ACTIONS (SCA)**

- 02/131 - (SCA) Senior Executive Programme (SEP) Cohort No. 6

Activity: Direct payment by Crea of tuition for USAID-sponsored participants for attendance in Cohort 6 of the Wits-Harvard Senior Executive Programme.

USAID advised Harvard to send the invoice for this activity to Crea for payment since it was initially sent via e-mail to USAID. There has been a staff turnover at Harvard School of Business and their billing office was unfamiliar with how this activity had been handled in the past. Upon receipt of the invoice, Crea prepared a purchase order and sent it to Creative Associates home office for payment in US dollars. This activity is now considered **COMPLETED**.

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(Section B - Administrative Data - continued on next page)

**B. Administrative Information (as of 31 March 2002):**

**4. Contract Data:**

a. Total Estimated Cost Plus Fixed Fee: \$42,107,901  
b. Total Obligated Amount : \$28,212,241  
c. Expenditures as of 31/03/02 : \$20,254,093  
d. Remaining Balance Obligated Amt : \$ 7,958,148

**1. Expenditures by Contract/Project Components:**

a. Home Office/Field Office General Management\$ 4,149,956  
    b. Technical Assistance\$ 3,915,102  
        1. Technical Support to Grantees \$2,788,008  
        2. Special Studies \$ 588,526  
        3. Workshops for Grantees \$ 538,568  
c. Logistic Support for Annual SO1/Partners Consultation\$ 132,979  
    Meetings, Strategy Workshops/Seminars with Partners,  
    And International Exchanges with Partners  
d. Grants & Participants Training Tuition\$12,056,056

TOTAL\$20,254,093

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Note: The cost information set forth above is preliminary in nature and should be viewed only as a reflection of the division of activities to date. Cost data for activities reported as in progress and some of the data for completed activities are not yet available due to the normal time lag between disbursement in the field and recording/reporting to CAII home office. This information will be provided in subsequent reports as it becomes available.

**2. DIRECT COST INFORMATION (ACTUAL VS BUDGETED) BY REQUEST NUMBER**

The following attachments reflect a breakdown of direct costs incurred for individual activities identified by USAID Request Number as of the end of this reporting period. The amounts shown as "actual" are the best information available at this time. The system of tracking direct costs against individual requests was not put in place at the beginning of the contract; therefore, the amounts shown for some of the earlier requests may not be complete. Time spent by GMTA staff on individual activities has not been included in this compilation and no attempt has been made to allocate any portion of the GMTA office operations or the CAII indirect costs or fixed fee to individual activities. The system of budgeting and reporting only **direct costs** is a procedure devised by the COTR and agreed to by the COP only as a measure of accountability for individual requests and has no affect on cost recovery by the contractor. (Note: Earlier reports included other direct costs incurred for technical assistance to grantees outside the amount of the grant, such as travel by Crea personnel; however, this practice has been discontinued with the concurrence of the COTR since a new system has been devised by SO#1 to allocate Crea costs not specific to individual requests on a pro rata basis to each of the SO#1 projects supported by Crea under this contract. This is an internal allocation made by USAID for recording costs by MACS elements in the USAID accounting system and has no affect on CAII's reporting or vouchering process.)