

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

26 AUG 1977

*Copy made - B Filton
reg - V Prakash
FFP/POD*

19 JUL 1977

The Most Reverend Edwin B. Broderick, D.D.
Executive Director
Catholic Relief Services
1011 First Avenue
New York, New York 10022

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Subject: Grant No. AID/OTR-G-1567

Dear Bishop Broderick:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "AID" or "Grantor") hereby grants to the Catholic Relief Services (hereinafter referred to as "CRS" or "Grantee") the sum of \$220,000 to provide support for a program in Maternal Child Health Assessment in three (3) selected African countries, as more fully described in the attachment to this Grant entitled "Program Description", and Project Paper 904-0002.

The Grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the first fiscal year of the three year Grant as shown in the budget. The estimated completion date is July 19, 1980.

This Grant is made to CRS, on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment A entitled "Program Description", and Attachment B entitled "Standard Provisions" which have been agreed to by your organization.

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FUNDS OBLIGATED

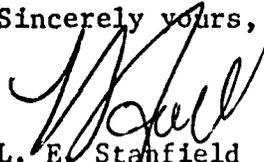
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The total estimated cost of this AID Grant is \$660,000, of which \$220,000 is obligated by this document. AID shall not be liable for reimbursing the Grantee for any costs in excess of the \$220,000 obligated amount.

Please sign the Statement of Assurance of Compliance, enclosed herein, and seven (7) copies of this letter to acknowledge your acceptance of the conditions under which these funds have been granted. Please return the Statement of Assurance of Compliance and six (6) copies of this Grant to the Office of Contract Management.

Sincerely yours,



L. E. Stanfield
Grant Officer
Chief, OTR Branch
Central Operations Division
Office of Contract Management

Attachments:

- A. Program Description
- B. Standard Provisions
- C. Payment Provision
- D. Statement of Assurance of Compliance

ACCEPTED:

CATHOLIC RELIEF SERVICES

BY: Robert L. Charlebois

TITLE: ROBERT L. CHARLEBOIS
SPECIAL ASSISTANT

DATE: AUGUST 22, 1977

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| FUNDS OBLIGATED | |
|-----------------|-----------------------|
| Approp. No. | 72-11X1023 |
| Allot. No. | 402-04-099-00-20-71 |
| Obl. No. | 0478251 Obj. Cl. 2590 |
| Amount \$ | 220,000.00 |
| Proj. No. | 704-602-73 |
| By | W. Sum |
| Date | 7/29/77 |

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Program Description

I. Purpose of Grant

The purpose of this grant is to provide support for the Grantee to organize and conduct a demonstration of a Growth Surveillance System, (GSS) in three selected countries located in Africa.

II. Specific Objective

The specific objective of this project is to contribute towards the improvement of the nutritional status of pre-school children through the demonstration of the GSS.

III. Implementation

A. To achieve the above objective, the following activities shall be performed in 300 to 590 Maternal/Child Health Centers for a period of three years with the funds provided by this Grant:

1. The Grantee shall select a demonstration population of 220,000 or more children, 0-5 years of age.
2. The Grantee shall select, hire, and train eleven (11) teams who will institute and carry out the GSS demonstration. Each team will generally consist of a team leader responsible for overall operations, two assistants, and a driver. It is expected that three teams each will operate in two of the selected African countries, while five teams will operate in the third selected country. Services of the surveillance teams

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will be required over a three, work-year period. The Grantee shall train team leaders and assistants in the design, application, and assembling of data on the use of the Growth Surveillance System, in following the rate of a participant-child's growth, and in determining the commitment of mothers in upgrading their children's feeding habits and in improving their health. In addition, the Grantee shall provide the team leader/monitors and assistants with the training and motivation to educate distribution center personnel in the relationship between feeding habits and a child's growth rate and general health.

3. The Grantee's Growth Surveillance Teams shall maintain a constructive liaison and encourage the active participation of distribution centers, participant mothers and Governmental personnel in the demonstration.

4. The Grantee shall monitor the performance of the teams in terms of maintenance and/or increase in the level of attendance at the centers, levels of acceptance and understanding of the GSS by the Maternal/Child Health Center personnel, and in measurable improvement in the utilization of PL480 Title II blended foods at each of the centers demonstrating the GSS.

B. It is anticipated that by the end of the initial year's implementation, the Grantee shall be able to demonstrate the applicability of the Growth Surveillance System as a means of providing accurate measurements of the child's health and growth and the mother's knowledge about good nutrition practice.

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C. By the end of the third year of implementation, the Grantee shall be able to demonstrate that the GSS can perform as a means of accurate growth measurement as well as a method of eliciting and/or reinforcing local center, Government personnel and mothers' motivation to improve children's food intake qualitatively, as well as quantitatively.

IV. Reporting

A. During the life of this Grant, the Grantee shall submit semi-annual progress reports to the Office of Food for Peace, AID/W. In addition, end-year joint FFP/CRS reviews will be held. Central to this reporting will be detailed analyses of results including interaction, numbers of children and mothers participating, number of local personnel involved in the training and demonstration programs, improvement in the nutrition status of the children participating and comments on the adequacy of the system.

B. The Grantee shall require each team to provide monthly reports covering their visit to each of their assigned centers to be made available to AID/FFP upon request.

C. The Grantee shall submit to the Office of Contract Management, AID/W (in duplicate) an annual fiscal report no later than thirty (30) days following the first and second anniversary dates of this Grant and a final fiscal report no later than thirty (30) days following the completion date of this Grant. The Grantee shall indicate all itemized expenses incurred under this Grant.

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V. Budget

The total estimated costs of this Grant is as follows, of which \$220,000 is hereby obligated:

| | <u>FY1977</u> <u>1st Year</u> | <u>FY1978</u> <u>2nd Year</u> | <u>FY1979</u> <u>3rd Year</u> | <u>TOTAL</u> |
|---|----------------------------------|----------------------------------|----------------------------------|----------------|
| 1. Ground Transportation Operations, and Maintenance* | \$ 59,034 | \$ 59,034 | \$ 59,034 | \$177,102 |
| 2. Travel Allowances | 13,200 | 13,200 | 13,200 | 39,600 |
| 3. Salaries | 99,000 | 99,000 | 99,000 | 297,000 |
| 4. Office Supplies & Equipment | <u>48,766</u> | <u>48,766</u> | <u>48,766</u> | <u>146,298</u> |
| TOTALS | \$220,000 | \$220,000 | \$220,000 | \$660,000 |

The Grantee may not exceed the total amount of the Budget for any one fiscal year. Adjustment among the line items are unrestricted.

Grantee shall further follow procedures and be guided by the Standard Provisions (Attachment B) entitled "Limitations on Funds".

*See Article VI "Special Provision".

VI. Special Provision

A. Grantee shall require the use of approximately eleven (11) non-passenger vehicles during the term of this Grant. Following the selection of the three African countries of performance, the Grantee shall determine the availability of leasing said vehicles in or near the country/countries of performance. The Grantee shall make every effort to lease the vehicles needed for the performance of this Grant.

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B. If no vehicles as described in VI. A. above are available for leasing, the Grantee must receive advance written approval from the Grant Officer for any purchase transaction in excess of \$2,500. Grantee shall follow procedures and be guided by Standard Provisions (Attachment B) entitled "Procurement of Equipment, Supplies, Materials, and Services" and "Title To and Use of Property (U.S. Government)".

VII. Alterations To Standard Provisions in Grant

Alterations to Standard Provisions (Attachment B) are hereby incorporated and made a part of this Grant as follows:

A. Provision l. "Travel and Transportation

Delete Paragraph (4) and substitute the following in lieu thereof:

"(4) Travel Allowances shall be reimbursed in accordance with the Catholic Relief Services-United States Catholic Conference, Inc. Manual of Personnel Policies, which have been accepted by AID."

B. Provision m. "Regulations Governing Employees Outside the United States".

Delete Paragraph (6) and substitute the following in lieu thereof:

"(6) Allowances for employees assigned overseas shall be reimbursed in accordance with the Catholic Relief Services - United States Conference, Inc. Manual of Personnel Policies which have been accepted by AID.

C. Provision t., "Salaries".

Delete in its entirety and substitute the following in lieu thereof:

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"All salaries, wages, fees, and stipends to be reimbursed under this Grant shall be paid in accordance with the Catholic Relief Services - United States Catholic Conference, Inc., Manual of Personnel Policies, which have been accepted by AID."

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STANDARD PROVISIONS

a. Allowable Costs and Payment (Oct. 1974)

The Grantee shall be reimbursed for costs incurred in carrying out the purposes of this Grant which are determined by the Grant Officer to be allowable in accordance with the terms of this Grant and Subpart 15.2 of the Federal Procurement Regulations (FPR) (Principles and Procedures for use in Cost Reimbursement Type Supply and Research Contracts with Commercial Organizations) in effect on the date of this Grant. Payment of allowable costs shall be in accordance with Attachment C of this Grant.

b. Accounting, Records, and Audit (Oct. 1974)

The Grantee shall maintain books, records, documents, and other evidence in accordance with the Grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The Grantee shall preserve and make available such records for examination and audit by AID and the Comptroller General of the United States, or their authorized representatives (1) until the expiration of three years from the date of termination of the program and (2) for such longer period, if any, as is required to complete an audit and to resolve all questions concerning expenditures unless written approval has been obtained from the AID Grant Officer to dispose of the records. AID follows generally accepted auditing practices in determining that there is proper accounting and use of grant funds. The Grantee agrees to include the requirements of this clause in any subordinate agreement hereunder.

c. Refunds (Oct. 1974)

(1) If use of the Grant funds results in accrual of interest to the Grantee or to any other person to whom Grantee makes such funds available in carrying out the purposes of this Grant, Grantee shall refund to AID an amount equivalent to the amount of interest accrued.

(2) Funds obligated hereunder but not disbursed to the Grantee at the time the grant expires or is terminated, shall revert to AID, except for funds encumbered by the Grantee by a legally binding transaction applicable to this Grant. Any funds disbursed to but not expended by the Grantee at the time of expiration or termination of the Grant shall be refunded to AID.

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Best Available Document

(3) If, at any time during the life of the Grant, it is determined by AID that funds provided under the Grant have been expended for purposes not in accordance with the terms of the Grant, the Grantee shall refund such amounts to AID.

d. Equal Opportunity Employment (Oct. 1974)

With regard to the employment of persons in the U.S. under this Grant, Grantee agrees to take all reasonable steps to ensure equality of opportunity in its employment practices without regard to race, religion, sex, color or national origin of such persons and that, in accordance with Title VI of the Civil Rights Act of 1964, when work funded by this Grant is performed in the U.S. no person shall, on the grounds of race, religion, sex, color or national origin, be excluded from participation, be denied benefits, or be subjected to discrimination. In addition, the Grantee agrees to comply in accordance with its written assurance of compliance, with the provisions of Part 209 of Chapter II, Title 22 of the Code of Federal Regulations, entitled "Non-Discrimination in Federally Assisted Programs of the Agency for International Development." "Effectuation of Title VI of the Civil Rights Act of 1964."

e. Termination (Oct. 1974)

This Grant may be terminated at any time, in whole or in part, by the Grant Officer upon written notice to the Grantee, whenever for any reason he shall determine that such termination is in the best interest of the Government. Upon receipt of and in accordance with such notice, the Grantee shall forthwith take immediate action to minimize all expenditures and obligations financed by this Grant, and shall cancel such unliquidated obligations whenever possible. Except as provided below, no further reimbursement shall be made after the effective date of termination, and the Grantee shall within thirty (30) calendar days after the effective date of such termination repay to the Grantor all unexpended portions of funds theretofore paid by the Grantor to the Grantee which are not otherwise obligated by a legally binding transaction applicable to this Grant. Should the funds paid by the Grantor to the Grantee prior to the effective date of this termination of this Grant, be insufficient to cover the Grantee's obligations pursuant to the aforementioned legally binding transaction, the Grantee may submit to the Grantor within (90) calendar days after the effective date of such termination a written claim covering such obligations, and, subject to the limitations contained in the Grant, the Grant Officer shall determine the amount or amounts to be paid by the Grantor to the Grantee under such claim.

f. Officials Not to Benefit (Oct. 1974)

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

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g. Covenant Against Contingent Fee (Oct. 1974)

The Grantee warrants that no person or selling agency has been employed or retained to solicit or secure this Grant upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees or bona fide established commercial or selling agencies maintained by the Grantee for the purpose of securing business. For breach or violation of this warranty, AID shall have the right to cancel this Grant without liability or, in its discretion, to deduct from the Grant amount, or otherwise recover, the full amount of each commission, percentage, brokerage, or contingent fee.

h. Nonliability (Oct. 1974)

AID does not assume liability with respect to any claims for damages arising out of work supported by its grants.

i. Amendment (Oct. 1974)

The Grant Agreement may be amended by formal modifications to the basic grant document or by means of an exchange of letters between the AID Grant Officer and an appropriate official of the Grantee.

j. Grant Agreement (Oct. 1974)

The letter to the Grantee signed by the Grant Officer, the Program Description and the Standard Provisions which have been reviewed and agreed to by the Grantee, constitute the Grant Agreement.

k. Notices (Oct. 1974)

Any notice given by any of the parties hereunder, shall be sufficient only if in writing and delivered in person or sent by telegraph, cable, registered or regular mail as follows:

To the cognizant AID Grant Officer

To Grantee - At Grantee's address shown in this Grant, or to such other address as either party shall designate by notice given as herein required. Notices hereunder, shall be effective when delivered in accordance with this clause or on the effective date of the notice, whichever is later.

1. Travel and Transportation (Oct. 1974)

(1) The Grant Officer hereby approves international travel hereunder provided that the Grantee shall obtain written concurrence from the cognizant technical office in AID prior to sending any individual outside the United States to perform work under the Grant. For this purpose the Grantee shall advise the Project Manager at least thirty (30) days in advance of any travel to be undertaken outside the United States. After concurrence is received the Grantee shall provide the cognizant USAID Mission or U.S. Embassy advance notification with a copy to the project officer of the arrival date and flight identification of Grant financed travellers.

(2) Travel to certain countries shall, at AID's option, be funded from U.S.-owned local currency. When AID intends to exercise this option, it will so notify the Grantee after receipt of advice of intent to travel required above. AID will issue a Government Transportation Request (GTR) which the Grantee may exchange for tickets, or AID will issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.

(3) The Grantee agrees to travel by the most direct and expeditious route, and to use less than first class transportation unless such use will result in unreasonable delay or increased costs.

(a) All international air travel under this Grant shall be made on United States flag carriers. Exceptions to this rule will be allowed in the following situations provided that the Grantee certifies to the facts in the voucher or other documents retained as part of his Grant records to support his claim for reimbursement and for post audit:

1. Where a flight by a United States carrier is scheduled but does not have accommodations available when reservations are sought;

2. Where the departure time, routing, or other features of a United States carrier would interfere with or prevent the satisfactory performance of official business;

3. Where a scheduled flight by a United States carrier is delayed because of weather, mechanical, or other conditions to such an extent that use of a non-United States carrier is in the Government's interest;

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(b) All international air shipments under this grant shall be made on United States flag carriers unless shipment would, in the judgment of the Grantee, be delayed an unreasonable time awaiting a United States carrier either at point of origin or transshipment, provided that the Grantee certifies to the facts in the vouchers or other documents retained as part of the Grant records to support his claim for reimbursement and for post audit.

(4) Travel allowances shall be reimbursed in accordance with the Federal Travel Regulations (FTR).

m. Regulations Governing Employees Outside the United States (Oct. 1974)

(1) The Grantee's employees, when employed in work overseas, shall maintain private status and may not rely on local U.S. Government Offices or facilities for support while so engaged.

(2) The sale of personal property or automobiles by Grantee employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire AID personnel employed by the mission, except as this may conflict with host government regulations.

(3) Other than work to be performed under this Grant for which an employee or consultant is assigned by the Grantee, no regular or short term employee or consultant of the Grantee shall engage, directly or indirectly, either in his own name or in the name or through an agency of another person, in any business, profession or occupation in the foreign countries to which he is assigned.

(4) The Grantee's employees, while in a foreign country, are expected to show respect for its conventions, customs, and institutions, to abide by its applicable laws and regulations, and not to interfere in its internal political affairs.

(5) On the written request of the Grant Officer or of a cognizant Mission Director, the Grantee will terminate the assignment of any individual to any work under the Grant and, as requested, will use its best efforts to cause the return to the United States of the individual from overseas or his departure from a foreign country or a particular foreign locale.

(6) Allowances for employees assigned overseas shall be reimbursed in accordance with the Federal Travel Regulations (FTR).

n. Conversion of United States Dollars to Local Currency (Oct. 1974)

In countries designated "excess" or "near-excess" currency countries, Grantee agrees to convert all United States dollars to local currency through the United States Disbursing Officer, (USDO), American Embassy, unless the Disbursing Officer directs the Grantee otherwise or certifies that no local currency is available.

o. Ineligible Countries (Oct. 1974)

Unless otherwise approved by the Grant Officer, no grant funds will be expended in countries ineligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

p. Subordinate Agreements (Oct. 1974)

The placement of subordinate agreements (e.g., leases, options, etc.), grants, or contracts with other organizations, firms or institutions and the provisions of such subordinate agreements are subject to prior written consent of the Grant Officer if they will be funded hereunder. In no event shall any such subordinate agreement, grant, or contract be on a cost-plus-a-percentage-of-cost basis. Subordinate contractors (including suppliers) shall be selected on a competitive basis to the maximum practicable extent consistent with the obligations and requirements of this Grant.

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q. Publications (Oct. 1974)

(1) If it is the Grantee's intention to identify AID's contribution to any publication resulting from this Grant, the Grantee shall consult with AID on the nature of the acknowledgement prior to publication.

(2) The Grantee shall provide the Project Manager with one copy of all published works developed under the Grant. The Grantee shall provide the Project Manager with lists of other written work produced under the Grant.

(3) In the event grant funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the Grant.

(4) The Grantee is permitted to secure copyright to any publication produced or composed under the Grant. Provided, the Grantee agrees to and does hereby grant to the Government a royalty-free, non-exclusive and irrevocable license throughout the world to use, duplicate, disclose, or dispose of such publications in any manner and for any purpose and to permit others to do so.

r. Patents (Oct. 1974)

(1) Grantee agrees to notify the Grant Officer, in writing, of any invention or discovery conceived or first actually reduced to practice in the course of or under this Grant. The Grant Officer will determine the patent rights to be afforded the Grantee in accordance with the Presidential Memorandum and Statement of Government Patent Policy 36 FR 16887.

(2) Nothing contained in this clause shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government under any patent.

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s. Procurement of Equipment, Vehicles, Supplies, Materials, and Services (Oct. 1974)

(1) Except as may be specifically approved or directed in advance by the Grant Officer, or as provided in paragraphs (2), (3), and (4) below, all equipment, vehicles, materials, supplies and services the costs of which are to be attributed to this Grant and which will be financed with United States dollars shall be purchased in and shipped from the United States. In addition, for any U.S. purchase transaction in excess of \$2,500 the Grantee shall notify the seller that the item(s) must be of U.S. source and production and comply with the componentry limitations and other requirements applicable to suppliers under AID Regulation 1, and that the supplier must execute and furnish Form AID-282 "Suppliers Certificate and Agreement with the Agency for International Development".

(2) Exceptions to the foregoing are as follows (for Title X Grants only):

Grantee may permit a subgrantee (or the Grantee on his behalf) to procure commodities already in its country (with the exception of contraceptives, drug products, pharmaceuticals, and motor vehicles) in an amount not exceeding a total cost of \$5,000 per subgrantee per annum without regard to limitations, rules and procedures applicable to commodity transactions financed by AID. Such commodities shall not be considered "Already in its country" within the meaning of the aforementioned exception if the commodities have been imported or otherwise brought into the country at the request of the Grantee or subgrantee. A subgrantee's own country for this purpose shall in no event include any of the following: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Spain, Italy, Japan, Luxembourg, Monaco, Netherlands, New Zealand, Norway, South Africa, Sweden, Switzerland, and United Kingdom. The Grantee shall take all reasonable precautions to ensure that the subgrantee does not procure any commodity which has as its country of origin any of the following countries: Albania, Bulgaria, China (Mainland and other Communist-controlled areas), including Manchuria, Inner Mongolia, the provinces of Tsinghai and Sikang, Sinkiang, Tibet, and former Kwanlung Leased Territory, the present Port Arthur Naval Base Areas, and Liaoning Province, Cuba, German Democratic Republic, Hungary, North Korea, North Vietnam, Outer Mongolia, Poland, Rumania, and the Union of Soviet Socialist Republics.

(3) Printed or audio visual teaching materials may, to the extent necessary, be purchased outside the United States when:

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(a) Effective use of the materials depend on their being in the local language, and

(b) Other funds including U.S. owned and controlled local currencies are not readily available for procurement of such material.

The order of preference as to countries in which such purchases outside the United States are made shall be:

1. The AID receiving country
2. Countries falling within AID Geographic Code 901
3. Other Countries falling within AID Geographic Code 899

c AID Geographic Codes are defined in AIDPR 7-6.5201.1.

(4) Procurements in the country in which an activity is being undertaken and which are less than \$2,500 and are for materials (regularly available and normally sold on the local market) which are to be consumed or expended during the period of this Grant, are exempt from the conditions of Paragraph 1 above, provided that the origin of such materials and supplies and the component parts thereof is a free world country as described in AID Geographic Code 935.

(5) All international air shipments made by the Grantee, to be financed hereunder, shall be made on U.S. flag carriers unless shipment would, in the judgement of the Grantee, be delayed an unreasonable time awaiting a U.S. carrier, either at the point of origin or transshipment, provided that the Grantee certifies to the facts in the documents retained as part of his Grant records for post audit by AID. All international ocean shipment made by the Grantee, to be financed hereunder, shall be made on U.S. flag vessels. Where U.S. flag vessels are not available, or their use would result in a significant delay, the Grantee may obtain a release from this requirement from the Transportation Support Division, Office of Commodity Management, AID, Washington, D.C. 20523, as appropriate, giving the basis for the request.

(6) The Grantee shall obtain competition to the maximum extent possible for any procurement to be financed hereunder. Procurement by the Grantee without consideration of more than one source must be approved by the Grant Officer. In no event will any procurement be on a cost-plus-a-percentage of cost basis. The Grantee shall take all reasonable steps necessary to insure that subgrantees procuring in accordance with Paragraph (2) obtain competition to the maximum extent possible. In addition to the foregoing, for purchases made in the United States the cost of which are to be attributed to this Grant, the Grantee shall comply with the following requirements:

To permit AID, in accordance with the Small Business Provisions of the Mutual Security Act, to give United States Small Business firms an opportunity to participate in supplying commodities and services procured under this Grant, the Grantee, shall, to the maximum extent possible, provide the following information to the Office of Small Business, AID, Washington, D.C. 20523 at least 45 days prior to placing any order or contract in excess of Five Thousand (\$5,000) Dollars, except where a shorter time is requested of, and granted by the Office of Small Business:

(a) Brief general description and quantity of commodities or services;

(b) Closing date for receiving quotations or bids;

(c) Address where invitations or specifications may be obtained.

(7) Funds provided under this Grant shall not be used to procure any commodity or commodity-related services furnished by any supplier whose name appears on the List of Ineligible Suppliers under AID Regulation 8, "Suppliers of Commodities and Commodity-Related Services Ineligible for AID Financing", Grantee agrees to review said list prior to undertaking any procurement the cost of which is to be attributed to this Grant. AID will provide Grantee with this list.

t. Salaries (Oct. 1974)

All salaries, wages, fees, and stipends reimbursed under this Grant shall be in accordance with the Grantee's policy and practice as reviewed and approved by the Grant Officer. In the absence of an approved policy the Grantee shall follow the regulations contained in Section 7-15.205-6 of the Agency for International Development Procurement Regulations.

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u. Title to and Care of Property (U.S. Government) (Oct. 1974)

Property, title to which vests in the Government under this Grant, whether furnished by the Government or acquired by the Grantee, is subject to the provisions of this clause and is hereinafter collectively referred to as "Government property." Title to Government property shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personalty by reason of affixation to any realty.

(1) Use of Government Property

The Government property shall, unless otherwise provided herein or approved by the Grant Officer, be used only for the performance of this Grant.

(2) Maintenance and Repair of Government Property

The Grantee shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this Grant. The Grantee shall take all reasonable steps to comply with all appropriate directions or instructions which the Grant Officer may prescribe as reasonably necessary for the protection of the Government property.

The Grantee shall submit, for review and written approval of the Grant Officer, a records system for property control and a program for orderly maintenance of Government property.

(3) Property Control

The property control system shall include but not be limited to the following:

(a) Identification of each item of Government property acquired or furnished under the Grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of U.S. Government."

(b) The price of each item of property acquired or furnished under the Grant.

(c) The location of each item of property acquired or furnished under the Grant.

(d) A record of any usable components which are permanently removed from items of Government property as a result of modification or otherwise.

(e) A record of disposition of each item acquired or furnished under the Grant.

(f) Date of order and receipt of any item acquired or furnished under the Grant.

The official property control records shall be kept in such condition that at any stage of completion of the work under this Grant, the status of property acquired or furnished under this Grant may be readily ascertained. A report of current status of all items of property acquired or furnished under the Grant shall be submitted yearly concurrently with the annual report.

- (4) Maintenance Program

The Grantee's maintenance program shall be such as to provide for, consistent with sound industrial practice and the terms of the Grant: (i) disclosure of need for and the performance of preventive maintenance, (ii) disclosure and reporting of need for capital type rehabilitation, and (iii) recording of work accomplished under the program.

(a) Preventive maintenance - Preventive maintenance is maintenance generally performed on a regularly scheduled basis to prevent the occurrence of defects and to detect and correct minor defects before they result in serious consequences.

(b) Records of maintenance - The Grantee's maintenance program shall provide for records sufficient to disclose the maintenance actions performed and deficiencies discovered as a result of inspections.

A report of status of maintenance of Government property shall be submitted annually concurrently with the annual report.

(5) Risk of Loss

Unless otherwise provided in this Grant, the Grantee assumes the risk of, and shall be responsible for, any loss of or damage to Government property provided under this grant upon its delivery to him or upon passage of title thereto to the U.S. Government, except for reasonable wear and tear and except to the extent that such property is consumed in the performance of this Grant.

(6) Access

The Government, and any persons designated by it, shall at all reasonable times have access to the premises wherein any Government property is located, for the purpose of inspecting the Government property.

(7) Final Accounting and Disposition of Government Property

Upon completion of this Grant, or at such earlier dates as may be fixed by the Grant Officer, the Grantee shall submit, in a form acceptable to the Grant Officer, inventory schedules covering all items of Government property not consumed in the performance of this Grant or not theretofore delivered to the Government, and shall prepare, deliver, or make such other disposal of the Government property, as may be directed or authorized by the Grant Officer.

(8) Communications

All communications issued pursuant to this clause shall be in writing.

(9) Government Furnished Excess Personal Property

When Government furnished excess personal property is provided under a grant, the appropriate provisions of the Federal Property Management Regulations, Part 101-43, shall be included.

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v. Limitation of Funds (June 1973)

(1) It is estimated that the cost to the Government for the performance of this Grant will not exceed the estimated cost set forth in the Schedule*, and the Grantee agrees to use his best efforts to perform the work specified in the Schedule and all obligations under this grant within such estimated cost.

(2) The amount presently available for payment and allotted to this Grant, the items covered thereby, and the period of performance which it is estimated the allotted amount will cover, are specified in the Schedule. It is contemplated that from time to time additional funds will be allotted to this Grant up to the full estimated cost set forth in the Schedule. The Grantee agrees to perform or have performed work on this Grant up to the point at which the total amount paid and payable by the Government pursuant to the terms of this Grant approximates but does not exceed the total amount actually allotted to the Grant.

(3) If at any time the Grantee has reason to believe that the costs which he expects to incur in the performance of this Grant in the next succeeding 60 days, when added to all costs previously incurred, will exceed 75 percent of the total amount then allotted to the Grant, the Grantee shall notify the Grant Officer in writing to that effect. The notice shall state the estimated amount of additional funds required to continue performance for the period set forth in the Schedule. Sixty days prior to the end of the period specified in the Schedule the Grantee will advise the Grant Officer in writing as to the estimated amount of additional funds, if any, that will be required for the timely performance of the work under the Grant or for such further period as may be specified in the Schedule or otherwise agreed to by the parties. If, after such notification, additional funds are not allotted by the end of the period set forth in the Schedule or an agreed date substituted therefor, the Grant Officer will, upon written request by the Grantee, terminate this Grant pursuant to the provisions of the "Termination" clause on such date. If the Grantee, in the exercise of his reasonable judgment, estimates that the funds available will allow him to continue to discharge its obligations hereunder for a period extending beyond such date, he shall specify the later date in his request and the Grant Officer, in his discretion, may terminate this Grant on that later date.

(4) Except as required by other provisions of this Grant specifically citing and stated to be an exception from this clause, the Government shall not be obligated to reimburse the Grantee for costs incurred in excess of the total amount from time to time allotted to the Grant, and the Grantee shall not be obligated to continue performance under the Grant (including actions under the "Termination" clause) or otherwise to incur costs in excess of the amount allotted to the Grant, unless and until the Grant Officer has notified the Grantee in writing that such allotted amount has been increased and has specified in such notice an increased amount constituting the total amount then allotted to the Grant. To the extent the amount allotted exceeds the estimated cost set forth in the Schedule, such estimated cost shall be correspondingly increased. No notice, communication, or representation in any other form or from any person other than the Grant Officer shall affect the amount allotted to this Grant. In the absence of the specified notice, the Government shall not be obligated to reimburse the Grantee for any costs in excess of the total amount then allotted to the Grant, whether those excess costs were incurred during the course of the Grant or as a result of termination. When and to the extent that the amount allotted to the Grant had been increased, any costs incurred by the Grantee in excess of the amount previously allotted shall be allowable to the same extent as if such costs had been incurred after such increase in the amount allotted; unless the Grant Officer issues a termination or other notice and directs that the increase is solely for the purpose of covering termination or other specified expenses.

(5) Nothing in this clause shall affect the right of the Government to terminate this Grant. In the event this Grant is terminated, the Government and the Grantee shall negotiate an equitable distribution of all property produced or purchased under the Grant based upon the share of cost incurred by each.

*Schedule shall mean Attachment A to this Grant.

PAYMENT PROVISION

Periodic Grant Disbursement

An advance of the entire FY1977 funds (\$220,000) is authorized for the initial expenses involved in this Grant. Thereafter, funds hereinafter obligated for FY 1978 and FY 1979 may be requested on a monthly basis. To request the initial and subsequent advances, the Grantee will submit to the Office of Financial Management, FM/CSD, Agency for International Development, Washington, D.C. 20523, Voucher Form SF 1034 (original) and SF 1034-A, three copies, each voucher identified by the appropriate grant number, in the amount of estimated cash needs for the following month. The voucher shall be supported by an original and two copies of a report rendered as follows:

| | |
|---|-------|
| Amount of Grant | \$XXX |
| Expended to date | \$XXX |
| Expended this period (by line item as set forth in budget) | |
| 1. | \$XXX |
| 2. | \$XXX |
| 3. | \$XXX |
| etc. | |
| TOTAL THIS PERIOD | \$XXX |
| Advances outstanding to subgrantees (if any) | \$XXX |
| Anticipated expenditures next month (dates) | \$XXX |
| Cash received to date | \$XXX |
| Cash required next month | \$XXX |

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The report shall include a certification as follows:

"The undersigned hereby certifies: (1) that the above represents the best estimates of funds needed for expenditures to be incurred over the period described, (2) that appropriate refund or credit to the grant will be made in the event funds are not expended, (3) that appropriate refund will be made in the event of disallowance in accordance with the terms of this grant and (4) that any interest accrued on the funds made available herein will be refunded to AID.

BY _____

TITLE _____ DATE _____:

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