



F.D. A.O. 887
53764

UNITED STATES A. I. D. MISSION TO SRI LANKA

P.O. Box 106
Colombo 3, Sri Lanka.
Telephone : 21271 - 21532

CONFORMED COPY

OFFICIAL FILE COPY

July 27, 1987

Hon. Nissanka Wijeyeratne
Chairman
Law & Society Trust
8, Kynsey Terrace,
Colombo 8.

Subject: Grant No.398-0251.83

Dear Dr. Wijeyeratne,

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to the Law & Society Trust, 8, Kynsey Terrace, Colombo 8, (hereby referred to as "Law and Society Trust" or "Grantee"), the sum of \$48,508 or Rs.1,361,000, whichever is less, to provide support for a program in teaching of human rights as described in the Schedule of this grant and the Attachment 2, entitled "Project Description."

This grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending June 30, 1988.

The grant is made to the Law & Society Trust, on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled the Schedule, Attachment 2, entitled "Project Description," and Attachment 3 entitled "Standard Provisions," which have been agreed to by your organization.

Grant Agreements

ANE/PAFD

ANE/CAD

GC/ANE

ANE/Desk

ANE/TR Officer

ANE/PD Officer & File

PPC/CDIE/DI

Please sign the two originals and five (5) copies of this letter to acknowledge your receipt of the grant, and return one original and five (5) copies to the Office of the Legal Advisor, USAID/Colombo.

Sincerely yours,



Peter J. Bloom
Director

Attachments:

1. Schedule
2. Project Description
3. Standard Provisions

ACKNOWLEDGED:

Law & Society Trust

By: *N. M. M. M. M. M.*

Title: Chairman

Date: 4th August 1987

SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide support for a program on teaching of human rights, as more specifically described in Attachment 2 to this Grant entitled "Project Description."

B. Period of Grant

The effective date of this Grant is July 27, 1987. The expiration date of this Grant is June 30, 1988.

C. Amount of Grant and Payment

1. AID hereby obligates the amount of \$48,508 or Rs.1,361,000 whichever is less, for purposes of this Grant.

2. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3, Standard Provision 1, entitled "Payment - Periodic Advance."

D. Financial Plan

The following is the Financial Plan for this Grant, including local cost financing items. Revisions to this Plan shall be made in accordance with Standard Provision of this Grant, entitled "Revision of Financial Plans."

Cost Element (by activity or function except as shown)	Obligated Amount
	<u>Local Currency</u> Rs.
1. Consultancies	560,000.00
2. Two audio visual presentations	280,000.00
3. Printing costs	336,000.00
4. Administrative expenses	
a. Project coordination	30,000.00
b. Telephone, postage, stationery, trans.	35,000.00
c. Secretarial support	50,000.00
d. Two preparatory meetings Govt/Non Govt.	20,000.00
e. Two pre-screenings of audio visual films	20,000.00
f. Three pre-testing of case books	30,000.00
	<u>1,361,000.00</u>

E. Reporting and Evaluation

In addition the reports required by Standard Provision "Payment-Periodic Advance" in Attachment 3, the Grantee will provide the following reports to USAID:

1. After the Grant Agreement is signed, the Grantee may request an advance for an amount equal to its estimated cash needs, in Rupees, for the first three months of operations of its project, as well as an additional amount for "start up" costs. To request this advance, the Grantee shall submit to the USAID Controller an original and three (3) copies of SF 1034.

2. A brief progress report shall be submitted to the USAID each quarter during the implementation period. The report, which shall be due September 15, 1987, December 15, 1987, March 15, 1988 and at the end of the project, shall include the following information:

- (1) A comparison of actual accomplishments with the schedule or goals established for the period;
- (2) reasons why the schedule or goals were not met; and
- (3) other pertinent information including, when appropriate, an explanation of cost overruns or high unit costs.

3. Within three months after completion of the project, the Grantee will submit to the USAID Director a report that briefly describes the entire history of the project.

4. The Grantee will conduct an evaluation of its project within thirty (30) days after its annual financial audit and submit to USAID a completed Project Evaluation Summary (PES) with a confirmed copy of the audit as a mandatory attachment. USAID is authorized to participate in the evaluation as it determines necessary. The Grantee will notify USAID thirty (30) days prior to the initiation of the evaluation.

F. Special Provisions

1. Local cost financing is authorized under the Grant.
2. Title to property will be vested in the Grantee.

PROJECT DESCRIPTION

This project on the teaching of human rights envisages the following components

Adult Education

Firstly, the Project will develop a manual on social and economic rights for adult education on human rights. We would like to achieve three objectives in the preparation of this manual. Firstly to analyse and elaborate the concepts and ideas in the 'Covenant' in their philosophical and historical contexts. This would be purely a conceptual exercise which would explore the limits of the rights elaborated in the Covenant with reference to their historical antecedents. The manual would follow the thematic sequence of the text in relation to the broad category of rights dealt with in it. Secondly, to explore these issues against the backdrop of the social and economic realities of Sri Lanka. In this regard issues of particular relevance to Sri Lanka, such as plantation workers, agrarian reform, dowry, etc. would be examined. The intention would be to relate this social experience to the societal vision which is implicit in the Covenant. Finally, an effort would be made to deal with problems of education, training and promotion more imaginatively than dealt with in conventional manuals and texts on human rights. The manual would focus on legal literacy projects and other programs towards the empowerment of the poor and deprived. It would also look at the bold efforts made by an activist judiciary in some Asian countries to translate the unmet social and economic needs of the disadvantaged into enforceable demands. The manual could then seek to highlight the need to inject a new dynamism to the progressive realization of these rights.

The Trust will also consider developing a similar manual on civil and political rights. This manual will take as its part of departure the International Civil and Political Covenant and will stress the inter-dependence of civil and political rights. The manual will deal with the freedom of expression and movement, political participation, the rights of vulnerable economic, cultural and ethnic groups, and the problems of enforcement and promotion of such rights.

These manuals would be prepared by Consultants who would actively work in consultation with the Institute of Workers Education, and the Sri Lanka Foundation Institute. These manuals will be prepared in Sinhala, Tamil and English.

Primary and Secondary Education

Secondly, the Trust will develop teaching manuals, handbooks, posters, audio-visual presentations and teaching aids for primary and secondary schools on aspects of human rights. These course material will be modelled on the material imaginatively prepared by the Human Rights Commission in Australia. The series will deal with issues such as racism, sexism, caste prejudice, etc. It will touch on both the ideological expression of negative beliefs and attitudes, and also institutional or structural forms of discriminatory behaviour. Assistance will be sought from the literary and artistic groups to give visual and even dramatic expression to the need to counter such negative attitudes and beliefs. Teachers will be encouraged to integrate and adopt such material within the diverse curriculum of the schools devoted to music, art and drama. These course materials will be developed in Sinhala, Tamil and English. However, under this grant period, the Trust will develop two audio visual presentations which will deal with problems of "Remand Prisoners" and "The Enforcement of Fundamental Rights". These audio-visual presentations will be offered to the Educational Service of Sri Lanka Rupavahini Corporation, and to the Ministry of Education for distribution to primary and secondary schools.

Tertiary Education

Thirdly, the Trust will commission the preparation of casebooks on Human Rights Law, Comparative Constitutional Laws for use in the Law Faculty, the Open University and the Sri Lanka Law College. The absence of relevant case books has imposed a serious impediment to the effective teaching of human rights law and practice, and the reform of curriculum in those institutions. Such material could be utilised to develop special courses for judges, law enforcement officials and prison officers at the newly created Judges Training Institute.

Fourthly, the materials generated through this project would be disseminated to non-governmental organizations for community education programs, workshops and seminars. The Trust will make this material available to groups such as the Sri Lanka Foundation, the Marga Institute, for use in such community-oriented educational programs.

The project will enhance the capacity of the formal educational system and adult education system to inject more humanistic concerns into the educational process. It will thus promote awareness and concern for human rights in general, and more specifically human rights concerning women, socially and economically disadvantaged segments of the population. It will indirectly,

- (a) improve awareness of the needs of women and of disadvantaged groups, and enhance their capacity to participate more meaningfully in their own development and in the life of the community;
- (b) make private voluntary organizations become more conscious of the role that they could play in the promotion and enforcement of human rights and a process of human-centred development;
- (c) enhance the capacity of the primary and secondary schools to inculcate and promote liberal and pluralistic values;
- (d) facilitate the diversification of curriculum in legal education, continuing legal education and professional training program, for judges and others associated with the administration of justice.

.....

TIME FRAME

<u>June</u>	<u>July</u>	<u>August-December</u>	<u>January</u>	<u>February</u>	<u>March 31st</u>
Finalise Grant Agreement.	Planning meeting with Consultants/ Trustees, and institutions engaged in complementary studies.	Plan I	(a) Submit manuals for translation.	(a) Submit manuals for printing.	Submit Project Report <u>and</u>
Engage Consultants.		(a) Preparation of first draft of manuals.	(b) Finalize case books.	(b) Submit case books for printing.	Financial Statement..
		(b) Compilation of material for case books.	(c) Edit audio-visuals.	(c) Submit audio visual presentations for previewing by Education Television.	
		(c) Filming audio-visual.			

BUDGET

Consultancies (4 Consultants to be engaged to prepare two manu-els, and two case-books 4 x 5000)	..	20,000.00
Two audio-visual presentations on human rights for educational television (2 x 5000)	..	10,000.00
Printing costs (4 x 3000)	..	12,000.00
Administrative co-ordination (adminis-trative expenses and secretarial support)	..	6,500.00
		<hr/>
	U.S.\$:	48,500.00
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LAW & SOCIETY TRUST

CHAIRMAN

Dr. Nissanka Wijeyeratne

TRUSTEES :

Dr. A. R. B. Amerasinghe
Mr. R. K. W. Goonesekera
Dr. M. L. S. Jayasekera
Mr. Mervyn Wijesinghe
Dr. N. Tiruchelvam

CONSULTANT :

Maja Dhun Daruwala

SECRETARY :

Damaris Wickremasekera

June 24, 1987.

Mr S.Abeyesekera,
United States AID Mission to Sri Lanka,
44 Galle Road,
Kollupitiya,
Colombo 3.

Dear Mr Abeyesekera,

Please find enclosed a further break-down of
the administrative costs (US\$ 6,500) for the
Project Proposal on the teaching of human rights
in Sri Lanka.

With regards.

Yours sincerely,
LAW & SOCIETY TRUST


Accountant

Encl.

DETAILS OF ADMINISTRATIVE EXPENSES

US\$ 6500 @ Rs.28/- =SL.Rs.182,000/-

- | | |
|--|--------------|
| 1. Project co-ordination (3000x 10) | Rs 30,000.00 |
| 2. Telephones, postage, duplicating costs, stationery, ground transportation (3500x10) | " 35,000.00 |
| 3. Secretarial support for consultants (2500x2x10) | " 50,000.00 |
| 4. Costs of 2 preparatory meetings with all governmental/non-governmental agencies engaged in human rights education (15 participants), Conference facilities, reimbursement of transportation expenses (out of the Colombo participants) (2x10,000) | " 20,000.00 |
| 5. Cost of 2 pre-screenings of the audio visual films to primary and secondary schools and discussions (possibly in Galle and Kandy), rental of audio visual equipment, hire for vehicle to transport equipment, subsistence for project related personnel(2x10,000) | " 20,000.00 |
| 6. Cost of 3 pre-testing of aspects of the case books with consultants and students from the Law Faculty of the University, Law College of Sri Lanka, and the Law Faculty of the Open University.(duplication of course material for discussion (50 pages x 2)for 50 participants in each session, and related costs) (3x10,000) | " 30,000.00 |

Total (Approx)

Rs. 185,000.00



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

MANDATORY STANDARD PROVISIONS FOR
NON-U.S., NONGOVERNMENTAL GRANTEES¹

- | | |
|-----------------------------------|----------------------------------|
| 1. Allowable Costs | 7. Ineligible Countries |
| 2. Accounting, Audit, and Records | 8. U.S. Officials Not to Benefit |
| 3. Refunds | 9. Nonliability |
| 4. Revision of Grant Budget | 10. Amendment |
| 5. Termination and Suspension | 11. Notices |
| 6. Disputes | |

1. ALLOWABLE COSTS (MAY 1986)

(a) The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are determined by the grant officer to be reasonable, allocable, and allowable in accordance with the terms of this grant and the applicable* cost principles in effect on the date of this grant, which are attached.

(1) Reasonable. Shall mean those costs that do not exceed those which would be incurred by an ordinarily prudent person in the conduct of normal business.

(2) Allocable Costs. Shall mean those costs which are necessary to the grant.

(3) Allowable Costs. Shall mean those costs which must conform to any limitations set forth in this grant.

*NOTE: For educational institutions use OMB Circular A-21; for all other non-profit organizations use OMB Circular A-122; and for profit making firms use Federal Acquisition Regulation 31.2. and AID Acquisition Regulation 731.2.

¹When these Standard Provisions are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient" "Grant" means "Cooperative Agreement," and "AID Grant Officer" means "AID Agreement Officer."

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(4) Unallowable costs, direct or indirect, include but are not limited to the following examples: Advertising, bad debts, contingencies, entertainment, fines and penalties, interest, fund raising, investment management costs, losses on other awards, taxes, first class air fare unless specifically approved. Additionally, public information service costs are unallowable as indirect costs.

(b) Prior to incurring a questionable or unique cost, the grantee should obtain the grant officer's written determination as to whether the cost will be allowable.

2. ACCOUNTING, AUDIT, AND RECORDS (MAY 1986)

(a) The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. Accounting records that are supported by documentation will as a minimum accumulate and record all costs incurred under a grant and disclose the amount of that portion of the cost of the project supplied by other sources. The grantee records and subgrantee records which pertain to this grant shall be retained for a period of three years from the date of expiration of this grant and may be audited by AID and/or its representatives.

(b) The grantee agrees to have the funds provided under the grant audited by an independent auditor during the course of the grantee's normal annual audit of the grantee's organization. Copies of the grantee's audit reports will be provided to AID. AID will review the audit reports to determine the adequacy of audit coverage. If AID determines that the audit coverage is not sufficient to verify the source and application of grant funds or that the audit does not meet the requirements of an independent audit, a second audit will be performed by AID.

(c) The following language shall be inserted in all subgrants valued in excess of \$10,000.

(1) 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. These records shall be maintained for three years after final payment. These records may be audited by the grantor's representatives.

(2) The grantee agrees to have the funds provided under this grant audited by an independent auditor during the course of the grantee's normal annual audit of the grantee's organization. Copies of the

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grantee's audit reports will be provided to the grantor. If the audit coverage is not sufficient to verify the source and application of grant funds or the audit does not meet the requirements of an independent audit, a second audit will be requested of the grantee and that audit shall meet the requirements of the grantor.

3. REFUNDS (MAY 1986)

(a) The grantee shall remit to AID all interest earned on funds provided by AID.

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

(c) If, at any time during the life of the grant, or as a result of final audit, it is determined by AID that funds it provided under this grant have been expended for purposes not in accordance with the terms of this grant, the grantee shall refund such amount to AID.

4. REVISION OF GRANT BUDGET (MAY 1986)

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

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

(1) To change the scope or the objectives of the project and/or revise the funding allocated among project objectives.

(2) Additional funding is needed.

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

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

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

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

5. TERMINATION AND SUSPENSION (MAY 1986)

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

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

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

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

6. DISPUTES (NOVEMBER 1985)

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

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

(c) In connection with any appeal proceeding under this provision, the grantee shall be given an opportunity to be heard and to offer evidence in support of its appeal.

(d) A decision under this provision by the Administrator or an authorized representative shall be final unless overruled by a court of competent jurisdiction.

7. INELIGIBLE COUNTRIES (MAY 1986)

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

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

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

9. NONLIABILITY (NOVEMBER 1985)

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

10. AMENDMENT (NOVEMBER 1985)

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

11. NOTICES (NOVEMBER 1985)

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

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

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

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

(END OF MANDATORY STANDARD PROVISIONS)

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REQUIRED AS APPLICABLE STANDARD PROVISIONS FOR
NON-U.S., NONGOVERNMENTAL GRANTEES

The following standard provisions are required to be used when applicable. Applicability statements are contained in the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with Paragraph 1E of Chapter 1 of this Handbook. Each grant is required to have a payment provision. Check off the provisions which are to be included in the grant. Only those standard provisions which have been checked off are included within the grant.

- | | |
|---|--|
| 1. Payment - Periodic Advance | <u> X </u> |
| 2. Payment - Cost Reimbursement | <u> </u> |
| 3. Air Travel and Transportation | <u> </u> |
| 4. Ocean Shipment of Goods | <u> </u> |
| 5. Procurement of Goods and Services | <u> X </u> |
| 6. AID Eligibility Rules for Goods and Services | <u> X </u> |
| 7. Subagreements | <u> </u> |
| 8. Local Cost Financing | <u> X </u> |
| 9. Patents Rights | <u> </u> |
| 10. Publications | <u> X </u> |
| 11. Nondiscrimination | <u> </u> |
| 12. Regulations Governing Employees | <u> </u> |
| 13. Participant Training | <u> </u> |
| 14. Voluntary Population Planning | <u> </u> |
| 15. Protection of the Individual as a Research Subject | <u> </u> |
| 16. Negotiated Overhead Rates - Provisional | <u> </u> |
| 17. Government Furnished Excess Personal Property | <u> </u> |
| 18. Title To and Use of Property (Grantee Title) | <u> X </u> |
| 19. Title To and Care of Property (U.S. Government Title) | <u> </u> |
| 20. Title To and Care of Property (Cooperating Country Title) | <u> </u> |
| 21. Cost Sharing (Matching) | <u> </u> |

(INCLUDE THIS PAGE IN THE GRANT)

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PAYMENT - PERIODIC ADVANCE (NOVEMBER 1985)

(This provision is applicable when (1) the grantee has an acceptable accounting system (2) the grantee has the ability to maintain procedures that will minimize the time elapsing between the transfer of funds and the disbursement thereof, and (3) the grantee's financial management system meets the standards for fund control and accountability required under the standard provision of this agreement entitled "Accounting, Audit, and Records".)

- (a) AID funds shall not be commingled with other grantee owned or controlled funds. The grantee shall deposit all AID cash advances in a separate bank account and shall make all disbursements for goods and services from this account.
- (b) Each quarter, after the initial cash advance, the grantee shall submit to the AID Controller, identified in the schedule, voucher SF 1034 (original) and SF 1034-A (three copies), entitled "Public Voucher for Purchases and Services Other Than Personal", copies of which are attached.
- (c) Each voucher shall be identified by the appropriate grant number and shall be accompanied by an original and three copies of a report in the following format:

FEDERAL CASH ADVANCE STATUS REPORT
(Report Control No. W-245)

A. Period covered by this report:

FROM (Month, day, year) _____
TO (Month, day, year) _____

Period covered by the next report:

FROM (Month, day, year) _____
TO (Month, day, year) _____

B. Cash Advance Use and Needs:

- 1. Cash advance on hand at the beginning of this reporting period \$ _____
- 2. U.S. Treasury check advance(s) received during this reporting period..... \$ _____
- 3. Interest earned on cash advance during this reporting period..... \$ _____

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- 4. GROSS cash advance available during this reporting period (Lines 1, 2, & 3).....\$ _____
- 5. LESS, interest remitted to AID during this reporting period..... \$ _____
- 6. NET cash advance available during this reporting period (Line 4 minus Line 5)..... \$ _____
- 7. Total disbursements during this reporting period, including subadvances (see footnote 1)..... \$ _____
- 8. Amount of cash advances available at the end of this reporting period (Line 6 minus Line 7)..... \$ _____
- 9. Projected disbursements, including subadvances, for the next reporting period (see footnote 2)..... \$ _____
- 10. Additional cash advance requested for the next reporting period (Line 9 minus Line 8)..... \$ _____
- 11. Total interest earned on cash advance from the start of the grant to the end of this reporting period, but not remitted to AID \$ _____
- 12. Total cash advances to subgrantees, if any, as of the end of this reporting period..... \$ _____

FOOTNOTES:

- 1. The grantee shall submit a cumulative detailed report of disbursements by BUDGET line item quarterly.
- 2. The grantee shall attach a Summary, by BUDGET line item, of its projected disbursements for the next reporting period.

C. Certification:

The undersigned hereby certifies: (1) that the amount in paragraph B.9 above represents the best estimate of funds needed for the disbursements to be incurred over the period described, (2) that appropriate refund or credit to the grant will be made in the event of disallowance in accordance with the terms of the grant, (3) that appropriate refund or

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credit to the grant will be made in the event funds are not expended, and (4) that any interest accrued on the funds made available herein will be refunded to AID.

DATE _____ BY _____
TITLE _____

(END OF STANDARD PROVISION)

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PROCUREMENT OF GOODS AND SERVICES (MAY 1986)

(This provision is applicable when goods or services are procured under the grant.)

The grantee may use its own procurement policies and practices for the procurement of goods and services under this grant, provided they conform to all of AID's requirements listed below and the standard provision entitled "AID Eligibility Rules For Goods and Services".

(a) General Requirements:

(1) The recipient shall maintain a code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the awarding and administration of contracts using AID funds. Conflict of interest situations involving employees, officers or agents or their immediate families shall be avoided. The recipients' officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or potential contractors. Such standards shall provide for disciplinary actions to be applied for violations of such standards by the recipients' officers, employees or agents.

(2) All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The recipient should be alert to organizational conflicts of interest or noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or requests for proposals should be excluded from competing for such procurements. Awards shall be made to the offeror whose offer is responsive/responsible to the solicitation and is most advantageous to the recipient, price and other factors considered. Solicitations shall clearly set forth all requirements that the offeror must fulfill in order to be evaluated by the recipient. Any and all offers may be rejected when it is in the recipient's interest to do so.

(3) All grantees shall establish procurement procedures that provide for, at a minimum, the following procedural requirements:

(i) Proposed procurement actions shall follow a procedure to assure the avoidance of purchasing unnecessary items.

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(ii) Solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product or service to be procured. Such a description shall not, in competitive procurements, contain features which unduly restrict competition.

(iii) Positive efforts shall be made by the recipients to utilize U.S. small business and minority owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts utilizing AID funds. The grantee shall to the maximum extent possible provide the following information to the Office of Small Disadvantaged Business Utilization, AID, Washington, D.C. 20523, at least 45 days prior (except where a shorter time is requested of and granted by the Office of Small and Disadvantaged Business Utilization) to placing any order or contract in excess of \$25,000:

- (A) Brief general description and quantity of goods or services;
- (B) Closing date for receiving quotations or proposals; and
- (C) Address where solicitations and specifications can be obtained.

(iv) The type of procuring instruments used, e.g. fixed price contracts, cost reimbursable contracts, purchase orders, incentive contracts, shall be determined by the recipient but must be appropriate for the particular procurement and for promoting the best interest of the program involved. In those instances where a cost type contract authorizes a fee, a fixed amount will be used in lieu of a percentage of cost.

(v) Contracts shall be made only to responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed contract. Consideration shall be given to such matters as integrity, record of past performance, financial and technical resources or accessibility to other necessary resources. Contracts shall not be made to firms or individuals whose name appears on the AID Consolidated List of Debarred, Suspended, and Ineligible Awardees. AID will provide the grantee with a copy of this list upon request.

(vi) All proposed sole source contracts or where only one proposal is received in which the aggregate expenditure is expected to exceed \$10,000 shall be subject to prior approval by an appropriate official within the grantee's organization.

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(vii) Some form of price or cost analysis should be made in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, and market prices, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

(viii) Procurement records and files for purchases in excess of \$10,000 shall include the following:

- (A) Basis for contractor selection;
- (B) Justification for lack of competition when competitive offers are not obtained;
- (C) Basis for award: cost or price.

(ix) A system for contract administration shall be maintained to ensure contractor conformance with terms, conditions and specifications of the contract, and to ensure adequate and timely followup of all purchases.

(b) Each contract and subcontract shall contain in addition to provisions to define a sound and complete contract, the following contract provisions as well as any provision within this grant which requires such inclusion of that provision. Whenever a provision is required to be inserted in a contract under this grant, the grantee shall insert a statement in the contract that in all instances where AID is mentioned the grantee's name shall be substituted.

(1) Contracts in excess of \$10,000 shall contain contractual provisions or conditions that will allow for administrative, contractual or legal remedies in instances in which contractors violate or breach contract terms, and provide for such remedial actions as may be appropriate.

(2) All contracts in excess of \$10,000 shall contain suitable provisions for termination by the recipient including the manner by which termination will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

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(3) All negotiated contracts over \$10,000 awarded by recipients shall include a provision to the effect that the recipient, AID or their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(4) In all contracts for construction or facility improvement awarded for more than \$100,000, recipients shall observe generally accepted bonding requirements.

(5) Contracts, the principal purpose of which is to create, develop or improve products, processes or methods; or for exploration into fields that directly concern public health, safety or welfare; or contracts in the fields of science or technology in which there has been little significant experience outside of work funded by Federal assistance, shall contain a notice to the effect that matters regarding rights to inventions and materials generated under the contract are subject to the regulations included in these grant provisions. The contractor shall be advised as to the source of additional information regarding these matters.

(END OF STANDARD PROVISION)

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AID ELIGIBILITY RULES FOR GOODS AND SERVICES (MAY 1986)

(This provision is applicable when goods or services are procured under the grant.)

(a) Ineligible and Restricted Goods and Services: If AID determines that the grantee has procured any of the restricted or ineligible goods and services specified below, or has procured goods and services from unauthorized sources, and has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to AID the entire amount of the reimbursement.

(1) Ineligible Goods and Services. Under no circumstances shall the grantee procure any of the following under this grant:

- (i) Military equipment,
- (ii) Surveillance equipment,
- (iii) Commodities and services for support of police or other law enforcement activities,
- (iv) Abortion equipment and services,
- (v) Luxury goods and gambling equipment, or
- (vi) Weather modification equipment.

(2) Ineligible Suppliers. Funds provided under this grant shall not be used to procure any goods or services furnished by any firm or individual whose name appears on AID's Consolidated List of Debarred, Suspended or Ineligible Awardees (AID Regulation 8 (22 CFR 208)). AID will provide the grantee with this list upon request.

(3) Restricted Goods. The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:

- (i) Agricultural commodities,
- (ii) Motor vehicles,
- (iii) Pharmaceuticals,
- (iv) Pesticides,
- (v) Rubber compounding chemicals and plasticizers,

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- (vi) Used equipment,
- (vii) U.S. Government-owned excess property, or
- (viii) Fertilizer.

(b) Source, Origin, and Nationality: The eligibility rules for goods and services are based on source, origin, and nationality and are divided into the two categories. One applies when the total procurement during the life of the grant is over \$250,000 and the other applies when the total procurement element during the life of the grant is not over \$250,000. The total procurement element includes procurement of all goods (e.g. equipment, materials, supplies) and services. Guidance on the eligibility of specific goods or services may be obtained from the grant officer. AID policies on source, origin, and nationality are contained in Chapters 4 and 5 of AID Handbook 1, Supplement B, (Procurement Policies).

(1) When the total procurement element during the life of this grant is valued at \$250,000 or less, the following rules apply:

(i) All goods and services, the costs of which are to be reimbursed under this grant and which will be financed with U.S. dollars, shall be purchased in and shipped from only "Special Free World" countries (i.e., AID Geographic Code 935) in accordance with the following order of preference:

- (A) The United States (AID Geographic code 000),
- (B) The Cooperating Country,
- (C) Selected Free World countries (AID Geographic Code 941),
- (D) Special Free World countries (AID Geographic Code 935).

(ii) Application of Order of Preference: When the grantee procures goods and services from other than U.S. sources, under the order of preference in paragraph (b)(1)(i) above, the grantee shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the grantee's documentation:

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(A) The procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,

(B) The price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,

(C) Impelling local political considerations precluded consideration of U.S. sources,

(D) The goods or services were not available from U.S. sources, or

(E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the grant.

(2) When the total procurement element exceeds \$250,000, the following rule applies: Except as may be specifically approved or directed in advance by the grant officer, all goods and services, which will be reimbursed under this grant and financed with U.S. dollars, shall be procured in and shipped from the U.S. (Code 000) and from any other countries within the authorized geographic code as specified in the schedule of this grant.

- (c) Marine Insurance: The eligibility of marine insurance is determined by the country in which it is placed. Insurance is placed in a country if payment of the insurance premium is made to and the insurance policy is issued by an insurance company located in that country. Eligible countries for placement are governed by the authorized geographic code, except that if Code 941 is authorized, the Cooperating Country is also eligible. Section 604(d) of the Foreign Assistance Act requires that if a recipient country discriminates by statute, decree, rule, or practice with respect to AID-financed procurement against any marine insurance company authorized to do business in the U.S., then any AID-financed commodity shipped to that country shall be insured against marine risk and the insurance shall be placed in the U.S. with a company or companies authorized to do marine insurance business in the U.S.
- (d) Ocean and air transportation shall be in accordance with the applicable provisions contained within this grant.
- (e) Printed or Audio-Visual Teaching Materials: If the effective use of printed or audio-visual teaching materials depends upon their being in the local language and if such materials are intended for technical

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assistance projects or activities financed by AID in whole or in part and if other funds including U.S.-owned or U.S.-controlled local currencies are not readily available to finance the procurement of such materials, local language versions may be procured from the following sources in order of preference:

- (1) The United States (AID Geographic code 000),
 - (2) The Cooperating Country,
 - (3) Selected Free World countries (AID Geographic Code 941),
 - (4) Free World countries (AID Geographic Code 899).
- (f) Special Restrictions on the Procurement of Construction or Engineering Services: Section 604(g) of the Foreign Assistance Act provides that AID funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under Geographic Code 941, which have attained a competitive capability in international markets for construction services or engineering services." In order to insure eligibility of a Code 941 contractor for construction or engineering services, the grantee shall obtain the grant officer's prior approval for any such contract.

(END OF STANDARD PROVISION)

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LOCAL COST FINANCING (MAY 1986)

(This provision applies only when local costs are authorized by the grant, and must be used with the standard provision entitled "Procurement of Goods and Services.")

- (a) Costs qualifying as local costs are eligible for financing under the grant in accordance with the terms of this standard provision. Local costs are defined as (1) indigenous goods, (2) imported shelf items, and (3) services provided by suppliers meeting the requirements contained in subparagraph (b). Indigenous goods are those that have been mined, grown or produced in the cooperating country through manufacture, processing or assembly. In the case of produced goods containing imported components, to qualify as indigenous a commercially recognized new commodity must result that is substantially different in basic characteristics or in purpose or utility from its components. Imported shelf items are goods that are normally imported and kept in stock, in the form in which imported, for sale to meet a general demand in the country for the item.

Imported shelf items are eligible in unlimited quantities if they have their origin in a country included in AID Geographic Code 941. Imported shelf items having their origin in any country included in Code 899 but not in Code 941 are eligible if the price of one unit does not exceed \$5,000. For goods sold by units of quantities; e.g., tons, barrels, etc., the unit to which the local currency equivalent of \$5,000 is applied is that which is customarily used in quoting prices. The total amount of imported shelf items purchased from countries included in Code 899 but not in Code 941 may not exceed \$25,000 or 10% of the total local costs financed by AID for the grant, whichever is higher; however, in no case may the total amount of such purchases exceed \$250,000 without first obtaining a specific geographic source waiver. Imported shelf items produced in or imported from countries not included in Geographic Code 899 are ineligible for AID financing.

- (b) To qualify as local costs, goods and services must also meet the following additional requirements:
- (1) They must be paid for in local currency.
 - (2) They must not be specifically imported for this grant.
 - (3) The supplier must be located in the cooperating country and must be of cooperating country nationality as defined in AID Handbook 1B; Chapter 5.

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- (4) Any component from a country not included in AID geographic code 935 renders a commodity ineligible for financing.
- (c) Ineligible Goods and Services: Under no circumstances shall the grantee procure any of the following under this grant:
- (1) Military equipment,
 - (2) Surveillance equipment,
 - (3) Commodities and services for support of police or other law enforcement activities,
 - (4) Abortion equipment and services,
 - (5) Luxury goods and gambling equipment, or
 - (6) Weather modification equipment.
- (d) Ineligible Suppliers: Funds provided under this grant shall not be used to procure any goods or services furnished by any firm or individual whose name appears on AID's Consolidated List of Debarred, Suspended, or Ineligible Awardees (AID Regulation 8, (22 CFR 208)). AID will provide the grantee with this list upon request.
- (e) Restricted Goods: The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:
- (1) Agricultural commodities,
 - (2) Motor vehicles,
 - (3) Pharmaceuticals,
 - (4) Pesticides,
 - (5) Rubber compounding chemicals and plasticizers,
 - (6) Used equipment,
 - (7) U.S. Government-owned excess property, or
 - (8) Fertilizer.

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- (f) IF AID determines that the grantee has procured any of the restricted or ineligible goods and services specified in subparagraphs (c) through (e) above, or has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to AID the entire amount of the reimbursement.

(END OF STANDARD PROVISION)

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PUBLICATIONS (MAY 1986)

(This provision is applicable when publications are financed under the grant.)

- (a) 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.
- (b) The grantee shall provide the AID project officer with one copy of all published works developed under this grant and with lists of other written work produced under the grant.
- (c) 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 unless the schedule of the grant has identified the profits or royalties as program income.
- (d) Except as otherwise provided in the terms and conditions of the grant, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this grant, but AID reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for Government purposes.

(END OF STANDARD PROVISION)

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TITLE TO AND USE OF PROPERTY (GRANTEE TITLE) (MAY 1986)

(This provision is applicable only when the Government vests title to property in the grantee.)

- (a) Title to all property financed under this grant shall vest in the grantee.
- (b) The grantee agrees to use and maintain the property for the purposes of the grant.
- (c) With respect to property having an acquired value of \$1,000 or more, the grantee agrees to report such items to the grant officer as they are acquired and to maintain a control system which will permit their ready identification and location.
- (d) Within thirty calendar days after the end of the grant, the grantee will provide a list to the grant officer of each item that has an appraised value of \$1,000 or more with a detailed proposal of what the grantee intends to do with that property. If the grant officer does not respond within 120 calendar days, the grantee may proceed with the disposition of the property. However, if the grantee uses the property for purposes other than those of the grant or sells or leases the property, AID shall be reimbursed for its share of the income from selling or leasing the property to be used as program income. This share is based upon the percentage of AID's contribution to the grantee's program. If AID paid 100% of the grantee's costs, then AID would receive 100% of the selling cost less a nominal selling fee of \$100.

(END OF STANDARD PROVISION)

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