

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
Manila, Philippines

Ramon Magsaysay Center
1680 Roxas Boulevard

Telephone: 521-71-16

August 22, 1988

Loan and Grant Agreements

FM/LMD (if Loan)

FM/PAFD

FM/CAD

GC/ANE

ANE/Desk

ANE/TR Officer

ANE/PD Officer & File

PPC/CDIE/DI

Mr. Michael K. Novell
Country Director
Save the Children Federation
322 Secretariat Bldg.
PICC, CCP Complex
1000 Roxas Blvd., Metro Manila

Dear Mr. Novell:

Subject: Grant No. AID 492-0367-G-SS-8129-CO

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 Save the Children Federation (hereinafter referred to as "SCF" or "Grantee") the sum of ₱4,976,457 for peso costs and \$19,869 for dollar costs, for which \$262,623 shall be made available, to provide support for an Integrated Resource Development project described in Attachment 1, entitled "Schedule and Project Description".

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 period beginning with the effective date and ending three years after the date of this letter.

This Grant is made to SCF on condition that funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled "Schedule and Project Description", Attachment 2, entitled "Standard Provisions", and SCF's proposal (incorporated herein by reference) which have been agreed to by your organization.

Please sign and date the original and seven (7) copies of this Grant to acknowledge your acceptance of the conditions under which these funds have been granted and return the original and six (6) copies to the undersigned.

Sincerely,

Malcolm Butler

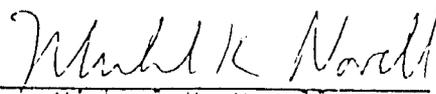
Malcolm Butler
Director

Attachments:

1. Attachment 1, Schedule and Project Description
Annex A, PVO Forms
Annex B, Detailed Budget Schedule
Annex C, USAID Intermediate Credit Policy
2. Attachment 2, Standard Provisions

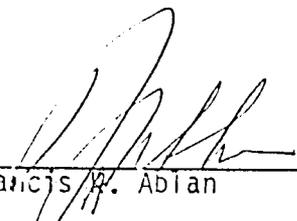
ACCEPTED:

SAVE THE CHILDREN FEDERATION

By: 
Michael K. Novell

Title: Country Director

Date: _____


Francis R. Adian
SCF/Philippines
National Advisory Council Member

F I S C A L D A T A

Appropriation No.	:	72-1181021
Budget Allowance No.	:	QDHA8827492JG13
PIO/T No.	:	492-0367-3-88096
Project Number	:	492-0367
Total Grant Amount	:	\$262,623
RESCTLNO. :	:	P882193
Earmark No.	:	P882193
Commitment Document No.	:	482-0367-G-SS-8139-00

ATTACHMENT 1

SCHEDULE AND PROJECT DESCRIPTION

I. PROJECT BACKGROUND

Section 1.1. Problem

This project covers the sites of Bagong Paraiso and Kapit Bisig, two contiguous communities in Bayanan, Muntinlupa and South Daang Hari, one geographical area lying across the borders of Taguig and Paranaque. These depressed communities have a combined population of 4,280 occupying an area of approximately five hectares. Population density is relatively high. Sanitation and drainage systems are absent and access to the communities is limited. Family houses are generally made of salvaged or light materials with a fifth of the population having no toilet facilities. The majority do not have water and electrical connections.

Residents have stayed in the area between 10-26 years. They are motivated to pursue acquisition of their land and have organized to do so. Indigenous organizations are present and one of them, the Bagong Paraiso Association, Inc., has successfully purchased their lot from a bank with the assistance of the National Housing Authority (NHA). This success has motivated others to acquire their piece of land and served as an impetus to earn more income.

The majority of the household earnings fall below the poverty line. As a consequence, the affordability of basic services such as health is limited. These problems are detailed thoroughly in survey reports by Save the Children Federation (SCF) and NHA, and in recent needs assessment activities conducted by SCF field staff in the communities. Recognizing that improving the income level of the residents is a key factor in the development process, the project will focus on this over the next three years. However, health and local environment, as well as social development objectives, will be part of the program. This project will involve the communities in an integrated, self-help effort with a major emphasis placed throughout on the implementation of sectoral projects and on developing the management and sectoral skills of local residents to enhance their capacity to sustain the development process beyond the grant period.

Section 1.2. Summary Baseline Information

Surveys conducted by SCF and NHA as well as the needs assessment activities conducted in the communities provide insight into the status and aspirations of the communities. Surveys were administered on a house-to-house basis, while the needs assessment activities were conducted by block representatives with groups of residents.

Selected information and data extracted from the surveys and needs assessment activities are as follows:

(a) Employment. The project sites have a combined labor force of 2,433 of which fifty-one percent are employed and the remaining forty-nine percent are unemployed. Of the total fifty-one percent employed, twenty-five percent are classified as permanently employed with the remaining twenty-six percent being considered as underemployed. The average family size is 5.3 individuals with a dependency ratio of 2.3 individuals for every person employed. One can note from these statistics the enormous responsibilities of an income earner whose average earning is ₱1,792.00 per month. This is ₱1,490.00 short of the poverty line estimated by NEDA at ₱3,282.00 per month for a family of six. SCF expects to assist this population sector by providing employment opportunities through skills trainings and seed capital for the provision of small business/livelihood projects. SCF will also assist with marketing linkages for products produced by the residents.

(b) Health and Social Services. There are no health clinics in or preventive health services delivered to the communities. While the sites are covered by Rural Health Units (RHU), visits by RHU staff are rare. No primary health care system is in place within the communities. The health problems identified by residents and staff are typical of other depressed communities. Common ailments are fevers, respiratory infections, skin infections, general malnutrition and so on. In one community, sixty-one percent of the children are not immunized against common childhood diseases. This is partly due to a lack of understanding of the importance of immunization. It is also partly a result of the lack of available health services and a fear of an additional cost to be included in an already tight family budget. Approximately twenty percent of the total population in these communities do not have access to their own toilets. Twenty-five percent of school-age children numbering 1,304 are out of school. Opportunities for youth oriented activities including those related to economic development are limited. SCF also plans to assist the communities through this framework to completely immunize all eligible children, to construct drainage systems and toilet facilities, to establish a growth monitoring system and to develop greater awareness on health issues in the communities through health/nutrition education activities. SCF will coordinate its activities with the Department of Health (DOH) as has been done in other SCF project areas. In particular, relations have already been established with the Office of Community Health Services under DOH. It is expected that SCF staff also will coordinate with the RHUs. SCF also plans to include the youth sector in understanding these and other activities.

(c) Community Facilities. Eighty percent of the total population does not have access to their own source of water. The majority obtains water from peddlers who sell it at two pesos per can or fourteen pesos per drum. These peddlers obtain the water primarily from sources outside of the communities. SCF will assist in the construction of alternative water resources such as wells and rain collectors where feasible and will organize the residents into water associations responsible for the maintenance and repair of water facilities. Footpaths, like drainage systems and toilet facilities, are lacking in these communities. SCF also will assist in the construction of

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these footpaths. Note that this is a summary of selected information. During the first quarter of the grant period, detailed baseline data covering the entire project area will be submitted to USAID.

Section 1.3. Preliminary Groundwork.

SCF began its work in Muntinlupa and Paranaque/Taguig in July 1987. To date, a temporary office has been established. Administrative systems have been developed and are now operational. Two field coordinators and two sponsorship staff have been hired and are working in the impact area engaging in programmatic activities under the guidance of the Program Technical Coordinator. The initial survey activity has been completed and a complete set of computerized baseline data will be available shortly. The initial organizing activity involving the organization of community development committees has been completed and community training is in progress. Human resource development is of major importance to the Integrated Resource Development (IRD) process. A capability development strategy for community leaders has been designed. It is composed of a series of training activities covering human relations and communications, community management and organizing, and project development. This is presently an on-going activity. The community development committees are working with SCF field staff on needs analysis and the development of selected project plans.

II. PURPOSE AND PLANNED OUTPUTS

Section 2.1. Purpose

The purpose of this project is to improve the quality of life in the communities of Bagong Paraiso/Kapit Bisig and South Daang Hari through an integrated, self-help development project. The project aims to improve the quality of life of community residents, by building up their capability and resources for economic, health and environmental development. In so doing, it will enable families, especially those identified to be distinctly disadvantaged, to break away from the cycle of poverty.

Section 2.2. Planned Outputs

In order to achieve the stated purpose, the following planned outputs will be produced over the three-year life of the project:

(a) Increase Economic Capabilities.

- increased income of 50% of the lowest quartile income families through enterprise development and financing;
- education and/or gainful employment for 15% of out of school youth;

- increased capacities for employment through skills and business management trainings enhanced and/or additional skills for business or employment for 20% of labor force.

(b) Better Health.

- community-based primary health care services to cover 100% of the population;
- access of 200 families to water source through the construction of a minimum of five wells, which will be maintained by community water associations.
- develop and implement a health data collection system that will cover all sites.

(c) More Salutory Environment.

- security of 50% of families through resolution of land tenure issues;
- access of 20% of families to a circulation network through the construction of required footpaths and drainage;
- toilet facilities for 50% of families in Lagong Paraiso.

(d) More Effective Leadership.

- increased skills and attitude level of leadership/community representatives for community management through training and technical assistance;

establish a community-based planning system in all sites.

III. PROJECT IMPLEMENTATION

Section 3.1. Overview of IRD Strategy and Sustainability

To respond to the multi-faceted, but intrinsically linked, issues and needs in the target communities, the implementation strategy will be multi-sectoral and integrated in approach. This process has been translated by SCF into applicable forms of community strategies appropriate to different countries. It is a multi-sectoral approach that emphasizes community self-help to encourage self-reliance. Needs assessment and project prioritization, project planning and implementation, and on-going project management and maintenance are undertaken by the community with the assistance of SCF field staff.

This strategy has allowed for the creation of a true partnership between the target communities and SCF. Residents have been organized into clusters of twenty to thirty families depending on geographical location. A community development council called the "Sanggunian sa Pagpapaunlad ng Pamayanan" (SPP), where each cluster is represented, has been formed. The SPP translates and integrates community and SCF resources into projects that respond to the needs identified by community residents.

In each step of the process involving needs assessment, project planning implementation and evaluation, the residents are responsible for making decisions, contributing their resources and undertaking the actual implementation of the projects. The strategy involves three basic interventions: capability building, resource support and a structure to encourage self-help through community counterpart resources.

The capability building is designed to enable the community to regain the will and confidence to improve their quality of life and the capabilities to manage their own development. A series of training sessions are planned and support systems are being installed within the communities for project development, resource generation, community management and evaluation.

The strategy also involves providing families with opportunities to utilize local resources that are available to the mainstream of society such as credit facilities, formal education, occupational skills training and access to private and government services, a factor that can contribute greatly to program sustainability. This provides them with equal opportunities to establish linkages with these entities. Just as important, it also helps residents develop their confidence in utilizing institutions and regain their self-respect.

This approach is also geared towards assisting the community in achieving a reasonable level of self-reliance at which point, the community is able to initiate its own projects, generate and mobilize its own resources and effectively manage these resources with minimum external intervention. To attain this, the self-help concept is emphasized in the development process, which is operationalized by requiring community counterpart resources in the form of labor, materials, and/or funds in all activities.

Community residents are responsible for actively participating in the development of their community and undertaking over time greater and eventually complete responsibility in the overall management of the development process. Through this approach, SCF is able to create a multi-faceted impact that is intended to improve the overall quality of life, and at the same time, pass on skills necessary for the community to take charge of its development. In this context, it is a planned strategy to generate community self-reliance through the development of general and sectoral skills and abilities, the establishment of external linkages, and a continued emphasis on self-help.

Section 3.2. Sector Strategies

The project addresses three major sectors: economic, health and environment. The economic sector, which is focussed on developing residents' capabilities for more gainful employment, in most part deals with enterprise development, both as primary and supplemental income sources. The major interventions involve ensuring access to financing, markets and occupational skills training. Supportive of this is training for business management and technical assistance. The health sector prioritizes the institutionalization of primary health care through community-based volunteer health workers and integrates government health services. The environment sector is concerned with the upgrading of the physical environment of the community. This involves the construction of basic community infrastructure such as wells, drainage, footpaths and other small infrastructure related to the grant objectives.

SECTOR	PURPOSE	IMPLEMENTATION STRATEGIES	INDICATORS
(a) <u>Economic</u>	<p>To develop an entrepreneurship that will stimulate an economic base in the community.</p> <p>To increase incomes, particularly for at least 50% of the lower 25th percentile income groups.</p> <p>To provide more opportunities for employment.</p>	<p>(1) A community development fund will be institutionalized in the area to provide small business loans with competitive pay-back and interest terms. It will be managed by a group of trustees made up of elected community representatives and SCF field coordinator. Credit will be administered in accordance with the USAID Mission Intermediate Credit Policy (Annex C).</p> <p>Training of CDF: Training of CDF Trustees and technical assistance in the development of the systems including a simple and effective collection system are planned.</p> <p>(2) Encourage entrepreneurship. It may not be immediate to develop the marginal income</p>	<p>Fully operational CDF in Bagong Paraiso and South Daang Hari by June 1989.</p> <p>At least P100,000 total funds available in each CDF.</p> <p>A 75% annual collection rate on business loans and 60% on providential and infrastructure loans for 1988 thru 1991.</p> <p>At least 75% increase of incomes of 50% of</p>

group, however the development of other entrepreneurs in the area will generate jobs and serve as a model to the rest.

households below the 25th percentile income group in all areas by June 1991.

- (3) Training and technical assistance in business management and occupational skills, especially for, but not confined to the unemployment, underemployment and the out of school youth.

At least 65 new entrepreneurs or expanded businesses in all areas by June 1991.

Fifteen percent of out of school youth, 10% of unemployed and 10 of under employed participated in business or occupational skills training

- (4) Marketing assistance for products by the entrepreneurs.

(b) Health and Nutrition

To institutionalize community-based primary health care.

To reduce malnutrition.

To completely immunize all 0-6 years old children from preventable diseases.

- (1) Training and maintenance of community-based health volunteers for the delivery of primary health care services will be selected from among the cluster. The community-based health project will also involve generating a health monitoring mechanism directed at following up health cases and assessing the health situation.

There are 25 trained volunteer health workers by June 1990. (At least 75% functional)

Complete immunization of the 100% of all eligible children by June 1991 in all areas.

Existence of medicinal plants and increased use of herbal medicine.

- 2) Immunization of children 0-6 years old on DPT, OPV, BCG and anti-measles. This will

be done in partnership with the Department of Health and UNICEF.

Increased number of community residents referred to CHWs for care and being treated by them.

- (3) Training and information campaign for residents and mothers on preventive health measures, herbal medicine and first aid. Once the health volunteers are in place, they will be conducting the sessions.

(c) Water and Sanitation

To enable families to improve their toilet facilities and maintain sanitation in their surroundings.

To provide 200 South Daang Hari residents with access to water through the construction and maintenance of wells.

To effect environmental improvement through the construction and maintenance of basic drainage systems in reblocked areas.

- (1) Encourage the installation of toilets by providing families with access to low cost toilets and loans to those who can not immediately afford these. It is possible to develop concrete slabs, floor and bowl that cost three times less than the commercial rate. Entrepreneurship in the construction of the toilets will be encouraged through an initial capital loan and training. Residents will install these themselves with technical supervision from the SPP.

Fifty percent of Bagong Paraiso households with toilet facilities by Dec.'89

Five wells in South Daang Hari by June 1990.

Drainage system in reblocked areas in Bagong Paraiso.

- (2) Construction of communal wells in South Daang Hari with the community providing at least 25% counterpart in the form of labor and materials.

Families that will be tapping the water source shall be trained and organized in the construction and maintenance of the wells.

- (3) Construction of drainage in Bagong Paraiso with the community providing counterpart in the form of labor and materials. Reblocking the physical movement of houses to the lots allotted to the families is on-going. Construction of the drainage will follow the path of reblocking. Residents will be organized and trained for construction and maintenance of the drainage in their blocks.

(d) Environ-
ment

To effect environmental improvement through the construction and maintenance of footpaths.

- (1) Construction of footpaths in Bagong Paraiso as in the construction of drainage, residents of the clusters concerned are organized to construct and later maintain the footpaths.

Required footpaths in re-blocked areas in Bagong Paraiso.

To provide venues for community activities and facilities through the construction and maintenance of two multi-purpose centers, one in Bayanan and another in south Daang Hari.

- (2) Construction of two multi-purpose centers one in Bayanan and another in South Daang Hari, which will serve as clinic, day care center, meeting place, library and other community purposes. The strategy is similar to the construction of footpaths, except the action group is not confined to clusters.

One multi-purpose center in Bayanan by end of June 1989 and one in South Daang Hari by the end of Dec. 1990.

- (3) Provision of legal and financial (loan) assistance and conduct of trainings for acquisition of land and right-of-ways. Working closely with government, this involves engaging the community representatives in meetings, to map out their strategies for acquiring extralegal means. In the case of financing, since the landowner usually demands cash, SCF will provide the funds as loan to the community, which will be paid back based on negotiated terms.

Two operational right-of-ways in South Daang Hari by end of June 1990 and one in Bagong Paraiso by Dec. 1990.

- (4) Provision of training and financial assistance in the design and maintenance of an effective collective system.

Survey accomplished in Bagong Paraiso by Dec. 1988 and in South Daang Hari by July 1989 (PYO funded)

(e) Education
and
Training

To strengthen the participation of the community in decision-making and project implementation.

To develop the capability of the SPP and CDF Trustees to organize the community and manage their projects.

To develop the disadvantaged youth and children.

To stimulate early learning among the children.

(1) Training of SPP community management. This is a six-phase program and designed to train the community representatives/managers in community and project management; project development and evaluations; human relations and communications and in conducting trainings for the members of their sector or cluster. The program is spread out over a ten-month period, providing room for application of skills learned in actual projects and field situations in between phases.

(2) Visits of selected SPP members to other SCF sites in Iloilo and Laoag. The visits are designed to stimulate interactions between leaders of different sites and exposure to projects and utilized in other programs.

(3) Annual program review workshops of community projects involving the SPP members of all sites.

(4) Conduct early childhood enrichment classes and day care centers with volunteers will be trained and provided materials for use in the class.

Active and sustained participation of 70% of trained SPP members in project development and management by June 1991.

At least 25 projects planned for implementation by SPPs by June 1990.

At least 100 children of pre-school and nursery age enrolled and attending early childhood enrichment classes on a sustained basis.

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|---------------------|---|--|
| (f) Net-
working | To improve colla-
borative agency/
individual activities
and maximize use of
the community develop-
ment effort. | (1) Conduct orient-
ations/workshops
with government
agencies, other
private voluntary
organizations, private
organizations and
industries and
concerned individuals
that exert an in-
fluence or have
potential influence
on the development
effort. |
|---------------------|---|--|

Training will be an integral aspect of each sectoral activity. The training component will be designed to address two areas: 1) strengthening of community management skills; and 2) introduction of special technical skills required for project implementation and maintenance. This skills development is essential to project sustainability. With effective management and technical skills training and the establishment of appropriate organizational systems, most of the projects to be undertaken under this grant and progress towards the overall goal itself should be sustainable by the end of the grant period.

Section 3.3. Monitoring and Evaluation

A comprehensive monitoring and evaluation plan will be developed to assess the project's progress and impact. It will be comprised of three phases. The first phase will be to develop a data collection system and a specific monitoring and evaluation plan. This plan will be submitted to USAID outlining in detail the evaluation process and indicators six months after the initiation of the project. Two formal evaluations are planned during the three-year grant period. The first will occur at the midterm point (1.5 years) of the project and will focus on the progress made towards meeting impact indicator targets, intermediate objectives and C.O./Community Management process aspects. A consultant outside of the agency will be requested to conduct the interim evaluation. A report covering this will be submitted to USAID. The second evaluation will be final assessment of the project at the completion of the grant. Its primary focus will be a summation of the project's programmatic impact, both quantitatively and qualitatively. An evaluation consultant from outside SCF will be requested to conduct the evaluation and prepare a comprehensive report. The final evaluation report will be submitted to USAID within three months after completion of the grant.

IV. REPORTING REQUIREMENTS

Section 4.1. Initial Reporting Requirements.

(a) Implementation Plan. The Grantee shall prepare a life of project Implementation Plan in form and substance satisfactory to USAID listing scheduled activities by quarter. This plan shall be submitted to USAID with the first Request for Cash Advance. The Implementation Plan shall specify project activities, such as the gathering of baseline data, and shall list the individuals responsible, timeframe, related budget line items from both USAID and counterpart funds and other resources needed to support the activity. The Grantee shall update the Implementation Plan using PVO Form No. 1 in the form set forth in Annex A as part of the Quarterly Progress Report.

(b) Evaluation Plan. Within six months following the effective date of the Grant, the Grantee shall submit to USAID one copy of its Evaluation Plan in form and substance satisfactory to USAID describing the evaluation events, when they are to be scheduled, what aspects of the project will be evaluated, who will participate in the evaluation, and an evaluation design indicating the purpose of the evaluation and the methods that will be used to carry it out. The Grantee may decide to undertake a series of evaluations to meet program requirements.

(c) Baseline Report. Within six months following the effective date of the Grant, the Grantee shall submit to USAID one copy of its Baseline Report in form and substance satisfactory to USAID providing a socio-economic profile of the beneficiaries in relation to the broader population. The Baseline Report should focus on the key indicators necessary for evaluating and monitoring the progress, results and impact of the project.

(d) Financial Review Plan. Within six months following the effective date of the Grant, the Grantee shall submit to USAID one copy of its Financial Review Plan in form and substance satisfactory to USAID describing the plan for periodic review of financial management of project resources, compliance with reporting requirements under the Grant Agreement and maintenance of adequate internal controls.

Section 4.2. Quarterly Reporting Requirements.

(a) Quarterly Progress Reports. The Grantee shall submit to USAID Quarterly Progress Reports using PVO Form No. 2 in the form set forth in Annex A. These reports shall include a discussion of the status of project implementation and fully describe project activities, making a comparison between planned activities and actual activities.

(b) Quarterly Financial Reports.

(i) Request for Cash Advance. The Grantee shall request advances of funds as provided in Section 6.1 using PYO Form No. 3 in the form set forth in Annex A.

(ii) Expenditure/Liquidation Report. The Grantee shall prepare Expenditure/Liquidation Reports as provided in Section 6.2 using PYO Form No. 4 in the form set forth in Annex A, indicating in detail the expenditures of both USAID Grant funds and counterpart funds.

Section 4.3. Final Reporting Requirements.

Within ninety (90) days after the Grant Completion Date, the Grantee shall submit to USAID a Project Assistance Completion Report. The report shall cover:

- A final financial report including a summary of contributions made by USAID, the Grantee, the beneficiaries and other donors (i.e., planned versus actual inputs) and disposition of assets obtained under the Grant;
- Status of various project elements (e.g., procurement, construction, training);
- A brief description of project accomplishments including an assessment of the impact the project has had and may have on project beneficiaries in light of baseline indicators at the commencement of the Grant, the original project design and modifications of project design during implementation (including a comparison of revised outputs and actual outputs);
- Description of continuing Grantee responsibilities for activities begun under the Grant including the identification of and discussion of the sustainability of benefits and project activities that need to be carried forward;
- A summary of lessons learned from the project that might be relevant to replication, in whole or in part, of project activities.

V. BUDGET AND FINANCING

Section 5.1. USAID Financing. Funds provided by USAID under this Grant Agreement shall be used to finance the Philippine peso and U.S. dollar costs of the items specified in the budget set forth in Section 5.6 below. The total amount of funds to be provided by USAID shall not exceed P4,976,457 for peso costs and \$19,869 for dollar costs, for which U.S. \$262,623 shall be made available by USAID under this Grant, the peso portion of which is based on an estimated exchange rate of P20.50 to \$1.00.

Section 5.2. Limit of USAID's Commitment. If the exchange rate varies so that the amount of dollars required to purchase the peso amount specified in Section 5.1 is greater than the amount of dollars therein specified, the specified dollar amount shall be the controlling limit to USAID's commitment. If the exchange rate varies so that the amount of dollars required to purchase the peso amount specified in Section 5.1 is less than the amount of dollars therein specified, the remaining dollars may be used to purchase pesos for justified peso cost increases over the peso costs provided in the budget set forth in Section 5.6, if approved in writing by USAID, provided that the counterpart contribution of the Grantee is adjusted in accordance with Section 5.3.

Section 5.3. Counterpart Financing. The Grantee shall assure that counterpart contributions having a value of not less than twenty-five percent (25%) of the total cost will be provided in cash or in kind at the time such counterpart contributions are required for performance of this Grant. Based on the total budgeted project cost specified in Section 5.6, counterpart contributions having a value of not less than P1,795,615 shall be provided. In the event that the amount of funds provided by USAID exceeds the amount specified in Section 5.6, the amount of counterpart contributions shall be increased by an amount not less than thirty-three percent (33%) of the additional amount provided by USAID. Counterpart contributions shall be valued in accordance with Article IX of this Grant Agreement.

Section 5.4. Adjustment of Budget. Without prior written approval of USAID, the Grantee may increase or decrease by up to 15 percent the amount budgeted for each major line item in the budget set forth in Section 5.6, except for the line items for "Salary", provided that the total amount budgeted for the project specified in Section 5.6 is not changed. The Grantee shall promptly submit to USAID revised budgets incorporating any adjustments that are permitted by the foregoing sentence.

Section 5.5. Program Income.

(a) Program income, as defined in subparagraph (b) below, shall be paid to USAID, unless such income is (i) added to funds committed to the project by USAID or the Grantee and used to further eligible

project objectives or (ii) used to finance counterpart contributions to the project if approved in writing by USAID. Program income may be used by the Grantee in the foregoing ways without accountability to USAID after termination of the Grant, provided that the Grantee informs USAID of the plan of operations for use of such income prior to expenditure, and provided further, that the Grantee reports to USAID on activities financed with program income during the period of the Grant.

(b) Program income is gross income earned by the Grantee from activities supported by USAID under this Grant. Program income includes, but is not limited to, income from service fees or charges and interest earned with respect to funds loaned under a capital assistance or credit component of the project. Program income does not include any interest earned on advances of Grant funds.

Section 5.6. Budget.

<u>Schedule</u>	<u>USAID</u>	<u>COUNTERPART</u>	<u>TOTAL</u>
Schedule 1: Personnel	₱1,331,557	₱1,272,866	₱2,604,423
Schedule 2: Commodities & Equipment	161,950	276,750	438,700
Schedule 3: Evaluation	76,875	-	76,875
Schedule 4: Administration	1,038,325	-	1,038,325
Schedule 5: Program	<u>2,367,750</u>	<u>246,000</u>	<u>2,613,750</u>
Total ₱ Costs	<u>₱4,976,457</u>	<u>₱1,795,616</u>	<u>₱6,772,073</u>
\$ Equivalent (₱20.50 = \$1)	\$ 242,754	\$ 87,591	\$ 330,345
Total \$ Costs (SCF Overhead)	<u>\$ 19,869</u>	<u>\$ 0</u>	<u>\$ 19,869</u>
Total Project Costs in \$	<u>\$ 262,623</u>	<u>\$ 87,591</u>	<u>\$ 350,214</u>
Share (Percent of Cost)	<u>75%</u>	<u>25%</u>	<u>100%</u>

A detailed budget schedule is set forth in Annex B hereto. Personnel budgeted under this Grant shall work full-time on Grant activities unless otherwise indicated in the detailed budget schedule.

VI. PAYMENT PROCEDURES

Section 6.1. Advances. The Grantee may request an initial advance of funds equivalent to the amount required for the first ninety (90) days of Grant activities. Advances of funds required for Grant activities in subsequent ninety-day periods may be requested subject to satisfaction of the liquidation requirements in Section 6.2. Each quarterly request for an advance of funds should show a monthly breakdown of expected utilization of funds during the period covered. Upon approval of a quarterly request for an advance of funds, USAID will provide the amount of the advance in three monthly installments based on the monthly breakdown of expected utilization. The Grantee shall submit quarterly requests for advances of funds at least one month prior to the date funds are required. If disbursements by the Grantee are faster than projected, the Grantee may request an interim advance prior to the regularly scheduled monthly installment to ensure that funds will be available.

Section 6.2. Liquidation of Advances. Within forty-five (45) days following the end of each ninety-day period for which funds were advanced, the Grantee shall submit a certified Expenditure/Liquidation Report (Form No. 4) specifying all costs in accordance with the budget line items set forth in Section 5.7. USAID may require the Grantee to provide copies of pertinent supporting documents, including, without limitation, receipts, invoices, travel authorizations, purchase orders, payroll data and used tickets. Liquidation of advances for each quarter may be reported independently of the submission of quarterly requests for advances. The Grantee may request and USAID may approve advances for the second quarter after the first quarterly advance prior to the submission of the Expenditure/Liquidation Report for the first quarter. However, no subsequent advances will be approved by USAID unless Expenditure/Liquidation Reports for all prior advances, other than the advance for the then current period, have been received by USAID.

Section 6.3. Refund of Unliquidated Advances. The Grantee shall refund the amount of any advance not liquidated by the final Expenditure/Liquidation Report under the Grant within ninety (90) days after the Grant Completion Date in the form of a check payable to the "Treasurer of the United States." The foregoing right of refund shall be in addition to any other refund rights provided to USAID under this Grant Agreement.

VII. GRANT COMPLETION DATE

The Grant Completion Date shall be three years from the effective date of the Grant set forth in the covering Grant letter, or such other date as USAID and the Grantee may agree to in a written amendment to this Grant Agreement. The Grant Completion Date is the date by which all services financed under the Grant shall have been performed and all goods financed under the Grant will have been furnished for the project as contemplated by this Grant Agreement. Except as USAID may otherwise agree in writing, USAID will not issue or approve documentation authorizing disbursement of funds

provided under the Grant or approving the liquidation of advances on the basis of disbursement by the Grantee of funds for services performed or for goods delivered subsequent to the Grant Completion Date.

VIII. CLOSE-OUT PROCEDURES

Section 8.1. Definitions. The following definitions shall apply for purposes of this Article VIII:

(a) Close-out. The term "close-out" refers to the process whereby USAID (i) determines whether the provisions of this Grant Agreement have been met and the activities contemplated by the Grant Agreement have been completed satisfactorily and (ii) determines the amount, if any, of unreimbursed costs for which reimbursement is owed by USAID to the Grantee and the amount, if any, of disallowed costs for which refund is owed by the Grantee to USAID.

(b) Disallowed Costs. The term "disallowed costs" refers to costs claimed by the Grantee, whether in an Expenditure/Liquidation Report or otherwise, for financing by USAID under this Grant that USAID or its authorized representatives determine not to be allowable under the terms of this Grant Agreement or applicable U.S. Government cost principles.

Section 8.2. Close-out Procedures.

(a) Unreimbursed Costs. Upon the written request of the Grantee, USAID shall pay the Grantee the amount, if any, of any allowable, allocable and reasonable costs for which reimbursement has not previously been provided.

(b) Refund by Grantee. Except as USAID may otherwise agree in writing, immediately following the Grant Completion Date, the Grantee shall refund to USAID the amount, if any, of funds advanced or paid to the Grantee by USAID that are not irrevocably committed to third parties for allowable, allocable and reasonable costs under the Grant. Immediately following receipt of notification from USAID, the Grantee shall refund to USAID the amount, if any, of any disallowed costs with respect to which payment or reimbursement under the Grant was made by USAID. The foregoing refund rights shall be in addition to any other refund rights provided to USAID under this Grant Agreement.

(c) Reports. Within ninety (90) days after the Grant Completion Date, the Grantee shall submit to USAID all financial, evaluation and other reports required by this Grant Agreement.

(d) Grant-Financed Property. The Grantee shall account for any property received by the Grantee from the U.S. Government or acquired with funds provided by USAID in form and substance satisfactory to USAID.

IX. COUNTERPART CONTRIBUTIONS

The following criteria and procedures shall apply for the purposes of determining the allowability of cash and in-kind contributions made by the Grantee, subgrantees or third parties ("counterpart contributions") in satisfying the counterpart contribution requirement set forth in Section 5.3 of this Grant Agreement:

Section 9.1. General. Cash and in-kind contributions shall be accepted toward satisfaction of the counterpart contribution requirement only if such contributions:

- (a) are verifiable from the Grantee's records;
- (b) are not included as contributions for the purpose of any other project or program assisted by the U.S. Government;
- (c) are necessary and reasonable for proper and efficient accomplishment of project objectives;
- (d) are types of charges that would be allowable under applicable U.S. Government cost principles;
- (e) are not financed by the U.S. Government under any other grant or agreement, unless otherwise approved by USAID; and
- (f) are provided for in the budget approved by USAID.

Section 9.2. Cash Contributions. Cash contributions are cash outlays by the Grantee and any subgrantees, including the outlay of cash contributed to the Grantee or a subgrantee by third parties other than the U.S. Government. Cash outlays meeting the conditions specified in Section 9.1 shall be allocated as counterpart contributions under this Grant in accordance with the following criteria:

- (a) Salaries. The cash counterpart contribution in respect of salaries paid to individuals in connection with services performed for the project shall be determined by multiplying the salary, including all benefits, of the individual by the percentage of time the individual actually provides services for project activities.
- (b) Expendable Personal Property. The cash counterpart contribution in respect of expendable personal property, including office and workshop supplies and per diem, shall equal the cash outlay made to acquire the property.
- (c) Nonexpendable Personal and Real Property. The cash counterpart contribution in respect of nonexpendable personal property (such as equipment) and real property (buildings and land) shall be determined as follows:

(i) If the purpose of the Grant is to assist the Grantee or a subgrantee in the acquisition of the property, the cash counterpart contribution shall equal the total cash outlay made to acquire the property.

(ii) If the purpose of the Grant is to support activities that require the use of the property, the cash counterpart contribution shall equal the depreciation or use charges properly chargeable to the property during the period of the Grant using the straight-line method of depreciation, based on the cash outlay made to acquire the property and the useful life of the property.

(d) Rent and Utilities. The cash counterpart contribution in respect of rent and utilities (such as water and electric charges) shall be determined by multiplying the cash outlay made for such purposes for the facility or facilities housing project activities by the percentage of space in such facilities actually provided for project activities.

Section 9.3. In-Kind Contributions. In-kind contributions represent the value of non-cash contributions of property or services by the Grantee, a subgrantee or third party other than the U.S. Government. In-kind contributions meeting the criteria specified in Section 9.1 shall be allocated as counterpart contributions under this Grant in accordance with the following criteria:

(a) Volunteer Services. The in-kind contributions of volunteer services shall be valued on the basis of the rate of compensation paid for similar work in the Grantee's or subgrantee's organization, or on the basis of the rate of compensation paid for such work in the local labor market in which the volunteer services are performed. The value of volunteer services shall be determined by multiplying the applicable rate of compensation by the percentage of time actually devoted to providing services for project activities.

(b) Donated Expendable Personal Property. The in-kind contribution value of expendable personal property shall equal the fair market value of the donated property at the time it is made available for project purposes.

(c) Donated Nonexpendable Personal and Real Property. The in-kind contribution value of nonexpendable personal and real property shall be determined as follows:

(i) If the purpose of the Grant is to assist the Grantee or a subgrantee in the acquisition of the property, the in-kind contribution shall equal the fair market value of like property of the same age and condition at the time of donation.

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(ii) If the purpose of the Grant is to support activities that require the use of the property, the in-kind contribution value shall equal either (i) the depreciation or use charges properly chargeable to the property during the period of the Grant using the straight-line method of depreciation, based on the original acquisition cost of the property and the useful life of the property or (ii) the local cost of renting similar property of the same age and condition at the time of donation during the period the property is used for Grant activities. In the case of space provided for meetings, workshops and similar short-term needs, the in-kind contribution value shall equal the amount chargeable locally if the space were provided for such purposes for a fee. In the case of land provided for agricultural products, the in-kind contribution value shall equal the amount chargeable locally if the land were rented for such purposes.

X. MISCELLANEOUS

Section 10.1. Title to Property. Title to all property financed under the Grant shall vest in the Grantee as provided in the Standard Provision relating thereto set forth in Attachment 2 to this Grant Agreement.

Section 10.2. Authorized Geographic Code. If the total procurement element during the life of the Grant is valued at \$250,000 or less, all goods and services financed under the Grant with U.S. dollars shall be procured in and shipped from countries included in AID Geographic Code 935 in accordance with the order of preference specified in the Standard Provision relating thereto set forth in Attachment 2 to this Grant Agreement. If the total procurement element exceeds \$250,000, all goods and services financed under the Grant with U.S. dollars shall be procured in and shipped from the U.S.

Section 10.3. Overhead Rate. The applicable overhead rate(s), the base(s) on which they apply, and the Grantee's accounting period(s) they cover, are as follows:

Provisional Overhead Rate = 8.46% for the period 7/1/87 until amended.

Base: Total USAID Funds Before Overhead Cost - Equipment & Commodities

XI. STANDARD PROVISIONS

Section 11.1. Standard Provisions. The Standard Provisions set forth in Attachment 2 consist of the following:

- (a) Mandatory Standard Provisions (Standard Provisions 1 through 12, inclusive, under the heading "Mandatory Standard Provisions for U.S., Nongovernmental Grantees" are applicable); and

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- (b) Other Standard Provisions
(Such of Standard Provisions 1 through 25, inclusive, under the heading "Required as Applicable Standard Provisions for U.S., Nongovernmental Grantees" as are therein checked are applicable.)

Section 11.2. Inconsistencies. In the event of an inconsistency among the elements of this Grant Agreement, the following order of precedence shall apply:

- (i) The covering Grant letter;
- (ii) Attachment 1 (Schedule and Project Description);
and
- (iii) Attachment 2 (Standard Provisions).

PVO Form No. 2

QUARTERLY PROGRESS REPORT

Period Covered: _____ through _____, 19__

- A. Name of PVO _____
- B. Project Title & Grant Number _____
- C. PACD _____
- D. Date of Last Report: _____ E. Date of Last Evaluation _____
- F. Project Funding LOP: Grant _____ G. Counterpart: _____
- H. Expenditure to date: Grant: _____ I. Counterpart: _____
- J. Project Purpose: (Use Additional pages if necessary) _____

K. Activities for the Period _____

L. Outputs (Cumulative, if possible).

M. Issues/Problems this Quarter and Planned Actions to Resolve Issues/Problems

N. Contractors/Consultants

Prepared by: _____

Date Prepared: _____

PROGRESS REPORT INSTRUCTIONS

(One copy of this report should be submitted to the USAID Project Officer within the first month following the end of the reporting quarter)

Use Additional Pages If Necessary

Item A (Name of PVO - Provide Name of PVO)

Item B (Project Title & Grant Number) - Provide Project Title & Grant Number

Item C (PACD) - Provide Project Assistance Completion Date

Item D (Date of Last Report) - Provide Date of Last Quarterly Report

Item E (Date of Last Evaluation) - Provide Date of Last Evaluation

Item F (Project Funding LOP: Grant) - Provide Project Funding Life of Project Grant

Item G (Project Funding LOP: Counterpart) - Provide Counterpart Funding Life of Project

Item H (Expenditure to Date) - Provide Total Expenditures To Date (Grant Funds)

Item I (Expenditure To Date: Counterpart) - Provide Total Counterpart Expenditures to Date

Item J (Project Purposes) - Should not exceed 4 lines

Item K (Activities for the Period) - Compare actual accomplishments with planned activities for the quarter. If planned activities were not met, include reasons why they were not met. Information on time schedule, outputs accomplished, other performance goals achieved, and explanation of cost overruns, if any, should be included.

Item L (Outputs) - If possible, list outputs cumulative not only for quarter.

Item M (Issues/Problems) - Indicate major issues/problems and planned actions to resolve issues.

Item N. (Contractors/Consultants) - List major consultants or contractors. If none, state none.

H.B.

In addition to preparing this form every quarter, please submit special reports (a) when events occur that have significant impact upon the project or (b) when problems, delays or adverse conditions will affect the ability to attain objectives. This should be accompanied by a statement of the action taken or planned or further USAID assistance needed.



PVO FORM NO. 3

QUARTERLY REQUEST FOR CASH ADVANCE

Name of Grantee: _____
 Project Title : _____
 Grant Number : _____
 Period Covered : _____ through _____ 19 _____

- 1. Amount Authorized (Life of Project) P _____
- 2. Total Cash Advances Received to date _____
- 3. Total Disbursements to date _____
- 4. Accrued Payables to date (if applicable) _____
- 5. Unexpended Cash Advances [2-(3+4)] _____
- 6. Cash Requirement for this Period _____
- 7. Cash Advance Requested (6-5) P _____

Projected Expenditures by Line Item
 for this Period:*

	<u>Monthly Breakdown</u>		
	1st	2nd	3rd
A. Personnel Costs	P _____	P _____	P _____
B. Equipt. & Commodities	_____	_____	_____
C. Monitoring & Evaluation	_____	_____	_____
D. Training	_____	_____	_____
E. Administrative & Travel	_____	_____	_____
F. Loan Fund	_____	_____	_____
Total Amount Required for the period		P _____	

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 expenses under any previous advances are progressing in accordance with projections; 3) that appropriate refund or credit to the grant will be made in the event funds are not expended; 4) that appropriate refund will be made in the event of disallowance in accordance with the terms of this grant; 5) that any interest accrued on the funds made available herein will be refunded to the U.S. Agency for International Development (USAID).

 Date Signed

 Project Director/Authorized PVO
 Representative

*Line Items may be added based on the approved grant budget.

(One copy of the Request for Cash Advance should be submitted to the USAID Project Officer within the first month following the end of the reporting quarter.)

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QUARTERLY EXPENDITURE/LIQUIDATION REPORT

Name of Grantee : _____
 Project Title : _____
 Grant Number : _____
 Period Covered: _____ through _____, 19__

Budget Items	G R A N T F U N D S				C O U N T E R P A R T F U N D S			
	Approved Budget LOP	Advances Cumulative	Disbursements this Period	Total Disbursement	Unexpended Balance	Approved Budget LOP	Disbursement this Period	Total Disbursement
1. Personnel Costs								
Sub-total								

M.

<u>Budget Items</u>	Approved Budget LOP	Advances Cumulative	Disbursements this Period	Total Disbursement	Unexpended Budget Balance	Approved Budget LOP	Disbursement this Period	Total Disbursement
---------------------	---------------------------	------------------------	---------------------------------	-----------------------	---------------------------------	---------------------------	--------------------------------	-----------------------

Sub-total

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Quarterly Expenditure/Liquidation Report

Expenditure/Liquidation reports are to specifically include the following detailed information:

- a. Salaries and wages are to be set forth as separate line items for each position, the incumbent's name, indicating whether full-time or part-time (i.e. one-fourth time, one-half time, etc.), rate of pay and total cost for period claimed.
- b. The term Consultant's fee is to be used in appropriate cases. Each consultant's fee must be set forth as a separate line item which clearly indicates the type of consultant service, the consultant's name, period of time employed, rate of pay (i.e. hourly, daily, weekly, monthly), and total cost for period claimed.
- c. Purchases of major commodities (e.g. typewriters, calculators, computers, machinery, etc.) shall be listed as distinct line items including the item, brand name, vendors name/address/telephone and amount.

NOTE: Payments of honoraria, however designated, are not permitted.

ATTACHMENT 1, ANNEX B

PYO Proponent: Save the Children Federation

Proposal Title: Integrated Resource Development Project.
 PYO Co-Financing Proposal Form Page

BUDGET SUMMARY: P 20.50 = \$1 U.S.

TOTAL COST OF PROJECT	TOTAL REQUEST USAID	TOTAL COUNTERPART
US DOLLARS \$ 350,214.00	US DOLLARS \$ 262,623.00	US DOLLARS \$ 87,591.00
PESOS P 7,179,387.00	PESOS P 5,383,771.00	PESOS P 1,795,616.00

BUDGET BREAKDOWN

SCHEDULE	USAID	COUNTERPART	TOTAL
1. Personnel	P 1,331,557.00	P 1,272,866.00	P 2,604,423.00
2. Equipment and Commodities	161,950.00	276,750.00	438,700.00
3. Evaluation	76,875.00	--	76,875.00
4. Administration	1,038,325.00	--	1,038,325.00
5. Program	2,367,750.00	246,000.00	2,613,750.00
6. Overhead (8.46%) ⁽¹⁾	407,314.00	--	407,314.00
	--		
	--		
	--		
TOTALS	P 5,383,771.00	P 1,795,616.00	P 7,179,387.00

BUDGET GUIDELINES

ITEM	GUIDELINE	ACTUAL
PERCENT ADMINISTRATIVE COST	-	14.46% ⁽²⁾
USAID TOTAL PERCENT	Maximum of 75%	74.99%
COUNTERPART TOTAL PERCENT	Minimum of 25%	25.01%
NUMBER OF BENEFICIARIES	-	- 4,280 -
COST PER BENEFICIARIES	-	P1,681.00 per beneficiary ⁽³⁾

NOTES: (1) SCF's present provisional overhead rate. Computation based on total grant budget less equipment and commodities.

(2) Percent of total budget.

(3) Cost per beneficiary over three years at an average of P560.26 per beneficiary per year.

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QUANTITY	SCHEDULE 1 PERSONNEL			YEAR ONE		YEAR TWO		YEAR THREE		TOTAL	
	TITLE OF EMPLOYEE	Salary/Mo.	No. of Mos.	USAID	PVO	USAID	PVO	USAID	PVO	USAID	PVO
	<u>PROGRAM STAFF</u>										
				<u>YEAR ONE</u>							
1	A. Program Technical Coordinator (100%)	P 4,100	12	P 49,200	P 49,200	P 55,350	P 55,350	P 61,500	P 61,500	P 166,050	P 166,050
1	B. Economic Development Specialist (100%)	4,612	12	55,350	--	61,500	--	67,650	--	184,500	--
1	C. Health/Nutrition Specialist (100%)	4,612	12	55,350	--	61,500	--	67,650	--	184,500	--
1	D. Program Assistant (100%)	3,075	12	36,900	--	43,050	--	49,200	--	129,150	--
1	E. Program Secretary (100%)	2,562	12	30,750	--	36,900	--	43,050	--	110,700	--
1	F. Field Coordinator (100%)	4,100	12	--	49,200	--	55,350	--	61,500	--	166,050
1	G. Field Coordinator (100%)	4,100	12	--	49,200	--	55,350	--	61,500	--	166,050
1	H. Sponsorship Coordinator (100%)	4,100	12	--	49,200	--	55,350	--	61,500	--	166,050
1	I. Sponsorship Assistant (100%)	3,075	12	--	36,900	--	43,050	--	49,200	--	129,150
	<u>ADMINISTRATIVE STAFF</u>										
1	A. Finance Officer (50%)	2,665	12	--	31,980	--	36,900	--	41,820	--	110,700
1	B. Administrative Assistant (100%)	3,075	12	36,900	--	43,050	--	49,200	--	129,150	--
1	C. Bookkeeper (100%)	2,665	12	31,980	--	36,900	--	43,050	--	111,930	--
1	D. Driver (100%)	2,050	12	24,600	--	29,520	--	34,440	--	88,560	--
	<u>SENIOR MANAGEMENT STAFF</u>										
1	A. Assistant Director/Manila (50%)	5,125	12	--	61,500	--	67,650	--	73,800	--	202,950
	<u>CASUAL LABOR</u>										
	Expected casual positions include general services, security, messengers and miscellaneous needs.	--	--	8,200	2,050	10,250	2,050	12,300	2,050	30,750	6,150
	<u>NOTE:</u> Please refer to budget notes										
				<u>SUBTOTALS</u>							
				329,230	329,230	378,020	371,050	428,040	412,870	1,135,290	1,113,150
	<u>FRINGE BENEFITS FROM SCHEDULE 1A</u>			60,086	49,610	65,374	53,230	70,807	56,867	196,267	159,715
	<u>TOTALS</u>			389,316	378,840	443,394	424,280	498,847	469,737	1,331,557	1,272,865

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SCHEDULE 1A FRINGE BENEFIT WORKSHEET

PVO: Save the Children Federation
PROJECT: Integrated Resource Development

METHOD OR FORMULA USED GRANT STAFF ONLY			not applica- ble: COLA Integrated into Gross salary	SSS table plus standard figures	3% of Salary	Full Month	Estimated Actual Cost		
TITLE OF EMPLOYEE	Quantity	Individual Gross Salary	COLA	Medicare/ SSS/ECC	PAG-IBIG	13th Month	Philam Care Policy Accident Insurance	SUBTOTAL	TOTAL
A. Program Technical Coordinator	1	P 41,000	-	P 1,086	P 1,476	P 4,100	P 574	P 7,236	P 60,086
B. Economic Development Specialist	1	55,350	-	2,153	1,661	4,612	1,127	9,553	
C. Health/Nutrition Specialist	1	55,350	-	2,153	1,661	4,612	1,127	9,553	
D. Program Assistant	1	36,900	-	2,153	1,107	3,075	1,127	7,462	
E. Program Secretary	1	30,750	-	1,845	923	2,562	1,128	6,458	
F. Administrative Assistant	1	36,900	-	2,153	1,107	3,075	1,127	7,462	
G. Bookkeeper	1	31,980	-	1,845	963	2,665	1,128	6,601	
H. Driver	1	24,600	-	1,845	736	2,050	1,128	5,761	
<hr/>									
A. Program Technical Coordinator	1	55,350	-	1,086	1,661	4,613	574	7,934	65,374
B. Economic Development Specialist	1	61,500	-	2,153	1,845	5,125	1,127	10,250	
C. Health/Nutrition Specialist	1	61,500	-	2,153	1,845	5,125	1,127	10,250	
D. Program Assistant	1	43,050	-	2,153	1,291	3,588	1,127	8,159	
E. Program Secretary	1	36,900	-	1,845	1,107	3,075	1,127	7,154	
F. Administrative Assistant	1	43,050	-	2,152	1,291	3,588	1,128	8,159	
G. Bookkeeper	1	36,900	-	1,845	1,107	3,075	1,127	7,154	
H. Driver	1	28,700	-	1,845	881	2,460	1,128	6,314	
<hr/>									
A. Program Technical Coordinator	1	61,500	-	1,086	1,845	5,125	574	8,630	70,807
B. Economic Development Specialist	1	67,650	-	2,152	2,030	5,637	1,128	10,947	
C. Health/Nutrition Specialist	1	67,650	-	2,152	2,030	5,637	1,128	10,947	
D. Program Assistant	1	49,200	-	2,152	1,476	4,100	1,128	8,856	
E. Program Secretary	1	43,050	-	1,845	1,291	3,588	1,128	7,852	
F. Administrative Assistant	1	49,200	-	2,152	1,476	4,100	1,128	8,856	
G. Bookkeeper	1	43,050	-	1,845	1,291	3,588	1,128	7,852	
H. Driver	1	34,440	-	1,845	1,025	2,870	1,127	6,867	
<hr/>									
TOTALS				P 45,694	P 33,128	P 92,045	P 25,400	P 196,267	P 196,267

Quantity	SCHEDULE #2: EQUIPMENT AND COMMODITIES		YEAR ONE		YEAR TWO		YEAR THREE		TOTAL	
	DESCRIPTION	USAID	PVO	USAID	PVO	USAID	PVO	USAID	PVO	
		<u>OFFICE EQUIPMENT AND FURNISHINGS</u>								
1	A. Electronic Typewriter	P 32,800	-	-	-	-	-	-	-	P 32,800
1	B. Manual Typewriter (15" carriage)	20,500	-	-	-	-	-	-	-	20,500
1	C. Mimeograph Machine (Manual)	20,500	-	-	-	-	-	-	-	20,500
2	D. Desk Top Calculators	6,150	-	-	-	-	-	-	-	6,150
1	E. Overhead Projector and Screen	20,500	-	-	-	-	-	-	-	20,500
Assorted	F. Furnitures (includes 1 conference table, 1 secretarial table, 5 desks, 1 typing table, 12 chairs, 2 filing cabinets, 1 filing cabinet with safe, 2 stand fans, 1 white board)	61,500	-	-	-	-	-	-	-	61,500
<u>VEHICLES</u>										
1	G. Vehicle (Crew Cab or Jeepney: Ford)	-	P276,750	-	-	-	-	-	-	P276,750
<u>NOTE: Please refer to budget notes</u>										
TOTALS		P161,950	P276,750	-	-	-	-	-	-	P438,700

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Quantity	SCHEDULE #3: EVALUATION DESCRIPTION	YEAR ONE		YEAR TWO		YEAR THREE		TOTAL	
		USAID	PVO	USAID	PVO	USAID	PVO	USAID	PVO
	A. Development of Evaluation Plan and System	P 15,375	-	-	-	-	-	P 15,375	-
	B. Interim Evaluation (External Consultant) (covers consultant's fees, travel, document preparation and reproduction costs, etc.)	-	-	P 20,500	-	-	-	20,500	-
	C. Final Evaluation (External Consultant) (covers consultant's fees, travel, document preparation and reproduction costs)	-	-	-	-	P 41,000	-	41,000	-
	TOTALS	P 15,375	-	P 20,500	-	P 41,000	-	P 76,875	

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Quantity	SCHEDULE #4: ADMINISTRATION DESCRIPTION	YEAR ONE		YEAR TWO		YEAR THREE		TOTAL	
		USAID	PVO	USAID	PVO	USAID	PVO	USAID	PVO
	A. TRAVEL	P 51,250	-	P 51,250	-	P 61,500	-	P164,000	-
	(All travel expenditures will be for appropriate grant related purposes only. These may include travel of program staff for project related conferences, site visits and general business required for program implementation, as well as travel of Assistant Director and administrative staff for purposes regarding the grant. This budget line will cover fares and per diem.)								
	B. ADMINISTRATIVE EXPENSES								
	1. Contract Services (Audit)	3,075	-	3,075	-	3,075	-	9,225	-
	2. Telecommunications	10,250	-	10,250	-	10,250	-	30,750	-
	3. Postage/Parcel Delivery	10,250	-	12,300	-	13,325	-	35,875	-
	4. Supplies	51,250	-	55,350	-	59,450	-	166,050	-
	5. Photography	5,125	-	5,125	-	5,125	-	15,375	-
	6. Printing	8,200	-	10,250	-	12,300	-	30,750	-
	7. Office Utilities/Maintenance	20,500	-	20,500	-	20,500	-	61,500	-
	8. Office Rental	61,500	-	66,625	-	71,750	-	199,875	-
	9. Equipment Rental and Maintenance	10,250	-	10,250	-	10,250	-	30,750	-
	10. Insurance	6,150	-	6,150	-	6,150	-	18,450	-
	11. Auto Operation	71,750	-	82,000	-	92,250	-	246,000	-
	12. Staff Development	10,250	-	10,250	-	9,225	-	29,725	-
	TOTALS	P 310,800	-	P 310,800	-	P 310,800	-	P 931,600	-

Quantity	SCHEDULE #5: PROGRAM DESCRIPTION	YEAR ONE		YEAR TWO		YEAR THREE		TOTAL	
		USAID	PVO	USAID	PVO	USAID	PVO	USAID	PVO
	A. Consultant/Technical Assistance (Consultants and outside technical assistance will be utilized as necessary to complement staff capabilities in the implementation of sectoral projects. This line item will cover consultancy fees and travel. Anticipated sectoral projects where consultants may be utilized: design of economic development strategies such as small scale enterprises, credit system, business skills training; community health programming including the development of community health workers system; skills upgrading of health workers; assessment of appropriate technology applications, design of water systems and other small scale infrastructure in support of the grant's objectives. Due to the community-based planning of IRD, it is not possible to give actual specifics at this time.)	P 82,000	-	P 61,500	-	P 61,500	-	P 205,000	-
	B. Training (Training funds will be utilized for training activities within the target communities and also for outside trainings in grant-related project skills areas. Trainings within the communities will be for community residents in areas such as project management, team building, leadership and technical skills. Outside trainings will be for more specific skills areas for staff and selected community residents such as training at the Katiwala Program of the Institute of Primary Health Care. Specific training needs will be identified as community-planned projects evolve. This budget line item will cover the fees and costs of attending such trainings.)	61,500	10,250	51,250	10,250	51,250	10,250	164,000	30,750
	C. Project Funds (This line items will cover the cost of actual sectoral project implementation. Because project budgets are planned by the community and include at least 25% counterpart, it is not possible to specify actual project expenditures at this time. It is anticipated that this budget line will most often be utilized for project materials, equipments, delivery charges, and occasional supervisory labor. Please refer to Section III (Implementation Plan) for a more thorough discussion on the methodology and sectoral areas.)								
	Sectors: 1. Community health	92,250	-	92,250	-	92,250	-	276,750	-
	2. Nutrition	30,750	-	41,000	-	41,000	-	112,750	-
	3. Sanitation	61,500	-	61,500	-	61,500	-	184,500	-
	4. Water Resource Development	82,000	-	82,000	-	41,000	-	205,000	-
	5. Appropriate Technology	41,000	-	41,000	-	30,750	-	112,750	-
	6. Economic Development	184,500	-	287,000	-	410,000	-	881,500	-
	7. Infrastructure	82,000	41,000	82,000	41,000	61,500	41,000	225,500	123,000
	8. Early Childhood Enrichment	-	30,750	-	30,750	-	30,750	-	92,250
	Project Fund Sub-Total:	P 574,000	P 71,750	P 686,750	P 71,750	P 738,000	P 71,750	P 1,998,750	P 215,250
	TOTALS	P 717,500	P 82,000	P 799,500	P 82,000	P 850,750	P 82,000	P 2,367,750	P 246,000

UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
Manila, Philippines

USAID ORDER TRANSMITTAL LETTER

Date: 09/05/86

No.: 550

MATERIAL TRANSMITTED:

USAID ORDER NO. 1026.11 - Mission Intermediate Credit Policy

This new USAID Order sets the Mission policy to guide Project Officers in designing credit components of projects to ensure that a consistent approach is followed in establishing interest rates for Mission financed lending programs. The first method for establishing interest rates is based upon the prevailing loan rate available to the class of borrowers being served. The second is an analysis which takes into account all relevant factors in the costs and risks to the lenders.

FILING INSTRUCTIONS:

1. File the attached in its place.
2. Write the date and the Transmittal Letter number in the appropriate place on the USAID Order Table of Contents 1000 Series.
3. Initial the Checklist of USAID Order Transmittal Letters Received beside TL# 550.



David G. Mein
Executive Officer