PD-ABD-151

AGENCY FOR INTERNATIONAL DEVELOPMENT

UNITED STATES AID MISSION TO PERU

C/O AMERICAN EMBASSY

LIMA, 1 PERU

TELEPHONE: 286200

CABLE: USAID/LIMA

January 31, 1983

Mr. Dwight Taylor
Director General
Seventh Day Adventist World
Service, Inc.
Ave. Angamos 770
Miraflores

Subject: OFASA OPG - Urban Food for Work
Program Project No. 527-0247

Dear Mr.Taylor:

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 Obra Filantropica y Asistencia Social Adventista (hereinafter referred to as "OFASA" or "Grantee"), the sum of U.S.$250,000 (the "Grant"), to support a program in Urban Food for Work as described in the Schedule of this Grant and Attachment 2, entitled "Program 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 January 31, 1986.

This Grant is made to the Obra Filantrópica y Asistencia Social Adventista del Peru (OFASA) on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, the Schedule, Attachment 2, entitled "Program Description", Attachment 3, entitled "Standard Provisions", Attachment 4, entitled "Certification for Advance of Funds", Attachment 5, entitled "Quarterly Disbursement Projections", and Attachment 6, entitled "Cash Advance Status Report", which have been agreed to by your organization.

Please sign the original and seven (7) copies of this letter to acknowledge receipt of the Grant, and return the original and six (6) copies to USAID.

Sincerely yours,

/s/ George A. Hill
Acting Director

Attachments:
1. Schedule
2. Program Description
3. Standard Provisions

Acknowledged:

Seventh Day Adventist World Service, Inc.
Obra Filantrópica y Asistencia Social Adventista

By /s/ Dwight Taylor

Title: Director

Date : January 31, 1983

FISCAL DATA

Appropriation:	72-1131021
Budget Plan Code:	LDAA-83-25527-AG13
Project No.	527-0247
Total Estimated Amount:	$720,000
Total Obligated Amount:	$250,000

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SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide support for the OFASA Urban Food for Work Project, as more specifically described in Attachment 2 to this Grant entitled "Program Description."

B. Period of Grant

1. The effective date of this Grant is the date of the Letter Agreement. The expiration date of this Grant is January 31, 1986

2. Funds obligated hereunder are available for program expenditures for the estimated period February 1, 1983 to January 31, 1986, as shown in the Financial Plan below.

C. Amount of Grant and Payment

1. The total estimated amount of this Grant for the period shown in B.1 above is U.S.$720,000.

2. USAID hereby obligates the amount of U.S.$250,000 for program expenditures during the estimated period set forth in B.2 above and as shown in the Financial Plan.

3. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 Standard Provision 9B entitled "Payment-Reimbursement".

4. Additional funds up to the total amount of the grant shown in C.1 above may be obligated by USAID subject to the availability of funds, and to the requirements of the Standard Provision of the Grant entitled "Revision of Financial Plans."

D. Financial Plan

The following is the Financial Plan for this Grant, including local cost financing items, as authorized. Revisions to this Plan shall be made in accordance with Standard Provision 4, entitled "Revision of Financial Plans."

(U.S.$000)

		1983	1984	1985
1.	Salaries and Personnel Expenses	90	95	100
2.	Inland Transportation of foods	30	30	30
3.	Customs Costs and Security	8	8	8
4.	Nutrition/Health/Medical Services and Education	8	10	10
5.	Construction Materials for Community Development Projects	8	9	9
6.	Warehousing and Rebagging Expenses	30	30	30
7.	Vehicles purchase	30	-.-	-.-
8.	Vehicle Maintenance and Insurance Cost	33	35	35
9.	Contingency	13	18	13
		250	235	235

Total: US$720,000.00

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E. Reporting and Evaluation

As more fully described in Attachment 2, entitled "Program Description" in Sections on Conditions and Covenants (V), Reporting and Evaluations (VI), Project Budget and Release of Funds (IV)' and Fiscal Provisions (VIII), OFASA agrees to provide to the Food for Development office all required documentation relating to "Financial Reporting Requirements" and "Monitoring and Reporting Program Performance" in accordance with Sections 1M or 1N of AID Handbook 13.

F. Special Provisions

1. The Standard Provisions in Attachment 3 for Non -U.S. Grantees /USAID Form 1420-54 (2-82)/ are modified as follows: delete provisions 7, 8A, 8B, 10, 12A, 15B, 15C, 20, 23, and 24.

2. To assist in the implementation of the project, USAID, from time to time, will issue Project Implementation Letters furnishing additional information or requirements about matters stated in this agreement.

G. Overhead Rate

It is agreed between the Grantor and Grantee that no overhead costs associated with U.S. agency support activities will be charged to this Grant.

H. Title to Property

Title to any property purchased under this Grant will be vested in the Grantee, in accordance with Standard Provision 19 of Attachment 3, Standard Provisions for U.S. Grantees and U.S. Subgrantees.

I. Authorized Geographic Code

The authorized geographic code for procurement of goods and services under this Grant is USAID Geographic Code 000 and Peru. Local cost financing up to the Grant total is also authorized under this Grant.

Attachment 2

PROGRAM DESCRIPTION

I. Purpose of the Grant

The purpose of this Operational Program Grant (henceforth, "The Grant") is to assist the Seventh Day Adventist World Service (SAWS) and its Peruvian counterpart, Obra Filantropica y Asistencia Social Adventista (OFASA) to continue their food programs for the poorest inhabitants of Lima's urban slums (pueblos jóvenes) and other depressed urban areas.

II. Goals and Objectives

A. Goals

1. To improve the living standards, nutritional status and educational levels of the pueblos jóvenes poor among whom disease, malnutrition, unemployment and illiteracy are endemic.

2. To specifically alleviate malnutrition in these areas through the contribution of Pl 480 Title II food commodities as dietary supplements.

3. To assist in the creation of basic community service and infrastructure through Food for Work sub-project.

4. To contribute to improvement of the human resource base in participating communities by basic literacy, nutritional education, and vocational education classes, as well as attending to basic medical and family planning services.

B. Objectives

1. Provide USAID Grant funds to defray certain costs related to in-country transportation and handling of Title II commodities, as well as costs related to ongoing supervision, inspection and evaluation of project activities. (See illustrative financial plan, Attachment 1

2. Provide project participants with basic education as to sound health and nutrition practices, the integration of Title II foods into the family diet, environmental sanitation, and basic vocational skills needed to generate or increase income.

3. Provide selected pueblos jóvenes residents with basic medical treatment and family planning education.

4. To provide funds for purchase of materials and technical assistance (as needed) to be used in basic community development activities through Food for Work sub-projects. Where possible, emphasis on long-term development impact and the community contribution of up to 50% of the cost of materials will be a factor in selection of the sub-projects.

III. Project Implementation

SAWS/OFASA will implement the project over a period of approximately three years beginning with the date of the Letter Agreement. Purchase of the U.S. origin replacement vehicles for project supervision will be done locally; the local competitive procurement process will begin immediately upon project approval. Purchase of any materials necessary for construction in FFW sub-projects, however, will take place on an ad hoc basis following a determination of the participating community's capacity for self-financing of any necessary commodities. (It is expected that less OPG resources will be devoted to construction materials under this Grant than under previous grants due to the greater emphasis that will be placed on more community and other agency contributions.)

Sub-project selection and approval is an ongoing process; however, as this project is a continuation of previous activities, it can be expected that the full target of sub-project activities and quantity of recipients will be reached and in active implementation from the project outset.

The Nutrition Institute in Surquillo will also continue operating at full capacity, i.e., training from 20 to 50 promotoras in basic nutrition, food preparation, hygiene and leadership, etc., every 2 weeks, year round.

SAWS/OFASA will assume responsibility for the following actions:

1. Maintaining separate records and appropriate documentation required by USAID with respect to Title II commodities, commodity and recipient status reports, reports on inland losses, etc.;

2. Securing adequate warehousing for the project Title II commodities;

3. Maintaining a record of all end-use inspection and reports relating to project supervision and food distribution and inform USAID whenever an irregularity is identified;

4. Providing adequate end-use checkers and project promoters/managers to supervise end-use distribution of Title II commodities and Food for Work project development/implementation. Contracts for additional outside full-time project supervisory services will be, in form and substance, approved by USAID;

5. Performing necessary rebagging of foods on a timely basis to assure proper handling and reduced loss;

6. To conduct nutritrion, health, sanitation and vocational education promotion for project recipients;

IV. Project Budget and Release of Funds

The proposed project budget calls for grant financing over a period of three years not to exceed U.S.$720,000, with an initial first-year obligation of U.S.$250,000. It is not expected that there will be any U.S. dollar costs in this project; purchase of U.S. origin vehicles and local materials for construction will be done locally. See Section D of the Schedule, Attachment 1 for an illustrative first year budget and an estimation of SAWS/OFASA contributions.

Release of Grant funds under this Agreement shall be in accordance with Article 9 of Attachment III, Standard Provisions. Shifts of more than 20% among USAID-financed budget line items cannot be made without prior written authorization of USAID.

V. Conditions and Covenants

A. Conditions Precedent

1. Initial disbursement of USAID grant funds is conditional upon approval of SAWS 1983 Annual Estimate of Requirements for food commodities by the Inter-Agency Staff Committee on PL 480.

2. Initial disbursement of USAID grant funds is conditional upon receipt and approval by USAID/Peru of a description of OFASA personnel policies regarding recruitment, salary ranges for each position, promotion, fringe benefits, leave policy, working hours, holiday and any other benefit that may be financed with grant funds.

B. Covenants

SAWS/OFASA covenants:

i. To coordinate its activities with all relevant agencies of the Government of Peru, international donor organizations, or private Peruvian organizations engaged in similar developmental or educational activities in the project area or new program areas;

ii. To insure appropriate and agreed upon disposition of PL 480 Title II food commodities used in the project in accordance with regulations contained in AID Handbook 9;

iii. Prior to contracting any additional personnel, to inform USAID of the services required and the name, qualifications, and proposed salary, and to obtain USAID prior written approval of that individual or individuals;

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iv. To maintain resources donated by USAID for activities under this Grant under separate accounting from those resources donated by USAID for the SAWS/OFASA Regular Program in accordance with Standard Provision 2 of Attachment 3 to the Agreement, and to acquire prior written approval from USAID for any mixing or interchange of said resources;

v. To insure that USAID grant funds provided for transportation, customs, warehousing, etc., will be used for such costs only as they relate to Title II foods under the feeding program activities contemplated by this Grant, and will not be used to substitute for funds provided the Grantee by the Government of Peru or other source for such expenses under the already approved, on-going feeding program (Regular Program). Exception to this convenant is subject to prior written approval from USAID.

VI. Reporting and Evaluation

E. SAWS/OFASA hereby agrees to provide USAID/Food for Development office with copies of the following reports and any other reports normally required of VolAgs distributing PL 480, Title II commodities:

1. On a quarterly basis, a summary report of OFASA supervision field inspections.

2. On a quarterly basis, a summary report of project implementation progress for the Nutrition/Health/ Sanitation Education/Promotional Campaign(s).

3. Special evaluation report(s) on special community development project(s) to include:

   a. project completed;

   b. success and/or problems encountered with respect to matching financial contributions;

   c. receptivity and cultural acceptance.

Article VIII - Fiscal Provisions

OFASA will administer the Grant funds according to the budget included in Article V to defray costs incurred in carrying out the project and within the maximum limitations set forth within this agreement. Disbursement procedures will be as follows:

Upon satisfaction of the conditions precedent to initial disbursement, USAID will facilitate the execution of this project by making available to the grantee a periodic advance equivalent to project's estimated disbursing needs for a 90-day period.

This advance must be deposited in a separate project bank account and may be used only for eligible project costs

This advance should be requested by the grantee by submitting the following documentation:

(1) A USAID Public Voucher SF-1034 signed by the grantee's authorized representative.

(2) An advance request certificate in the format shown in Attachment 4, signed by the grantee's authorized representative.

(3) A 90-day disbursement plan showing monthly projected disbursement by project component in the format prescribed in Attachment 5.

(4) A cash advance Status Report in the format prescribed in Attachment 6.

Following the initial advance the grantee shall present on a monthly basis a claim for reimbursement (liquidation) to be applied against the outstanding advance. This claim for reimbursement (liquidation) should be submitted in accordance with the instructions contained in paragraph 9B of the Standard Provisions and in accordance with such other instructions as may, from time to time, be communicated to the grantee by USAID. The grantee's claim for reimbursement (liquidation) submitted in accordance with the Standard Provisions, should be accompanied by complete supporting documentation including such things as original canceled receipts. Supporting documentation will be returned to grantee after review by USAID.

Subsequent advances may be requested by the grantee whenever 66% of the total advances requested by the grantee have been liquidated.

ATTACHMENT 4

CERTIFICATION FOR ADVANCE OF FUNDS
Project 527-0247
Urban Food for Work

Serial No._____

Pursuant to Project Agreement 527-0247 dated _____, the Seventh Day Adventist World Service (SAWS) and its Peruvian Counterpart Obra Filantropica y Asistencia Social Adventista (OFASA) as implementing agency hereby requests and certifies the following:

1. SAWS/OFASA requests that A.I.D. disburse S/._____ Soles Oro, for project implementation as an advance to cover the cash needs for a 90-day period for purposes prescribed by the Grant Agreement, and on the basis of such disbursement, to make a dollar charge against Grant 527-0247. This request for advance of funds is supported by A.I.D. Public Voucher, Form 1034.

2. The SAWS/OFASA certifies that its receipt of such disbursement will be in Soles Oro and its use will be in compliance with the terms of the Grant Agreement.

3. The SAWS/OFASA certifies that the level of the advance requested in quarterly projections is the best estimate of funds realistically determine to cover the immediate disbursing needs for the next 90-day period.

4. SAWS/OFASA certifies that it will refund to AID when requested the amount of the advance outstanding which cannot be cancelled with acceptable liquidation vouchers.

Lima,_____
For SAWS/OFASA

_____
(Name)

Signature:_____
Title: _____
Authorized Representative

ANEXO 4

CERTIFICACION PARA REMESA DE FONDOS
Proyecto 527-0247
Alimentos por Trabajo-Urbano

Serie No._____

De conformidad con el Convenio de Proyecto 527-0247 _____, Seventh Day Adventist World Services (SAWS) y su Contraparte Peruana la Obra Filantropica y Asistencia Social Adventista (OFASA) por medio de la presente, solicita y certifica lo siguiente:

1. SAWS/OFASA solicita a AID desembolsar la suma de S/._____Soles Oro para la ejecución de la Donacion indicada como un adelanto para cubrir las necesidades de dinero para un periodo de 90 dias para los propósitos prescritos por el Convenio de Donación y en base a dicho desembolso hacer un cargo en U.S. Dolares contra la Donacion 527-0247. Este pedido de adelanto de fondos está amparado por el Comprobante de Pago de AID, Forma 1034.

2. SAWS/OFASA certifica que el recibo de dicho desembolso será en Soles Oro y que su uso se hará de acuerdo con los términos del Convenio de Proyecto.

3. SAWS/OFASA certifica que el nivel de adelanto solicitado en las Proyecciones Trimestrales es el mejor estimado de los fondos determinado para cubrir las necesidades inmediatas de desembolso para los próximos 90 dias.

4. SAWS/OFASA certifica que cuando se le solicite, reembolsará a AID el monto del adelanto pendiente no liquidado aún por la no aceptación de los comprobantes de pago remitidos.

Lima, _____
Por SAWS/OFASA

_____
(Nombre)

Firma:_____
Titulo:_____
Representante Autorizado

Attachment 5

QUARTERLY DISBURSEMENT PROJECTIONS
Project 527-0247
Urban Food for Work
For the Period to

	Project Component	Month 1	Month 2	Month 3	Total
I.	Salaries and Personnel Expenses				
II.	Inland Transportation of foods				
III.	Customs Costs and Security				
IV.	Nutrition/Health/Medical Services and Education				
V.	Construction Materials for Community Development Projects				
VI	Warehousing and Rebagging Expenses				
VII	Vehicles purchase				
VIII	Vehicle Maintenance and Insurance Cost				
IX	Contingency				
	TOTAL:				

The project coordinator certifies that he/she has taken the necessary measures to insure that the activities programmed above are realized as planned so that the money requested will be disbursed within the next 90 days.

Signature

Anexo 5

DESEMBOLSO TRIMESTRALES PARA LA REMESA DE FONDOS
Proyecto 527-0247
Alimentos por Trabajo-Urbano
Para el Periodo de a

	Componente del Proyecto	Mes 1	Mes 2	Mes 3	Total
I.	Salarios y Gastos del Personal				
II.	Transporte terrestre de los víveres				
III.	Gastos de Aduana y Seguridad				
IV.	Nutrición/Salud/Servicios Médicos y Educación				
V.	Materiales de Construcción para los Proyectos de Desarrollo de la Comunidad				
VI.	Gastos de almacenaje y reempaque				
VII.	Compra de Vehículos				
VIII.	Mantenimiento de Vehiculos y Gastos de Seguro				
IX.	Contingencia				
	TOTAL				

El coordinador responsable del proyecto certifica que se han adoptado las medidas necesarias para realizar las acciones técnicas y ejecución del gasto dentro del período trimestral programado.

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Attachment 6

CASH ADVANCE STATUS REPORT

Project 527-0247
Urban Food for Work
For the Period to

Part I - Status of Current Advance

Cash on Hand at beginning of quarter	_____
Plus: Advances received during quarter	_____
Sub-Total	_____
Less: Liquidation submitted during the current quarter (Check No.____ to Check No.____)	_____
Difference(cash on hand at end of quarter)	_____

Part II - Request for Additional Funds

Cash Requirements for the next 90 days per Attachment 5	_____
Less: Cash on hand at end of quarter (per Part I above)	_____
Difference (Amount of advance requested for the next 90 days	_____

INFORME DEL ESTADO DE ADELANTOS (REMESAS)
Proyecto 527-0247
Alimentos por Trabajo-Urbano
Para el Periodo de al

	TOTAL
Parte-I - Estado del Adelanto Pendiente	
Adelanto en efectivo al comienzo del trimestre	_____
Mas: Adelantos recibidos durante el trimestre	_____
Sub-Total	_____
Menos: Liquidaciones presentadas durante el trimestre (Cheque No. _____ al Cheque No ____)	
Diferencia (dinero en caja al fin del trimestre)	_____
Parte II - Solicitud de Fondos Adicionales	
Requisitos de efectivo para los proximos 90 días según Anexo No. 5	_____
Menos: Dinero en caja al fin de trimestre (de acuerdo con la 1ra. parte de este informe)	_____
Diferencia (Monto de adelanto solicitado para los próximos 90 dias)	_____