

PDBBI 933

EMBASSY OF THE
UNITED STATES OF AMERICA

Office of Development Affairs
September 15, 1987

Ms. M. Nell
Human Awareness Program
147 Louis Botha Ave
Orange Grove
Johannesburg

Subject: Community Outreach and Leadership Development
Human Awareness Program
Agreement No: ~~77-0301~~ B-SS-7077-00

Dear Ms. Nell,

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development hereinafter "AID", hereby enters into this Agreement with the Human Awareness Program (HAP) (hereinafter "the Recipient"), and obligates the sum of \$55,000 to provide support for a program described in Attachment No. 1, entitled "Schedule", and Attachment No. 2, entitled "Program Description", of this Agreement.

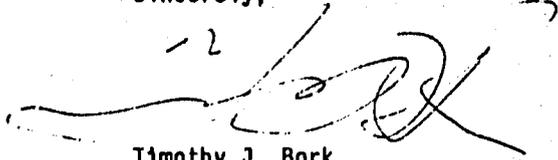
This Agreement is effective and obligation is made

as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning September 15, 1987, and ending September 14, 1988

This Agreement is entered into with the Recipient on condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, entitled "Schedule", Attachment 2, entitled "Program Description", and Attachment 3, entitled "Standard Provisions". This letter and the three attachments described above, which have been agreed to by your organization, constitute the Agreement.

Please sign the original and six (6) copies of this letter.
Please then return the original and five (5) copies of this
letter to USAID/Pretoria.

Sincerely,



Timothy J. Bork
Counselor for Development Affairs

ACKNOWLEDGED AND ACCEPTED

Human Awareness Program



for:

By: Marion Nell

Title: Director

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions
4. Ninety Day Advance (as applicable)

FISCAL DATA:

Agreement No: ..674-0301-G-SS-7077-00

Appropriation: ..72-117/81021

BPC: ..GDS7-87-21674-KG13

Reservation Control No: ..B870226

Amount: \$55,000

Drafted: A. Marshall, PDO

Clearances: Mark Johnson, SPDO draft

Carlos Pascual, Program Officer draft

Donald Keene, RLA draft

Rick Solloway, Controller draft

Wendy Stickel, Asst. Dir.

ATTACHMENT NO. 1

SCHEDULE

I. OVERVIEW OF AGREEMENT

Funds provided under this Agreement will permit the Human Awareness Program to continue its work of providing skills training and information to community-based organizations working for peaceful, beneficial, social change in South Africa. The nature of the program and the terms of this Agreement are more fully described in Attachment 2 of this Agreement, entitled "Program Description".

II. PERIOD OF AGREEMENT

The effective date of this Agreement is September 16, 1987. The expiration date is December 31, 1990, meaning that no USAID funds under this Agreement shall be applicable to goods not furnished or services not performed for the program by this date.

III. AGREEMENT FUNDING AND PAYMENT

USAID hereby obligates the sum of \$55,000 for purposes of this Agreement.

IV. FINANCIAL MANAGEMENT

A. HAP shall be responsible for accounting for all funds provided under this Agreement. Reimbursement for expenses incurred shall be in the form of a monthly submission of invoices, checks, payroll sheets, etc. as further described in Part B of this Section. Included in this Agreement, as Attachment 4, is a one-year budget based upon expected expenditures covered by this Agreement. This budget also reflects quarterly cash flow requirements and represents HAP's request for a 30-day advance. A sufficient advance of funds will be provided to cover expenses for three months of operations. Execution of this Agreement constitutes USAID approval of the advance, and for AID's internal purposes, earmarks and commits all funds obligated under the Agreement. Any interest earnings from funds provided under this Agreement will be returned to USAID.

B. Disbursement Procedures

1. Local currency disbursements from USAID to HAP will be made through monthly reimbursements for expenses incurred during the previous month. Each reimbursement request will include (a) a summary sheet listing in a format compatible with the budget the purpose and amount of all (individual) expenses incurred with a sub-total for each budget line item and a grand total; and (b) copies of paid invoices (not proforma invoices), checks, or other documentary evidence showing that funds were expended and the payee received such funds; e.g. an invoice stamped "paid", a cancelled check, a payroll sheet signed by the employee, etc.

2. Advances. It is recognized that an advance of funds is required, as working capital, to carry-out the purposes of this Agreement. Refer to Section IV A and Attachment 4 which requests such an advance.

VI. REPORTING

HAP will submit semi-annual progress reports to USAID in a format which will be defined at a later date. Additionally, HAP will provide USAID with copies of any training materials produced using USAID funds during the term of this Agreement.

VII. OVERHEAD RATE

Not Applicable.

VIII. TITLE OF PROPERTY

Title to all property purchased under this Agreement shall vest in the Recipient in accordance with the terms of Attachment 3, Additional Standard Provision 19, entitled "Title to and Use of Property."

IX. AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for all procurement with AID funds under the Agreement is the United States and Republic of South Africa, meaning that all goods and services financed by this Agreement shall have, with respect to goods, their source and origin and, with respect to services, their nationality in the United States or the Republic of South Africa.

X. LOCAL COST FINANCING

It is hereby specified that the amount of U.S. dollars authorized to be used for local cost financing is the entire amount obligated under this Agreement.

XI. SPECIAL PROVISIONS

A. Conditions Precedent to Disbursement

Accounting. Prior to the disbursement of funds and to the issuance of any commitment documents under the Agreement, the Recipient shall agree to allow USAID to conduct a financial review to confirm that proper financial management systems for accounting and record keeping exist.

B. Covenants

1. Procurement

(a) Scope. This provision is applicable to the extent that local cost financing is otherwise authorized by the Agreement. It does not require procurement in South Africa where off-shore procurement could otherwise occur.

(b) Policy. In the procurement of goods and services in South Africa, the Recipient shall, to the maximum extent practicable, award contracts to individuals or organizations which are disadvantaged by apartheid and which are responsive and appropriate providers of goods and services.

(c) Definitions. Individuals and organizations disadvantaged by apartheid shall mean (1) South African individuals of black, "colored" or Asian descent whose principal place of business is in the Republic

(a) As discussed in para B1 above, monthly expenses are reimbursed. As such, USAID will reimburse the Recipient for recurring expenses financed from the advance, but non-recurring expenses financed from the advance will not be reimbursed. Rather than reimburse non-recurring expenses, the amount of the advance will be reduced by that amount. Consequently, when the Recipient submits its monthly reimbursement request per paragraph B.1., it is most important to include those expenses which will be used to reduce the advance balance.

(b) At the end of the Agreement period, any advance balance will be liquidated through submission of paid invoices and/or cash.

(c) Should there be a need to increase the level of the advance, USAID should be notified in writing at least 90 days before the required increase. USAID will advise, in writing, of any approved increases. Likewise, USAID reserves the right to decrease the level of this advance should expenditures fall below projected levels.

V. FINANCIAL PLAN

A. The illustrative Financial Plan for this Agreement is set forth below and is further detailed in Table 1 of Attachment 2. Revisions of this Plan shall be made in accordance with Standard Provision 4 of this Agreement, located in Attachment 3 and entitled "Revision of Agreement Budget". All line-item adjustments must receive prior USAID approval.

Financial Plan

	<u>US \$</u>	<u>SAR</u>
1. Training Program	19,700	36,500
2. Trainees Tuition	15,500	29,000
3. Consultancy Service	14,800	27,000
4. Financial Services	5,000	9,250
	<u>\$ 55,000</u>	<u>R101,750</u>

B. Level of Assistance

The budget line items provided above have been calculated by taking the amounts required by HAP in South African Rands and then converting these to U.S. Dollars at an exchange rate of R1.85/US\$1. While the Rand amounts are included for illustrative purposes, the U.S. Dollar totals, and not their Rand equivalents, constitute the binding level of USAID assistance.

Due to exchange rate fluctuations, South African Rands available under any individual item financed under this Agreement may exceed levels budgeted for by HAP, and thus allow other items to be financed as well. In such an event, HAP will consult with USAID on the priority use of these funds, and arrangements will be made to amend the Agreement to provide for their expenditure. However, should changes in the exchange rate result in fewer South African Rands being available than budgeted for, HAP must finance the shortfall since the U.S. dollar amount prevails.

of South Africa; and (2) private partnerships or commercial firms which are incorporated in or organized under the laws of the Republic of South Africa, whose principal place of business is in the Republic of South Africa, and which are more than 50 percent beneficially owned by South African persons of black, "colored" or Asian descent. The Republic of South Africa includes the so-called "independent" and "self-governing" homelands and, for the purposes of implementing this provision, Namibia.

2. Except as provided in Section B.1. above, all procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, free and open competition.

XII. STANDARD PROVISIONS

The Standard Provisions applicable to this Agreement are contained in Attachment 3, Standard Provisions.

ATTACHMENT 2

PROGRAM DESCRIPTION

I. SUMMARY

This Agreement provides funds to the Human Awareness Program (HAP) to permit it to continue and expand its work of providing skills training and information to community-based organizations working for peaceful, beneficial social change in South Africa.

Agreement funds will be provided over a period of three years, and will permit HAP to a) develop and run its training program; b) accept individuals from USAID-funded organizations, and other nongovernmental organizations working for peaceful change, onto training courses; and c) provide a consultancy service to community-based organizations. HAP's continued production of information materials and training manuals is an integral component of such a program.

II. BACKGROUND

HAP has been in existence since 1977, during which time it has assisted a number of community-based organizations to establish and run their programs, and has produced a wide range of materials for use by community-based organizations. Such materials range from basic skills training manuals such as typing, filing systems, office management, etc. to organizational, planning and decision making workshops. HAP also produces information materials in book and audio-visual form on issues of relevance to communities in present day South Africa. Such information material includes the Bridge Directory, a guide to non-governmental organizations working for change; assessment packages on issues such as black housing, pensions, transport; surveys of "homelands" and "independent states"; and a monthly newsletter which is a digest of press reports, showing media perspectives on economic social and political issues.

Representatives from a wide range of community organizations such as advice centers, trade unions, women's groups and civil rights organizations have attended HAP's courses and benefitted from HAP's publications. In addition to its training, HAP also operates a consultancy service to individual community groups.

III. PROBLEM

Many times community-based organizations lack office, managerial and organizational expertise when they are first established, which imposes undue burdens on them. Basic skills training in office management, filing systems, basic bookkeeping, typing and record keeping can often improve the efficiency of such organizations tremendously, and help them better meet the needs of their members. Similarly, organizational effectiveness skills such as goal setting, decision making, planning and budgeting can assist such organizations to develop and expand to fulfill their potential and more effectively work for peaceful beneficial social change. Oftentimes community-based organizations, particularly in the initial stages, also need information or legal requirements for small organizations and also access to resources on topics of relevance to their constituents.

There is generally a lack of readily available information on such issues, and community-based organizations often lack the resources to attend commercial courses in office skills. Organizational effectiveness and managerial skills

training are also usually beyond the scope of such organizations, and financial constraints prevent them from attending professional training courses. Additionally, commercial courses are often inappropriate for the needs of organizations, and not suited to the formal educational qualifications of participants.

The Human Awareness Program attempts to address some of these issues by providing training courses, training manuals, information kits and a wide range of audio-visual material for use by community-based organizations.

IV. PURPOSE

The purpose of this Agreement is to provide funds to HAP to permit it to expand its program, more fully described in Section V, Program Description, in response to increasing requests for assistance from community based organizations.

V. PROGRAM DESCRIPTION

Funds provided under this Agreement will permit HAP to expand its training, consultancy and materials production program over a period of three years, in order to meet the increased demand for such services from community-based organizations. As such organizations are formed or expand their activities in an attempt to promote peaceful social change in South Africa, there is a greater need for the type of back up services, information and skills training which HAP supplies. The components of HAP's program to be funded under this Agreement are:

(a) Training. This comprises both courses and training materials. Courses cover specific basic office skills training, such as typing, bookkeeping, record keeping, reception duties, and also organizational effectiveness skills such as goal setting, planning, conducting workshops and decision making. They are widely subscribed to by community-based organizations. In addition to the courses, HAP produces a range of manuals covering such topics and also others of relevance such as buying clubs, legal requirements for small organizations, using the media, and public speaking. Agreement funds would provide assistance to the training program as detailed in Table 1.

(b) Trainees tuition fees. Agreement funds will be used to cover the cost of attendance of courses by members of community organizations. Specifically, members of USAID-funded organizations, such as advice centers, will be able to benefit from such training, but HAP may also suggest persons or organizations to be funded. Organizations will be informed of this optional facility when Agreements are signed, and USAID will pass information to HAP of those who wish to participate in such courses. HAP will then schedule attendance according to demand and availability. HAP will inform USAID of additional applicants for such funded attendance; and USAID will approve funds being used for such persons, depending on availability.

(c) Consultancy service. Agreement funds will assist HAP with its consultancy service, by which it works with specific organizations at their request in order to help them meet their organizational needs. Such a service involves consultation and, where necessary, production of specific materials, and design and implementation of training courses to meet the particular needs of organizations. Generally, existing courses can be adapted for organizations, with additional components or certain elements of the course stressed. Often assistance is provided on a participatory workshop basis, with members of the organization helped to explore their problems and define their own solutions.

VI. ILLUSTRATIVE FINANCIAL PLAN

The following table is provided in support of the Financial Plan specified in Attachment 1, Section V, which is the binding plan for this Agreement.

TABLE 1

ILLUSTRATIVE FINANCIAL PLAN

(US \$)

<u>Item</u>	<u>1st Year</u>	<u>2nd Year</u>	<u>3rd Year</u>	<u>Total</u>
1. Training	5,400	6,500	7,800	19,700
2. Trainees tuition fees	4,300	5,000	6,500	15,500
3. Consultancy service 1/	3,800	5,000	5,900	14,800
4. Financial services assistance	1,000	1,500	2,500	5,000
	*****	*****	*****	*****
TOTAL	14,500	18,000	22,700	55,000

1/ This includes consultation, preparation of training materials to fit organizations' needs and/or training courses run for organizations.

TABLE 1A

ILLUSTRATIVE FINANCIAL PLAN

(SAR)

<u>Item</u>	<u>1st Year</u>	<u>2nd Year</u>	<u>3rd Year</u>	<u>Total</u>
1. Training program	10,000	12,000	14,500	36,500
2. Trainees' tuition fees	8,000	9,500	11,500	29,000
3. Consultancy service	7,000	9,000	11,000	27,000
4. Financial services assistance	1,850	2,775	4,625	9,250
TOTAL	26,850	33,775	42,125	101,750

TABLE 1B

ILLUSTRATIVE FINANCIAL PLAN BREAKDOWN

(SAR)

Item

1.	Training Program (16 courses at average R1500 per course)	
	courses:	
	salaries	12,000
	materials	8,000
	administration costs	4,000
	materials production:	<u>12,500</u>
		36,500
2.	Trainees' tuition fees	29,000
3.	Consultancy Service	
	salaries	12,000
	transportation	6,000
	materials	9,000
4.	Financial Services Assistance	<u>9,250</u>
	TOTAL:	R101,750

ATTACHMENT 4

Ninety Day Advance Budget
(SAR)

<u>Item</u>	<u>Total Budget</u>	<u>This Advance</u>
1. Training Program	36,500	2,500
2. Trainees attendance of courses	9,000	2,000
3. Consultance Service	27,000	1,500
4. Financial Services assistance	9,250 *****	500 *****
TOTAL:	R101,750	R6,500