

PDBBR-536

UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
U.S.A.I.D. MISSION TO KENYA



UNITED STATES POSTAL ADDRESS  
US AID MISSION TO KENYA  
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APO NEW YORK, NEW YORK 09675

INTERNATIONAL POSTAL ADDRESS  
POST OFFICE BOX 30261  
NAIROBI, KENYA

August 18, 1989

Mr. Moses G. Mbugua  
General Secretary  
Kenya Freedom From Hunger Council  
P.O. Box 30762  
Nairobi

Subject: Grant No. ~~6015-0250~~-G-00-9069

Dear Mr. Mbugua:

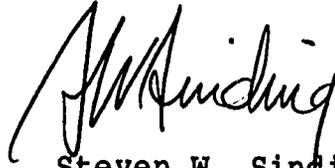
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to the Kenya Freedom From Hunger Council (hereinafter referred to as "Grantee") the sum of \$217,800 to provide support for a program in Applied Nutrition, as described in Attachment 1, 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 from the period of August 1, 1989 and ending on the estimated completion date of August 31, 1992.

This grant is made to the Grantee on condition that funds will be administered in accordance with terms and conditions as set forth in Attachment 1, entitled the "Schedule", Attachment 2, entitled "Program Description", Attachment 3, entitled "Standard Provisions", and Attachment 4, entitled "Cash Advance Guidance", which have been agreed to by your organization.

Please sign the original and four (4) copies of this letter to acknowledge your receipt of the grant, and return the original and three (3) copies of the entire document to the Human Resources Development Office, USAID/Kenya, P.O. Box 30261, Union Towers, Nairobi, Kenya.

Sincerely,



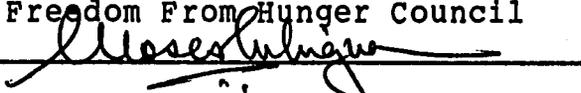
Steven W. Sinding  
Grant Officer

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions
4. Cash Advance Guidance

Acknowledged:

Kenya Freedom From Hunger Council

By: 

Typed Name: MR. MOSES G. MBUGUA

Title: General Secretary

Date: 24th August, 1989

FISCAL DATA

Appropriation	:	72-1191014
Budget Plan Code	:	GSSA-89-21615-KG13
PIO/T No.	:	615-0236-3-90101
Project No.	:	615-0236
Total Estimated Amount	:	\$217,800
Total Obligated Amount	:	\$217,800

KFFHC Grant  
Grant No: 615-0236-G-00-9069  
Dated: August 18, 1989

ATTACHMENT 1

SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide support for a program in Applied Nutrition to be implemented by the Kenya Freedom From Hunger Council in Embu District, as more specifically described in Attachment 2 to this Grant entitled "Program Description."

B. Period of Grant

The effective date of this Grant is the date of signature of the Grant. The estimated expiration of this Grant is August 31, 1992. Notwithstanding the effective date of this Grant, and subject to the Standard Provision entitled "Allowable Costs", costs incurred on or after August 1, 1989 shall be eligible for reimbursement. Such costs are included in the Grant Budget.

C. Amount of Grant and Payment

1. A.I.D. hereby obligates the amount of \$217,800 for purposes of this Grant.
2. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 4, entitled "Cash Advance Guidance".

D. Financial Plan

The budget for this Grant is set forth in Annex 1 to this attachment. Revisions to this plan shall be made in accordance with the standard provision of this Grant, entitled "Revision of Grant Budget". The Grantee is fully responsible for financial management and accountability for utilization of Grant funds.

E. REPORTING AND EVALUATION

During the life of the Grant, the Grantee will submit to USAID/Kenya Human Resources Development Office the following reports:

1. Technical Reporting

On a quarterly basis, a report will be submitted on project progress and on problems encountered to date in achievement of Grant objectives. The quarterly report will include a general assessment of progress and problems to date; a brief status report on each of the sub-projects and the indicators of outputs achieved to date; a brief summary of actions planned for the next period; a description of all goods and services (including amount and source and origin) whose source and origin are not Kenya or the United States; and a table showing all personnel directly financed under this Grant. These reports will contain both quantitative and qualitative information to the extent possible. The first such report will cover the period ending November 30, 1989. Each such report is due 30 days following the end of the reporting period and will be submitted in 3 copies.

2. Financial Reporting

Financial reporting by the Grantee will be in accordance with the procedures set forth in Attachment 4, entitled "Cash Advance Guidance". All financial reports shall be submitted to the Office of the Controller, USAID/Kenya, P.O. Box 30261, Nairobi, Kenya.

The Grantee agrees to consult with the USAID/Kenya Human Resources Development Office (HRD) concerning further details for submitting all financial reports and estimates.

3. Final Report

A final progress and financial report is required which will include a comprehensive review and discussion of project activities and achievements. This report will be due 30 days after the estimated expiration date of the Grant.

4. Evaluation

A mid-term and final evaluation will be conducted during the 6th and 12th quarters of the project. Two months prior to conducting these evaluations, a scope of work will be provided to USAID/Kenya for review and comments. USAID reserves the right to participate in all evaluations. The grantee will submit three (3) copies of all evaluation reports to USAID within 30 days of each report completion.

F. Authorized Source and Origin for Goods and Services

Goods and services financed by A.I.D. under this Grant shall have their source and origin in countries contained in A.I.D. Geographic Code 935 in accordance with the order of preference rules specified in section (b) (1) of the Standard Provision of this Grant entitled, "Eligibility Rules for Goods and Services." (See Annex 2 to this Attachment for details on countries covered in A.I.D. Geographic Codes).

KFFHC Grant  
 Grant No: 615-0236-G-00-9069  
 Dated: August 18, 1989

ANNEX 1 to Attachment 1

Estimated Grant Budget  
 (U.S. \$)  
 From August 1, 1989 to August 31, 1992

Cost Element	USAID	KFFHC	Total
1. Salaries & Benefits	90,869	28,026	118,895
2. Equipment	20,526	6,711	27,237
3. Program Input Costs	45,263	23,684	68,947
4. Training	8,947	11,447	20,394
5. Program Operating Costs	36,632	6,631	43,263
6. Administrative Costs	5,132	30,263	35,395
- Personnel (Head Office)			
- Communication			
- Office Space			
- Travel & Allowances			
7. Other Direct Costs	10,395	4,921	15,316
<b>Total Grant</b>	<b>217,764</b>	<b>111,683</b>	<b>329,447</b>

Conversion rate from Kenya Shillings: Kshs.19.00 = \$1.00

Dated: August 18, 1989

ANNEX 2  
to ATTACHMENT 1

RELEVANT A.I.D. GEOGRAPHIC CODES

000 UNITED STATES

899 FREE WORLD

Any area or country in the Free World\* excluding the cooperating country itself.

935 SPECIAL FREE WORLD

Any area or country in the Free World\*, including the cooperating country itself.

941 SELECTED FREE WORLD

Any independent country in the Free World\*, excluding the cooperating country itself and the following:

<u>Europe</u>		<u>Other</u>	
Andorra	Luxembourg	Angola	Mozambique
Austria	Malta	Australia	New Zealand
Belgium	Monaco	Bahamas	Qatar
Denmark	Netherlands	Bahrain	Saudi Arabia
Finland	Norway	Canada	Singapore
France	Portugal	China, Republic	South Africa
Germany, Federal	San Marino	of (Taiwan)	United Arab
Republic of	Spain	Cyprus	Emirates
(including West	Sweden	Gabon	
Berlin)	Switzerland	Greece	
Ireland	United Kingdom	Hong Kong	
Italy	Vatican City	Iraq	
Iceland	Yugoslavia	Japan	
Liechtenstein		Kuwait	

\*"Free World" excludes the following areas or countries:

Afghanistan, Albania, Bulgaria, Cambodia, Cuba, Czechoslovakia, Estonia, German Democratic Republic, Hungary, Iran, Laos, Latvia, Libya, Lithuania, Mongolia, North Korea, People's Democratic Republic of Yemen (South Yemen or Aden), People's Republic of China, Poland, Romania, Syria, Union of Soviet Socialist Republics, Viet Nam.

## ATTACHMENT 2

### KENYA FREEDOM FROM HUNGER COUNCIL (EMBU)

#### PROGRAM DESCRIPTION

##### Introduction

The Embu district shows a high incidence of wastage and stuntedness in children under five. Hence, the objective of this three-year nutrition project is to mobilize resources and carry out activities that will reduce the causes of chronic hunger and the level of malnutrition among children 0-60 months old, pregnant and lactating mothers, and women of child-bearing age in the poorer areas of the district. This project supplements other efforts already underway in the district.

By providing health and nutrition services and assistance in food production and water supply improvement, the Council, a Kenyan PVO, proposes to increase the number of beneficiaries now served in the present locations of Karurumo and Kasafari, and to extend assistance to Evurore location. It will help target communities to step up food production and carry out growth monitoring, as well as to provide nutrition and health education. In addition, the project will increase the accessibility of potable water and help upgrade local livestock for meat and milk. About 25,000 people in Kyeni South and Evurore locations are targeted.

##### The Project:

KFFHC's Embu applied nutrition program currently works in two locations (Karurumo and Kasafari) of Kyeni South. It includes health and nutrition, and provides credit for food production and water supply improvement. In the area of health and nutrition, the purpose is to improve local access to such services (including education), in collaboration with relevant local government authorities. Present program activities include growth monitoring, immunizations, plus nutrition demonstrations and health education.

KFFHC now uses three kinds of in-kind credit for food production: revolving seed loans, a dairy goat project and a dairy cattle project. The Council staff identifies needy families and helps define the appropriate interventions for them, while the GOK assists with providing inputs, training beneficiaries, and conducting follow-up extension work.

The program also supports community-initiated activities in the form of grants, training for management, and mobilizing local resources. Local activities already identified include improved domestic water supply and cattle dip construction.

In increasing the number of beneficiaries in Karurumo and Kasafari, and extending help to a new location (Evrure), the project will give particular emphasis to women and children under five years, and to the landless. In the first year, community leaders, village health workers and local committee members will receive training to enable them to manage their programs. In the second and third years, project assistance will be extended to the new Evrure location, whose problems of chronic hunger are particularly bad.

#### End of Project Status and Evaluation

Two evaluations are planned. The success of the project will be judged at project's end by the following indicators:

- Percentage of decrease in growth faltering and malnutrition (estimated at 10-15%)
- Number of families with increased household food production (2,000 expected)
- Extent that access to promotive health and nutrition delivery services has increased (expected to reach 25,000-30,000 community members)
- Number of community members with access to potable water (estimated at 10,000-15,000)
- Measurable improvements in local knowledge, attitudes and practices about causes of malnutrition (20-25 communities expected to be trained)
- Number of local leadership structures in the community trained in the two locations effectively managing activities under the supervision of relevant government ministries (35-45 expected)
- Number of relevant GOK and NGO extension workers providing needed technical and supervisory support to communities (estimated at 10-15)

Funding:

This grant will be for three years. Its total cost is estimated at \$329,447 over a three-year period, with USAID's contribution estimated at \$217,764. USAID funds will cover certain staff costs, equipment, training, and commodities. KFFHC will provide the Kenya shilling equivalent (in cash or in kind) of approximately \$111,683 to supplement USAID's contribution. This contribution represents 34 percent of total project costs.

Note: A more complete project description is contained in the project proposal, available in the Human Resources Development Office, USAID/Kenya. However, if any provisions of the grant document conflict with those in the final proposal (with revisions, if any), the grant provisions will govern.

ATTACHMENT 3

STANDARD PROVISIONS

The Standard Provisions set forth as Attachment 3 of this Grant consist of the following Mandatory and Optional Standard Provisions marked by an "X", copies of which are attached and incorporated as part of this Grant.

1. MANDATORY STANDARD PROVISIONS FOR NON-U.S.,  
NONGOVERNMENTAL GRANTEES

- (x) 1. Allowable Costs (May 1986)
- (x) 2. Accounting, Audit, and Records (May 1986)
- (x) 3. Refunds (May 1986)
- (x) 4. Revision of Grant Budget (May 1986)
- (x) 5. Termination and Suspension (May 1986)
- (x) 6. Disputes (November 1985)
- (x) 7. Ineligible Countries (May 1986)
- (x) 8. U.S. officials Not to Benefit (November 1985)
- (x) 9. Nonliability (November 1985)
- (x) 10. Amendment (November 1985)
- (x) 11. Notices (November 1985)

2. OPTIONAL STANDARD PROVISIONS FOR NON-U.S., NONGOVERNMENTAL  
GRANTEES

- ( ) 1. Payment - Periodic Advance (November 1985)
- ( ) 2. Payment - Cost Reimbursement (May 1986)
- (x) 3. Air Travel and Transportation (May 1986)
- (x) 4. Ocean Shipment of Goods (May 1986)
- (x) 5. Procurement of Goods and Services (May 1986)
- (x) 6. AID Eligibility Rules for Goods and Services (May 1986)
- (x) 7. Subagreements (May 1986)
- (x) 8. Local Cost Financing (May 1986)
- ( ) 9. Patent Rights (May 1986)
- ( ) 10. Publications (May 1986)

- (x) 11. Nondiscrimination (May 1986)
- (x) 12. Regulations Governing Employees (May 1986)
- ( ) 13. Participant Training (May 1986)
- ( ) 14. Voluntary Population Planning (August 1986)
- ( ) 15. Protection of the Individual as a Research Subject  
(November 1984)
- ( ) 16. Negotiated Overhead Rates - Provisional (November 1984)
- ( ) 17. Government Furnished Excess Personal Property  
(November 1984)
- (x) 18. Title to and Use of Property (Grantee Title) (May 1986)
- ( ) 19. Title to and Care of Property (U.S. Government Title)  
(May 1986)
- ( ) 20. Title to and Care of Property (Cooperating Country  
Title) (November 1984)
- (x) 21. Cost Sharing (Matching) (May 1986)

CASH ADVANCE GUIDANCE

General Policy

USG cash advance policy, consistent with AID's cash management procedures, is premised on the principle that advances should not be granted unless absolutely essential since the cost of Treasury borrowing is a considerable burden on the U.S. taxpayer. When deemed to be essential, the amount of advances should not exceed the immediate minimum needs of the recipient. Treasury has defined minimum needs as being no more than a 30 day requirement of cash on hand. The time that it takes for the recipient to liquidate the advance is of no consequence when considering immediate disbursing needs.

Guidelines

The following guidelines should be used when considering the need for an advance to not-for-profit recipients.

- When an activity commences, the grantee will provide a projection of cash requirements over a specified period (normally 3 months/by month).
- Based on an analysis of this projection, the amount of the initial advance will be determined based on a 30 days' need from the date the advance is received by the grantee.
- Subsequent monthly advance requests should be submitted with enough lead time for processing within AID and delivery of a check to the recipient. The new request should include an updated cash requirement projection as long as 'the 30 days' cash on hand' requirement is met.
- It may take AID as long as 30 days to process this request and deliver a check. Therefore, for example the grantee should submit a request for an advance by the last week of August for cash needs of October. The check would be put in the grantee's account as close to October 1 as possible. Therefore, at that point in time the grantee would have 30 days' cash on hand. By the end of October the grantee would be running out of cash but would soon receive the November advance requested at the end of September. The key is that 30 days' needs are not exceeded.

- Within 30 days following the end of each month, a Grant Financial report is required. This report will include a consolidated report of grant expenditures which shows by budget line item: amount budgeted per the financial plan, amount expended for the monthly period under consideration, total cumulative amount expended, and remaining balance per line item. See sample format attached entitled "Expenditure Report". Failure to submit such a report as required may preclude the issuance of further advances.

Documentation

The following is a list of what is required prior to approving a cash advance and should be circulated with the initial advance voucher:

- A written request every month from the entity desiring the advance which would include:
  - a detailed budget of eligible project activities covering the period of the proposed advance (see sample format attached entitled "Statement of Certified Cash Needed"),
  - identification of the separate bank account where the advance will be placed,
  - a properly executed Standard Form 1034 (Public Voucher for Purchases and Services other than Personal). Copies of SF1034 are attached.

SAMPLE FORMAT

(Name of Organization)

STATEMENT OF CERTIFIED CASH NEEDED

GRANT NO: \_\_\_\_\_

An advance of funds in Kenya Shillings (or US Dollars) is, hereby requested for activities during the period .....to.....

APPROVED BUDGET\*

EXPECTED EXPENDITURES

LINE ITEMS

Month 1      Month 2      Month 3

- 1. Salaries & Wages
- 2. Pensions & Benefits
- 3. Technical Assistance
- 4. Training & Education
- 5. Transport
- 6. Commodities & Equipment
- 7 Other Direct Costs
- 8. Contingencies & Inflat

Total

\_\_\_\_\_  
\_\_\_\_\_

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

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\*The breakdown of budget line items should be as per the approved budget. The categories shown above are illustrative only.