

PDDBX613

NOTICE OF RECORD

DATE: 12/3/90

CORRECT PROJECT NUMBER IS: 674-0302

CORRECT PROJECT TITLE IS: Alternatives and Non-Formal Education

VERIFIED BY: C. O'Leary
AFR/PD/IPS

DATE: _____

CLEARED BY: E. Settles for Susan Campbell
CHIEF, AFR/PD/IPS

DATE: 12/2/90



Embassy of the United States of America

June 13, 1990

Office of Development Affairs

**Mr. Max du Preez, Trustee
The Wending Foundation Trust
P.O. Box 177
Newtown 2113**

**Subject: Educational Support and Training Project Agreement
[REDACTED] G-SS-0020-00; Wending Foundation Trust**

Dear Mr. du Preez:

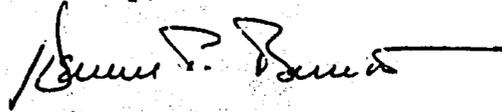
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development ("USAID") hereby hereby enters into this Agreement with the Wending Foundation Trust (hereafter the "Trust") and obligates the sum of US \$25,000 to provide support for a journalist intern program, as further 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. The Agreement and obligation shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning February 1, 1990 and ending February 1, 1993.

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

Please sign the original and one copy of this Agreement and then return the original to USAID/Pretoria

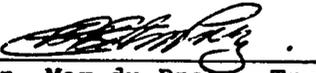
Sincerely,



Dennis P. Barrett
Counselor for Development Affairs

Acknowledged and accepted:
Wending Foundation Trust

By:


Mr. Max du Preez, Trustee

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions
4. Advance request (as applicable)
5. AID Geographic Code 935

RE

MACS CODING SHEET

Reservation Data Elements

Reservation Control No. (7)

B900118

Budget Plan Code (15)

GSSA9021674KG13

Expanded Object Class Code (5)

41700

Office Code (3)

100

Project Number (10)

6740302.00

Transaction Amount (15)

+ 25000.00

Transaction Date (6)

06 90

Amendment No. (1)

Agent Code (9)

444489117

PLS CREATE

Reservation Description (30)

WENDING FOUNDATION TRUST

Plan Obl Start Date (6)

061590

Transaction Description (30)

Plan Obl End Date (6)

020193

Reservation Document Number (22)

674-0302-G-SS-0020-00

Prepared By:	<i>[Signature]</i>
Approved By:	<i>[Signature]</i>
Posted By:	
Date:	

FISCAL DATA

Project Number : 674-0302
Agreement Number : 674-0302-G-SS-0020-00
Grantee : The Wending Foundation Trust
Reservation Cont : B900118
Appropriation : 72-1101014
BPC : GSSA-90-21674-KG13
Amount : \$25,000

Drafted: HWilkinson/DRobertson, *[Signature]* HRO/PDO

Clear: JBisgard, ^{QB} PDO
DNgatane, PDO (draft)
DKeene, RLA
MVanDoren, CONT *[Signature]*
FMangera, PROG *[Signature]*
JWeber, DD *[Signature]*

Funds Available: *R. M. Barrett* Date: 06/12/90
0802C Rosemary Barrett, ACCT

ATTACHMENT NO. 1

SCHEDULE

I. OVERVIEW OF AGREEMENT

This Agreement supports the program of the Wending Foundation Trust (hereafter the "Trust") to provide training in journalism for qualified candidates from the black Afrikaans-speaking community. The program is more fully described in Attachment II, Section V, Program Description.

II. PERIOD OF AGREEMENT

The effective date of this Agreement is February 1, 1990. The expiration date is February 1, 1993, 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

A. The total estimated amount of AID funds to be provided under this Agreement for the period beginning February 1, 1990 through February 1, 1993 is US\$300,000.

B. AID hereby obligates the amount of US\$25,000 for program expenditures during the estimated period of February 1, 1990 to July 1, 1990 as shown in the Financial Plan below.

C. Additional funds up to the total amount of the agreement shown above may be obligated by AID subject to the availability of funds, and to the requirements of Attachment III., Standard Provisions entitled "Revision of Financial Plan".

IV. FINANCIAL MANAGEMENT

A. The Trust shall be responsible for accounting for all funds provided under this Agreement. The Trust shall maintain a separate bank account for the funds provided under this Agreement. The Trust shall deposit all USAID cash advances into this separate account and shall make all disbursements for goods and services from this account. 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 earned from funds provided under this Agreement must be returned to USAID.

Each month after the initial advance, the Trust will submit to USAID a voucher for reimbursement based on expenses incurred during the previous month. The voucher will consist of three parts:

1. Disbursement Report. A detailed report of disbursements by budget line item. Each report 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.

2. Summary of Projected Disbursements. A summary, by budget line item, of projected disbursements for the next reporting period.

3. Cash Advances Status Report in the following format:

USAID CASH ADVANCE STATUS REPORT
The Wending Foundation Trust
Agreement 674-0302-G-SS-0020-00

A. Period covered by this report:

From (Month, day, year) _____
To (Month, day, year) _____

Period covered by next report:

From (Month, day, year) _____
To (Month, day, year) _____

B. Cash Advance and Needs:

1. Cash advance on hand at the beginning of this reporting period R _____

2. USAID check advances received during this reporting period R _____

3. Interest earned on cash advance during this reporting period R _____

4. GROSS cash advance available during this reporting period (total of lines 1, 2 and 3) R _____

5. LESS, interest remitted to USAID during this reporting period R _____

6. NET cash advance available during this reporting period R _____

7. Total disbursements during this reporting period
R _____
8. Amount of cash advances available at the end of this reporting period (line 6 minus line 7)
R _____
9. Projected disbursements for the next reporting period
R _____
10. Additional cash advance requested for the next reporting period (line 9 minus line 8)
R _____
11. Total interest earned on cash advance from the start of the grant to the end of this reporting period, but not remitted to USAID
R _____
12. Total cash advances to subgrantees, if any, as of the end of this reporting period
R _____

C. The undersigned hereby certifies: (1) that the amount in paragraph B.9 above represents the best estimate of funds needed for the disbursements to be incurred over the period described, (2) that appropriate refund or credit to the Agreement will be made in the event of a disallowance in accordance with the terms of the Agreement, (3) that appropriate refund or credit to the Agreement will be made in the event funds are not expended, and (4) that any interest accrued on the funds made available herein will be refunded to USAID.

By _____
Title _____
Date _____

Attachments:

1. Disbursement Report
2. Summary of Projected Disbursements

V. FINANCIAL PLAN

A. The Illustrative Financial Plan for this Agreement is set forth in Tables I below. 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". The Trust is authorized a 15% deviation between line items. However, any deviation above this amount, or any increase in the total Grant, must be approved in advance by the Counselor for Development Affairs.

Table 1
(South African Rand)

A. Salaries	<u>1990</u>
B. Program Costs	49,200
C. Operating Cost	6,250
Totals (R)	<u>10,800</u>
	66,250

B. Level of Assistance - The financial plan (Table I) in South African Rands is the binding financial plan of the Agreement. The conversion rate from U.S. dollars will be the prevailing rate at the time of conversion by the Controller, USAID/South Africa. Notwithstanding the above, in no event will the total level exceed the obligated dollar amount. Should changes in the exchange rate result in fewer South African Rands being available than budgeted for, the Trust must finance the shortfall since the U.S. dollar obligation is the total amount available for conversion to Rands. In the event additional Rands are available, the USAID may, upon written request from the grantee, reprogram the extra funds for activities under the agreement.

VI. REPORTING

The Trust will submit semi-annual reports, the content and format of which will be defined at a later date. The Trust will also submit a final report on all activities undertaken under the Agreement. The final report will be due within sixty (60) days of the Agreement termination.

VII. OVERHEAD RATE

Not Applicable.

VIII. TITLE OF PROPERTY

Title to all property purchased under this Agreement shall vest in the Trust 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, the Republic of South Africa and A.I.D. Geographic Code 935 countries, 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, the Republic of South Africa, or countries in A.I.D. Geographic Code 935. Please refer to Attachments 6 for a list of countries included in Geographic Code 935.

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

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 Trust 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 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.

2. Open Competition. 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.

3. Travel and Per diem. The Trust will provide for USAID approval a copy of its travel and per diem policy covering domestic travel for its staff and for program participants not to exceed prevailing U.S. Government rates. In the event the Trust does not establish a policy, U.S. Government regulations governing travel and per diem will be applied.

4. Political Affiliation. The Trust agrees that programs funded under this Agreement will be made available to individuals and groups regardless of their political beliefs or affiliations.

5. Self-Sufficiency. The Trust agrees to exercise its best efforts to identify other donors for its programs and particularly for the salaries of employees. It is the understanding of the parties that A.I.D. funding is limited in its duration and amount. The Trust agrees to submit to the USAID an interim report (after 18 months of project implementation) on its success in attracting other donors or in developing methods to generate sufficient income to cover its operating costs.

6. Staff Recruitment. The Trust agrees that all staff recruitment for positions funded by USAID will be carried out through an appropriate competitive process and that salary levels will be in accordance with community and professional standards.

XII. STANDARD PROVISIONS

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

Attachment II
PROGRAM DESCRIPTION

I. SUMMARY

This Agreement provides funds to the Wending Foundation Trust to support a training program in journalism for black South Africans. The mandate of the Trust is to support communication and publishing projects that promote a non-racial democracy in South Africa, the rule of law, basic human rights, and representative government at all levels. The Vrye Weekblad newspaper, produced under the direction of Wending Publications, will provide the venue for the training program.

II. BACKGROUND

Vrye Weekblad, the spearhead project of the Trust, is a national weekly newspaper; the first Afrikaans-medium newspaper committed to the fight against the South African system of apartheid and supportive of the goal of a free press. The newspaper was launched on November 4, 1988, and has since then established itself as a major agent for change and a reliable, authoritative source of information.

Vrye Weekblad provides South Africans with their first access to balanced information in Afrikaans on the affairs of state and of the black majority. Most Afrikaans-speaking South Africans are among the black majority, classified by the state as "coloured".

The newspaper is owned by a public company, Wending Publikasies Beperk, that was formed by a group of Afrikaans-speaking journalists and prominent personalities such as Dr Frederik Van Zyl Slabbert (director of the Institute for a Democratic Alternative for South Africa), Christo Nel (coordinator of the Consultative Business Movement and director of PG Bison) and Professor Sampie Terreblanche (professor of economics at Stellenbosch University and prominent political and economic commentator). Max du Preez is the Editor.

The newspaper has no ties with any political party, pressure group or business concern. Vrye Weekblad's primary target market includes professionals, academics, administrators, students, artists, writers and others who are politically aware and who could make a difference to the political process in the country.

III. PROBLEM

There is an acknowledged need for black journalists in South Africa. At present, black South Africans have very limited opportunities to enter the field of journalism. For degree training, they are limited to Stellenbosch for Afrikaans speakers and Rhodes for English speakers.

Contrary to the popular knowledge, the principal use of the Afrikaans language is not restricted to white South Africans. Indeed, black South Africans, whose mother tongue is Afrikaans, outnumber whites (so called "coloreds"). In addition, Afrikaans is used as a second language by a large number of African blacks (mostly in rural areas). Yet, the Afrikaans-medium newspapers, due to their racial bias and commitment to minority white politics, have never targeted training facilities for black journalists.

IV. PROGRAM DESCRIPTION

This Agreement supports an intern training program for black South Africans at the Vrye Weekblad. The program will be implemented for a period of three years and each course will last 12 months. The course is limited to eight trainees per course. Candidates must possess at least a senior certificate and will be selected based on potential for and commitment to journalistic success.

As described in the attached proposal, the training program will be headed by three experienced journalists who will include specialists in the fields of writing, editing, photography, lay-out, design, newsprint production and media law. The instructors include Vrye Weekblad editor Max du Preez, Vrye Weekblad political correspondent Elsabe Wessels and Vrye Weekblad chief sub-editor Ryk Hattingh. Two full-time training officers will be appointed with the sole responsibility of managing and directing the program.

The first six months (Phase One) will be devoted to a theoretical curriculum and the acquisition of technical and professional skills. This will be followed by six months of in-service training (Phase Two).

During Phase One trainees will be expected to achieve a standard grade in shorthand, typing and computer literacy. For the development of these skills, trainees will be enrolled at a special technical institute where classes will be attended on a daily basis. The facilities of Vrye Weekblad will be utilized to instruct trainees in newsroom routine and communication and language skills. Trainees will be assigned to experienced journalists on special projects to acquire a practical methodology in the gathering of news, the development and utilization of resources and interviewing techniques.

During Phase Two, cadets will be assigned to the newsroom where specialist courses will be provided in media law and court reporting, public administration and politics, economics and labor relations. Seminars will be given by qualified and experienced media lawyers and academics in the fields of South African public administration and politics. A basic course in newsprint production will be rounded off with an introduction to Desktop Publishing Techniques and the utilization of modern-day communication technologies.

The trainees will be tutored in a hands-on fashion and are expected to start contributing articles through the training course director/editing network after an initial introductory period of three months. It is envisaged that the trainees, as one of their first projects, will produce a newsletter containing abridged articles from the Vrye Weekblad newspaper and from their own investigative research in English. This will be distributed to sponsoring bodies, anti-apartheid and other interested communities and organizations such as the United Nations, the EEC, the European Parliament, foreign embassies, etc., to provide news updates and an insight into socio-political events in South Africa. Ultimately, material could also be syndicated to foreign publications and embassy circulars.

Training guides will be compiled to help lecturers and students alike and will contain essential information on newspaper production and writing methods, interviewing techniques, newspaper management, editing techniques, media law, communications and technology. These will be available in both English and Afrikaans.

The necessary lecture rooms and newsroom training facilities will be set up along with the required installation of equipment (Desktop Publishing System and input terminals, photographic facilities; and design, layout and presentation facilities). The training facility will double as a lecture, training and student briefing room.

V. ILLUSTRATIVE FINANCIAL PLAN

The following financial tables are provided in support of the Agreement Financial Plan found in Attachment 1, Section V, which is the binding plan for purposes of the Agreement.

Table II
Journalist Training - Illustrative Financial Plan (Year 1)

There are eight trainees on the course for a period of twelve months; three years in succession.

	<u>Rands</u>
A. <u>Salaries</u>	
1. Trainee Salaries	
8 trainees @ R1,150/mo. over 12 months	110,400
2. Training Officer Salaries	
2 full time training officers @ R3,600/mo.	<u>86,400</u>
Subtotal Salaries	196,800

B. Program Costs

1. Technical Training Course Fees	
8 trainees @ R400/mo. for 6 months (Phase One)	19,200
2. Training and Seminar Presentation Materials	
R400/mo. over 12 months	4,800
3. Training Guides	
R125/set per trainee (8)	<u>1,000</u>
Subtotal Program	25,000

C. Operating Costs

1. Travel and Transport Costs	
R200/mo. per craine (8)	19,200
2. Administration and Financial Management Fees	
R1,000 per month	12,000
3. Premises - Rental	
R1,000/mo. over 12 months	<u>12,000</u>
Subtotal Operating Costs	43,200

Total Costs R265,000

¹ Includes accounting and auditing fees

Table III
Estimated Financing Through 1993

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Total</u>
A. Salaries	196,800	223,344	250,815	670,959
B. Program Costs	25,000	28,200	31,669	84,869
C. Operating Cost	<u>43,200</u>	<u>48,730</u>	<u>54,324</u>	<u>146,254</u>
Totals (R)	265,000	300,274	336,808	902,082

Note: Budget escalation in Table III is based upon the estimated inflation rate of 12.8% and 12.3% in years 2 and 3 respectively. Concurrently, the exchange rate is also expected to rise.

Attachment No. 4 Request for Advance

Agreement No. 674-0302-G-SS-0020-00
Grantee: The Wending Foundation Trust

Quarterly Rand Cash Flow for Year 1

	<u>I</u>	<u>II</u>	<u>III</u>	<u>IV</u>	<u>Total</u>
	66,250	66,250	66,250	66,250	265,000
90-day Advance Request			R66,250		