

ORIGINAL

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

PDF#B759
31 MAY 1977

MAY 5 1977

Mr. J. A. Younger, President
Portola Foundation
425 California Street, 23rd Floor
San Francisco, California 94104

Subject: Letter Amendment No. 1
to Grant AID/asha-131
Hospital de la Familia

Dear Mr. Younger:

This letter amends Grant AID/asha 131 of February 23, 1977 to provide an additional Twenty Thousand Dollars (\$20,000) for the procurement of medical and related equipment and furnishings for the Hospital de la Familia, located in Guatemala. Grant AID/asha 131 is hereby amended as follows:

Cover Page - In Line 4, delete "Two Hundred Forty Thousand Dollars (\$240,000)" and insert in its place "Two Hundred Sixty Thousand Dollars (\$260,000)."

Appendix A, Article II - Authorized Expenditures - Delete this article in its entirety and insert in its place the following:

"Article II - Authorized Expenditures

Except as otherwise approved by A.I.D. in writing the \$260,000 provided by this grant shall be expended only for the following:

1. Procurement of medical and related equipment and furnishings and two four-wheel drive vehicles to be used by the hospital, including cost of transportation and insurance, as described in the equipment list furnished with Grantee's application. Propriety procurement is restricted pursuant to Appendix B(3) of this grant, Procurement of Commodities.

\$170,000

- 2. Construction of quarters for doctors and nurses, ophthalmology and dental offices and laboratories and garages, totalling approximately 6,000 square feet. Grantee will function as its own general contractor and is authorized to procure building materials and skilled and unskilled labor in Guatemala.

\$ 90,000

Total \$260,000."

Except as herein amended, said Grant is continued in full force and effect in accordance with its conditions.

Please indicate your acceptance of this amendment by signing the original and all copies and returning them to this Office. Your copies will be sent to you upon A. I. D. processing.

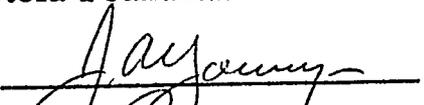
Sincerely yours,

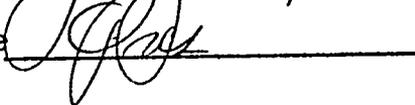


Arturo G. Costantino
Director, Office of American
Schools and Hospitals Abroad

ACCEPTED

Portola Foundation

By 

Title 

Grant No. AID/asha 131-1

Project No. 913-0263-1378003

Allotment No. 794-13-099-00-84-51

Appropriation No. 72-1171013

ORIGINAL

GRANT

1 MAR 1977

BY THE

UNITED STATES OF AMERICA

TO

THE PORTOLA FOUNDATION

FOR

HOSPITAL DE LA FAMILIA

Pursuant to the authority contained in Section 214 of the Foreign Assistance Act of 1961, as amended, the Government of the United States of America, acting through the Agency for International Development (hereinafter referred to as "A. I. D. ") hereby makes a grant of Two Hundred Forty Thousand Dollars (\$240,000) to the Portola Foundation (hereinafter referred to as "Grantee") to be used solely for the Hospital de la Familia, located in Nuevo Progreso, Departamento de San Marcos, Guatemala, Central America (hereinafter referred to as the "hospital") in accordance with and subject to the terms and conditions set forth in the Appendices hereto attached and made part of this grant as follows: Appendix A (Special Provisions), and Appendix B (General Provisions: (3) Procurement of Commodities, (5b) Disbursement Procedures, Advance Funding and Replenishment, and (6) Administrative and Other Provisions).

This grant is to cover authorized expenditures incurred from the date of execution of the grant and ending September 30, 1978.

Agency for International Development

By Arturo C. Cortez
 Director, Office of American
 Schools and Hospitals Abroad

Date FEB 23 1977

This grant is hereby accepted
 subject to its terms and conditions
 and for the purposes set forth in
 the appendices attached hereto.

Portola Foundation
 425 California Street, 23rd Floor
 San Francisco, California 94104

By [Signature]
 Title [Signature]

Grant No. AID/asha 131

Project No. 913-0263-1378003

Allotment No. 794-13-099-00-84-51

Appropriation No. 72-1171013

APPENDIX A

SPECIAL PROVISIONS

ARTICLE I - PURPOSE OF THE GRANT

1. Under Section 214 of the Foreign Assistance Act of 1961, as amended, the United States Government is authorized to provide assistance to hospitals located outside of the United States founded or sponsored by United States citizens, and serving as study and demonstration centers for American ideas and practices.

2. The Grantee, a non-profit foundation, founded and incorporated in the State of California in 1961, sponsors the Hospital de la Familia which was established in November, 1972. Among other activities, Grantee provides financial support and recruits and supports American physicians and medical technicians for the institution.

3. The Hospital de la Familia maintains a 30-bed facility with emphasis placed on elementary nursing, general practice, specialized surgery and advanced dental hygiene.

4. Grantee has requested assistance under Section 214 of the Foreign Assistance Act to procure medical and related equipment and to construct additional rooms and quarters adjoining the existing hospital. A.I.D. has determined that funds should be provided to assist the grantee with its improvement program.

ARTICLE II - AUTHORIZED EXPENDITURES

Except as otherwise approved by A.I.D. in writing the \$240,000 provided by this grant shall be expended only for the following:

- | | |
|---|------------------|
| 1. Procurement of medical and related equipment and furnishings and two four-wheel drive vehicles to be used by the hospital, including cost of transportation and insurance, as described in the equipment list furnished with Grantee's application. Proprietary procurement is restricted pursuant to Appendix B(3) of this Grant, Procurement of Commodities. | \$150,000 |
| 2. Construction of quarters for doctors and nurses, ophthalmology and dental offices and laboratories and garages, totalling approximately 6,000 square feet. Grantee will function as its own general contractor and is authorized to procure building materials and skilled and unskilled labor in Guatemala. | <u>90,000</u> |
| TOTAL | \$240,000 |

PROCUREMENT OF COMMODITIES

Paragraphs A through H apply to procurement of commodities and commodity related services by the Grantee and any Grantee procurement agent. Paragraphs A and B only apply to procurement of commodities under a fixed or unit price contract of the Grantee for construction services.

A. Place of Procurement

Commodities authorized for procurement shall be procured only in the United States or in the country in which Grantee's institution is located (except as Appendix A, Special Provisions, limits procurement to the United States only).

1. Procurement in the United States

Commodities procured in the United States shall have been produced in the United States. A commodity shall not be eligible as being produced in the United States if

- (a) more than 50 percent of the total cost of its components were imported into the United States, and
- (b) it contains components from any communist country, excluding Yugoslavia.

2. Procurement in the Country in which Grantee's Institution is Located

Commodities procured in the country in which Grantee's institution is located

- (a) shall not have entered the market on order from, or otherwise to satisfy a specific need of, the Grantee, and
- (b) shall not have been produced in, nor--to the best of Grantee's knowledge or the knowledge of any agent or contractor of the Grantee -- contain components from, any communist country, excluding Yugoslavia.

Best Available Document

B. U. S. Carriers

Shipment of commodities from the United States shall be on U. S. flag carriers except as otherwise approved by A. I. D.

C. Quotations and Bids

Procurement shall be made in accordance with Grantee's regular methods of procurement, provided Grantee employs good business practices which, except as permitted by paragraph D below, shall include:

1. Obtaining quotations or bids, as appropriate, from as many alternative sources as may be feasible, and
2. Procurement at the lowest price except as extenuating circumstances or non-responsive bids otherwise dictate.

Any decision by Grantee to procure a commodity at other than the lowest price offered shall be documented pursuant to paragraph E below.

D. Proprietary Procurement

Proprietary procurement, i. e. , procurement from a single source and without obtaining quotations or bids from other manufacturers or suppliers, is hereby authorized (1) to assure compatibility or standardization with existing commodities, (2) when special design requirements are needed and available only from a single source, (3) when a specific commodity has proven to be most economical, dependable or serviceable under local conditions, and (4) when a specific commodity has a sole manufacturer or supplier. Any decision by Grantee to procure a commodity on a proprietary basis shall be documented pursuant to paragraph E below, except for procurement of spare parts and components for existing commodities which may be

undertaken on a proprietary basis without the documentation required in Paragraph E below.

E. Notification to A. I. D.

Any decision by Grantee to procure a commodity (1) at other than the lowest price offered or (2) on a proprietary basis (except for spare parts and components for existing commodities) shall be supported by a statement setting forth the reason(s) and the name(s) of the person(s) deciding that such procurement was advisable and necessary. Statements substantiating the above kinds of action shall be included in Grantee's records and furnished to A. I. D. when the procurement is undertaken.

F. A. I. D. Financed Export Opportunities Bulletin

For commodities costing \$5,000 or more to be procured from the United States, Grantee shall prepare and submit to A. I. D. notice(s) of prospective procurement for publication in the A. I. D. Export Opportunities Bulletin. Each notice shall (1) describe generically the commodities to be procured, (2) provide an address in the United States where more detailed information may be obtained by interested parties, and (3) state that procurement will begin 45 days (or such later date as Grantee may desire) after publication of notice.

G. Marking Requirements

The Grantee shall insure that all major commodities financed under this grant are marked with the official A. I. D. ("clasped hands") emblem, except as A. I. D. may otherwise approve in writing.

H. Procurement Documentation

Grantee's records shall include copies of all solicitations made for bids or quotations for commodities procured under this grant; all quotations or bids received; suppliers commercial invoices; and as applicable, other pertinent documents related to procurement, e. g., bills of lading or other evidence of shipment, including insurance; sales and service contracts or agreements; and Grantee's documentation for proprietary procurement and procurement at other than the lowest price pursuant to paragraph E above.

DISBURSEMENT PROCEDURES

Advance Funding and Replenishment

Except as otherwise provided in Appendix A, Special Provisions, or by A. I. D. in writing, the disbursement of grant funds shall be in accordance with the following terms and procedures.

A. Disbursement Terms

1. Advance

A. I. D. shall make an advance payment to the Grantee, subject to the conditions hereinafter set forth, in the amount of \$50,000.

2. Special Bank Account

Until such advance payment made hereunder is liquidated, the advance payment and all other payments under this grant shall be deposited by the Grantee in a Special Bank Account separate from the Grantee's general or other funds. A separate account number shall be assigned by the Grantee for operation of this grant, and all requests and disbursements shall be recorded thereunder by the Grantee in such manner that it will be possible to ascertain the nature of the withdrawal and the balance of the advance payment account at any time. The records thereof shall be preserved and be subject to inspection and audit in accordance with applicable provisions of this grant.

3. Conversion of Dollars to Local Currency

Grantee is authorized to convert United States dollars to local currency. Such conversions shall be made by, or under arrangements and

rates approved by, a United States Disbursing Officer at the A.I.D. Mission, American Embassy, or Consulate in the country where Grantee's institution is located.

4. Restriction on Interest

Interest earned on all or any part of the funds disbursed under this grant, whether dollars or dollars converted to local currency, shall be refunded to A.I.D.

B. Method of Disbursement

1. Request for Advance

Grantee shall submit to the Office of the Controller (SER/FM/CSD), A.I.D., Washington, D. C. 20523, Voucher Form SF 1034 (original) and three copies of SF 1034 (a), properly executed, requesting the above authorized advance.

2. Replenishment of Advance

A.I.D. will reimburse the Grantee in an amount equal to reported expenditures to replenish the advance on an imprest basis. Reimbursement will be made upon submission, on a not more frequent than monthly basis, of the following documents.

- a. Voucher Form SF 1034 (original) and three copies of SF 1034 (a), properly executed, to show the amount of expenditures during the period for which reimbursement is requested.
- b. All vouchers submitted to replenish Grantee's advance shall be supported by an original and three copies of an expenditure report as follows:

Expenditure Report

<u>Authorized Expenditures</u>	<u>Authorized Amount</u>	<u>Total Expenditures</u>
		<u>To Date</u> <u>This Period</u>
(Describe authorized expenditures as set forth in Appendix A)	(Insert grant amount allocated for authorized expenditures)	

c. Certification

Each voucher and expenditure report submitted shall include a certification signed by an authorized representative of the Grantee as follows:

"The undersigned hereby certifies (1) that the payment of sum claimed under this voucher is proper and due under the terms of the grant, and (2) that the information contained in the expenditure report is true and correct."

Signature

Date

3. Final Voucher

Within ninety (90) calendar days after the earliest of (a) final disbursement of grant funds to the grantee, (b) the expiration date of the grant, (c) or termination of the grant by A. I. D., the Grantee shall submit (1) Voucher Form SF 1034 (original) and three copies of SF 1034 (a), properly executed, marked "NO PAY FINAL VOUCHER," for which no reimbursement

is sought, and (2) a final expenditure report. This last voucher and expenditure report shall reflect allowable expenditures made during the period since the last voucher for reimbursement submitted by the Grantee and shall be accompanied by a refund check to A. I. D. for any unexpended funds of the advance payment.

4. Additional Documentation

A. I. D. may request the submission of additional documentation to that required above to support authorized expenditures charged by the Grantee to this grant.

ADMINISTRATIVE AND OTHER PROVISIONS

A. Reports to Office of American Schools and Hospitals Abroad

As a condition of accepting this grant, Grantee agrees to keep the Office of American Schools and Hospitals Abroad (ASHA) informed of its activities toward accomplishing the purposes of this grant as well as its successes and problems as an American founded or sponsored institution overseas. To this end, Grantee agrees, pursuant to the provisions set forth below, to submit to ASHA

- quarterly reports of grant expenditures,
- quarterly progress reports on capital improvements, and
- an annual institutional report.

Grantee should bear in mind that failure to submit the reports enumerated above would lead to suspension of disbursement of funds by A. I. D.

1. Quarterly Report of Grant Expenditures

Grantee shall submit to ASHA a quarterly report of grant expenditures as illustrated in the attached format, (See Attachment A). Three copies of this report shall be submitted within 15 days following the end of each quarter of the calendar year, until the (1) expiration date of the grant, (2) total expenditure of grant funds, (3) completion of the purpose of the grant, or (4) termination of the grant, whichever is earliest. This report is separate from and additional to expenditure reports submitted with disbursement vouchers prepared pursuant to the Disbursement Provisions of this grant.

2. Quarterly Progress Report on Capital Improvements

If the Special Provisions of this Grant (Appendix A) provide funding for construction, commodity procurement or other capital improvements, Grantee shall submit two copies of a progress report within 15 days following the end of each quarter of the calendar year. The reports should include the following information and may be consolidated into one quarterly report, as applicable.

a) Construction Progress

The status of planning, contracting, construction, and related procurement by a fixed or unit price contractor should be reported in full. Each report should show the percentage of completion of each major segment of work, e. g. final architectural-engineering planning, excavation, structural work, mechanical work, electrical work, etc., and should indicate how the rate of work compares with the progress schedule adopted at the inception of the project. The progress schedule should be included in each report, along with any revisions made in the schedule and the reasons for such revisions. As applicable, one or more photographs should be included showing the work in progress. The report should include a statement of utilization of funds for the project and should separately identify both grant funds and any other funds financing the project, as applicable. The report should inform ASHA of any current or potential problems affecting the character and progress of the work and steps taken, or which are to be taken, to resolve them.

b. Commodity Procurement

Commodity procurement undertaken during the reporting period by the Grantee or Grantee's procurement agent, excluding procurement undertaken by a fixed or unit price construction contractor, should be reported as follows:

Description and Amount of Commodities Procured	<u>Price</u>	Number of Quotations/ Bids*	<u>Lowest Price (yes, no)</u>	Place of Purchase (U.S., local country)
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*Indicate any proprietary procurement with a "P" (See the grant provisions relating to Procurement of Commodities for information regarding proprietary procurement)

3. Annual Institutional Report

Grantee shall submit an Annual Institutional Report informing ASHA of significant activities, accomplishments, problems, plans for the future, and the contribution this grant is making to Grantee's educational and/or medical endeavors. The report should cover the goals of the institution as well as the assumptions on which the goals are based; changes, improvements or setbacks in the academic or medical programs; local and international developments or trends affecting operations; administration; staffing; budget and finance. Three copies of the report should be submitted to ASHA for each 12 month period, covered in whole or part by the term of the grant, at such times as is most relevant in terms of Grantee's academic or fiscal year.

B. Records and Books of Account - Right of Inspection

The Grantee shall keep full and complete records and books of account, in accordance with generally accepted accounting principles, covering financial details applicable to this grant.

A. I. D. and the Comptroller General of the United States, or any of their authorized representatives, shall have the right to examine, audit and copy, at all reasonable times, all such records and books of account, and all other documents or reports, pertaining to the grant. All such books and records shall be maintained by Grantee for at least three years after the date of the last disbursement by A. I. D.

C. Reimbursement to A. I. D.

The Grantee shall promptly reimburse A. I. D. the full amount of any expenditures made by it from granted funds which A. I. D. shall determine to have been applied by the Grantee other than for approved activities or otherwise expended in violation of any of the conditions of this grant.

D. Non-liability

A. I. D. disclaims all liability with respect to any claims for personal property, injury or damage arising out of or connected with activities supported by this grant.

E. Equal Opportunity

Grantee's employment practices with regard to U. S. nationals shall provide equality of opportunity without regard to race, religion, sex, color or national origin. Further, in the carrying out of its educational and/or medical program, Grantee agrees that no person shall, on the grounds of race, religion, sex, color or national origin, be excluded from participation, be denied benefits, or be otherwise subject to discrimination.

The above shall not be construed to require enrollment of students of both sexes at an educational institution enrolling boys or girls only.

F. Covenant Against Contingent Fees

The Grantee warrants that no person or firm has been employed or retained to solicit or secure this grant upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For breach or violation of this warranty, A. I. D. shall have the right to cancel this grant without liability or, in its discretion, to deduct from the grant amount, or otherwise recover, the full amount of each commission, percentage, brokerage, or contingent fee.

G. Officials Not to Benefit

No member or delegate to the Congress or resident commissioner shall be admitted to any share or part of this grant or to any benefit that may arise therefrom.

H. Termination

A. I. D. may revoke this grant at any time for the convenience of the United States Government by giving written notice to such effect to the Grantee. Upon receipt of and in accordance with such notice, Grantee shall take appropriate action to minimize all expenditures and cancel outstanding obligations financed by this grant wherever possible. Grantee shall be reimbursed for all obligations incurred prior to the date of termination which have not been cancelled and which it has paid in accordance with the provisions of this grant. Grantee shall refund to A. I. D. any unexpended and/or non-obligated portion of the funds which have been disbursed to the Grantee by A. I. D. within ninety (90) days after the termination of this grant.

I. Notices

Any notice given by any of the parties hereto shall be sufficient only if in writing and delivered to the following:

To A. I. D.

Office of American Schools and Hospitals Abroad
Agency for International Development
Washington, D. C. 20523

To Grantee

Name and address as set forth on the cover page of this grant, or such other address as either of the parties shall have designated by notice given as herein required. Notices hereunder shall be effective when delivered in accordance with this clause or on the effective date of the notice, whichever is later.

QUARTERLY REPORT OF GRANT EXPENDITURES*

Grant Number _____

Total Grant Amount _____

For Report Period _____
Ending (month/day/year)_____
Institution

DESCRIPTION	EXPENDITURES FOR REPORTING QUARTER**	TOTAL ACTUAL EXPENDITURES (Cumulative from inception of grant, incl. reporting quarter)	TOTAL ACTUAL AND ACCRUED COSTS***
1. Construction			
a. Architectural and Engineering services			
b. Construction services			
c. Other (specify)			
2. Equipment and Supplies			
3. Scholarships			
4. Other (salaries, travel, allowances, etc. specify)			
TOTAL			

*Three copies of this report should be submitted, to the Office of American Schools and Hospitals Abroad (A.I.D.), within 15 days following the end of each quarter of the calendar year until (1) expiration of the grant, (2) expenditure of grant funds, (3) achievement of the purpose of the grant, or (4) termination of the grant whichever is earliest. A report should be submitted even if no expenditures were incurred during the reporting quarter.

**Reports should include all actual expenditures whether they have been reimbursed by A.I.D. or not.

***Report all actual costs (column 3) plus costs accrued as of the end of the reporting period which are to be charged against the grant, e.g. the total unpaid value of Grantee contracts for services and purchase orders for equipment and supplies. Obligations with regard to salaries, allowances, travel, etc. (not part of a contract with a firm for services) should be accrued only through the end of the next reporting quarter.