

| | | | |
|----------------------------------|---------|--------------------------------------|--|
| CONTRACT/AGREEMENT DATA SHEET | B 12062 | 1. M/SER/AAM/A/SUP Action Monitor | 2. Date PIO/T Received in M/SER/AAM/A/SUP |
| | | KMD | 8 17 86 |

COMPLETE EACH BLOCK FOR BOTH NEW ASSISTANCE/ACQUISITION AND MODIFICATION ACTIONS

1. Contract/Agreement/Number LAC-0016-G-SS-6062-00 *Final Value 8/18/86*

4. Contractor/Recipient Name Pan American Development Foundation

5. Contractor Acronym (PADE)

6. Project Title Assistance to NDF's in Central America

7. Project Number 597-0016

8. Project Officer's Name P. Maguire

9. Bureau or USAID Symbol LAC/DP/SD

10. PIO/T Number 597-0016-3-6655250

21. Budget Plan Code LDAA-86-35597-DG12

APP. 72-1161021.6 ALL. 646-65-597-00-69-61

11. TYPE OF ACTION

A. New Acquisition/Assistance

B. Amendment/Modification **A**

1. New/Revised Scope

2. Funded Extension

3. No Cost Extension

4. Transfer of action from AID/W to Mission/Mission to AID/W

5. Incremental Funding

6. Overhead Rate Adjustment

7. Contract Closeout

8. Other

C.FPR or FAR FAR

22. Country or Region of Performance Central American Regional

23. A. This Action Increases or Decreases TEG by \$ 150,000

B. Total Estimated Cost of Contractual Document \$ 150,000

12. Amount of this PIO/T

Ob1. U.S. \$ 150,000

24. Amount of Non-Federal Funds Pledged to the Project \$ 92,000

13. Amount Obligated Subobligated Deobligated by this Contract or Amendment

U.S. \$ 150,000

25. Effective Date of this Action 7 13 86

14. Cumulative Obligation (Life of Contract)

U.S. \$ 150,000

26. Estimated Completion/Expiration Date 12 31 87

15. This Action Funded Through 12 31 87

27. Contractor DUNS Number 07781172

16. Date Contractual Documents Signed by AID Official 8 15 86

28. Consultant Type Award YES NO

17. Incrementally Funded Contracts YES NO **ENTERED**

29. Number of Person Months (PASA/RSSA only) N/A

18. Host Country/Counterpart Institution (University Contracts) N/A DEC 3 1986

30. Number of Persons (PASA/RSSA only) N/A

19. Campus Coordinator (University Contracts) N/A COORS Section

31. CONTRACT TYPE

A. Fixed Price (specify: FFP FPRD FPEPA FPI) **D**

B. Cost Reimbursement (specify: CR CPFF CS CPAF CPIF)

C. IQC and Requirements Contracts

D. Grant/CA/PASA/RSSA

E. Contracts with Individuals

20. ADVANCE

A. No Advance

B. Advance Non-FRLC

C. Advance FRLC **C**

32. Negotiator's Typed Name L. Kelly

33. Negotiator's Signature *L. Kelly*

34. Date Signed 8 15 86

35. Contract/Grant Officer's Organization Symbol OS/LAC

36. Contract/Grant Officer's Signature *[Signature]*

37. Date Signed 8 15 86

11 000

1

38. SUBJECT TO STATUTORY REQUIREMENT

- A. Walsh-Healey Act, Manufacturer*
- B. Walsh-Healey Act, Regular Dealer*
- C. Service Contract Act
(U.S. ONLY - Guards, Maintenance, Laborers)
- D. Davis-Bacon Act *(Construction)*
- E. Not subject to Walsh -Bacon Act
(Most AID Contracts)

F

*Equipment, Supplies, Materials, and Commodities

39. Country of Manufacture

N/A

US

40. CURRENCY INDICATOR

- A. U.S. Dollar
- B. Local Currency
- C. Combination
- D. Unfunded

A

41. SUBCONTRACTS

Is there a provision for a subcontract? *(Contracts only)*

YES NO

42. TYPE OF SERVICE

- A. Training of Participants
- B. Technical Assistance to Host Country
(Program, Project related except A&E Services)
- C. A&E Services
- D. Construction
- E. Research
- F. Technical Services to AID
(other than training; usually operating expense)
- G. Training Service for AID
- H. Equipment, Materials, Supplies, Commodities
- I. Translation Service

B

43. CONTRACT/AGREEMENT SOURCE

- A. U.S. Contractor/Grantee
- B. Non-U.S. Contractor/Grantee
- C. Combination of A & B

A

44. TYPE OF AMERICAN OWNERSHIP

(U.S. Persons or Firms Only)

Minority

- A. Asian/Pacific Islander
- B. Black American
- C. American Aleuts or Eskimos
- D. American Indian
- E. Hispanic

G. Non-Minority

F

45. METHOD OF SOLICITATION

- A. Sealed Bid
- B. Competitive Proposal
- C. Combination/Competition
- D. Other Competition
- E. Noncompetitive

F

46. LABOR SURPLUS AREA PREFERENCE

Labor Surplus Area

- A. No Preference
- B. Tie Bid Preference
- C. Total Set Aside
- D. Not a Labor Surplus Area Preference Award

D

47. TYPE OF BUSINESS

- A. Source: Non-U.S. and Used Outside U.S. & Possessions
- B. Source: Non-U.S. and Possessions
(Foreign Purchases Used Inside U.S.)
(If U.S. Source, complete C through Q)
- C. Firm - Profit Making & PSC's

F

Non-Profit Organizations

- D. Private Educational Organizations
- E. Hospitals
- F. Research Institutions, Foundations, and Laboratories
- G. Other

Private Voluntary Organizations

- H. U.S. Registered
- I. U.S. Non-Registered
- J. Foreign

State/Local Government

- K. Educational Institutions
- L. Hospitals
- M. Research Organizations
- N. Other

O. International Agricultural Research Organizations

- P. Public International Organizations
- Q. U.S. Cooperatives

48. Women Owned Business?

YES NO

49. TYPE OF AWARD

Small Business

- A. Not Set Aside
- B. Partial Set Aside
- C. Total Set Aside

Other Than Small Business

- D. Personal Service Contract
- E. Individual Non-Personal Service Contract
- F. U.S. Government
- G. University
- H. Non-Profit Organizations and PVOs
- I. Large Businesses

H

50. Paying Office:

Payment will be made by *Letter of Credit*
M/FM/PADF

2

11 001 50000

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D C 20523

AUG 15 1986

Mr. Edward Marasciulo
Executive Vice President
Pan American Development Foundation
1889 F Street, N.W.
Washington, D.C. 20006

Subject: Grant No.: LAC-0016-G-SS-6062-00

Dear Mr. Marasciulo:

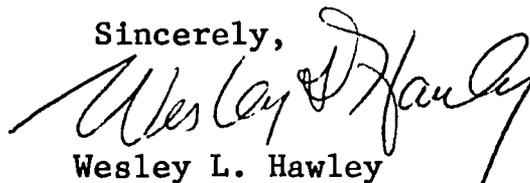
Pursuant to the authority of the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to the Pan American Development Foundation (hereinafter referred to as "PADF" or "Grantee") the sum of \$150,000 to provide support to PADF's development program as described in the Schedule of this grant and in 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 for the estimated period July 13, 1986 to December 31, 1987. Funds dispensed by AID but uncommitted by the Grantee at the expiration of this period shall be refunded to AID.

This grant is made to PADF on condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, entitled the Schedule, Attachment 2, entitled "Program Description," and Attachment 3, entitled "Index of Mandatory Standard Provisions and Optional Standard Provisions," which have been agreed to by your organization.

Please acknowledge receipt and acceptance of the grant by signing all copies of this cover letter, retain one set for your files, and return the remaining copies to this office, being sure to return all copies marked "Funds Available."

Sincerely,



Wesley L. Hawley
Grant Officer
Office of Procurement

ORIGINAL

Acknowledged:

The Pan American Development Foundation:

By: *Edward Marasciulo*
 Typed Name: Edward Marasciulo
 Title: Executive Vice President
 Date: 8/27/86

Fiscal Data

| | |
|------------------------|---------------------|
| PIO/T No: | 597-0016-3-6655250 |
| Appropriation Symbol: | 72-1161021.6 |
| Allotment Symbol: | 646-65-597-00-69-61 |
| Budget Plan Code: | LDAA86-35597-DG12 |
| Project No: | 597-0016 |
| Obligated Amount: | \$150,000 |
| Cumulative Obligation: | \$150,000 |
| Total Estimated Cost: | \$150,000 |
| DUNS No: | 077811172 |
| E.I. No: | 52-6054268 |
| Project Office: | LAC/DP/SD |

FUNDS AVAILABLE

J. Hoddard
 AUG 19 1986
 o/c 4190

Program Acctg Fin Division
 Office of Financial Management

Attachments:

1. Schedule
2. Program Description
3. Index of Mandatory Standard Provisions and Optional Standard Provisions

Schedule

A. Purpose of Grant

The purpose of this grant is to provide partial support to the grantee's development program as described in Attachment 2 to this grant, entitled "Program Description".

B. Period of Grant

1. The effective date of this grant is indicated on the Cover Letter. The estimated expiration date of this grant is December 31, 1987.
2. Funds obligated hereunder are available for program expenditures for the estimated period July 13, 1986 to December 31, 1987.

C. Amount of Grant and Payment

1. The total estimated amount of this grant for the period shown in B.1., above, is \$150,000.
2. A.I.D. hereby obligates the amount of \$150,000 for U.S. Dollar program expenditures during the period set forth in B.2., above, and as shown in the Financial Plan below.
3. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 - Optional Standard Provision No. 1 entitled "Payment - Letter of Credit".
4. Documentation required by the payment provision noted above shall be submitted to:

Agency for International Development
M/FM/PAFD
Room 623, SA-12
Washington, D.C. 20523

D. Financial Plan

The following is the financial plan for this grant, including local cost financing items, if authorized. Revisions to this Plan shall be made in accordance with the Standard Provision of this grant entitled "Revision of Grant Budget".

| <u>Cost Element</u> | <u>Total Estimated</u> (8/13/86 - 12/31/87) |
|-------------------------|--|
| 1. Management Costs | \$33,000 |
| 2. Program Direct Costs | 62,000 |
| 3. Training Program | 20,000 |
| 4. Indirect Costs | 35,000 |
| GRAND TOTAL | <u>\$150,000</u> |

The Grand Total of the above budget represents about 62% of the total estimated cost of \$242,000 which is projected for the completion of the activity contemplated under this grant. The additional \$92,000 required to complete this project will be provided by the grantee and other donors from other sources.

E. Reporting and Evaluation

1. The grantee shall submit 3 copies, in English, of a quarterly progress report to the AID/Washington Project Office - LAC/DP/SD.

A final report in five copies will be submitted to the project office.

The report should include the following information:

- a. A comparison of actual accomplishments with the goals established for the period;
- b. Reasons why established goals were not met; and
- c. Other pertinent information including, when appropriate, analysis and explanations of cost overruns, or unusually high expenses.

One copy of the final report shall be submitted to the Grant Officer whose address appears on the grant cover letter.

Prior to the required final performance reporting date, events may occur that have significant impact upon the project. In such instances, the Grantee shall inform the Grant Officer as soon as the following types of conditions become known:

- a. Problems, delays or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work activities by the established time period. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
 - b. Favorable developments or events that enable time schedules to be met sooner than anticipated or more work activities to be performed than originally projected.
2. Financial reporting requirements shall be in accordance with the Standard Provision of this grant entitled "Payment-Letter of Credit". The original and 2 copies of all such reports shall be submitted to: Program Accounting and Financial Division (FM/PAFD), Office of Financial Management, AID, Washington, D.C. 20523.

F. Overhead Rate

Pursuant to the Standard Provision of this grant entitled "Negotiated Indirect Cost Rates - Provisional" the following overhead rate is established:

| <u>Rate</u> | <u>Base</u> | <u>Period</u> |
|-------------|-------------|----------------------|
| 30% | (a) | 1/1/86 until amended |

(a) Total direct costs only.

G. Title to Property

Title to property procured under this grant will vest in the grantee in accordance with Optional Standard Provision 20 of this grant.

H. Special Provisions

Fund-raising expense or "Resource Development Costs" will not be reimbursed either as direct or indirect costs under this grant.

I. Authorized Geographic Code

The authorized geographic code for procurement of goods and services under this grant is "000", United States.

J. Closeout Procedures

This section prescribes uniform closeout procedures for this grant.

1. The following definitions shall apply for the purpose of this section:

- a. Closeout. The closeout of a grant is the process by which A.I.D. determines that all applicable administrative actions and all required work of the grant have been completed by the grantee and A.I.D.
- b. Date of Completion. The date of completion is the date on which the work under the grant is completed or the date on the award document, or any supplement or amendment thereto, on which A.I.D. sponsorship ends.
- c. Disallowed Costs. Disallowed costs are those charges to a grant that A.I.D. or its representative determines to be unallowable in accordance with the applicable Federal cost principles or other conditions contained in the grant.

2. A.I.D. closeout procedures include the following requirements:

- a. Upon request, A.I.D. shall make prompt payments to a grantee for allowable reimbursable costs under the grant being closed out.
- b. The grantee shall immediately refund any balance or unobligated (unencumbered) cash that A.I.D. has advanced or paid and that is not authorized to be retained by the grantee for use in other grants or agreements.
- c. A.I.D. shall obtain from the grantee within 90 calendar days after the grant expires all financial, performance, and other reports required as a condition of the grant. A.I.D. may grant extensions when requested by the grantee.
- d. The grantee shall account for any property acquired with A.I.D. funds or received from the Government in accordance with Attachment N of OMB Circular A-110 entitled "Property Management Standards".
- e. In the event a final audit has not been performed prior to the closeout of the grant, A.I.D. shall retain the right to recover an appropriate amount after fully considering the recommendations on questioned costs resulting from the final audit.

PROGRAM DESCRIPTION

A. Background

The Pan American Development Foundation (PADF) is conducting a \$242,000 18-month project (\$150,000 from AID and \$92,000 from PADF) which expands their National Development Foundation (NDF) program in Honduras and Guatemala, assists in establishing a Central American Association of NDF's and a non-profit small and micro-enterprise development organization. Funds will be used for technical assistance and training as more fully described in the Grantee's proposed for this grant dated May 1, 1986 which is incorporated herein by reference and is on file in the appropriate AID office.

B. Purpose of Grant

1. The program purpose is to help develop viable non-profit institutions (NDF's) in the local private sector to assist small scale entrepreneurs in the informal sector who do not have access to traditional bank credit and assistance.
2. The long range goal is to facilitate the upward mobility for rural and urban entrepreneurs presently at the margin of their economies, improving their standard of living and thereby reducing the hopelessness and the pressures for extremism and strengthening of pluralism through private sector development. These NDFs will plan and implement programs to support and assist the efforts of selected low income rural or urban entrepreneurs and producers to expand production, increase employment opportunities, and raise incomes.

NDFs, as conceived by PADF over twenty years ago, have three important characteristics:

1. NDFs should be stimulated, created and supported by local private sector representatives with a commitment to encourage and participate in development activities that reach the poor, disadvantaged population of their countries. While much development support typically comes from government, PVOs have only recently complemented their emphasis on welfare and social issues with an increased focus on development activities. Among local private sector organizations, NSF's have the advantage of being nearly unique in their ability to draw upon the strengths, resources, and entrepreneurial skills of the local successful business sector. Indeed, many PVOs find the NDF an ideal local institution to work with once an NDF is well grounded.

2. NSF's should have sound management systems with qualified, locally recruited staff. PADF believes that in order for an NDF to continue growing and prospering long after PADF assistance has been phased out, NDF management and staff should be local from the start, with PADF occupying a background position, providing objective assistance and support as needed in order to assure a sound management system capable of smoothly and efficiently operating the NDF's programs. Long-term NDF viability depends upon substantial local direction, support, and management.
3. NDF should operate at least one program, providing assistance and loans from a revolving loan or guarantee fund to a specific target group that is ineligible for access to traditional sources of credit and assistance. In designing programs, NDF leadership should continually assess the country's varying needs and adapt NDF programs accordingly, making the best possible use of external assistance, continually expanding and solidifying the local support base, and cooperating with other indigenous development efforts.

C. Specific Objectives

1. In 18 months, the program expects to have established two new NDFs, each having in place local membership, leadership and support base, paid professional management and staff on board and initial program activities being successfully undertaken. PADF will have supported the establishment of one regional membership organization of NDFs and similar organizations in Central America which will be providing services and support to their members. They will have in place long range plans and will have been successful in securing resources and support for carrying out specific activities contemplated in their plans.
2. Project beneficiaries will include a) various representatives of the private sector in Central America and b) the target groups selected by each new NDF, particularly low-income men and women who are prospective entrepreneurs.

D. Reports

PADF will report to AID quarterly on this project and will carry out an evaluation at the end of the project activities. PADF will be particularly sensitive to Lessons Learned from the project and the development impact of the credit program.

MANDATORY STANDARD PROVISIONS FOR
U.S., NONGOVERNMENTAL GRANTEEES 1/
INDEX OF
MANDATORY STANDARD PROVISIONS

- | | |
|-----------------------------------|---|
| 1. Allowable Costs | 8. Nondiscrimination in Federally Assisted Programs |
| 2. Accounting, Audit, and Records | 9. U.S. Officials Not to Benefit |
| 3. Refunds | 10. Covenant Against Contingent Fees |
| 4. Revision of Grant Budget | 11. Nonliability |
| 5. Termination and Suspension | 12. Amendment |
| 6. Disputes | 13. Notices |
| 7. Ineligible Countries | |

1. ALLOWABLE COSTS (NOVEMBER 1985)

The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are determined by the grant officer to be reasonable, allocable, and allowable in accordance with the terms of this grant, any negotiated advance understanding on particular cost items, and the applicable* cost principles in effect on the date of this grant.

* NOTE: For Educational Institutions use OMB Circular A-21; for all other non-profits use OMB Circular A-122; and for profit making firms use FAR 31.2. and AIDAR 731.2.

2. ACCOUNTING, AUDIT, AND RECORDS (NOVEMBER 1985)

(a) The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The grantee's financial management system shall provide for the following:

(1) Accurate, current, and complete disclosure for each AID-sponsored project or program in accordance with the reporting requirements of this grant. While AID requires reporting on an accrual basis, the grantee shall not be required to establish an accrual accounting system but shall develop such accrual data for its reports on the basis of an analysis of the documentation on hand.

1/ When these Standard Provisions are used for cooperative agreements, the following terms apply:

"Grantee" means "Recipient"

"Grant" means "Cooperative Agreement," and

"AID Grant Officer" means "AID Agreement Officer."

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(2) Records that identify adequately the source and application of funds for AID-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, and income.

(3) Effective control over and accountability for all funds, property, and other assets. Grantee shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.

(4) Comparison of actual outlays with budget amounts for each grant. Financial information should be related to performance and unit-cost data whenever appropriate.

(5) Procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and the disbursement by the recipient, whenever funds are advanced by the Federal Government.

(6) Procedures for determining the reasonableness, allowability, and allocability of costs in accordance with the provisions of the applicable Federal cost principles and the terms of the grant.

(7) Accounting records that are supported by documentation that at a minimum will identify, segregate, accumulate, and record all costs incurred under a grant and which fully disclose (i) the amount and disposition by the grantee of the proceeds of such assistance, (ii) the total cost of the project or undertaking in connection with which such assistance is given or used, (iii) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (iv) such other records as will facilitate an effective audit.

(8) Examinations in the form of audits or internal audits shall be made by qualified individuals that are sufficiently independent of those that authorize the expenditure of AID funds, to produce unbiased opinions, conclusions, or judgments. They shall meet the independence criteria along the lines of Chapter IV, Part B of the U.S. General Accounting Office Publication Standards for Audit of Governmental Organizations, Programs, Activities, and Functions (1981 Revision). These examinations are intended to ascertain the effectiveness of the financial management systems and internal procedures that have been established to meet the terms and conditions of the grant. It is not intended that each grant awarded to the grantee be examined. Generally, examinations should be conducted on an organization-wide basis to test the fiscal integrity of financial transactions, as well as compliance with the terms and conditions of the AID grant. Such tests would include an appropriate sampling of Federal grants and agreements. Examinations will be conducted with reasonable frequency, on a continuing basis or at scheduled intervals, usually annually, but not less frequently than every two years. A copy of the audit report shall be furnished to the AID grant officer who shall submit it to AID's Regional Inspector General for Audit. The frequency of these examinations shall depend upon the nature,

size, and the complexity of the activity. These grantee self-examinations do not relieve AID of its audit responsibilities, but may affect the frequency and scope of such audits.

(9) A systematic method to ensure timely and appropriate resolution of audit findings and recommendations.

(b) The grantee shall preserve and make available such records for examination and audit by AID and the Comptroller General of the United States, or their authorized representatives:

(1) until the expiration of three years from the date of termination of the grant;

(2) for such longer period, if any, as is required to complete an audit to resolve all questions concerning expenditures unless written approval has been obtained from the grant officer to dispose of the records. AID follows generally accepted accounting practices in determining that there has been proper accounting and use of grant funds. The grantee agrees to make available any further information requested by AID with respect to any questions arising as a result of the audit; and

(3) If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigations, claims or audit findings involving the records have been resolved.

(c) The grantee shall require subrecipients to adopt the standards in paragraph (b) above.

3. REFUNDS (NOVEMBER 1985)

(a) The grantee shall remit to AID all interest earned on funds provided by AID.

(b) Funds obligated by AID but not disbursed to the grantee at the time the grant expires or is terminated shall revert to AID, except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant. Any funds disbursed to but not expended by the grantee at the time of expiration or termination of the grant shall be refunded to AID.

(c) If, at any time during the life of the grant, or as a result of final audit, it is determined by AID that funds it provided under this grant have been expended for purposes not in accordance with the terms of this grant, the grantee shall refund such amount to AID.

4. REVISION OF GRANT BUDGET (NOVEMBER 1985)

(a) The approved grant budget is the financial expression of the grantee's program as approved during the grant award process.

(b) The grantee shall immediately request approval from the grant officer when there is reason to believe that within the next 30 calendar days a revision of the approved grant budget will be necessary for the following reasons:

(1) Changes in the scope or the objectives of the program and/or revisions in the funding allocated among program objectives.

(2) The need for additional funding.

(3) The grantee expects the amount of AID authorized funds to exceed its needs by more than \$5,000 or five percent of the AID award, whichever is greater.

(4) The grantee plans to transfer funds budgeted for indirect costs to absorb increases in direct costs or vice versa.

(5) The grantee intends to contract or subgrant any of the substantive programmatic work under this grant, and such contracts or subgrants were not included in the approved grant budget.

(6) The grantee plans to incur an expenditure which would require advance approval in accordance with the applicable Federal cost principles and was not included in the approved grant budget.

(7) The grantee plans to transfer funds allotted for training allowances to other categories of expense.

(c) When requesting approval for budget revisions, the grantee shall use the budget formats that were used in the application unless a letter request will suffice.

(d) Within 30 calendar days from the date of the receipt of the request for budget revisions, the grant officer shall review the request and notify the grantee whether the budget revisions have been approved. If the revisions are still under consideration at the end of 30 calendar days, the grant officer shall inform the grantee in writing of the date when the grantee may expect the decision. The grant officer shall obtain the project officer's clearance on all such requests prior to communication with the grantee.

(e) If the requested budget revision requires the obligation of additional funding, and, if after notification pursuant to this standard provision, AID determines not to provide additional funds, the AID grant officer will, upon written request of the grantee, terminate this grant

pursuant to the standard provision of this grant, entitled "Termination and Suspension."

(f) Except as required by other provisions of this grant specifically stated to be an exception from this provision, the Government shall not be obligated to reimburse the grantee for costs incurred in excess of the total amount obligated under the grant. The grantee shall not be obligated to continue performance under the grant (including actions under the "Termination and Suspension" provision) or otherwise to incur costs in excess of the amount obligated under the grant, unless and until the grant officer has notified the grantee in writing that such obligated amount has been increased and has specified in such notice the new obligated grant total amount.

5. TERMINATION AND SUSPENSION (NOVEMBER 1985)

(a) For Cause. This grant may be terminated for cause at any time, in whole or in part, by the grant officer upon written notice to the grantee, whenever it is determined that the grantee has failed to comply with the conditions of the grant.

(b) For Convenience. This grant may be terminated for convenience at any time by either party, in whole or in part, if both parties agree that the continuation of the grant would not produce beneficial results commensurate with the further expenditure of funds. Both parties shall agree upon termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The agreement to terminate shall be set forth in a letter from the grant officer to the grantee.

(c) Termination Procedures. Upon receipt of and in accordance with a termination notice as specified in either paragraph (a) or (b) above, the grantee shall take immediate action to minimize all expenditures and obligations financed by this grant and shall cancel such unliquidated obligations whenever possible. Except as provided below, no further reimbursement shall be made after the effective date of termination. The grantee shall within 30 calendar days after the effective date of such termination repay to the Government all unexpended AID funds which are not otherwise obligated by a legally binding transaction applicable to this grant. Should the funds paid by the Government to the grantee prior to the effective date of the termination of this grant be insufficient to cover the grantee's obligations in the legally binding transaction, the grantee may submit to the Government within 90 calendar days after the effective date of such termination a written claim covering such obligations. The grant officer shall determine the amount(s) to be paid by the Government to the grantee under such claim in accordance with the applicable cost principles.

(d) Suspension: Termination for Changed Circumstances. If at any time AID determines that continuation of funding for a program should be suspended or terminated because such assistance is not in the national interest of the United States or that it would be in violation of an applicable law, then AID may, following notice to the grantee, suspend this grant and prohibit the grantee from incurring additional obligations chargeable to this grant other than necessary and proper costs in accordance with the terms of this grant during the period of suspension. If the situation causing the suspension continues for 60 days or more, then AID may terminate this grant on written notice to the grantee and cancel that portion of this grant which has not been disbursed or irrevocably committed to third parties. Financial settlement of this grant shall be governed by the termination procedures specified in paragraph (c) above.

6. DISPUTES (NOVEMBER 1985)

(a) Any dispute under this grant shall be decided by the AID grant officer. The grant officer shall furnish the grantee a written copy of the decision.

(b) Decisions of the AID grant officer shall be final unless, within 30 days of receipt of the decision of the grant officer, the grantee appeals the decision to the Administrator of AID. Any appeal made under this provision shall be in writing and addressed to the Administrator, Agency for International Development, Washington, D.C. 20523. A copy of the appeal shall be concurrently furnished to the grant officer.

(c) In connection with any appeal proceeding under this provision, the grantee shall be given an opportunity to be heard and to offer evidence in support of its appeal.

(d) A decision under this provision by the Administrator or an authorized representative shall be final unless overruled by a court of competent jurisdiction.

7. INELIGIBLE COUNTRIES (NOVEMBER 1985)

Unless otherwise approved by the AID grant officer, no funds will be expended for costs incurred in countries ineligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

8. NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS (NOVEMBER 1985)

No person in the United States, consistent with the laws of the United States, shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this grant on the basis of race, color, national origin, age, handicap, or sex.

9. U.S OFFICIALS NOT TO BENEFIT (NOVEMBER 1985)

No member of or delegate to the U.S. Congress or resident U.S. Commissioner shall be admitted to any share or part of this grant or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this grant if made with a corporation for its general benefit.

10. COVENANT AGAINST CONTINGENT FEES (NOVEMBER 1985)

The grantee certifies that no person or selling agency has been employed or retained to solicit or secure this grant upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees or bona fide established commercial or selling agencies maintained by the grantee for the purpose of securing business. For breach or violation of this certification, AID shall have the right to cancel this grant without liability or, to deduct from the grant amount, or otherwise recover, the full amount of each commission, percentage, brokerage, or contingent fee.

11. NONLIABILITY (NOVEMBER 1985)

AID does not assume liability for any third party claims for damages arising out of this grant.

12. AMENDMENT (NOVEMBER 1985)

The grant may be amended by formal modifications to the basic grant document or by means of an exchange of letters between the grant officer and an appropriate official of the grantee.

13. NOTICES (NOVEMBER 1985)

Any notice given by AID or the grantee shall be sufficient only if in writing and delivered in person, mailed, or cabled as follows:

To the AID grant officer, at the address specified in the grant.

To grantee, at grantee's address shown in the grant or to such other address designated within the grant.

Notices shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

(END OF MANDATORY STANDARD PROVISIONS)

**OPTIONAL STANDARD PROVISIONS FOR
U.S., NONGOVERNMENTAL GRANTEES**

The following standard provisions are required to be used when applicable. Applicability statements are contained in the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with Paragraph 1E of Chapter 1 of Handbook 13. Each grant is required to have a payment provision. Check off the optional standard provisions which are included in the grant. Only those standard provisions which have been checked off are included physically within this grant.

- | | |
|---|-------|
| 1. Payment - Letter of Credit | X |
| 2. Payment - Periodic Advance | _____ |
| 3. Payment - Cost Reimbursement | _____ |
| 4. Air Travel and Transportation | X |
| 5. Ocean Shipment of Goods | _____ |
| 6. Procurement of Goods and Services | _____ |
| 7. AID Eligibility Rules for Goods and Services | _____ |
| 8. Subagreements | X |
| 9. Local Cost Financing with U.S. Dollars | X |
| 10. Patent Rights | X |
| 11. Publications | _____ |
| 12. Negotiated Indirect Cost Rates - Predetermined | _____ |
| 13. Negotiated Indirect Cost Rates - Provisional | _____ |
| 14. Regulations Governing Employees | X |
| 15. Participant Training | X |
| 16. Voluntary Population Planning | _____ |
| 17. Protection of the Individual as a Research Subject | _____ |
| 18. Care of Laboratory Animals | _____ |
| 19. Government Furnished Excess Personal Property | _____ |
| 20. Title to and Use of Property (Grantee Title) | _____ |
| 21. Title to and Care of Property (U.S. Government Title) | _____ |
| 22. Title to and Care of Property (Cooperating Country Title) | _____ |
| 23. Cost Sharing (Matching) | X |
| 24. Use of Pouch Facilities | X |
| 25. Conversion of United States Dollars to Local Currency | X |

(INCLUDE THIS PAGE IN THE GRANT)

Payment - Letter of Credit (NOVEMBER 1985)

(This provision is applicable only when the following conditions are met: (i) the total advances under all the grantee's cost-reimbursement contracts and assistance instruments with AID exceed \$120,000 per annum, (ii) AID has, or expects to have, a continuing relationship with the grantee for at least one year; (iii) the grantee has the ability to maintain procedures that will minimize the time elapsing between the transfer of funds and the disbursement thereof; (iv) the grantee's financial management system meets the standards for fund control and accountability required under the standard provision of this grant, entitled "Accounting, Audit, and Records" and, either (v) the foreign currency portion of the total advance under this grant is less than 50% or (vi) the foreign currency portion of the total advance under this grant is more than 50% but more than one foreign currency country is involved.)

(a) Payment under this grant shall be by means of a Letter of Credit (LOC) in accordance with the terms and conditions of the LOC and any instructions issued by AID's Office of Financial Management, Program Accounting and Finance Division (M/FM/PAFD).

(b) As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by M/FM/PAFD constitute payment conditions of this grant, superseding and taking precedence over any other provision of this grant concerning payment.

(c) Reporting:

(1) A "Financial Status Report" SF-269, shall be prepared on an accrual basis and submitted quarterly no later than 30 days after the end of the period, in an original and two copies to AID/M/FM/PAFD, Washington, D.C. 20523. If the grantee's accounting records are not normally kept on the accrual basis, the grantee shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand. The final report must be submitted within 90 days after the conclusion of the grant to M/FM/PAFD. In cases where grants are Mission funded, the Grantee will forward an information copy to the AID Mission accounting station at the same time the original and one copy are mailed to M/FM/PAFD, AID/Washington.

(2) The grantee shall submit an original and one copy of SF-272, "Federal Cash Transactions Report," within 15 working days following the end of each quarter to M/FM/PAFD. Grantees receiving advances totaling more than \$1 million per year shall submit the SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report all cash advances in the remarks section of SF-272. Those cash advances in excess of immediate disbursement requirements in the hands of subrecipients or the grantee's field organizations shall be supported by short narrative explanations of actions taken by the grantee to reduce the excess balances.

(d) Revocation of the LOC is at the discretion of the authorized LOC certifying officer of M/FM/PAFD after consultation with the grant officer. Notification of revocation must be in writing and must specify the reason for revocation. M/FM/PAFD shall provide the grant officer a copy of the revocation notice and a recommendation for an alternative method of payment (periodic advance or cost reimbursement) based upon the reasons for the revocation. The grant officer shall immediately amend this agreement to provide for an appropriate alternative method of payment. The recipient may appeal any such revocation to the grant officer.

(END OF STANDARD PROVISION)

AIR TRAVEL AND TRANSPORTATION (NOVEMBER 1985)

(This provision is applicable when any costs for air travel or transportation are included in the budget.)

- (a) The grantee is required to present to the project officer for written approval an itinerary for each planned international trip financed by this grant, which shows the name of the traveler, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advance of the proposed travel as possible, but in no event at least three weeks before travel is planned to commence. At least one week prior to commencement of approved international travel, the grantee shall notify the cognizant U.S. Mission or Embassy, with a copy to the project officer, of planned travel, identifying the travelers and the dates and times of arrival.
- (b) Travel to certain countries shall, at AID's option, be funded from U.S.-owned local currency. When AID intends to exercise this option, AID will, after receipt of advice of intent to travel required above, either issue a U.S. Government S.F. 1169, Transportation Request (GTR) which the grantee may exchange for tickets, or AID will issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.
- (c) All air travel and shipments under this grant are required to be made on U.S. flag air carriers to the extent service by such carriers is available. A U.S. flag air carrier is defined as an air carrier which has a certificate of public convenience and necessity issued by the U.S. Civil Aeronautics Board authorizing operations between the United States and/or its territories and one or more foreign countries.
- (d) Use of foreign air carrier service may be deemed necessary if a U.S. flag air carrier otherwise available cannot provide the foreign air transportation needed, or if use of such service will not accomplish the agency's mission. Travel and transportation on non-free world air carriers are not reimbursable under this grant.
- (e) U.S. flag air carrier service is considered available even though:
- (1) Comparable or a different kind of service can be provided at less cost by a foreign air carrier;
 - (2) Foreign air carrier service is preferred by or is more convenient for the agency or traveler; or
 - (3) Service by a foreign air carrier can be paid for in excess foreign currency, unless U.S. flag air carriers decline to accept excess or near excess foreign currencies for transportation payable only out of such monies.

(f) Except as provided in paragraph (b) of this section, U.S. flag air carrier service must be used for all Government-financed commercial foreign air travel if service provided by such carriers is available. In determining availability of a U.S. flag air carrier, the following scheduling principles should be followed unless their application results in the last or first leg of travel to or from the United States being performed by foreign air carrier:

(1) U.S. flag air carrier service available at point of origin should be used to destination or in the absence of direct or through service to the farthest interchange point on a usually traveled route;

(2) Where an origin or interchange point is not served by U.S. flag air carrier, foreign air carrier service should be used only to the nearest interchange point on a usually traveled route to connect with U.S. flag air carrier service; or

(3) Where a U.S. flag air carrier involuntarily reroutes the traveler via a foreign air carrier the foreign air carrier may be used notwithstanding the availability of alternative U.S. flag air carrier service.

(g) For travel between a gateway airport in the United States (the last U.S. airport from which the traveler's flight departs or the first U.S. airport at which the traveler's flight arrives) and a gateway airport abroad (that airport from which the traveler last embarks enroute to the U.S. or at which the traveler first debarks incident to travel from the U.S.), passenger service by U.S. flag air carrier will not be considered available:

(1) Where the gateway airport abroad is the traveler's origin or destination airport, and the use of U.S. flag air carrier service would extend the time in a travel status, including delay at origin and accelerated arrival at destination, by at least 24 hours more than travel by foreign air carrier:

(2) Where the gateway airport abroad is an interchange point, and the use of U.S. flag air carrier service would require the traveler to wait six hours or more to make connections at that point, or delayed departure from or accelerated arrival at the gateway airport in the U.S. would extend the time in a travel status by at least six hours more than travel by foreign air carrier.

(h) For travel between two points outside the U.S. the rules in paragraphs (d) through (f) of this section will be applicable, but passenger service by U.S. flag air carrier will not be considered to be reasonably available:

(1) If travel by foreign air carrier would eliminate two or more aircraft changes enroute;

(2) Where one of the two points abroad is the gateway airport (as defined in paragraph (g) of this section) enroute to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier

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including accelerated arrival at the overseas destination or delayed departure from the overseas origin as well as delay at the gateway airport or other interchange point abroad; or

(3) Where the travel is not part of a trip to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including delay at origin, delay enroute and accelerated arrival at destination.

(i) When travel under either paragraph (g) or (h) of this section involves three hours or less between origin and destination by a foreign air carrier, U.S. flag air carrier service will not be considered available when it involves twice such travel time or more.

(j) Nothing in the above guidelines shall preclude and no penalty shall attend the use of a foreign air carrier which provides transportation under an air transport agreement between the United States and a foreign government, the terms of which are consistent with the international aviation policy goals set forth at 49 U.S.C. 1502(b) and provide reciprocal rights and benefits.

(k) Where U.S. Government funds are used to reimburse the grantee's use of other than U.S. flag air carriers for international transportation, the grantee will include a certification on vouchers involving such transportation which is essentially as follows:

"CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR CARRIERS. I hereby certify that the transportation service for personnel (and their personal effects) or property by certificated air carrier was unavailable for the following reason(s)." (State appropriate reason(s) as set forth above).

(1) International Travel

(1) As used herein, the term "international travel" means travel to all countries other than those within the home country of the traveler. Travel outside the United States includes travel to the U.S. Trust Territories of the Pacific Islands.

(2) The grantee will be reimbursed for travel and the reasonable cost of subsistence, post differentials and other allowances paid to employees in an international travel status in accordance with the grantee's established policies and practices which are uniformly applied to federally financed and other activities of the grantee. The standard for determining the reasonableness of reimbursement for overseas allowance is the Standardized Regulations (Government Civilian, Foreign Areas), published by the U.S.

Department of State, as from time to time amended. The most current subsistence, post differentials, and other allowances may be obtained from the grant officer.

(m) This provision will be included in all subgrants and contracts which require air travel and transportation under this grant.

(END OF STANDARD PROVISION)

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SUBAGREEMENTS (NOVEMBER 1985)

(This provision is applicable when subgrants or cooperative agreements are financed under the grant.)

(a) Funds provided under this grant shall not be used to support any subrecipient whose name appears on the AID Consolidated List of Debarred, Suspended, or Ineligible Awardees under AID Regulation 8, entitled "Debarment, Suspension and Ineligibility" (22 CFR 208). AID will provide the grantee with a copy of this list upon request.

(b) All subagreements shall as a minimum contain, in addition to provisions to define a sound and complete agreement, the following provisions as well as any that are specifically required by any other provision in this grant. Whenever a provision within this grant is required to be inserted in a subagreement, the grantee shall insert a statement in the subagreement that in all instances where the U.S. Government is mentioned, the grantee's name will be substituted.

(1) Subagreements in excess of \$10,000 shall contain provisions or conditions that will allow for administrative or legal remedies in instances where subrecipients violate subagreement terms and provide for such remedial action as may be appropriate.

(2) All subagreements in excess of \$10,000 shall contain suitable provisions for termination by the recipient including the manner by which termination will be effected and the basis for settlement. In addition, such subagreements shall describe conditions under which the subagreement may be terminated for default as well as conditions where the subagreement may be terminated because of circumstances beyond the control of the subrecipient.

(3) Subagreements, the principal purpose of which is to create, develop or improve products, processes or methods; or for exploration into fields that directly concern public health, safety or welfare; or subagreements in the field of science or technology in which there has been little significant experience outside of work funded by Federal assistance, shall contain a notice to the effect that matters regarding rights to inventions and materials generated under the subagreement are subject to the regulations contained in the provisions of this grant. The subrecipient shall be advised as to the source of additional information regarding these matters.

(4) All subagreements over \$10,000 issued by recipients shall include a provision to the effect that the recipient, AID, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the subrecipient which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(END OF STANDARD PROVISION)

LOCAL COST FINANCING WITH U.S. DOLLARS (NOVEMBER 1985)

(This Provision is applicable when local financing is authorized in the schedule of the grant and must then be used in conjunction with the standard provisions entitled "Procurement of Goods and Services" and "AID Eligibility Rules for Goods and Services".)

- (a) Local cost financing is the use of appropriated U.S. dollars to finance the procurement of goods and services paid for with local currency in the cooperating country for furtherance of grant purposes. Local cost financing must be specifically authorized in the schedule of the grant. The amount of U.S. dollars which may be used must be specified in the authorization, together with any special restrictions on their use.
- (b) Procurement of goods and services under local cost financing is subject to the restrictions listed in the grant provisions entitled "Procurement of Goods and Services" and "AID Eligibility Rules for Goods and Services."
- (c) Authorization of local cost financing makes the cooperating country an eligible source for the purchase of goods or services. Goods or services purchased under local cost financing must be located in the cooperating country at the time they are purchased; they cannot be imported specifically for the project being implemented by this grant. The supplier from which goods or services are purchased under local cost financing must also be in the cooperating country. Suppliers of goods or services under local cost financing must meet the nationality eligibility tests prescribed in Chapter 5 of AID Handbook 1, Supplement B.
- (d) Unless otherwise specifically authorized, the policies in Chapter 18 of AID Handbook 1, Supplement B are applicable to all local cost financing.

(END OF STANDARD PROVISION)

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NEGOTIATED INDIRECT COST RATES - PROVISIONAL (NOVEMBER 1985)

(This provision is applicable to any organization which does not have predetermined indirect cost rate(s); however, it shall also be included when the NEGOTIATED INDIRECT COST RATES - PREDETERMINED standard provision is used.)

- (a) A provisional indirect cost rate(s) shall be established for each of the grantee's accounting periods during the term of this grant. Pending establishment of a final rate(s), the parties have agreed that provisional payments on account of allowable indirect costs shall be at the rate(s), on the base(s), and for the periods shown in the schedule of this grant.
- (b) Not later than 90 days after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity in accordance with OMB Circular A-88 proposed final indirect cost rate(s) and supporting cost data. In the event AID is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed final indirect cost rate(s) and supporting cost data to the AID Inspector General, Washington, D.C. 20523, and to the Overhead and Special Costs - Contract Closeout Branch, Acquisition and Assistance Management, Washington, D.C. 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of final indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal.
- (c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the applicable cost principles in effect on the date of this grant.
- (d) The results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. Such agreement shall specify (1) the agreed upon final rate(s), (2) the base(s) to which the rate(s) apply, and (3) the period for which the rate(s) apply. The indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.
- (e) Pending establishment of final indirect cost rate(s) for any period, the grantee shall be reimbursed either at negotiated provisional rate(s) as provided above or at billing rate(s) acceptable to the grant officer, subject to appropriate adjustment when the final rate(s) for that period are established. To prevent substantial over or under payment, the provisional or billing rate(s) may, at the request of either party, be revised by mutual agreement, either retroactively or prospectively. Any such revision of negotiated provisional rate(s) provided in this standard provision shall be set forth in a modification to this grant.

(f) Any failure by the parties to agree on final rate(s) under this standard provision shall be considered a dispute within the meaning of the standard provision of this grant entitled "Disputes" and shall be disposed of in accordance therewith.

(END OF STANDARD PROVISION)

REGULATIONS GOVERNING EMPLOYEES (NOVEMBER 1985)

(The following applies to the grantee's employees who are not citizens of the cooperating country.)

- (a) The grantee's employees shall maintain private status and may not rely on local U.S. Government offices or facilities for support while under this grant.
- (b) The sale of personal property or automobiles by grantee employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire AID personnel employed by the Mission except as this may conflict with host government regulations.
- (c) Other than work to be performed under this grant for which an employee is assigned by the grantee, no employee of the grantee shall engage directly or indirectly, either in the individual's own name or in the name or through an agency of another person, in any business, profession, or occupation in the foreign countries to which the individual is assigned, nor shall the individual make loans or investments to or in any business, profession or occupation in the foreign countries to which the individual is assigned.
- (d) The grantee's employees, while in a foreign country, are expected to show respect for its conventions, customs, and institutions, to abide by its applicable laws and regulations, and not to interfere in its internal political affairs.
- (e) In the event the conduct of any grantee employee is not in accordance with the preceding paragraphs, the grantee's chief of party shall consult with the AID Mission Director and the employee involved and shall recommend to the grantee a course of action with regard to such employee.
- (f) The parties recognize the rights of the U.S. Ambassador to direct the removal from a country of any U.S. citizen or the discharge from this grant of any third country national when, in the discretion of the Ambassador, the interests of the United States so require.
- (g) If it is determined, under either (e) or (f) above, that the services of such employee shall be terminated, the grantee shall use its best efforts to cause the return of such employee to the United States, or point of origin, as appropriate.

(END OF STANDARD PROVISION)

PARTICIPANT TRAINING (NOVEMBER 1985)

(This provision is applicable when any participant training is financed under the grant.)

(a) Definition: A participant is any non-U.S. individual being trained under this grant outside of that individual's home country.

(b) Application of Handbook 10: Participant training under this grant is to be conducted according to the policies established in AID Handbook 10, Participant Training, except to the extent that specific exceptions to Handbook 10 have been provided in this grant with the concurrence of the Office of International Training. (Handbook 10 may be obtained by submitting a request to the Office of International Training (S&T/IT), Agency for International Development, Washington, D.C. 20523.) Except for paragraph (h) on orientation, the following paragraphs in this standard provision are not subject to waiver except as specifically stated.

(c) Participant Training Information System: All grantees shall ensure that participants trained in the United States or in a third country are included in the Agency's Participant Training Information System.

The grantee shall fill out form AID 1381-4 entitled "Participant Data" and send it to the addresses indicated on the back of the form. The grantee can obtain a supply of these forms and additional instructions for completing them from the Office of International Training. Data should be submitted prior to the initiation of participant travel. If this is not possible, the forms should be prepared and submitted immediately after arrival of the participant(s). The grantee shall also submit to the Office of International Training a blue copy of the form when subsequent changes in the participant's training program are made and at termination of participant's training program, ensuring that the original participant number (pre-printed on the form) is used.

(d) Visa Requirements for Training Within The United States:

(1) Under the authority of Section 635(f) of the Foreign Assistance Act, AID-sponsored participants are admitted to the United States under the Department of State/USIA Exchange Visitor Program and are issued J-1 visas. The program identification number is G-2-0263.

(2) J-1 visas are issued by the U.S. Embassy or Consulate for AID-sponsored participants upon submission by the participant of Form IAP-66A which may be obtained only from the AID Mission. The Mission retains one copy of the IAP-66A and forwards one copy to AID/S&T/IT.

(3) Holders of J-1 visas are subject to the Immigration and Nationality Act, as amended, and may not apply for an immigrant or an H or L nonimmigrant visa until 2 years' residency is completed in their home country, after completion of training.

(4) Participant passports and visas should normally be valid for six months beyond the duration of the proposed program to allow for program readjustments if necessary. This may not be regarded as an opportunity to encourage program extensions.

(e) Maintenance and Other Allowances: Grantees must observe the maintenance and other allowances for AID-sponsored participants in the United States and third countries as set forth in Handbook 10. No exceptions or variations are permissible except with the advance concurrence of the Office of International Training.

(f) Health and Accident Coverage (HAC) Program For Training Within The United States: The grantee shall enroll all participants training in the United States in AID's HAC Program. HAC Program coverage for an enrolled participant begins at the moment of departure from the host country to the United States until the moment of return to the host country providing, however, that there is not substantial unapproved delay between completion of training under this grant and the return, and that there is no layover at any point to or from the United States except the minimal amount necessary for plane connections.

(1) The HAC Program enables the participant, or the provider of medical services, to submit bills for medical costs resulting from illness and accident to the HAC Claims Office which pays all reasonable and necessary medical charges for covered services not otherwise covered by other insurance programs (see paragraph 6 below), in accordance with the standard coverage established by AID under the HAC Program.

(2) The grantee shall, as early as possible and no later than the initiation of travel to the United States by each participant financed by AID under this grant, fill out form AID 1381-4 entitled "Participant Data" and mail it to the addressees indicated on the back of the form. The grantee can obtain a supply of these forms and instructions for completing them from the Office of International Training at the address indicated in section (b) above.

(3) Enrollment fees shall be submitted, thirty days prior to the beginning of each new enrollment period. Payments will be made via check made payable to A.I.D. and submitted to:

Agency for International Development
Office of Financial Management
Central Accounting Division-Cashier (FM/CAD)
Washington, D.C. 20523

(i) The enrollment fee shall be accompanied by a letter which lists the names of the participants (identical to that on the Participant Data Form), participant I.D. numbers from the Participant Data Form, period of coverage, fee amount paid, grant number, name of grantee, host country, and the U. S. Government appropriation number as shown on the grant.

(ii) The enrollment fees shall be calculated on the basis of fixed rates per participant per each 30 day period. The enrollment fees may not be prorated for fractional periods of less than 30 days and should cover the current training period for which funds are obligated under the grant. Current rates are found in Handbook 10 Participant Training Notices.

(4) The grantee shall assure that enrollment begins immediately upon the participant's departure for the United States for the purpose of participating in a training program financed or sponsored by AID, and that enrollment continues in full force and effect until the participant returns to his or her country of origin or is released from AID's responsibility, whichever occurs first. The grantee shall continue enrollment coverage for participants whose departure is delayed due to medical or other compelling reasons, with the written concurrence of the grant officer.

(5) The grantee shall provide each participant with a copy of the HAC brochure, copies of which are available from S&T/IT at the address indicated in section (b) above.

(6) If the grantee has a mandatory, nonwaivable health and accident insurance program for participants, the costs of such insurance will be allowable under this grant. Any claims eligible under such insurance will not be payable under AID's HAC plan or under this grant. However, even though the participant is covered by the grantee's mandatory, nonwaivable health and accident insurance program, the participant must be enrolled in AID's HAC Program. In addition, a copy of the mandatory insurance policy must be forwarded to the HAC Claims Office.

(7) Medical costs not covered by the grantee's health service program or mandatory, nonwaivable health and accident insurance program, or AID's HAC Program shall not be reimbursable under this grant unless specific written approval from the grant officer has been obtained.

(g) Participant Counseling For Training Within The United States: Problems involving participants such as serious physical or emotional illness, accident or injury, arrest, death, the voluntary or involuntary early termination of a program, and the refusal of a participant to return to the home country upon completion of the program should be referred to the AID Participant Counselor at the Office of International Training.

The Counselor can be reached by calling the Office of International Training during workdays and the AID Duty Officer (202-632-1512) at other times. In referring cases, give the Counselor the name, country, and current location of

the participant as well as a brief description of the problem with names and telephone numbers of hospitals, physicians, attorneys, etc. Following verbal referral, the participant's name, home address, and next of kin, and location of training should be sent to the grant officer, who will transmit the information to the S&T/IT Counselor.

(h) Orientation: In addition to the above mandatory requirements for all participants, grantees are strongly encouraged to provide, in collaboration with the Mission training officer, predeparture orientation (see Chapter 13 of Handbook 10) and orientation in Washington at the Washington International Center (see Chapter 18D of Handbook 10). The latter orientation program also provides the opportunity to arrange for home hospitality in Washington and elsewhere in the United States through liaison with the National Council for International Visitors (NCIV). If the Washington orientation is determined not to be feasible, home hospitality can be arranged in most U.S. cities if a request for such is directed to the grant officer, who will transmit the request to NCIV through S&T/IT.

(END OF STANDARD PROVISION)

3B

COST SHARING (MATCHING) (NOVEMBER 1985).

(This provision is applicable when the recipient is required to cost share or provide a matching share.)

(a) For each year (or funding period) under this grant, the grantee agrees to expend from non-Federal funds an amount at least equal to the percentage of the total expenditures under this grant specified in the schedule of the grant. The schedule of this grant may also contain restrictions on the application of cost sharing (matching) funds. The schedule takes precedence over the terms of this provision.

(b) Eligibility of non-Federal funds applied to satisfy cost sharing (matching) requirements under this grant are set forth below:

(1) Charges incurred by the grantee as project costs. Not all charges require cash outlays by the grantee during the project period; examples are depreciation and use charges for buildings and equipment.

(2) Project costs financed with cash contributed or donated to the grantee by other non-Federal public agencies (may include public international organizations or foreign governments) and institutions, and private organizations and individuals, and

(3) Project costs represented by services and real and personal property, or use thereof, donated by other non-Federal public agencies and institutions, and private organizations and individuals.

(c) All contributions, both cash and in-kind, shall be accepted as part of the grantee's cost sharing (matching) when such contributions meet all of the following criteria:

(1) Are verifiable from the grantee's records;

(2) Are not included as contributions for any other Federally assisted program;

(3) Are necessary and reasonable for proper and efficient accomplishment of project objectives;

(4) Are types of charges that would be allowable under the applicable Federal cost principles;

(5) Are not paid by the Federal Government under another grant or agreement (unless the grant or agreement is authorized by Federal law to be used for cost sharing or matching);

(6) Are provided for in the approved budget when required by AID; and

(7) Conform to other provisions of this paragraph.

3/8/85

(d) Values for grantee in-kind contributions will be established in accordance with the applicable Federal cost principles.

(e) Specific procedures for the grantee in establishing the value of in-kind contributions from non-Federal third parties are set forth below:

(1) Valuation of volunteer services: Volunteer services may be furnished by professional and technical personnel, consultants, and other skilled and unskilled labor. Volunteer services may be counted as cost sharing or matching if the service is an integral and necessary part of an approved program:

(i) Rates for volunteer services: Rates for volunteers should be consistent with those paid for similar work in the grantee's organization. In those instances in which the required skills are not found in the grantee's organization, rates should be consistent with those paid for similar work in the labor market in which the grantee competes for the kind of services involved.

(ii) Volunteers employed by other organizations: When an employer other than the grantee furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (exclusive of fringe benefits and overhead costs) provided these services are of the same skill for which the employee is normally paid.

(2) Valuation of donated expendable personal property: Donated expendable personal property includes such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to expendable personal property included in the cost share (match) should be reasonable and should not exceed the market value of the property at the time of the donation.

(3) Valuation of donated nonexpendable personal property, buildings, and land or use thereof:

(i) The method used for charging cost sharing or matching for donated nonexpendable personal property, buildings and land may differ according to the purpose of the grant as follows:

(A) If the purpose of the grant is to assist the recipient in the acquisition of equipment, buildings or land, the total value of the donated property may be claimed as cost sharing or matching.

(B) If the purpose of the grant is to support activities that require the use of equipment, buildings, or land; depreciation or use charges for equipment and buildings may be made. The full value of equipment or other capital assets and fair rental charges for land may be allowed provided that AID has approved the charges.

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(ii) The value of donated property will be determined in accordance with the usual accounting policies of the grantee with the following qualifications:

(A) Land and buildings: The value of donated land and buildings may not exceed its fair market value, at the time of donation to the grantee as established by an independent appraiser; and certified by a responsible official of the grantee.

(B) Nonexpendable personal property: The value of donated nonexpendable personal property shall not exceed the fair market value of equipment and property of the same age and condition at the time of donation.

(C) Use of space: The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately owned building in the same locality.

(D) Borrowed equipment: The value of borrowed equipment shall not exceed its fair rental value.

(f) The following requirements pertain to the grantee's supporting records for in-kind contributions from non-Federal third parties:

(1) Volunteer services must be documented and, to the extent feasible, supported by the same methods used by the grantee for its employees.

(2) The basis for determining the valuation for personal services, material, equipment, buildings and land must be documented.

(g) Individual expenditures do not have to be shared or matched provided that the total expenditures incurred during the year (or funding period) are shared or matched in accordance with the agreed upon percentage set forth in the schedule of the grant.

(h) If at the end of any year (or funding period) hereunder, the grantee has expended an amount of non-Federal funds less than the agreed upon percentage of total expenditures, the difference may be applied to reduce the amount of AID funding the following year (or funding period), or, if this grant has expired or been terminated, the difference shall be refunded to AID.

(i) Failure to meet the cost sharing (matching) requirements set forth in paragraph (a) above shall be considered sufficient reasons for termination of this grant for cause in accordance with paragraph (a) entitled "For Cause" of the standard provision of this grant entitled "Termination and Suspension".

(j) The restrictions on the use of AID grant funds set forth in the standard provisions of this grant are applicable to expenditures incurred with AID funds provided under this grant. The grantee will account for the AID funds in accordance with the standard provision of this grant entitled "Accounting, Audit, and Records".

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(k) Notwithstanding paragraph (b) of the standard provision of this grant entitled "Refunds", the parties agree that in the event of any disallowance of expenditures from AID grant funds provided hereunder, the grantee may substitute expenditures made with funds provided from non-Federal sources provided they are otherwise eligible in accordance with paragraph (b) of this provision.

(END OF STANDARD PROVISION)

USE OF POUCH FACILITIES (NOVEMBER 1985)

(This provision is applicable when activities under the grant will take place outside of the United States.)

(a) Use of diplomatic pouch is controlled by the Department of State. The Department of State has authorized the use of pouch facilities for AID grantees and their employees as a general policy, as detailed in items (1) through (6) below. However, the final decision regarding use of pouch facilities rest with the Embassy or AID Mission. In consideration of the use of pouch facilities, the grantee and its employees agree to indemnify and hold harmless, the Department of State and AID for loss or damage occurring in pouch transmission:

(1) Grantees and their employees are authorized use of the pouch for transmission and receipt of up to a maximum of two pounds per shipment of correspondence and documents needed in the administration of assistance programs.

(2) U.S. citizen employees are authorized use of the pouch for personal mail up to a maximum of one pound per shipment (but see (a)(3) below).

(3) Merchandise, parcels, magazines, or newspapers are not considered to be personal mail for purposes of this standard provision and are not authorized to be sent or received by pouch.

(4) Official and personal mail pursuant to (a)(1) and (2) above sent by pouch should be addressed as follows:

Name of individual or organization (followed by
letter symbol "G")
Name of post (USAID/_____)
Agency for International Development
Washington, D.C. 20523

(5) Mail sent via the diplomatic pouch may not be in violation of U.S. Postal laws and may not contain material ineligible for pouch transmission.

(6) AID grantee personnel are not authorized use of military postal facilities (APO/FPO). This is an Adjutant General's decision based on existing laws and regulations governing military postal facilities and is being enforced worldwide. Posts having access to APO/FPO facilities and using such for diplomatic pouch dispatch, may, however, accept the grantee's official and personal mail for pouch, provided of course, adequate postage is affixed.

(b) The grantee shall be responsible for advising its employees of this authorization, these guidelines, and limitations on use of pouch facilities.

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(c) Specific additional guidance on grantee use of pouch facilities in accordance with this standard provision is available from the Post Communication Center at the Embassy or AID Mission.

(END OF STANDARD PROVISION)

CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY (NOVEMBER 1985)

(This provision is applicable when activities under the grant will take place outside of the United States.)

Upon arrival in the Cooperating Country, and from time to time as appropriate, the grantee's chief of party shall consult with the Mission Director who shall provide, in writing, the procedure the grantee and its employees shall follow in the conversion of United States dollars to local currency. This may include, but is not limited to, the conversion of currency through the cognizant United States Disbursing Officer or Mission Controller, as appropriate.

(END OF STANDARD PROVISION)

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|-----------------------|--|--|---|
| AID 1350-1 (10-79) | UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY AGENCY FOR INTERNATIONAL DEVELOPMENT | 1. Cooperating Country Central American Regional | Page 1 of 3 Pages |
| | | 2. PIO/T No. 597-0016-3-6655250 | 3. <input checked="" type="checkbox"/> Original or Amendment No. _____ |
| PIO/T | PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES | 4. Project/Activity No. and Title Assistance to NDFs in Central America 597-0016 | |

| | | | | | |
|--|---|--------------------|--|--------------|-------------------|
| DISTRIBUTION | 5. Appropriation Symbol 72-1161021.6 LDAH86-35597-DG12 | | 6. Allotment Symbol and Charge 646-65-597-00-69-61 | | |
| | 7. Obligation Status <input type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document | | 8. Project Assistance Completion Date (Mo. Day, Yr.) 12/31/87 | | |
| | 9. Authorized Agent | | 10. This PIO/T is in full compliance with PRO/AG N/A Date _____ | | |
| | 11a. Type of Action and Governing AID Handbook <input type="checkbox"/> AID Contract (HB 14) <input type="checkbox"/> PASA/RSSA (HB 12) <input checked="" type="checkbox"/> AID Grant (HB 13) <input type="checkbox"/> Other | | 11b. Contract/Grant/PASA/RSSA Reference Number (If this is an Amendment) N/A | | |
| 12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. _____) | | | | | |
| | | (1) Previous Total | (2) Increase | (3) Decrease | (4) Total to Date |
| Maximum AID Financing | A. Dollars | | \$150,000 | | \$150,000 |
| | B. U.S. Owned Local Currency | | | | |

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|---------------------------|--|
| 13. Mission References | 14a. Instructions to Authorized Agent AAM/OS/LAC is requested to negotiate a grant with the Pan American Development Foundation (PADF) for \$150,000 in accordance with the attached Budget and Scope of Work. Attachment 1 - Budget Attachment 2 - Scope of Work CN exp. 7/12/86. Obligation may be incurred 7/13/86. |
| | 14b. Address of Voucher Paying Office AID/W, M/FM/PADF |

PADF Proposal dated May 1986

15. Clearances—Include typed name, office symbol, telephone number and date for all clearances.

| | | | |
|--|--------------------------------------|---|------------------------|
| A. The project officer certifies that the specifications in the statement of work are technically adequate Paul Maguire, LAC/DP/SD | Phone No. 647-5147 | B. The statement of work lies within the purview of the initiating and approved agency programs Jack Francis, LAC/DP/SD | Date 6/11/86 |
| C. Peter Sellar, LAC/DP Tom Stukel, LAC/CEN | Date 6/11/86 7/2 | D. Funds for the services requested are available | |
| E. Cheryl Williams, LAC/DP | Date 7/2/86 | | |

| | |
|--|--|
| 16. For the cooperating country The terms and conditions set forth herein are hereby agreed to | 17. For the Agency for International Development |
| Signature _____ Date _____ | <i>William B. Wheeler</i> Signature William B. Wheeler Date 11/2/86 |
| Title _____ | Title Director, LAC/DP |