

PL-EEB 773

CONTRACT/AGREEMENT DATA SHEET

B 15216

1. M/SER/AAM/A/SUP Action Monitor

DRG

2. Date PIO/T Received in M/SER/AAM/A/SUP

5 / 6 / 87

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

1. Contract/Agreement/Number DAN-5060-G-SS-7038-00

4. Contractor/Recipient Name South Dakota State University

5. Contractor Acronym SDSU

6. Project Title Matching Support Grant

7. Project Number 936-5060

8. Project Officer's Name H. Williamson

9. Bureau or USAID Symbol S&T/RUR

10. PIO/T Number 936-5060-7361262

21. Budget Plan Code DDNA-87-13600-KG11 App. 72-1171021.3 A11. 743-36-099-00-20-71

11. TYPE OF ACTION

- A. New Acquisition/Assistance
B. Amendment/Modification
1. New/Revised Scope
2. Funding 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

A

22. Country or Region of Performance

Worldwide

23. A. This Action Increases or Decreases TEC by

\$ -0-

B. Total Estimated Cost of Contractual Document

\$ 50,000

24. Amount of Non-Federal Funds Pledged to the Project

\$ 50,000

C.FPR or FAR H.B. 13

12. Amount of this PIO/T 0b1. U.S. \$ 50,000

25. Effective Date of this Action

06/09/87

13. Amount Obligated Subobligated Deobligated by this Contract or Amendment

U.S. \$ 50,000

26. Estimated Completion/Expiration Date

04/30/88

14. Cumulative Obligation (Life of Contract)

U.S. \$ 50,000

27. Contractor DUNS Number

03-002-7668

15. This Action Funded Through

04/30/88

28. Consultant Type Award

YES NO

16. Date Contractual Documents Signed by AID Official

06/09/87

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

N/A

17. Incrementally Funded Contracts

YES NO

30. Number of Persons (PASA/RSSA only)

N/A

18. Host Country/Counterpart Institution (University Contracts)

N/A AUG 3 1987 COORS Section

31. CONTRACT TYPE

- A. Fixed Price (specify: FFP, FPRD, FPEPA, FPI)
B. Cost Reimbursement (specify: CR, CPFF, CS, CPAF, CPIF)
C. IQC and Requirements Contracts
D. Grant/CA/PASA/RSSA
E. Contracts with Individuals

D

19. Campus Coordinator (University Contracts)

Ms. Donna Hess

20. ADVANCE

- A. No Advance
B. Advance Non-FRLC
C. Advance FRLC

C

32. Negotiator's Typed Name

C. A. Williams

33. Negotiator's Signature

C. A. Williams

34. Date Signed

6/9/87

35. Contract/Grant Officer's Organization Symbol

W/FA

36. Contract/Grant Officer's Signature

Jay McBeary

37. Date Signed

06/09/87

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)

E

\*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

G. No Minority

45. METHOD OF SOLICITATION

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

D

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

K

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

G

50. Paying Office:

Payment will be made by

FM/PAFD AID/W

AID 1350-1  
(10-79)

UNITED STATES INTERNATIONAL  
DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR  
INTERNATIONAL DEVELOPMENT

1. Cooperating Country  
Worldwide

Page 1 of Pages

2. PIO/T No. 7361262

3.  Original or  
Amendment No. \_\_\_\_\_

PIO/T

PROJECT IMPLEMENTATION  
ORDER/TECHNICAL  
SERVICES

4. Project/Activity No. and Title 936-5060  
Matching Support Grant: South Dakota  
State University (Doc. No. 006F00)

DISTRIBUTION

5. Appropriation Symbol  
72-1171021.3

6. Allotment Symbol and Charge (743-36-099-00-20)  
DDNA-87-13600-KG11 -71

7. Obligation Status  
 Administrative Reservation  Implementing Document

8. Project Assistance Completion Date  
(Mo., Day, Yr.)

9. Authorized Agent  
M/SER/OP/W/FA

10. This PIO/T is in full conformance with PRO/AG  
Action Memo Date 3/24/87

11a. Type of Action and Governing AID Handbook  
 AID Contract (HB 14)  PASA/RSSA (HB 12)  AID Grant (HB 13)  Other

11b. Contract/Grant/PASA/RSSA  
Reference Number (if this is an  
Amendment)

12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. \_\_\_\_\_)

Maximum AID Financing	A. Dollars	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
				---	\$50,000
	B. U.S.-Owned Local Currency				

13. Mission Reference

14a. Instructions to Authorized Agent Request that you negotiate a grant agreement with South Dakota State University for the period 5/1/87 through 4/30/88 using the funds cited in this PIO/T. This grant is for one(1) year(s).

A copy of the grant proposal, budget, and the action memo approving the selection of this university are attached.

14b. Address of Voucher Paying Office  
Agency for International Development  
FM/PAFD, SA-12 Washington, D.C. 20523

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 accurate  
*Handy Williamson, Jr.*  
Handy Williamson, Jr., S&T/RUR  
Date 3/30/87

B. The statement of work is within the purview of the initiating and governing agency programs  
*Curtis R. Jackson*  
Curtis R. Jackson  
Date 3/30/87

C. Funds for the services requested are available  
Garland L. Standrod, S&T/PO  
GLS  
Date 4/8/87

E. \_\_\_\_\_  
Date \_\_\_\_\_

Viola Steward, FM/PAFD

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 \_\_\_\_\_  
Title \_\_\_\_\_

Signature *Robert Meehan* Date 20 April 87  
Title Robert Meehan, Chief, S&T/PO/PD

FUNDS RESERVED BY  
*[Signature]*  
POSTED 4/28/87  
M/EM/PAFD

AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

JUN 9 1987

Mr. Christopher P. Sword  
Director of Research  
South Dakota State University  
Box 2201  
Brookings, South Dakota 57007-1998

Subject: Grant No. DAN-5060-G-SS-7038-00

Dear Mr. Sword:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to South Dakota State University (hereinafter referred to as "Grantee" or "University" the sum of \$50,000 to provide support for the A.I.D./SDSU Partnership for Technical Assistance Overseas. This is more fully described in Attachment 2 entitled, "Program Description."

This grant is effective, and obligation is made as of the date of the Grant Officer's signature, and shall apply to commitments made by the Grantee in furtherance of program objectives, from the period May 19, 1987 and ending on the estimated completion date of April 30, 1988.

The total estimated amount of the program is \$100,000, of which A.I.D. will provide \$50,000, and the Grantee will provide \$50,000. The amount of \$50,000 is obligated herein, thereby satisfying A.I.D.'s funding requirements.

This grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions as set forth in this Cover Letter, Attachment 1 entitled, "Schedule," Attachment 2 entitled, "Program Description," and Attachment 3 entitled, "Standard Provisions," which together constitute the complete grant document and have been agreed to by your organization.

Schedule

A. Purpose of Grant

The purpose of this grant is to provide assistance and support to South Dakota State University in furtherance of the A.I.D./SDSU Partnership for Technical Assistance overseas. This program is described in more detail in Attachment 2, Program Description.

B. Period of Grant

This grant is effective as of the date of the Grant Officer's signature, and the estimated completion date is April 30, 1988.

C. Amount of Grant and Payment

1. A.I.D. hereby obligates the amount of \$50,000 for the purposes of this grant.
2. Payment shall be made to the Grantee in accordance with procedures set forth in the standard provision of this grant entitled, "Payment-Letter of Credit," as shown in Attachment 3.

D. Grant Budget

1. The following is the budget for this grant. The Grantee may not exceed the grand total of the total estimated amount. Except as specified in the standard provision of this grant entitled, "Revision of Grant Budget," as shown in Attachment 3, the Grantee may adjust line item amounts within the grand total as may be reasonably necessary for the attainment of program objectives.

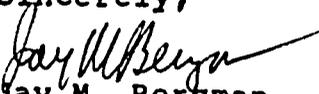
2. Budget

<u>Cost Element (by activity)</u>	<u>A.I.D.</u>	<u>University Match</u>
Project Administration	\$ 9,000	\$16,000
Language Capacity Enhancement	10,000	9,000
LDC Travel	24,000	18,000
Collaborative Research	4,000	4,000

Page 2  
Grant No. 5060-G-SS-7038-00  
South Dakota State University

Please sign the original and eight (8) copies of this grant to acknowledge your acceptance of this grant, and return the original and seven (7) copies to the undersigned. Please ensure that all copies stamped "Funds Available" are returned.

Sincerely,

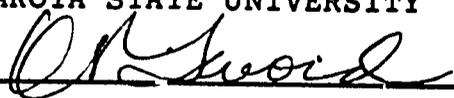
  
Jay M. Bergman  
Grant Officer  
Chief, Food and Agriculture Branch  
A.I.D./W Projects Division  
Office of Procurement

**Attachments:**

1. Schedule
2. Program Description
3. Standard Provisions

**ACKNOWLEDGED**

SOUTH DAKOTA STATE UNIVERSITY

BY: 

TYPED NAME: \_\_\_\_\_

TITLE: C. P. SWORD  
DIRECTOR OF RESEARCH

DATE: 6/22/87

**Fiscal Data**

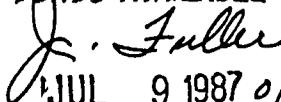
**A. General**

- A.1. Total Estimated Amount: \$50,000
- A.2. Total Obligated Amount: \$50,000
- A.3. Project No.: 936-5060
- A.4. A.I.D. Project Office: S&T/RUR, Handy Williamson
- A.5. Funding Source: AID/W
- A.6. DUNS Number: 03-002-7668
- A.7. LOC No.: 72-00-1426

**Specific**

- B.1.(a) PIO/T No.: 936-5060-7361262
- B.1.(b) Appropriation No.: 72-1171021.3
- B.1.(c) Allotment No.: 743-36-099-00-20-71
- B.1.(d) Budget Plan Code: DDNA-87-13600-KG11
- B.1.(c) Amount: \$50,000

**FUNDS AVAILABLE**

  
JUL 9 1987 o/c  
4190

Program Budget Division  
Office of Financial Management

6

<u>Cost Element (by activity)</u>	<u>A.I.D.</u>	<u>University Match</u>
Domestic Travel	2,000	1,000
Workshops and Seminars	1,000	2,000
Total		
	<u>\$50,000</u>	<u>\$50,000</u>

E. Reporting

1. Financial Reporting

- a. Financial reporting requirements shall be in accordance with the standard provision of this grant entitled, "Payment-Letter of Credit," as shown in Attachment 3.
- b. All financial reports shall be submitted to A.I.D., Office of Financial Management, Program Accounting and Finance Division (M/FM/PAFD), Washington, D.C. 20523. In addition, three copies of all financial reports shall be submitted to the A.I.D. Project Office specified in the Cover Letter of this grant. All financial reports, except the final report, shall be submitted within 30 days following the end of the reporting period. The final report shall be submitted within 90 days from the estimated completion date of this grant.

2. Technical Reporting

a. Program Performance Reports

- (1) The Grantee shall submit quarterly program performance reports, coinciding with the financial reports described above, and a final report, which briefly present the following:
  - (a) A comparison of actual accomplishments with the goals established for the period, the findings of the investigator, or both. If the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.
  - (b) Reasons why established goals were not met, if applicable.

- (c) Other pertinent information including the status of finances and expenditures and, when appropriate, analysis and explanation of cost overruns or high unit costs.
- (2) Between the required performance reporting dates, events may occur that have significant impact upon the program. In such instances, the Grantee shall inform A.I.D. 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 units by established time period. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any A.I.D. assistance needed to resolve the situation.
  - (b) Favorable development or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.
- (3) If any performance review conducted by the Grantee discloses the need for change in the budget estimates in accordance with the criteria established in the standard provision of this grant entitled, "Revision of Grant Budget," the Grantee shall submit a request for budget revision.
- (4) All technical reports except the final report, shall be submitted within 30 days from the end of the reporting period. The final report shall be submitted within 90 days of the estimated completion date of this grant.

b. Distribution

Five copies of each program performance report shall be submitted to the A.I.D. Project Office specified in the Cover Letter to this grant.

F. Title to Property

Title to property acquired hereunder shall vest in the Grantee. The standard provision of this grant entitled, "Title to and Use of Property (Grantee Title)," applies.

G. Authorized Geographic Code

In addition to other applicable provisions of this grant, the Grantee shall comply with Paragraph (b)(1) of the standard provision of this grant entitled, "AID Eligibility Rules for Goods and Services," concerning total procurement value of less than \$250,000 under this grant. Paragraph (b)(2) of said standard provision does not apply.

H. Indirect Costs

Indirect costs will not be applied to this grant.

I. Special Provisions

1. For the purpose of this grant, references made herein to the cost principles of OMB Circular A-21 shall include the A.I.D. implementation of such cost principles, as set forth in Subpart 731.3 of the A.I.D. Acquisition Regulations (48 CFR Chapter 7).
2. Inconsistencies between any of the attachments of this grant shall be resolved in the following descending order of precedence:
  - a. Attachment 1 - Schedule
  - b. Attachment 3 - Standard Provisions
  - c. Attachment 2 - Program Description
3. Notwithstanding the effective date of this grant, and subject to the standard provision entitled, "Allowable Costs," costs incurred on or after May 19, 1987 shall be eligible for reimbursement hereunder. Such costs are included in the budget as shown in Section D of the Schedule.

J. Cost Sharing (Matching)

- J.1. The Grantee agrees to expend from non-federal funds not less than 100% of the A.I.D. funds expended by the Grantee.
- J.2. The standard provision entitled, "Cost Sharing (Matching)," makes reference to project costs. "Project Costs" are defined in Attachment E of OMB Circular A-110, as all allowable costs (as set forth in the applicable Federal cost principles [see the standard provision of this grant entitled, "Allowable Costs"]) incurred by a Grantee and the value of in-kind contributions made by the Grantee or third parties in accomplishing the objectives of this grant during the program period.

Matching Support Grant Proposal -- Modifications

I. Introduction

In compliance with the modifications requested by the Review Committee for the Matching Support Grant (MSG) program, South Dakota State University has made several modifications in its original proposal. These are discussed below in relation to the sections of the original proposal where the required modifications appear. As per the correspondence from Dr. Handy Williamson, Jr. (AID) to Dr. Duane Everett (SDSU), dated December 5, 1986, the period of funding for this grant is one year.

II. Proposed Grant Objectives

The objectives remain essentially as stated in the original proposal:

A. To enhance on-going AID-funded, Title XII-related overseas

activities. At the present time, these include:

1. A remote sensing project in Gambia and other pending projects in Africa;
2. An AID-IITA project in Nigeria. A modification here is to note that support will be provided by two regular SDSU faculty to this project, one from the College of Home Economics and the other from the Rural Sociology Department in the College of Agricultural and Biological Sciences. The SDSU doctoral student at work on a long-term basis on this project serves as a vehicle by means of whom the two SDSU faculty become involved in the project. Funding is to be provided in support of the faculty here, not the graduate student.

3. Support for other universities' projects in areas of strength at SDSU, consequences of linkages established by SDSU's International Programs Director, Dr. Duane Everett, prior to the end of SDSU's Strengthening Grant as well as linkages presently being firmed up by regular SDSU faculty.

As a consequence of the support provided with the MSG, several accomplishments were anticipated in the original proposal. These may need to be scaled back, however, in relation to a one-year as opposed to a three-year period as originally proposed. Accomplishments anticipated include:

1. Enhancement of the Remote Sensing projects through contributions by SDSU faculty and staff from Range Science and Plant Pathology;
2. Contributions to the AID-IITA project by a home economist and rural sociologist who have not previously been involved in an overseas AID project. Modification to the original proposal here is to emphasize that as a result of the MSG, not only will an overseas AID project be enhanced through the involvement of these two staff members, but the core of experienced staff available for overseas AID projects at SDSU will also be increased--potentially more than by two since the home economist recently became the Dean of that college. It can be expected that her newly acquired overseas experience will serve as an impetus for others in her college to become so involved.
3. Originally, it was proposed that at least three faculty/staff will provide technical assistance support to at least three other universities' AID-funded, Title XII-related overseas

projects as a consequence of the MSG. That, however, was based on a three-year proposal. Although this target number will remain, reality in a one-year period may be more like one staff involved than three. This, then, is a slight modification of the original proposal.

- B. To enhance the capacity of regular university employees to undertake current and future Aid-funded Title XII-related overseas technical assistance activities. No modifications are deemed necessary in relation to this objective, except that numbers with enhanced capacity are not as likely to be as high at the end of one year as proposed for the end of a three-year project. Activities and accomplishments in other respects, however, are anticipated as originally proposed here.
- C. To further strengthen the AID-University partnership through technical assistance activities and faculty/staff AID internships overseas and in Washington, D.C. No modifications are deemed to be necessary in relation to this objective as originally proposed.

### III. Description of Proposed Project Activities

Consistent with the modifications identified in relation to the proposed objectives, modifications in proposed project activities are noted below.

- A. Activities related to Objective #1 -- enhancement of on-going AID-funded, Title XII-related overseas activities.

1. Support for remote sensing overseas activities. No modifications.
  2. Support for AID-IITA project in Nigeria. Modification here is primarily in the form of clarification. The funded activity will be the overseas activity of two regular SDSU faculty members, not the overseas activity of the graduate student. Two regular SDSU faculty, a home economist and a rural sociologist, will travel to the AID-IITA project in Nigeria to provide technical assistance on household village level technology relating to an innovation designed to have an impact on low-cost human nutrition. Technical assistance will involve field consultation, a workshop, and a seminar with those involved in the AID-IITA project in Nigeria. MSG funds will provide for the preparatory activities on campus of those two faculty members, their travel to/from Nigeria, their activities in Nigeria, and follow-up activities upon return to SDSU (such as a seminar for SDSU core faculty/staff).
  3. Support for other universities' projects. No modifications, except in numbers completing activities at the end of one year rather than three years.
- B. Activities related to Objective #2 -- enhancement of regular university employees to undertake current and future AID-funded Title XII-related overseas technical assistance activities. Modification in relation to these activities is slight--a matter of clarification.

1. Support for activities in Cameroon. MSG funding is for Dr. Dale Reeves, an SDSU plant scientist with prior AID, Title XII overseas project experience on SDSU's Botswana Agricultural College Project. A doctoral student of Dr. Reeves, Mr. Edward Ngong-Nassah, is at work on an AID-funded activity in the Cameroon and serves as the vehicle via which Dr. Reeves enters into that project and provides technical assistance to it. Again, it is emphasized that the funding support is not for the graduate student, but for the SDSU regular faculty member who is providing technical assistance on this project (as discussed in the original grant proposal).

In addition to Dr. Reeves, two additional regular faculty members of the Plant Science Department at SDSU, including the department head, are anticipated to be supported in contributing to this AID project in the Cameroon.

2. Support for French language capacity enhancement. No modifications.
3. Enhancing capacity to provide support to other universities' AID-funded Title XII-related overseas activities. No modifications.

- C. Activities related to Objective #3. No modifications.

IV. Anticipated Impact of MSG Activities.

These remain as originally proposed. No modifications are noted here.

## MATCHING SUPPORT GRANT PROPOSAL

### I. Introduction

South Dakota State University (SDSU) has been actively involved in USAID and Title XII international development project activities over the past several years. The University is committed to providing development assistance to USAID directly and in support of projects undertaken by other universities as well as the private sector under contract with USAID. Over the past six years, the University has actively strengthened its resources and staff in their ability to respond to the needs of USAID and those of developing countries.

SDSU has established a record of success in the administration and operation of a Title XII Strengthening Grant. The peer review of that grant resulted in a letter dated July 1984, declaring the University as "actionable" toward eligibility for a Memorandum of Understanding (MOU) and an accompanying Program Support Grant (PSG). Additionally, SDSU has consistently received positive USAID reviews in response to each of the six annual reports filed for its six years under the Strengthening Grant. Unfortunately, SDSU did not qualify for a MOU and PSG under the guidelines as developed and distributed by USAID. However, SDSU remains committed to development efforts and wishes to continue its involvement with USAID and other institutions to this end.

Therefore, SDSU is submitting this proposal as an official request for consideration for a Matching Support Grant. SDSU meets all three of the identified criteria for consideration of such a grant. We have (a) successfully completed a strengthening grant, (b) we are not eligible for a MOU, and (c) we have provided a minimum average of 2.0 Full Time Equivalent staff of overseas technical assistance to AID

by regular employees during the past three years.

SDSU anticipates a smooth transition from the Strengthening Grant to a Matching Support Grant. The balance of this proposal outlines our objectives, activities, and expenditures under a MSG over the next three years.

## II. Proposed Grant Objectives

Consistent with AID's stated objectives for the Matching Support Grant (MSG) program, SDSU proposes the following three objectives to be pursued with grant and institutional matching funds and resources:

### A. To enhance on-going AID-funded, Title XII-related overseas

activities. At the present time, the AID-funded overseas activities to be supported under the grant include the following:

1. A Remote Sensing mapping and resource assessment project in Gambia and several other pending projects of this type in Africa;
2. An AID-IITA project in Nigeria where an advanced graduate student from SDSU (a doctoral student from Ethiopia) is carrying out research in association with INSOY (AID-funded project with the University of Illinois);
3. Support for other universities' projects in areas of strength at SDSU, consequences of linkages established prior to the end of the Strengthening Grant at SDSU.

Such support would be provided to the following AID-funded university projects: University of Nebraska's dryland farming project in Morocco; University of Minnesota's dryland farming project in Zaire; and Kansas State Univer-

sity's dryland farming, farming systems project in Botswana (where SDSU recently completed a successful five-year AID-funded, Title XII project).

As a consequence of the support provided with the MSG, the following accomplishments are expected to be attained by the end of the three-year grant period:

1. Remote Sensing activities in Gambia and other countries of Africa will be enhanced by the availability of technical assistance from SDSU faculty/staff in the areas of Range Science and Plant Pathology. Further, by the end of the three-year grant period, SDSU-AID remote sensing projects will be less dependent upon non-SDSU staff and will make use of the technical skills and services of more regular university (SDSU) faculty and staff.
2. A doctoral student from Ethiopia will successfully complete a research project with IITA yielding valuable new knowledge on technology transfer at the village level and providing data for her dissertation. Further, as a consequence of MSG support to the faculty members providing guidance and backstopping to this activity, two SDSU faculty will provide new perspectives on interdisciplinary development-oriented research through workshops and seminars both in the host country and on the SDSU campus.
3. At least three SDSU faculty/staff will provide technical assistance support to at least three other universities' AID-funded, Title XII-related overseas projects in areas

of mutual interest and SDSU strength. As a further consequence of these new technical assistance resources, overseas projects will have a larger pool of technical assistants available to them, thus enhancing the likelihood of project accomplishment and success and further collaborative arrangements will be encouraged.

B. To enhance the capacity of regular university employees to undertake current and future AID-funded Title XII-related overseas technical assistance activities. Staff technical assistance activities to be supported include the following:

1. Support for two or more members of the Plant Science Department for research and other technical assistance activities funded by AID in Cameroon;
2. French language support for regular university employees in support of remote sensing and other AID-funded projects in francophone Africa;
3. Research, travel, language, and seminar participation support for university staff involved in AID-funded overseas activities and those providing assistance to other universities' AID, Title XII projects (previously identified).

As a consequence of the support provided with the MSG, the following accomplishments are expected to be attained by the end of the three-year grant period:

1. At least two additional staff members from the Plant Science Department will be involved in intercropping research activities funded by AID in Cameroon. At least two additional seminars on intercropping will be prepared

and delivered to AID-Cameroon and Cameroon agricultural personnel, providing them with technical updating. Additionally, an AID-funded doctoral student in Plant Science from the Cameroon will successfully complete field research, yielding valuable data on ecological variables in intercropping and providing him with the data necessary to complete a doctoral dissertation.

2. The three SDSU agricultural faculty/staff who attended the intensive French for agriculturalists institute at the University of Florida will at least maintain and very likely continue to improve French language skills for activities in francophone Africa. Additionally, at least six other SDSU faculty/staff will join with these three in building French language skills. At least two of these will put these language skills to use on AID-funded remote sensing projects overseas.
3. Approximately ten SDSU faculty/staff who are or have been involved in AID-funded overseas projects and those who are to provide direct support for other universities' overseas AID-funded activities will engage in a variety of activities designed to enhance and, in some cases, update their capacity for overseas technical assistance activities. These capacity-enhancing activities include: collaborative research associated with overseas efforts (e.g., research on intercropping, village level technology and change, and natural resource assessment); travel to overseas sites and to other universities whose projects are supported; language skill maintenance and enhancement,

particularly for those involved in francophone Africa; and seminar participation further enhancing technical competence (e.g., the annual Farming Systems Symposium).

- C. To further strengthen the AID-University partnership through technical assistance activities and faculty/staff AID internships overseas and in Washington, D.C. Included here is support for faculty and staff providing assistance to AID via Technical Support to Missions (TSMs), the Joint Career Corps (JCC), and involvement in BIFAD/AID internships.

As a consequence of the support provided with the MSG, the following accomplishments are expected to be attained by the end of the three-year grant period:

1. The AID-SDSU partnership will be strengthened through an on-campus seminar, attended by members of the core staff, exploring alternative kinds of involvement with AID development efforts.
2. At least one SDSU faculty/staff member will become involved in a TSM or the JCC.
3. At least one SDSU faculty/staff will apply for a BIFAD or AID internship in Washington, D.C.

A detailed description of project activities related to each of the proposed grant objectives follows.

### III. Description of Proposed Project Activities

- A. Activities related to Objective #1 -- enhancement of on-going AID-funded, Title XII-related overseas activities.
1. Support for remote sensing overseas activities. As a result of budgetary constraints, the Remote Sensing

Institute (RSI) at SDSU was not funded by the state legislature for the 1986-87 fiscal year. Consequently, technical staff of the Institute have formed a private corporation, Resources Sciences International, for purposes of continued overseas development work. The corporation also continues to contract with the University for staff and facilities.

Currently, the RSI is completing an AID-funded project in Gambia. The project involves resource mapping and resource assessment. Ten staff members are involved with this project. These include soil scientists, environmental scientists, a cultural geographer, and remote sensing technicians. Two similar projects are pending in Senegal and Guinea. Since many of the remote sensing activities take place in francophone Africa, there is a continuing need for agriculturalists and resource specialists who have French language capabilities.

As a consequence of the Strengthening Grant, many of the agricultural faculty and staff at SDSU have become familiar with remote sensing terminology, techniques and applications through RSI short courses as well as more extensive training. Similarly, as a consequence of on-campus, Title XII supported courses as well as intensive off-campus institutes, several members of the agricultural faculty and staff have at least begun to develop French language skills.

In support of remote sensing overseas activities funded by AID, MSO funds are to be used to enable those

faculty and staff to further develop and to maintain the language and technical skills that they now possess. Support is to be provided to a range scientist and a plant pathologist, both of whom participated in the recent intensive French for agriculturalists institute at the University of Florida and both of whom have been through RSI short courses. Support in furthering and maintaining French language skills is to include funding for either enrolling in an advanced French language conversation course or for a language tutor to assist in developing more technical language skills. Also in support of language skill development that is pertinent to agriculture, the University library has agreed to acquire a technical agricultural journal in French.

The availability of appropriately trained staff in the range science and plant pathology areas significantly enhances the capability of the remote sensing staff to deliver services to AID in francophone Africa.

2. Support for Aid-IITA project in Nigeria. In July 1986, Ms. Saba Mebrahtu, a doctoral student at SDSU from Ethiopia began a two-year field project with the International Institute of Tropical Agriculture (IITA). Ms. Mebrahtu has an appointment with IITA as a Research Fellow to carry out research on "Adoption diffusion of soybean on household village level technology in South-western Nigeria." This is a cooperative project involving IITA and INSOY (University of Illinois) with AID funding.

Ms. Mebrahtu is pursuing a doctorate in Rural Sociology and already holds a master's degree in Nutrition. Her field research will contribute to her work for her dissertation as well as provide support to AID, IITA, and INSOY activities in Nigeria. MSC funds are to be used to provide backstopping support to Ms. Mebrahtu in her work in Nigeria. MSC funds would enable her dissertation advisor, a rural sociologist who has been active in strengthening activities at SDSU, and a home economist educator, representing Ms. Mebrahtu's minor area of nutrition, to travel to Nigeria to provide consultation and guidance to Ms. Mebrahtu in the field. While in the field, these two staff members would also be available to participate in seminars and workshops with AID and IITA, thus further enhancing their development assistance activities. Prior to departure for the field, MSC funds would support preparatory activities by these staff members, such as the preparation of workshop and seminar materials.

3. Support for other universities' projects. In addition to providing support for the University of Illinois' INSOY cooperative project with IITA (as discussed above), MSC funds are to be used to support SDSU faculty and staff contributing to the AID, Title XII overseas activities of other universities. Such support to other universities' projects is dependent upon establishing linkages or working relationships with other universities. This has been a primary task of SDSU's International Program Director, Dr. Duane Everett, during the closing

months of the Strengthening Grant. Several universities with projects in areas of SDSU's strength have been identified and linkages initiated. These include the University of Nebraska which has a dryland farming project in Morocco; the University of Minnesota which has a dryland farming project in Zaire; and Kansas State University which has a dryland farming - farming systems project in Botswana.

Through the six years of the Strengthening Grant, the area of dryland agriculture has been one of the prime focal areas for strengthening in relation to international development at SDSU. Consequently, many faculty and staff have developed appropriate development skills and competencies in this area. This includes faculty and staff in Agricultural Economics, Plant Science, Animal Science, Forestry and Horticulture, Rural Sociology, and other disciplines. We currently have 83 core staff in these areas to lend support to these universities' overseas activities.

Additionally, three of our staff -- one each in Plant Science, Range Science (Animal Science), and Economics-- have consistently participated in the Farming Systems Symposia at Kansas State University and have a good understanding of this approach to development. In further support of the Kansas State project in Botswana, of course, is the successful five-year experience that SDSU faculty and staff had there with our own Title XII project at the Botswana Agricultural College.

MSG funds would enable these faculty and staff from SDSU to contribute to and enhance the overseas activities of these universities through a combination of short- and longer-term technical assistance assignments. MSG funds would support: collaborative research related to these projects; language training prior to overseas assignments; continued participation in workshops, seminars, and symposia related to these projects; the writing up of these collaborative overseas experiences; and possibly the further enhancement of our curricula and training of graduate students from LDCs through incorporation of these research activities and experiences into the curricula.

B. Activities related to Objective #2 -- enhancement of the capacity of regular university employees to undertake current and future AID-funded Title XII-related overseas technical assistance activities.

1. Support for activities in Cameroon. Dr. Dale Reeves, an SDSU plant scientist, recently returned from an AID (Mission)-funded short-term technical assistance trip to the Cameroon. The primary purpose of this trip was to provide assistance and guidance to Mr. Edward Ngong-Nassah, an extension agronomist in Cameroon and also a doctoral candidate at SDSU. Mr. Ngong-Nassah is carrying out a research project, assessing intercropping involving maize and groundnuts as well as maize and cowpeas in five different ecological sites of varying elevation. This research activity, jointly funded

by AID and the Institute of Agronomic Research (IRA) in Cameroon, will provide Mr. Ngong-Nassah with data for his doctoral dissertation and will also help in making recommendations for cropping practices in Cameroon. While such in-country research is valuable, it is also the recommendation of the assistant agricultural officer with AID-Cameroon that the faculty advisor make an annual visit to the student in the field to provide guidance and technical assistance.

During that trip, Dr. Reeves was also asked and did provide a seminar on the agronomics of intercropping for mission and host country personnel in the Cameroon. Thus, further technical assistance was made available to AID in the country.

MSG funding would further enhance the capacity of SDSU faculty and staff to undertake such technical assistance activities. There is interest in the Cameroon in extending the research activity to include the possible intercropping of sorghum. Dr. Maurice Horton, plant scientist and head of the Plant Science Department, has expertise in this area and is interested in such work with the Cameroon. Similarly, Dr. Michael Ferguson, a plant pathologist specializing in soybean research and disease, has a high level of interest also of becoming involved with this activity. (As an indication of his high level of interest, Dr. Ferguson recently completed the month-long intensive French for agriculturalists training at the University of Florida.) Dr. Ferguson has also conferred with the international programs

26

director at the University of Florida about lending support to their AID, Title XII project in the Cameroon.

Specifically, MSG funding would provide for further French language preparation for both Drs. Horton and Ferguson. It would provide travel funding that would enable them to contribute to AID activities in the Cameroon from their areas of specialization. It would also provide support to Drs. Reeves, Horton, and Ferguson in preparing for seminars to be delivered to AID mission and host country agricultural personnel in the Cameroon, thus enabling the continued technical updating of these personnel.

Dr. Reeves, who also served with SDSU's Botswana project, has expressed interest in writing up his experiences on in-country research by graduate students. This interest has resulted from a suggestion made by personnel at the mission and the agricultural ministry in the Cameroon. MSG funds would support Dr. Reeves in this endeavor.

2. Support for French language capacity enhancement. As noted several SDSU overseas activities take place in francophone Africa. SDSU further recognizes AID's particular needs for technical assistants with French language skills for this region. In response to these needs, SDSU sent three of its agricultural faculty to the intensive French for agriculturalists institute in Florida during June and July 1986. Several core staff have also participated in Strengthening Grant on-campus beginner

level French training in the past. A French language agricultural journal has also been added to the University library to assist in technical language capacity building. Using these resources and further support through the MSG, faculty/staff capacity for AID activities in francophone Africa are to be further enhanced through:

a. An on-campus mechanism that encourages and permits those faculty/staff who already have French language skills to retain and expand those language skills, particularly in technical/agricultural areas. This will take the form of a formal advanced level conversational course in French, regularly scheduled but less formal seminars conducted in French, and/or individual tutoring and practice in French. The latter mechanism is particularly to be employed with faculty/staff about to embark on an overseas assistance activity in francophone Africa.

b. Support for agricultural faculty without French language skills to begin developing those skills through mechanisms similar to those identified above.

3. Enhancing capacity to provide support to other universities' AID-funded Title XII-related overseas activities. MSG support is targeted for those faculty/staff who are now or who have been involved in AID-funded overseas projects and for those who are to provide direct support for other universities' overseas AID-funded activities. It is recognized that there is a continual

need for updating in relation to development policy and strategies as well as in applied, adaptive technology transfer. Thus, over the course of the next three years, approximately ten SDSU faculty/staff involved in overseas AID activities (as indicated earlier) will engage in capacity enhancement through collaborative research activities (e.g., intercropping research in the Cameroon, village level technology adoption and change in Nigeria, remote sensing resource assessment), language training (particularly for francophone Africa), travel to overseas sites as well as to other universities whose activities they are supporting, and seminar participation (e.g., the annual Farming Systems Symposium).

- C. Activities related to Objective #3 -- strengthening the AID-University partnership. Although SDSU has been involved in AID activities for more than six years, there continues to be a need to strengthen the relationship between AID and SDSU. In part, strengthening this relationship is dependent upon faculty/staff developing a deeper understanding of AID and its activities as well as recognizing compatibility between the missions of AID and SDSU. Mechanisms to achieve these ends, thus strengthening the AID-University partnership, are available and include faculty/staff involvement in TSMs, the JCC, and BIFAD/AID internships in Washington, D.C. In order to better acquaint faculty/staff with these opportunities and to encourage them to seriously consider participation in them, an on-campus seminar for core staff

is to be conducted. MSG funds would enable SDSU to bring AID and other universities' faculty/staff to campus to discuss these opportunities and experiences with them.

MSG support would also assist faculty/staff to prepare for involvement in such activities through policy study, cultural background study, and language training where necessary. Faculty/staff will be assisted in making application to participate in TSM activities, the JCC, and internships with BIFAD/AID.

#### IV. Anticipated Impact of MSG Activities

As noted in the discussion of the grant objectives, significant impact is anticipated in relation to each of the objectives, consistent with AID's own stated objectives for the MSG program. Direct impact is anticipated on current and pending AID-funded, Title XII-related overseas activities, both those in which SDSU is directly involved and those in which SDSU is indirectly involved through other universities. Direct impact is also anticipated on the capacity of regular university (SDSU) faculty/staff for overseas technical assistance with AID-funded, Title XII-related projects. Faculty/staff who are or who have been involved in such activities will be able to maintain and update as well as expand their language and technical capacities for such involvement. Finally, in addition to strengthening the AID-SDSU partnership for technical assistance overseas through the activities already identified, a firmer commitment, mutual understanding, and closer working relationships will result from the involvement of several (at least two over the next three years) SDSU faculty/staff in TSMs, JCC, and BIFAD/AID internships. Consequently, one can well anticipate

a greatly increased volume of business by SDSU with AID in overseas technical assistance activities three years hence.

BUDGET FOR PROPOSED PROJECT

<u>Line Items:</u>	<u>A.I.D. Grant*</u>	<u>University Match*</u>
(1) Salary	6,100	16,000
(2) Travel	6,500	6,000
(3) Communications	1,000	1,100
(4) Office Supplies	500	
(5) LDC Training materials	3,000	
(6) Project support activities	42,900	37,000
<hr/>		
TOTAL . . . . .	\$60,000	\$60,000
 <u>Activity Items:</u>		
(1) Project administration (1-5 above)	17,100	23,100
(2) Language capacity enhancement	9,000	7,000
(3) LDC travel (approx. 4 staff per year)	24,000	20,000
(4) Collaborative reseach (specified projects)	3,900	3,900
(5) Domestic travel (Washington, D.C.; specified universities)	3,000	3,000
(6) Workshops and seminars (off and on campus)	3,000	3,000
(7)		
<hr/>		
Total . . . . .	\$60,000	\$60,000

\* By year for multi-year grants.

See attached page for budget discussion/explanation.

CERTIFICATION:

Project Leader  
 Title XII Officer  
 University Grants & Contracts Authority

Donna J. Hesse  
James E. Smith  
W. R. Sword

BUDGET NARRATIVE

Consistent with the recommendation from AID, the proposed budget for SDSU's MSG has been reduced from \$75,000 per year over a three year period (as proposed in the preproposal) to \$60,000 per year over a three year period. SDSU, through direct budget allocations as well as various in-kind contributed services and release time, will contribute a like sum (\$60,000) minimally to this support effort.

A relatively small proportion (\$17,100 or 28%) of the funding requested is earmarked for project administration, and only \$6,100 (or 10%) of the funds requested are identified for staff salary. The \$6,100 will partially support a part-time secretary-bookkeeper for the project as well as provide .10 FTE of Dr. Duane Everett's time to support and backstop SDSU faculty/staff involvement with other universities' overseas technical assistance activities as discussed earlier in this proposal. Likewise, the administrative travel funds will support Dr. Everett in travel to these universities as well as project administrator's travel to and participation in BIFAD/AID seminars and workshops in the United States.

Funding for LDC Training Materials includes approximately \$2,000 of the \$3,000 earmarked for library acquisitions supportive of the ongoing overseas activities. The remaining funds (\$1,000) will be used to acquire and prepare occasional papers and other non-library materials of direct relevance to ongoing projects.

The bulk of grant funds will be supportive of project activities (a total of \$42,900 or 72% of the grant funds requested). Funds for language capacity enhancement will provide for: an instructor to teach an advanced French conversational course; enrollment of agricultural staff in beginning level French language courses; and tutorial

assistance for staff gearing up for overseas involvement in francophone Africa.

LDC travel is anticipated for four faculty/staff each fiscal year. During the first FY of the MSG, two plant scientists are expected to travel to Cameroon in support of the AID-funded research-training taking place there, and a rural sociologist-demographer and a home economics educator are expected to travel to IITA in Nigeria in support of the graduate student conducting field research (in part funded by AID).

Domestic travel will include staff visits to AID-Washington in support of project activities and in preparing an on-campus seminar for core staff on TSMs, JCC, and BIFAD/AID internships. Domestic travel will include travel by Dr. Everett and SDSU faculty/staff in support of involvement with other universities' overseas technical assistance activities.

Finally, funding is earmarked for both off-campus (e.g., participation in the Farming Systems Symposium) and on-campus seminars and workshops. On-campus seminars and workshops will primarily be oriented to the core staff of SDSU and will focus on such topics as AID involvement through TSMs and the JCC, ecological variables in intercropping, and experiences with in-country research by graduate students from LDCs and their supervision. Workshop and seminar funds will also support programs delivered by traveling SDSU faculty/staff in host countries (as discussed earlier in this proposal).

STANDARD PROVISIONS

The Standard Provisions set forth as Attachment 3 of this Grant consist of the following Standard Provisions marked by an "X", which are attached hereto and made a part of this Grant:

1. MANDATORY STANDARD PROVISIONS FOR U.S. NONGOVERNMENTAL GRANTEES

- ( X ) Allowable Costs and Audit (November 1985)
- ( X ) Accounting, Audit, and Records (November 1985)
- ( X ) Refunds (November 1985)
- ( X ) Revision of Grant Budget (November 1985)
- ( X ) Termination and Suspension (November 1985)
- ( X ) Disputes (November 1985)
- ( X ) Ineligible Countries (November 1985)
- ( X ) Nondiscrimination in Federally Assisted Programs (November 1985)
- ( X ) U.S. Officials Not to Benefit (November 1985)
- ( X ) Covenant Against Contingent Fees (November 1985)
- ( X ) Nonliability (November 1985)
- ( X ) Amendment (November 1985)
- ( X ) Notices (November 1985)

2. OPTIONAL STANDARD PROVISIONS FOR U.S. NONGOVERNMENTAL GRANTEES

- ( X ) Payment - Letter of Credit (November 1985)
- ( ) Payment - Periodic Advance (November 1985)
- ( ) Payment - Cost Reimbursement (November 1985)
- ( X ) Air Travel and Transportation (November 1985)
- ( X ) Ocean Shipment of Goods (November 1985)
- ( X ) Procurement of Goods and Services (November 1985)
- ( X ) AID Eligibility Rules for Goods and Services (November 1985)
- ( ) Subagreements (November 1985)
- ( ) Local Cost Financing With U.S. Dollars (November 1985)
- ( X ) Patent Rights (November 1985)
- ( X ) Publications (November 1985)
- ( X ) Negotiated Indirect Cost Rates - Predetermined (November 1985)
- ( X ) Negotiated Indirect Cost Rates - Provisional (November 1985)
- ( X ) Regulations Governing Employees (November 1985)
- ( ) Participant Training (November 1985)
- ( ) Voluntary Population Planning (November 1985)
- ( X ) Protection of the Individual as a Research Subject (November 1985)
- ( X ) Care of Laboratory Animals (November 1985)
- ( X ) Title To and Use of Property (Grantee Title) (November 1985)
- ( X ) Cost Sharing (Matching) (November 1985)
- ( X ) Use of Pouch Facilities (November 1985)
- ( X ) Conversion of United States Dollars to Local Currency (November 1985)

NOTE: The expiration date of the OMB Control Number (0412-0510) applicable to the Standard Provisions has been extended from 1/31/87 to 1/31/89.

MANDATORY STANDARD PROVISIONS FOR  
U.S., NONGOVERNMENTAL GRANTEES 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" mea. ; "AID Agreement Officer."

- (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                                    | X     |
| 6. Procurement of Goods and Services                          | X     |
| 7. AID Eligibility Rules for Goods and Services               | X     |
| 8. Subagreements  | _____ |
| 9. Local Cost Financing with U.S. Dollars                     | _____ |
| 10. Patent Rights   | _____ |
| 11. Publications  | _____ |
| 12. Negotiated Indirect Cost Rates - Predetermined            | X     |
| 13. Negotiated Indirect Cost Rates - Provisional              | _____ |
| 14. Regulations Governing Employees                           | X     |
| 15. Participant Training                                      | _____ |
| 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)              | X     |
| 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

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 Civilians, 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)

OCEAN SHIPMENT OF GOODS (NOVEMBER 1985)

(This provision is applicable when goods purchased with funds provided under this grant are transported to cooperating countries on ocean vessels.)

(a) At least 50% of the gross tonnage of all goods purchased under this grant and transported to the cooperating countries shall be made on privately owned U.S. flag commercial ocean vessels, to the extent such vessels are available at fair and reasonable rates for such vessels.

(b) At least 50% of the gross freight revenue generated by shipments of goods purchased under this grant and transported to the cooperating countries on dry cargo liners shall be paid to or for the benefit of privately owned U.S. flag commercial ocean vessels to the extent such vessels are available at fair and reasonable rates for such vessels.

(c) When U.S. flag vessels are not available, or their use would result in a significant delay, the grantee may request a determination of non-availability from the AID Transportation Division, Office of Acquisition and Assistance Management, Washington, D.C. 20523, giving the basis for the request which will relieve the grantee of the requirement to use U.S. flag vessels for the amount of tonnage included in the determination. Shipments made on non-free world ocean vessels are not reimbursable under this grant.

(d) Vouchers submitted for reimbursement which include ocean shipment costs shall contain a certification essentially as follows:

"I hereby certify that a copy of each ocean bill of lading concerned has been submitted to the U.S. Department of Transportation, Maritime Administration, Division of National Cargo, 400 7th Street, S.W., Washington, D.C. 20590, and that such bills of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement."

(END OF STANDARD PROVISION)

PROCUREMENT OF GOODS AND SERVICES (NOVEMBER 1985)

(This provision is applicable when goods or services are procured under the grant.)

The grantee may use its own procurement policies and practices for the procurement of goods and services under this grant, provided they conform to all of AID's requirements listed below and the standard provision entitled "AID Eligibility Rules for Goods and Services."

(a) General Requirements:

(1) The recipient shall maintain a code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the awarding and administration of contracts using AID funds. No employee, officer or agent shall participate in the selection, award or administration of a contract in which AID funds are used, where, to that individual's knowledge, the individual or the individual's immediate family, partners, or organization in which the individual or the individual's immediate family or partners has a financial interest or with whom that individual is negotiating or has any arrangement concerning prospective employment. The recipients' officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or potential contractors. Such standards shall provide for disciplinary actions to be applied for violations of such standards by the recipients' officers, employees or agents.

(2) All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The recipient should be alert to organizational conflicts of interest or noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals should be excluded from competing for such procurements. Awards shall be made to the bidder/offeror whose bid/offer is responsive/responsible to the solicitation and is most advantageous to the recipient, price and other factors considered. Solicitations shall clearly set forth all requirements that the bidder/offeror must fulfill in order to be evaluated by the recipient. Any and all bids/offers may be rejected when it is in the recipient's interest to do so.

(3) All grantees shall establish procurement procedures that provide for, at a minimum, the following procedural requirements:

(i) Proposed procurement actions shall follow a procedure to assure the avoidance of purchasing unnecessary or duplicative items. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical practical procurement.

(ii) Solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product or service to be procured. Such a description shall not, in competitive procurements, contain features which unduly restrict competition. "Brand-name or equal" descriptions may be used as a means to define the performance of other salient requirements of a procurement and when so used the specific features of the named brand which must be met by bidders/offerors shall be clearly specified.

(iii) Positive efforts shall be made by the recipients to utilize small business and minority-owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts utilizing AID funds. To permit AID, in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, to give United States small business firms an opportunity to participate in supplying commodities and services procured under this grant, the grantee shall to the maximum extent possible provide the following information to the Office of Small Disadvantaged Business Utilization, AID, Washington, D.C. 20523, at least 45 days prior (except where a shorter time is requested of and granted by the Office of Small and Disadvantaged Business Utilization) to placing any order or contract in excess of \$25,000:

- services; (A) Brief general description and quantity of goods or
- bids; and (B) Closing date for receiving quotations, proposals, or
- obtained. (C) Address where solicitations or specifications can be

(iv) The type of procuring instruments used, e.g. fixed price contracts, cost reimbursable contracts, purchase orders, incentive contracts, shall be determined by the recipient but must be appropriate for the particular procurement and for promoting the best interest of the program involved. The "cost-plus-a-percentage-of-cost" method of contracting shall not be used.

(v) Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

(vi) All proposed sole source contracts or where only one bid or proposal is received in which the aggregate expenditure is expected to exceed \$5,000 shall be subject to prior approval by an appropriate official within the grantee's organization.

(vii) Some form of price or cost analysis should be made in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

(viii) Procurement records and files for purchases in excess of \$10,000 shall include the following:

(A) Basis for contractor selection;

(B) Justification for lack of competition when competitive bids or offers are not obtained;

(C) Basis for award cost or price.

(ix) A system for contract administration shall be maintained to ensure contractor conformance with terms, conditions and specifications of the contract, and to ensure adequate and timely followup of all purchases.

(b) Each contract shall contain, in addition to provisions to define a sound and complete contract, the following contract provisions, if applicable, as well as any provision within this grant which requires such inclusion of that provision. Whenever a provision is required to be inserted in a contract under this grant, the grantee shall insert a statement in the contract that in all instances where the U.S. Government or AID is mentioned the grantee's name shall be substituted.

(1) Contracts in excess of \$10,000 shall contain contractual provisions or conditions that will allow for administrative, contractual or legal remedies in instances in which contractors violate or breach contract terms, and provide for such remedial actions as may be appropriate.

(2) All contracts 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 contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

(3) In all contracts for construction or facility improvement awarded for more than \$100,000, recipients shall observe generally accepted bonding requirements.

(4) All contracts awarded by the grantee or subgrantee to be performed in the United States having a value of more than \$10,000, shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended, and as supplemented in Department of Labor Regulations (41 CFR, Part 60).

(5) All contracts and subgrants in excess of \$2,000 for construction or repair to be performed in the United States awarded by the grantee or subgrantee shall include a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor Regulations (29 CFR, Part 3). This Act provides that each contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which that individual is otherwise entitled. The grantee shall report all suspected or reported violations to AID.

(6) When required by the Federal program legislation, all construction contracts to be performed in the United States awarded by the grantee or subgrantee of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) as supplemented by Department of Labor Regulations (29 CFR, Part 5). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The grantee shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The grantee shall report all suspected or reported violations to AID.

(7) Where applicable, all contracts awarded by the grantee or subgrantees in excess of \$2,000 for construction contracts to be performed in the United States and its territories and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers, shall include a provision for compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor Regulations (29 CFR, Part 5). Under section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of 8 hours and a standard workweek of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 8 hours in any calendar day or 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to the worker's health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies of materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(8) Contracts, 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 contracts in the fields 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 contract are subject to the regulations included in these grant provisions. The contractor shall be advised as to the source of additional information regarding these matters.

(9) All negotiated contracts over \$10,000 awarded by the grantee shall include a provision to the effect that the grantee, 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 contractor which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(10) Contracts in excess of \$100,000 to be performed in the United States shall contain a provision that requires the contractor to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 7401) and the Federal Water Pollution Control Act (40 CFR 15) as amended. Violations shall be reported to AID and the Regional Office of the Environmental Protection Agency.

(11) Contracts which require performance outside the United States shall contain a provision requiring Workmen's Compensation Insurance (42 U.S.C. 1651, et seq.). As a general rule, Department of Labor waivers will be obtained for persons employed outside the United States who are not United States citizens or residents provided adequate protection will be given such persons. The grantee should refer questions on this subject to the AID grant officer.

(END OF STANDARD PROVISION)

AID ELIGIBILITY RULES FOR GOODS AND SERVICES (NOVEMBER 1985)

(This provision is applicable when goods or services are procured under the grant.)

(a) Ineligible and Restricted Goods and Services: If AID determines that the grantee has procured any of the restricted or ineligible goods and services specified below, or has procured goods and services from unauthorized sources, and has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to AID the entire amount of the reimbursement. AID's policy on ineligible and restricted goods and services is contained in Chapter 4 of AID Handbook 1, Supplement B, entitled "Procurement Policies".

(1) Ineligible Goods and Services. Under no circumstances shall the grantee procure any of the following under this grant:

- (i) Military equipment,
- (ii) Surveillance equipment,
- (iii) Commodities and services for support of police or other law enforcement activities,
- (iv) Abortion equipment and services,
- (v) Luxury goods and gambling equipment, or
- (vi) Weather modification equipment.

(2) Ineligible Suppliers. Funds provided under this grant shall not be used to procure any goods or services furnished by any firms or individuals whose name appears on the AID Consolidated List of Debarred, Suspended, and 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.

(3) Restricted Goods. The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:

- (i) Agricultural commodities,
- (ii) Motor vehicles,
- (iii) Pharmaceuticals,
- (iv) Pesticides,
- (v) Rubber compounding chemicals and plasticizers,
- (vi) Used equipment,
- (vii) U.S. Government-owned excess property, or
- (viii) Fertilizer.

(b) Source, Origin, and Nationality: The eligibility rules for goods and services are based on source, origin, and nationality and are divided into two categories. One applies when the total procurement during the life of the grant is over \$250,000 and the other applies when the total procurement element during the life of the grant is not over \$250,000. The total procurement element includes procurement of all goods (e.g., equipment, materials, supplies) and services. Guidance on the eligibility of specific goods or services may be obtained from the grant officer. AID policies and definitions on source, origin, and nationality are contained in Chapters 4 and 5 of AID Handbook 1, Supplement B, entitled "Procurement Policies".

(1) When the total procurement element during the life of this grant is valued at \$250,000 or less, the following rules apply:

(i) All goods and services, the costs of which are to be reimbursed under this grant and which will be financed with U. S. dollars, shall be purchased in and shipped from only "Special Free World" countries (i.e., AID Geographic Code 935) in accordance with the following order of preference:

- (A) The United States (AID Geographic code 000),
- (B) The Cooperating Country,
- (C) "Selected Free World" countries (AID Geographic Code 941), and
- (D) "Special Free World" countries (AID Geographic Code 935).

(ii) Application of Order of Preference: When the grantee procures goods and services from other than U.S. sources, under the order of preference in paragraph b(1)(i) above, the grantee shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the grantee's documentation:

- (A) The procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,
- (B) The price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,
- (C) Impelling local political considerations precluded consideration of U.S. sources,
- (D) The goods or services were not available from U.S. sources, or
- (E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the grant.

(2) When the total procurement element exceeds \$250,000, the following rule applies: Except as may be specifically approved or directed in advance by the grant officer, all goods and services, which will be reimbursed under this grant and financed with U. S. dollars, shall be procured in and shipped from the U. S. (Code 000) and from any other countries within the authorized geographic code as specified in the schedule of this grant.

(c) Marine Insurance: The eligibility of marine insurance is determined by the country in which it is placed. Insurance is placed in a country if payment of the insurance premium is made to, and the insurance policy is issued by an insurance company located in that country. Eligible countries for placement are governed by the authorized geographic code, except that if Code 941 is authorized, the Cooperating Country is also eligible. Section 604(d) of the Foreign Assistance Act requires that if a recipient country discriminates by statute, decree, rule, or practice with respect to AID-financed procurement against any marine insurance company authorized to do business in the U. S., then any AID-financed commodity shipped to that country shall be insured against marine risk and the insurance shall be placed in the U. S. with a company or companies authorized to do marine insurance business in the U. S.

(d) Ocean and air transportation shall be in accordance with the applicable provisions contained within this grant.

(e) Printed or Audio-Visual Teaching Materials: If the effective use of printed or audio-visual teaching materials depends upon their being in the local language and if such materials are intended for technical assistance projects or activities financed by AID in whole or in part and if other funds including U.S.-owned or U.S.-controlled local currencies are not readily available to finance the procurement of such materials, local language versions may be procured from the following sources, in order of preference:

- (1) The United States (AID Geographic Code 000),
- (2) The Cooperating Country,
- (3) "Selected Free World" countries (AID Geographic Code 941), and
- (4) "Special Free World" countries (AID Geographic Code 899).

(f) Special Restrictions on the Procurement of Construction or Engineering Services: Section 604(g) of the Foreign Assistance Act provides that AID funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under Geographic Code 941, which have attained a competitive capability in international markets for construction services or engineering services." In order to insure eligibility of a Code 941 contractor for construction or engineering services, the grantee shall obtain the grant officer's prior approval for any such contract.

(END OF STANDARD PROVISION)

PUBLICATIONS (NOVEMBER 1985)

(This provision is applicable when publications are financed under the grant.)

- (a) If it is the grantee's intention to identify AID's contribution to any publication resulting from this grant, the grantee shall consult with AID on the nature of the acknowledgement prior to publication.
- (b) The grantee shall provide the AID project officer with one copy of all published works developed under this grant and with lists of other written work produced under the grant.
- (c) In the event grant funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the grant unless the schedule of the grant has identified the profits or royalties as program income.
- (d) Except as otherwise provided in the terms and conditions of the grant, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this grant, but AID reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for Government purposes.

(END OF STANDARD PROVISION)

TITLE TO AND USE OF PROPERTY (GRANTEE TITLE) (NOVEMBER 1985)

(This provision is applicable when the Government vests title to property in the grantee only.)

Title to all property financed under this grant shall vest in the grantee, subject to the following conditions:

(a) The grantee shall not charge for any depreciation, amortization, or use of any property, title to which remains in the grantee under this provision under this grant or any other U.S. Government agreement, subagreement, contract, or subcontract.

(b) The grantee agrees to use and maintain the property for the purpose of the grant in accordance with the requirements of paragraphs (c), (d), (e), and (f) below.

(c) Real Property:

(1) Real property means land, including land improvements, structures and appurtenances thereto, but excluding movable machinery and equipment.

(2) Use of Real Property:

(i) The grantee shall use the real property for the authorized purpose of the project, as long as it is needed.

(ii) The grantee shall obtain approval from AID for the use of real property in other projects when the grantee determines that the property is no longer needed for the purpose of the original program. Use in other programs shall be limited to those under other federally sponsored programs (i.e., grants or other agreements) that have purposes consistent with those authorized for support by AID.

(3) Disposition of Real Property: When the real property is no longer needed as provided in (2) above, the grantee shall request disposition instructions from AID or its successor Federal sponsoring agency. AID or the successor Federal sponsoring agency shall observe the following rules in the disposition instructions:

(i) The grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original program to the fair market value of the property.

(ii) The grantee may be directed to sell the property under guidelines provided by the Federal sponsoring agency and pay the Federal Government an amount computed by applying the Federal percentage of participation in the cost of the original program to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any,

from the sales proceeds). When the grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

(iii) The grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the grantee shall be entitled to compensation computed by applying the grantee's percentage of participation in the cost of the program to the current fair market value of the property.

(d) Nonexpendable Property:

(1) Nonexpendable personal property means tangible personal property having a useful life of more than two years and an acquisition cost of \$500 or more per unit.

(2) Use of Nonexpendable Personal Property:

(i) The grantee shall use the property in the program for which it was acquired as long as needed, whether or not the program continues to be supported by Federal funds. When no longer needed for the original program, the grantee shall use the property in connection with its other federally sponsored activities in the following order of priority:

(A) Activities sponsored by AID.

(B) Activities sponsored by other Federal agencies.

(ii) Shared use - During the time that nonexempt nonexpendable personal property is held for use on the program for which it was acquired the grantee shall make it available for use on other programs if such other use will not interfere with the work on the program for which the property was originally acquired. First preference for such other use shall be given to other programs sponsored by AID; second preference shall be given to programs sponsored by other Federal agencies. User charges should be considered if appropriate.

(3) Disposition Of Nonexpendable Personal Property - With A Unit Acquisition Cost Of Less Than \$1,000: The grantee may use the property for other activities without reimbursement to the Federal Government or sell the property and retain the proceeds.

(4) Disposition Of Nonexpendable Personal Property With A Unit Acquisition Cost Of \$1,000 Or More:

(i) The grantee agrees to report such items to the grant officer from time to time as they are acquired and to maintain a control system which will permit their ready identification and location.

(ii) The grantee may retain the property for other uses provided that compensation is made to AID or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original program to the current fair market value of the property. If the grantee has no need for the property and the property has further use value, the grantee shall request disposition instructions from AID.

(iii) AID shall determine whether the property can be used to meet AID requirements. If no requirement exists within AID the availability of the property shall be reported to the General Services Administration by AID to determine whether a requirement for the property exists in other Federal agencies. AID shall issue instructions to the recipient no later than 120 days after the grantee's request and the following procedures shall govern:

(A) If so instructed or if disposition instructions are not issued within 120 calendar days after the grantee's request, the grantee shall sell the property and reimburse AID an amount computed by applying to the sales proceeds that percentage of Federal participation in the cost of the original program. However, the grantee shall be permitted to deduct and retain from the Federal share \$100 or ten percent of the proceeds, whichever is greater, for the grantee's selling and handling expenses.

(B) If the grantee is instructed to ship the property elsewhere, the grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the recipient's participation in the cost of the original grant program to the current fair market value of the property, plus any reasonable shipping or interim storage costs incurred.

(C) If the grantee is instructed to otherwise dispose of the property, the grantee shall be reimbursed by AID for such costs incurred in its disposition.

(e) Expendable Personal Property:

(1) Expendable personal property means all tangible personal property other than nonexpendable property.

(2) The grantee shall use the expendable personal property for the authorized purpose of the grant program, as long as it is needed.

(3) If there is a residual inventory of such property exceeding \$1,000 in total aggregate fair market value, upon termination or completion of the grant and the property is not needed for any other federally sponsored program, the grantee shall retain the property for use on nonfederally sponsored activities, or sell it, but must in either case, compensate the Federal Government for its share. The amount of compensation shall be computed in the same manner as nonexpendable personal property.

(f) The grantee's property management standards for nonexpendable personal property shall include the following procedural requirements:

(1) Property records shall be maintained accurately and shall include:

(i) A description of the property.

(ii) Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.

(iii) Source of the property, including grant or other agreement number.

(iv) Whether title vests in the grantee or the Federal Government.

(v) Acquisition date and cost.

(vi) Percentage (at the end of the budget year) of Federal participation in the cost of the project or program for which the property was acquired.

(vii) Location, use, and condition of the property and the date the information was reported.

(viii) Unit acquisition cost.

(ix) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where the grantee compensates AID for its share.

(2) A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The grantee shall in connection with the inventory, verify the existence, current utilization, and continued need for the property. The inventory listing shall be retained as documentation in accordance with the standard provision of this grant entitled "Accounting, Audit, and Records."

(3) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft of nonexpendable property shall be investigated and fully documented.

(4) Adequate maintenance procedures shall be implemented to keep the property in good condition.

(5) Where the grantee is authorized or required to sell the property, proper sales procedures shall be established which would provide for competition to the extent practicable and result in the highest possible return.

(END OF STANDARD PROVISION)

**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.

(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:

(f) 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.

(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".

(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.

(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)