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USAID GUATEMALA



AGENCY FOR INTERNATIONAL DEVELOPMENT
UNITED STATES A I D MISSION TO GUATEMALA

USAID/GUATEMALA or
UNIT 3323
APO AA 34024

c/o American Embassy
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September 30, 1991

WORLD SHARE/GUATEMALA
5a. Ave. 8-07, Zona 10
Guatemala City, Guatemala 01010

Subject: Grant Agreement No. 520-0409-G-00-1297-00

Gentlemen:

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 USAID) hereby grants to World Share/Guatemala (hereinafter referred to as the "Grantee" or "Share"), the sum of Four Hundred and Seventy Five Thousand Dollars (\$475,000), to assist the on-going "Child in Need Project", which helps thousands of children who have been orphaned or abandoned, as more fully described in Attachment 1 entitled "Schedule" and Attachment 2 entitled "Program Description".

Notwithstanding the amount indicated above, the Recipient acknowledges that the U.S. dollar amount that is presently obligated for this Grant is \$300,000 as shown in Attachment No. 1 hereof. Until such time as the obligation is increased by amendment to this Grant, the obligation is limited to the amount provided for in the Attachment No. 1.

This Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending September 29, 1993.

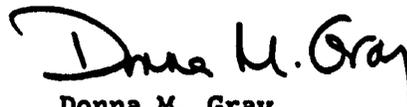
This Agreement is made to the Grantee on the condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, entitled "Schedule," Attachment 2, entitled "Program Description," and Attachment 3, entitled "Standard Provisions for US Non-Governmental Grantees," which have been agreed to by your organization.

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520-0409-G-00-1297-00
September 19, 1991

Please sign the original and five (5) copies of this letter to acknowledge your receipt of this Agreement and return the original and four (4) copies to the USAID/Guatemala, Attention: Regional Contracts Office.

Sincerely,



Donna M. Gray
Grant Officer

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions, US Non-Governmental Grantees.

ACKNOWLEDGED:

By: Sean T. Gallagher

Title: Deputy Director

Date: September 27, 1991

Appropriation No.:	71-1111021
Budget Plan Code:	LDSA-91-25520-IG13
PIO/T No.:	520-0409-3-10127
Project No.:	520-0409
Total Estimated Amount:	\$475,000
Total Obligated Amount:	\$300,000

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ATTACHMENT NO. 1

SCHEDULE

A. Purpose of the Grant:

The purpose of this Grant is to assist Share's on-going Child in Need Project, which helps thousands of children who have been orphaned or abandoned by at least one parent.

B. Period of Grant:

The effective date of this Grant is September 30, 1991. The expiration date of this Grant is September 29, 1993.

C. Amount of Agreement and Payment:

1. The total estimated amount of this Agreement for the period shown in Paragraph B. above is \$475,000.
2. AID hereby obligates the amount of \$300,000 for program expenditures during the period set forth in Paragraph B. above.
3. AID anticipates adding additional funds to this Agreement in amounts not to exceed \$175,000 for a total AID contribution of \$475,000. Any increment is subject to the availability of funds and mutual agreement of the parties at the time to proceed. Until such time as the obligation is increased by amendment to this Grant, AID's total obligation is limited to the amount shown in the previous paragraph (No. C2).
4. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3, Optional Standard Provision No. 2, entitled "Payment - Periodic Advance".

D. Financial Plan:

The Financial Plan for this Agreement is shown as Exhibit A to Attachment No. 1. Revisions to this Plan shall be made in accordance with Standard Provision No. 4 of this Agreement entitled "Revision of Grant Budget".

The Financial Plan is illustrative in nature. The Grantee can adjust individual cost lines by a factor not to exceed 15%. Any adjustment exceeding 15% or any increase in the total Grant amount requires the prior written approval of the Regional Grants Officer.

E. Special Provisions

1. The Grant Officer's Technical Representative (GOTR) for the performance of this Grant is Mr. David Adams, Chief of the Program Office, or his designee. This individual shall have the following authority:

- a) Certification of work performed on all vouchers submitted.
- b) Necessary clarifications of, or minor, non- cost-related adjustments to the program description in Attachment 2.
- c) Approval of all reports, plans, timetables or other such technical submissions required under the Program Description.

2. Salaries or compensation of short and long-term Specialists require prior written approval by the Regional Grant Officer.

F. Authorized Geographic Code

The authorized Geographic Code for procurement of goods and services shall be in accordance with Provision 6 of the Optional Standard Provisions.

G. Cost Sharing

The Grantee shall contribute supplies and services valued at \$100,000, and direct financing for a minimum of \$21,000 to the performance of the program described herein. PVO in-kind contributions shall also be provided for \$500,000 to the performance of the program described herein.

H. Local Costs

Local costs are authorized pursuant to Standard Provision No. 8, "Local Cost Financing".

I. Establishment of Indirect Cost Rate

Pursuant to the Optional Standard Provision of this Grant entitled "Negotiated Indirect Cost Rates - Provisional" a rate or rates shall be established for each of the Grantee's accounting periods during the term of the Grant. Pending establishment of final overhead rates for the initial period, provisional payments on account of allowable indirect costs shall be made on the basis of the following delineated provisional rates applied to the base(s) which are set forth below:

<u>Type of Rate</u>	<u>Rate(s)</u>	<u>Base</u>	<u>From</u>	<u>Through</u>
Provisional	11%	Total Direct Costs Share's Contribution	Grant Effective Date	Until Amended

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Exhibit A

World SHARE
CHILD IN NEED PROJECT
Budget (1)

LINE ITEMS	FY 1992					FY 1993					Project Total
	USAID	World SHARE	SHARE/G In-kind Con.	PVO In-kind Cont.	Total	USAID	World SHARE	SHARE/G In-kind Con.	PVO In-kind Cont.	Total	
PVO PROJECT FUND	\$150,000	\$0	\$0	\$0	\$150,000	\$150,000	\$0	\$0	\$0	\$150,000	\$300,000
TECHNICAL ASSISTANCE & TRAINING											
Technical Support Activities	\$21,370	\$0	\$0	\$0	\$21,370	\$50,000	\$0	\$0	\$0	\$50,000	\$71,370
ADMINISTRATION											
Personnel	\$10,690	\$10,596	\$33,200	\$0	\$54,486	\$10,690	\$10,774	\$35,000	\$0	\$56,464	\$110,950
Vehicle & Travel	15,000	0	5,000	0	20,000	0	0	8,000	0	8,000	28,000
Material & Equipment	4,000	0	2,000	0	6,000	1,000	0	2,000	0	3,000	9,000
Evaluation, Reporting & Review	5,000	0	1,000	0	6,000	5,000	0	1,000	0	6,000	12,000
Communication	0	0	600	0	600	0	0	800	0	800	1,400
Office Supplies	0	0	1,000	0	1,000	0	0	1,200	0	1,200	2,200
Utilities/Maintenance	0	0	3,000	0	3,000	0	0	4,000	0	4,000	7,000
Rent	0	0	1,000	0	1,000	0	0	1,200	0	1,200	2,200
Sub total	\$34,690	\$10,596	\$46,800	\$0	\$92,086	\$16,690	\$10,774	\$53,200	\$0	\$80,664	\$172,750
OVERHEAD	\$25,468	\$0	\$0	\$0	\$25,468	\$26,782	\$0	\$0	\$0	\$26,782	\$52,250
PVO IN-KIND SERVICE CONTRIBUTION	\$0	\$0	\$0	\$200,000	\$200,000	\$0	\$0	\$0	\$300,000	\$300,000	\$500,000
TOTAL	\$231,528	\$10,596	\$46,800	\$200,000	\$488,924	\$243,472	\$10,774	\$53,200	\$300,000	\$607,446	\$1,096,370

NOTES:

(1) It should be noted that World SHARE is soliciting AID FY 1992 funds for this project; the disbursements in this budget represent projected program expenditures over a two year period.



August 26, 1991

Mr. David Adams
Program Officer
USAID Mission
Guatemala

Dear Mr. Adams:

It is my pleasure to submit to you the enclosed project proposal and request for funds from USAID. The "Child in Need Project," when it becomes operational, will assist the on-going efforts of many hundreds of Guatemalans working for local Private Voluntary Organizations to help thousands of children who have been orphaned or abandoned. As you will see from the Project documents, SHARE hopes to obtain a minimum of \$1.75 million over a period of three years, if not totally from US Government resources, then in partnership with other donors. At this time, we are requesting \$475,000 in FY 1991 and FY 1992 funds from USAID to begin project activities with the hope that additional funds may be made available. My staff and I are prepared to work with the Mission to iron out the details, and we certainly will be able to tailor our project management structure to the amount of funds made available to us.

AID's contribution to this effort will be important, and I want to assure you that the US Government will not be alone. Indeed, this particular project will count on inputs from all soliciting counterparts that will benefit from this program. SHARE's philosophy is that people take greater interest in any activity if they have "bought into it." In our Title II projects, for example, all potential SHARE counterparts are expected to provide, in some manner, support to the project for which they are soliciting resources.

We calculate that next year the mothers in our Maternal and Child Health program will contribute nearly \$1 million in local currency that will be used to cover local costs. In our labor intensive infrastructure projects, it is often the case that the community provides the labor without the need for SHARE to "pay" with Title II food. In calculating the cash inputs for these same projects, we find nearly 50 percent of the actual cash is raised by the people themselves. Likewise, this will be the case for potential counterparts in the Child in Need project. Indeed, in all we do, we try to see ourselves as a minority investor in community development. We recognize the multiple economic affect that comes

about with partial financing of counterpart projects.

We are confident that AID's contribution is going to be matched by SHARE's counterparts, either in cash or in kind, and we look forward to working with AID in addressing the grave problems of children in need in Guatemala.

With best regards,

Sincerely Yours,



Sean T. Gallagher
Deputy Director
World SHARE/ Guatemala

cc: Andy Morikawa
President
World SHARE

THE CHILD IN NEED PROJECT

Presented by

World SHARE/Guatemala

**World SHARE
THE CHILD IN NEED PROJECT**

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World SHARE/Guatemala

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(1) Copies available at SHARE and USAID/Guatemala Program Office

I. Executive Summary

The problems of 'children in need' in Guatemala are complex and complicated. Societal, political and economic factors as well as the results of natural disaster have combined to create problematic situations seriously affecting children needing help.

An investigation is now being conducted by UNICEF, in collaboration with the National Institute of Statistics, to ascertain the magnitude of the problem. The UNICEF study characterizes children by situation category, location, needs and responses. While the results of the study are not yet available current estimates place the number of children in need as high as 500,000.

Most of these children are from marginalized, indigenous families who are unable to provide for basic needs. Morbidity and mortality rates are high among these children. Many survive with little food, clothing or suitable shelter and few have any hope of even acquiring basic education, much less developing a marketable skill.

Formal, coordinated responses to these problems in Guatemala are in their infancy. There are a few agencies, both public and private, with varying degrees of expertise in the care of certain categories of these children, but they meet the needs of only a small percentage of the target population. One serious limitation to action is a lack of financial and technical resources.

Guatemalan PVOs and community committees are becoming increasingly capable of meeting the needs of the members of the communities they serve. Working independently and collectively, their impact is significant. Moreover, there exists tremendous potential for improving and extending their services. Community-based PVOs and committees are staffed by committed and sensitive people who understand the needs and recognize the potential for improving the lives of these children.

World SHARE has demonstrated its commitment to working directly in support of the efforts of local PVOs, both in the United States and overseas. Working with Title II resources, World SHARE has developed an extensive network of support for Guatemalan PVOs, currently working with more than 40 such agencies throughout the country. The number of PVOs availing themselves of support is increasing; World SHARE is currently reviewing 32 additional applications for support. In addition, monetization of Section 416 and/or PL 480 Title II commodities allows for generation of local currencies that can be used for specific development purposes including management training. These funds allow

World SHARE and local PVO partners to turn an ordinarily static welfare resource, food, into a dynamic incentive for community based social and economic development.

This Project, a logical extension of World SHARE's activities, has three purposes. The first is to decrease the number of children entering this population of 'children in need' through support of preventive activities. This will be achieved by strengthening the ability of targeted families and group homes to better care for at risk children. The second purpose is to improve the quality and extend the range of community and institutionally based services provided to children already in the target population. This will be achieved by providing technical assistance and training; supervision in needs assessment; and in developing and delivering protective and promotive services. The third purpose is to extend the coverage of basic services to as many children as possible, i.e., for those whose needs are not as yet met. This will be achieved by promoting the replication of successful interventions.

Because large numbers of these children have characteristics in common, a few strategies can be applied and programs designed for their care. All strategies require that the caregivers be trained and supervised in their provision of care. Some children require individually designed programs and support from professionals trained to help them to rehabilitate themselves and to encourage their development. Most strategies have associated facility, financial, and/or material and labor requirements. In order to meet the needs of these children in Guatemala, the PVOs require increased access to greater resources.

This Project will utilize up to \$475,000 in AID funds over a two-year period to finance activities that will provide children basic physical needs, personal and professional emotional support, and care. World SHARE anticipates receiving sub-projects to provide mental and physical health care; nutritional rehabilitation; instruction in the prevention of sexually transmitted diseases and AIDs, family planning and support for improved hygiene; projects that stimulate the intellect and broaden perspectives; projects that give children informal and formal educational opportunities; projects that will train young adults in productive and marketable skills and provide opportunities for apprenticeship and job placement; and projects that provide street children better access to recreation and community activities. World SHARE also hopes to encourage children to develop new, healthy relationships and to reestablish relationships with original family and community members.

The first, primary component of the Child In Need Project is a Fund of \$300,000 that finances sub-projects submitted by Guatemalan PVOs in support of measurable improvements in the quality of life of children entering the target population, in service quality and expanded coverage. A Project Review

Committee administers the Fund which is managed by World SHARE. Sub-projects are solicited and received by World SHARE and reviewed and approved by the Project Review Committee. The Committee is chaired by the World SHARE/Guatemala Director or authorized representative and is otherwise composed of a USAID representative, a representative from an appropriate GOG Ministry, and representatives from collaborating NGOs and local experts as agreed upon by World SHARE and USAID. The Committee meets periodically to review and select sub-projects submitted by local PVOs according to specified, publicly available criteria.

The second component provides \$175,000 to finance Technical Assistance and Training (TA/T) and coordination for PVOs accessing the Fund, and for other select agencies, through three separate activities. First, TA/T will be provided through an on-going program of workshops, conferences and annual gathering that will facilitate the exchange of information, materials and resource persons. Secondly, funds will be budgeted for TA/T needs identified during the course of the Project by participating PVOs, USAID, or World SHARE. Finally, funds will be budgeted to design and implement a reporting system that will facilitate monitoring of project results versus stated goals. Project administration and evaluation will also be included under this component.

World SHARE is one of a number of agencies assisting local PVOs and community committees help children in need. Churches and missions, academics, other international relief and development groups, development consultants and consultancy groups, local and multinational businesses and business associations, implementing and non-implementing donors, and committed agencies of the Guatemalan Government are all involved. Coordination among these groups will be essential to ensure that 'children in need' are identified; that technical expertise and resource support of other agencies are properly coordinated and brought to bear on the problem; that programs are successfully implemented, and resources are utilized without duplication. In recognition of this reality, the Child in Need Project has a strong coordination aspect that will build and maintain a high level of inter-agency communication. World SHARE will collaborate with Project Concern International, Inc. (PCI), to provide technical assistance and training in health through this Project.

The following sections present an analysis of the problem suggestive of appropriate responses; describe the target population; note the current activities of World SHARE and PCI and state the relationship between the two for the purposes of this Project; and describe the project, including its design, implementation and budget. A summary concludes the narrative and precedes the Appendices.

II. Analysis of the Problem

A. The Problem in the Guatemalan Context

The main problem of "children in need" in Guatemala is that there are a very large number of parentless or one parent children who are receiving inadequate care, and whose living conditions are hazardous. Estimates vary but place the total at up to 500,000 children.

Several causal and contributing factors have resulted in the fragmentation or disintegration of families and the resulting situations in which uncared for children find themselves. Among these are factors inherent in Guatemalans' social relationships, political-ideological conflicts, and economic income. A brief discussion, illustrative of the complexity of the problem and suggestive of the complicated nature of the work entailed in meeting these children's needs, is provided to demonstrate how these causal and contributing factors impact on families and, particularly, on children.

1. Limited Range of Traditional Options for Care

Providing care for children orphaned as a result of more 'normal' causes is a matter that members of society must manage when such situations occur. In

Guatemala, traditionally, when a child is left parentless another member of the immediate family or the extended family cares for the child - sometimes well, but not always. Sometimes this is an older brother or sister; not always an adult, not always mature. Sometimes this is a grandparent, aunt or uncle. If there is no immediate family or extended family member to care for the child, the child must go from home to home in the neighborhood or larger community for help. Too often, this phenomenon also occurs when there is still have a living parent, most often a widowed mother.

These children may receive a quantity of food necessary for survival, but it seldom meets the needs of normal growth. Further, they seldom receive the most basic needs, such as adequate clothing and medical care and with rare exception none of the other basic needs, such as preventive health care and education.

The limited range of traditionally acceptable responses to the situation of children without care in Guatemalan society is another aspect of the social phenomenon. This aspect is problematic because when other immediate family, extended family or neighbors cannot accept responsibility for care or offer minimum levels of support, there have been few alternatives. No alternative traditional systems exist.

Adoption is not prevalent in Guatemala. The usual reason for adopting, that being that a family unable to bear their own children and would therefore, if possible, adopt a child into their family, is said not to apply. Inheritance rights may also be a consideration, especially in a depressed economy and particularly among the poor.

Notably, however, the poor are primarily those who extend support to parentless children in Guatemala, if they are able. In marginal, indigenous areas of rural Guatemala, parents are able to provide a limited diet of tortillas, a few beans and sometimes a small piece of meat or cheese to their children; rarely vegetables and, almost never, fruit or cereal. There is little to share with the children of others. Although they share even the little they have, what one family can share is not enough to support the child they are helping. Unfortunately, the level of their poverty often reduces to an insufficient level, and sometimes precludes altogether such support.

Tradition operates to guide human behavior when life takes its routine course. When life's patterns are disrupted, new problems must be faced. The indigenous population has been most impacted upon by the disruption of their living patterns. In the face of such disruption, with its resulting impact on these children, more and more communities which have suffered most from armed clashes between political factions are faced with the problems entailed in assuming

responsibility for care of affected children. Many - including a high percentage of widows and orphans - leave their troubled original geographic location, displaced by the violence, and travel to safety and the prospects of better income; sometimes to an interior municipality, but more often to marginal areas around or in Guatemala City, or to border camps in Mexico.

Among the refugees in Mexico, 20% are women and 65% children (COMAR). Many among those who have stayed in Guatemala have organized committees and local PVOs to seek aid from donors in order to bring relief and extend badly needed services to their communities.

2. Social and Familial Fragmentation

The social, political and economic situation in Guatemala causes poor families to remain unable to meet their needs and to become fragmented. The absence of a parent under these emotionally distressing, repressive conditions, for those children old enough to feel the tension and pain, is devastating to a child's trust and belief in the values of society. This is one complication that must be dealt with in the case of abandoned or dislocated children, especially those in the street who adopt behaviors such as theft or prostitution in order to survive. Reestablishing trust is the first step, the hardest one for these children to take, toward rehabilitation and the establishment of a secure and healthy lifestyle.

Belonging mainly to Mayan groups - the Cakchiquel, Chohlacandon, Chuj, Jacalteco, Kanjobal, Mam and Quiche - these indigenous groups speak three main tongues, Mam-Quiche, Kekchi and Cakchiquel. Of their population, 51% speak only their own language, but as many as 49% speak Spanish. The indigenous groups originally inhabited three areas, now the Departments of Huehuetenango, El Quiche and the Peten, and Alta Verapaz (UVG Library Sources and Academes). Normal out-migration spread this population over a larger area. But internal dislocation due to armed conflict according to the Procurator of Human Rights, Ramiro De Leon Carpio, has affected one million of these Guatemalans (Prensa Libre, 5 October 1990), 60% of whom are children. With 100,000 given as the number of victims and the same number widowed, and with the average family having 5 children (a conservative number, some sources citing as many as 7 children on average in rural families), estimates of displaced children approach 500,000.

Programmatic support is necessary to assist vulnerable, displaced Guatemalans to reunite and/or strengthen the family, as the fundamental unit of society, and to reestablish or introduce viable systems of social support at the community level. As children are the most vulnerable among this population, service activities should concentrate efforts on meeting the requirements of their care.

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III. The Target Population

A.. The Target Population Defined

The target population is defined as that of 'children in need', a broad definition because the problem is more encompassing than one or two categories would imply. It is composed of children in the following situational categories:

1.) abandoned with some family or extended family living who are able, with support, to assume responsibility for care; 2.) abandoned with family or extended family living but unable to assume responsibility for care; 3.) adopted but by families needing support; 4.) displaced; 5.) under extended-family care (grandparent, aunt, uncle or cousin); 6.) under foster care; 7.) under immediate family member care (minor or adult brother or sister); 8.) orphans who are institutionally placed or in the care of neighbors; 9.) orphans living with dysfunctional families and therefore at risk; 10.) street children (including children who only work in the street, as well as those who live in the street).

These categories are not mutually exclusive. Street children, for example, often come from more than one of these categories. Nonetheless, the focus on these categories does provide a framework for assessing the causes of the childrens' situations, for determining the case history of the child in need of intensive rehabilitation, and for the tailoring of appropriate solutions.

As more information is obtained about the numbers and locations, conditions and potential for improvement in the lives of children in each of these categories, measurable objectives with benchmarks can be developed for this Project. Broadly stated, however, the goals are to meet the basic and developmental needs of the children, and to build supportive and productive relationships within their residential contexts and communities.

**B. Children in Need, Basic Human Needs and Services,
and Tailored Solutions**

The problem of socially disadvantaged children is complex and complicated, as the above categories suggest. While the children require basic goods and services, certain groups of children will need tailored solutions. This is true whether the children are orphaned or displaced as a result of social unrest, armed conflict or natural disaster; whether abandoned by or departed from an overburdened family; whether the street child of the city or the uncared for of rural areas; and whether or not anti-social behaviors have been learned in order to survive. There is no single ideal solution to the problems of all children. There are no easy solutions. There are no immediate solutions.

The basic goods and services needed by all children should be provided to the entire target population. (Examples of these materials and services are detailed

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in the target population needs assessment section of Appendix 4: Situation Assessment - Statement of the Problem in the Guatemalan Context.) When children have special requirements, solutions must be tailored and a team of professionals called upon to diagnose and tailor the response to the needs of the individual child.

C. Population Size

The National Institute of Statistics (INE), under contract to UNICEF, is currently trying to determine the number of children in the target population, served and unserved. The results of that assessment should be forthcoming in August 1991. Nonetheless, as indicated above, the total number of children in need is estimated as high as 500,000 by some sources, by extrapolation from related data and according to the categories used in their assessments.

(Appendix 3 further addresses the above issues.)

IV. World Share/Guatemala Current Activities

World SHARE's current programs are in the areas of maternal and child health with nutrition supplementation, nutrition and health education, and primary health care/child survival; environmental management with strong, community-based forest management, soil conservation, and sustainable agriculture

components; rural, community-based, labor-intensive infrastructure projects; and a women's oriented communal bank program. The maternal and child health/child survival activity is fundamental to World SHARE's efforts and the other activities build upon or are coordinated with it. World SHARE also provides Title II commodities on a monthly basis to 4,000 children in the care of 20 orphanages and day care facilities. World SHARE's FY92 Annual Estimated Requirements (AER), approved by USAID/Guatemala, will provide 10,000 metric tons of Title II commodities to 177,000 Guatemalan children and their families. 5,000 metric tons of Title II commodities will also be monetized, providing over \$ 800,000 worth of local currency which will be used to manage the overall SHARE program and provide financing for community initiated development projects.

As mentioned earlier, World SHARE collaborates closely with local PVOs and communities. Collaboration under this project will also involve various agencies, including Project Concern International (PCI), in particular, CARE International/Guatemala (CARE), Catholic Relief Services/Guatemala (CRS) other organizations which are delivering, through local PVOs, child survival and development assistance to the poor. Collaboration with groups providing medical supplies, equipment and training in remote rural areas, like International Medical Corps (IMC), Northwest Medical Corps (NMC) and Child and Nutritional Growth Through Education (CHANGE), is also expected to expand the impact of this Project.

Collaboration with PCI will be on a specific, sub-contracted basis, for technical assistance and training (TA/T). PCI will take the lead in the provision of TA/T in health as well. PCI derives its support from international affiliates and donor groups. It implements twelve primary health care and basic health programs worldwide including programs in Mexico, Guatemala and Belize. The Guatemala program provides training to community health volunteers who are parents of previously malnourished children and members of mothers' committees, to teach other mothers about nutrition, health and hygiene. A fathers' committee works to improve the environmental health of the area. The volunteers have generated small, self-sustaining businesses including the manufacture of smokeless stoves and dry compost latrines which are accepted because of their integration with their program of development education. Through its Options Service, PCI operates an urban health and child survival program in Nicaragua; provides medical assistance to 100,000 orphans in Romania; and supports professional volunteers in 54 overseas programs. PCI seeks to expand its contribution in Guatemala and views this opportunity through the Child In Need Project in those terms.

V. Project Design and Implementation

Because large numbers of these children have characteristics and needs in common, a few programmatic strategies can be applied and programs designed for their care. All programmatic strategies require that the caregivers be trained and

supervised in provision of care. Some children require individually designed programs and support from professionals trained help in child development and rehabilitation. Most of these strategies have associated facility, financial, and/or material and labor requirements. In order to meet the needs of these children in Guatemala, the PVOs urgently need increased access to greater resources. Therefore, the overall strategy guiding this Project is to build upon the initiatives of PVOs currently providing services to children in the target population or at risk of entering it.

The purposes of the Project are, first, to decrease the number of children entering this population of 'children in need' through support of preventive activities. This will be achieved by strengthening the ability of targeted families, and community-based daily care and group homes, to better care for at risk children. The second purpose is to improve the quality and extend the range of community and institutionally-based services provided to children already in the target population. This will be achieved by providing technical assistance and training; supervision in needs assessment; and in the development and delivery of protective and promotive services (discussed in Sections V. and VI., Project Description and Project Design and Implementation, respectively). The third purpose is to extend the coverage of basic services to as many children as possible whose needs are not as yet met. This will be achieved by promoting the replication of successful interventions.

The Child In Need Project is comprised of two components. First, a Fund will be established for PVO and community sub-project support. Second, grant funds will finance a Technical Assistance and Training Program and activities which will serve the first primary project component. The components are described as follows.

A. PVO Sub-Projects Support Fund and Management

This component will establish a Fund of \$300,000 for Support of PVO Sub-projects, and will commence immediately upon project approval.

FUND ADMINISTRATION: The Project Review Committee. The Project Review Committee receives sub-project proposals, considers their selection for funding against a set of clear project review and selection criteria, and decides which activities are to be funded. (See Annexes 7 and 8.)

World SHARE will inform local PVOs and community committees who have demonstrated interest and/or capability in implementing service programs for the target population that assistance through the Project is available and how sub-projects are to be reviewed. Prior to that time, the Project Review Committee will have held its first organizational meeting to establish the procedures for review, to finalize selection criteria, and to determine the scheduling of review meetings. The

Committee will use the facilities of World SHARE. (An example of a sub-project application and sub-project criteria may be found in Appendixes 6 and 7, respectively.)

MANAGEMENT: The Fund will be managed by the World SHARE/Guatemala Director, assisted by a Project Management Team headed by a Project Manager. Other SHARE staff (e.g., field supervisors) will be used on a part-time or as-needed basis. The main functions of the project management team are to monitor and report on sub-project implementation, account for fund utilization, and to evaluate program support.

The principal of the Fund is either granted or, as appropriate (e.g., depending on the financial position of participating PVOs), loaned on a revolving-fund basis to Guatemalan PVOs to support institutional and community-based care of the target population. The repayment of any loans reverts to the Fund to be extended as support for other PVO sub-projects. The PVO will be asked to repay loans, interest free, over a mutually agreed upon period. The issuance of a loan is not exclusive of a grant, if the PVO meets all other qualifications. Also, if a proposed project includes charging a fee to participants for services, then SHARE will issue a loan rather than a grant. Loans will be repaid, interest free, over a period mutually agreed upon by SHARE and the PVO. Project Fund management is

expected to enhance sustainability and expansion of operations servicing the target population.

World SHARE will focus on those PVOs and private community committees now providing viable and sustainable services for these children. SHARE will most likely be approached by PVOs listed in Appendix I of the Project Options Paper, prepared by George Coleman for USAID and the Atlantic Resources Corporation. (Appendix 8 describes the sub-project application interview protocol that will assist the Project Review Committee to select sub-projects.)

Types of sub-projects of the PVOs and private community committees will vary. These are likely to include but are not limited to: 1.) training for caregivers and other professional and support staff; 2.) technical assistance in administrative, especially financial control systems; 3.) program design and development; 4.) programs for the procurement and distribution of basic commodities; 5.) nutrition and health education programs, including those for the prevention of sexually transmitted diseases, AIDs and the promotion of family planning; 6.) first aid, primary health and medical care programs; 7.) formal and non-formal educational programs and programs for early childhood stimulation; 8.) programs promoting productive skills, income generation activities and self-sufficiency; 9.) support for at risk families, including foster families, and for orphanages, training centers, outreach programs, transition homes, and daily care/group homes; 10.) a system

of information exchange and inter-PVO communications; and 11.) public awareness and education activities. While this list is lengthy, it is not exhaustive, and other innovative and viable initiatives will be encouraged. The list does, however, accentuate the range and scope of need and the variety in approaches, strategies, technologies and methods of service provision.

B. The Technical Assistance and Training Program

The second major project component to be implemented over the projected two year life of this program by World SHARE through the Child In Need Project is a Technical Assistance and Training Program. This program supports PVOs and community committees that serve the target population by assessing their organizational strengths and weaknesses and then works with them to establish and/or improve systems and programs. \$175,000 will be allocated for this component and related activities, (e.g., reporting and evaluation).

1. Management of the Component

Upon approval of each sub-project, World SHARE will inform the requesting agency of the availability of technical assistance and training. After TA/T needs are identified, World SHARE will work with participating organizations to meet

those needs. (See Appendix 10: Timetable, for more details on program implementation.) The activity may be funded through the Program or, if more appropriate, may be financed under the respective sub-project. World SHARE will assist each organization implement the activity either directly or by referral. World SHARE will monitor and evaluate the activities as they are implemented and will secure reports from the participating groups analyzing the impact of the project versus stated goals. These reports will be incorporated into Project progress reports.

The extent to which participating PVOs will avail themselves of TA/T will vary with the sophistication of their own administrative systems and service programs. Technical assistance and training is provided to these agencies within the context of professional growth and as a developmental learning process. While all agencies will be invited to work toward improved management systems, some agencies will be required to do so as a condition of funding.

World SHARE bases TA/T for programming, planning and management improvement on its own analysis of the capabilities of the participating PVOs and committees as well as the analyses done by the PVOs and committees themselves. Needs Assessments conducted by PCI will also be taken into account. World SHARE is responsible for the overall design and development of the technical assistance and training inputs. Where applicable, PCI will contribute to design and

development and assume the role of lead agency for health related TA/T activities.

World SHARE will carefully review with PVOs their needs assessments of the children they currently or will serve. Special effort will be made to assist agencies in developing concrete plans with measurable objectives and benchmarks. A supervision protocol will be developed that will detail methodologies and assessment and reporting procedures. Technical assistance and training in impact assessment and reporting will be critical to the success of the Project.

2. Activities of the Component

The outputs expected from this component are a review of PVO needs for support and then, based upon the review, a program of technical assistance provided in the most suitable way to meet those needs. The activities are expected to include meetings, field visits, workshops, seminars, courses, individual and small group consultations.

Specific output programming with benchmarks for these activities are expected to be developed in the first six months of the Project, following the needs assessment.

World SHARE anticipates that training or technical assistance can be provided by participating PVOs to others. If required training or technical assistance cannot be provided by drawing from a pool of experts coming from one of the participating PVOs, other known independent local PVOs will be approached. World SHARE may also arrange to have PVO networking agencies such as ASINDES, CONANI, and CEPRODENI provide TA/T. In any case, World SHARE is responsible for arranging support directly or on a sub-contracted basis, or will assist in contracting other international NGOs, the Peace Corps, or implementing donors to provide the needed expertise.

Newer PVOs may require more of the full range of technical assistance applications which are available through the TA/T Component but can be funded as 'strengthening' sub-projects. These may include organizational development, design and implementation of administrative systems, and design and planning for the implementation and assessment of project impact of activities. PVOs meeting established criteria may qualify for this type of longer term support.

Established PVOs with good track records are expected to avail themselves of assistance in areas such as training for professional staff who work directly with the children in staffing and methods of case management; expansion of educational and productive skill programs; design of protocols for job placement

management; and development of foster care service systems. (Appendix 5 describes further the types of programs qualifying for TA/T.)

The activity will be carried out in conjunction with the IELAB program of information service and technical assistance support to Guatemalan PVOs, making use of the extensive needs assessment completed by them in 1990. Participants are expected to decide whether the activity will continue after the life of the project and, if so, to secure support from another source to continue.

3. Access by the PVOs to the Component

Access to the Technical Assistance and Training Program, developed during the first six months of the project, may be offered as early as the third month of the project. This support can be availed of as a discrete activity or an on-the-job type of activity. Each activity is evaluated by the World SHARE Project Management Team, whether delivered and monitored by World SHARE, PCI, or by a sub-contracted or associate provider.

4. Coordination of Activities

Fostering networking and coordination between PVOs will spawn important by-products of this component. Service provision in the sub-sector is in its

infancy. Because several, large donor agencies are rapidly becoming involved and may be extending significant amounts of financial and technical support, World SHARE believes that coordination will be critical to the efficacy of these efforts. Clearly, SHARE will make program coordination an integral part of the fund application process and TA/T components.

The Child In Need Project Management Team will coordinate between and among participating PVOs to ensure maximum coverage and impact and to avoid duplication of resource allocations. Furthermore, World SHARE staff will coordinate with other international and implementing agencies (UNICEF and CARE are two examples) working in this area of welfare and development assistance. Training and technical assistance, when possible, will also be coordinated. Moreover, World SHARE will try to coordinate methodologies and devices for assessments as well as share the results of operational research.

Typically, PVOs have sought resource support within the context of their operations and connections, a search influenced by their own courage and tenacity. They have chosen to avoid or approach different donors for varying reasons. A sensitive and confidential review of these reasons would yield information valuable to the effort of establishing fund raising schemes.

World SHARE has already established working relationships with many interested donors. Once AID approves this Project in principle, World SHARE will work more formally with those agencies in order to effect the necessary coordination to ensure maximum benefit from the resources made available through the PVO Fund and TA/T. World SHARE's coordination efforts will focus on avoiding duplication and working toward maximum coverage of the target population.

Coordination is achieved in a variety of ways, through telephone conversation, by fax, and individual and group meetings. It is also effected through exchange of correspondence and documents. A record of coordination activities is an important part of project documentation and it will be the responsibility of the Project Manager to delegate authority and/or personally assume the management of all aspects of this Component.

VI. Resource Requirements and Availability

A. Budget Narrative: Presentation of Resource Requirements (\$1 = Q 5)

- 1. FUND for PVO Project Support: \$300,000**

- 2. TECHNICAL ASSISTANCE AND TRAINING: \$175,000**

The work of assisting PVOs in establishing viable systems and programs through this Project is the responsibility of the World SHARE Management Team. Payment of Project Management personnel salaries and benefits will be partially funded through the project grant, as will procurement and maintenance of office equipment, program evaluation, reporting and review. The total amount of funding being requested from AID is \$475,000 over a two year period. To better ensure rapid implementation of this project, it would be preferable to receive the total amount early in the life of the project. The below proposed budgets reflect FY 1991 and 1992 projected funding:

**CHILD IN NEED PROJECT
BUDGET (Est.)**

	CATEGORIES BY DONOR	US \$
1	USAID	\$ 475,000.00
2	PVO IN-KIND CONTRIBUTIONS	500,000.00
3	SHARE GUATEMALA CONTRIBUTIONS	100,000.00
	TOTAL	\$ 1,075,000.00

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	CATEGORIES BY MAJOR LINE ITEMS	US \$
1	FUND FOR PVO PROJECT SUPPORT	\$ 300,000.00
2	TECHNICAL ASSISTANCE AND TRAINING	122,750.00
	TECHNICAL SUPPORT ACTIVITIES	40,000.00
	ADMINISTRATION	82,750.00
3	WORLD SHARE OVERHEAD	52,250.00
	SUB TOTAL	\$ 475,000.00
4	PVO IN-KIND CONTRIBUTIONS	500,000.00
5	SHARE GUATEMALA CONTRIBUTIONS	100,000.00
	GRAND TOTAL	\$ 1,075,000.00

**CHILD IN NEED PROJECT
ADMINISTRATION BUDGET (Est.)**

	CATEGORIES BY LINE ITEMS	US \$
1	PERSONNEL	\$ 42,750.00
2	VEHICLE AND TRAVEL	15,000.00
3	MATERIAL AND EQUIPMENT	15,000.00
4	EVALUATION, REPORTING AND REVIEW	10,000.00
	TOTAL	\$ 82,750.00

Technical Support Activities

Technical Support Activities are described on pages 18-24. Forty thousand dollars will be dedicated to TA/T activities, exclusive of program administration costs.

Program Administration

Program Administration includes personnel costs; partial funding for a program vehicle and travel; materials and equipment; program evaluation, reporting and internal review. Below are more detailed explanations of these items:

a. Personnel

Upon approval of this Project, World SHARE will appoint a Project Manager with expertise and experience in social service agency networking and in health, education, and development programming. The project manager will be assisted by a project-funded secretary and other SHARE staff, as necessary. Oversight will also be provided by the World SHARE/Guatemala Director who has had on-site, direct responsibility for managing both AID/W and USAID Mission Grants in Egypt, The Israeli Occupied Territories, the Philippines and in India. He will provide overall guidance to the Project Manager. He and the SHARE/Guatemala Deputy Director

will devote approximately 20 percent of their time to supervising the implementation of this Project. Total personnel costs are expected to be \$42,750.

b. Vehicle and Travel

Grant funds will be partially used to purchase one 4-wheel drive, jeep-type vehicle, and to cover operational and maintenance costs. Final disposition of this vehicle after Project completion will be governed by AID regulations. Funds are also budgeted for local, per diem and associated expenses such as conference enrollment fees. The total estimated cost to be attributed to AID dollar financing is \$15,000.

c. Materials and Equipment

Office equipment will be purchased and maintained partially with Project funds and will include two computers and printers, one for SHARE's use and the other to be utilized for the management of sub-projects, for program coordination and for the maintenance of an information system. The total estimated cost is \$15,000.

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d. Program Evaluation, Reporting and Internal Review

\$ 10,000 is also budgeted for expenses associated with internal management reviews, program reporting and evaluation.

e. World SHARE Overhead

World SHARE San Diego is a registered PVO with USAID, and as such, has been audited and certified to receive AID funds. SHARE Guatemala may not as yet receive direct dollar funding from AID. The established World SHARE Overhead rate with AID is 11%. Therefore, \$52,250 will be ^{charged} to this project.

B. Discussion of World SHARE, Participant PVO and Community Contributions and other Possible Resource Availability

1. World SHARE Contribution

SHARE/Guatemala will provide office space and facilities including reception, secretarial and procurement support, communications including FAX, document preparation and duplication, stationery, vehicle support, as needed, and general

administrative support. It is reasonable to assume that this type of SHARE support for the period will be on the magnitude of \$100,000.00.

The Child In Need Project can also avail itself of technical assistance through World SHARE and will coordinate some activities with those of other World SHARE Title II programs, notably financial management training for implementing agencies. SHARE will seek to support the management of the Child In Need Project through monetization proceeds from its Title II program.

World SHARE already contributes significantly to the SHARE Guatemala Title II program and manages several other grants associated with the program. This support will continue through the duration of this project. As discussed above, the Guatemalan Office of World SHARE is available to extend support to meet certain requirements of this project, including office space and utilities, some administrative and logistical support, and additional technical assistance. Complementarity of programmed support to the PVOs extends the contribution that World SHARE will make through this Project.

2. PVO and Participant Contributions

Guatemalan PVO staff work voluntarily or for minimal salaries, often under difficult conditions. While not always possessing of the highest academic

qualifications, they are nonetheless both giving and demanding of themselves and their colleagues. World SHARE currently works with 40 such agencies throughout the country in the implementation of its Title II program and has gained an understanding and deep appreciation for the significant contribution in human resources that they make. AID can expect that literally hundreds of Guatemalans will be working on this Project, nearly all at no expense to the Project.

PVO staff will also contribute ideas based on hard won experience, perhaps the most important of all resources. World SHARE expects that they will be keen to contribute their valuable expertise and lessons learned to the Technical Assistance and Training Program, the professional growth and development program, through which systems and services in this sub-sector will be improved. Moreover, through this Program, World SHARE expects that many opportunities for increased contribution by them and others will be identified.

PVO staff currently providing services to children in need invest time and energy, their own personal and others' donated resources, to cover the expenses of their activities. It is reasonable to suggest, however, that faced with a scarcity of resources and with the tremendous need of these children, PVOs have had to use their budgets as wisely, as economically, as possible. Many activities have been at their personal expense, as many of the PVO staff involved have foregone the opportunity for more lucrative employment for that of social service.

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PVO recipient contributions may be collected, depending upon the activity. If collected, they are to be used, under written agreement with World SHARE and as approved by USAID, for direct support, whether facility, material, or technical assistance and training for systems and program development, of service activities or for the support of professional growth and development of staff providing direct care and to others who provide care indirectly to children of the target population. With approval of World SHARE and USAID, they may be used to finance activities which generate income to offset the operational expenses of the service activity. Total participating PVO direct and/or indirect in-kind contributions will be on the magnitude of \$500,000.

3. The Business Community of Guatemala

The role of large, local businesses and multinational enterprises in contributing to the fund raising efforts of some of the more established PVOs is notable and their contributions deserve recognition. More could be done, however, in terms of increasing the volume of contributions if organized in ways extending the opportunity to contribute to more of these for-profit concerns and to workers as individual contributors. Mechanisms for contributions through the private for-profit sector will be studied.

4. International Donors

The role of international donors in assisting groups who provide support to the subject population has recently expanded dramatically. The EEC, for instance, is reported to be prepared to extend considerable support to the children of the target population in Guatemala and in the Central American Region, and World SHARE fully intends to apply for funds to supplement AID's contribution to the Child in Need Project. The EEC will be working through government agencies and may work directly with PVOs as well. Coordination with organizations such as the EEC is therefore critical to avoid duplication and to maximize impact. Other donors' active support and future interest also needs to be assessed. The role of UNICEF cannot be understated, as their contribution is far-reaching and coordination has already been established for the purposes of this Project.

5. International Non-Governmental Organizations, NGOs (International PVOs)

The role of the international NGOs, historically, has been significant. PCI's active contribution to the management and implementation of health and certain other project activities has been discussed. World SHARE has excellent relations with CARE and CRS and has been in contact with Childhope, an international NGO active in the sector of child welfare and in this sub-sector, which has made a significant contribution in Guatemala. Some have, not always without risk or other difficulty, implemented activities and/or contributed support to local PVOs. The

potential for increased support from them, utilizing their own resources and those secured from donors, is worthy of review.

As aforementioned, World SHARE and PCI anticipate establishing working relationships with US based international NGOs, particularly for provision of health and educational programmatic support. But relying on international NGOs is not the ideal. Each program needs to have a local fund raising component, whether carried out independently or within a framework of collective action.

6. PVO Project Support

In general, the participating PVOs, perhaps as many as 50, are expected to designate among their own staff a manager for the assisted activity. They are expected to support this sub-project manager for the successful execution and continuation of the activity assisted. For the most part, the PVO will be responsible for assuming responsibility for providing for the administrative and operational expenses associated with the management of the work supported through this project if initial support of this nature is included in their sub-project. Finally, it is expected that as PVO personnel continue to give of themselves, they will encourage their peers in social welfare and development to continue their support.

World SHARE and other international organizations have concentrated much attention on PVO organization and strengthening with the goal of increasing absorptive capacity and bringing decision making closer to the people affected by those decisions. This work lies at the foundation of new PVO development initiatives, including the care of children in precarious circumstances.

VII. Conclusion

PVOs in Guatemala require assistance in order to care for children in need. World SHARE has demonstrated a commitment to working with them to strengthen their capabilities and intends to work with them, providing funding and other resources, including technical assistance, to support their continued development with the goal of providing better care to increasing numbers of disadvantaged children.

Through this Project, resources sought from AID will be provided in a systematic and focused way to local agencies so that they may become better able to assist greater numbers of children in need. As the local PVOs become stronger institutionally and work together as peers to provide quality services to disadvantaged children, over time they will become better able to influence national child welfare policy and social consciousness.

While the aim of this project is to offer support for the programs of PVOs for the children they serve, solving the problems inherent in society which cause these children to be in situations which are hazardous to health and life requires more than resource support. Resolving the underlying social problems requires social welfare and development workers to persevere as they deliver the care aspired to by societies where human life is respected.

APPENDIX 1
ABBREVIATIONS

ABBREVIATIONS

ASIES	Asociacion de Investigacion y Estudios Sociales
CENARI	Centro Nacional de Referencial de Informacion, Bank of Guatemala
CEPAL	
CEPRODNI	
COMAR	
CONANI	National Commission 'Action for Children' (In Guatemalan, Comision Nacional 'Accion Por Los Ninos')
EEC	European Economic Community
IELAB	Instituto Para Relaciones Europeo-Latinoamericanas, related to Hogeschool Midden Nederland
ICAITI	Instituto Centro Americano de Investigacion Technica Industrial
INCAP	Instituto de Nutricion de Centro-America y Panama
PRODERI	Program for Refugees and Displaced Persons in Central America, funded by the Italian Government and operated through UNDP
PVO	Private Voluntary Organization (ONG, Organizacion Non-Gubernamental in Guatemalan); refers, as used in this document, to local private voluntary organizations
NGO	Non-Governmental Organization; refers, as used in this document, to international groups private voluntary organizations
ROCAP	USAID Regional Office for Central America and Panama
UNICEF	United Nations International Children' Education Fund
USAID	United States Agency for International Development

APPENDIX 2
DEFINITIONS

DEFINITIONS

Community

That human grouping which has no limiting boundaries, whether characteristic, geographic or time, is comprised of sub-groupings, the larger group and sub-groupings being characterized by mutual respect of and concern for all group members.

Definitions of Categories of the Impact Population in terms of Childhood Situations (note: categories are not mutually exclusive):

Abandoned

A child given up by one or both parents and not taken in by extended family or other family within their community.

Adopted

A child who becomes the son or daughter of an adult who has accepted the legal responsibility for welfare, upbringing and financial support. The child then has inheritance rights.

Departed from Family, Extended Family, or other Care Family

A child who leaves his or her family situation and does not enter another situation but relies on himself or herself for survival.

Displaced

A child who was forced to leave his or her original home due to family disintegration caused by civil unrest, armed conflict or natural disaster.

Extended Family Care

A child cared for by a member of the extended family; usually a grandparent, uncle or aunt, or adult cousin.

Foster Care

The contractual acceptance of child for care without adoption. The foster caretaker may receive remuneration. Other support may be needed.

Immediate Family Care

A child cared for by an adult or minor brother or sister. If minor or for some reason the adult sibling is capable of care, support or alternative placement is needed.

**Institutional Care
(Community-based
Isolated)**

A child in an institutional facility for day care or residential care by one or both parents, the extended family, or taken for cause from the above or from the street for placement there by the State. Institutions include: rehabilitation centers, residential orphanages, day care centers, transition homes, and group homes.

**Neighbor Care or
Neighborhood Care**

A child cared for by one or more neighbors.

Orphaned

A child without both parents. This child may be cared for by member(s) of the extended family or of the community in a family setting on a foster care basis.

Street Children

Children who work in (children of the street) the street and return home to family or other caregiver, sleeping there at night, or live in (children in the street) the street.

**High Risk of Being
Included in One of
the Above Categories**

A child whose family or extended family situation is disintegrating and with no existing alternative care situation.

APPENDIX 3
SITUATION ASSESSMENT

SITUATION ASSESSMENT - THE PROBLEMS OF CHILDREN IN NEED

This Appendix contains five sections is a continuation of the presentation of the problem as described in Section II of the main Project Proposal Narrative. In the first sub-section, the problem as it impacts upon children is analyzed and the needs of the target population are reviewed. The second sub-section deals with private sectors capacity to respond. The third and fourth sub-sections deal with the needs for public sector and for social support, respectively. The fifth and final sub-section deals with the issue of assessment of population size and distribution.

I. THE PROBLEM AS IT IMPACTS UPON CHILDREN: TARGET POPULATION NEEDS ASSESSMENT

As discussed in Section II. of the Proposal Narrative, the man-made and natural causes of family fragmentation and disintegration impact upon the children among whom are those whose basic needs, as a result, cannot be met. These are the children of the target population. They are, predominately, of Mayan descent, are of the 0-18 year age group (18 being the legal age of maturity), and are characterized as belonging to at least one of the target population categories defined (see Appendix 4: Categories of Situations of Children in Need).

In Section III. of the Proposal Narrative, these impacts are discussed in terms of those basic and other needs which are not yet met for the entire target population, first, in the urban context and then, in the rural context.

The presentation continues with the need for these children to understand their lives in the context of the world in which they live, the need for order in their lives and a perspective which includes service to others. The section ends with a summary.

A. TRUST AS BASIS FOR ACCEPTING CARE

The most basic of needs are trust and a sense of belonging. Meeting basic needs therefore begins the reestablishment of trust and this sense of belonging. Most children in the target population have had close personal relationships altered or severed. In many cases, these relationships have been changed with a result being a feeling of being alone and of distrust of others. The examples that may be given are as varied as the situation of the each child. (See Appendix: Definitions of Categories of Children in Need.) No brief review can cover the problems faced by all of these children, but the following review

is offered to underscore the difficulty of circumstances for these children and as background for the continuing analysis.

Often, children remain in a family which whether intact or only partially so must insist that all capable members contribute to income. Parents, as a last resort when there is no other way to provide for the family, send their children to the streets to vend, beg or steal. These children sometimes experience heightened tension in familial relationships because they together must now deal with situations and behaviors, such as begging and theft, in which they would rather not have to be engaged. Further, the children are exposed to others in the streets whose behaviors may be even more detrimental to their health, such as prostitution and risk of HIV/AIDS, and alcoholic and/or drug addictions.

Moreover, the poverty which sent them to the streets sends them without protection from the elements, illness or injury. The toxic fumes of vehicles causes respiratory complications, eye problems and headaches and nausea. Infants, accompanying a family member or used to elicit greater response when another is begging, suffer along with the children and those adults, some disabled, who ply the streets with their trade or open hand.

Because children of the street must bring in income for their own survival and, often, for one or more other members of their family, they need to know that when they change unhealthy and sometimes illegal but often lucrative behavior, they will be able to earn money to provide for themselves and still contribute to the income of their family. Economics speaks loudly to the absolute poor who must forego activities yielding returns in the future, such as preventive health and education, for those, like vending and begging, which yield immediate and critically needed returns. The economics of an income earning activity, then, which is suggested as an alternative to street income also needs to be considered as street income is, as pointed out, often quite lucrative. Morality in the face of destitution is often difficult to adhere to and more needs to be offered than trust.

But, trust must be established before the seasoned street child and many other at risk children will accept other services. Sometimes children, especially those who have already suffered painful losses, particularly those having been orphaned due to armed conflict, and are additionally victimized and suffer from grave and sometimes unspeakable personal insult and abuse. Forms of abuse suffered include emotional, sexual and other physical maltreatment. As a result, those children abused do not trust others and refuse to recognize that they need someone to help them; because they fear separation they refuse closeness. They need someone to befriend them, as someone the child in need can trust to care for them and be devoted to them as a caregiver would; someone, moreover, who is trained in how to manage

children who have been so seriously hurt. This is especially true of those who live in the streets, especially if they are also abused there; and most surely when abuse comes with their consent as in voluntary prostitution. Similarly, children from dysfunctional families who have suffered severe maltreatment and for that reason depart from their family often harbor the same feelings. Family counselling is needed so that children from dysfunctional families do not become at risk of becoming abandoned, institutionally placed by court order or by social workers, or of taking to the streets. All of these children require intensive rehabilitation. They need someone to stay with them through the most difficult of times. In some cases, this means staying with them in the street at night. They need the assurance of continuity of care which provides for the physical and emotional security needed by them to enter into demanding agreements to alter their beliefs, feelings and behavior.

Some children, again, especially those living in the street, in order to cope with their difficult circumstances use alcohol and/or drugs. For these children, the intensity of curative medical care and psychosocial rehabilitation is incremented and the period often prolonged.

Children's basic needs, then, begin with trust and the establishment of personal and working relationships. The next steps are to make needed welfare and developmental services available to the children.

B. SECURITY AND SAFE SHELTER

Basic needs of these children include security and safety. The trust that is invested in a secure relationship with a caregiver has been discussed. Children also need to be secure in the environment in which care is given. They need a safe and reasonably comfortable shelter; a place to live, safe from maltreatment and emotional, and sexual or other physical abuse and death. Also, their shelter needs to be safe from accident and conditions leading to ill health (such as overcrowding, poor ventilation, poor lighting, unclean conditions); and, when appropriate, safe, during rehabilitation, from themselves.

The upkeep of shelter in a family setting is best managed as the responsibility of children together with family members. If children have some role in taking care of their living area and have some chores whereby they contribute to the support of others. They contribute to the management of the environment in which they are living, their new residence, and are more likely to feel that it truly is theirs, that they belong there. Children need to learn the routines of managing the environment in which they live and would also benefit from community-based activities through which they can learn to manage the environment

surrounding their place of shelter, their temporary or permanent 'home'.

A visually stimulating environment, thought provoking, provoking thoughts reinforcing the feelings of security that are essential to healthy growth and development is needed. Importantly, children need a place where they feel welcome, a place that is theirs, where they do feel at home. Within this place, their basic needs are met. Conditions in most large and some medium size institutions reflect inadequate budgets and lack of effective systems for upkeep and maintenance. Unclean, seasonally musty, without adequate lighting and therefore dark, they are, at most, unstimulating.

Thus, several large and medium scale institutions, the care situation of last resort although at this time in Guatemala much relied upon, need to be improved. And, most importantly, caregivers, whether in family or small, medium or large institutional settings, need assistance. These children need education enabling them to learn and practice roles which they as members of society are expected to be able to act out as adults. These institutions need, above all, assistance in transition to smaller scale residential units (see Section III., B., 5.) and the development of other placement alternatives, i.e., adoption, neighbor care, foster care, scholarship support and sponsorship support systems.

C. NUTRITION AND HEALTH REQUIREMENTS

Nutrition and health needs must be met. Infant and under five mortality are 59% and 79%, respectively, nationally. But among the general indigenous population the situation is even more precarious. The infant mortality rate approach 130 per 1000 live births. Although statistics are not currently available, percentages would be expected to be even higher among infants of the target population, especially among street infants.

Children in need who are not in the group-home and medium scale residential institutions operated in predominately urban areas by a few PVOs in Guatemala that provide well for their nutrition and health care need food and medical attention. Neither are accessible without limits and, without advocacy, these children find access difficult. Among the general population of Guatemala, only 59% has access to minimal levels of medical care (CEPAL). 33% suffer from undernutrition and more from vitamin and mineral deficiencies (INCAP).

Illness and death are due to gastroenteritis and upper respiratory infections, tuberculosis, tetanus, intestinal parasites, and the usual endemic childhood communicable diseases, as well as eye, ear and skin infections abound. The teeth of

children of the target group are in poor condition. (INCAP, GAP) They suffer from irregular eating and sleeping patterns, and from sleeping in dangerous and unhealthy places. Overexposure in inclement weather resulting from inadequate shelter is compounded by lack of protective clothing. Again, many require care for mental and emotional health problems, addictions and all need guidance and counselling. Well designed and delivered programs of care are needed for their spiritual, emotional, mental and physical well-being, the definition of health according to WHO.

Again, there are not enough health care facilities, equipment, medical supplies nor medicines in urban or rural Guatemala (CEPAL). Nor are there enough child welfare and health care workers nor nutrition and health educators trained and supported to deliver these services (Bienestar Social). Nor has there been sufficient support for those existing community-based groups attempting to resolve the situations of these children, and thus support for new community-based initiatives. These needs must be and in some cases are being addressed.

D. PERSONAL CARE ROUTINES

Establishing order in ones life is part of assuming responsibility for one's own behavior as pertaining to self-care and for contributing to the welfare of others. The adopting of habits and routines of personal care and care of belongings, and of other aspects of healthy living are an important part of adjusting for these children, especially those who had never had such habits and routines. Children need instruction and patient guidance while learning and practicing these behaviors which are so necessary for healthy living.

Assessing the material needs of these children is easy. Essentially, they are the same as for all children. At least two sets of clean clothes, including a jacket, and a pair of shoes for each child are needed. Clean bedding is needed. Access to the means of or help with cleaning clothes is also needed. Personal care items for bath and toiletry are needed. Also needed is a place to keep ones' belongings, no matter the type of living setting.

E. PROBLEMS IN PROVIDING QUALITY INSTITUTIONAL CARE: A MATTER OF SCALE AND SUPPORT

The family is the fundamental, the primary institution of society. Promoting and protecting it serves to prevent children from becoming 'children in need'. The community, whether formally organized or as neighbors, plays a role in its promotion and protection. When there are severe problems with families and

communities, then care of children takes other institutional forms. Administering to the needs of children in each institutional setting has its inherent and related problems.

Large Residential Institutions

Residential institutions serving large populations, because of their scale, have tremendous operational and resource requirements, especially when comprehensive care is provided. In Guatemala, very few medium and large institutions provide for more than the very basic support.

Without the basics other than food, with the selection limited; without clean bedding and with few clothes, difficult to keep clean; these institutions are not conducive to children enjoying a long term stay. Many children of Guatemala City have been in and out of the government institution, Hogar Rafael Ayau, in Guatemala City (Street Children interviews). The Government of Guatemala operates several orphanages throughout the country and has many needs for material support, but as the overriding need is to create smaller residential units for the children, assistance supporting this transition is most critical in terms of quality of care and, if managed correctly, cost effectiveness.

Until there is sufficient support for transition to smaller units and for children who must continue to live in residential institutions, opportunities need to be afforded them to visit homes in order to gain the experience of normal family and community life. This can be done through a Big Brother/Big Sister or a family sponsorship program.

Medium Scale Residential Institutions

Medium sized institutions, of approximately 50 children, are easier to manage. The problems, still, are in the organization of a comprehensive program of services and in integration of the children into the community.

At this scale, there remains the tendency toward self-sufficiency, toward isolation in the provision of services, instead of the integration of the children into the community through the use of community services. Along with this is the limited nature of the contribution the children make to the community.

Smaller Scale Residential (Family-like) Settings

One argument for the appropriateness of larger scale institutions is that some services can be provided more economically than if they were provided at many different points of delivery. A simple example is that of keeping sheets clean. It is easier to collect, clean and return 50 sheets at one site

than to have to travel to 5 different sites in different parts of the city. But that assumes that one agency is going to service the dispersed population.

What is needed is a network of small units where care providers are responsible for the provision of quality care. Smaller institutional settings, with parent role models, are the best setting for children without families, extended family or the opportunity to join as a member another family through sponsorship or apprenticeship, by foster placement, or adoption. In these settings, caregivers are more directly and personally responsible for the maintenance of the children and for their material support.

Like all families, small care units need support. This is a function of neighbor and community. When integrated into the community, the children can avail of community health services, schools, sports and recreation activities, etc. Assistance can come from one or more individuals, groups or agencies who provide particular inputs as needed.

Small residential units, of 5 to 15 children, are of a scale more suitable to the delivery, therefore, of quality care. The personal attention, the closeness of human relationships, is extremely important for these children.

Even if the larger government institutions and those larger and medium size institutions of private agencies were clean and provided for health, education and all of the childrens' other needs, the children would still not benefit from the closeness of a smaller group living in a unit more like that of a family. Children in large institutional settings or in the streets have little opportunity to experience the support or regain the other benefits of living in a family setting. Children need to experience a sense of family which is characterized by love, and of concerned and responsible caring for each other, of closeness, and enjoyable relationships, of enjoying life together; learning family roles from parent substitutes and again, whenever possible, in as much a family like setting as possible.

Whether daily care or residential, close relationships can be formed between the children and their caregiver, but this is facilitated more easily within smaller units. Moreover, resembling family-units, the building blocks of community and society, the children can better enter into and contribute to community life.

F. COMMUNITY-BASED PROGRAMS FOR RESIDENTIAL AND NON-RESIDENTIAL 'CHILDREN IN NEED'

There exist several community-based programs for residential and non-residential 'children in need' and a review of these would benefit the project by increasing the range of options available to communities for organizing the childrens' support. Three are mentioned here: Big Brother/Big Sister, The Child To Child Program, and Sponsorship or Scholarship support.

A Big Brother/Big Sister programs prepare young adults and mature, older teenagers to provide certain types of support to younger children, particularly sports and recreation, some educational activities, and, in some cases, advocacy with medical and dental care, etc. Although it can be organized within an institution, normally it is organized on a community basis, the older caregiver coming from the community in order to integrate the younger child into the community.

The Child To Child Program is a comprehensive program of child educator companionship for another, younger child. It began as a nutrition and health education program within the school setting, kindergardeners and primary school children taking home the lessons they learned to their younger siblings. It has expanded into a full curricula program and has gone beyond the walls of schools into the communities and between communities of many countries of the lesser industrialized world. It provides, through video tape and manuals, guidance for programming and implementation and is available through the London School of Health and Hygiene, U.K. Finally, it is adaptable to any educational circumstance involving children.

A family sponsorship program can either form a bond between a child and a family on an activity by activity basis or on a permanent basis. Sponsorship can be for a feeding program, medical care, an educational program, a sports or recreation program, or it can be a general support which covers all types of care for the child and can be managed with a personal relationship being formed or anonymously. This is usually a community-based program but can also be a regional or national program.

The Program of the First Lady of the Republic of Guatemala has as one of its eleven projects components an outreach, street educator program, like that of Big Brother/Big Sister, and seeks to extend coverage beyond the Capital to Quetzaltenango, Escuintla, Puerto Barrios, and Cuatepeque. Support is needed for the training and support with educational materials of these street educators.

Attempts should be made to open the doors of larger institutions, establishing formal exchange relationships with

families and schools and, whenever possible, to move the children out to group homes, into foster care and adoptive homes. Some attempts are being made. Nevertheless, alternative systems such as adoption and, undoubtedly more culturally acceptable, foster homes, are needed.

Supervision is critical to success of all of these programs.

Other than reentry into original families and extended families, it is only in family-like settings that family-like relationships can be established. And, of course, the ideal is reentry into families of origin, a program desired by The President of Guatemala. (Per Program of the First Lady of the Republic)

Some PVOs do operate group homes in cities and in the rural area effectively. A thorough study of their operations as service models for children of the various categories is needed so that with documentation as to the support requirements, organization and operation of this type of community-based facility, more can be established. Group homes are a model that is appropriate for both urban and rural contexts.

G. CENTERS (OR SERVICES) FOR CHILDREN AT RISK

Services need to be provided for children who are in acute at risk conditions. There is a hierarchy necessary for addressing the complete provision of these services, i.e., preventive, protective and promotive. Crisis centers or Centers for Children At Risk, or Rehabilitation Centers are at the apex of the hierarchy, indicating that for one or another reason community-based programs have not met certain children's needs. These centers, in a variety of forms, are critically needed where the problems of these children are most acute, in Guatemala City and the interior municipalities, Quetzaltenango, Escuintla, Puerto Barrios and Coatepeque, but also in several other departments. Among these are Huehuetenango, San Marcos, Alta Verapaz, and El Quiche. Across the Mexico border, children who need support to return or reunite with family, or be cared for as Guatemalans, are located in the border areas of Comalapa, Trinitaria and Margaritas, and the state of Chiapas (Per Program of the First Lady).

Forms vary depending on characteristics of the individual or sub-population, the problem and need, what services are to be provided, and how and where care can be delivered. Some acute care services may be delivered on site in group homes, as it can be in transition centers and larger residential institutions, thus justifying the inclusion of all care provision situations for consideration, even the streets through mobile units, in the network.

H. CHILDREN IN NEED IN THE RURAL CONTEXT

Other than the discussion of traditional patterns of care in Guatemala and a few previous notations in this and the Narrative Section, the problems of children have been described in the urban context. Children work and live in the paths and roads of outlying aldeas and pueblos as well, although problems there are not as acute because the numbers of children are fewer and, therefore, organized services, provided on a smaller scale, would be easier to manage and less costly to support. Further, there are children without homes or daily care in the aldeas and pueblos. Compared to the children and their situations in Guatemala City and the larger municipalities, rural children are described somewhat differently.

1. Patterns of Assistance in the Rural Context

Children in smaller municipalities or pueblos, sometimes with no parents or many times with a widowed mother working outside of the pueblo and no possible extended family care must go from home to home in the neighborhood to ask for food. These are sometimes very young children. With little or no attention or supervision, they often get hurt and suffer more frequently from illness, their resistance low due to poor nutrition. Those a little older go from workplace to workplace, as well, to ask for help.

Occasionally, the child may find some work to do and receive some support for this labor. Sometimes the children are treated well. Sometimes not. The work opportunities in the rural area are limited; most work in the fields, in orchards and on coffee plantations. Due to recent economic depression, the opportunity for this type of work is more limited and less support, too, is available from neighbors.

2. Deterioration of Patterns of Assistance and Resulting Needs

With the direct impacts of the deterioration of the economic base for poor families and alteration of patterns of assistance, there is a need for activities that generate income and provide other types of assistance for poor families. The children of these families are the most vulnerable to these impacts and changes. In providing support for these children, communities, as discussed in the first part of the situation analysis, have had to address the problem more formally, and require and are seeking assistance in new ways.

Children without daily supervision need a daily care service (the term used in Guatemala is Daily Care as day care means that the receiving family keeps the child at night) in a family-like

setting if they do have an adult caring for them in the evening and at night. If no such setting is possible, they require a group home with a responsible and capable adult or two, depending upon the size of the group, available there to meet their needs, or foster placement.

Beyond this measure of shelter, security and safety, again, they need to learn how to care for themselves, develop productive skills and have the opportunity to work and play, and contribute the richness of their lives to the community. For this they need organized community-based support.

Just as children need to experience the richness of family-like relationships in a family-like setting they need to experience the relationships that build communities and in order to do this they need to be a part of the community. Only by feeling the support of the community do children who have suffered gain a full appreciation of the moral values of the community. With these understandings, they can address the larger community, their society and the world. Counselling is often needed to help children to grow in their understanding of the world around them. Moreover, as community members, they need to be introduced to the functions of communities, the services provided, and to the many ways that they can contribute to community life.

I. EDUCATIONAL AND LEARNING NEEDS

Children who live with poverty and see great wealth, who may have been a victim of physical abuse or armed conflict, who have adopted behaviors that they know are unhealthy or wrong, have a view of their world that limits their actions. Their actions are limited in terms of seeking out and accepting assistance, and being of assistance to others. Further, children involved in behaviors which are wrong tend to encourage each other to maintain their often illegal and injurious activities. Few children can alter their views or direct themselves to seek out help or to develop the new skills they need to function more productively without assistance.

Encouragement to view themselves forgivingly and life positively is essential and general instruction in self-discipline and organization are needed as foundation for more focused instruction about matters such as care of personal property; organizing time for daily activities, whether learning or productive activities, or for recreation and leisure; and, ultimately and very importantly, for assuming responsibility for the care of themselves and others. Children need to be able to view their environment in more informed and realistic ways.

Educational programs must be provided to them which stimulate their thinking, introduced new information which encourages them to search out new things to learn about and which shows them how to use those resources available to them for learning. These programs need to assist them with the process of thinking through problems in order to arrive at solutions for which they may access, or in some cases produce and utilize, resources; to analyze their situations and begin to explore other options.

Materials must be secured or developed for the many educational applications, which can be used directly with this target population and for these children together with their classmates in the private or public community schools they attend. Educational materials may be developed by the children as well. Understanding the childrens' unique perspectives regarding the analysis of their situation and the process of their growth and development will help to inform the programs of care that service providers design for them.

Materials must be secured or developed and adapting proven instructional materials is less time consuming than materials development and testing. One proven educational program is the CHILD TO CHILD Program which would be appropriate for this population. Another is the environmentally-based program which uses materials available within the child's environment to learn the basic skills needed to survive, understand how to learn, gain productive skills, become literate, and to access available resources and services. These and other educational programs require review and adaptation to the Guatemalan context and support for this activity considered through the Child In Need Project.

Insufficient numbers of trainers and trained personnel, of facilities and material for educational programs and of a history of lack of political will supporting universal coverage of educational programs is the norm for Guatemala and particularly for the poor whose children must work to contribute to family income for survival. The case is sometimes made that what is taught in standard educational programs is not what indigenous parents believe their children should be learning. While the existing insufficiencies in coverage (only 40% of Guatemalan children have access to formal education and then only through the third grade) of standard programs being redressed (GOG) many children will not see improvement in coverage and, therefore, programs which are environmentally based, making use of materials existing around the child in their daily lives, are needed. Such programs are being developed and implemented by PRODERI, in conjunction with the GOG Ministry of Education, and by ASIES and others.

Education is essential for these children so that they can better understand not only their own environment and its impact on them, their lives within the Guatemala context, but their world, their universe. The most difficult sub-population to service are the street children of Guatemala City. An example of a strategy to meet their needs is one activity of The Program of the First Lady of Guatemala which aims at supporting street educators with a mobile educational, as well as medical, unit. This and similarly innovative strategies, with accompanying technologies, require extensive review and support for this considered through the Child In Need Project.

There are nearly as many educational applications as there are things to learn. Yet, the process of designing educational programs is much the same as that of providing technical assistance as educational goals have to do with altering or in some say managing behavior. The important thing to remember is that the learning process is controlled, ultimately, by the learner. So, the great challenge is to present content in such a way as to excite children to invest themselves in the learning process.

J. SUMMARY

In summary, each child requires support in order to mature into adulthood within the society. With many of these children, the forming of personal relationships characterized by trust, concern, and guidance are the most challenging part of the work. Based upon these relationships, children learn about the possibilities available to them to improve their lives and, in some cases, the lives of other family members. For some, fundamental abilities such as self-discipline and organization may need to be learned from competent professional caregivers.

Opportunities for recreation and leisure need to be available because the work these children must do to improve their lives needs to be balanced by enjoyment of the new life toward which they are working.

Functional literacy and basic education, marketable productive skills developed through programs of technical training and apprenticeship are needed. Income generation opportunities and job placement systems are needed as these enhance the chances of the child to remain productive and, therefore, of becoming increasingly self-sufficient and potentially a contributor to the economy. Above all else, caring concern, understanding, time and patience are needed.

II. REVIEW OF RESPONSES OF THE PRIVATE SECTOR TO THE PROBLEM IS NEEDED

Private groups have been at the forefront in addressing the problems of the disadvantaged children of Guatemala, not without risk in many cases. Groups operate both in urban and rural areas, some with limited catchment areas, some nationally. Again, viable initiatives service all categories of children except children within the age group of 16-21.

Related strategies and technologies require review. While comprehensive reviews of the numbers and situations of children are useful, more immediately needed is a systematic approach to the support of PVOs serving them as it is through these services that much of this information may best be collected and verified.

The private sector needs to become as active as possible to begin the process of expanding existing activities and organizing and implementing new services. PVOs need to mobilize resources in order to sustain their activities.

No publicly available review of the initiatives of these groups is comprehensive nor is there one that analyzes their aims, capabilities, and needs. However, some existing and recently completed situation assessments will be of use to PVOs and their supporters as the PVOs continue to serve these children.

Findings of the investigation of the information and training needs of intermediate and higher level PVOs surveyed by IELAB in 1989 and 1990 may be available with consent of those PVOs who participated in that effort. Three aforementioned reviews recently completed by UNICEF, the EEC and USAID are valuable additions to the current situation assessment, dealing with private as well as public sector involvement, and the appropriate sharing of their results would increase the base of knowledge in this sub-sector available to those PVOs whose initiatives merit continuing and increasing support.

Information held by ASIIES, INCAP, public and private academic information services, and in development information service systems such as CENARI and that of the IELAB/PVOs, may also be useful, especially in the identification of PVOs needing support and capable of contributions to the exploration of strategies and technologies and in tracking trends in service provision and the overall situation. Coordination informed by their findings would benefit all groups working in this sub-sector of social welfare.

The PVOs need to establish and/or strengthen cooperative and complementary working relationships with others working and supporting work in this sub-sector. They need to establish

working relations with government in support of government programs and in order to avail of governmental assistance. By working together, PVOs and government can better assure the society of sustainable welfare services for its most vulnerable members.

III. THE NEED FOR PUBLIC SECTOR SUPPORT

Access to public services is needed especially for the children already without families and for children who are at risk of entering a situation of being without family. This means, therefore, that services need to be extended to the socio-economically disadvantaged, as individuals and families, within their own communities. This could dramatically reduce the number of children who fall into the target population categories.

Information pertaining to certain aspects of the overall situation has been collected by the Ministry of Development, by Bienestar Social, and by the Ombudsman for Human Rights among others. The investigations of UNICEF, the EEC and USAID, as well, provide information as to public sector involvement in the sub-sector.

Recognizing the legitimate role and responsibilities of government in the area of child welfare, the results of the operations research would have increased impact if shared with those responsible within the designated government agencies. As the government becomes increasingly capable of exercising its legitimate responsibilities and roles, PVOs can make appropriate decisions about the sustainability of their initiatives. They can decide which activities to continue to manage independently, for which they require government support, and which they would suggest become public sector activities.

IV. THE NEED FOR SOCIAL SUPPORT

Ultimately, social support is needed to ensure that children do not fall into the categories involving social disintegration as causal factors. Social support is also needed by children who find themselves in categories with causes unrelated to social disintegration such as, orphaned due to accidental death or natural disaster. Communities need to become strong enough to offer assistance to families before they disintegrate and to assume the responsibility for care of children suffering from unavoidable occurrences by establishing, with public support, services through which the needs of the most vulnerable members of the community are identified and met.

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V. ASSESSMENT OF THE NUMBERS AND GEOGRAPHIC DISTRIBUTION OF THE TARGET POPULATION

A. CLARIFYING THE CATEGORIES AND DEFINITIONS USED TO DESCRIBE THE SITUATIONS OF CHILDREN IN THE TARGET POPULATION

The total target population is defined here as 'children in need'. Another term used in this sub-sector is that of UNICEF: "children in especially difficult circumstances". Still another used professionally in social welfare is the term used in "socially disadvantaged children". The term used in this project, Child In Need, has been selected so that meeting the needs of the children in the target population can be the focus of project activity and its support.

The children could be described according to other characteristics, for example, the children of the target population are predominately of Mayan origin, belong to the 0-18 year age group, 18 being the legal age of adulthood. However, except for actions to reunite the children with original family, extended family, neighbors and community, and account for cultural background, for instance, as pertaining to language and history within an educational program, describing the children in this way shifts the focus from a need-based one to an ethnic focus. By focusing on the categories and definitions used to categorize and define the children's situations, described according to situations of absence or need for support of a responsible caregiver, needs for basic programs of care, etc., actions to improve these situations can be addressed without being distracted by other considerations.

Needs are thus best identified and met according to the child's situation. These situations are categorized according to the definitions in the Attachment: Definitions of Situations of Children in Need which suggest that different situations require different responses.

B. ASSESSMENT OF NUMBERS AND LOCATIONS OF THE TARGET POPULATION IS NEEDED

Tentative estimates of children in the target population in Guatemala places the number up to 500,000, depending upon the method, such as extrapolation from other data, and source and the category of the child being used. The National Institute of Statistics has been contracted by UNICEF to assist with a more thorough investigation which is expected to clarify the categories, the numbers and locations of these children. The result of the investigation is expected to be available in July 1991.

The assessment of the target population, the children, in terms of numbers, situation and location is necessary for Guatemalan governmental budgeting of assistance. What is known is presented in Section IV. The Target Population. Therefore, assessments, whether investigations or numbers verifiable through operational research, would best be coordinated.

One situation assessment procedure that is suitable for use through the process of providing technical assistance and training, a component of this project, is that of the community-based Rapid Assessment Procedure (RAP). This procedure relies on observation and interview to establish sufficient factual information to design and modify activities and involves a survey of communities. This can include a review of who from outside of the community enters and leaves the service catchment area. Another methodology is the on-going monitoring of operations and operational research. Through on-going activities, coverage can be assessed, tracked and analyzed for reporting as well as programming purposes.

Reporting methodologies and devices need to be reviewed and presented to PVOs so that they can consider and select the most appropriate for their needs and the needs of the social welfare activities and statistical requirements of the Guatemalan Government. The PVOs need to be encouraged to adopt sufficiently similar reporting methodologies and devices so that they can assist in their catchment areas with the collection of information that can then be aggregated so that trends can be monitored and better services and increased support planned by the Government of Guatemala.

APPENDIX 4

MAJOR TECHNICAL ASSISTANCE CONSIDERATIONS

MAJOR TECHNICAL ASSISTANCE CONSIDERATIONS

The major considerations in determining technical assistance for service PVOs are listed in this Appendix.

- Location and history of population; population profile (including special note regarding social cohesion, unrest, armed conflict and impacts).
- Other service providers and support groups working in area and services provided by them.
- Type of organization; organizational history; current situation including commitment, connections, sources of support; needs and intentions with regard to meeting them.
- Level of organization; competency with systems; needs.
- Resource base and ideas for expanding that base in terms of creating opportunities for contributions from others and in terms of linkage with other activities for increased or extended impact.
- Competency with programming and with service provision; types of services provided or intended; response of children, family and members of community; needs.
- Number of children cared for through services provided or intended; by category; number to be reached in the future.
- Track record - impact on service population in terms of activities on human relations and community building; the conditions of nutrition, health, hygiene and related habits; the conditions of living: environmental awareness and use, shelter, and related materials; education; productivity. Effect on other service groups.
- Model; capacity to replicate; provision of technical assistance and/or training to others; connections.
- History and methods of information management.

Examples of types of assistance follow.

- reviews of overall situation: assessments, analysis, dissemination of findings and recommendations; follow-up.
- PVO contact information, history, support and activity to date.

Appendix 4

- **social commitment: fund raising history, potential and contacts including political support; business community support, donor support; strategies and technologies for encouraging social support; contacts.**
- **targeting or determining the service population: definition of service population according to characteristics, categories; coverage according to entity providing service, numbers and services provided, cost; coordination strategy.**
- **approach to determination of and specific criteria for support of children; review process.**
- **strategies and technologies for systems and program development and management with related criteria for success and support requirements; approach to assessment and specific operational research protocols; evaluation protocols and reporting.**
- **functions/structures of implementing the service activities; job descriptions.**
- **joint education (including training, and observation and protocol field trips, as well as monitoring and internal review).**
- **administrative communication systems - how do members of the group communicate.**
- **statistics and programmatic information learned through project reviews: collection, analysis and dissemination.**
- **information services; access, as repository; to locate relatives or neighbors/community members.**
- **references.**
- **referrals.**

APPENDIX 5

**SERVICE PROGRAMS FOR WHICH TECHNICAL ASSISTANCE AND
TRAINING SUPPORT WILL BE CONSIDERED**

SERVICE PROGRAMS QUALIFYING FOR TECHNICAL ASSISTANCE AND TRAINING SUPPORT

The following is a more detailed account of service programs which may, if the implementing group meets other project review criteria, be considered for support through Technical Assistance and Training Component of the Child In Need Project.

Service programs providing care directly to the children for their spiritual and emotional growth and the building of self-image, other-orientation and human relationship building and related support activities to back up these direct care services may be considered. Formative training for service providers, the caregivers, formal education teachers, and medical personnel, and others in direct contact with the children may be included under the support activity portion of this program. Provision of professional psychiatric and psychological care for chronic or acute emotional problems is coordinated with the emotional and mental health programming available for support of those children who need such care. This may also include a community growth and development program.

Programs of service provision of the other most basic material and related instructional needs - personal care instruction and hygiene items - clothing, shoes and instruction in care of personal belongings - instruction in routines of sleeping, eating, care of living area, chores and study and care of related materials, with related support activities may be considered.

Service programs of modelling behavior, counselling and day-by-day instruction in self-discipline and assuming responsibility for personal growth and development, as well as development of self-image and personality, with related support activities may be considered. Again, formative training for service providers, the caregivers, and those in direct contact with the children who need care may be included under this type of program.

Service programs of preventive, protective and rehabilitative nutritional and health care, first aid and basic medical care, with related educational and support activities may be considered.

Service programs establishing or strengthening study skills, formal and/or informal education with functional literacy qualify for consideration, with related support activities may be considered. Material requirements of the programs may also be considered.

Service programs assisting children to attain marketable productive skills are considered, as well as apprenticeship and

job placement programs, with related support activities, including a mentor support network may be considered.

Income generation activities for PVOs so that the PVOs can sustain cash flows for overhead and operational expenses associated with service and related support activities, assisted by the Child In Need Project, which need to continue after the Child In Need Project ends may be considered.

APPENDIX 6

**THE CHILD IN NEED PROJECT
PVO FUND SUB-PROJECT APPLICATION**

THE CHILD IN NEED PROJECT - PVO FUND SUB-PROJECT APPLICATION

Contact Person and Contact Information:

Name of Group:

Director or Leader of Group:

Location of main office and , if appropriate, branch offices, with telephone numbers or other means of contact:

History of Group (how and when organized; by whom; for what purpose, etc.):

What is the nature of your group now? How have you grown in your ability to access resources and provide services to those you have identified as your service population?

What is your service area? What is the nature of your service population? How many young children, adolescents, young to middle aged adults, and elderly live in your area? How many disabled men? How many widows? How many children in need, according to the stated categories live in your area? How many enter your area to work? How do they meet their basic needs and what are the needs they need assistance to meet?

What is the activity for which your group is seeking support; why it is needed; how it will be carried out and what specific type of support is required:

Location of the activity for which support is requested (please include how and why the location and population were selected):

What resources have you already acquired for the activity for which you are seeking support?

What additional resources are required for this activity? If you are involved in other activities, please describe them. If you work with other groups, please indicate whether these groups are private voluntary, private lucrative, political, or governmental.

Is your group a member of any larger network of local PVOs? If so, which one and how do they meet your needs and what are your responsibilities as a member?

What are your opinions about service networks? To what extent do you think they are making a contribution to the strengthening of their members? What areas do you think they need strengthening? Please provide three references.

APPENDIX 7

**THE CHILD IN NEED PROJECT
PVO FUND SUB-PROJECT CRITERIA**

FOR INTERNAL PROJECT USE ONLY

**THE CHILD IN NEED PROJECT
PVO FUND SUB-PROJECT CRITERIA**

The following are the project selection criteria that are used in determining whether a PVO qualifies for assistance through the Child In Need Project. Reactions to these questions are to be solicited, as appropriate, from the requesting PVO. If more space is needed for their reactions, please attach additional pages.

First, an activity will be considered for funding if it is sensitive to local traditions. Some local traditions help members of the society to care for these children and some do not. How does your activity account for local traditions?

Second, activities that promote overall sustainability of national systems of care for these children will be given priority. Does your activity contribute to promoting the national system of care in any way and, if so, how?

Third, action activities will be favored over research activities. Please describe your activity relative to this issue. Also, please indicate what types of research you think might help you in the future to better serve the children.

Fourth, priority will be given to projects which contain training of care givers, teachers and outreach educators, social workers, managers, and which focus on health and education activities.

Do you have needs for training or technical assistance and, if so, what are they?

Fifth, the activity needs to be a one-time, completable activity or, if this assistance supports a service and the service will continue after funds are used, the PVO must rely on resources other than those of the Child In Need Project. The necessary institutional linkages need to be put into place to ensure this. Please discuss this as it relates to the activity for which you seek support.

Sixth, activities attempting to place children in family, extended family or neighborhood, or, if this is not immediately possible, in community-supported, small group units, will be given priority. Please discuss this as it relates to the activity for which you seek support.

Seventh, priority will be given to PVOs who would consider participating in activities aimed at strengthening programs of

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community-based care, so that the needs of children can be better planned for and met. Does your activity contribute in this way or is it linked to another activity that does? Yes? Not Yet? What are your reactions to these questions?

Eighth, what are the sources of support for your on-going activities? Will the funding that you are requesting through the Child In Need Project replace these sources?

Ninth and finally, if your group coordinates among members who are welfare and development entities, some support for coordination and planning functions may be available. Is your group of this nature? Yes: No:

If so, do you need any assistance with coordination functions Yes: No:

or planning functions Yes: No:

Does your organization coordinate activities or implement activities or both? Implement? Yes: No:

If your group is not a coordinating body, is your group a member of such an organization? Member of one: Yes: No:
Please discuss.

APPENDIX 8

**THE CHILD IN NEED PROJECT
PVO FUND SUB-PROJECT APPLICATION INTERVIEW PROTOCOL**

FOR INTERNAL PROJECT USE ONLY

**THE CHILD IN NEED PROJECT
PVO SUB-PROJECT APPLICATION INTERVIEW PROTOCOL**

The Application: PVOs are asked to provide the following information, as appropriate, about the nature of their organization and the activity for which they are seeking support. If a question does not apply, it may be left blank, although it may be discussed for developmental purposes with the PVO. After the interview when the form is complete, it is to be provided to the World SHARE Child In Need Project Manager prior to a meeting during which the responses will be discussed. Append any comments to be added.

I. Immediate Situation and Problem

- A. What is the situation in the area in which you work? What is its history? How have communities been effected? What is the problem that you will be addressing through the activity for which you are seeking assistance? How have families been effected?**
- 1. What is the history of the situation and what are the factors causing or contributing to the problem?**
 - 2. What is the exact problem you will be addressing through your activity?**
 - 3. What is the effect of the problem on the communities and families in the area where the children come from and where they are now located?**
- B. What is the situation of the children and how have the children been effected by the problem? Include a description of their physical, mental and emotional condition. What basic needs are satisfactorily met and which are not yet met?**
- 1. Describe the problem as it effects the children and the exact condition of children you are serving.**

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- a. What is the effect of the problem on the children, in general?
 - b. What is the nutrition and health condition of the children? What eating and hygiene behaviors need improvement?
 - c. What health care is now provided to the children and who provides this care and how?
2. What basic needs are met and not yet unmet?
- a. Basic needs met are:
 - b. Basic needs not yet met are:
- C. How many children are effected and where are they located?
- D. Are there children in the geographical are who will not be able as yet to be helped through this activity? How many? Is anyone else helping them?
- E. Where are the children you will assist from originally? Do they have any immediate family, extended family? Do they have any neighbors who, with support, could care for them? Is there a community committee serving their original neighborhood in any way? There may be several answers to this if the children you serve come from a number of original locations. Please answer if you can.
- F. If the answer to I.E., above, is not known, would your group consider participating in a program to locate relatives and other possible caregivers for the children you are serving? Yes: Not now: If so, how could you help this effort?
- G. How many of these children does your activity serve? Give number served directly: .
 Give number to be served indirectly: .
 How many do you believe that you can serve two years from now? Five years from now?

What factors are keeping you from extending your services to more children in need?

II. Solutions

- A. What kind of help do you now give the children directly?**
- B. What kind of help do the families or other caregivers of these children need? Are you now assisting them in any way?**
- C. What activity are you seeking support for through the Child In Need Project and how does it fit with your other activities?**
- D. How will this activity directly help the children?**
- E. How will or might help be provided to the families or other caregivers of those children at risk of becoming one of the children in need without caregivers?**
- F. How much will the direct help to be given to these children cost? Discuss budget considerations here.**
- G. How much would the type of help cost that you think is needed for families whose children are at risk of becoming children without caregivers? Discuss budget considerations.**
- H. What is the timeframe for the activity providing direct care to the children? When can you begin and how long will it take to complete the activity for which you seek support?**
 - 1. Project duration: When could you begin the activity? How long will it take to complete the activity? Once received, how long will it take to use the resources provided through the Child In Need Project, including the time needed to provide a report of how the resources were used?**
 - 2. Do you need help in accessing resources from others to continue the activity supported through the**



Child In Need Project? Yes:
No: . If so, would you want
to discuss this with World SHARE?
Yes: No: . Budget:.

- I. How will the resources needed for the activity be managed? What kind of accounting procedure is to be used? What type of reporting to the Child In Need Project do you believe is appropriate?
- J. Who will be ultimately responsible for the assistance activities? Who will supervise the activity? Who will evaluate the supervisor?
1. Person ultimately responsible:
 2. Person to supervise:
 3. Person to evaluate supervisor:
- K. Supervision and/or monitoring of the activity by the Child In Need Project staff and model activities
1. If and when supervision or monitoring, or evaluation needs to be done by The Child In Need Project staff, what type of support can you provide to the evaluator?
 2. Would you like to have others visit your activity, or would you prefer not to at this time?
YES: NOT NOW:
- L. Does your group provide other social welfare or development activities?
- M. Who does your group work with for your other activities?
- N. How are your activities usually supervised?
- O. What other groups work in the area where you provide your services? Include public, private voluntary and lucrative group activity.
- P. If another group is doing the same activity, would you like to know of and/or see what they are doing? Yes: Not now:
Are there any in Guatemala about whom you already know? Yes: No: Are

there any other models about which you
already know? Yes: No:

III. Information about child welfare

- A. Would you be interested in learning more about care for children in need such as the ones you are now serving? Yes: Not now:
- B. Would you be able to provide information to others about care of such children in need and about your needs in caring for them? Yes: Not now: . If so, what kind of information could you provide?
- C. What kind of information do you need?
- D. What national statistics are needed for this population so that government services in the future may be better provided?

IV. Are there any new activities in which you are interested? If so, would you like to share your ideas with us?

V. Sources of assistance

- A. What will be the contribution of your group to the activity for which you seek assistance through the Child In Need Project?
- B. What will be the contributions of others, public or private, who will assist you?

VI. Do you have any comments or other observations to offer at this time?

VII. Contact Information: How can you be contacted and when is the best time to contact you?

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APPENDIX 9
CENTERS FOR CHILDREN AT RISK

CENTERS FOR CHILDREN AT RISK

As described in this Appendix, Centers For Children At Risk may be supported directly through the Child In Need Project. Because the conceptualization of service delivery sites as Centers seems to limit the potential for service provision, this restriction on service delivery needs to be reconsidered. Several important assumptions and considerations are reviewed here.

This review is grounded in the assumption that there is a hierarchy of levels of care including: 1. everyday family and community activities; 2. problem-focused family and community service activities; 3. community-based support activities for those family and community services (of # 2.); and, when needed, 4. special services for acute care needs.

The second assumption is that while some special services for acute care needs are best provided out of a separate service facility, many need to be provided in the family and community contexts. Only in those cases where family and community cannot manage the behavior of a child acting in ways hazardous to him or herself and/or others is a separate facility absolutely necessary. A separate facility, such as a crisis center or even a retreat center where professional guidance is provided, might, however, be helpful where children, or children with their families, can go, to step out of their immediate environment and be helped to analyze their interactive behaviors.

The third assumption is that some forms of service provision will be more culturally acceptable and accessible than others, and that forms vary in terms of efficacy.

The fourth and guiding assumption is that the need determines the service (form following function).

A critical consideration is how to maximize the impact of resources devoted to meeting acute care needs. This is especially true if the level of support rivals that of basic health and medical care institutions. The aim of providing acutely needed services to this vulnerable population is to provide it as immediately as possible while maintaining, to the greatest degree possible, integration into their communities. The care provided, therefore, whenever practicable, would best be a program within a comprehensive program for the total population, these children receiving the normal and special assistance they require just as other children receive the normal assistance they require.

However, again it must be noted, in some cases children require intensive rehabilitation, and particularly when the child

is dangerous to self or others, the child requires removal from a well managed daily or residential care situation. In these cases a separate site is appropriate.

Centers for Children At Risk may operate separately or as a network, depending upon the problems with which they help the child to deal. When operated separately or as a network, distribution of facilities for acute care should be determined on the basis of need and a need assessment should be conducted in order to identify sites for these facilities. Support for these institutions could be dealt with as a sub-project within the first component of the Child In Need Project and availability of SDF funds would enhance the development of this system of care.

But even when removal from the care situation is required, community support activities should be part of the CENTER care so that children continue to maintain their trust and belief in belonging, learning not only that they can avail of community support but that they, themselves, can contribute through community support activities to meet the needs of others, a lesson that is extremely important to be modelled as they need to be avail of support to achieve full recovery and to be able to act in these ways as they mature.

Additionally, through prevention activities, families at risk of disintegration and foster care families in need of support may benefit from care provided through a community-based, multi-service Center and from specific activities that could be organized as sub-projects and thus funded. This is justified as assistance afforded them may be provided in order to prevent children in their care from coming into categories such as abandoned, run-away from dysfunctional family or institutionally placed.

APPENDIX 10

IMPLEMENTATION TIMETABLE

**CHILD IN NEED PROGRAM
TIMETABLE**

ACTIVITY	MONTHS											
	1	2	3	4	5	6	7	8	9	10	11	12
Child in Need Project Approved & PVO Fund Established	█											
Project Review Committee Established & Personnel Hired	█											
Fund Application Procedures Established	█											
Monitoring Criteria and Systems Planned	█											
PVOs Informed of Fund & Preliminary Interviews Conducted		█	█	█	█	█	█	█	█	█	█	█
Review & Approval of Sub-projects Begin		█	█	█	█	█	█	█	█	█	█	█
Technical Assistance & Training Sources Contacted & PVO Needs Assessed		█	█	█								
Technical Assistance & Training Begin			█	█	█	█	█	█	█	█	█	█
Sub-project Monitoring & Evaluation Begins						█	█	█	█	█	█	█
Internal Review												█

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APPENDIX 4C
 OMB Control No. 0412-0510
 Expiration Date: 12/31/89

MANDATORY STANDARD PROVISIONS FOR
 U.S., NONGOVERNMENTAL GRANTEES¹

INDEX OF
 MANDATORY STANDARD PROVISIONS

- 1. Allowable Costs
- 2. Accounting, Audit, and Records
- 3. Refunds
- 4. Revision of Grant Budget
- 5. Termination and Suspension
- 6. Disputes
- 7. Ineligible Countries
- 8. Debarment, Suspension, and other Responsibility Matters
- 9. Nondiscrimination
- 10. U.S. Officials Not to Benefit
- 11. Nonliability
- 12. Amendment
- 13. Notices

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 (SEPTEMBER 1990) *

(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:

¹When these Standard Provisions are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient," "Grant" means "Cooperative Agreement," and "AID Grant Officer" means "AID Agreement Officer."

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(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.

(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) Audits in accordance with the requirements of OMB Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." *

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

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(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 paragraphs (a) and (b) above except that portion of subparagraph (a) 1 that would require specific financial reporting forms and frequencies in accordance with the payment provisions of the grant.

* 3. REFUNDS (SEPTEMBER 1990)

(a) The grantee shall remit to AID all interest earned on funds provided by AID at least quarterly, except that interest amounts up to \$100 per year may be retained by the grantee for administrative expense.

(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 advanced to but not expended by the grantee and not encumbered by a legally binding transaction applicable to this grant at the time of expiration or termination of the grant shall be refunded to AID

(c) AID reserves the right to require refund by the grantee of any amount which AID determines to have been expended for purposes not in accordance with the terms and conditions of this grant, including but not limited to costs which are not allowable in accordance with the applicable Federal cost principles or other terms and conditions of this grant. In the event that a final audit has not been performed prior to the closeout of this grant, AID retains the refund right until all claims which may result from the final audit have been resolved between AID and the grantee. *

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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.

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(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 (MAY 1986)

(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) 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.

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(d) 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.

6. DISPUTES (November 1989)

(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 AID's Deputy Assistant to the Administrator for Management Services. Any appeal made under this provision shall be in writing and addressed to the Deputy Assistant to the Administrator for Management Services, Agency for International Development, Washington, D.C. 20523. A copy of the appeal shall be concurrently furnished to the grant officer.

(c) In order to facilitate review on the record by the Deputy Assistant to the Administrator for Management Services, the grantee shall be given an opportunity to submit written evidence in support of its appeal. No hearing will be provided.

(d) A decision under this provision by the Deputy Assistant to the Administrator for Management Services shall be final.

7. INELIGIBLE COUNTRIES (MAY 1986)

Unless otherwise approved by the AID grant officer, funds will only be expended for assistance to countries eligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

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8. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (MARCH 1989)

(1) The grantee certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) The grantee agrees that, unless authorized by the Grant Officer, it will not knowingly enter into any subagreements or contracts under this grant with a person or entity that is included on the "Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs". The grantee further agrees to include the following provision in any subagreements or contracts entered into under this grant:

DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION (MARCH 1989)

The recipient/contractor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(3) The policies and procedures applicable to debarment, suspension and ineligibility under AID-financed transactions are set forth in 22 CFR Part 208.

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9. NONDISCRIMINATION (MAY 1986)

(This provision is applicable when work under the grant is performed in the U.S. or when employees are recruited in the U.S.)

No U.S. citizen or legal resident 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.

10. 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.

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)

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

(INCLUDE THIS PAGE IN THE GRANT)

(Appendix Continues on Page 4C-9)

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ONS Approval No. 0412-0510
Expiration Date: 12/31/89

*M/FM/PAFD is changed to
PFM/FM/PAFD (CIB 89-6)*

- 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 A.I.D. exceed \$120,000 per annum, (ii) A.I.D. 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 A.I.D.'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 A.I.D./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 A.I.D. Mission accounting station at the same time the original and one copy are mailed to M/FM/PAFD, A.I.D./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

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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)

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PAYMENT - PERIODIC ADVANCE (JANUARY 1988)

(This provision is applicable when the conditions for use of letter of credit cannot be met (including those pertaining to mixed dollar and local currency advances) and when the grantee meets the requirements of paragraph 1.0.6 of Handbook 13.)

(a) Periodic advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so that the funds are available to the grantee as close as is administratively feasible to the actual disbursements by the grantee for program costs. Cash advances made by the grantee to secondary recipient organizations or the grantee's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by A.I.D. to the grantee.

(b) Grantees shall maintain advances in interest bearing accounts. Advances of A.I.D. funds to subgrantees shall be maintained in interest bearing accounts.

(c) Grantees shall submit requests for advances at least monthly on SF-270, "Request for Advance or Reimbursement," in an original and two copies, to the address specified in the Schedule of this grant.

(d) The grantee shall submit one copy of SF-272, "Federal Cash Transactions Report," 15 working days following the end of each quarter to the payment office address specified in the schedule. Grantees receiving advances totaling more than \$1 million per year shall submit SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report in the Remarks section of SF-272 the amount of cash advances in excess of thirty days requirement in the hands of subrecipients or the grantee's overseas field organizations and shall provide short narrative explanations of actions taken by the grantee to reduce the excess balances.

(e) A "Financial Status Report," SF-269, shall be prepared on an accrual basis by the grantee and submitted quarterly no later than 30 days after the end of the period in an original and two copies to the payment office specified in the schedule. 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 SF-269 must be submitted to the payment office within 90 days after the conclusion of the grant. *

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* (f) If at any time, the A.I.D. Controller determines that the grantee has demonstrated an unwillingness or inability to: (1) establish procedures that will minimize the time elapsing between cash advances and the disbursement thereof, (2) timely report cash disbursements and balances as required by the terms of the grant, and (3) impose the same standards of timing of advances and reporting on any subrecipient or any of the grantee's overseas field organizations; the A.I.D. Controller shall advise the grant officer who may suspend or revoke the advance payment procedure. *

(END OF STANDARD PROVISION)

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PAYMENT - COST REIMBURSEMENT (NOVEMBER 1985)

(This provision is applicable to grants for construction, or to grants where the grantee does not meet the conditions for either a letter of credit or periodic advance payment.)

- (a) At the end of each month of this grant, the grantee shall submit an original and two copies of SF-270, "Request for Advance or Reimbursement," to the payment office address specified in the schedule of this grant.
- (b) A final SF-270, shall be submitted within 60 days after the conclusion of the grant to the payment office.
- (c) The reports will be prepared on a cash basis. However, if the grantee's accounting records are not normally kept on a cash basis, the grantee shall not be required to convert its accounting system to meet this requirement.
- (d) Assignment of Claims (otherwise known as assignment of proceeds) is authorized under this grant and will be processed by the payment office.

(END OF STANDARD PROVISION)

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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 A.I.D.'s option, be funded from U.S.-owned local currency. When A.I.D. intends to exercise this option, A.I.D. will, after receipt of advice of intent to travel required above, either issue a U.S. Government S.F. 1169, Transportation Request (GTP) which the grantee may exchange for tickets, or A.I.D. 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

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(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:

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(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.

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(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)

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OCEAN SHIPMENT OF GOODS (MAY 1986)

(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 A.I.D. Transportation Division, Office of Procurement, 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."

(e) Shipments by voluntary nonprofit relief agencies (i.e., PVOs) shall be governed by this standard provision and by A.I.D. Regulation 2, "Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies" (22 CFR Part 202).

(END OF STANDARD PROVISION)

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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 A.I.D.'s requirements listed below and the standard provision entitled "A.I.D. 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 A.I.D. funds. No employee, officer or agent shall participate in the selection, award or administration of a contract in which A.I.D. 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/offeree 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/offeree 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:

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(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 A.I.D. funds. To permit A.I.D., 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, A.I.D., 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:

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

(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.

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(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 A.I.D. 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.

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(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 competition to which that individual is otherwise entitled. The grantee shall report all suspected or reported violations to A.I.D.

(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 A.I.D.

(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

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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, A.I.D., 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 A.I.D. 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 A.I.D. grant officer.

(END OF STANDARD PROVISION)

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A.I.D. 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 A.I.D. 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 A.I.D. the entire amount of the reimbursement. A.I.D.'s policy on ineligible and restricted goods and services is contained in Chapter 4 of A.I.D. 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 A.I.D. Consolidated List of Debarred, Suspended, and Ineligible Awardees under A.I.D. Regulation 8, entitled "Debarment, Suspension and Ineligibility" (22 CFR 208). A.I.D. 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.

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(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. A.I.D. policies and definitions on source, origin, and nationality are contained in Chapters 4 and 5 of A.I.D. 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., A.I.D. Geographic Code 935) in accordance with the following order of preference:

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

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(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 A.I.D.-financed procurement against any marine insurance company authorized to do business in the U. S., then any A.I.D.-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 A.I.D. 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 (A.I.D. Geographic Code 000),
- (2) The Cooperating Country,
- (3) "Selected Free World" countries (A.I.D. Geographic Code 941), and
- (4) "Special Free World" countries (A.I.D. Geographic Code 899).

(f) Special Restrictions on the Procurement of Construction or Engineering Services: Section 604(g) of the Foreign Assistance Act provides that A.I.D. funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under Geographic Code 941, which

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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)

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SUBAGREEMENTS (NOVEMBER 1985)

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

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

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

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

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

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

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

(END OF STANDARD PROVISION)

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*** LOCAL COST FINANCING (NOVEMBER 1988)**

(This provision applies only when local costs are authorized by the grant, and must be used with the standard provision entitled "Procurement of Goods and Services.")

(a) Costs qualifying as local costs are eligible for financing under the grant in accordance with the terms of this standard provision. Local costs are defined as (1) indigenous goods, (2) imported shelf items, and (3) services provided by suppliers meeting the requirements contained in subparagraph (b). Indigenous goods are those that have been mined, grown or produced in the cooperating country through manufacture, processing or assembly. In the case of produced goods containing imported components, to qualify as indigenous a commercially recognized new commodity must result that is substantially different in basic characteristics or in purpose or utility from its components. Imported items are eligible for financing under the following situations: (1) Imported items available in the cooperating country which otherwise meet the source/origin requirements of the grant may be financed in unlimited quantities, regardless of dollar value, up to the total amount available for local procurement under the terms of the grant agreement. (2) Imported items from Geographic Code 941 countries which are available in the cooperating country can be funded in unlimited quantities, regardless of dollar value, up to the total amount available for local procurement under the terms of the grant. (3) Imported items from any Free World country which are available locally, or imported specifically for the grant, may be financed if the cost of the transaction, excluding the cost of the transportation, does not exceed the local currency equivalent of \$5,000. *

(b) To qualify as local costs, goods and services must also meet the following additional requirements:

- (1) They must be paid for in local currency.
- (2) The supplier must be located in the cooperating country and must be of cooperating country nationality as defined in AID Handbook 1B, Chapter 5.
- (3) Any component from a country not included in AID geographic code 935 renders a commodity ineligible for financing.

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

- (1) Military equipment,
- (2) Surveillance equipment,
- (3) Commodities and services for support of police or other law enforcement activities,
- (4) Abortion equipment and services,
- (5) Luxury goods and gambling equipment, or
- (6) Weather modification equipment.

(d) Ineligible Suppliers: Funds provided under this grant shall not be used to procure any goods or services furnished by any firm or individual whose name appears on A.I.D.'s Consolidated List of Debarred, Suspended, or Ineligible Awardees (A.I.D. Regulation 8, (22 CFR 208)). A.I.D. will provide the grantee with this list upon request.

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

- (1) Agricultural commodities,
- (2) Motor vehicles,
- (3) Pharmaceuticals,
- (4) Pesticides,
- (5) Rubber compounding chemicals and plasticizers,
- (6) Used equipment,
- (7) U.S. Government-owned excess property, or
- (8) Fertilizer.

(f) If A.I.D. determines that the grantee has procured any of the restricted or ineligible goods and services specified in subparagraphs (c) through (e) above, or has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to A.I.D. the entire amount of the reimbursement.

(END OF STANDARD PROVISION)

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PATENT RIGHTS (NOVEMBER 1985)

(This provision is applicable whenever patentable processes or practices are financed by the grant.)

(a) Definitions.

(1) Invention means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code.

(2) Subject invention means any invention of the recipient conceived or first actually reduced to practice in the performance of work under this agreement.

(3) Practical application means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

(4) Made when used in relation to any invention means the conception or first actual reduction to practice of such invention.

(5) Small business firm means a domestic small business concern as defined at Section 2 of Public Law 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standards for small business concerns involved in Government procurement and subcontracting at 13 CFR 121.3-8 and 13 CFR 121.3-12, respectively, shall be used.

(6) Nonprofit organization means a domestic university or other institution of higher education or an organization of the type described in Section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any domestic nonprofit scientific or any educational organization qualified under a state nonprofit organization statute.

(b) Allocation of Principal Rights: The recipient may retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the recipient retains title, the Federal Government shall have a non-exclusive, non-transferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the subject invention throughout the world.

(c) Invention Disclosure, Election of Title, and Filing of Patent Applications by Recipient:

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(1) The recipient shall disclose each subject invention to A.I.D. within two months after the inventor discloses it in writing to recipient personnel responsible for patent matters. The disclosure to A.I.D. shall be in the form of a written report and shall identify the agreement under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding, to the extent known at the time of the disclosure, of the nature, purpose, operation, and the physical, chemical, biological or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale or public use of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to A.I.D. the recipient shall promptly notify A.I.D. of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the recipient.

(2) The recipient shall elect in writing whether or not to retain title to any such invention by notifying A.I.D. within twelve months of disclosure to the recipient, provided that in any case where publication, on sale, or public use has initiated the one-year statutory period wherein valid patent protection can still be obtained in the United States, the period of election of title may be shortened by A.I.D. to a date that is no more than 60 days prior to the end of the statutory period.

(3) The recipient shall file its initial patent application on an elected invention within two years after election or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. The recipient shall file patent applications in additional countries within either ten months of the corresponding initial patent application or six months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

(4) Requests for extension of the time for disclosure to A.I.D., election, and filing may, at the discretion of A.I.D., be granted.

(d) Conditions When the Government May Obtain Title: The recipient shall convey to A.I.D. upon written request, title to any subject invention:

(1) If the recipient fails to disclose or elect the subject invention within the times specified in (c) above, or elects not to retain title. A.I.D. may only request title within sixty days after learning of the recipient's failure to report or elect within the specified times.

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(2) In those countries in which the recipient fails to file patent applications within the times specified in (c) above; provided, however, that if the recipient has filed a patent application in a country after the times specified in (c) above, but prior to its receipt of the written request of A.I.D. the recipient shall continue to retain title in that country.

(3) In any country in which the recipient decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding on a patent on a subject invention.

(e) Minimum Rights to Recipient:

(1) The recipient shall retain a nonexclusive, royalty-free license throughout the world in each subject invention to which the Government obtains title except if the recipient fails to disclose the subject invention within the times specified in (c) above. The recipient's license extends to its domestic subsidiaries and affiliates, if any, within the corporate structure of which the recipient is a party and includes the right to grant sublicenses of the same scope to the extent the recipient was legally obligated to do so at the time the agreement was awarded. The license is transferable only with the approval of A.I.D. except when transferred to the successor of that party of the recipient's business to which the invention pertains.

(2) The recipient's domestic license may be revoked or modified by A.I.D. to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions in the Federal Property Management Regulations and agency licensing regulations (if any). This license shall not be revoked in that field of use or the geographical areas in which the recipient has achieved practical application and continues to make the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of A.I.D. to the extent the recipient, its licensees, or its domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.

(3) Before revocation or modification of the license, A.I.D. shall furnish the recipient written notice of its intention to revoke or modify the license, and the recipient shall be allowed thirty days (or such other time as may be authorized by A.I.D. for good cause shown by the recipient) after the notice to show cause why the license should not be revoked or modified. The recipient has the right to appeal, in accordance with applicable agency licensing regulations (if any) and the Federal Property Management Regulations concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of its license.

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(f) Recipient Action to Protect the Government's Interest:

(1) The recipient agrees to execute or to have executed and promptly deliver to A.I.D. all instruments necessary to (i) establish or conform the rights the Government has throughout the world in those subject inventions to which the recipient elects to retain title, and (ii) convey title to A.I.D. when requested under paragraph (d) above, and to enable the Government to obtain patent protection throughout the world in that subject invention.

(2) The recipient agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the recipient each subject invention made under agreement in order that the recipient can comply with the disclosure provisions of paragraph (c) above, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by (c)(1) above. The recipient shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(3) The recipient shall notify A.I.D. of any decision not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than 30 days before the expiration of the response period required by the relevant patent office.

(4) The recipient agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement: "This invention was made with Government support under (identify the agreement awarded by A.I.D.). The Government has certain rights in this invention."

(g) Subagreements and Contracts: The recipient shall include this standard provision suitably modified to identify the parties, in all subagreements and contracts, regardless of tier, for experimental, developmental, or research work to be performed by a small business firm or nonprofit organization. The subrecipient or contractor shall retain all rights provided for the recipient in this standard provision, and the recipient shall not, as part of the consideration for awarding the contract or subagreement, obtain rights in the contractor's or subrecipient's subject inventions.

(h) Reporting Utilization of Subject Inventions: The recipient agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization

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that are being made by the recipient or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the recipient, and such other data and information as A.I.D. may reasonably specify. The recipient also agrees to provide additional reports as may be requested by A.I.D. in connection with any march-in proceedings undertaken by A.I.D. in accordance with paragraph (j) of this provision. To the extent data or information supplied under this section is considered by the recipient, its licensee or assignee to be privileged and confidential and is so marked, A.I.D. agrees that, to the extent permitted by law, it shall not disclose such information to persons outside the Government.

(i) Preference for United States Industry: Notwithstanding any other provision of this clause, the recipient agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention shall be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by A.I.D. upon a showing by the recipient or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

(j) March-in Rights: The recipient agrees that with respect to any subject invention in which it has acquired title, A.I.D. has the right to require the recipient, an assignee or exclusive licensee of a subject invention to grant a non-exclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the recipient, assignee, or exclusive licensee refuses such a request, A.I.D. has the right to grant such a license itself if A.I.D. determines that:

(1) Such action is necessary because the recipient or assignee has not taken or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

(2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the recipient, assignee, or their licensees;

(3) Such action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the recipient, assignee, or licensees; or

(4) Such action is necessary because the agreement required by paragraph (i) of this clause has not been obtained or waived or because a license of the exclusive right to use or sell any subject invention in the United States is in breach of such agreement.

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(k) Special Provisions for Agreements with Nonprofit Organizations: If the recipient is a nonprofit organization, it agrees that:

(1) Rights to a subject invention in the United States may not be assigned without the approval of A.I.D., except where such assignment is made to an organization which has as one of its primary functions the management of inventions and which is not, itself, engaged in or does not hold a substantial interest in other organizations engaged in the manufacture or sale of products or the use of processes that might utilize the invention or be in competition with embodiments of the invention provided that such assignee shall be subject to the same provisions as the recipient.

(2) The recipient may not grant exclusive licenses under the United States patents or patent applications in subject inventions to persons other than small business firms for a period in excess of the earlier of:

(i) Five years from first commercial sale or use of the invention;
or

(ii) Eight years from the date of the exclusive license excepting that time before regulatory agencies necessary to obtain premarket clearance, unless on a case-by-case basis, A.I.D. approves a longer exclusive license. If exclusive field of use licenses are granted, commercial sale or use in one field of use shall not be deemed commercial sale or use as to other fields of use and a first commercial sale or use with respect to a product of the invention shall not be deemed to end the exclusive period to different subsequent products covered by the invention.

(3) The recipient shall share royalties collected on a subject invention with the inventor; and

(4) The balance of any royalties or income earned by the recipient with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, shall be utilized for the support of scientific research or education.

(l) Communications: Communications concerning this provision shall be addressed to the grant officer at the address shown in this agreement.

(END OF STANDARD PROVISION)

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PUBLICATIONS (NOVEMBER 1985)

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

- (a) If it is the grantee's intention to identify A.I.D.'s contribution to any publication resulting from this grant, the grantee shall consult with A.I.D. on the nature of the acknowledgement prior to publication.**
- (b) The grantee shall provide the A.I.D. 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 A.I.D. 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)

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OMB Control No. 0412-0510
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NEGOTIATED INDIRECT COST RATES - PREDETERMINED (MAY 1986)

(This provision is applicable to organizations whose indirect cost rate(s) under this grant are on a predetermined basis.)

- (a) The allowable indirect costs under this grant shall be obtained by applying predetermined indirect cost rate(s) to the base(s) agreed upon by the parties, as specified in the schedule of this grant.
- (b) Not later than 90 days after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity in accordance with OMB Circular A-88 a proposed predetermined indirect cost rate(s) and supporting cost data. In the event A.I.D. is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed predetermined indirect cost rate(s) and supporting cost data to the A.I.D. Inspector General, Washington, D.C. 20523, and to the Overhead and Special Costs - Contract Closeout Branch, Office of Procurement, Washington, D.C. 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of predetermined indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal.
- (c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the provisions of the applicable cost principles in effect on the date of this grant.
- (d) Rates for subsequent periods shall be negotiated and the results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. Such agreement shall be automatically incorporated into this grant upon execution and shall specify (1) the agreed upon predetermined rate(s), (2) the base(s) to which the rate(s) apply, (3) the fiscal year (unless the parties agree to a different period) for which the rate(s) apply, and (4) the specific items treated as direct costs or any changes in the items previously agreed to be direct costs. The indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.
- (e) Pending establishment of predetermined indirect cost rate(s) for any fiscal year or different period agreed to by the parties, the grantee shall be reimbursed either at the rate(s) fixed for the previous fiscal year or other period or at billing rate(s) acceptable to the A.I.D. grant officer subject to appropriate adjustment when the final rate(s) for the fiscal year or other period are established.

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(f) Any failure by the parties to agree on any predetermined indirect cost rate(s) under this provision shall not be considered a dispute within the meaning of the "Disputes" provision of this grant. If for any fiscal year or other period specified in the grant the parties fail to agree on a predetermined indirect cost rate(s), it is agreed that the allowable indirect costs under this grant shall be obtained by applying negotiated final indirect cost rate(s) in accordance with the terms of the standard provision of this grant entitled "Negotiated Indirect Cost Rates - Provisional".

(END OF STANDARD PROVISION)

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NEGOTIATED INDIRECT COST RATES - PROVISIONAL (MAY 1986)

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

(a) A provisional indirect cost rate(s) shall be established for each of the grantee's accounting periods during the term of this grant. Pending establishment of a final rate(s), the parties have agreed that provisional payments on account of allowable indirect costs shall be at the rate(s), on the base(s), and for the periods shown in the schedule of this grant.

(b) Not later than 90 days after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity in accordance with OMB Circular A-88 proposed final indirect cost rate(s) and supporting cost data. In the event A.I.D. is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed final indirect cost rate(s) and supporting cost data to the A.I.D. Inspector General, Washington, D.C. 20523, and to the Overhead and Special Costs - Contract Closeout Branch, Office of Procurement, Washington, D.C. 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of final indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal.

(c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the applicable cost principles in effect on the date of this grant.

(d) The results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. Such agreement shall specify (1) the agreed upon final rate(s), (2) the base(s) to which the rate(s) apply, and (3) the period for which the rate(s) apply. The indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.

(e) Pending establishment of final indirect cost rate(s) for any period, the grantee shall be reimbursed either at negotiated provisional rate(s) as provided above or at billing rate(s) acceptable to the grant officer, subject to appropriate adjustment when the final rate(s) for that period are established. To prevent substantial over or under payment, the provisional or billing rate(s) may, at the request of either party, be revised by mutual agreement, either retroactively or prospectively. Any such revision of negotiated provisional rate(s) provided in this standard provision shall be set forth in a modification to this grant.

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

(END OF STANDARD PROVISION)

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REGULATIONS GOVERNING EMPLOYEES (NOVEMBER 1985)

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

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

(END OF STANDARD PROVISION)

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PARTICIPANT TRAINING (MAY 1986)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Counselor can be reached by calling the Office of International Training during workdays and the A.I.D. Duty Officer (202-647-1512) at other times. In referring cases, give the Counselor the name, country, and current location of the participant as well as a brief description of the problem with names and telephone numbers of hospitals, physicians, attorneys, etc. Following verbal referral, the participant's name, home address, and next of kin, and location of training should be sent to the grant officer, who will transmit the information to the S&T/IT Counselor.

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

(END OF STANDARD PROVISION)

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VOLUNTARY POPULATION PLANNING (AUGUST 1986)

(This provision is applicable to all grants involving any aspect of voluntary population planning activities.)

(a) Voluntary Participation:

(1) The grantee agrees to take any steps necessary to ensure that funds made available under this grant will not be used to coerce any individual to practice methods of family planning inconsistent with such individual's moral, philosophical, or religious beliefs. Further, the grantee agrees to conduct its activities in a manner which safeguards the rights, health and welfare of all individuals who take part in the program.

(2) Activities which provide family planning services or information to individuals, financed in whole or in part under this agreement, shall provide a broad range of family planning methods and services available in the country in which the activity is conducted or shall provide information to such individuals regarding where such methods and services may be obtained.

(b) Voluntary Participation Requirements For Sterilization Programs:

(1) None of the funds made available under this grant shall be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to practice sterilization.

(2) The grantee shall ensure that any surgical sterilization procedures supported in whole or in part by funds from this grant are performed only after the individual has voluntarily gone to the treatment facility and has given informed consent to the sterilization procedure. Informed consent means the voluntary, knowing assent from the individual after being advised of the surgical procedures to be followed, the attendant discomforts and risks, the benefits to be expected, the availability of alternative methods of family planning, the purpose of the operation and its irreversibility, and the option to withdraw consent anytime prior to the operation. An individual's consent is considered voluntary if it is based upon the exercise of free choice and is not obtained by any special inducement or any element of force, fraud, deceit, duress, or other forms of coercion or misrepresentation.

(3) Further, the grantee shall document the patient's informed consent by (i) a written consent document in a language the patient understands and speaks, which explains the basic elements of informed consent, as set out above, and which is signed by the individual and by the attending physician or by the authorized assistant of the attending physician; or (ii) when a patient is unable to read adequately a written certification by the attending physician or by the authorized assistant of the attending physician that the

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basic elements of informed consent above were orally presented to the patient, and that the patient thereafter consented to the performance of the operation. The receipt of the oral explanation shall be acknowledged by the patient's mark on the certification and by the signature or mark of a witness who shall be of the same sex and speak the same language as the patient.

(4) Copies of informed consent forms and certification documents for each voluntary sterilization procedure must be retained by the grantee for a period of three years after performance of the sterilization procedure.

(c) Prohibition on Abortion-Related Activities:

(1) No funds made available under this grant will be used to finance, support, or be attributed to the following activities: (i) procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (ii) special fees or incentives to women to coerce or motivate them to have abortions; (iii) payments to persons to perform abortions or to solicit persons to undergo abortions; (iv) information, education, training, or communication programs that seek to promote abortion as a method of family planning; and (v) lobbying for abortion.

(2) No funds made available under this grant will be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilizations as a means of family planning. Epidemiologic or descriptive research to assess the incidence, extent or consequences of abortions is not precluded.

(d) Ineligibility of Foreign Nongovernmental Organizations That Perform or Actively Promote Abortion As A Method of Family Planning:

(1) The recipient agrees that it will not furnish assistance for family planning under this grant to any foreign nongovernmental organization which performs or actively promotes abortion as a method of family planning in A.I.D.-recipient countries or which provides financial support to any other foreign nongovernmental organization that conducts such activities. For purposes of this paragraph (d), a foreign nongovernmental organization is a nongovernmental organization which is not organized under the laws of any State of the United States, the District of Columbia or the Commonwealth of Puerto Rico.

(2) Prior to furnishing funds provided under this grant to another nongovernmental organization organized under the laws of any State of the United States, the District of Columbia, or the Commonwealth of Puerto Rico, the recipient shall obtain the written agreement of such organization that the organization shall not furnish assistance for family planning under this grant to any foreign nongovernmental organization except under the conditions and requirements that are applicable to the recipient as set forth in this paragraph (d).

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(3) The recipient may not furnish assistance for family planning under this grant to a foreign nongovernmental organization (the subrecipient) unless;

- (i) the subrecipient certifies in writing that it does not perform or actively promote abortion as a method of family planning in A.I.D.-recipient countries and does not provide financial support to any other foreign nongovernmental organization that conducts such activities, and

(ii) the recipient obtains the written agreement of the subrecipient containing the undertakings described in subparagraph (4), below.

(4) Prior to furnishing assistance for family planning under this grant to a subrecipient, the subrecipient must agree in writing that:

(i) The subrecipient will not, while receiving assistance under this grant, perform or actively promote abortion as a method of family planning in A.I.D.-recipient countries or provide financial support to other foreign nongovernmental organizations that conduct such activities.

(ii) The recipient and authorized representatives of A.I.D. may, at any reasonable time, (A) inspect the documents and materials maintained or prepared by the subrecipient in the usual course of its operations that describe the family planning activities of the subrecipient, including reports, brochures and service statistics; (B) observe the family planning activity conducted by the subrecipient; (C) consult with family planning personnel of the subrecipient; and (D) obtain a copy of the audited financial statement or report of the subrecipient, if there is one.

(iii) In the event the recipient or A.I.D. has reasonable cause to believe that a subrecipient may have violated its undertaking not to perform or actively promote abortion as a method of family planning, the recipient shall review the family planning program of the subrecipient to determine whether a violation of the undertaking has occurred. The subrecipient shall make available to the recipient such books and records and other information as may be reasonably requested in order to conduct the review. A.I.D. may also review the family planning program of the subrecipient under these circumstances, and A.I.D. shall have access to such books and records and information for inspection upon request.

(iv) The subrecipient shall refund to the recipient the entire amount of assistance for family planning furnished to the subrecipient under this grant in the event it is determined that the certification provided by the subrecipient under subparagraph (3), above, is false.

(v) Assistance for family planning provided to the subrecipient under this grant shall be terminated if the subrecipient violates any undertaking in the agreement required by subparagraphs (3) and (4), and the

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subrecipient shall refund to the recipient the value of any assistance furnished under this grant that is used to perform or actively promote abortion as a method of family planning.

(vi) The subrecipient may furnish assistance for family planning under this grant to another foreign nongovernmental organization (the sub-subrecipient) only if (A) the sub-subrecipient certifies in writing that it does not perform or actively promote abortion as a method of family planning in A.I.D.-recipient countries and does not provide financial support to any other foreign nongovernmental organization that conducts such activities and (B) the subrecipient obtains the written agreement of the sub-subrecipient that contains the same undertakings and obligations to the subrecipient as those provided by the subrecipient to the recipient as described in subparagraphs (4)(i)-(v), above.

(5) Agreements with subrecipients and sub-subrecipients required under subparagraphs (3) and (4) shall contain the definitions set forth in subparagraph (10) of this paragraph (d).

(6) The recipient shall be liable to A.I.D. for a refund for a violation of any requirement of this paragraph (d) only if (i) the recipient knowingly furnishes assistance for family planning to a subrecipient who performs or actively promotes abortion as a method of family planning, or (ii) the certification provided by a subrecipient is false and the recipient failed to make reasonable efforts to verify the validity of the certification prior to furnishing assistance to the subrecipient, or (iii) the recipient knows or has reason to know, by virtue of the monitoring which the recipient is required to perform under the terms of this grant, that a subrecipient has violated any of the undertakings required under subparagraph (4) and the recipient fails to terminate assistance for family planning to the subrecipient, or fails to require the subrecipient to terminate such assistance to a sub-subrecipient which violates any undertaking of the agreement required under subparagraph (4)(vi), above. If the recipient finds, in exercising its monitoring responsibility under this grant, that a subrecipient or sub-subrecipient receives frequent requests for the information described in subparagraph (10)(iii)(A)(II), below, the recipient shall verify that this information is being provided properly in accordance with subparagraph (10)(iii)(A)(II) and shall describe to A.I.D. the reasons for reaching its conclusion.

(7) In submitting a request to A.I.D. for approval of a recipient's decision to furnish assistance for family planning to a subrecipient, the recipient shall include a description of the efforts made by the recipient to verify the validity of the certification provided by the subrecipient. A.I.D. may request the recipient to make additional efforts to verify the validity of the certification. A.I.D. will inform the recipient in writing when A.I.D. is satisfied that reasonable efforts have been made. If A.I.D. concludes that these efforts are reasonable within the meaning of subparagraph (6) above, the

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recipient shall not be liable to A.I.D. for a refund in the event the subrecipient's certification is false unless the recipient knew the certification to be false or misrepresented to A.I.D. the efforts made by the recipient to verify the validity of the certification. -

(8) It is understood that A.I.D. also may make independent inquiries, in the community served by a subrecipient or sub-subrecipient, regarding whether it performs or actively promotes abortion as a method of family planning.

(9) A subrecipient must provide the certification required under subparagraph (3) and a sub-subrecipient must provide the certification required under subparagraph (4)(vi) each time a new agreement is executed with the subrecipient or sub-subrecipient furnishing assistance for family planning under the grant.

(10) The following definitions apply for purposes of this paragraph (d):

(i) Abortion is a method of family planning when it is for the purpose of spacing births. This includes, but is not limited to, abortions performed for the physical or mental health of the mother but does not include abortions performed if the life of the mother would be endangered if the fetus were carried to term or abortions performed following rape or incest (since abortion under these circumstances is not a family planning act).

(ii) To perform abortions means to operate a facility where abortions are performed as a method of family planning. Excluded from this definition are clinics or hospitals which do not include abortion in their family planning programs.

(iii) To actively promote abortion means for an organization to commit resources, financial or other, in a substantial or continuing effort to increase the availability or use of abortion as a method of family planning.

(A) This includes, but is not limited to, the following:

(I) Operating a family planning counseling service that includes, as part of the regular program, providing advice and information regarding the benefits and availability of abortion as a method of family planning;

(II) Providing advice that abortion is an available option in the event other methods of family planning are not used or are not successful or encouraging women to consider abortion (passively responding to a question regarding where a safe, legal abortion may be obtained is not considered active promotion if the question is specifically asked by a woman who is already pregnant, the woman clearly states that she has already decided

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to have a legal abortion, and the family planning counselor reasonably believes that the ethics of the medical profession in the country require a response regarding where it may be obtained safely);

(III) Lobbying a foreign government to legalize or make available abortion as a method of family planning or lobbying such a government to continue the legality of abortion as a method of family planning;

(IV) Conducting a public information campaign in A.I.D.-recipient countries regarding the benefits and/or availability of abortion as a method of family planning.

(B) Excluded from the definition of active promotion of abortion as a method of family planning are referrals for abortion as a result of rape, incest or if the life of the mother would be endangered if the fetus were carried to term.

(C) Action by an individual acting in the individual's capacity shall not be attributed to an organization with which the individual is associated, provided that the organization neither endorses nor provides financial support for the action and takes reasonable steps to ensure that the individual does not improperly represent that the individual is acting on behalf of the organization.

(iv) To furnish assistance to a foreign nongovernmental organization means to provide financial support under this grant to the family planning program of the organization, and includes the transfer of funds made available under this grant or goods or services financed with such funds, but does not include the purchase of goods or services from an organization or the participation of an individual in the general training programs of the recipient, subrecipient or sub-subrecipient.

(v) To control an organization means the possession of the power to direct or cause the direction of the management and policies of an organization.

(11) In determining whether a foreign nongovernmental organization is eligible to be a subrecipient or sub-subrecipient of assistance for family planning under this grant, the action of separate nongovernmental organizations shall not be imputed to the subrecipient or sub-subrecipient, unless, in the judgment of A.I.D., a separate nongovernmental organization is being used as a sham to avoid the restrictions of this paragraph (d). Separate nongovernmental organizations are those that have distinct legal existence in accordance with the laws of the countries in which they are organized. Foreign organizations that are separately organized shall not be considered separate, however, if one is controlled by the other. The recipient may request A.I.D.'s approval to treat as separate the family

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planning activities of two or more organizations, which would not be considered separate under the preceding sentence, if the recipient believes, and provides a written justification to A.I.D. therefor, that the family planning activities of the organizations are sufficiently distinct as to warrant not imputing the activity of one to the other.

(12) Assistance for family planning may be furnished under this grant by a recipient, subrecipient or sub-subrecipient to a foreign government even though the government includes abortion in its family planning program, provided that no assistance may be furnished in support of the abortion activity of the government and any funds transferred to the government shall be placed in a segregated account to ensure that such funds may not be used to support the abortion activity of the government.

(13) The requirements of this paragraph are not applicable to family planning assistance furnished to a foreign nongovernmental organization which is engaged primarily in providing health services if the objective of the assistance is to finance integrated health care services to mothers and children and birth spacing or family planning is one of several health care services being provided by the organization as part of an integrated system of health service delivery.

(e) The grantee shall insert paragraphs (a), (b), (c), and (e) of this provision in all subsequent subagreements and contracts involving family planning or population activities which will be supported in whole or part from funds under this grant. Paragraph (d) shall be inserted in subagreements and sub-subagreements in accordance with the terms of paragraph (d). The term subagreement means subgrants and subcooperative agreements.

(END OF STANDARD PROVISION)

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PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (NOVEMBER 1985)

(This provision is applicable when human subjects are involved in research financed by the grant.)

- (a) Safeguarding the rights and welfare of human subjects involved in research supported by A.I.D. is the responsibility of the organization to which support is awarded. It is the policy of A.I.D. that no work shall be initiated under any grant for the support of research involving human subjects unless the research is given initial and continuing review and approval by an appropriate committee of the applicant organization. This review shall assure that (1) the rights and welfare of the individuals involved are adequately protected, (2) the methods used to obtain informed consent are adequate and appropriate, and (3) the risks and potential medical benefits of the investigation are assessed.
- (b) The organization must provide written assurance to A.I.D. that it will abide by this policy for all research involving human subjects supported by A.I.D. This assurance shall consist of a written statement of compliance with the requirements regarding initial and continuing review of research involving human subjects and a description of the organization's review committee structure, its review procedures, and the facilities and personnel available to protect the health and safety of human subjects. In addition to providing the assurance, the organization must also certify to A.I.D. for each proposal involving human subjects that its committee has reviewed and approved the proposed research before any work may be initiated.
- (c) Since the welfare of the subject individual is a matter of concern to A.I.D. as well as to the organization; A.I.D. advisory groups, consultants, and staff may independently review all research involving human subjects, and prohibit research which presents unacceptable hazards. This provision, however, shall not derogate in any manner from the responsibility of the organization set forth herein.
- (d) All of the above provisions apply to any research involving human subjects conducted outside of the United States and, in addition, such overseas research will conform to legal and other requirements governing human research in the country where they are conducted.
- (e) In addition to the procedures set forth above, studies with unmarketed drugs will be carried out in accordance with provisions applicable in the country where the study is conducted. In the United States, the regulations of the Food and Drug Administration will be followed and evidence of such compliance provided to A.I.D.

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(f) Guidance on procedures to safeguard human subjects involved in research is found in Title 45, Part 46, of the Code of Federal Regulations. Compliance with these procedures, except as modified above, is required.

(END OF STANDARD PROVISION)

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CARE OF LABORATORY ANIMALS (NOVEMBER 1985)

(This provision is applicable when laboratory animals are involved in research financed by the grant.)

(a) Before undertaking performance of any grant involving the use of laboratory animals, the grantee shall register with the Secretary of Agriculture of the United States in accordance with Section 6, Public Law 89-544, Laboratory Animal Welfare Act, August 24, 1966, as amended by Public Law 91-579, Animal Welfare Act of 1970, December 24, 1970. The grantee shall furnish evidence of such registration to the grant officer.

(b) The grantee shall acquire animals used in research under this grant only from dealers licensed by the Secretary of Agriculture, or from exempted sources in accordance with the Public Laws enumerated in (a) above.

(c) In the care of any live animals used or intended for use in the performance of this grant, the grantee shall adhere to the principles enunciated in the Guide for Care and Use of Laboratory Animals prepared by the Institute of Laboratory Animals Resources, National Academy of Sciences - National Research Council, and in the United States Department of Agriculture's (USDA) regulations and standards issued under the Public Laws enumerated in (a) above. In case of conflict between standards, the higher standard shall be used. The grantee's reports on portions of the grant in which animals were used shall contain a certificate stating that the animals were cared for in accordance with the principles enunciated in the Guide for Care and Use of Laboratory Animals prepared by the Institute of Laboratory Animal Resources, NAS-NRC, and/or in the regulations and standards as promulgated by the Agricultural Research Service, USDA, pursuant to the Laboratory Animal Welfare Act of 24 August 1966, as amended (P.L. 89-544 and P.L. 91-579). NOTE: The grantee may request registration of the grantee's facility and a current listing of licensed dealers from the Regional Office of the Animal and Plant Health Inspection Service (APHIS), USDA, for the region in which the grantee's research facility is located. The location of the appropriate APHIS Regional Office as well as information concerning this program may be obtained by contracting the Senior Staff Office, Animal Care Staff, USDA/APHIS, Federal Center Building, Hyattsville, Maryland 20782.

(END OF STANDARD PROVISION)

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GOVERNMENT FURNISHED EXCESS PERSONAL PROPERTY (NOVEMBER 1985)

(This provision applies when personal property is furnished under the grant.)

The policies and procedures of Handbook 16, "Excess Property," and the appropriate provisions of 41 CFR 101-43 apply to the Government furnished excess property under this grant.

(END OF STANDARD PROVISION)

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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 A.I.D. 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 A.I.D.

(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 A.I.D. or its successor Federal sponsoring agency. A.I.D. 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.

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(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 A.I.D.

(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 A.I.D.; 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.

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(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 A.I.D. 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 A.I.D.

(iii) A.I.D. shall determine whether the property can be used to meet A.I.D. requirements. If no requirement exists within A.I.D. the availability of the property shall be reported to the General Services Administration by A.I.D. to determine whether a requirement for the property exists in other Federal agencies. A.I.D. 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 A.I.D. 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 A.I.D. for such costs incurred in its disposition.

(e) Expendable Personal Property:

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

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(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 A.I.D. 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

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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)

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TITLE TO AND CARE OF PROPERTY (U.S. GOVERNMENT TITLE) (NOVEMBER 1985)

(This provision is applicable when title to property is vested in the U.S. Government.)

(a) Property, title to which vests in the Government under this grant, whether furnished by the Government or acquired by the grantee, is subject to this provision and is hereinafter collectively referred to as "Government property." Title to Government property shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personal property by reason of affixation to any real property.

(b) Use of Government Property: Government property shall, unless otherwise provided herein or approved by the grant officer, be used only for the performance of this grant.

(c) Control, Maintenance and Repair of Government Property:

(1) The grantee shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this grant. The grantee shall take all reasonable steps to comply with all appropriate directions or instructions which the grant officer may prescribe as reasonably necessary for the protection of the Government property.

(2) The grantee shall submit, for review and written approval of the grant officer, a records system for property control and a program for orderly maintenance of Government property; however, if the grantee's property control and maintenance system has been reviewed and approved by another Federal department or agency pursuant to Attachment N of OMB Circular No. A-110, the grantee shall furnish the grant officer proof of such approval in lieu of another approval submission.

(3) Property Control: The property control system shall include but not be limited to the following:

(i) Identification of each item of Government property acquired or furnished under the grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of U.S. Government."

(ii) The price of each item of property acquired or furnished under this grant.

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(iii) The location of each item of property acquired or furnished under this grant.

(iv) A record of any usable components which are permanently removed from items of Government property as a result of modification or otherwise.

(v) A record of disposition of each item acquired or furnished under the grant.

(vi) Date of order and receipt of any item acquired or furnished under the grant.

(vii) The official property control records shall be kept in such condition that at any stage of completion of the work under this grant, the status of property acquired or furnished under this grant may be readily ascertained. A report of current status of all items of property acquired or furnished under the grant shall be submitted yearly concurrently with the annual report.

(4) Maintenance Program: The grantee's maintenance program shall be consistent with sound business practice, the terms of the grant, and provide for:

(i) disclosure of need for and the performance of preventive maintenance,

(ii) disclosure and reporting of need for capital type rehabilitation, and

(iii) recording of work accomplished under the program:

(A) Preventive maintenance - Preventive maintenance is maintenance generally performed on a regularly scheduled basis to prevent the occurrence of defects and to detect and correct minor defects before they result in serious consequences.

(B) Records of maintenance - The grantee's maintenance program shall provide for records sufficient to disclose the maintenance actions performed and deficiencies discovered as a result of inspections.

(C) A report of status of maintenance of Government property shall be submitted annually concurrently with the annual report.

(d) Risk of Loss:

(1) The grantee shall not be liable for any loss of or damage to the Government property, or for expenses incidental to such loss or damage except

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that the grantee shall be responsible for any such loss or damage (including expenses incidental thereto):

- (i) Which results from willful misconduct or lack of good faith on the part of any of the grantee's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives, who have supervision or direction of all or substantially all of the grantee's business, or all or substantially all of the grantee's operation at any one plant, laboratory, or separate location in which this grant is being performed;

(ii) Which results from a failure on the part of the grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above:

(A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of Government property as required by (i) above, or

(B) to take all reasonable steps to comply with any appropriate written directions of the grant officer under (c) above;

(iii) For which the grantee is otherwise responsible under the express terms designated in the schedule of this grant;

(iv) Which results from a risk expressly required to be insured under some other provision of this grant, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or

(v) Which results from a risk which is in fact covered by insurance or for which the grantee is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

(vi) Provided, that, if more than one of the above exceptions shall be applicable in any case, the grantee's liability under any one exception shall not be limited by any other exception.

(2) The grantee shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provision for a reserve, covering the risk of loss of or damage to the Government property, except to the extent that the Government may have required the grantee to carry such insurance under any other provision of this grant.

(3) Upon the happening of loss or destruction of or damage to the Government property, the grantee shall notify the grant officer thereof, shall take all reasonable steps to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the

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Government property in the best possible order, and furnish to the grant officer a statement of:

- (i) The lost, destroyed, or damaged Government property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the Government property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

(4) The grantee shall make repairs and renovations of the damaged Government property or take such other action as the grant officer directs.

(5) In the event the grantee is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the Government property, it shall use the proceeds to repair, renovate or replace the Government property involved, or shall credit such proceeds against the cost of the work covered by the grant, or shall otherwise reimburse the Government, as directed by the grant officer. The grantee shall do nothing to prejudice the Government's right to recover against third parties for any such loss, destruction, or damage, and upon the request of the grant officer, shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including assistance in the prosecution of suits and the execution of instruments or assignments in favor of the Government) in obtaining recovery.

(e) Access: The Government, and any persons designated by it, shall at all reasonable times have access to the premises wherein any Government property is located, for the purpose of inspecting the Government property.

(f) Final Accounting and Disposition of Government Property: Upon completion of this grant, or at such earlier dates as may be fixed by the grant officer, the grantee shall submit, in a form acceptable to the grant officer, inventory schedules covering all items of Government property not consumed in the performance of this grant or not theretofore delivered to the Government, and shall prepare, deliver, or make such other disposition of the Government property as may be directed or authorized by the grant officer.

(g) Communications: All communications issued pursuant to this provision shall be in writing.

(END OF STANDARD PROVISION)

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TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE) (NOVEMBER 1985)

(This provision is applicable to property titled in the name of the cooperating country or such public or private agency as the cooperating country government may designate.)

(a) Except as modified by the schedule of this grant, title to all equipment, materials and supplies, the cost of which is reimbursable to the grantee by A.I.D. or by the cooperating country, shall at all times be in the name of the cooperating country or such public or private agency as the cooperating country may designate, unless title to specified types or classes of equipment is reserved to A.I.D. under provisions set forth in the schedule of this grant. All such property shall be under the custody and control of grantee until the owner of title directs otherwise or completion of work under this grant or its termination, at which time custody and control shall be turned over to the owner of title or disposed of in accordance with its instructions. All performance guarantees and warranties obtained from suppliers shall be taken in the name of the title owner.

(b) The grantee shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this grant. The grantee shall take all reasonable steps to comply with all appropriate directions or instructions which the grant officer may prescribe as reasonably necessary for the protection of the Government property.

(c) The grantee shall prepare and establish a program, to be approved by the appropriate A.I.D. Mission, for the receipt, use, maintenance, protection, custody and care of equipment, materials and supplies for which it has custodial responsibility, including the establishment of reasonable controls to enforce such program. The grantee shall be guided by the following requirements:

(1) Property Control: The property control system shall include but not be limited to the following:

(i) Identification of each item of cooperating country property acquired or furnished under the grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of (insert name of cooperating country)."

(ii) The price of each item of property acquired or furnished under this grant.

(iii) The location of each item of property acquired or furnished under this grant.

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(iv) A record of any usable components which are permanently removed from items of cooperating country property as a result of modification or otherwise.

(v) A record of disposition of each item acquired or furnished under the grant.

(vi) Date of order and receipt of any item acquired or furnished under the grant.

(vii) The official property control records shall be kept in such condition that at any stage of completion of the work under this grant, the status of property acquired or furnished under this grant may be readily ascertained. A report of current status of all items of property acquired or furnished under the grant shall be submitted yearly concurrently with the annual report.

(2) Maintenance Program: The grantee's maintenance program shall be consistent with sound business practice, the terms of the grant, and provide for:

(i) disclosure of need for and the performance of preventive maintenance,

(ii) disclosure and reporting of need for capital type rehabilitation, and

(iii) recording of work accomplished under the program:

(A) Preventive maintenance - Preventive maintenance is maintenance generally performed on a regularly scheduled basis to prevent the occurrence of defects and to detect and correct minor defects before they result in serious consequences.

(B) Records of maintenance - The grantee's maintenance program shall provide for records sufficient to disclose the maintenance actions performed and deficiencies discovered as a result of inspections.

(C) A report of status of maintenance of cooperating country property shall be submitted annually concurrently with the annual report.

(d) Risk of Loss:

(1) The grantee shall not be liable for any loss of or damage to the cooperating country property, or for expenses incidental to such loss or damage except that the grantee shall be responsible for any such loss or damage (including expenses incidental thereto):

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(i) Which results from willful misconduct or lack of good faith on the part of any of the grantee's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives, who have supervision or direction of all or substantially all of the grantee's business, or all or substantially all of the grantee's operation at any one plant, laboratory, or separate location in which this grant is being performed;

(ii) Which results from a failure on the part of the grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above:

(A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of cooperating country property as required by (i) above, or

(B) to take all reasonable steps to comply with any appropriate written directions of the grant officer under (b) above;

(iii) For which the grantee is otherwise responsible under the express terms designated in the schedule of this grant;

(iv) Which results from a risk expressly required to be insured under some other provision of this grant, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or

(v) Which results from a risk which is in fact covered by insurance or for which the grantee is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

(vi) Provided, that, if more than one of the above exceptions shall be applicable in any case, the grantee's liability under any one exception shall not be limited by any other exception.

(2) The grantee shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provision for a reserve, covering the risk of loss of or damage to the cooperating country property, except to the extent that A.I.D. may have required the grantee to carry such insurance under any other provision of this grant.

(3) Upon the happening of loss or destruction of or damage to the cooperating country property, the grantee shall notify the grant officer thereof, shall take all reasonable steps to protect the cooperating country property from further damage, separate the damaged and undamaged cooperating country property, put all the cooperating country property in the best possible order, and furnish to the grant officer a statement of:

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- (i) The lost, destroyed, or damaged cooperating country property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the cooperating country property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

(4) The grantee shall make repairs and renovations of the damaged cooperating country property or take such other action as the grant officer directs.

(5) In the event the grantee is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the cooperating country property, it shall use the proceeds to repair, renovate or replace the cooperating country property involved, or shall credit such proceeds against the cost of the work covered by the grant, or shall otherwise reimburse A.I.D., as directed by the grant officer. The grantee shall do nothing to prejudice A.I.D.'s right to recover against third parties for any such loss, destruction, or damage, and upon the request of the grant officer, shall, at the Government's expense, furnish to A.I.D. all reasonable assistance and cooperation (including assistance in the prosecution of suits and the execution of instruments or assignments in favor of the Government) in obtaining recovery.

(e) Access: A.I.D., and any persons designated by it, shall at all reasonable times have access to the premises wherein any cooperating country property is located, for the purpose of inspecting the cooperating country property.

(f) Final Accounting and Disposition of Cooperating Country Property: Within 90 days after completion of this grant, or at such other date as may be fixed by the grant officer, the grantee shall submit to the grant officer an inventory schedule covering all items of equipment, materials and supplies under the grantee's custody, title to which is in the cooperating country or public or private agency designated by the cooperating country, which have not been consumed in the performance of this grant. The grantee shall also indicate what disposition has been made of such property.

(g) Communications: All communications issued pursuant to this provision shall be in writing.

(END OF STANDARD PROVISION)

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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);

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- (6) Are provided for in the approved budget when required by A.I.D.; 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:
- (i) Rates for volunteer services: Rates for volunteers should be consistent with those paid for similar work in the grantee's organization. In those instances in which the required skills are not found in the grantee's organization, rates should be consistent with those paid for similar work in the labor market in which the grantee competes for the kind of services involved.
- (ii) Volunteers employed by other organizations: When an employer other than the grantee furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (exclusive of fringe benefits and overhead costs) provided these services are of the same skill for which the employee is normally paid.
- (2) Valuation of donated expendable personal property: Donated expendable personal property includes such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to expendable personal property included in the cost share (match) should be reasonable and should not exceed the market value of the property at the time of the donation.
- (3) Valuation of donated nonexpendable personal property, buildings, and land or use thereof:
- (i) The method used for charging cost sharing or matching for donated nonexpendable personal property, buildings and land may differ according to the purpose of the grant as follows:
- (A) If the purpose of the grant is to assist the recipient in the acquisition of equipment, buildings or land, the total value of the donated property may be claimed as cost sharing or matching.

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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 A.I.D. 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 A.I.D. 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 A.I.D. 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 P.O. Box 96950, Washington, D.C.

AS per CIR# 90-16.

20090-69

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

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

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

(END OF STANDARD PROVISION)

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(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 A.I.D. 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 A.I.D. funding the following year (or funding period), or, if this grant has expired or been terminated, the difference shall be refunded to A.I.D.

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(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 A.I.D. grant funds set forth in the standard provisions of this grant are applicable to expenditures incurred with A.I.D. funds provided under this grant. The grantee will account for the A.I.D. 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 A.I.D. 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)

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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)