

PJKAJ 703  
10 JAN 1986

UNITED STATES AID MISSION TO ECUADOR  
INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
QUITO, ECUADOR

**CONFORMED COPY**  
Letter Grant Agreement  
518-0015-G-00-5105-00

ACTION	
DIA	
A.DIR	
EXO	
O/CONT	✓
C/DP	✓
O/DR	✓
O/ENG	
GDO	
PBD	
ARG	
RDO	
FHD	✓
U/H	
DPS	
TIC	
RF	
M&R	✓

Mr. Craig Anderson  
Director, Community Development Department  
Health Care Division, HCJB  
Quito

Dear Mr. Anderson:

Pursuant to IEOS request in letter 1978-85-DE dated August 29, 1985, and in accordance with the Authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "AID"), hereby grants to the Community Development Department of the Health Care Division (hereinafter referred to as "HCJB-CD") the sum of US\$40,000.00 (forty thousand dollars) for twelve months of project implementation.

The purpose of this Grant is to provide support to HCJB-CD to carry out a feasibility study of the manufacturing of the AID steel hand pump (hereinafter referred to as the "hand pump") in Ecuador, and in the training of village personnel in the installation, operation and maintenance of the hand pump. This supports the overall purpose of the Grant funds of Project 518-0015 established between AID and IEOS of developing appropriate technology in water and sanitation.

This Agreement, and the amount of Forty Thousand Dollars (US\$40,000.00) will be effective on the date HCJB-CD's authorized representative signs this letter. Within 30 days after the signing of the Agreement, HCJB-CD will furnish to AID an action plan including time schedules, proposed personnel, and other relevant information. The Grant funds may be used only to finance objectives of the Projects as described in Annex 1. The Project Assistance Completion Date under this Grant will be September 30, 1986.

AID will disburse to HCJB-CD an amount not to exceed US\$40,000. An advance of US\$10,000 will be made available to HCJB-CD upon request. Reimbursement for expenditures will be made monthly upon presentation of a request. A sample request form is illustrated in Annex 2.

INTERNATIONAL MAIL ADDRESS:  
U. S. AID Mission to Ecuador  
c/o American Embassy  
Quito - Ecuador

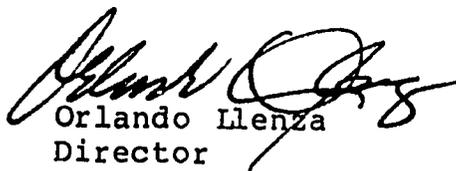
U. S. MAIL ADDRESS:  
USAID - Quito:  
Agency for International Development  
Washington, D. C. 20523

CABLE ADDRESS: USAID QUITO  
Phone: 521100

The following annexes are attached and are part of the Letter Grant Agreement:

- Annex 1 "Project Description"
- Annex 2 "Illustrative Budget"
- Annex 3 "Reimbursement Request form"
- Annex 4 "Standard Provisions"

Sincerely,

  
Orlando Ilenza  
Director

ACCEPTED BY



\_\_\_\_\_  
Craig Anderson, Director  
Health Care Division, HCJB

Date: November 6, 1985

Fiscal Data:

Appropriation: 72-1121021.8  
BPC: LDAA-82-25518-CG13  
Project: 518-0015  
Grant No.: 518-0015-G-00-5105-00

## ANNEX 1

### DESCRIPTION OF PROJECT ACTIVITIES

#### Project Objectives

1. To obtain a roster of Ecuadorean manufacturers of the AID steel hand pump, who are capable of producing a product meeting AID's technical specifications.
2. To install the locally manufactured hand pumps in various parts of Ecuador under various conditions, and evaluate their performance.
3. To train technicians in various areas in the installation, operation, and maintenance of the hand pump.

#### Scope of Work

1. Identify approximately 10 local machine shops that have the capability and desire to manufacture the hand pump at a reasonable price. At least two of these shops should be located in the coastal area of Ecuador.
2. Obtain the technical assistance of an expert involved in the original design of the hand pump for two periods of approximately two weeks each.
3. Contract for the manufacture of approximately 40 hand pumps with the machine shops selected.
4. Train villagers in at least two geographical areas of Ecuador in the installation, operation, and maintenance of the hand pumps.
5. Install hand pumps in the selected areas, and monitor their performance for a period of six months. HCJB-CD will number hand pumps for easy identification.
6. Determine a minimum set of tools required for an area maintenance crew.
7. Prepare a final report including the following:
  - a) Roster of approved hand pump manufacturers including respective prices, contract performance, timeliness, responsibility, and other relevant information.

b) Summary sheet of installed hand pumps including site, manufacturer, depth of well and water level, type of well, and estimated number of households served and beneficiaries.

c) A summary of observations regarding problems encountered in manufacture, installation, and operation and maintenance of hand pumps.

The final report should be submitted no later than September 30, 1986.

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ANNEX 2

ILLUSTRATIVE BUDGET

<u>ITEM</u>	<u>AID</u>	<u>Vozandes</u>	<u>TOTAL</u>
1. Local Personnel	2,000	20,000	22,000
2. Technical Assistance	14,000		14,000
3. Hand Pump Contracts	14,000		14,000
4. Administration	2,000	2,000	4,000
5. Local Travel and Per Diem	6,000		6,000
6. Contingencies	2,000		2,000
<b>TOTAL</b>	<b>40,000</b>	<b>22,000</b>	<b>62,000</b>

ANNEX 3

SAMPLE INVOICE FORMAT

DIVISION OF COMMUNITY DEVELOPMENT - VOZANDES

INVOICE AND STATEMENT OF EXPENDITURES

Grant No. 518-0015-G-00-5105-00 Period: \_\_\_\_\_ Invoice No. \_\_\_\_\_

Project Costs

<u>Budget Amount</u>	<u>To date</u>	<u>This period</u>	<u>Balance</u>
US\$40,000	_____	_____	_____

Amount Claimed US\$ \_\_\_\_\_

The undersigned hereby certifies that:

1. Payment of the amount under the cited Grant is proper and due and that appropriate refund will be made promptly to AID upon the request of AID in the event of non-performance, in whole or in part, under the Grant, or for any breach of the terms of the Grant.
2. The information herein is correct and such detailed supporting information as AID may require will be furnished promptly to AID on request, and
3. All requirements called for by the Grant Agreement to the date of the certification have been met.

By: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_

b

ANNEX 4

STANDARD PROVISIONS

1. ALLOWABLE COSTS AND PAYMENT

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 allowable in accordance with the terms of this Grant and Subpart 15.2 (Contracts with Commercial Organizations) of the Federal Procurement Regulations (41 CFR 1-15.2) in effect on the date of this Grant. Payment of allowable costs shall be in accordance with the payment provisions of this Grant.

2. ACCOUNTING, RECORDS, AND AUDIT

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 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 (a) until the expiration of three years from the date of termination of the program and (b) for such longer period, if any, as is required to complete and audit and to resolve all questions concerning expenditures unless written approval has been obtained from the AID Grant Officer to dispose of the records. AID follows generally accepted auditing practices in determining that there is proper accounting and use of grant funds. The Grantee agrees to include the requirements of this clause in any subordinate agreement hereunder.

3. REFUND

(a) If use of the Grant funds results in accrual of interest to the Grantee or to any other person to whom Grantee makes such funds available in carrying out the purposes of this Grant, the Grantee shall refund to AID an amount equivalent to the amount of interest accrued.

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

(c) If, at any time during the life of the Grant, it is determined by AID that funds provided under the Grant have been expended for purposes not in accordance with the terms of the Grant, the Grantee shall refund such amounts to AID.

4. REVISION OF FINANCIAL PLANS

(a) The Financial Plan, i.e., grant budget, is the financial expression of the project or program as approved during the application and/or 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 Financial Plan will be necessary for any of the following reasons:

1. To change the scope of the objectives of the project or program.
2. Additional funding is needed.
3. The Grantee expects the amount of AID authorized funds will exceed its needs by more than \$5,000 or five percent of the AID award, whichever is greater.
4. The Grantee plans to transfer amounts budgeted for indirect costs to absorb increased in direct costs or vice versa.
5. The Grantee plans to transfer funds budgeted for training allowances (direct payments to trainees) to other categories of expense.
6. The Grantee plans to incur an expenditure which would require approval under the terms of this grant, and was not included in the approved Financial Plan.
7. The Grantee intends to subcontract or subgrant any of the substantive programmatic work under this grant, and such subcontracts or subgrants were not included in the approved Financial Plan.

(c) When requesting approval for budget revisions, the Grantee shall use the budget forms 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

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Grant Officer shall inform the Grantee in writing of the date when the Grantee may expect the decision. The Grant Officer shall obtain the Project Officer's clearance on all such requests prior to communication with the Grantee.

(e) If the requested budget revision requires the obligation of additional funding, and, if after notification pursuant to this Standard Provision, AID determines not to provide additional funds, the AID Grant Officer will, upon written request of the Grantee, terminate this grant pursuant to the Standard Provision of this grant, entitled "Termination."

(f) Except as required by other provisions of this grant specifically citing and stated to be an exception from this provision, A.I.D. shall not be obligated to reimburse the Grantee for costs incurred in excess of the total amount obligated under the grant, and the Grantee shall not be obligated to continue performance under the grant (including actions under the "Termination" 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 an increased amount constituting the total amount then obligated under the grant.

## 5. TERMINATION AND SUSPENSION

(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 for any reason he/she shall determine that such termination is in the best interest of A.I.D.

(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 expenditures 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 sent forth in a letter from the Grant Officer to the Grantee.

(c) Termination Procedures. Upon receipt of and in accordance with a termination notice as specified in either paragraph (a) or (b) above, the Grantee shall forthwith 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 and the Grantee shall within 30 calendar days after the effective date of such termination repay to A.I.D. all unexpended portions of funds theretofore paid by A.I.D. to the Grantee which are not otherwise obligated by a legally binding transaction applicable to this Grant. Should the funds paid by A.I.D. to the Grantee prior to effective date of the termination of this Grant, be insufficient to cover the Grantee's obligations pursuant to the aforementioned legally binding transaction, the Grantee may submit to A.I.D. within 90 calendar days after the effective date of such termination a written claim covering such obligations, and, subject to the limitations contained in this Grant, the Grant Officer shall determine the amount or amounts to be paid by A.I.D. to the Grantee under such claim in accordance with the applicable Federal cost principles.

(d) Suspension: Termination for Changed Circumstances. If at any time AID determines (1) that disbursement by AID would be in violation of applicable laws or (2) 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, 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 to pertain for 60 days or more, then AID may terminate this grant which has not been disbursed or irrevocably committed to third parties. Financial settlement of this grant shall be governed by the termination procedures specified in paragraph (c) above.

## 6. DISPUTES

(a) Any dispute arising under this grant, which is not disposed of by agreement, shall be decided by the AID Grant Officer who shall reduce his/her decision to writing and mail or otherwise furnish a copy thereof to the Grantee.

(b) Decisions of the AID Grant Officer shall be final and conclusive unless, within 30 days of receipt of the decision of the Grant Officer, the Grantee appeals the decision to the Director, AID. Any appeal made under this provision shall be in writing and addressed to the Mission Director, Agency for International Development, c/o American Embassy, Quito, Ecuador; a copy of any such appeal shall be concurrently furnished to the Grant Officer.

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

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(d) A decision under this provision by the Administrator or his duly authorized representative shall be final and conclusive, unless determined by a court of competent jurisdiction to be fraudulent, capricious, arbitrary, in abuse of discretion, or based on clearly erroneous findings of facts or conclusions of law.

7. TITLE TO AND USE OF PROPERTY (GRANTEE TITLE)

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 grant, subgrant, 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 paragraph 1T of Chapter 1, Handbook 13.

(c) With respect nonexpendable property having an acquisition cost of \$1,000 or more, title to which vest in the Grantee, the Grantee agrees:

(1) 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.

(2) To transfer title to any such items to A.I.D. in accordance with any written request therefore issued by the Grant Officer at any time prior to final payment under this grant.

8. NONLIABILITY

AID does not assume liability with respect to any third party claims for damages arising out of work supported by this Grant.

9. AMENDMENT

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.

10. THE GRANT

The letter to the Grantee signed by the Grant Officer, the Program Description and the Standard Provisions which have been reviewed and agreed to by the Grantee, constitute the grant.

11. NOTICES

Any notice given by any of the parties hereunder, shall be sufficient only if in writing and delivered in person or sent by telegraph, cable, registered or regular mail 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 as either of such parties shall designate by notice given as herein required. Notices hereunder shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

UNITED STATES AID MISSION TO ECUADOR  
 INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
 AGENCY FOR INTERNATIONAL DEVELOPMENT  
 QUITO, ECUADOR

12 JUN 1985

**CONFIRMED COPY**

Letter Grant Agreement  
 Amendment N° 2  
 Grant 518-0015-G-00-4073-02

Dr. William Senn  
 Director Regional  
 MAP International  
 Av. República 1454 y Rumipamba esq.  
 Quito

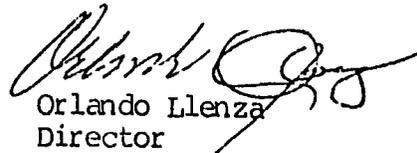
Dear Dr. Senn:

In accordance with your letter N° E-108 dated April 8, 1985, we are happy to advise you that Grant 518-0015-G-00-4073 is hereby amended to extend completion date to September 30, 1985. All other provisions of Letter Grant Agreement, Amendment N° 1, remain unchanged.

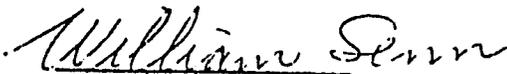
Estimado Doctor Senn:

De acuerdo con su Oficio E-108 del 8 de abril de 1985, nos es grato informarle que el Convenio de Donación 518-0015-G-00-4073 queda enmendado con el objeto de extender la fecha de terminación hasta el 30 de septiembre de 1985. Todas las demás disposiciones del Convenio, Enmienda N° 1, quedan vigentes.

Sincerely yours,

  
 Orlando Llenza  
 Director

ACCEPTED/ACEPTADO POR:

  
 Dr. William Senn  
 Regional Director  
 MAP International

Date: May 15, 1985

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EMB	
WASH	
R. A.	

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