Final Report
Agreement No. 520-98-A-00-00037-00
APROFAM ONG-USAID
Period: From May 22, 1998 to April 15, 2005

Guatemala, May 15, 2005

CONTENTS

I. EXECUTIVE SUMMARY

The purpose of this report is to present the achievements obtained under the Cooperative Agreement No. 520-98-A-00-00037-00 APROFAM ONG–USAID during the period from May 1998 to 15 April 2005. During this period, APROFAM ONG continued to provide integrated health services with emphasis on sexual and reproductive health and family planning, directed towards Guatemalan families of scarce resources throughout the country, especially women of fertile age and children under five. They contributed to the achievement of the USAID-CAP Strategic Objective No. 3 **"Better Health for Women and Children."**

The specific objective of the agreement was to improve the quality of life of the Guatemalan families by increasing their access to family planning services, in order to increase the interval between births and reduce the size of the families. To achieve this health objective, USAID provided institutional support to APROFAM ONG to strengthen its overall managerial and service provision capacity. During the implementation of the project funds were also granted to reduce the recurrent operational costs and to promote the introduction of alternative mechanisms for recuperating costs.

At the present time, the Association has managed, through administrative strengthening, to realize the delivery of quality services, gradually gaining ownership of the infrastructure where the services are provided, renovating the furniture and equipment, acquiring leading-edge technology for the medical services, and to carry out the programs and train the human talent in a permanent and systematic manner.

During the last two years, APROFAM ONG has accomplished the provision of more than one million services annually in the 31 urban clinics, through the delivery of 78 differentiated services. The Rural Development Program was also strengthened, implementing a process of reengineering and increasing the number of the Mobile Medical Units, thereby bringing the services closer to the Mayan and mixed families in the rural and urban marginal areas, while respecting their culture. Additionally, IEC programs have been contemplated for the adolescent and younger populations.

In some care centers (central clinics, Chimaltenango, Huehuetenango, San Pedro Sacatepequez San Marcos, Malacatán, Jutiapa, Coatepeque, Barberena, Amatitlán y Metropolitan Clinics) the health providers have been sensitized and trained, especially the medical staff, to integrate the detection of gender-based violence as a public health problem in the sexual and reproductive health services. This supports the detection, reduction and eradication of this problem and provides a space for reflection and assistance to the women.

All the clinics have developed programs for strengthening quality from the perspective of the client, the provider and the administration, carrying out for that purpose, workshops with service providers and exit interviews to obtain information from the clients on the perceived quality. This has permitted a continuous and systematic review of the client's needs compared with the services provided by APROFAM ONG, in order to transform them and satisfy client expectations. The Association is trying hard on a daily basis to continue with the quality control processes.

During the period from 1998 to 2005, the clinics, rural development and marketing programs, provided 1,760,565 CYP´s as a result of the distribution of temporary and permanent contraceptive methods in urban and rural areas. Also, 717,145 new family planning users and 661,013 follow-up consultations were attended to. It is noteworthy that, as of 2001, the Ministry of Public Health and Social Assistance - MSPAS – started the national program of reproductive health, distributing contraceptive methods free of charge in all the hospitals, health centers and posts throughout the country.

Quality in the delivery of services was stressed in the different programs, which also implies working with gender equity, respect for the socio-cultural factors of the Mayan and ladino populations and assuring that the families have sufficient knowledge in order to be able to freely take their decisions in an informed manner and thus favor healthy practices and habits.

Starting from the last agreement with USAID in 1998, the programs with adolescents and younger persons were strengthened. 24,268 activities under the education program were carried out, benefiting 963,232 adolescents and young persons, men and women. The content is focused principally on reinforcing healthy habits and attitudes among the young persons and adolescents with respect to high risk conducts, especially in order to avoid undesired pregnancies and the transmission of STI/HIV-AIDS, within the framework of the exercise of a responsible sexuality as established in the sexual and reproductive rights. 449 courses and workshops were developed in which 10,305 juvenile and adult leaders were trained on how to approach sexual and reproductive health, who then multiplied the knowledge acquired among the adolescents and young persons in their communities. Nowadays, there is a clinic for adolescents and young persons where psychological and medical support services are provided free of charge and there is a telephone line for providing attention.

Strategic alliances were formed with non-governmental organizations as well as with private sector companies. With the NGOs, training was provided to community leaders and groups and support given in IEC on Sexual and Reproductive Rights. With the companies, the sale of health services to the employees within the framework of Corporate Social Responsibility. In both cases, agreements were signed to assure compliance with the commitments being assumed.

Also, the infrastructure and equipment have been improved, and at this moment the following clinics form part of our property holdings: Central Clinics, Specialty Clinics, Zone 5, Zone 6, Jutiapa, Zacapa, Coatepeque, Puerto Barrios, Cobán, Huehuetenango, Quetzaltenango, Chimaltenango and Escuintla. Additionally, plots of land were acquired in: San Benito, Petén, San Pedro Sacatepéquez, San Marcos, Mazatenango, Barberena and two plots were acquired next to APROFAM ONG's Central Clinic, where the new clinics will be constructed.

Due to the fact that USAID in 2002 started to gradually cease the donation of contraceptives to the Association, a reserve was started to assure the future availability and access to contraceptives on the part of the Guatemalan population.

As part of the agreement, priority was given to the services in the Mayan rural areas of: San Marcos, Quetzaltenango, Huehuetenango, Sololá, Totonicapán, Chimaltenango, El Quiché and Alta Verapaz; providing medical care and family planning services through the mobile medical units.

As part of the commitments under this agreement, the diversification of quality products and services continued in the clinics in Sololá, San Pedro Sacatepéquez, San Marcos, Antigua Guatemala and Ixcán.

At this moment, the Association has 765 collaborators, 391 on the payroll and 374 providing professional services. **See Annex 1**

Given the high level of sustainability that had been achieved by APROFAM ONG, (86% in 2003), USAID had been planning five years of final assistance to the organization and negotiated with APROFAM ONG the terms of a new Cooperative Agreement that would include the creation of a Sustainability Trust Fund (STF) with APROFAM ONG's own funds. The new agreement was scheduled to start October 1, 2004 because the current Cooperative Agreement ended September 30, 2004, but the start date for the new agreement was postponed. In March 2004 a new Board of Directors was elected to direct APROFAM ONG. On July 23, 2004 the new Board terminated the long-time Executive Director, key personnel under the current agreement, without USAID's approval, a decision that led USAID to add special award conditions to APROFAM ONG during the extension of the Cooperative Agreement. It was necessary to extend the Cooperative Agreement in order to achieve a suitable transition to the

proposed new agreement and to validate the performance of a new Executive Director approved by USAID; and also in order to achieve certain key results that demonstrated that APROFAM ONG had complied with the special conditions imposed by USAID.

USAID/Guatemala and the Board of Directors of APROFAM ONG worked together during the extension period on the transition of a new leadership for the organization and the establishment of strong foundations for the new assistance period 2005-2009. USAID/Guatemala considered that the no-cost extension of Cooperative Agreement No. 520-98-A-00-00037-00 for 6 months and 15 days provided sufficient time and opportunity for working closely with the Board of Directors, managers and staff of APROFAM ONG, on the definition of roles and responsibilities, on assuring a leadership that supported the new Executive Director that was selected, on the establishment of operational procedures and strong communication channels, on strengthening the governance of APROFAM ONG by the Board of Directors, and on the creation of a Sustainability Trust Fund that will protect the social mission of APROFAM ONG.

APROFAM ONG covered all the costs of its programs with its own financial reserves during the no-cost extension period.

II. BOARD OF DIRECTORS AND GENERAL ASSEMBLY

ADMINISTRATION / GOVERNANCE STRENGTHENED

During the extension period (October-2004/March-2005), USAID/Guatemala contracted the services of MSH's Management and Leadership (MSH/M&L) without cost to APROFAM ONG, in order to provide technical assistance to the Board of Directors, to the technical staff and the members in general. APROFAM ONG, with the technical assistance of MSH/M&L, implemented, monitored and informed on the impact of a technical assistance plan that contributed to an improved governance, an assembly that was increased and strengthened, clear channels of communication, revised statutes and by-laws that formalized and instituted improved systems and procedures focused on the following areas:

Board of Directors and General Assembly Strengthened

APROFAM ONG with the support of MSH/M&L developed a plan for the technical assistance to be provided by MSH/M&L during the extension period (October 1, 2004 – April 15, 2005) with the aim of identifying and proposing training and support activities that would result in a strengthened governance, assembly and administration, improved communication channels at all levels of the institution, and a review of the statutes and by-laws that formalized and improved the systems and procedures.

This action plan contributed to the strengthening of the following aspects:

- Governance and Voluntarism.
- Ethics and how to avoid Conflicts of Interest.
- Principles of Sustainability.
- Fund raising techniques.
- Creation of strategic alliances.
- Strict criteria and modern processes for recruiting and selecting members and conducting assemblies.
- Procedures and Manuals to guide the Board of Directors and the members of the Assembly on their responsibilities and attributions.
- Procedures designed and implemented for measuring the performance of the members of the Board of Directors.

Assembly Increased and Strengthened

As APROFAM ONG is a large and complex organization, it is obliged to consider the strong demand on its members, especially in supporting the achievement of institutional sustainability. Because of this, it is necessary to increase the pool of qualified volunteers that the organization can depend on for support and governance.

The new volunteers will be recruited and selected according to the new profile developed in coordination with MSH. They will participate in the induction process to the institution and will be trained in such key areas as: governance, voluntarism, fund-raising and other topics.

Channels of Communication Improved

In order to achieve effective working relationships and an open communication between USAID, the members of the Board, the Executive Director and the technical staff of APROFAM ONG, with the support of MSH/M&L, established clear procedures strengthened the communication between USAID/Guatemala and the Board of Directors. Because of this, as of October 2004, the participation of the USAID Project Officer as an advisor was included in the meetings of the Board and sending copies of all the minutes of the meetings of the Board to the Project Officer and defining the flows and norms for improving the inter- and extra-institutional channels of communication.

See Annex 2 MSH/M&L Activities Report October 2004-April 2005.

III. SOCIAL MARKETING MANAGEMENT UNIT

This management unit had the responsibility of developing and promoting the strategies for increasing the coverage of the integrated health services, and improving the quality of delivery of these services, as well as designing and implementing education and information strategies on topics of sexual and reproductive health, with a socio-cultural focus on gender and on the new masculinity, in order to promote healthy behaviors in the population, especially those of scarce resources.

In order to contribute to the fulfillment of the purposes of the social marketing, actions were taken to change the traditional focus in delivering the health services, principally in the departments of the western highlands region of the country. To carry this out, the active participation of the population was sought by motivating the community leaders to influence the members of their communities when taking decisions.

Promotion and disclosure in a direct and massive manner of the benefits for the family of adopting better health practices and of the services provided by APROFAM ONG

Educational and promotional materials were designed that were validated on the basis of identified community experiences and needs. This process was carried out with the support of the rural development program, which convoked the target population to participate in the corresponding meetings.

Since the beginning of the agreement in 1998, promotion was carried out in the mass media, which included the diffusion of radio advertisements in Spanish, k'iché, kakchiquel, mam, queqchí and pocomchí. The messages being transmitted covered the topics of: i) family planning, ii) prevention of cervical cancer, iii) participation of the men in family life, and iv) maternal child health care. Television messages were produced and transmitted on local cable channels, covering the topics of sexual and reproductive health and the promotion of the services being offered by the Association clinics. Additionally, messages were published on the prevention of cervical cancer and the services being offered by the Association in the newspapers with the largest circulation.

In order to complement the promotion and disclosure of the benefits of adopting better health practices by the family, alternative media were used such as: i) design, validation and production of posters, two-fold pamphlets, and informative flip charts on sexual and reproductive health, contextually adapted for Mayan and mestizo populations; ii) design and elaboration of cloth banners to promote the integrated health fairs carried out by the mobile medical units and the services of the minimum health units and clinics; iii) design, validation and elaboration of pedestrian and panoramic billboards for the location of the Association's voluntary promoters, minimum health units and clinics; and, iv) design and elaboration of leaflets with messages promoting the activities of the health fairs, voluntary promoters and clinics.

Promotional materials that are useful for the population were produced with health messages, such as: plastic washbasins, caps, T-shirts, trash cans, plastic capes for the rain, towels, umbrellas, earthen jars, glasses, water bottles, among others.

The principal materials produced throughout the term of the agreement are detailed in the **Annex 3.**

As of 2000, the advocacy strategy was inaugurated by means of the contest "Prize for Journalistic Excellence" that motivated the different print media to publish the topic of sexual and reproductive health, and in order to achieve by means of timely information and at no cost to the Association the diffusion of journalistic work on: i) population and the environment, ii) development and iii) sexual and reproductive health. This contributed to raising the awareness of public opinion, and also of high-ranking leaders and decision makers, in favor of actions and/or the enactment of policies promoting the social development of the population.

In 2001, as part of the extension of the Cooperative Agreement No. 520-98-A-00-00037-00 for the period 2002-2004, a reengineering process was carried out in the social marketing management unit with the technical assistance of MSH. This activity permitted the incorporation of: i) a new organizational structure for the management of social marketing with the incorporation of departments for commercialization and investigation and strategic development of markets, ii) the involvement of all the personnel in the marketing vision of the Association, iii) a business plan at the institutional level and for each individual clinic, and iv) the creation of a marketing information system for appropriate decision making.

The investigation and strategic development of markets department supported the process with market investigations that provided objective, reliable and timely information for taking decisions on the development of institutional self-sufficiency and profitability.

The interventions carried out by this department were:

- Investigation of Quality of Care: Evaluated the friendliness of the providers, hygiene, cleanliness, order and waiting times in the institution's clinics, in order to determine the degree of satisfaction felt by the users on receiving a service.

- Exit Surveys and Suggestion Boxes: Evaluated the suggestions and recommendations on the different services provided by the Association.

- Household Interviews: Evaluated the quality of care received directly with the user.

- Telephone Interviews (telemarketing): Evaluated the care provided by means of telephone calls to the users.

- Focus Groups: Detected defects in the service, rumors or image of the institution, and validated the educational and publicity materials.

- Trademark Value and Competition: Evaluated the positioning and the perception that the users have of the Institution, as well as market participation and the reasons for using the different public and private health centers.

- Hidden Client: Carried out personal experience evaluations of the treatment received along the path taken by the user within the institutional clinics.

- Study of Prices: Determined the prices charged by the competition and those users were willing to pay.

- Feasibility Studies: Determined the marketing criteria for decision-making with respect to new services and products, location of clinics and the schedule of their service hours.

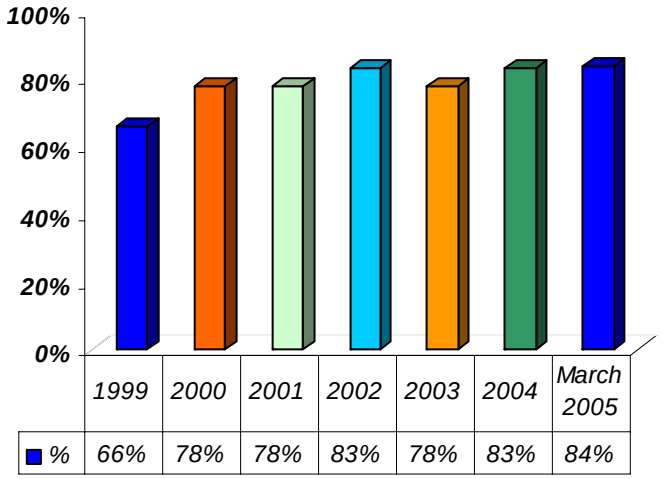
- Installed Capacity: Provided information about the level of occupancy of the clinics in order to optimize their use.

As a result of the decisions taken based on the evaluations of quality, an increase in the percentage of satisfied users between 1999 and 2002 can be observed. **See Graph No. 1**. This increase is due principally to the improvement in: i) the involvement of all the personnel in a new organizational culture focused on improving the quality of the services through the training of all the personnel of the Association, ii) the implementation of new work positions in quality control within the medical services area (medical audits, quality audits, nursing audits, supervision at the departmental area and supervision of the laboratory clinics), iii) the establishment of instruments to measure quality (service protocols and quality manuals), iv) the establishment of systems for evaluating quality (hidden client, suggestion box, exit surveys, and an institutional image checklist), v) the establishment of a specific budget for management of the institutional image, vi) the establishment of an institutional image manual, vii) the implementation of a telemarketing program to give a personalized follow-up to the requirements of the present and

potential users, and viii) the implementation of the client service center for giving information over the telephone according to the user's needs.

Graph No. 1

Index of User Satisfaction with the Services of APROFAM ONG



The decreased percentage of users satisfied with the service received in the clinics observed between 2002 and 2003 was due to the saturation of installed capacity in the majority of the clinics, resulting from the increased demand for the services at peak hours. This situation has been progressively resolved through: i) the rental and transfer of some of the services and clinics to new care centers, ii) the expansion and adjustment of new service areas, iii) the extension of scheduled service hours, and iv) an increase in the number of attention booths for the same service.

As a result of these actions an increase of 6 percentage points can be observed between 2003 and 2005. Another intervention that strengthened this result was the realization of self-evaluation workshops in all the Association clinics with a central focus on the rights of the client and the needs of the provider, which has provided a baseline of the training needs of the providers and of improvements to infrastructure and equipment.

Through the social marketing strategies focused on the different care centers and the rural development program, the commercialization department supported the process of institution-wide sustainability and profitability.

These actions were:

- Promotion and Publicity: Supported with publicity messages in the mass media and other communication alternatives for the development of new and actual markets.

- Internal Information System: Marketing profile of each care center that permitted decision making for the development of commercialization strategies (categorization of products and services). **See Annex 4** ABC of Institutional Products and Services

- Institutional Campaigns to increase the demand for the products and services in accordance with their seasonality.

- Mobile Units: Communication strategy for convoking the populations to the integrated health fairs carried out by the mobile medical units of the rural development program.

- Client Service: Strategy that allowed for individualized care and resolution of information needs immediately.

- Prospecting: Utilization of direct mail for the promotion of new markets by means of local and electronic mailing systems.

Annually, the following publicity campaigns and health fairs were validated and transmitted at the national level through the mass media and alternative communication channels.

- Campaign “Spacing the births with love, a decision best taken by the couple”

- Campaign “Now we can decide how many children we want and when”

- Campaign “Spacing the births is a shared responsibility”

- National Campaign “Preventing Cervical and Breast Cancer”: strategy that was promoted in all the Association clinics.

- National Campaign of Integrated Health Services: strategy that promoted the integrated health services at the national level (outpatient, diagnostics and family planning) in order to posit in the population the diversity of services being offered by the Association.

- National Campaign of the Healthy Child: Strategy that promoted the importance of child health at the national level.

- Anniversary National Campaigns: Strategy that promoted all the services that the Association provides at the national level, making reference to the date on which APROFAM ONG was founded.

- Local Campaigns “Health Week”: The services of the central and specialist clinics were promoted in the printed media.

- Diagnostic Health Fair: Where information was given about the diagnostic services (Clinical Laboratory, Ultrasound, X-Rays, Bone Density and Mammography) that are offered to the population.

- Health Fairs: Through which integrated health services are brought in an innovative and creative manner to the communities in accordance with the needs identified in them.

The following was achieved as a result of the implementation of the previously mentioned actions:

Result	1998	1999	2000	2001	2002	2003	2004	March/05
Number of clinical services provided	588,263	657,917	755,894	993,315	1,035,192	1,028,040	1,045,533	251,389

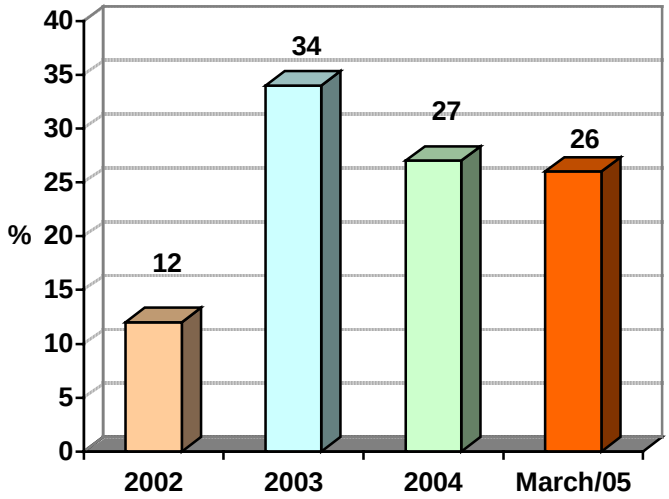
As can be observed, the increase in the number of services between 2004 and 1998 was 78%, as a result of the of the consolidation of strategies for increasing the quality in the provision of the services, as well as the effectiveness of the integrated promotion and publicity strategies for these services.

In 2003, a barely significant decrease can be seen in the number de services provided in 2002, due to the fact that in that year the socio-economic and political conditions in the country did not favor an increase in the demand for the services. Additionally, APROFAM ONG did not participate as in previous years in the National Vaccination Campaign organized by the Ministry of Public Health and Social Assistance - MSPAS.

As a result of the investigations of trademark value and competition, it was possible to establish the preferences of communication mass media, especially radio, which resulted in an effective media mix that permitted the messages being transmitted to have a greater coverage in the target population, as can be observed in **Graph No. 2** which shows the percentage of new users that use the services as a result of the publicity campaigns.

Graph No. 2

Percentage of new users that use the services as a result of the publicity campaigns



Development of New Products and/or Services

Several new business options were evaluated as part of the requirements of the no-cost extension, carrying out for each of them a feasibility study incorporating marketing, administrative and financial considerations in order to take a final decision, prior to the authorization of the Board of Directors.

The search for options for the creation of new business opportunities is a permanent strategy for increasing the profitability of the services that will support the achievement of APROFAM ONG's social mission through the cross-subsidy strategy.

APROFAM ONG defined as new business options the development of improvements, additions and line extensions of its current portfolio of products and/or services.

The evaluation of a new product, service or business option will take the following criteria into account for its implementation:

- Compatibility with the institution's image
- Compatibility with the mission of APROFAM ONG
- Compatibility with installed capacity
- Expected profitability
- Income generating potential
- Strategic location
- Financial, programmatic and administrative viability and feasibility, analyzing among other points:
    - Market potential
    - Amount of initial investment
    - Return on investment period
    - Profit margins
    - Life cycle characteristics

The different new business options are enumerated below, which will have a market feasibility study carried out prior to taking a final decision:

- Assisted reproduction services for infertile patients
- Gastric phmetry service: (Measurement of acidity and alkalinity)
- Esophageal manometry service: (Measurement of the motility and function of the esophagus)
- X Ray service in the Quetzaltenango clinic
- Premium Clinic
- Optometry and ophtalmology clinic
- Taking and receiving laboratory samples in three periphery clinics in Guatemala City
- Clinical laboratory and family planning service kiosks
- Increased product portfolio for rural development and juvenile multipliers

APROFAM ONG Image Repositioned:

APROFAM ONG provides quality, affordable health services for lower-income families in Guatemala and traditionally has concentrated on offering a viable alternative to public sector users that have some ability to pay for health care services. The organization's ability to serve as a viable alternative for patients from the public sector has been supported by a strong balance between quality and affordability of its services. However, if APROFAM ONG is to increase its income and reach full sustainability, it must successfully compete for middle-income patients from the commercial sector. This next phase requires a change in APROFAM ONG'S institutional image, improving perceived quality, the physical appearance, convenience and capacity of its clinical facilities, revising its pricing policy and developing new marketing strategies. APROFAM ONG is still perceived primarily as a source of reproductive health services for women, an image that does not reflect its many services for men, women and children. The organization is also often perceived as a public sector provider, an image far from the concept of private, individualized attention they need to convey to attract patients willing to pay for services. To broaden its patient base, APROFAM ONG will have to reinforce its messages that the organization provides quality health care for the family, not just women, and will have to highlight that APROFAM ONG's services combine low prices with quality, confidentiality, convenience, privacy and cutting-edge technology.

During the no-cost extension period, APROFAM ONG started the process of repositioning the Association image by contracting a publicity agency to support the communication and promotion strategy.

Programs for Adolescents

The education department in the social marketing management unit was responsible for the design, implementation and monitoring of the educational strategies directed toward the different sectors of the population throughout the country, especially the adolescents and young people. This contributed to an increase in the level of knowledge, values and behaviors that empowered the population to sponsor a change in attitudes that favored the reduction in high risk behaviors.

All the educational actions were developed with a cross-cutting gender focus, of prevention and reduction of violence and with a new perspective of masculinity.

The following topics were taken up in the educational processes: i) Self-esteem, ii) Personal values, iii) Communication and interpersonal relations, iv) problematic facing the young population, v) Education on sexuality, vi) Anatomy and physiology of the sexual apparatus, vii) Friendship and courtship, viii) Prevention of drug usage, ix) Fertility, pregnancy and childbirth, x) Reproductive risk with emphasis on adolescent pregnancies and their possible consequences, xi) Family planning xii) Contraceptive methods, xiii) Prevention of sexually transmitted infections, xiv) STI/HIV/AIDS, xv) Hepatitis B, xvi) Sexual and Reproductive Rights, and xvii) Prevention of cervical cancer.

Clinic for Adolescents

In 1999, financing was obtained from another donor for organizing a health care center for adolescents that included a general medicine, gynecology and psychology clinic. This program delivers contraceptive methods to those that are sexually active (principally male and female condoms) using strategies designed by and for adolescents based on the principles of respect, equity, participation and responsibility, favoring just human relations and social spaces where each human being has the possibility of living their life in a dignified manner. It also offers the service of a free telephone line for attending and orientating adolescents.

This clinic was improved with USAID funding, which permitted the continuance of delivering friendly services to young people through the clinic for adolescents in the capital city.

As of October 1, 2004 this clinic was restructured both from the point of view of the provision of sexual and reproductive health services, as well as with respect to its operational staff. The professional staff in the clinic that were contracted on the payroll, with the exception of the nursing staff and the cashier/secretary, were transferred to payment on the basis of professional fees. This measure was taken to contribute to the future achievement of sustainability of the clinic for adolescents. The sexual and reproductive health services being provided to the adolescents are: gynecology, pre- and post-natal consultations, general medicine, psychology, counseling on GBV and STI/HIV, orientation for young people and modern contraceptive methods (reversible and permanent methods). Also, the Voluntary Surgical Contraception area for men and women is operating in this same location.

The service provided on the 1-800 telephone line is no longer in operation, due mainly to the following factors: i) the users could only make the calls if they had access to a telephone line of the TELGUA company which was contracted by APROFAM ONG to provide this service, thereby preventing the access of those adolescents who had telephone lines provided by other telecommunication companies, ii) this service was offered by the clinical staff only during office hours (from 8 am to 5 pm) and did not cover emergencies outside office hours, iii) the telephone calls tended to be very long thus limiting its use to a very few users during the day, and iv) the culture for using a free 1-800 line does not exist in Guatemala.

The services provided during the period from October-December, 2004 / January-March 2005 increased by 9% compared with the same period of the previous years after the clinic for adolescents was restructured. The pre and post-natal and psychology services were those that showed the most increase. It is considered that this increase was due mainly to the change in the way the health providers were being paid in this health care center.

As of January 2005, this clinic is being administered by the management of the APROFAM ONG Central Clinic. This change is meant to improve the effectiveness of the administrative and operational activities of the clinic for adolescents.

Learning to Live Program: This was a human development educational process that empowered adolescents to responsibly exercise their sexuality and to practice healthy life styles. Actions under this program were strengthened from 1998 onward. The strategy used consisted of identifying, training and giving follow-up to and monitoring local adult leaders, especially midwives, health volunteers and promoters, teachers, orientators and educators in the formation, organization and support of adolescent groups. The training was orientated toward the coverage of sexual and reproductive health and its components. The persons trained formed groups of adolescents and young people and carried out meetings each year to analyze and transmit knowledge on these topics.

The young people and adolescents participating in the program acquired the commitment to remain in this educational program during one year. The personnel in the education department carried out follow-up and analysis meetings with the groups of trained adult persons, realized observation visits and training courses, and during these activities they reinforced the content matter already covered and supported them in the formation and continued support of the groups.

The most important quantitative results of the program are:

No.	Activity	1998	1999	2000	2001	2002	2003	2004	TOTAL
1	Courses given	19	20	20	10	25	16	21	**131**
2	Leaders trained	516	843	1,032	393	548	1,062	115	**4,509**
3	Adolescents orientated under the program	9,201	20,640	30,960	11,000	16,440	6,783	12,538	**107,562**

The methodology used in this program was "Training without Letters" based on the ERCA method (Experience, Reflection, Conceptualization and Action). These leaders promoted the referral to the services of the clinics in the departments and to the clinic for adolescents.

Although this program generated changes of attitude in the management of sexuality, its impact was difficult to determine due to the lack of specific studies and follow-up on the population covered by it.

This program was not continued after October 1, 2004 as a result of APROFAM ONG carrying out a prioritization of the programs based on their cost-effectiveness.

Juvenile Multipliers: This program directly involved juvenile leaders in a process of sensitization and consciousness-raising of the problematic of adolescence and youth. It proportioned to the communities, a young human resource trained in the management of topics related to sexual and reproductive health, with strategies designed by themselves, and based on the cosmic vision of the area. It used the methodology of couples to carry out information, orientation, referral and education activities in the responsible management of sexuality and the practice of healthy habits.

The program started in November 1998 as a pilot plan in the department of Escuintla, opening up a space to this population group in order to share and resolve their problems with groups of the same age.

During the development of the program, 5,035 adolescents were identified, selected and trained to act as juvenile multipliers –JMs-, sharing their knowledge directly with approximately 100,000 adolescents and young people.

During 2002-2003, the Dual Protection program was implemented, taking advantage of the structure of the program and financing from IPPF, which distributed more than half a million male and 10,000 female condoms at prices offered by voluntary promoters. Locally, the JMs coordinated and developed radio programs, local cable TV programs, and created magazines to be distributed every two weeks.

In order to strengthen the knowledge of the JMs, group meetings and follow-up courses were held and direct support given to the community impact activities. Also, support materials such as three-fold pamphlets, videos, audiovisual equipment, and manuals on contents, sexual education, family planning and contraceptive methods, were handed over.

The quantitative results of the program were:

No.	Activity	1998	1999	2000	2001	2002	2003	2004	March/ 05	TOTAL
1	Leaders trained	100	843	1,191	895	753	522	527	204	**5,035**
2	Courses	3	25	30	29	56	21	28	11	**203**
3	Adolescents orientated in the face-to-face strategy	-	-	12,000	36,491	20,875	30,020	35,680	3,709	**138,775**

Electronic Babies: A program using modern technology and based on personal experience, which started in 2000 and whose objective was to sensitize the adolescents and young people to delay getting pregnant. They experimented with the responsibilities of being mothers/fathers by means of the adoption of a baby. Additionally, it favored the equitable participation of both the man and woman in the upbringing and care of the sons and daughters.

The implementation of this program implied the design, validation, production and distribution of materials, and the development of an educational process involving 6,231 adolescents. At this moment, there are 49 babies that are given in adoption, usually for two and one-half days. Additionally, there are 2 afflicted babies, one by the fetal syndrome of alcoholism and one afflicted by drugs, that are used in the chats to prevent drug and alcohol addiction.

Within the program methodology, the adolescents and young people donate the clothing that they use to dress the baby during the adoption, which was later transferred to mothers of scarce resources, users of the central clinics of APROFAM ONG, clinics for adolescents, the maternity ward of the San Juan de Dios General Hospital and other NGOs.

The program was developed 95% in the metropolitan area and 5% in the Chimaltenango and Escuintla departments. 80% of the adoptions were given to women and 20% for men.

At April 15, the quantitative results of the program were:

No.	Activity	1998	1999	2000	2001	2002	2003	2004	March/ 05	TOTAL
1	Workshops held	--	--	10	13	15	33	61	16	**148**
2	Educational establishments participating	--	--	13	30	28	45	43	21	**154**
3	Adolescents involved	--	--	353	432	478	1,554	2,803	706	**6,326**

This program contributed to the sensitizing and consciousness-raising of the adolescents and young people, so as to be able to measure the consequences of a pregnancy at this stage of their lives by means of making this experience their own and incorporating it in their lives.

Due to the fact that this program and the methodology being used were strikingly different, the demand for adoptions increased from 2002 onward, as a result of which new generations of babies were acquired.

Education for family life: This program was developed at the national level and covered the different educational levels (pre-primary, primary, junior high, diversified and university), and consisted in holding chats on sexual and reproductive health and its components.

The focus on gender, the prevention of gender-based violence, and the new focus on masculinity were treated from a crosscutting viewpoint.

The program objective was to sensitize men and women, principally adolescents and young people, on the importance of an informed and responsible management of their sexuality, in order to contribute to an improved quality of life.

The program counted with the support of a team of professionals in the psycho-biosocial areas, who were identified with the problematic facing the adolescence and youth of the country. This program was, and continues to be, one of the few interventions covering sexual and reproductive health available for adolescents and young people in Guatemala.

The principal quantitative results of the program were the following:

No.	Activity	1998	1999	2000	2001	2002	2003	2004	March/ 05	TOTAL
1	Mini-courses	1,485	1,536	2,145	5,115	7,811	2,817	4,461	354	**25,724**
2	Participants	55,181	82,997	76,867	108,988	145,296	107,742	120,217	9,594	**706,882**
3	Departments of the Republic covered	17	17	19	14	22	22	22	9	

Between 1998 and 2001, not all the departments were covered due to the fact that the departmental education authorities did not permit the activities to be implemented because they did not agree with the objectives. The tendency in 2003 was due to the delay in starting the school year caused by the national teachers strike and by the blockage of the highways by the ex-civil defense patrolmen.

As a result of the implementation of the different strategies and programs developed by the education department the following coverage was achieved:

- 964,036 adolescents and young people, men and women, by means of 26,206 activities under the education program were empowered in the informed and responsible management of sexuality and in the coverage of sexual and reproductive health.

- 9,544 leaders, young people and adults, were trained in the coverage of sexual and reproductive health in 482 courses and workshops, who then multiplied the acquired knowledge among the adolescents and young people of their communities.

Training Area

The training area established training strategies, processes, methods and techniques that permitted the promotion of the integrated development of those persons collaborating in order to reach the best quality of products and services and the highest institutional productivity; personnel from the NGOs, government organizations (GOs), and leaders. The services provided were: i) training APROFAM ONG personnel, ii) community leaders (rural and Mayan), and iii) NGOs and GOs that provide health services, especially to promote sexual and reproductive and maternal child health care.

The training area was a part of the social marketing management unit until 2003. As a result of an organizational restructuring in 2004, it was incorporated within the Human Resources Unit.

In order to program the personnel training in APROFAM ONG, the training area each year carries out a diagnostic of training needs (DTN) for all the institutional personnel. From 2003 onward, the DTN was used as a basic tool for designing the essential and specialized training modules. All the training was carried out in coordination with the different management units that were involved.

Across the implementation of the Agreement, those trained have included personnel of the rural development program, field educators and coordinators who received training on the following topics: i) sexual and reproductive health, ii) control of diarrheal diseases, iii) acute respiratory infections, iv) expanded immunization program, v) maternal child health care, vi) involvement of voluntary promoters in the promotion of the use of contraceptive methods and the sale of basic medicines during the household visits, vii) STI/HIV/AIDS, viii) women's rights, ix) management of the Palm Pilot, which facilitated the work of the educators through the on-the-spot invoicing of their sales, as well as in the Scorpio Web information system, x) management skills for field supervisors and coordinators with the technical support and financing of MSH, xi) promotion of services and sales techniques, xii) training the trainers for working with illiterate persons, xiii) medical barriers, xiv) micronutrients, xv) gender equity, xvi) logistics system, xvii) client service, xviii) verification lists for terminating pregnancies, xix) inter-genetic interval, xx) promotion of

services and marketing, xxi) gender-based violence, xxii) updating the manual for the voluntary promoter, based on the experiences of the successful voluntary promoters, xxiii) bio-security norms and universal precautions, and xxiv) human development in the workplace.

The clinic personnel were trained on: i) improved quality in service provision, ii) institutional induction and re-induction, iii) control of diarrheal diseases, iv) expanded immunization program, v) acute respiratory infections, vi) sexual and reproductive health, vii) maternal child health care, viii) family planning, ix) STI/HIV/AIDS, x) bio-security norms and universal precautions, xi) gender equity, xii) masculinity, xiii) colposcopy procedures, xiv) medical barriers, xv) women's rights, xvi) administrative and financial norms, xvii) prevention of informatic virus infections, xviii) updating the norms for maternal child health care for the personnel in the Surgical and Childbirth Care Center – CQAP -, xix) updating the clinical and cytology laboratory techniques, xx) modern contraceptive methods, xxi) marketing, xxii) client service, xxiii) verification lists, xxiv) updating for pharmacy assistants, xxv) hormone replacement therapy, xxvi) hospital indicators, xxvii) windows and office software, xxviii) medical audit, xxixxx) quality self-evaluation, xxx) accounting and management of financial information, xxxi) fundamentals of organization, xxxii) medical clinical topics in accordance with the needs of each care center, and xxxiii) human development in the workplace.

Additionally, training was provided to the collaborators in other management units on: i) institutional induction and re-induction, ii) components of sexual and reproductive health and sexual and reproductive rights, iii) gender equity, iv) masculinity, v) human development in the workplace, vi) marketing, vii) use of extinguishers, viii) conflict resolution, ix) updating in the use of computer programs, and x) improved quality in service provision.

Another important intervention of the training department has been the training of the NGO and GO personnel, with whom the following topics were covered: i) sexual and reproductive health and maternal child health care, ii) promotion techniques for communitary participation in health care, iii) sexual and reproductive rights, iv) prevention of cervical cancer, v) reproductive risk, vi) pregnancy complications, vii) treatment of respiratory infections, viii) treatment of diarrhea, ix) importance of vaccination, x) nutrition, xi) administration and logistics of rural medicine kits, xii) emergency contraception, xiii) IUD insertion, xiv) utilization of natural and modern contraceptive methods (principally MELA), xv) responsible parenthood, xvi) human sexuality, xvii) gender equity, xviii) gender-based violence, and xix) improved quality in service provision.

Also, training was provided to indigenous leaders through courses facilitated in their maternal languages and with the methodology of easy comprehension. The topics developed included: i) maternal child health care, ii) modern and natural family planning methods, iii) gender equity, iv) optimal interval between pregnancies, and v) promotion of the services offered by APROFAM ONG.

The principal results were:

No.	Activity	1998	1999	2000	2001	2002	2003	2004	March/ 05	TOTAL
1	Number of courses for APROFAM ONG staff	20	39	43	55	65	47	67	1	**337**
2	Number of participants -APROFAM ONG staff	506	792	1,265	1,285	1,024	504	1,092	20	**6,488**
3	Number of courses for Mayan leaders	27	25	27	28	22	19	11	--	**159**
4	Number of participants - Mayan leaders	729	765	761	988	1,098	557	371	--	**5,269**
5	Number of courses for NGO and GO staff	48	32	44	25	25	20	10	--	**204**
6	Number of participants – NGO and GO staff	673	2,994	1,127	967	1,161	553	382	--	**7,857**

In 2002, training was carried out to standardize and update the knowledge of the voluntary promoters in sexual and reproductive health and in the use of the respective manuals.

One of the principal strengths of APROFAM ONG has been to count on qualified staff, trained and updated in the performance of their own activities and in the management and knowledge of the components of sexual and reproductive health, which has allowed them to work with a certain mystique, in a proactive manner, maintaining a culture of quality, efficiency and effectiveness in the delivery of the products and services, and making a contribution to the achievement of the institutional objectives.

Training the leaders, as well as NGO and GO staff, has contributed to the fact that the populations that live in the communities attended to by these leaders and organizations, visualize sexual and reproductive health as an opportunity to support the fact that women should make decisions under the same conditions as the men. This has contributed to the empowerment of the women who once informed do not put their health or that of their families at risk, and exercise their sexual and reproductive rights.

Gender- Based Violence (GBV)

The program was started in 1999 in the central clinic of the Association, with the service of attention by telephone through a 1-801 line, with a national, free and confidential coverage. It provided integrated support, counseling and referral services to women who were victims of physical, sexual, psychological, economic and patrimonial violence.

In 2003, APROFAM ONG with the support of another donor developed this strategy in the Chimaltenango Department, identifying public and private institutions and organized groups that tackled the topic of GBV and delivered directories of organizations working on the topic to 16 municipalities of this department. Subsequent to this, two KAT (knowledge, attitudes and practices) studies were undertaken as part of the implementation of this project (a survey at the beginning and another at the end). The results of the initial study permitted the design of strategies that were adjusted to the needs of the target population. The final evaluation presented the changes that had taken place in behaviors, attitudes and practices related to GBV.

Sensitization and consciousness interventions were carried out for the service providers of the different health care centers (Central Clinics, Chimaltenango, Huehuetenango, San Pedro Sacatepéquez, San Marcos, Malacatán, Jutiapa, Coatepeque, Barberena, Amatitlán and the Peripheric Clinics) especially for the medical staff, so that they would integrate the detection of gender-based violence as a public health problem, in the sexual and reproductive health services. Educational materials on GBV were designed, validated and reproduced, which included topics such as what to do in a case of sexual rape, a telephone directory for denunciations, posters, leaflets promoting the service and official stamped paper for the GBV detection records.

Additionally, a personalized attention service was provided to the users who requested it, emotional assistance, counseling in terms of their fundamental rights and support documentation for facing and managing a situation of gender-based violence.

The results obtained by the program were:

No.	Activity	1998	1999	2000	2001	2002	2003	2004	March/ 05	TOTAL
1	Attention over the telephone	--	302	631	445	306	371	208	17	**2,280**
2	Personalized attention	--	101	182	299	290	896	1,611	530	**3,909**

Initially, the program mainly provided orientation over the telephone, however, due to the demand of GBV users requesting personalized attention, this service was implemented. The attention over the telephone was affected by the difficulty in accessing the 1-801 number, which

could only be carried out through the telecommunications company TELGUA. Efforts were made to try to resolve this problem but it was not possible to obtain positive results. In accordance with the experience gained under the program, women prefer the personalized consultation rather than one made over the telephone.

Corporate Social Responsibility (CSR)

Within the framework of the Corporate Social Responsibility (CSR) strategy, alliances were made with the private sector, offering health services for the employees and their families in two companies in the textile sector (*maquilas*) with the clinics established within their installations. These results were obtained through the coordination and technical support of CONSORCIO CATALYST. At the same time, integrated health services were offered through health fairs, health days, training sessions, etc. in approximately 64 companies.

As part of the CSR program of the largest cable television channel in the country, an agreement was established to produce and transmit and at no cost to the institution, a 30 second spot on the prevention of cervical cancer.

IV. MEDICAL SERVICES MANAGEMENT UNIT

At this moment, APROFAM ONG is providing a range of clinical products and services in the field of sexual and reproductive and maternal child health care in 31 clinics, 18 (58%) with their own infrastructure. The clinics have outpatient, clinical laboratory and cytology laboratory facilities, and nine of them have a hospital area. The less sustainable clinics tend to be located in zones where the demand and payment capacity are limited (like the clinic located in Ixcán, El Quiché) or those intended for a specific population (such as the clinic for adolescents in the City of Guatemala). The clinics located in 18 of the 22 departments of Guatemala.

Since 1998, the diversification of the health services has been strengthened in the different clinics, incorporating leading-edge medical and diagnostic technology which has permitted the institution to be able to count on: 18 clinical laboratories, 12 cytology laboratories, 27 ultrasounds, 13 colposcopy clinics and 14 cryo therapy clinics. The technical support of the social marketing management unit has helped support decision-making in the diversification process. **See Annex 5**

At the requirement of USAID in 1999, the land for the Ixcán clinic was acquired and title given to APROFAM ONG, and in the same year the plans were drawn up for the tender and construction, which was concluded in 2001. The hospital clinic in Ixcán, Quiché was inaugurated and the provision of services started in May 2001. The principal limitation it has had in solidifying its operation has been in finding suitably qualified staff to work in this care center. Additionally, the population that goes to the clinic to request the services has difficulty in accessing it given that this community is more rural (90%) than urban (10%). All its services were subsidized with USAID funds. It has not been possible to increase the level of self-sufficiency in the last few years any higher than the 39% achieved during 2002; to the contrary, in September 2004 it was reported to be at 17% self-sufficiency. The permanence of the clinic in this community was evaluated in the light of the challenge of the institutional sustainability required under the new agreement, taking the decision to close it as of December 31, 2004.

From 2000 onward and during the months of May and November, APROFAM ONG held health days when the cost of a Pap smear was reduced by 20% compared with its price in all the clinics and care centers, in order to promote the access and early diagnostic of the pre- and cancerous lesions.

During 2001, bone density health days were implemented in the clinics and away from them, with the idea of taking this service to the more distant populations of the country. Also, there were health days focused on cardiology and the early detection of prostrate cancer by means of blood tests. In order to be able to carry out these activities, bone density and electrocardiograph equipment were acquired with USAID funds.

As part of the culture of quality in the provision of products and services in the APROFAM ONG clinics, from 2001 onward the positions of supervisor of clinical laboratories in the departments, supervisor of the cytology laboratories and supervisor of clinics in the departments, were created. This staff followed-up on the quality controls, the technical capacity of the staff, and the financial and administrative aspects of the clinics.

From 2002, all the clinics and mobile medical units relied on protocols for the management of hospital solid and bio-infectious waste, as well as universal precautions and bio-security norms. The protocols for the medical and surgical management of the services offered by APROFAM ONG were revised, updated and implemented. Also, the medical and nursing audit program was implemented, with the principal function of making sure the protocols, norms and procedures established by the medical management unit for the provision of the health services were complied with.

Also, in 2002, the integration of the topic of STI/HIV/AIDS and GBV to the sexual and reproductive health services provided in the central clinics was started as a pilot plan and the

process concluded in September 2004. Depending on the results obtained, the integration of these services in all the Association clinics will be evaluated.

Complying with the Ministry of Public Health and Social Assistance normative for the renewal of the sanitary license, environmental impact studies will be developed for all the Association clinics.

As part of the extension of the agreement with USAID, the diversification of the products and services being offered in the clinics in Antigua Guatemala, Ixcán El Quiché, San Pedro Sacatepéquez, San Marcos, Sololá, and the clinic for adolescents in the capital city, was concentrated during 2002 in order to maintain the level of cross subsidy for the family planning users of scarce resources.

As of January 2003, the position of quality auditor in the medical management unit was created to assure compliance with: i) the norms created under the law for the protection of consumers, ii) the bio-security norms and universal precautions, iii) the institutional image, iv) the strengthening of service quality, and v) the follow-up to the supervisory training process. Additionally, the health service providers in the different clinics were trained in-service.

As part of the diversification of products and services and the search for new markets, the clinics in Jutiapa, Coatepeque, Huehuetenango, with the support of the central administration of the Association, developed strategic alliances with the IGSS to offer it medical and surgical services in the area of gynecology and obstetrics (care of deliveries, caesarean sections and gynecological operations). This strategy permitted an increase in the financial and programmatic income of the surgical area of these clinics.

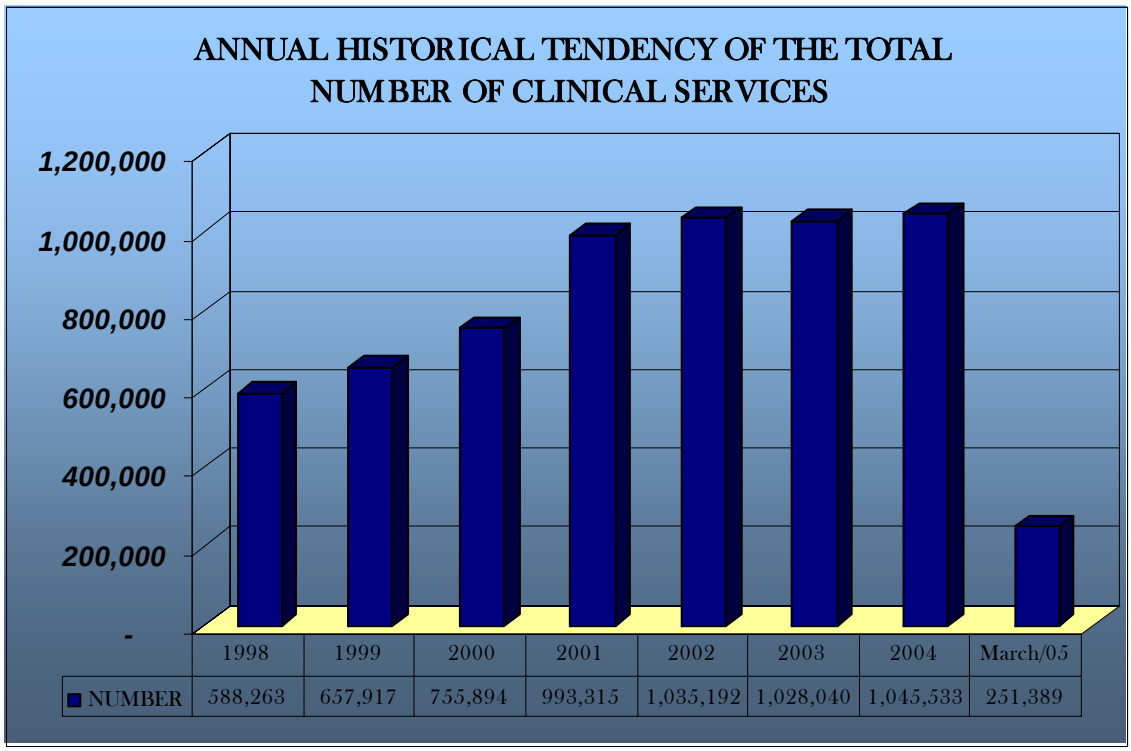
As of March 2003, the new concept of the optimal inter-genetic interval of 3 to 5 years was incorporated.

During the present agreement, the clinics in Petén, Chiquimula and Koramsa were inaugurated. Also, the clinics in Escuintla, Cobán, Puerto Barrios and Zacapa were inaugurated in their own building. The clinics in Jutiapa, Coatepeque, Huehuetenango and Quetzaltenango were remodeled. In 2002, the minimal units in Malacatán, Antigua and San Pedro Sacatepequéz, were transferred to the medical services management unit. The surgical areas in 7 clinics (Cobán, Zacapa, Puerto Barrios, Escuintla, Coatepeque, Ixcán and Huehuetenango) were implemented. It was decided to close the Ixcán, Jalapa, Zone 11 and 7 clinics after completing the financial studies.

The trend of self-sufficiency in the medical management unit clinics increased from 103% in 1998 to 124% at March 2005. This increase was due to: i) the diversification of clinical products and services, ii) the administrative efficiency in the clinics, iii) the financial sustainability of the 9 hospital centers, iv) the integrated strategy of information, education and communication in the mass and alternative media for the products and services offered by the Association clinics, v) the strengthening of quality in the delivery of the services in the distinct clinics, vi) highly qualified staff identified with the Association, vii) leading-edge medical equipment, viii) knowledge of the costs by product and services for timely decision making, and ix) education and training processes directed at the Association staff with the intention of improving the quality of service provision and of sales. The financial sustainability was affected by the relative immobility of the sales price of the products and services compared with the increased price in the purchase of supplies.

In the last two years, APROFAM ONG has on an annual basis provided more than a million services in the 31 urban clinics, by means of the quality delivery of 78 differentiated services with modern technology. Prominent among these services are: i) family planning, ii) Pap smear of the neck of the uterus, and the mammography, iii) imagenology services, and iv) integrated counseling in sexual and reproductive health with emphasis on family planning, STI/HIV/AIDS and GBV. **Graph No. 3** shows the historical tendency of the total number of clinical services provided by APROFAM ONG.

Graph No. 3

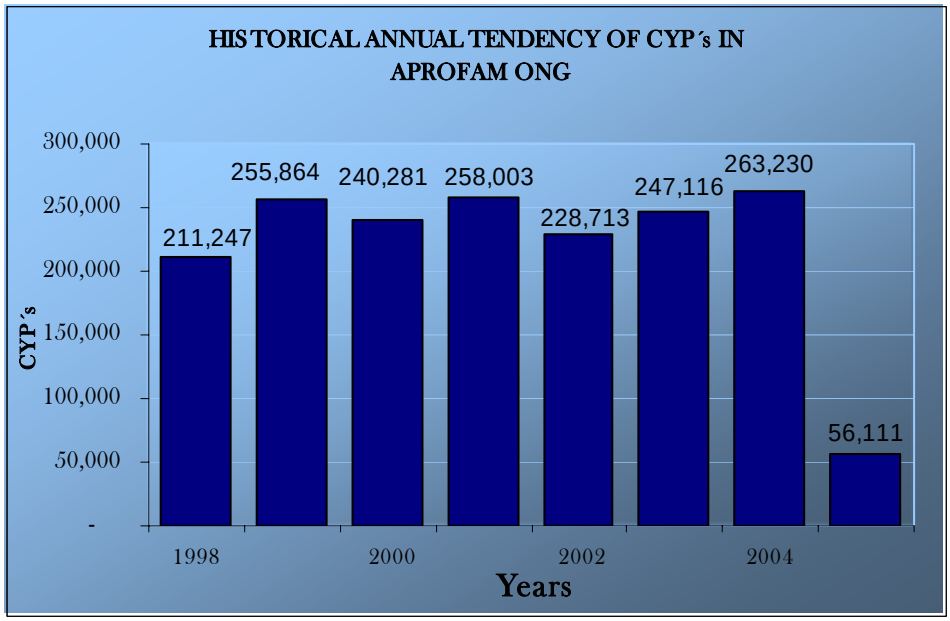


Couple Years of Protection - CYP´s-

During this agreement APROFAM ONG provided 1,760,565 CYP´s, product of the distribution of temporary and permanent methods by the clinics, educators, voluntary promoters and mobile medical units. From 2000, the conversion factor of CYP for AQV decreased from 15.4 years to 11 years for each procedure. This affected the achievement obtained during this year compared with that reached during 1999. Another factor that affected the behavior of CYP´s was the strengthening of the National Reproductive Health Program which was actively promoted by the Government, distributing temporary and permanent contraceptive methods free of charge in the same segments of the population being attended to by APROFAM ONG. Also, during 2002, USAID started supplying contraceptives to the NGO partners of the Population Council (PC), Project Concern International (PCI) and the Ministry of Public Health and Social Assistance; these last ones distributed the temporary contraceptive methods free of charge.

In order to make the distribution of temporary and permanent contraceptive methods accessible to users of scarce resources that come to the Association care centers, it is necessary to apply the cross-subsidy strategy using the funds generated by the sale of profitable products and services. **Graph No. 4** shows the shows the historical annual tendency of the CYP´s in the Association.

Graph No. 4

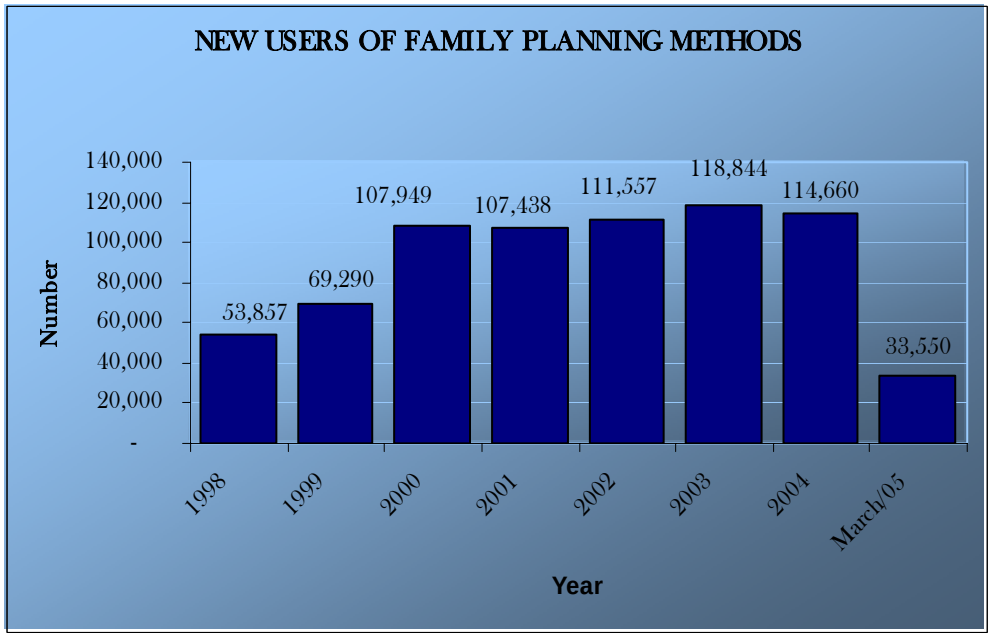


New Users of Family Planning

717,145 new users of family planning were attended. During 2004, the new users of family planning attended to were 113% of those attended during 1998. In accordance with APROFAM ONG's experience, the new users of family planning come to the Association clinics to obtain quality counseling in the choice of a contraceptive method; however, when they need to obtain a new supply, they do so in public sector health institutions where they are given free of charge.

Graph No. 5 presents the tendency of new users of family planning in APROFAM ONG.

Graph No. 5

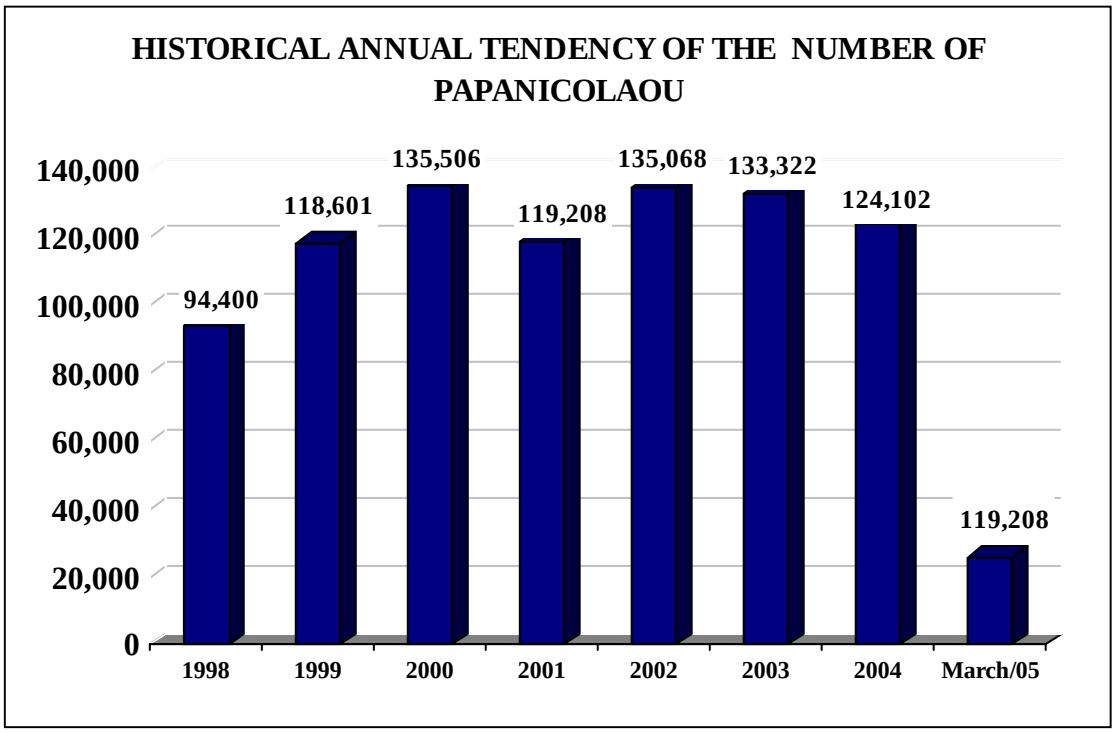


APROFAM ONG, apart from maintaining itself among the leaders in the provision of sexual and reproductive health services, was also the principal entity distributing family planning methods to the network of NGOs in the Integrated Health Care System –SIAS- of the MSPAS, as well as the NGO partners of USAID and *Pro-Redes Salud*.

Papanicolaou Smear Tests

APROFAM ONG has been a leader nationally in the field of the early detection of cervical cancer, contributing in the detection of pre-cancerous and cancerous cases and thus contributing to the decrease in mortality rates for this reason. **Graph No. 6** presents the tendency in the number of papanicolaou tests carried out between 1998 and 2004.

Graph No. 6



V. RURAL DEVELOPMENT MANAGEMENT UNIT

The rural development program is directed at improving the access to family planning services and other sexual and reproductive health services with emphasis on maternal child health and prevention of cervical cancer, of the marginalized, poor, Mayan and Ladino rural population through the promotion and delivery of quality health services, using a network of voluntary promoters, educators and mobile medical units. This program respects the culture of the communities and promotes gender equity, as well as basic elements of quality in service delivery.

During 1999, this management unit developed the pilot project "Promoter Couples", in 3 departments in the western highlands of the country (Quiché, Sololá and Totonicapán). During its development, 111 volunteer promoter couples (a man and a woman) were involved, leaders in their communities, who together as a couple and using the strategies of household visits and educational chats provided counseling and information on family planning to the target families. This activity permitted an opening of spaces in these communities for informing and educating about topics of family planning while involving men and women in the process. The limitations encountered were: i) lack of availability of time on the part of the husband, since the activities were carried out during working hours, and ii) the user did not always manifest the same confidence when visited by one person as when visited by two people (a man and a woman). In accordance with the experience of this management unit, better results have been obtained when the information is provided by just one person and, preferably, by someone of the same sex as the user.

The pilot project "Men of Quiché" was developed as an innovative strategy in 1999 with the intention of involving men in topics of sexual and reproductive health with emphasis on family planning, using activities developed by the men themselves (football, greased pole, lottery, greased pig, among others). With these activities, the men and the population of the area where the project is taking place receive information about topics on sexuality. As a result, a greater response toward the AQV male procedures is obtained from the men in the health fairs organized by the mobile medical units, such as the case of the community of San Andrés Salcabajá in the department of Quiché.

Minimum Units

As part of the commitments acquired under the present agreement between USAID and APROFAM ONG, 16 minimum unit were opened with USAID funds between 1999 and 2000 in the following communities: Momostenango, Totonicapán in Totonicapán; Ixchiguán, San Marcos and Malacatán in San Marcos; Ixcán, Joyabaj and Sacapulas in Quiché; Telemán, Tactic and Chisec in Alta Verapaz; Cuilco and San Antonio Huista in Huehuetenango; San Juan Sacatepequez in Guatemala, Tecpán in Chimaltenango and Rabinal in Baja Verapaz. During the time that they were operative, there were problems in contracting the medical and paramedical staff for these clinics, given that there were no qualified staff from these same communities and the budgeted salaries were not competitive in the market. All the minimum units were under the supervision of the rural development program.

In mid-February 2001, an analysis was carried out to readapt the budget of the USAID funds, which had been reduced. Subsequently, APROFAM ONG had to close the minimum units, due to: i) the high operational costs, since they were located in population areas which had the lowest health and poverty indicators, ii) the fact that these areas were hard to access and were dispersed, which made the process of monitoring and supervision more difficult, and iii) the low demand for the services and products being provided which did not compensate the high operational costs. These populations were covered by the health days organized by the mobile medical units.

12 minimum units were closed during 2001 and the last one was closed in 2002. The minimum units in San Marcos, Malacatán and Antigua were transferred to the medical services management unit. This action was taken based on the volume of services being provided by these units and the potential demand in these localities.

The experience of the minimum units allowed APROFAM ONG to confirm that in order to open a service center (clinic) in rural communities that are difficult to access, sufficient economic resources are required in order to guarantee their long-term operation.

The population using the services of the rural development program has been, and continues to be, one that lives in extreme poverty, which does not allow all the costs to be recuperated and thus makes a subsidy necessary.

PALM PILOT

In 2001, APROFAM ONG developed and implemented the application of software for using the Palm Pilot as a support tool in the daily work of the educators in the rural development program. As a result of this strategy, the time spent by the educators in the administrative processes (inventory controls, sales reports, product invoicing, scheduling of activities, etc.) that had previously been done manually, was minimized. At this moment, it has not been possible to computerize all the process due to limitations in the means of communication used to transmit the information to the central level.

Micronutrients Project

As part of the extension of the agreement with USAID the project to distribute micronutrients in the rural communities was implemented in 2002. In order to carry this out, the coordinators, field supervisors and educators were trained to reinforce their knowledge for the distribution of micronutrients. This activity was coordinated with the training department. The training of 100% of the voluntary promoters was carried out on an individual basis during the supervisory visits of the educators, using the educational materials designed to support this activity. 350,000 three-fold pamphlets, 3,000 posters and 2 radio messages were elaborated.

During 2003, the distribution of the micronutrients programmed for the present agreement was completed. Subsequently, APROFAM ONG continued to distribute them in the rural areas. The response to the distribution was affected by the fact that the Ministry of Public Health and Social Assistance and the local NGOs were distributing them free of charge.

Reengineering of the Rural Development Program

During 2002, the process of reengineering the rural development program was started, together with MSH, as a strategy for seeking the sustainability of this program. Work was carried out on updating the routes used by the educators for distribution to the voluntary promoters. A process was started of accumulating information on the routes used by the educators which would permit: i) a description of the characteristics of each voluntary promoter, and ii) the identification of local institutions as possible clients of the program (development projects, cooperatives, social sales, groupings of women, municipalities and other GOs). This activity also included mapping the routes to permit a visualization of the distribution of the voluntary promoters, the population covered by the route and an analysis of costs and sales for each route. **See Annex 6** Geographical Distribution of the Voluntary Promoters.

In 2003, as a follow-up to the reengineering of the rural development program, the monitoring and evaluation model for the distribution and sale of the different products and services that the program provides was designed, into which is input the information generated by the Palm Pilots and the Association information systems. This has permitted the timely implementation of the required corrective measures.

The strategies that were implemented were:

<u>To reduce costs</u>:

- Redesign the distribution and sales routes without reducing staff.
- Redefine the staff profiles: educators, sales people, and supervisors.

- Advantage taken of modern technology through the Palm Pilot to control inventories and monitor the activities being carried out.
- With the participation of the financial and administrative management units and the human resources unit, together with the technical support of MSH, a variable compensation payment system was designed which was implemented in August 2003 as a pilot test for 3 months in 4 departments of the country (Guatemala, Santa Rosa, Huehuetenango and Zacapa). The four departments selected correspond to a department for each geographical area of the country, departments with educators that are within the mean salary, with representation of the Mayan and ladino areas, with potential for increased income, and rapid access for the transmission of data. The results of this pilot test demonstrates an average increase of 16% over the programmed targets, reduction of expenses and an increase of 7 percentage points in the sustainability of these departments; all the results were compared with the same period in 2002. In January 2004, this model was replicated for all the staff in the program.

For the diversification of products and services:

- Diversification of distribution channels: promoters, medical visits, strategic alliances with NGOs and local projects.
- Development of new products and services to increase the portfolio of the educators.

For the specifications:

- Distribution of services and products according to the ABC techniques: test to detect cervical cancer, pregnancy tests, contraceptives and medicines.
- Delivery of contraceptives to the NGOs.

Community Distribution

The educators and voluntary promoters visited the households in order to take the information and education on the different components of sexual and reproductive health to the rural families. For these household visits the educators received the support of the voluntary promoters to initiate their approach to the families. The household visit permitted the educators to identify the women of fertile age, pregnant women and children under 5 years, with the objective of promoting healthy behaviors and habits and refer them, if they constitute risk situations, to the health fairs organized by the mobile medical units, health days for vaccinations, papanicolaou campaigns, among others. Visiting the households is a strategy that allows the rural families to receive personalized information and education for taking decisions about the use of family planning methods.

The educational chats that have a duration of approximately 2 hours are carried out in the hospitals, centers and health posts, markets and public places. They consist of topics such as maternal child health care, family life and family planning. After the chat, personalized counseling is given to whoever requests it.

The activities of educational promotion (educational chats and household visits) carried out during the period from 1998 to 2004 resulted in satisfactory results due principally to: i) the identification of the educators and voluntary promoters within their communities, who used the interactive face-to-face strategy to provide information on sexual and reproductive health, ii) the sensitization of the communities and the systematic training given to the educators and voluntary promoters on topics of sexual and reproductive health, with emphasis on family planning, iii) low rotation among field staff (educators) which allowed the community activities to be carried out in a continuous manner, iv) coordination with NGOs and GOs for the realization of these activities, and v) during 2003, the temporary contracting of 22 educators to support the realization of household visits and educational chats in rural and dispersed communities; strategies that are very expensive. The following table shows the tendency of the number of household visits, educational chats and people benefiting from them during the period from 1998 to 2004.

STRATEGY	1998	1999	2000	2001	2002	2003	2004	March/ 05
Household Visits	99,519	158,190	195,473	204,270	205,324	194,249	193,134	28,834
Educational Chats	11,303	8,120	12,592	11,309	10,543	8,999	7,928	1,627
Persons attending the chats	248,255	169,943	275,265	189,241	116,167	99,493	98,597	18,222

The voluntary promoters of the rural development program were trained in how to take the papanicolaou samples during the realization of the community health days. The educators were trained in how to take the sample in the urban clinics of APROFAM ONG. The tendency in the number of community health days for taking the papanicolaou sample has increased; however, the number of samples taken has decreased. Actions were taken such as the reduction of prices and the distribution of promotional products as strategies for increasing the demand for the papanicolaou in rural areas, but they did not have the desired results. This is due principally to the fact that the NGOs to which APROFAM ONG previously provided the service of taking and reading the sample, are now associated with institutions that provide the service free of charge because they have specific subsidies for this type of service.

The integrated offer of quality services at the community and clinic level is one of the strategies that has allowed APROFAM ONG to continue being a leader in the provision of health services, even when NGOs and the government health institutions proportion the same products at a lower price or free of charge.

Mobile medical units

The mobile medical unit (MMU) is a strategy formulated by the rural development management unit of APROFAM ONG, which has had the objective of improving the access to the services of family planning and other services of sexual and reproductive health (maternal child) of the rural, marginalized, poor, Mayan and ladino, population through the promotion and delivery of quality services, respecting the culture of the communities and promoting gender equity.

The health days organized by the mobile medical unit bring the sexual and reproductive health services to the most distant and less attended communities, favoring equity in the delivery of the health services. These were started in APROFAM ONG in 1977. From the beginning of the agreement with USAID in 1998, there were two mobile medical units, providing AQV and papanicolaou services, and medical, pediatric and odontology consultations. The low demand for odontology services resulted in the closure of this service for health days. The educators of the rural development program carried out the programming, promotion and coordination of the medical health days. All the departments of the country were visited with the exception of the departments of Guatemala and Petén; the first was covered by the metropolitan clinics and the second was not visited because of the remoteness of this department.

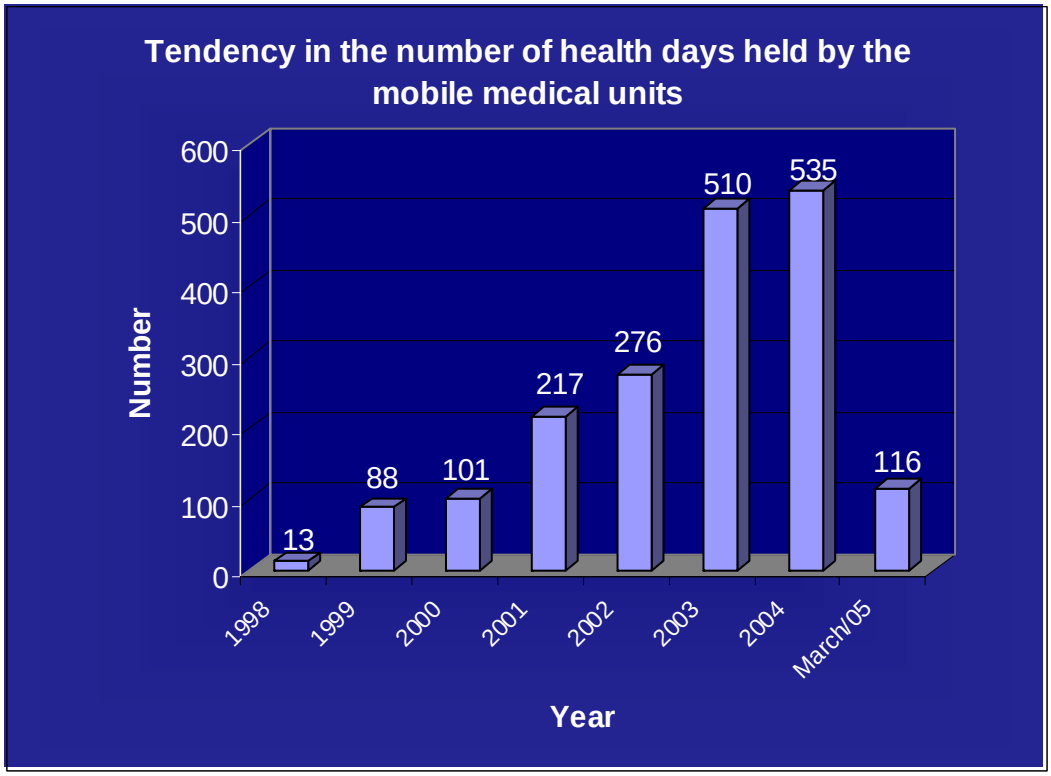
At this moment, there are 4 mobile medical units and each one is comprised of a team of qualified professionals (1 gynecology/obstetrics doctor, 1 general physician, 2 auxiliary nurses, and 1 driver), who provide the following services: AQV¨s male and female; temporary family planning methods; general, pre-natal, and gynecological consultations; taking of papanicolaou samples; and, pediatrics; among others. From 2003, 12 promoters and 3 supervisors of the social marketing management unit carried out the programming and promotion of the health days held by the mobile medical units, with the support of the educators of the rural development management unit in each area. Using this strategy, in 2003 the number of community health days managed during 2002 was surpassed by 85%. This increase signified an increase of 53% in the number of AQV´s compared with that achieved in 2002.

The delivery of integrated services by the mobile medical units (pediatrics, gynecology, pre-natal and family planning) permitted the women to attend with greater freedom, since the community did not identify them as only users of family planning services.

It is important to note that every potential user prior to using a service receives the necessary information on the selected procedure, their informed consent is required, and a file is filled out with their general information, according to already established medical protocols.
Prior to carrying out the health days held by the mobile medical units, activities were effected to promote them one month beforehand which consisted of the following activities: a) household visits, b) hanging out cloth banners, c) putting up posters, d) announcements on local radio stations, e) coordination with the leaders, men and women, NGOs and GOs in each community, f) educational chats, g) leaflets, and h) spreading of propaganda, and others.

The following criteria was taken into account for the selection and programming of the places where the health days held by the mobile medical units would take place: i) concentration of population, ii) population not covered on more than two occasions each year, iii) that has an adequate place where the AQV´s (female and male) could take place, and that has the basic services of electricity, water, among others, iv) geographic access, and v) volume of demand as estimated in the pre-inscription. The tendency in the number of health days held by the mobile medical units is shown in **Graph No. 7**.

Graph No. 7



The tendency in the number of AQV´s female vs. AQV´s male in rural communities continues to be very heavily slanted toward the women (98%) rather than to the men (2%). This is due to the cultural influence of the macho ideology, which does not allow the men to decide in favor of a vasectomy.

APROFAM ONG is currently the only institution that has mobile medical units. The services provided by these units are offered by qualified staff with high technology equipment, which allows for the provision of quality health services in an agreeable manner, especially those of family planning, in the most distant and poor communities. The cost of this strategy is very high and thus requires to be subsidized in order to guarantee the continuity of these services. The approximate average cost of a procedure is: Q. 760.00 for an AQV female and Q. 4,880.00 for an AQV male.

It is important to note that the permanent availability of the field staff of the rural development program in the communities, and the access to the services of family planning in their own communities, is what has been responsible for the success of these services. The tendency in the number of AQV´s carried out by the mobile medical units is 55 AQV´s female for each AQV male. This is due to the fact that the culture and macho ideology does not permit the men to decide for a vasectomy.

As of March 1, 2005 the Mobile Medical Units form part of the medical services management unit.

Rural Development CYP´s

The number of CYP´s achieved under the rural development program (educators and mobile medical units) during the period from 1998 to 2005 was: 846,297 CYP´s as a result of the distribution of temporary contraceptive methods and the practice of AQV´s (female and male) in rural areas. This result is the consequence of: i) the sensitization of the communities with regards to the benefits of family planning through the use of temporary and permanent contraceptive methods, ii) the effective promotion of the health days held by the mobile medical units, iii) the usage of the promotional tools such as leaflets, spreading of propaganda, local radio, among others, as well as the personalized face-to-face strategy of the educators of the rural development management unit during the household visits and educational chats for the referral of the users to the medical health days, iv) the permanent availability of the field staff of the rural development program in the communities to resolve doubts as to the use of the family planning methods, and v) the availability and access to the family planning services in their own communities.

Promoting the communication between the voluntary promoter and their partner about the activities that they carry out as promoters is considered to be a very useful strategy prior to promoting the active participation of the men in sensitization in sexual and reproductive health.

The appearance of new providers of family planning services affected the demand for these in APROFAM ONG, especially as these providers are providing the contraceptive methods either free of charge or at a lower price.

The importance of quality in the delivery of clinical services such as in the rural development program, will assure the permanent demand for these services by the population.

VI. ADMINISTRATION MANAGEMENT UNIT

This management unit is responsible for planning, directing, coordinating and controlling the administrative procedures that contribute to the rational use of the institution's resources. It is integrated by the procurement, logistics, IT and general services departments. Its principal function is directed toward a quality attention to the needs of its internal clients.

Administrative-Financial Reengineering

With funding from the agreement No. 520-98-A-00-00037-00, APROFAM ONG acquired an administrative financial software called SCORPIO, with the objective of confronting the challenges arising from the millennium changes.

During 1998, APROFAM ONG worked with an old system called TECAPRO that was provided by IPPF; however, because of its technical limitations the system could not continue operating in 2000 (Y2K). Faced with this challenge, the Association during 1998 worked on identifying potential providers that could offer solutions. In 1999, with the assistance of MSH, the INFOCORP company that had created the administrative financial system SCORPIO was selected. The generic software was acquired with USAID funding, although it was necessary to realize multiple adaptations in order for it to be the tool that would permit the internal controls to be strengthened and adapted to the needs of the Institution. During 1999, the first modifications were made to the SCORPIO software and by the end of that year the financial system was completed, and the closure of the fiscal year at December 31 was carried out using this system. Subsequently, the administrative modules for managing purchases, inventories and general services were implemented.

In parallel fashion, with the support of MSH, APROFAM ONG carried out significant changes to optimize the processes in the administrative and financial management units. Among these can be mentioned: i) the transfer of the procurement and logistics departments from the financial to the administrative management units, ii) the creation of the treasury department under the responsibility of the financial management unit, and iii) the transfer of the human resources unit from the administrative management unit to that of the Executive Director.

During 2000, MSH jointly with APROFAM ONG, revised and updated the manuals for policies, norms and procedures in the areas of treasury, accounting, procurement, inventories and general services, which were subsequently approved by the Board of Directors of the Association. These manuals were prepared based on an analysis of the different administrative and financial processes or flows, and are also in accordance with the SCORPIO software. Once approved, the manuals permitted the standardization of the processes for the different users in a graphical and friendly manner. Additionally, they supported the induction of new staff in the different areas.

Upon finalizing the implementation at the central level of the basic modules for the operation of the administrative and financial areas: general ledger, banks, budgets, fixed assets, purchases, inventories, invoicing and general services, work was undertaken to successfully connect on-line through the internet the clinics in the departments with the central level, specifically for the elaboration of procurement requests, the requisition of supplies and work orders. These processes permitted the response of the central level to the local needs of the internal clients to be much more agile. The putting into operation of the modules in the internet required the modernization of the hardware and the need for having the internet service in the APROFAM ONG clinics, which was carried out with financing from USAID. With the implementation of the modules, all the institutional staff throughout the country was trained in how to use the new system.

Thereafter, additional modules were developed for the administrative and financial system such as: liquidations of the operating fund, petty cashes, administration of the fleet of vehicles, insurance, administrative system for the clinics, etc. During this phase problems were experienced in arriving at a successful conclusion of the negotiations with the supplier INFOCORP as to the costs and payments for the implementation of the additional modules, and

this was the reason why it was not possible for APROFAM ONG to satisfactorily conclude this process. During this stage, the Association recognized that it was indispensable to have possession of the source programs of the administrative and financial system, and not be dependent on the supplier, in order to be able to complete the system with all the required changes.

The purchase of the source programs of the administrative and financial system was planned for the extension of the agreement for the period from 2002 to 2004.

During 2001, the purchase/sale of the source programs for the SCORPIO system was negotiated with INFOCORP, but it turned out not to be possible. At the same time, offers were being studied from companies at the national and international level that developed administrative and financial software. In August 2002, a quote from the INFOSGROUP company was accepted and they were contracted. The contract was for an amount of US$80,000.00 and comprised the elaboration of the document containing the software specification and requirements (DERCAS), the software licenses, and the development of the modules for the ledger, budgets, fixed assets, purchases, accounts payable, banks, invoicing, POS invoicing, inventories, and general services, and the integrated operation of the system in accordance with the needs of APROFAM ONG.

At the time, USAID was in agreement with the development of the system and the amounts involved, which would function with the ORACLE database. In order to provide follow-up, a technical advisor from USAID Washington visited APROFAM ONG to evaluate and approve the expectations of the new system.

The contract with INFOSGROUP stipulated partial payments based on the delivery of products. However, the contracted company experienced severe financial problems, which did not allow it to continue with the project, and it advised APROFAM ONG that it would withdraw from it in May 2004. Faced with this problem, the Association legal advisor was consulted and he manifested that the company could have proceedings brought against it, but that due to the fact that the problems of the company were financial the result of any legal process would not have any real aggregate value. The amount cancelled to the company based on what was established in the contract was US$40,920.05 representing the payment of the software licenses, DERCAS, completion of the modules for the ledger and budgets, and the partial development of the modules for fixed assets and purchases, which represented 50% of the expected products.

Subsequent to the withdrawal of INFOSGROUP, the best option available was to directly contract the programmers. The advantage of contracting them was that they knew the system being developed and the administrative and financial processes of APROFAM ONG, which facilitated continuity in developing the project.

By the end of September 2004, the strategy of directly contracting the programmers with partial payments in accordance with their results was successful, given that they managed to complete the modules for the general ledger, banks, bank reconciliations, budgets, fixed assets, purchases, invoicing, point of sale invoicing, accounts payable, the operation fund, and inventories. The challenge for APROFAM ONG was to carry out integrated testing of all the administrative and financial system and put it into operation.

Through the direct contracting of the programmers, the document containing the software specifications and requirements was also elaborated and the new administration system for the clinics (ASC) was developed. For the development of this system it was indispensable to be able to count on the development of the basic modules of the administrative and financial system. The ASC functions with the ORACLE database, which once implemented permitted the measurement of the coverage of the population attended by the institution.

On the other hand, in March 2004, a quotation for services was requested from and a contract signed with MCSI, a company with expertise in software for payrolls, which developed and implemented the Gensys system in APROFAM ONG that functions with an ORACLE database

and was prepared to function in an integrated manner with the administrative and financial system.

Another of the systems developed for APROFAM ONG during the agreement was the on-the-spot invoicing system using the Palm Pilot, which was initiated during 2000 with the elaboration of the document containing the software specifications and requirements and the purchase of computers with the capacity to synchronize the data from the clinics to the central level, central servers that were more powerful and the Palm Pilots for each educator; all with USAID funding. During 2001, the system that permits the control of inventories, invoicing and the register of the educational and promotion activities provided by each educator, was developed and implemented. This system also functions with an ORACLE database.

The development, licensing and maintenance of all the software of APROFAM ONG during the agreement was financed by USAID, which permitted the Association to advance with giant strides toward the computerization of the processes, thus permitting the timely taking of decisions and considerably improving the quality of the services provided to the internal clients.

Modernization of the Logistics System

The reengineering of the administrative management unit allowed APROFAM ONG to modernize the processes and make them more agile. It started by defining a basic list of medicines and supplies, which allowed the Association to work within a reference framework. In order to define this list, it was necessary to have the active participation of the staff in the different departments of the Association. The recently created basic list allowed a response to the needs for supplies using unified criteria. Also, it permitted the grouping of the different supplies in families of products. The therapeutic committee was created to maintain the basic list, which is composed of a group of professionals from specific areas such as doctors, pharmacists, chemists, and from the logistics, costs and purchasing sections, who are rotated in accordance with their technical knowledge, and it is subject to the respective norms manual.

With the reengineering APROFAM ONG modernized the installations of the central warehouse, with the arrangement of all the products based on the best warehousing practices. The central warehouse was structured with cold rooms dedicated to the storage of the contraceptives, and the purchase of stationery and equipment for the clinics in the departments was decentralized. Norms were established for the revision and dispatch of products, which guaranteed the conditions for reception and delivery of the requested quantities and the quality of the shipments. At the same time, APROFAM ONG studied new ways of optimizing the distribution of the supplies for the clinics and the community program. The contracting of a transport company was decided on and clear parameters were established for the deliveries on time and at a reasonable cost.

The recently implemented administrative system permitted the measurement, study and establishment of the time periods for the dispatch of products, elaboration of requisitions and purchase orders, among others. With the establishment of standard times for the delivery of administrative services to the clinics and the different programs, the central administration gained credibility in the certainty and opportunity of the services, which permitted a reduction in the high levels of inventories, dispatches in a complete manner, and reduced levels locally.

The administration at the central level started to measure itself using clear indicators provided automatically by the supplies system, thereby improving internal control. The procurement department started to control all the purchases, and all emergency and unplanned local purchases were eliminated.

For the implementation of the new logistics procedures it was necessary to train all the staff. The necessary steps were taken in the Department for the Registry and Control of Medicines to obtain the category of pharmacy for the recently modernized central warehouse of APROFAM ONG. Combined with this was the necessary training of the warehouse assistants as pharmacy assistants, a process that was endorsed by the MSPAS. This accreditation as pharmacy assistants was subsequently extended to all the persons responsible for dispensing medicines

in the clinics of the Association, which allowed an emphasis to be placed on the rational use of the medicines based on principles of pharmacology.

The local warehouses, as well as the clinics and educators, were strengthened by the updating of the norms for distributing and dispensing the medicines and contraceptives. The voluntary promoters were given medicine cabinets and were trained in processes such as how to manage a kardex system, and the management of letters of commitment prohibiting sales in the commercial sector, etc.

At the start of 2000, the rural development program was already using the new SCORPIO system from the clinics in the departments where they connected through the internet to process their requests at the central level.

During 2001, APROFAM ONG started its preparations to confront the reduction in the donations of contraceptives by USAID. In this year, the strong impulse given by the government to its policy on population and the distribution free of charge of contraceptive methods by different service providers at the national level provoked a significant reduction in the participation of the Association in the provision of contraceptives. As a result, APROFAM ONG started to implement a strategy to differentiate the products and started successful actions with international providers in the search for new trademark options that would allow it to reach different segments of the population. During this period, APROFAM ONG registered her own trademark for condoms, directly imported the monthly injectable contraceptive 'Cyclofem' and registered the APROFAM ONG trademark for pre-natal multivitamins. Subsequently, during 2003, actions were taken to import the oral contraceptive 'Lo-Femenal' or a substitute for it, and it was imported during 2004.

At this moment, the Association has managed to deliver 99% of the supplies to the clinics within 3 days of receiving the requisition, and in the rural areas it is 95% after 5 days of receiving the requisition, while the percentage of stock outs does not exceed 5%.

The permanent effort on the part of the administration in all the different processes of the logistics system has resulted in it being strengthened. The programming strategy and annual purchases has allowed the delivery times and the costs related to the process to be optimized. During the agreement, the amount of the counterpart for the procurement of contraceptives was complied with.

The challenge for APROFAM ONG is to assure that there are international providers of quality contraceptives and pharmaceutical products at a cost that allows it to offer them at accessible prices for persons of scarce economic resources, and at the same time support the achievement of institutional sustainability.

Distribution de Contraceptives donated by USAID to NGO partners of the MSPAS, *Pro-redes Salud* and USAID

During 2001, APROFAM ONG in coordination with USAID started the process of clearing customs and warehousing the contraceptives for two groups of NGOs: 1) the NGO partners of USAID and of *Pro-redes Salud* (NGO Network), and 2) the NGO partners of MSPAS (NGOs in the SIAS system).

Based on the agreement signed with USAID, APROFAM ONG had the responsibility of: 1) providing training on topics related to logistics to those to be responsible for this in the NGOs, 2) clearing customs, warehouse and distribute the contraceptives destined to these two groups of NGOs, activities which will be paid with funds from MSPAS and the NGOs involved, 3) consolidating information on the consumption of the contraceptives and new users, and 4) carrying out visits to audit the NGOs with the objective of monitoring the use and management of the contraceptives.

At the beginning of 2002, APROFAM ONG trained the NGO partners of USAID and *Pro-redes Salud* and started the distribution of contraceptives to this group.

Due to the multiple coordination that was necessary for the signing of the agreement between APROFAM ONG and the MSPAS, it was not until the end of 2002 that the Association supported the logistics training sessions directed toward the NGOs in the SIAS system, which were provided by the Quality in Health project and the MSPAS based on the instruments of the MSPAS. In these training sessions the participants of the NGOs were instructed on the principal aspects of logistics and the functioning of a distribution and control system for donated contraceptives. That same year, APROFAM ONG due to a lack of information on the part of the NGOs distributed the contraceptives on the basis of the quantities assigned from the central level, which were coordinated with USAID and the MSPAS.

During the period from 2001 to 2004, the internal audit department of APROFAM ONG supervised the different NGOs in a timely manner and issued reports with their respective recommendations for the adequate management and control of the contraceptives, which were sent to the MSPAS and USAID. The monitoring using the internal audit department of APROFAM ONG supported the different NGOs in improving their internal controls; however, the high rotation of the staff responsible for the logistics of these organizations and their scholastic level limited the execution of their tasks.

At the same time, the reports on the contraceptives and users of family planning methods being provided by the different NGOs were consolidated on a monthly basis, and the information was fed into the Pipeline database for projecting the contraceptive needs. It was a challenge for APROFAM ONG to quantify the projected contraceptive needs of the NGOs because they did not give the information about consumption in time. As a result, APROFAM ONG coordinated with MSPAS for them to take the necessary follow-up actions.

Few NGOs, and especially those working with the MSPAS, have computerized information systems for managing inventories, the majority of them managed their registers manually using a kardex system and this information was sent by fax to APROFAM ONG. APROFAM ONG orientated its efforts to a strict monitoring in order to obtain the information in a timely manner through systematic telephone calls and written communications, reminding them of the importance of this information on consumption and number of new users. A person was contracted specifically for this work.

The way in which the NGO partners of *Pro-redes Salud* were organized permitted the establishment of better communication links with APROFAM ONG for the different aspects of logistics. The projections for this group of NGOs were estimated to be more assertive because they reported their consumption in a more timely fashion.

Due to the low rotation of the inventories and the lack of certainty in the estimations on the consumption of contraceptives for the different NGOs, on various opportunities it was necessary to coordinate with USAID the transfer of contraceptives from one inventory to another, or to the inventory of APROFAM ONG in order to avoid the expiration of the products.

In accordance with the experience of APROFAM ONG, the consumptions reported by the different NGOs are small compared with the quantities of contraceptives distributed by other partners of USAID such as APROFAM ONG, MSPAS and the IGSS, which increased considerably the warehousing costs for the Institution.

This project of distributing the contraceptives donated by USAID to the different NGOs gave the Association the experience of coordinating with different organizations on the topics of logistics, and to be able to share its experiences with similar organizations that work in the same fields. However, the project did not contribute significantly to an increased sustainability because the quantity of shipments was very small and only the costs of transport, warehousing and distribution of the contraceptives were collected. The monitoring of the consumption and the supervision by the internal audit department during this semester was paid with USAID funds.

A new agreement was signed between the MOH and APROFAM ONG on December l, 2004 which defined the procedure to be followed for supplying the contraceptives to these organizations. This agreement will end on March 31, 2006.

A physical inventory of contraceptives was taken during the month of December 2004 in the 50 NGOs in the extension of coverage program which had evidenced deficiencies in their internal controls and usage reports, in coordination with UPS1/MOH. This activity was developed by APROFAM ONG. The final report was presented to UPS1/MOH in February 2005.

Improvement of Installed Capacity

The demand for services in several APROFAM ONG clinics, especially in the Central Clinic in Zone 1 of Guatemala City, has greatly exceeded the organization's installed capacity and is reflected in the crowded facilities, long waiting times, and the lack of privacy in the services. The situation is affecting the delivery of quality services, which has been one of the strengths of the Association. Given this situation, APROFAM ONG has initiated the following actions:

Construction of the Central Building

In June 2001, APROFAM ONG acquired the first property where the new central building would be constructed, subsequently in June 2002; the second neighboring property was acquired. These investments were carried out on the basis of market studies that demonstrated the market feasibility of this location.

In November 2002, APROFAM ONG by means of a bidding process, selected and contracted the firm of architect Alfredo Neutze to be responsible for the elaboration of the bases for the contracting, technical specifications and plans of the project to be carried out on these two properties, activities which were finalized in March 2003. The project was planned in three phases for its execution: demolition, excavation and construction.

At the same time, APROFAM ONG identified the necessity of acquiring a third neighboring property in order to extend the area to be constructed, specifically for the need for parking space in the design that had recently been terminated, and started negotiating with its neighbors for the purchase-sale or swap of another property.

In September 2003, there was a bidding process for the demolition and excavation phases for the new building in the two properties, and the company Rodio-Swissboring was selected for this process, which will be supervised by the *Oficina de Ingeniería de Guatemala*, OIG. It was not until January 2004 that APROFAM ONG swapped a third neighboring property, which implied changes in the design of the new building because of the increased space.

In February 2004, the architect Alfredo Neutze was again contracted to do the design based on the three properties, and the work was finished in April 2004. This new property implied the repetition of the procedures in order to unify the properties in the property registry, the recalculation of the costs in the quotations for the excavation process, among others.

In May 2004, APROFAM ONG started the procedures to obtain the necessary authorizations in the different municipal and government offices for the construction of the new building, due to the existing legislation and agreements covering the location of the project in a historical area of the City of Guatemala. It was not until September 2004 that the first license covering the demolition was obtained, which allowed this process to be carried out.

In September 2004, the process of demolishing the three properties has been concluded, the company Daho Pozos has been adjudicated the work of perforating a well for supplying water to the new building, and is currently carrying out this work. The procedures also continue in the different government offices for the excavation license that is necessary for executing phase II.

The perforation of the well was finished in December 2004, leaving pending the installation of the pumping equipment and the payment of the service received. This was due to the fact that

the process of excavating the property has not yet finished. During this month, the Institute of Anthropology and History -IDAEH- and the Historical Center in the Municipality of Guatemala issued favorable resolutions for APROFAM ONG's new central building project, which were conditioned on changes in the floors of the building. With these resolutions, it was possible to continue with the bureaucratic processes required for obtaining the municipal license. However, faced with the lack of the neighbor's permission to use the soil mailing technique it was necessary to look for alternative excavation techniques which vary in cost and time required. APROFAM ONG decided on the excavation methodology to be used based on the technical advice received and will subsequently continue with the bureaucratic processes in the Municipality of Guatemala.

The bureaucratic processes in the Municipality of Guatemala to obtain the excavation license for the new building continued during January and February 2005. This entity requested a series of documents and requirements that obstructed the entire viability of the process.

Once these requirements were completed, on March 22, 2005 APROFAM ONG obtained the excavation license from the Municipality of Guatemala, and the work corresponding to this phase was started.

Clinics in San Pedro Sacatepéquez, San Marcos and San Benito, Petén

The municipal construction licenses for the projects in San Pedro Sacatepéquez San Marcos and San Benito El Petén, were obtained by the construction companies in October 2004.

The actual process of constructing the clinics in San Pedro Sacatepéquez San Marcos and San Benito El Petén was started in November 2004.

Clinic in Mazatenango

APROFAM ONG started the construction process for this clinic using financing provided by another donor. During January 2005, meetings were held with the company that was selected for designing the clinic. The preliminary plans presented by this company ("*Taller de Arquitectura*" belonging to the architect David Garda) were established and accepted, and were handed over in February. The bidding process for the construction of this clinic was carried out in March and April.

Clinic in Barberena

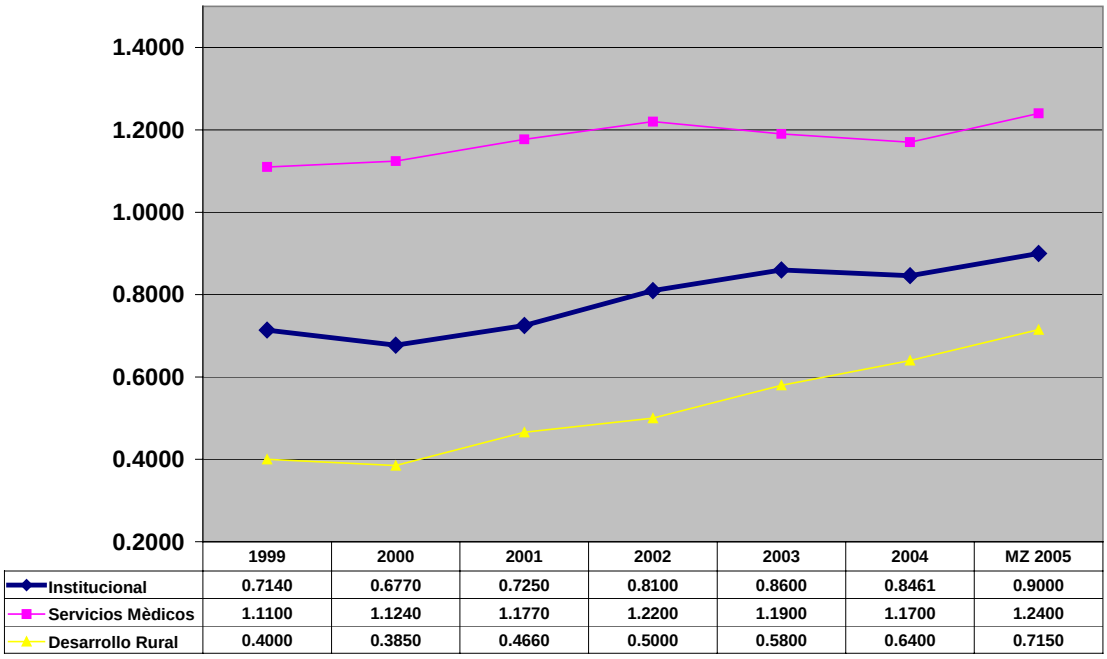
In January 2004, the land was acquired for the construction of the new clinic in Barberena. At this moment, the necessary actions are being taken to raise the funds for its construction.

VII. FINANCIAL MANAGEMENT UNIT

This management unit is responsible for assuring that the accounting registers and the financial information generated from them is timely and correct for the making of decisions, complying with the laws of the country and the guidelines established in the agreements with the donors. Additionally, it strives to assure that there exist the necessary controls for safeguarding the assets of the Institution.

During this agreement, the sustainability of the services provided by the clinics and the rural development program, and overall at the institutional level, was successfully improved without decreasing the coverage of the social programs. The results can be observed in **Graph No. 8**.

Graph No. 8
Tendency in the Sustainability of the Institution, Medical Services and Rural Development
Period from 1999 to 2005



	1999	2000	2001	2002	2003	2004	MZ 2005
Institucional	0.7140	0.6770	0.7250	0.8100	0.8600	0.8461	0.9000
Servicios Mèdicos	1.1100	1.1240	1.1770	1.2200	1.1900	1.1700	1.2400
Desarrollo Rural	0.4000	0.3850	0.4660	0.5000	0.5800	0.6400	0.7150

Source:
1999-2003: Reports audited by external auditors
2004-2005: Accounting

This achievement was reached by combining strategies to increase income and contain expenses.

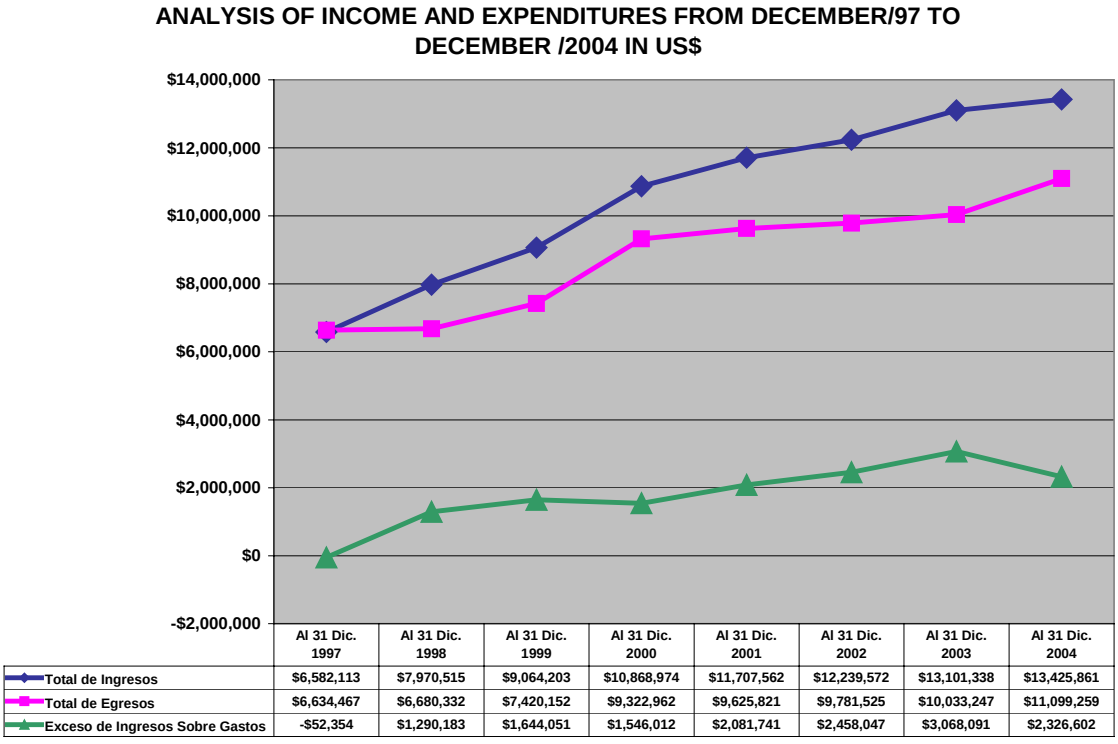
Strategies used to increase income:

- Diversification of products and services in the clinics.
- Improvement of infrastructure to provide more comfortable surroundings.
- Training for the health service providers in quality of health care.
- Increased promotion of the services.
- Incorporation of leading-edge technology in the diagnostic services.
- Implementation of variable compensation payment plan.
- Reengineering of the rural development program, which included the redistribution of territories and the variable compensation payment for the educators.

Strategies used to contain expenses:

- Strengthening of internal controls in order to improve the effective usage of the resources and the custody of the assets of the institution.
- Timely information on costs for establishing prices.
- Monitoring the social surplus of the clinics.
- Reengineering of the administrative processes in order to improve the services to the internal client at a lower cost.
- Socialization of the financial information to the supervisors of the cost centers, ensuring transparency in the management of the financial resources.
- Financial evaluation of the investment options to diminish the risk.
- Strengthening of the marketing culture in the search for institutional sustainability.

Graph No. 9
Tendency of Institutional Income and Expenses



	Al 31 Dic. 1997	Al 31 Dic. 1998	Al 31 Dic. 1999	Al 31 Dic. 2000	Al 31 Dic. 2001	Al 31 Dic. 2002	Al 31 Dic. 2003	Al 31 Dic. 2004
Total de Ingresos	$6,582,113	$7,970,515	$9,064,203	$10,868,974	$11,707,562	$12,239,572	$13,101,338	$13,425,861
Total de Egresos	$6,634,467	$6,680,332	$7,420,152	$9,322,962	$9,625,821	$9,781,525	$10,033,247	$11,099,259
Exceso de Ingresos Sobre Gastos	-$52,354	$1,290,183	$1,644,051	$1,546,012	$2,081,741	$2,458,047	$3,068,091	$2,326,602

Source:
1997-2003: Reports audited by external auditors
2004: Accounting

Graph No. 9 is presenting the situation at December 2004 in order to be able to make annual comparisons at this date. The prior tendency changed in 2004 and a decline was observed, due mainly to the fact that during the no-cost extension with USAID the social program costs included in the agreement were financed by APROFAM ONG without receiving any economic support from USAID, who historically has been the principal donor of APROFAM ONG. The appreciation of the Quetzal against the Dollar also affected the social surplus for 2004.

During the course of this Agreement APROFAM ONG strengthened itself economically. At December 30, 1997 the total assets of APROFAM ONG were US$ 8,707,435.00 and at March 30, 2005 they had increased to US$ 17,667,643.00, an increase of 202 %. This increase was not achieved at the expense of the liabilities. At December 31, 1997 the liabilities totaled US$ 3,659,480.00 and at March 30, 2005 totaled US$ 1,438,827.00, a decease of 61%.

Annex 7 presents the summary by project of the expenditures made using USAID financing during the period from 1998 to 2005.

Results from the CORE tool

The CORE tool was designed by MSH and transferred to APROFAM ONG. This tool permitted the determination of the costs for each service and the setting of sales prices.

Initially, it was incorporated as part of the tasks to be carried out by the accounting staff. Using funds from this agreement, staff was contracted to dedicate their time exclusively to managing this tool.

At the beginning, the staff in the clinics rejected the implementation of this tool because they knew little about it. This attitude was modified once the staff was involved in the making of decisions based on the results produced by CORE, which led to the clinic administrators to request a greater frequency and opportunity in the delivery of the results. To be able to comply with this demand, the strategy of variable compensation payment for the professionals managing the CORE tool was implemented.

During the first few years, CORE was used exclusively in the clinics; subsequently it was incorporated into other cost centers after slight modifications.

During the presentations of CORE, the marketing information for each care center was incorporated in order to speed up the decision making process.

Elaboration of Budgets

Previously, the budgets were prepared at the central level. Using funds from this agreement, the treasury department trained the clinic administrators at the local level in order to decentralize the preparation of the budgets with the objective of making the administrator and their respective work teams responsible for the goals that are being planned, converting it into a participative process.

As part of this process in 1999, the first annual meeting to discuss the Work Plan and Budget -WPB- was held in which each administrator presented their work plans, annual budget and financial and programmatic achievements. Each year, the activity was evaluated with the objective of improving it. This gave a space to the administrators for presenting their principal successes, lessons learned and new projects, communicating the information as part of the social group to the rest of the administrators and the central staff.

APROFAM ONG Sustainability Trust Fund Fulfilling its Mission

During the extension period APROFAM ONG developed the Sustainability Trust Fund (STF) to generate investments and increase the long-term ability of APROFAM ONG to fulfill its social mission. APROFAM ONG agreed to structure the STF to last in perpetuity and to combine existing reserves with new income and a prudent financial investment growth plan including capital plus interest earned by September 2009. APROFAM ONG also agreed that the STF will have its own structure under the APROFAM ONG Board of Directors and clear investment, managing and utilization regulations. The by-laws for the Sustainability Trust Fund and a permanent investment plan were required for USAID's approval during the extension period as part of the third monthly report on January 15, 2005.

Purpose of the APROFAM ONG Sustainability Trust Fund (STF)

The purpose of the STF is to guarantee the ability of APROFAM ONG to fulfill its social mission of providing affordable, quality family planning and reproductive and child health services and IEC to lower-income families in Guatemala. The ability of APROFAM ONG to do so in the long run will be determined by the revenue generated by the STF through financial and capital investments and capital accumulation. The income generated by the STF will be used to close

service delivery gaps and meet special needs of APROFAM ONG once USAID assistance is concluded in 2009. On the basis of 2004 data, it is estimated that the annual gap between APROFAM's ONG income and its operating costs for its social mission will average $360,000 in the next several years. The cost of the social mission was calculated by taking into account the programs that actually form part of the social mission of the Association that are financed by other donors, that show financial deficits and that APROFAM ONG is disposed to pay for with its own funds from 2009 onward. The programs were principally selected based on their significant contribution to the CYPs of the Association. In the future, the strategies or names of the programs could be changed to promote the family planning services at a lower cost with the prior authorization of the APROFAM ONG Board of Directors and of the USAID Project Officer.

The President of the Board of Directors of APROFAM ONG visited New York in October 2004 to participate as an observer in the meetings of the Sustainability Fund Committee of *Pro-Familia Colombia*. The information obtained during the trip is as follows:

1. In order to be able to invest in the Stock Exchange in the United States, it was necessary to establish an NGO in that country for APROFAM ONG to obtain a tax exemption. The ONG must be comprised of at least 5 persons of which 3 must comply with the following requirements: i) be a naturalized citizen in the United States, and ii) pay taxes.

2. APROFAM ONG can not adhere itself to the *Pro-Familia Colombia* Fund, since it was established that the NGO that this Association formed in the United States could only manage the funds of *Pro-Familia Colombia*.

The possibility of temporarily adhering APROFAM's Sustainability Trust Fund to the funds that IPPF manages in New York was evaluated in order to speed up its creation. The corresponding consultations were made in writing to the IPPF Controller, in order to explore the possibility of adhesion to this fund.

During November and December 2004, the President of the Board of Directors and the Executive Director carried out visits and consultations to other associations, whose common characteristics is that they already have the experience of having created a Sustainability Trust Fund that was structured to prolong its perpetuity and combine the existing reserves with new income, and that has a prudent growth plan for financial investments. Also, similar consultations were made with the representatives of the BAC Florida Bank. They have experience in setting up similar Trust Funds and were able to provide information on the subject.

Additionally, a reply was received to the questions raised with the IPPF Controller to explore the possibility of adhesion to the fund they manage in New York.

Calendar of activities for APROFAM ONG's Sustainability Trust Fund during January-March 2005

On February 17, 2005, the Calendar of activities for APROFAM ONG's Sustainability Trust Fund was sent to the USAID Regional Contracting Officer, Mr. Braden Enroth. On March 31, 2005 this calendar of activities was sent again with the modifications requested by Mr. Enroth, remaining as follows:

CALENDAR OF ACTIVITIES FOR APROFAM ONG'S SUSTAINABILITY TRUST FUND DURING JANUARY- APRIL 2005

ACTIVITY		ESTIMATED DATE	OBSERVATIONS
Legal Aspects	Prepare an agreement for the temporary placing of the funds with IPPF/RHO (7,593,524.00 $USD)	January and February	It was prepared and accepted by APROFAM ONG and USAID on March 31 and sent to IPPF/RHO, for its acceptance and signature.
	Contract the lawyer, Jim Sligar, a volunteer of IPPF/RHO to start the process of creating the NGO in the United States.	January	He will be contracted some time in April 2005.
	Analysis and comments by the legal advisor of APROFAM ONG on the by-laws for the Committee of the Sustainability Trust Fund.	January	The final draft was prepared and sent to USAID for its review and acceptance on March 31.
Sustainability Trust Fund Committee	The Board of Directors will sent to the IPPF/RHO Controller a written request for him to be a member of the Committee of the Sustainability Trust Fund of APROFAM ONG.	January	A confirmation was received on March 29 on the participation of the Controller from IPPF/RHO. Also, on March 30 a note was received from Carmen Barroso confirming that she would participate as an observer.
	The Board of Directors will sent a note inviting Mr. Jesús Amadeo to be a member of the Committee of the Sustainability Trust Fund of APROFAM ONG (it is planned to start functioning in September 2005).	January	On March 28, a reply was received from Mr. Jesús Amadeo confirming his participation as a member of the committee.
	The profile of the volunteers that need to participate on the Committee of the Sustainability Trust Fund will be defined with MSH.	January	The profile was defined on February 10, 2005.
	The volunteers will be informed about the Sustainability Trust Fund and the profile will be circulated among all the associates of APROFAM ONG requesting those that are interested in being members of the Committee to remit their curriculum vitae.	February	The note was sent on March 9 to all the associates informing them and inviting them to send their curriculum vitae.
	Presentation of the associates who are candidates to participate on the Committee of the Sustainability Trust Fund of APROFAM ONG for election in the Assembly.	March	In the Ordinary General Assembly held on March 31, the candidates were presented and it was informed that they had been elected by the Board of Directors.

ACTIVITY		ESTIMATED DATE	OBSERVATIONS
	The Board of Directors of APROFAM ONG authorizes the creation of the Sustainability Trust Fund.	April 5	The creation of the Sustainability Trust Fund was authorized under the resolution No. JD 0505-29 of the Board of Directors, initially for US$ 4,500,000.00, together with the temporary incorporation of US$ 3,093,524.00 which will be disinvested as of 2,006 together with the interest earned.
Creation of the Sustainability Trust Fund	Transfer of funds to IPPF for joint investment with the funds of IPPF/RHO through GMO.	April 5	The transfer of US$ 7,593,524.00 to IPPF/RHO was authorized under the resolution No. JD 505-3 of the Board of Directors.
	APROFAM ONG sent instructions to the BAC Florida Bank and Dresdner Bank to transfer the funds to the bank account of IPPF/RHO.	April 5	
	APROFAM ONG sent a note to USAID informing that the process of transferring the funds to IPPF/RHO had started. A copy was attached of the letters sent by the banks indicating that they had received the instructions and were going to process them.	April 6	USAID has indicated that with these notes it gives as accepted the process of transferring the funds.
	A confirmation was received from Mr. Ben Cruz that the funds had been received in the accounts of IPPF/RHO and the approval by USAID of the by-laws of the Sustainability Trust Fund.	April 11	

In compliance with the conditions established under the new agreement, APROFAM ONG constituted the Sustainability Trust Fund and, in April 2005, signed an agreement for one year with IPPF/RHO and transferred the funds to be incorporated in the investment portfolio of IPPF/RHO. It will afterwards continue with the process of creating an NGO in the United States in order to obtain the tax benefits.

Structure and Governance of the STF

APROFAM ONG shall maintain the certification that they are abiding by the IPPF norms, standards, procedures and resolutions on governance and administrative and financial management of resources and that the organization applies these governance and management
principles to the administration of the STF.

APROFAM ONG has established a grantor trust to hold STF assets and established a semi-autonomous Committee, under APROFAM's ONG structure and governance, with involvement from IPPF/WHR endowment management staff, to oversee the management of the STF trust.

The Committee was officially constituted and consists of the representatives listed below:

a) The President of the Board of Directors.
b) The Executive Director of APROFAM ONG.
c) The Financial Manager of APROFAM ONG.
d) Two members of the Group of volunteer associates with financial experience (these members are elected by the Assembly and will serve for three years, except for the first time, so that they are changed in an alternate form to how the Board of Directors is changed).
e) A financial expert of recognized prestige who is a volunteer, to be proposed by the Executive Director of APROFAM ONG (Guatemala) and approved by the Board of Directors, with his appointment confirmed in the minutes. This advisor can be removed with the vote of five members of the committee.
f) The Controller of IPPF/RHO.
g) A representative of USAID with voice but without vote, until the direct assistance of USAID comes to an end. Once the period of direct assistance ends, USAID will designate a representative to look out for the interests of the government of the United States of America in the Committee of the Sustainability Trust Fund, for the time that USAID deems necessary.

APROFAM ONG agrees that together, the members of the Committee shall maintain a mixture of expertise in reproductive health issues, financial management and NGO governance. No member of the Committee shall receive remuneration for serving on the Committee. The Committee is responsible for selecting the manager of the trust and approving/modifying the investment plans for the STF assets and for obtaining APROFAM ONG Board and USAID approval for all financial STF transactions for the duration of this Cooperative Agreement.

The Committee will maintain this structure for the duration of the life of the STF but its structure can be modified by unanimous vote of the seven members identified above. The STF cannot be terminated or structurally changed without approval of USAID or its representative (s).

USAID/Guatemala contracted a qualified financial analyst/planner to review the incorporation documents of the proposed STF and its management and investment plans, as well as the STF status with APROFAM ONG and the link to IPPF, who recommended improvements to the STF plans. His recommendations have been incorporated into the STF regulations.

Examples provided by USAID of the by-laws of trust funds from other family planning associations affiliated to IPPF RHO were used in order to prepare the by-laws for the Sustainability Trust Fund. The proposed by-laws were prepared and were authorized by the USAID Project Officer. **See Annex 8.**

STF Funding, Investment and Utilization Plan:

APROFAM ONG has accumulated reserves as of January 2005 totaling $9,752,584. Of the total reserves, $7,593,524 are currently invested in dollar accounts in commercial banks in the U.S. and $2,159,060 are invested in Guatemala in Quetzal accounts.

APROFAM ONG has agreed to invest the totality of its U.S. dollar reserves ($7,593,524) with a qualified U.S. financial trust bank approved by USAID. No less than $4,500,000 million or 59% of the U.S. dollar reserves (including $1,437,500 that have accumulated for contraceptive security) will be the starting principal of the STF, will be held in trust for APROFAM's ONG social mission in perpetuity, and will therefore be invested for long term growth. Use of the interest earned may only start after October 1st, 2009 once the USAID Cooperative Agreement ends on September 30, 2009. The remaining U.S. dollar reserves, $3,093,524, will be utilized over the next few years for institutional investments and modernization expenditures. This amount will be investment for medium term growth and will be subject to principal and interest draw-down expenditures.

The remaining $2,159,060 in Quetzal accounts in Guatemala will be used starting immediately and throughout 2005 to pay for APROFAM ONG institutional improvements. The **Table 1** describes the use given to existing reserves to fund the STF as well as to cover other institutional needs:

Table 1. Use of APROFAM ONG Reserves
Illustrative Allocation as of January 2005

	RESERVES in US $	AMOUNT US$	PERCENTAGE
PERPETUITY	**I. APROFAM ONG Social Mission**		
	Sustainability Trust Fund $3,062,500 Contraceptives $1,437,500	**$4,500,000**	**46.1%**
MEDIUM TERM	Vol. Surg. Contraception. $ 200,000 Program Continuity $ 125,000	**$ 325,000**	**3.3%**
	II. Institutional Investment		
	Service Delivery Expansion Construction Central Clinic $1,606,024 New Businesses Development 250,000	**$1,856,024**	**19.2%**
	Modernization Plan Fixed Assets Reserve $ 437,500 Institutional Image Reserve $ 275,000 Software Reserve $ 200,000	**$ 912,500**	**9.4%**
	Sub Total In Us Dollar Accounts	**$7,593,524**	**78.0%**
IIMMEDIATE*	**RESERVES In Quetzales**	**$ Equivalent**	**Percentage**
	Institutional Investment **Service Delivery Expansion**		
	Central Clinic Building	**$1,230,060**	**12.5%**
	Departmental Clinics	**$ 929,000**	**9.5%**
	Sub-Total in Quetzales	**$2,159,060**	**22.0%**
	ESTIMATED TOTAL RESERVES	**$9,752,584**	**100%**

*This amount, totaling $2,159,060, is invested in Guatemala, in Quetzales, and will be used during 2005 in construction. These funds will not be sent to the U.S. trust institution considering the short term need in Guatemala and also the penalties involved in moving funds from their current accounts. Nevertheless, the funds are part of APROFAM's ONG reserves and the STF, and will be tracked and reported together with the dollar accounts invested in the STF.

In addition to the 2005 start-up capital of $4,500,000 from reserves, APROFAM ONG will make subsequent annual contributions to the STF long term account, in the total amount of another $4.5 million, roughly equivalent to 50% of the amount of funding received from USAID under the new Cooperative Agreement. APROFAM ONG will make the deposit every year before February until the STF principal reaches at least $9 million, excluding interest earned by the STF. APROFAM ONG will propose for USAID approval a deposit schedule spread out over the period of the new Cooperative Agreement for 2005-2009 but shall contribute the bulk of its

commitment by September 30, 2008, and will have not more than 20% of the incremental contributions ($900,000) outstanding in 2009. APROFAM's ONG contribution to the STF shall be completed as of February 2009. **Table 2** below presents an illustrative contribution schedule and projects that if interest is earned at a conservative average of 5% per annum, the corpus of the trust could grow to over $10.5 million by September of 2009.

Table 2. APROFAM ONG Contributions to the STF
Illustrative Schedule and Yield
(In US $)

Date	Yearly Contribut. (a)	Cumulative Contribution (b)	Principal (c)
Mar. 2005			**4,500,000**
Feb. 2006	**1,000,000**	**1,000,000**	**5,500,000**
Feb. 2007	**1,000,000**	**2,000,000**	**6,500,000**
Feb. 2008	**1,600,000**	**3,600,000**	**8,100,000**
Feb. 2009	**900,000**	**4,500,000**	**9,000,000**
TOTALS	**4,500,000**		**9,000,000**

This projection is based on expectations that the exchange rate of the quetzal with respect to the dollar will not increase by more than 15 % compared with the present rate (Q7.80: $1.00). If it increases beyond this rate, (Q8.97 = $1) APROFAM ONG could request the approval of USAID to reduce the annual contribution to the STF.

The funds incrementally contributed by APROFAM ONG and the interest generated by the STF during the life of this Cooperative Agreement will not be utilized while the Cooperative Agreement is in place. After October 1, 2009 APROFAM ONG may use the interest generated by the STF to fulfill its social mission in accordance with the organization's social mission strategy described under Lower Level Result 2.2 below, and in response to the specific requests of the Executive Director with the approval of the APROFAM ONG Board of Directors. APROFAM ONG shall not draw down on the principal of the STF at any time in order to protect APROFAM's ONG social mission of providing family planning and reproductive services to low income families in Guatemala, except that after October 1, 2009, APROFAM ONG may draw down an amount totaling up to 30% of the principal contributed to the STF by APROFAM ONG from 2005-2009 ($1,350,000) if there are exceptional circumstances that justify using these funds. Any use of principal of the STF shall be subject to the approval of the APROFAM ONG board of directors and the general assembly and the written approval of USAID or its representative(s).

APROFAM ONG has agreed to invest the capital of the STF according to an investment plan prepared by the STF Committee. The plan seeks a diversified investment strategy combining growth with prudent allocations and minimizing investment costs and risk. The STF Committee will competitively select and obtain approval from the APROFAM ONG Board of Directors to contact a trust manager to administer the investments of the STF. The STF Committee is ultimately responsible for approving investment decisions about allocations and will have to factor in the cost of a trust manager into the provisions for STF growth and still reach the $10-$10.6 million projected goal for the STF. An individual advisor, without the backing of a firm, may not be hired to manage STF investments.

APROFAM ONG is initially investing STF assets together with the IPPF/WHR Trust Funds that have an experienced oversight committee, solid investment strategies and are in the hands of recognized banking institutions in the U.S. APROFAM ONG is availing itself of this expertise to expedite the foundation of the STF but may later create, subject to written approval by USAID, a separate endowment under a non profit, tax exempt entity organized under the laws of the United States. In either case, the STF Committee and APROFAM ONG shall strive to maximize

capital accumulation utilizing the least amount of funds for managing the STF and shall ensure that there is always interlocking IPPF/WHR representation in the STF Committee.

The STF will be funded entirely with APROFAM ONG funds from existing reserves and from health service delivery activities in the next four-and-a-half years. No USAID funds from this Cooperative Agreement will be utilized to capitalize the STF.

The President of the Board of Directors and the Executive Director of APROFAM ONG met with representatives of GMO[1] and IPPF/RHO in New York during February 2005. They concluded during this activity that APROFAM ONG would invest its funds with GMO using the same investment strategy as IPPF/RHO.

The agreement funds were invested through GMO considering that it is the same investment strategy that is used by IPPF/RHO.

The planned monthly expenditure plan using reserve funds to April 15, 2005 is detailed in **Table 3**:

Table 3. Infrastructure with Reserve Funds
Planned Expenditures January - April 2005

Month Disbursed	Central Building	Clinic in Petén	Clinic in San Pedro San Marcos	Total Expenditure
JANUARY 2005	-	Q. 232,344.39	-	Q. 232,344.39
FEBRUARY 2005	-	-	Q. 180,369.54	Q. 180,369.54
MARCH 2005	Q. 385,341.40	Q. 282,837.56	Q. 268,388.33	Q. 936,567.29
APRIL 2005			Q. 485,507.26	Q. 334,211.18
Total	**Q. 385,341.40**	**Q.515,181.95**	**Q. 934,265.13**	**Q. 1.683,492.40**

STF Monitoring and Evaluation of Performance

The Committee will establish investment and managerial indicators to measure performance of the STF. APROFAM ONG will include the STF in its annual audits and will include STF performance in all reports to USAID and its membership during the life of the Cooperative Agreement.

[1] Grantham, Mayo, Van Otterloo & Co. LLC –GMO-

VIII. HUMAN RESOURCES

In 2000, performance evaluation instruments were developed with the objective of developing plans for improving staff performance and identifying individual potential. Subsequently to this, all the Association staff was trained in how to use the instruments in order to be able to apply this tool. With the results that were obtained actions were taken to strengthen the career plans of the staff; for example, a system was established for applying for positions at a higher level. Additionally, an incentive system at the institutional level was being developed.

In 2002, a pilot test was developed and evaluated for a variable compensation payment tool for the staff that was elaborated by CORE. With the information generated by this experience, work was carried out in each of the different management units of the Association in the establishment of the different indicators for determining how to effect payments using the variable compensation tool. In order to strengthen the concept and application of this form of payment, a workshop on variable compensation was held for key institutional staff. The agenda of the workshop included the following topics: i) definition and concept of variable compensation, ii) advantages and disadvantages of variable compensation, and iii) evaluation of performance and its relationship to the variable compensation tool. All the staff working in the Institution had their performance evaluated, with the objective of obtaining plans and actions for improvement.

In 2003, the variable payment methodology was developed and approved as a pilot test for 23 educators in 4 departments of the country (Guatemala, Santa Rosa, Huehuetenango and Zacapa) where the rural development program was being carried out. MSH was providing assistance on this methodology. The educators that entered into this pilot test were taken off the payroll, and during three months received a fixed salary plus a monthly variable amount that was determined according to compliance with the fixed goals (the payment was calculated as a percentage of the net profit). The most important results obtained from this test were the following: i) 95% of the educators managed to exceed the goals fixed for income during this pilot test, ii) 86% of them improved on their individual past history of monthly income, and iii) the sustainability of the rural development program in these departments improved by 14%. From January 1, 2,004 this variable payment methodology was applied for all the educators in the rural development program.

The proposal for implementing the variable payment tool for all the Association staff was elaborated jointly with MSH, and it contained the following components:

a. Objectives of the variable compensation plan.
b. Basis of the incentive.
c. Mix of compensations.
d. Frequency of the payment.
e. Beneficiaries of the plan.
f. Administration of the plan.
g. Rate to be paid for each unit and the criteria for assignment.

Additionally, the different areas of the Association were defined as profit centers or cost centers and the product obtained would determine the variable payment to be received by each collaborator.

The proposal made was revised with actual data in December 2003 in order to be able to analyze if it was viable and functional. This proposal was approved by the management group and presented to the members of the Board of Directors for its approval and implementation. As a result of the approval of the tool by the Board of Directors in July 2004, the corresponding payment was made to all the applicable staff in August 2004.

A management committee was formed in January 2005 for the revision, administration and application of the variable compensation tool, and was integrated in the following manner: Executive Director, Manager of Medical Services, Financial Manager, Manager of Rural

Development, and the Head of Human Resources. It was also determined that the frequency of the variable compensation payment would be twice a year, starting in 2005.

The salary payroll module was implemented in the new administrative and financial system, operating it in a parallel manner with the old software. Its application started in March 2005, subject to updates and adjustments to the system.

As part of the organizational restructuring, the training area was transferred to the human resources unit as of January 1, 2004. See social marketing management unit, training department.

IX. UNIT FOR ADMINISTERING THE ACCREDITATION PROCESS

During 2004, the Unit for Administering the Accreditation Process analyzed, evaluated and carried out the proposals for improving the process of purchasing stationery and office equipment for amounts under Q.1,000.00. Also, a team was set up to organize the staff in the case of alarms and the need to evacuate as part of the Emergency Plan for APROFAM ONG's central. The logistics procedures were reviewed together with the rural development management, with the objective of preparing a training plan for Logistics Administration to be directed to the educators in the rural development program.

During the period from January to March 2005, the Unit for Administering the Accreditation Process prepared and validated the contents for a training session in logistics administration for the staff of the rural development program. This activity was carried out with the accompaniment of the 4 coordinators of this program.

The support of the National Coordinator for the Reduction of Disasters was obtained for training the Team for Alarms and Evacuation in accordance with the Security Plan. The training included the evacuation of the staff from the Central Clinic of APROFAM ONG and the distribution of informational materials on how to react to emergencies.

As part of the system for supplying contraceptives to the NGOs of the Ministry of Public Health and Social Assistance, the dispatch by assignment to the new jurisdictions attended by these organizations was programmed and executed. The quantities of contraceptives to be dispensed to each one of the NGOs was coordinated with personnel from UPS1/MSPAS and USAID in accordance with the identified demand and availability of the contraceptives in the corresponding inventory. Supplies continued to be sent to those NGOs attending populations with historic records using the instrument "Balance, Requisition and Dispatch of Supplies. BRES". A total of 73 requests for supplies were sent to the NGOs. The quarterly report of supplies sent to the NGOs was prepared and sent to UPS1/MSPAS and USAID.

Coordination was given to the preparation of the final report on the physical inventories of contraceptives carried out by the Association in the NGOs of the extension of coverage program of the Ministry of Public Health and Social Assistance. This report included the activities, methodology, findings and recommendations to be implemented in the logistical administration of contraceptives in these organizations.

The design of the "Satisfy the needs of family planning in the department of Jalapa, Guatemala" project was concluded and it will be offered to the potential donors who have been identified.

The proposal to obtain the donation that will partially finance the construction of the clinic in San Benito, Petén was prepared. The proposal was accepted by the donor and the funds were deposited in the corresponding account of APROFAM ONG.

Training was given to 64 educators of the rural development program in the logistical administration of medicines and contraceptives. The participants improved their knowledge on this topic and learned the importance of applying it in their daily work.

Meetings were held to get to know the NGO network of *Génesis* in order to identify any opportunities for putting together strategic alliances.

The proposal was prepared for IPPF/RHO and the Prospect Hill Foundation for the implementation of a sexual and reproductive health project orientated toward young people and women in the department of Petén.

Contacts were initiated with officials in UPS1/ MSPAS for APROFAM ONG to deliver maternal child health services in rural areas throughout the country, using an improved extension of coverage model that the MSPAS wants to strengthen in the next few years.

X. MONITORING AND EVALUATION

The planning, monitoring and evaluation department is responsible for systematically monitoring the programmatic and financial activities of the Association with the objective of making timely decisions and for assuring compliance with the commitments acquired in the programs being administered by the institution.

In 1999, the elaboration of quality indicators for the production of services in urban clinics was achieved with assistance from MSH-CCO. A monthly monitoring system of the programmatic activities was developed to follow-up on compliance with the institutional commitments and goals.

In 2000, the monitoring and evaluation department initiated operations research into the capacity of payment of users of APROFAM ONG services in three clinics (Jutiapa, Chimaltenango and Coatepeque). This was finished in 2001, when the results were presented to management. The information obtained made it possible to estimate the impact of changes in the prices of the services.

Operations research was also undertaken for the introduction of Norplant. This meted was available in the central clinics and the clinic in Quetzaltenango.

In 2000, the process of reprocessing the programmatic information to the administrators of the urban clinics was started, and they developed local activities to achieve an optimal return on their care centers. The medical management unit through direct supervision and monitoring of the urban clinics supported these processes.

This Department monitored the production of services using the “Integrated System of Service Statistics” (SIES). In this system, the data is collected from the clinics and educators of the rural development program. With the information having been generated through SIES, the results obtained are compared with those indicated in the work plan and a report on the results at the management level are sent to the different health care centers for their respective analysis and taking of decisions. The principal results that were obtained are presented in **Annex 9**.

During January 2001, the KAP (knowledge, attitudes and practices) survey was developed in the southwestern region of the El Petén department. The rural development management unit managed this project. The information generated by this survey permitted the definition of the baseline for the project. Another donor provided the financing for this activity.

During the period from 2002, 2003, 2004 and 2005, KAP surveys were carried out on average in the southwestern region of the El Petén department and northern zone of Alta Verapaz. The results allowed changes in knowledge, attitudes and practices of sexual and reproductive health in this region to be tracked.

The rural development program carried out monthly local activities with field staff to evaluate their achievements and activities carried out. Additionally, they prepared reports on the programmatic achievements in their different activities. The monitoring and evaluation department fed back reliable and timely information to this program for decision-making.

The final KAP (knowledge, attitudes and practices) survey under the agreement was not carried out in the eight departments of the western highlands because the USAID funds were reduced, and also because of the 2002 Maternal Child Health Survey which was carried out by the National Institute of Statistics -INE-.

XI. LIMITATIONS IN THE IMPLEMENTATION

1. As of 2001, the Ministry of Public Health and Social Assistance through the National Reproductive Health Program strengthened the delivery free of charge of temporary and permanent contraceptive methods in health posts, centers and hospitals throughout the country. Also, during 2002, USAID through APROFAM ONG supplied contraceptive methods to the NGO partners of the MSPAS and to those forming part of PC and PCI, which distributed them at a lower price or free of charge. These organizations attended the same segment of the population that is covered by APROFAM ONG. This situation has affected the distribution of contraceptive methods by the Association.

2. The complexity of the administration in the Ministry of Public Health and Social Assistance limited effective and timely decision making, a situation that led to delays in implementing the project “System for supplying contraceptive methods to the NGOs of the Ministry of Public Health and Social Assistance”.

3. Previously, the Ministry of Public Health and Social Assistance –MSPAS- collaborated with APROFAM ONG providing the locations of the MSPAS health posts or centers for realizing the health days held by the mobile medical units. However, from 2004 onward this collaboration was systematically cancelled. This situation has made more difficult the search for adequate installations for carrying out the health days of the mobile medical units.

4. Among the limitations to working in communities in the rural area are the following: i) the necessity to strengthen the staff with persons who speak the local dialect and who come from the same community, ii) the additional time spent in reaching very distant communities in the rural area, iii) the scarcity of public transport, the principal means of transport for field staff, and iv) insecurity in the transport and in the communities.

5. In some of the care centers in the interior of the country, it is difficult to contract qualified staff because of the surrounding socio-economic conditions, which do not attract professionals. At the same time, the fees paid by APROFAM ONG do not appear to be competitive for the professional staff being contracted, especially when they have to change residence to accept the position.

6. Lack of support from the directors of educational establishments (private and public) for the teachers involved in the Learning to Live Program, due to the fact that the Ministry of Education prohibited their participation in programs being promoted by other institutions that are not part of the ministry.

7. The compliance with the goals set in developing software does not just depend on the company contracting the services but also on the technical and problem solving capacity of the company being contracted. It is difficult to assure the permanence of human resources throughout a long contract, given the rotation of technical staff that frequently takes place. The calculation of the time needed to implement IT projects is difficult to estimate.

8. During the no-cost extension period, APROFAM ONG covered with its own funds the projects contemplated in the previous agreement, using funds that could have been used for infrastructure in the clinics, such as the construction of the clinic in Barberena, the purchase of furniture for the clinics in Zone 19 and El Quiché.

9. APROFAM ONG did not receive an average monthly amount of Q.2,035,315.07 which resulted in a decreased income from the donation of Q.13,229,548.00 during the six and one half months.

XII. LESSONS LEARNED

1. The publicity for marketing health care generates a greater demand on the part of the population and the interest of social service institutions in offering services to this same population.

2. Opening clinics to provide quality services to poor and extremely poor populations requires the economic support of donors in order to be able to guarantee the delivery of the services over time. Without specific financing, the demand for the services does not cover the operational costs, leading to the closure of these clinics.

3. The integrated delivery of quality services at the community and clinical level is one of the strategies that has permitted APROFAM ONG to continue being a leader in service provision, even when NGOs and the health institutions of the government provide the same products at a lower price or free of charge.

4. The greater frequency of visits to the voluntary promoters by the educators permitted an adequate supply of contraceptive methods and basic medicines, because the promoters do not have the sufficient economic resources to supply themselves with what they really need (real demand).

5. The national health days carried out in each health care center supported the achievement of the programmed goals, which permitted an increase in the coverage and access to the services that APROFAM ONG offers throughout the country. This has been reflected in the sustained increase in the number of services that the Association has provided throughout the implementation of the agreement.

6. The kiosks set-up and executed by the juvenile multipliers rendered good results for the promotion of the different educational programs on sexual and reproductive health and services for adolescents and young people.

7. The permanent supervision and monitoring processes to assure quality in the delivery of the health services that APROFAM ONG (clinics and rural development) provides assured the continuous demand for them.

8. The implementation of the variable compensation payment tool in several of the work areas of the Association achieved an increase in productivity for reaching the programmatic goals and the economic benefit of the workers.

9. The dispatch of contraceptives and medicines to the health care centers of the Institution, using the services of an external transport company, has permitted a speeding up of the delivery of these supplies and the reduction of operational expenses such as fuel, salaries, depreciation of the vehicles and warehousing costs.

10. The utilization of leading-edge technology such as the Palm-Pilot, is an instrument that has led to the rural development staff dedicating more time to the education and information activities and the sale of products and services, since they are spending less time in the administrative process.

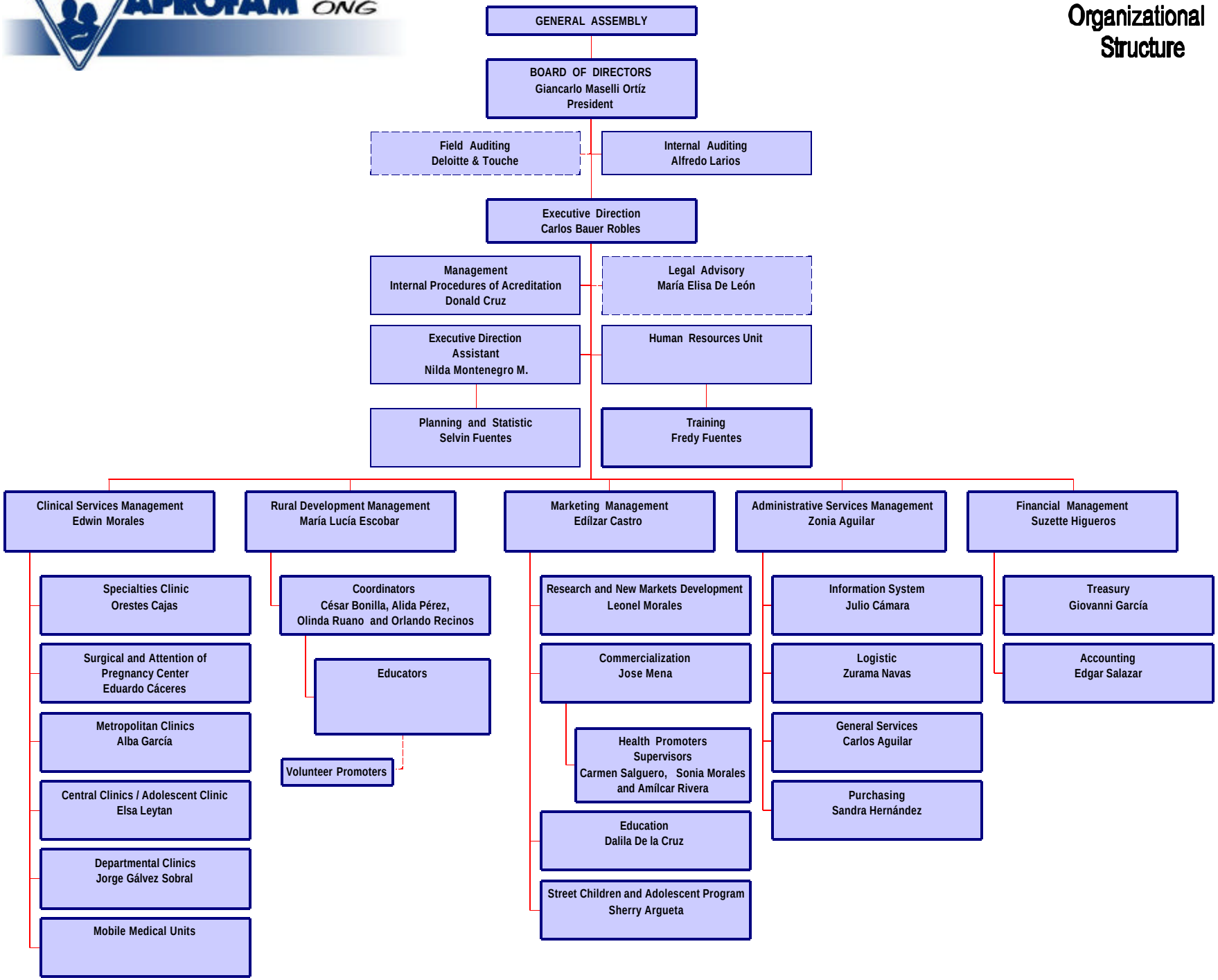
11. For the implementation of the IT projects, it was more effective to contract individual persons and pay them against specific products than to work with companies specialized in the subject matter.

XIII. ANNEXES

Annex 1
Organizational Structure

APROFAM ONG

Organizational Structure



PROFILE OF THE ASSOCIATION HEALTH PERSONNEL

HEALTH PERSONNEL	QUANTITY
Gynecology-Obstetrics	68
Sciences with emphasis in reproductive epidemiology (1)	
Colposcopists (6)	
Menopause Specialists (1)	
Infertility Specialists (2)	
Mammary Gland Specialists (1)	
Masters in Reengineering and Assurance Technology (1)	
Pediatricians	28
Specialists	68
Anesthesiologists, cardiologists, general surgeons, dermatologists, gastroenterologists, internal medicine, ophthalmologists, pathologists, proctologists, neurologists, radiologists, traumatologists, ultrasonographists and urologists	
Graduate Nurses	8
Chemical Biologists	11
Social Workers	9
Clinical Psychologists	15
TOTAL HEALTH PERSONNEL	**233**

Annex 2

MSH/M&L Activities Report
October 2004-March 2005

Annex 3
Production of IEC Materials

PRODUCTION OF IEC MATERIALS
YEARS 1998-2005

		Year								
No.	**Type of Material**	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005 ***	**TOTAL**
1	Posters		6,800	28,500	10,000	9,000	29,850	13,195	7,430	104,775
2	Three-fold Pamphlets		191,000	83,000	860,000	775,000	269,000	405,000		2,583,000
3	Two-fold Pamphlets			50,000		0	2,000			52,000
4	Leaflets		190,000	834,000	1,320,000	1,100,000	1,283,000	343,910	143,275	5,214,185
5	Demographic Calendar	3,000	3,000	3,000	3,000	3,000	3,000	3,000	1,500	22,500
6	Flip Charts		20,000	20,000		150	60			40,210
7	Voluntary Promoter Manual			4,000	5,000					9,000
8	Posters of the Voluntary Promoter Calendar	20,000	40,000	25,000		15,000	18,000	7,000		125,000
9	Posters of Clinical Calendars		20,000	25,000		17,000	16,000	15,000		93,000
10	Pocket Calendar		50,000				60,000			110,000
11	Cloth Banners		63	121	160	99	16		30	489
12	Pedestrian Publicity Billboards		28		84			20		132
13	Panoramic Publicity Billboards		47	9	28			34	27	145
14	Plastic Washbasins	3,500	7,000			25,000	2,500	3,000		41,000
15	T-shirts	2,000	6,000				2,000			10,000
16	Caps		6,000							6,000
17	Plastic Bags		200,000							200,000
18	Trash Cans		6,400	5,000						11,400
19	Umbrellas			5,000						5,000

*** January-March 2005**

Annex 4

ABC of Institutional Products and Services

APROFAM ONG

ABC Study January to March 2005

Marketing Office,
Commercialization Department

Sales Volume

Services 2004	Services 2005	% Increase 2004-2005
231,588	217,838	-6% 13,750 less services

Total Services Provided Each Month	% Achieved against Goal for 2005
72,613l	94%

- **Includes Rural Development**

ABC Production of Services

Services Type A

#	SERVICE	2005 (000's)	%	% Accumulated
1	LABORATORY	62	28%	28%
2	F.P.	51	23%	51%

Services Type B

ACCUMULATED 64% OF SERVICES TYPE A (000's)				
3	PAP SMEAR	26	12%	63%
4	GYNECOLOGY	24	11%	74%
5	ULTRASOUND	16	7%	81%

Services Type C

ACCUMULATED 84% OF SERVICES TYPE B (000's)				
7	PRE-NATAL	10	4%	85%
8	PEDIATRICS	9	4%	89%
9	GENERAL MEDICINE	6	3%	92%
10	VACCINATIONS	2	3%	95%
11	BONE DENSITY	2	2%	97%
12	AQV´S FEMALE	2	2%	99%
13	COLPOSCOPY	1	1%	100%

ABC Increase in Services

Services Type A

#	SERVICE	2004	2005	Diff.	% Increase / Dec.
1	CARDIOLOGY	7	458	451	64%
2	PATIENTS HOSPITALIZED	422	727	305	72%

Services Type B

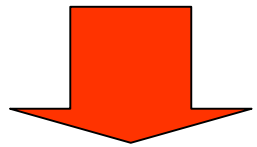
#	SERVICE	2004	2005	Diff.	% Increase / Dec.
3	CAESAREAN SECTIONS	263	351	88	33%

Services Type C

#	SERVICE	2004	2005	Diff.	% Increase / Dec.
4	ULTRASOUND	14 thousand	16 thousand	1457	10%
5	COLPOSCOPY	1 thousand	1 thousand	18	2%
6	F.P.	51 thousand	51 thousand	288	1%
7	CHILDBIRTH	379	379	0	0%

ABC Increase of Services

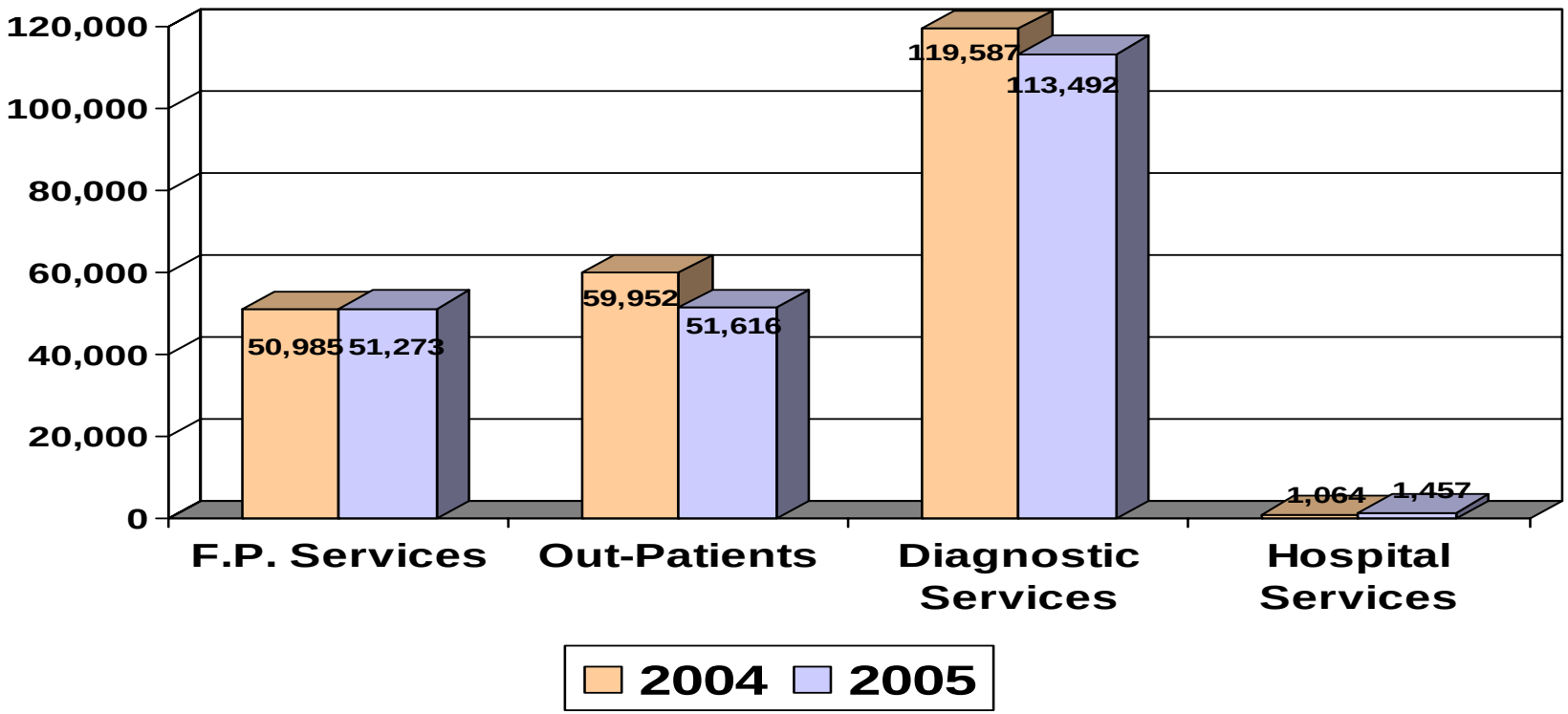
Services Showing a Decrease



Services Type D

#	SERVICE	2004	2005	Diff.	% Increase / Dec.
7	BONE DENSITY	2006	1977	-29	-1%
8	X RAYS	1102	1086	-16	-1%
9	NUTRITION	166	162	-4	-2%
10	ODONTOLOGY	214	208	-6	-3%
11	PRE- and POST-OPERATIVE CARE	138	133	-5	-4%
12	CLiNICAL LABORATORIES	64699	62049	-2650	-4%
13	UROLOGY	564	533	-31	-5%
14	INFERTILITY	422	395	-27	-6%
15	PRENATAL	10691	9815	-876	-8%
16	PAP SMEAR	28109	25779	-2330	-8%
17	MAMMOGRAPHY	1099	1005	-94	-9%
18	GYNECOLOGY	26449	23837	-2612	-10%
19	MAMMARY CONSULTATION	939	842	-97	-10%

Sales Comparison, Services by Family



- F.P. Services increase of 1%.
- Out-Patients decrease of -14%
- Diagnostic Services decrease of -5%
- Hospital Services increase of 37%

ABC Increase in the Clinics

Clinics type A

#	Clinic	2004	2005	Diff.	% Increase / Dec.
1	MAZATENANGO	968	4666	3698	382%

Clinics type B

#	Clinic	2004	2005	Diff.	% Increase / Dec.
2	COBAN	7482	8267	785	10%

Clinics type C

#	Clinic	2004	2005	Diff.	% Increase / Dec.
3	JUTIAPA	11771	12799	1028	9%
4	PUERTO BARRIOS	2256	2433	177	8%
5	MALACATAN	3196	3437	241	8%
6	ZACAPA	5671	6009	338	6%
7	BARBERENA	4850	5074	224	5%
8	CLINIC ZONA 19	4060	4156	96	2%
9	AMATITLAN	2224	2273	49	2%
10	COATEPEQUE	8752	8927	175	2%
11	CLINIC ZONA 6	2521	2547	26	1%
12	ESCUINTLA	9751	9712	-39	0%

ABC Increase in the Clinics

Clinics type D

#	Clinic	2003	2004	Diff.	% Increase / Dec.
13	CLINIC ZONA 5	2172	2092	-80	-4%
14	ANTIGUA	2369	2276	-93	-4%
15	CLINIC ZONA 12	3526	3228	-298	-8%
16	XELA	12631	11319	-1312	-10
17	SAN MARCOS	2892	2532	-360	-12%
18	SPECIALITIES	22369	18932	-3437	-15%
19	HUEHUETENANGO	6996	5921	-1075	-15%
20	Surgical and Childbirth Care Center	677	568	-109	-16%
21	ADOLESCENTS	2550	2093	-457	-18%
22	SOLOLA	2257	1708	-549	-24%
23	CHIMALTENANGO	4104	2869	-1235	-30%
24	CHIQUIMULA	686	458	-228	-33%
25	PETEN	3288	2187	-1101	-33%
26	QUICHE	3268	2162	-1106	-34%
27	CENTRAL	66433	42511	-23922	-36%
28	RETALHULEU	1237	592	-645	-52%

Income / Expenses and Levels of Departmental Sustainability

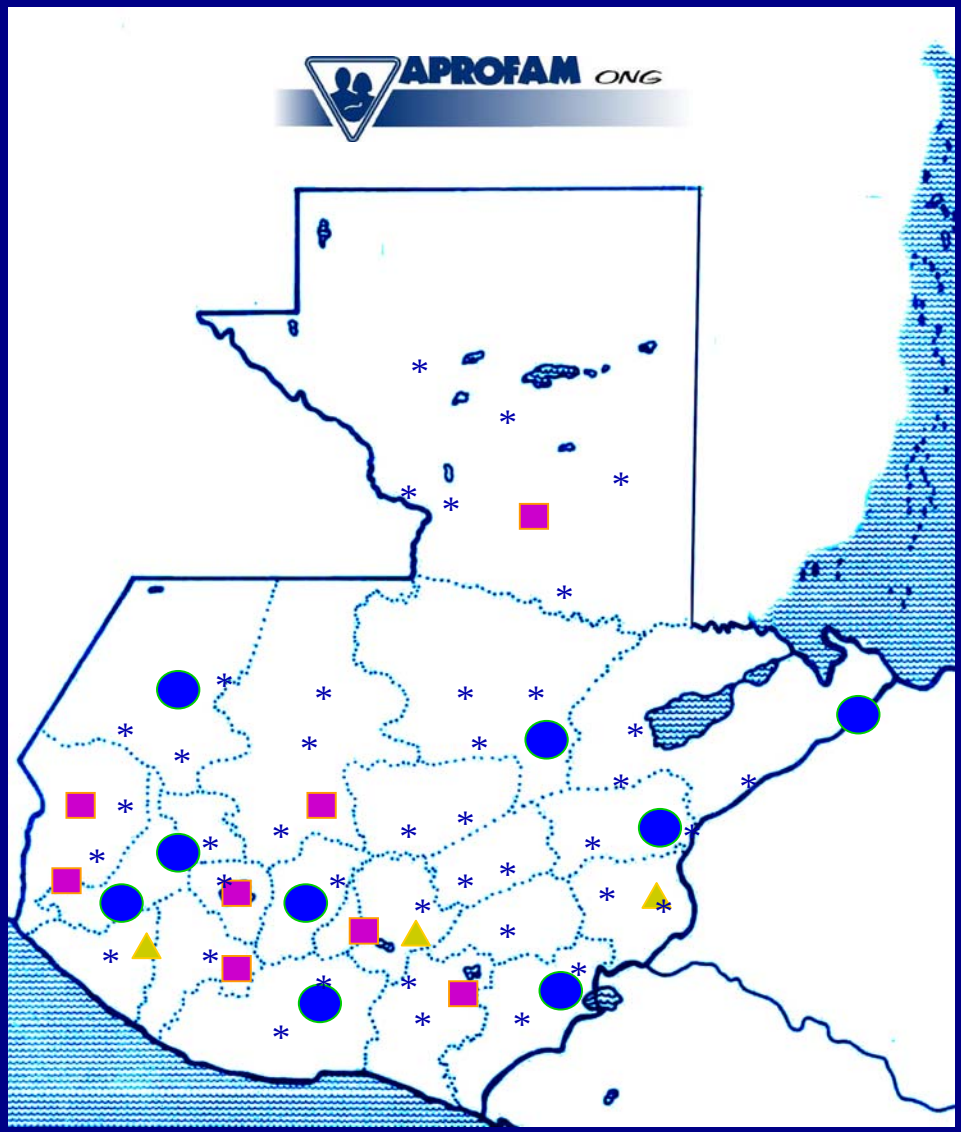
Clinic	Income	Expenses	Profit/Loss	Level	Classification
ZACAPA	375,978	287,582	88,396	131	A
BARBERENA	178,495	145,341	33,154	123	
JUTIAPA	863,176	699,507	163,669	123	
MALACATAN	150,468	122,819	27,648	123	
COATEPEQUE	536,375	438,263	98,112	122	
HUEHUETENANGO	682,821	574,569	108,252	119	
MAZATENANGO	204,356	173,006	31,350	118	
COBAN	368,866	314,077	54,789	117	
ESCUINTLA	412,371	350,974	61,397	117	
SAN MARCOS	190,920	166,379	24,541	115	
RETALHULEU	91,947	84,163	7,784	109	B
ANTIGUA	94,725	89,289	5,436	106	
AMATITLAN	99,623	99,347	275	100	C
QUETZALTENANGO	553,083	559,172	-6,089	99	D
PETEN	125,690	131,101	-5,412	96	
QUICHE	125,223	130,598	-5,375	96	
PT BARRIOS	89,814	104,153	-14,339	86	
CHIQUIMULA	38,155	45,038	-6,883	85	
CHIMALTENANGO	102,165	125,601	-23,436	81	
SOLOLA	63,344	77,778	-14,434	81	

Income / Expenses and Levels of Central Sustainability

Clinic	Income	Expenses	Profit/ Loss	Level	ABC
RADIOLOGY	246,431	88,003	158,428	280	A
CLINICAL LAB.	617,196	324,704	292,492	190	B
SPECIALITIES	975,983	614,764	361,219	159	
CENTRAL	1,045,119	673,476	371,643	155	
ZONA 19	151,888	111,382	40,506	136	
KORAMSA	24,137	18,339	5,798	132	
CYTOLOGY LAB.	97,499	74,892	22,607	130	
ZONA 6	79,574	65,284	14,290	122	
SURGICAL AND CHILDBIRTH CARE CENTER	1,026,184	949,985	76,199	108	C
ZONA 12	127,098	120,271	6,827	106	
ZONA 5	73,889	80,214	-6,325	92	D
ADOLESCENTS	97,404	150,321	-52,917	65	

Level of Occupation

A	Nivel	B	Level	C	Level	D	Level
Central	118%	Chimaltenango	90%	Barberena	66%	Zona 7	44%
Quetzaltenango	106%	Coatepeque	90%	Zona 6	54%	Quiche	43%
Jutiapa	105%	Coban	89%	Mazatenango	53%	Ixcan	35%
Escuintla	101%	Solola	78%	Malacatan	50%	Zona 5	34%
		Peten	76%	Amatitlan	49%	San Pedro	33%
		Specialities	75%	Zona 19	46%	Zona 12	28%
		Zacapa	73%	Retalhuleu	46%	Antigua	27%
				Huehuetenango	45%	Pto Barrios	26%
						Chiquimula	20%



Location of Departmental Clinics and Voluntary Promoters

Simbology

- Large Clinics
- Medium Clinics
- Small Clinics
- * Rural Development

Presence of Voluntary Promoters throughout the country.

Annex 5

List of APROFAM ONG Clinics

LIST OF APROFAM ONG CLINICS

No.	CLINIC	ADDRESS AND TELEPHONE No.	CLINICS PROPERTY OF APROFAM	OUT-PATIENT CONSULTATION	HOSPITAL	PHARMACY	CLINICAL LAB.	CYTOLOGY LAB.	X RAYS	ULTRASOUND
	LARGE CLINICS									
1	Jutiapa	3a. Calle 0-43 zona 3, Barrio Alegre Tels: 7844-3869/ 7844-3871- Fax 7844-3870	1	1	1	1	1	1	1	1
2	Escuintla	1a. Avenida 3-03, zona 1 Tels: 7889-8992,93 y 96 Fax: 7889-8994	1	1	1	1	1	1		1
3	Coatepeque	3a. Avenida 7-32 zona 1 a un costado del Mercado Central Tels: 7775-2479/7775-2482 Fax: 7775-2481	1	1	1	1	1	1		1
4	Quetzaltenango	3a. Calle 7-02, zona 1 Tels: 7765-3886 87, 89 y 91 Fax: 7765-3888	1	1	1	1	1	1	1	1
5	Huehuetenango	6a calle "C" 3-69 zona 5 Colonia Paula María Tels: 7764-9018 19 Fax: 7764-9021	1	1	1	1	1	1		1
6	Coban	Barrio San Bartolomé, 6a avenida 3-51 zona 1 Tels: 7951-1261/ 7951-1262 Fax: 77951-1263	1	1	1	1	1	1		1
7	Pto. Barrios	4a. Avenida entre 5a. y 6a. calle frente a la escuela 15 de septiembre Telefax: 7948-5922	1	1	1	1	1			1
8	Zacapa	Barrio El Tamarindal, Calle del Teatro al Aire Libre Telefax: 7941-14443/7941-1446	1	1	1	1	1	1		1
	MEDIUM CLINICS									
9	Barberena	3a. calle 1-02 zona 1 Tels: 7887-1544 /7887-0130	1	1		1	1			1
10	Mazatenango	2a. Avenida 4-23 zona 1 Tel: 7872-1167	1	1		1	1	1		1
11	Malacatán	Antiguo Edificio de la Cruz Roja Tels: 7777-1468 y 7777-1493		1		1	1			1
12	San Pedro Sacatepéquez, San Marcos	5a calle 3-48 zona 4 Tel: 7760-9001	1	1		1	1	1		1
13	Quiché	5a calle 2-37 zona 5 Tels: 7755-0264		1		1	1			1
14	Sololá	11calle 8-45 zona 2 Telefax: 7762-3622		1		1	1	1		1
15	Chimaltenango	Lote 54, Manzana "M", Lotificación Santa Teresita zona 2 Tels: 7839-2330 / 7939-7050	1	1		1	1			1
16	Petén	5a avenida y 11 calle zona 1 Tels: 7926-3472	1	1		1	1	1		1
	SMALL CLINICS									
17	Amatitlán	5a calle 8-20 "A", a un costado del Juzgado de Paz Penal Telefax: 6633-4144		1		1				1
18	Retalhuleu	3a. calle 4-89 zona 1 Tels: 7771-0672 Telefax: 7771-2790		1		1				1
19	Antigua	6a calle Poniente #46 Telefax: 7832-2978		1		1				1
20	Salamá	4a. calle "A" 5-61, zona 1 Antiguo local de INDECA Salamá Baja Verapáz		1		1				
21	Zona 12	3a. avenida 18-56, zona 12 Colonia la Reformita Tel: 2473-0731		1		1	1			1
22	Zona 6	3a calle 15-52, zona 6 a un costado de la Parroquia Tel: 2288-0080	1	1		1				

LIST OF APROFAM ONG CLINICS

No.	CLINIC	ADDRESS AND TELEPHONE No.	CLINICS PROPERTY OF APROFAM	OUT-PATIENT CONSULTATIO N	HOSPITAL	PHARMACY	CLINICAL LAB.	CYTOLOGY LAB.	X RAYS	ULTRASOUND
23	Zona 19	7 avenida 0-11, zona 19 Colonia La Florida Tel: 2437-8575		1		1				1
24	Zona 5	27 avenida 24-20, zona 5 (junto a Dispensario Municipal # 2) Tel: 2360-0090	1	1		1				1
25	Koramsa	37 avenida 2-77 zona 7 Colonia El Rodeo Tel: 2420-4747 ext. 1624/1619		1		1				1
26	Chiquimula	6a. calle 7-63 zona 1, a una cuadra del Calvario Telefax: 7942-0886		1		1				1
	METROPOLITAN CLINICS									
27	Specialties Clinic	1.a avenida 8-50 zona 1, Guatemala Tels: 2230-5488 / 2221-4385 ext. 171,172,180	1	1		1				1
28	Central Clinics	9 calle 0-57 zona 1 Guatemala Tels: 2230-5488 / 2221-4385 ext. 200	1	1		1				1
	Clinical Lab.						1			
	Cytology Lab.							1		
	X Rays								1	
29	Surgical and Childbirth Care Center	9 calle 0-13 zona 1 Guatemala Tels: 2230-5488 ext. 106,127,177 Tel. Directo: 2251-5595 Fax: 2221-4606	1		1	1				1
	TOTALS		**18**	**28**	**9**	**29**	**18**	**12**	**3**	**27**

CLINICS - OWN PROPERTY	18
CLINICS IN USUFRUCT	3
CLINICS BEING RENTED	8
TOTAL CLINICS	**29**

SUMMARY:

OUT-PATIENT CONSULTATIO	28
HOSPITALS	9
PHARMACY	29
CLINICAL LABORATORIES	18
CYTOLOGY LABORATORIOS	12
X RAYS	3
ULTRASOUND	27
TOTAL	**126**

Annex 6

Geographical distribution of Service Centers

GEOGRAPHICAL DISTRIBUTION OF THE SERVICE CENTERS

YEARS 1998-2005

DEPARTMENT	No. of Urban Clinics								Minimum Units				Voluntary Promoters Installed							
	1998	1999	2000	2001	2002	2003	2004	2005	1998	1999	2000	2001	1998	1999	2000	2001	2002	2003	2004	2005 *
Guatemala	10	9	10	9	9	10	11	10					513	459	436	518	497	450	582	563
El Progreso	-	-	-	-	-	-	-	-					76	78	73	70	90	60	56	43
Sacatepéquez	1	1	1	1	1	1	1	1					95	89	87	100	94	105	96	103
Chimaltenango	1	1	1	1	1	1	1	1	1	1	1		188	194	178	128	173	120	153	151
Escuintla	1	1	1	1	1	1	1	1					286	251	254	260	176	221	238	240
Santa Rosa	1	1	1	1	1	1	1	1					188	177	171	178	162	187	198	199
Sololá	3	3	2	1	1	1	1	1					122	98	137	104	60	90	85	84
Totonicapán	-	-	-	-	-	-	-	-		1	1		137	124	189	76	63	65	62	57
Quetzaltenango	2	2	2	2	2	2	2	2					223	251	244	264	238	191	148	185
Suchitepequez	1	1	1	1	1	1	1	1					125	124	106	189	127	80	65	73
Retalhuleu	1	1	1	1	1	1	1	1					81	85	79	107	80	70	63	62
San Marcos	-	1	1	2	2	2	2	2		1	3		302	285	282	335	307	296	317	300
Huehuetenango	1	1	1	1	1	1	1	1		2	2		307	324	313	172	200	270	127	205
El Quiché	1	1	1	2	2	2	2	1	1	2	3	1	190	185	230	193	200	192	95	101
Baja Verapaz	-	-	-	-	-	-	-	-					106	115	118	78	122	56	70	74
Alta Verapaz	1	1	1	1	1	1	1	1		2	2		268	261	227	205	222	128	121	109
El Petén	-	1	1	1	1	1	1	1					24	16	63	124	171	259	323	304
Izabal	1	1	1	1	1	1	1	1					111	104	92	122	127	105	118	108
Zacapa	1	1	1	1	1	1	1	1					94	97	95	117	122	110	116	117
Chiquimula	-				1	1	1	1					84	78	84	110	93	75	69	64
Jalapa	1	1	1	1	1	1	-	-					67	78	92	88	73	66	60	61
Jutiapa	1	1	1	1	1	1	1	1					145	146	155	155	184	156	170	205
TOTAL	**28**	**29**	**29**	**29**	**30**	**31**	**31**	**29**	**2**	**9**	**12**	**1**	**3,732**	**3,619**	**3,705**	**3,693**	**3,581**	**3,352**	**3,332**	**3,408**

Departments of the western highlands of the country

*** January-March 2005**

Annex 7
Program Budget

SUMMARY OF EXPENDITURES MADE
USING USAID FUNDS IN THE
PERIOD FROM MAY 1998 TO MARCH 2005

PROJECT	Quetzals	Dollars	%
RURAL DEVELOPMENT	49,219,729.38	6,380,397.91	36.74%
PROMOTION AND DISCLOSURE	23,180,923.35	3,004,964.00	17.30%
INFORMATION TECHNOLOGY	9,861,223.01	1,278,319.23	7.36%
CHILD SURVIVAL	8,254,606.87	1,070,052.13	6.16%
SEXUAL AND REPRODUCTIVE HEALTH EDUCATION	7,134,847.63	924,896.73	5.33%
IXCAN QUICHE	6,940,982.62	899,765.84	5.18%
STRENGTHENING OF CLINICS	6,340,563.92	821,933.02	4.73%
MOBILE UNITS	6,230,585.62	807,676.43	4.65%
MINIMUM UNITS	3,782,327.28	490,306.50	2.82%
TRAINING RD AND CLINICS	3,737,197.89	484,456.33	2.79%
IMPLEMENTATION OF CORE	2,144,816.09	278,034.44	1.60%
DISCOUNT FOR REFERRAL PATIENTS	1,857,020.08	240,727.19	1.39%
EVALUATION AND MONITORING	1,301,859.07	168,761.17	0.97%
MICRONUTRIENTS	1,069,204.29	138,601.92	0.80%
LOGISTICS	781,199.21	101,267.56	0.58%
SYSTEMS 2000	606,031.53	78,560.41	0.45%
PERFORMANCE INVESTIGATION	603,816.66	78,273.30	0.45%
EXTERNAL LOGISTICS	412,017.68	53,410.22	0.31%
SUPPORT FOR FEMALE SURVIVORS OF VIOLENCE	389,915.49	50,545.10	0.29%
INVOLVE COUPLES FP	92,022.80	11,929.00	0.07%
APPLICATION OF INVEST RESULTS	33,867.51	4,390.28	0.03%
TRAINING IN BUDGETS	4,054.74	525.62	0.00%
	133,978,812.72	**17,367,794.33**	**100.00%**

Tipo de Cambio para el convenio: Q 7.71421 x $ 1.00

Annex 8

Internal By-Laws of the Sustainability Trust Fund

BACKGROUND

La Asociación Pro-Bienestar de la Familia de Guatemala, APROFAM ONG, constituted the "SUSTAINABILITY TRUST FUND" through resolution number JD0505-29 of the Board of Directors, using the institutional reserves generated up to February 28, 2005 and the income generated locally by the sale of its different services.

Due to the need to constitute the Fund as a prior requisite of signing the new Cooperative Agreement between USAID and APROFAM ONG, the decision was taken to incorporate part of the reserve funds of APROFAM ONG constituted as the Sustainability Trust Fund into the Investment Portfolio that IPPF/RHO administers as a Capital Fund in the United States, registering them in a distinct account to ease their identification.

The Sustainability Trust Fund will be entirely invested in the United States of America. With the objective of being able to benefit from the tax benefits of that country, a Non-Governmental Organization, called APROFAM ONG, will be created in the United States of America which will function in accordance with the norms and by-laws of the SUSTAINABILITY TRUST FUND.

The available funds, which total US$7,593,524.00, will be temporarily invested in the IPPF/RHO Fund named Global Balanced Allocation, which at this moment is being administered by GMO (Grantham, Mayo, Van Otterloo & Co.), for an approximate period of 12 months, and which could be extended if the yield conditions are favorable. The Board of Directors on evaluating the importance of constituting the Sustainability Trust Fund considered the necessity of creating a normative instrument that would regulate the procedures relating to the investments that would be carried out within such Fund in order to achieve the purpose of having it. Therefore, the Board of Directors, exercising their attributions contained in article 31, sections (a) and (b) of the statutes in force, approve the following

BYLAWS OF THE SUSTAINABILITY TRUST FUND

ADMINISTRATIVE, ACCOUNTING AND FINANCIAL PROCEDURES

These bylaws have as an objective the setting of the norms for the administration of the Sustainability Trust Fund, in accordance with the guidelines shared with USAID.

FIRST: DEFINITION OF THE SUSTAINABILITY TRUST FUND

The Sustainability Trust Fund of APROFAM ONG Guatemala is the fund constituted with the institutional reserves arising from the Donor Agencies, the earnings proceeding from the provision of services in general and other licit means in accordance with the nature of the mission of the *Asociación Pro Bienestar de la Familia de Guatemala ONG* and whose nature will be to guarantee the permanence and sustainability of all its programs with special emphasis on the welfare of the Guatemalan family.

When in these bylaws mention is made of the word Fund, it should be understood as a reference to the Sustainability Trust Fund. When it mentions the word Committee, it should be understood as Committee of the Sustainability Trust Fund.

SECOND: USE OF THE SUSTAINABILITY TRUST FUND

APROFAM ONG Guatemala will assign the funds constituted in favor of the Sustainability Trust Fund for the attainment of the purpose and objectives of the Association, and it is expressly forbidden to distribute among the members of the Committee and/or members of the Board of Directors or salaried personnel of APROFAM ONG Guatemala, any earnings, dividends, surpluses or any other type of gain.

THIRD: TERM OF THE FUND

The Sustainability Trust Fund will have an indefinite term, being guided by the purpose and objectives established in these bylaws.

FOURTH: PURPOSE AND OBJECTIVES OF THE SUSTAINABILITY TRUST FUND

The principal objective of the Sustainability Trust Fund is to guarantee the achievement of the purpose and objectives of the Social Mission of APROFAM ONG (Guatemala), such as to provide accessible and quality reproductive health and family planning and maternal child health services to the low-income population of Guatemala, in order to contribute towards improving the quality of life of the inhabitants of the country. The social mission of APROFAM can not be changed without the approval of USAID or its representative. The objective of the Sustainability Trust Fund will be to be a financial instrument that will allow APROFAM ONG (Guatemala) to achieve the independence and self-sufficiency for identifying and resolving economic problems in order to comply with the development of its programs based on its social mission, using suitable financial tools to increase its capital funds.

FIFTH: STRUCTURE OF THE COMMITTEE OF THE SUSTAINABILITY TRUST FUND

The Committee will be constituted as a semi-autonomous unit, under the structure and governance of APROFAM ONG (Guatemala), and will be integrated in the following manner:

a) The President of the Board of Directors.

b) The Executive Director of APROFAM ONG.

c) The Financial Manager of APROFAM ONG.

d) Two members of the Voluntary Group of Associates with financial experience (these members are elected by the Assembly and will serve for three years, except the first time, in order that they are changed alternately to how the Board of Directors is changed).

e) A voluntary financial expert who is of recognized prestige, proposed by the Executive Director of APROFAM ONG (Guatemala) and approved by the Board of Directors, with the appointment evidenced in the minutes. This advisor can be removed with the vote of five members of the committee.

f) The Controller of IPPF/RHO.

g) A representative of USAID, with voice but without vote, until the termination of the direct assistance of USAID. Once the period of direct assistance finishes, USAID will designate a representative to look out for the interests of the government of the United States of America in the Committee of the Sustainability Trust Fund, for the time that USAID deems necessary.

SIXTH: SESSIONS

The committee will ordinarily meet at least once a year in the city of New York and extraordinarily whenever convoked by the President of the Board of Directors of APROFAM ONG Guatemala, or when requested by five members of the Committee. The notification must be given at least one week before the meeting is to be held. For such meetings to be valid, and for taking decisions and issuing reports, the presence of the majority of its members (five of seven) will be necessary. Representatives can not be accepted, all the members of the committee have the same voting rights, save what is stipulated in article 5º, section g). All the members of the committee with the right to vote, whether they reside in Guatemala or overseas, will have the right to one vote. The members that can not assist at the meetings, no matter where they are held, will participate by means of video-conferencing, via telephone, via web

page or any other means that is technically feasible. The vote that they issue will be counted as corresponds, but will have to be ratified in writing, in original or via electronic mail duly signed with a digitalized signature, within the interval of a week after the meeting.

SEVENTH: SPECIFIC ATTRIBUTES OF THE MEMBERS OF THE COMMITTEE

The Committee of the Sustainability Trust Fund with the favorable vote of five out of seven of its members will decide the specific attributes and responsibilities of each one of its members, electing for its effect the Coordinator of the committee and its remaining members for a period that will be determined by a majority vote of five votes out of seven. The Committee will also prepare a procedures manual that establishes the protocols for authorization, representation, and others for approval by the Board of Directors. In compliance with these bylaws, the Committee will prepare the above described manual within a term not greater than 90 days from the date of approval of these bylaws.

EIGHTH: RESOLUTIONS

The resolutions will be taken with the vote of two thirds of those integrating the Committee (five votes out of seven). All the resolutions emanating from the Committee will be of a technical nature, which will be recorded in writing and must be presented to the Board of Directors of APROFAM ONG Guatemala, who will approve them.

NINTH: RESPONSIBILITIES OF THE COMMITTEE OF THE SUSTAINABILITY TRUST FUND

The Committee will have the following attributes and responsibilities:

1. Gather information in the market on the return and security provided by the distinct alternatives available in order to be able to advise on the appropriate investment of the Sustainability Trust Fund.

2. Propose the annual investment plans to the Board of Directors of APROFAM ONG (Guatemala), which must be approved by them and be recorded in the minutes. The investments must be made in instruments that have a reasonable return and are absolutely trustworthy. The investment policy will thus be conservative. USAID will participate together with the Board of Directors of APROFAM ONG (Guatemala) in the approval of the investment policy while the Agreement is in force. Once the period of direct assistance finishes, USAID will designate a representative to look out for the interests of the government of the United States of America in the Committee of the Sustainability Trust Fund, for the time that USAID deems necessary.

3. Invest the funds in a qualified financial institution of the United States of America, with the prior approval of the Board of Directors of APROFAM ONG Guatemala, and with the consent of USAID. The committee will prepare the annual investment plans which will be approved by the Board of Directors of APROFAM ONG Guatemala.

4. Recommend to the Board of Directors of APROFAM ONG (Guatemala) the fiscal approach to be adopted by the fund, taking into consideration the fiscal and tax regulations of the country.

5. Review the monthly reports issued by the financial institution and present the results twice a year to the Board of Directors of APROFAM ONG (Guatemala).

6. Maintain the structure of governance, which can only be modified by the unanimous vote of the seven members of the Committee with the joint approval of the Board of Directors of APROFAM ONG (Guatemala) and USAID or its representative.

7. The members of the Committee that reside overseas can participate as established in the sixth point of these bylaws.

TENTH: JOINT OBLIGATION

APROFAM ONG (Guatemala) through its Board of Directors and the Committee of the Fund is committed to complying with the norms, standards, procedures and resolutions for the management of the administrative and financial resources of IPPF/RHO and assuring that the Association maintains the accreditation, and applies the principles of IPPF/RHO on management and governance to the administration of the Sustainability Trust Fund. If the Sustainability Trust Fund was to be used for different purposes than those for which it was created, the Committee of the Fund and the Board of Directors will be responsible to the General Assembly of Partners and will have the responsibility of replacing the funds that were misused, and to comply with any other sanction in accordance with the Statutes of the Association and the laws in force in the country.

ELEVENTH: PROHIBITIONS OF REMUNERATION AND LOANS

The members of the Committee of the Sustainability Trust Fund will not have the right to receive any payment or remuneration for the voluntary services that they provide as members of it and will be reimbursed only for expenses incurred in relation to the work and activities carried out for the Sustainability Trust Fund of APROFAM ONG.

TWELTH: AUDIT OF THE SUSTAINABILITY TRUST FUND

The Sustainability Trust Fund will be audited in the following manner:

1. Within the annual external audit of APROFAM ONG (Guatemala) that will be contracted for all its programs. The auditors must give their opinion on the fund separately, but within the same report.

2. By an annual external auditor of APROFAM ONG (USA) contracted by the Committee of the Sustainability Trust Fund in the annual meeting in the United States of America.

THIRTEENTH: DISSOLUTION OF THE SUSTAINABILITY TRUST FUND

The Fund can be dissolved for the following cause:

Because APROFAM ONG (Guatemala) is dissolved, in accordance with the procedures established in Articles 61, 62 and 63 of the Statutes in force of APROFAM ONG. If APROFAM ONG Guatemala ceases to exist, the Sustainability Trust Fund will be transferred, with the prior approval of USAID or its representative, to another NGO that carries out the social mission of APROFAM of providing accessible and quality services of reproductive health and family planning to the low-income population of Guatemala.

FOURTEENTH: SANCTIONS

If the Sustainability Trust Fund were to be used for different purposes than those for which it was created, the Committee of the Fund and the Board of Directors will be responsible to the General Assembly of Associates. In any case, APROFAM ONG (Guatemala) will be jointly responsible with the Committee of the Fund and the Board of Directors for the reposition of the misused funds and to comply with any other sanction in accordance with the Statutes of the Association and the laws in force in the country.

FIFTEENTH: ACCOUNTING AND CONTROL OF THE SUSTAINABILITY TRUST FUND

The Sustainability Trust Fund will have the following internal control and records:
1. It will be registered within the financial and accounting system of APROFAM ONG (Guatemala) as an investment account.

2. The accounting of APROFAM ONG (USA) will be recorded as an independent company within the financial and accounting system.

3. The accounting department of APROFAM ONG (Guatemala) will be responsible for the filing and custody of all the documentation supporting the transactions carried out, and registering the transactions that correspond to the Fund and preparing the monthly reports on the movements in the Fund.

4. The treasury department of APROFAM ONG (Guatemala) will prepare the quarterly movement report and the cash flow for the following quarter of the Sustainability Trust Fund.

SIXTEENTH: UPDATING THE PROCEDURES

When it is necessary to modify or add to a procedure established in these bylaws, be it for a change in the structure of the Committee or for other circumstances that hamper the operations described in the prevailing procedures, any member of the committee may present the pertinent proposals for their discussion and opinion of the full Committee of the Sustainability Trust Fund, who will unanimously present their technical report to the Board of Directors of APROFAM ONG (Guatemala) for their approval.

SEVENTEENTH: TRANSITORY

1. By virtue of the constitution of the Sustainability Trust Fund of APROFAM ONG (Guatemala), for this one time only the Board of Directors of APROFAM ONG (Guatemala) will be the one to authorize the transfer of this fund, without having the opinion of the Committee of the Sustainability Trust Fund established in Article Nine and in resolution JD0505-31 dated March 16, 2005.

2. In accordance with the previous section and the need to constitute the Fund, as a prior requirement to signing the new Cooperative Agreement between USAID and APROFAM ONG, the Board of Directors agrees to incorporate part of the reserve funds of APROFAM ONG constituted as the Sustainability Trust Fund into the Investment Portfolio that IPPF/RHO administers as a Capital Fund in the United States of America, registering them in a separate account to ease their identification, in accordance with resolution JD05050-31 dated March 16, 2005. The investment will be made in the same product that IPPF/RHO is working with at this moment, which is called Global Balanced Allocation, administered by GMO (Grantham, Mayo, Van Otterloo & Co.), for an approximate period of 12 months, which could be extended according to the agreement subscribed with IPPF/RHO, if the investment yields are favorable.

3. The Board of Directors considers that of the total amount of reserves that the institution has at this moment, it will apply 100% to the establishment of the Sustainability Trust Fund, that 59% of such Fund should be applied to capitalization of interest for the purposes of long-term growth and contraceptive security between 2005 and 2009, while the remaining percentage should be disbursed during the period between 2005 and 2006 for institutional investments and for the modernization plans.

4. The use of the interest earned by the Sustainability Trust Fund may only start after October 1, 2009, once the Cooperative Agreement with USAID ends on September 30, 2009.

EIGHTEENTH: APPROVAL OF THE BYLAWS

These bylaws will enter into effect on the day following their approval by the Board of Directors of APROFAM ONG (Guatemala) and USAID.

Guatemala, April 8, 2005

Anexo 9

- Summary of Indicators for Intermediate Results I and II
- Delivery of Methods by Program

SUMMARY OF INDICATORS FOR INTERMEDIATE AND LOWER LEVEL RESULTS

PERIOD: JANUARY-DECEMBER 1998----JANUARY-DECEMBER 2001

No.	INDICATOR	GOAL 1998	ACHIEVED 1998	% ACHIEVED/GOAL 1998	GOAL 1999	ACHIEVED 1999	% ACHIEVED/GOAL 1999	GOAL 2000	ACHIEVED 2000	% ACHIEVED/GOAL 2000	GOAL 2001	ACHIEVED 2001	% ACHIEVED/GOAL 2001
INTERMEDIATE RESULT NO. I													
1	Couple Years of Protection	135,187	211,247	156%	227,884	255,864	112%	239,218	240,281	100%	240,000	258,003	108%
2	Number of new users of family planning services	14,413	53,857	374%	40,646	69,290	170%	60,000	107,949	180%	81,000	107,438	133%
3	Number of return visits for family planning services	53,487	88,804	166%	112,247	132,176	118%	100,000	103,720	104%	120,000	86,831	72%
4	Number of Pap smears	44,124	51,880	118%	80,000	118,601	148%	100,000	135,506	136%	120,000	119,208	99%
5	Number of births attended	451	548	122%	1,000	981	98%	900	1,175	131%	1,000	1,381	138%
6	Number of women that receive at least two prenatal care visits	16,481	25,136	153%	30,000	34,849	116%	31,150	38,479	124%	35,000	38,098	109%
7	Percent of voluntary health promoters providing an integrated package	10%	14.25%	143%	25%	98.00%	392%	25%	98%	392%	98%	100%	102%
8	Number of household visits made by educators and voluntary promoters.	20,000	99,519	498%	170,000	158,190	93%	170,000	195,473	115%	195,000	204,270	105%
9	Number of children under five years that received oral rehydration or additional liquids	NA	822	ND	500	4,389	878%	1,000	3,384	338%	3,500	5,949	170%
10	Number of cases of pneumonia of children under five years treated in clinics.	NA	594	ND	1,300	1,284	99%	1,300	1,438	111%	1,500	1,564	104%
11	Number of medical working days or campaigns in rural areas.	5	13	260%	44	88	200%	90	101	112%	112	217	194%
12	Number of minimum units for community care established.	6	2	33%	7	11	157%	13	14	108%	3	1	33%
13	Number of maternal child health consultations carried out in the clinics.	17,300	31,857	184%	24,000	71,215	297%	65,185	74,074	114%	70,000	72,925	104%
14	Percent of adequate diagnostics in the cytology laboratory	NA	NA	NA	NA	100%	ND	97-100%	100%	100%	NA	NA	NA
15	Percent of cases that merited and received follow-up in the mobile unit	NA	NA	NA	NA	NA	NA	100%	NA	ND	NA	NA	NA
16	Index of bed occupancy	NA	NA	NA	NA	15-90%	ND	25-90%	15-90%	ND	NA	NA	NA
17	Number of requests for equipment attended to in the equipment center	NA	NA	NA	NA	NA	NA	100%	100%	100%	NA	NA	NA
18	Percent of quality control results in the clinical laboratory that are within the range permitted by the protocol.	NA	NA	NA	NA	100%	ND	100%	100%	100%	NA	NA	NA
19	Percent of patients satisfied with the ultrasound service and medical treatment based on the exit surveys	NA	NA	NA	NA	90%	ND	95-100%	92.50%	ND	NA	NA	NA
20	Percent of patients satisfied with the convenience, the treatment and the services provided based on the exit surveys	NA	NA	NA	NA	92%	ND	80-100%	78%	ND	85-100%	78%	ND
21	Number of adolescents that participated in the educational process organized by trained teachers, monitors and orientators	NA	NA	NA	NA	NA	NA	NA	NA	NA	15,000	11,000	73%
22	Number of maternal child health and sexual and reproductive health courses directed at Mayan leaders and NGO´s	NA	NA	NA	NA	NA	NA	NA	NA	NA	50	53	106%
23	Number of adolescents that participated voluntarily in the mechanical babies program	NA	NA	NA	NA	NA	NA	NA	NA	NA	400	432	108%

SUMMARY OF INDICATORS FOR INTERMEDIATE AND LOWER LEVEL RESULTS

PERIOD: JANUARY-DECEMBER 1998----JANUARY-DECEMBER 2001

No.	INDICATOR	GOAL 1998	ACHIEVED 1998	% ACHIEVED/GOAL 1998	GOAL 1999	ACHIEVED 1999	% ACHIEVED/GOAL 1999	GOAL 2000	ACHIEVED 2000	% ACHIEVED/GOAL 2000	GOAL 2001	ACHIEVED 2001	% ACHIEVED/GOAL 2001
INTERMEDIATE RESULT No. 2													
1	Percent of clinics and health educators with adequate stock of medicines and contraceptives	NA	NA	NA	80%	NA	ND	80%	NA	ND	80%	NA	ND
2	Percent of clinics without stock outs of contraceptives in the last 6 months	NA	NA	NA	90%	89%	99%	90%	94%	104%	95%	91%	96%
3	Percent of promoters without stock outs of contraceptives in the last 6 months	NA	NA	NA	90%	85.5%	95%	90.0%	85.50%	95%	90.00%	85.50%	95%
4	A business plan for each clinic including the cost of each service	NA	7	ND	8	15	188%	8	26	325%	NA	NA	NA
5	Percent of dispatches from central warehouse made in a complete manner	NA	NA	NA	100%	95.49%	95%	95%	88%	93%	86%	85%	99%
6	Percent of requisitions to the central warehouse delivered to the urban clinics during the first 5 days	NA	NA	NA	NA	NA	NA	NA	NA	NA	95%	95%	100%
7	Percent of requisitions to the central warehouse delivered to the Rural Development Program during the first 5 days	NA	NA	NA	NA	NA	NA	NA	NA	NA	95%	95%	100%
8	Percent of procurement requests attended during the first 9 days	NA	NA	NA	NA	NA	NA	NA	NA	NA	95%	89%	94%
9	Percent of requests for maintenance of equipment and infrastructure attended to in less than 20 days by the general services department	NA	NA	NA	NA	NA	NA	NA	NA	NA	90%	81%	90%
10	Number of performance evaluations carried out for APROFAM personnel	NA	NA	NA	NA	NA	NA	NA	NA	NA	2	1	50%
11	Number of monitoring and evaluation reports turned in to managers and cost centers	NA	NA	NA	NA	NA	NA	NA	NA	NA	12	12	100%
12	Percent of requests for clothing in laundry attended to in a complete manner	NA	NA	NA	100%	100%	100%	100%	100%	100%	NA	NA	NA
13	Percent of trainings in which there is included a focus on gender equity	NA	NA	NA	NA	NA	NA	100%	100%	100%	NA	NA	NA

NA: NOT AVAILABLE

ND: NOT DETERMINED (GOAL NOT SET)

SUMMARY OF INDICATORS FOR INTERMEDIATE AND LOWER LEVEL RESULTS
PERIOD: JANUARY-DECEMBER 2002----JANUARY-DECEMBER 2004

No.	INDICATOR	GOAL 2002	ACHIEVED 2002	% ACHIEVED/ GOAL 2002	GOAL 2003	ACHIEVED 2003	% ACHIEVED/ GOAL 2003	GOAL 2004	ACHIEVED 2004	% ACHIEVED/ GOAL 2004
INTERMEDIATE RESULT No. I										
1	Couple Years of Protection	258,003	228,713	89%	244,225	247,116	101%	188,454	201,104	107%
2	Number of new users of family planning services	107,438	111557	104%	109,443	118844	109%	71,131	88,038	124%
3	Number of return visits for family planning services	86,831	79899	92%	86,831	73515	85%	65,988	59,342	90%
4	Number of sexual and reproductive health services	340,951	380,058	111%	340,951	300335	88%	334,245	469,478	140%
5	Number of diversified health services	350,657	321,119	92%	350,657	535346	153%	292,503	343,642	117%
6	Number of Pap smears	119,208	135,068	113%	132,000	133322	101%	98,940	96,351	97%
7	Number of children that receive care in the clinics and mobile units	34,301	35,036	102%	35,373	38024	107%	24,172	31,855	132%
8	Number of births attended	1,391	1,742	125%	1,742	2308	132%	1,459	2,267	155%
9	Number of women that receive at least two prenatal care visits	38,098	38,991	102%	38,991	42759	110%	27,911	32,882	118%
10	Number of children and pregnant women that are mobilized from the rural areas in order to assist national vaccination days	79,429	52,527	66%	57,000	17,676	31%	49,630	18,261	37%
11	Number of medical working days or campaigns in rural areas	217	276	127%	264	510	193%	80	420	525%
12	Number of ferrous sulphate, folic acid and multi-vitamin tablets that are distributed in the rural areas	2,360,000	1,855,360	79%	2,547,162	1,729,194	68%	ND	823,785	NA
13	Percent of patients satisfied with the convenience, the treatment and the services provided based on the exit surveys	78%	83%	106%	85%	78%	92%	83%	83%	100%
14	Percent of promoters that are trained in sexual and reproductive health and child health care	95%	100%	105%	100%	100%	100%	95%	100%	105%
15	Number of adolescents that participate in the educative process organized by trained teachers, monitors and orientators	11,000	8,700	79%	11,000	6,783	62%	3,000	1,112	37%
16	Number of adolescents attended to in the integrated services clinic	2,606	3,359	129%	3,359	4,189	125%	2,668	3,399	127%
17	Number of adolescents attended to on the special telephone line	1,932	3,084	160%	3,084	2,074	67%	2,257	2,055	91%
18	Number of active juvenile multipliers	300	753	251%	300	522	174%	775	713	92%
19	Number of referrals made to the different care centers by the juvenile multipliers	3,000	8,400	280%	3,000	3,500	117%	7,750	4,445	57%
20	Number of educational and community establishments where the "learning to live" groups function	200	250	125%	200	200	100%	200	125	63%
21	Number of active organized groups in the "Learning to Live" program	200	250	125%	200	200	100%	200	125	63%
22	Percent of central clinic personnel trained to detect and refer cases of gender-based violence	80%	70%	88%	80%	80%	100%	100%	100%	100%
23	Percent of new users that assist at the services that have been influenced by the publicity campaigns	8%	12%	150%	8%	34%	425%	12%	27%	225%
24	Number of adolescents that voluntarily participate in the mechanical babies program	432	548	127%	1,000	1,554	155%	500	5,094	1019%

SUMMARY OF INDICATORS FOR INTERMEDIATE AND LOWER LEVEL RESULTS
PERIOD: JANUARY-DECEMBER 2002----JANUARY-DECEMBER 2004

No.	INDICATOR	GOAL 2002	ACHIEVED 2002	% ACHIEVED/ GOAL 2002	GOAL 2003	ACHIEVED 2003	% ACHIEVED/ GOAL 2003	GOAL 2004	ACHIEVED 2004	% ACHIEVED/ GOAL 2004
INTERMEDIATE RESULT No. 2										
1	Percent of clinics without stock outs of contraceptives in the last 6 months	90%	92%	102%	90%	94%	104%	90%	95%	106%
2	Percent of educators without stock outs of medicines and contraceptives in the last 6 months	95%	95%	100%	95%	95%	100%	95%	95%	100%
3	Number of NGO´s without stock outs of contraceptives during the last 6 months	80%	100%	125%	80%	100%	125%	85%	100%	118%
4	Number of cost centers in which standard costs are known using CORE	29	29	100%	29	32	110%	28	29	104%
5	Percent of dispatches from the central warehouse carried out in a complete manner	95%	95%	100%	95%	95%	100%	95%	95%	100%
6	Percent of requisitions to the central warehouse delivered to the rural clinics during the first 5 days	95%	97%	102%	95%	94%	99%	95%	95%	100%
7	Percent of requisitions to the central warehouse delivered to the rural development program during the first 5 days	95%	98%	103%	95%	94%	99%	95%	95%	100%
8	Percent of financial sustainability reached in the clinics	120%	122%	102%	125%	119%	95%	117%	120%	103%
9	Percent of financial sustainability reached in the rural development program	50%	52%	104%	57%	58%	102%	60%	64%	107%
10	Percent of institutional financial sustainability	74.87%	75.95%	101%	83%	85%	102%	74.29%	86%	116%
11	Cost per couple year of protection	212.64	169.64	80%	169.64	149.26	88%	217.21	149.26	69%

SUMMARY OF INDICATORS FOR INTERMEDIATE AND LOWER LEVEL RESULTS
PERIOD: OCTOBER-DECEMBER 2004----JANUARY-MARCH 2005

No.	INDICATOR	GOAL 2004	ACHIEVED 2004	% ACHIEVED /GOAL 2004	GOAL 2005	ACHIEVED 2005	% ACHIEVED /GOAL 2005
INTERMEDIATE RESULT No. I							
1	Couple Years of Protection	55,583	62,126	112%	55,583	56,111	101%
2	Number of new users of family planning services	29,256	26,622	91%	29,256	33,550	115%
3	Number of return visits for family planning services	18,778	19,003	101%	18,778	17,723	94%
4	Number of sexual and reproductive health services	80,066	94,167	118%	80,066	99,884	125%
5	Number of diversified health services	120,447	137,706	114%	120,447	151,505	126%
6	Number of Pap smears	33,440	27,751	83%	33,440	25,779	77%
7	Number of births attended	542	800	148%	542	730	135%
8	Number of pre-natal consultations in the clinics	10,454	9,406	90%	10,454	9,784	94%
9	Number of medical working days or campaigns in rural areas	113	115	102%	113	116	103%
10	Percent of patients satisfied with the convenience, the treatment and the services provided based on the exit surveys	83%	83%	100%	83%	84%	101%
11	Number of adolescents attended to in the integrated services clinic	995	1,101	111%	995	1,131	114%
12	Percent of central clinic personnel trained to detect and refer cases of gender-based violence	100%	97%	97%	100%	100%	100%
13	Percent of new users that assist at the services that have been influenced by the publicity campaigns	20%	30%	149%	25%	26%	104%
INTERMEDIATE RESULT No. 2							
1	Percent of clinics without stock outs of medicines and contraceptives in the last 6 months	90%	90%	100%	90%	90%	100%
2	Percent of financial sustainability reached in the clinics	119%	117%	98%	119%	124%	104%
3	Percent of financial sustainability reached in Mobile Medical Units	16%	17%		17%	16%	
4	Percent of financial sustainability reached in the rural development program	79%	80%	101%	80%	85%	106%
5	Percent of institutional financial sustainability	86%	85%	98%	85%	90%	106%
6	Cost per couple year of protection	149.26	149.26	100%	149.26	146.57	98%
7	Creation of the Trust Fund	40%	40%	100%	60%	60%	100%
8	Percentage of progress in the construction of the central clinic building.	5%	3%	60%	4%	4%	100%

DELIVERY OF FAMILY PLANNING METHODS

PERIOD: JANUARY-DECEMBER 2002 --------JANUARY-MARCH 2005

METODS DELIVERED	TOTAL GOAL 2002	TOTAL ACHIEVED 2002	% ACHIEVED/ GOAL 2002	TOTAL GOAL 2003	TOTAL ACHIEVED 2003	% ACHIEVED/ GOAL 2003	TOTAL GOAL 2004	TOTAL ACHIEVED 2004	% ACHIEVED/GOAL 2004	TOTAL GOAL 2005	TOTAL ACHIEVED 2005	% ACHIEVED/ GOAL 2005
Oral Contraceptiveses	720,905	656,095	91%	666,064	644,128	97%	634,000	663,113	105%	159,403	179,169	112%
Noristerat	-	256	0%	-	50	0%	510	4,888	0%	510	1,302	0%
Condoms	2,149,434	1,442,001	67%	1,194,749	1,041,982	87%	958,569	1,659,071	173%	244,849	289,955	118%
IUD	6,066	5,357	88%	6,072	5,190	85%	5,946	4,737	80%	1,073	1,139	106%
Norplant/ Jadelle	808	640	79%	-	869	0%	335	1,407	0%	335	485	0%
Depo-Provera	168,534	139,664	83%	142,765	137,795	97%	155,968	153,371	98%	33,825	41,780	124%
Cycofem	52,170	61,858	119%	63,643	80,160	126%	72,439	99,812	138%	17,638	28,830	163%
Vaginal Tablets	87,300	48,779	56%	44,424	37,620	85%	20,591	22,332	108%	3,591	1,358	38%
Female Sterilizations	10,092	9,079	90%	10,404	10,909	105%	10,427	11,106	107%	2,255	1,970	87%
Male Sterilizations	873	1,039	119%	1,088	1,153	106%	1,060	1,184	112%	282	116	41%
Collar	-		0%	-	-	0%	-	347	0%	-	-	0%
TOTAL OF CYP´s	**258,003**	**228,713**	**89%**	**243,549**	**247,116**	**101%**	**244,037**	**263,230**	**108%**	**55,583**	**56,111**	**101%**