

PDBBI 939

EMBASSY OF THE
UNITED STATES OF AMERICA

Office of Development Affairs
September 28, 1987

Ms. D. Lefakane
Seriti Sa Sechaba Publishers
4th Floor, Room 89
Victory House
Cnr. Fox and Harrison St.
Johannesburg
2017

Subject: Community Outreach and Leadership Development Project
Seriti Sa Sechaba Publishers
Agreement No.: ~~574-030-6055~~-6069-00

Dear Ms Lefakane,

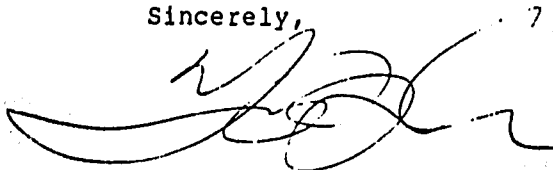
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter "USAID") hereby enters into this Agreement with Seriti Sa Sechaba Publishers (hereinafter "the Recipient"), and obligates the sum of \$150,000 to provide support for a program described in Attachment No 1, entitled "Schedule", and Attachment No. 2, entitled "Program Description", of this Agreement.

This Agreement is effective and obligation is made as of the date of this letter. The Agreement and obligation shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning September 28, 1987 and ending December 30, 1990.

This Agreement is entered into with Seriti Sa Sechaba, Publishers, on condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, "the Schedule", Attachment 2, "Program Description", and Attachment 3, "Standard Provisions". This letter, and the three attachments just described, which have been agreed to by your organization, constitutes the Agreement

Please sign the original and six (6) copies of this letter.
Please then return the original and five (5) copies of this
letter to USAID/Pretoria.

Sincerely,



Timothy J. Bork
Counselor for Development Affairs

ACKNOWLEDGED AND ACCEPTED

Seriti Sa Sechaba Publishers

Dinah P. Lefakane.

By: Ms. Dinah Lefakane.

Title: *Managing Director.*

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions
4. Ninety Day Advance (as applicable)

FISCAL DATA:

Agreement No: 674-0301-G-SS-6069-00

Appropriation: 72-117/81021

BPC: GDS7-87-21674-KG13

Reservation Control No: 8,870,223

Amount: \$150,000

Drafted: A. Marshall

Clearances: Mark Johnson, SPDO (Draft)
Carlos Pascual, Program Officer (Draft)
Donald Keene, RLA (Draft)
Rick Solloway, Controller (Draft)

ATTACHMENT NO. 1

SCHEDULE

I. OVERVIEW OF AGREEMENT

This Agreement provides funds to Seriti Sa Sechaba Publishers, a newly formed publishing house run by women for women, to undertake a program more fully described in Attachment 2, Program Description, over a period of three (3) years.

II. PERIOD OF AGREEMENT

The effective date of this Agreement is September 28, 1987. The expiration date is September 30, 1990, meaning that no USAID funds under this Agreement shall be applicable to goods not furnished or services not performed for the project/program by this date.

III. AGREEMENT FUNDING AND PAYMENT

USAID hereby obligates the sum of \$150,000 for purposes of this Agreement. Additional funds up to the total amount of the Agreement shown above may be obligated by AID subject to the availability of funds, and to the requirements of the Attachment III Standard Provision entitled "Revision of Financial Plan."

IV. FINANCIAL MANAGEMENT

A. Seriti Sa Sechaba Publishers shall be responsible for accounting for all funds provided under this Agreement. Reimbursement for expenses incurred shall be in the form of a monthly submission of invoices, checks, payroll sheets, etc. as further described in Part B of this Section. Included in this Agreement, as Attachment 4, is a one-year budget based upon expected expenditures covered by this Agreement. This budget also reflects quarterly cash flow requirements and represents Seriti Sa Sechaba Publishers' request for a 30-day advance. A sufficient advance of funds will be provided to cover expenses for three months of operations. Execution of this Agreement constitutes USAID approval of the advance, and for AID's internal purposes, earmarks and commits all funds obligated under the Agreement. Any interest earnings from funds provided under this Agreement will be returned to USAID.

B. Disbursement Procedures

1. Local currency disbursements from USAID to Seriti Sa Sechaba Publishers will be made through monthly reimbursements

for expenses incurred during the previous month. Each reimbursement request will include (a) a summary sheet listing in a format compatible with the budget the purpose and amount of all (individual) expenses incurred with a sub-total for each budget line item and a grand total; and (b) copies of paid invoices (not proforma invoices), checks, or other documentary evidence showing that funds were expended and the payee received such funds; e.g. an invoice stamped "paid", a cancelled check, a payroll sheet signed by the employee, etc.

2. Advances. It is recognized that an advance of funds is required, as working capital, to carry-out the purposes of this Agreement. Refer to Section IV A and Attachment 4 which requests such an advance.

(a) As discussed in para B1 above, monthly expenses are reimbursed. As such, USAID will reimburse the Recipient for recurring expenses financed from the advance, but non-recurring expenses financed from the advance will not be reimbursed. Rather than reimburse non-recurring expenses, the amount of the advance will be reduced by the amount. Consequently, when the Recipient submits its monthly reimbursement request per paragraph B.1, it is most important to include those expenses which will be used to reduce the advance balance.

(b) At the end of the Agreement period, any advance balance will be liquidated through submission of paid invoices and/or cash.

(c) Should there be a need to increase the level of the advance, USAID should be notified in writing at least 90 days before the required increase. USAID will advise, in writing of any approved increases. Likewise, USAID reserves the right to decrease the level of this advance should expenditures fall below projected levels.

V. FINANCIAL PLAN

A. The illustrative Financial Plan for this Agreement is set forth in Table 1. Revisions of this Plan shall be made in accordance with Standard Provision 4 of this Agreement, located in Attachment 3 and entitled "Revision of Agreement Budget". All line-item adjustments must receive prior USAID approval.

Table I
Illustrative Financial Plan
US\$

<u>Item</u>	<u>1987/88</u>	<u>1988/89</u>	<u>1989/90</u>	<u>Total</u>
Publication and distribution of books	37,900	13,000	10,600	66,500
Administration costs	21,000	13,600	9,600	44,300
Equipment	35,100	-	-	35,100
Financial Services	<u>2,500</u>	<u>3,000</u>	<u>3,600</u>	<u>9,100</u>
	<u>101,400</u>	<u>29,200</u>	<u>19,400</u>	<u>150,000</u>

B. Level of Assistance

The budget line items provided in Table 1 have been calculated by taking the amounts required by Seriti Sa Sechaba Publishers in South African Rands and then converting these to U.S. Dollars at an exchange rate of R1.85/US\$1. While the Rand amounts are included in [Table 1] for illustrative purposes, the U.S. Dollar totals, and not their Rand equivalents, constitute the binding level of USAID assistance.

Due to exchange rate fluctuations, South African Rands available under any individual item financed under this Agreement may exceed levels budgeted for by Seriti Sa Sechaba Publishers, and thus allow other items to be financed as well. In such an event, Seriti Sa Sechaba Publishers will consult with USAID on the priority use of these funds, and arrangements will be made to amend the Agreement to provide for their expenditure. However, should changes in the exchange rate result in fewer South African Rands being available than budgeted for, Seriti Sa Sechaba Publishers must finance the shortfall since the U.S. dollar amount prevails.

VI. REPORTING

Seriti Sa Sechaba Publishers will submit a semi-annual progress report in a final format to be defined at a later date. USAID will also be supplied with a copy of each book published using Agreement funds, for information, prior to distribution.

VII. OVERHEAD RATE

Not Applicable.

VIII. TITLE OF PROPERTY

Title to all property purchased under this Agreement shall vest in the Recipient in accordance with the terms of Attachment 3, Additional Standard Provision 19, entitled "Title to and Use of Property."

IX. AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for all procurement with AID funds under the Agreement is the United States and Republic of South Africa, meaning that all goods and services financed by this Agreement shall have, with respect to goods, their source and origin and, with respect to services, their nationality in the United States or the Republic of South Africa.

X. LOCAL COST FINANCING

It is hereby specified that the amount of U.S. dollars authorized to be used for local cost financing is the entire amount obligated under this Agreement.

XI. SPECIAL PROVISIONS

A. Conditions Precedent to Disbursement

Accounting. Prior to the disbursement of funds or to the issuance of any commitment documents under the Agreement, the Recipient shall agree to allow USAID to conduct a financial review to confirm that proper financial management systems for accounting and record keeping exist.

B. Covenants

1. Procurement

(a) Scope. This provision is applicable to the extent that local cost financing is otherwise authorized by the Agreement. It does not require procurement in South Africa where off-shore procurement could otherwise occur.

(b) Policy. In the procurement of goods and services in South Africa, the Recipient shall, to the maximum extent practicable, award contracts to individuals or organizations which are disadvantaged by apartheid and which are responsive and appropriate providers of goods and services.

(c) Definitions. Individuals and organizations disadvantaged by apartheid shall mean (1) South African individuals of black, "colored" or Asian descent whose principal place of business is in the Republic of South Africa; and (2) private partnerships or commercial firms which are incorporated in or organized under the laws of the Republic of South Africa, whose principal place of business is in the Republic of South Africa, and which are more than 50 percent beneficially owned by South African persons of black, "colored" or Asian descent. The Republic of South Africa includes the so-called "independent" and "self-governing" homelands and, for the purposes of implementing this provision, Namibia.

2. Except as provided in Section B.1. above, all procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, free and open competition.

XII. STANDARD PROVISIONS

The Standard Provisions applicable to this Agreement are contained in Attachment 3, Standard Provisions.

ATTACHMENT NO. 2

PROGRAM DESCRIPTION AND FINANCIAL PLAN

I. SUMMARY

This Agreement provides funds to Seriti Sa Sechaba Publishers to assist with the publishing and distribution of a number of books by South African women writers, to assist with office running costs for a period of three years, to purchase a desk-top typesetting unit, and to help meet costs of financial services. Seriti Sa Sechaba Publishers is a newly formed publishing house, run by women for women, with the intent of publishing works by women writers throughout South Africa. It also intends to have an educative impact by selling books through a home-based distribution system in order to increase awareness of literature amongst women, and encourage reading.

Seriti Sa Sechaba Publishers also works in close collaboration with the Women in Writing project, a community-based component of the Women's Informal Training Institute, to hold monthly workshops on women writers and their work.

II. BACKGROUND

Seriti Sa Sechaba publishers was formed in 1987, as the first publishing house run by women for women in South Africa. It is a non-profit company, formed with the intent of affirming women by publishing works by women writers throughout South Africa. The publishing house is closely associated with the Women in Writing project which holds monthly seminars on writing and women writers, and also publishes a newsletter.

III. PROBLEM

Women writers have often found difficulty in having their works published, largely due to the commercial nature of most publishing houses. Those houses which are not commercial have, to a large extent, been affirmative of women as far as possible, but have always had to try to balance this with other aspects of their business. It has also been the case that women have not been encouraged to write, due to a variety of socio-cultural factors, and that oftentimes women are ignorant of the works of women writers, and the contribution they have made to culture. It was in response to these problems that Seriti Sa Sechaba publishers was formed, both to be a vehicle for women writers, and also to introduce the works of women writers to a wider audience.

IV. PURPOSE

The purpose of this Agreement is to assist Seriti Sa Sechaba publishers in the initial stage of its existence. Agreement funds are thus provided over a period of three (3) years to finance the

publication and distribution of a number of books; help meet office running costs to level specified in Table 1 (b); cover the cost of purchasing a desk top typesetting unit and assist with costs of financial services.

V. PROGRAM DESCRIPTION

A. Seriti Sa Sechaba publishers is a not for profit company which publishes works by South African women writers. It is closely associated with other not for profit publishing companies in South Africa, and has established links with women's publishing houses in the United States and Britain to handle overseas distribution of its books.

The intent of Seriti Sa Sechaba publishers is to provide a vehicle for women writers, encourage women to write and also to increase the public awareness of women writers and their work. To do this, it works in close connection with the Women in Writing project which holds monthly seminars and publishes a newsletter. In order to make books readily available to women, Seriti Sa Sechaba publishers has evolved a method of distribution, which will use established outlets, and mail order and agent selling systems. Promotion will be at point of sale in both established outlets and at agent selling system outlets, and by distribution of flyers and promotional material at Women in Writing workshops and other cultural events.

Agreement funds will be used to (1) publish and distribute books at rates indicated in Table 1(b) Illustrative Financial plan, breakdown. (2) contribute to office running costs for a three year period as specified Table 1(a); (3) purchase a desk top typesetting unit; and (4) meet costs of financial services.

(1) Seriti Sa Sechaba performs usual publishing house functions such as editing, layout, and design consultancy to women authors. It then contracts with printing houses to print the books. Current printing costs for a single print run of 5000 copies per 80 page soft cover book is R12,500. Actual costs per book are dependent on the number of pages, size of page, design layout etc. Seriti Sa Sechaba hopes to considerably reduce the cost per book by buying paper in bulk and by purchasing a desk-top typesetting unit (see 3 below)

Promotion and distribution costs have been calculated at an additional R5,000 for each print-run, to cover flyers, author talk sessions and postage of books. Postage has been obtained at a discount, bulk rate, and it is estimated that only half of each print run will have to be posted.

Books published using Agreement funds may be fiction or non-fiction but will conform to one or more of the following criteria

- 1) be written by women
 - 2) be affirmative of women's role and status
 - 3) affirm women as individual members of society
 - 4) document, explore or define women's situation under apartheid
 - 5) portray women's contribution to the process of peaceful, beneficial social change
 - 6) focus on women's role change agents in society
 - 7) endeavor to increase understanding of the problems and constraints faced by disadvantaged women in South Africa.
- (2) Agreement funds are provided to assist with office running costs for a period of three years, as indicated in Table 1 a, Illustrative Financial Plan, breakdown. Funds are provided on a decreasing scale over the period covered as Seriti Sa Sechaba hopes to eventually become self-sustaining by the sale of books. It is however, realised by both USAID and Seriti Sa Sechaba, that financial support is necessary in the initial stages, to allow it to establish itself. Seriti Sa Sechaba is a not-for-profit company, and profits from the sale of books will be used to pay authors' fees and enable the publishing house to eventually, become self sustaining. Additionally, Seriti Sa Sechaba earns revenue and provides a service to women's community organizations by providing layout and editing advice for such things as newsletters, pamphlets and reports.
- (3) Agreement funds are provided to purchase a desk top typesetting unit, as this will enable Seriti Sa Sechaba to reduce printing costs considerably by doing its own typesetting. This facility will also enable Seriti Sa Sechaba to expand its outreach service to other organisations and thus increase its revenue from this sources.
- (4) Agreement funds are also provided to assist Seriti Sa Sechaba meet costs of financial services incurred during the implementation of this Agreement.

B. Seriti Sa Sechaba is concerned to be proactive rather than reactive in the area of publishing works for and by women, and thus plans a number of projects which meet this goal, in addition to its community writing seminars. Illustrative of these are competitions to encourage women writers, initiatives to encourage and support the production of non-sexist childrens books, translations of works of women writers into South African languages, cross cultural writing exchange programs, and the publication of books by non-South African women writers.

Although funds are not provided under this Agreement USAID supports this endeavor, and should future financing be available, will respond to proposals submitted by Seriti Sa Sechaba publishers which address the above mentioned and other similar issues. Should Seriti Sa Sechaba become self-sustaining in a shorter period than anticipated, Agreement funds can, with USAID's written approval be utilised for the above mentioned activities

Table 1

Illustrative Financial Plan

US\$

<u>Item</u>	<u>1987/88</u>	<u>1988/89</u>	<u>1989/90</u>	<u>Total</u>
1. Publication and distribution of books	37,000	13,000	10,600	61,500
2. Administration costs	21,000	13,000	9,600	44,300
3. Equipment	35,100	-	-	35,100
4. Financial Services	<u>2,500</u>	<u>3,000</u>	<u>3,600</u>	<u>9,100</u>
Total	101,400	29,200	19,400	150,000

Table 1

Illustrative Financial Plan

SAR

<u>Item</u>	<u>1987/8</u>	<u>1988/9</u>	<u>1989/90</u>	<u>Total</u>
1. Publication and distribution of books	70,000	24,050	19,710	113,760
2. Administration costs	39,000	25,200	17,705	81,905
3. Equipment	65,000	-	-	65,000
4. Financial Services	<u>4,625</u>	<u>5,550</u>	<u>6,660</u>	<u>16,835</u>
Total:	178,625	54,800	44,075	277,500

Table 1(b)

Illustrative Financial Plan, breakdown

	(SAR)			
	1987/88	1988/89	1989/90	Total
1. Publication and distribution of books				
a) Printing costs 1/	50,000	15,500	12,000	77,500
b) Distribution 2/	<u>20,000</u>	<u>8,550</u>	<u>7,710</u>	<u>36,266</u>
subtotal (1)	<u>70,000</u>	<u>24,050</u>	<u>19,710</u>	<u>113,760</u>
2. Administration costs 3/				
a) Salaries	24,000	12,000	9,505	45,505
b) Rental and utilities	6,000	4,200	3,000	13,200
c) Telephone, postage, stationery, photocopying	9,000	9,000	5,200	23,200
Subtotal (2)	<u>39,000</u>	<u>25,200</u>	<u>17,705</u>	<u>81,905</u>
3. Equipment				
a) desk top typesetting unit	65,000	-	-	65,000
4. Financial Services				
	4,625	5,550	6,660	16,835
Total:	<u>178,625</u>	<u>54,800</u>	<u>44,075</u>	<u>277,500</u>

- 1/ The printing costs for 1987/88 have been calculated at an average of R12,500 per print run of 5,000 copies. For 1988/9 and 1989/90 a contribution of 10,000 has been made towards publication costs, with the bulk of the costs being met by the publishers.
- 2/ Distribution costs for 1987/88 have been calculated at R5,000 for each print run. A contribution of R8,500 has been made towards distribution costs for years 1988/9 and 1989/90, with the bulk of the costs being met by the publishers.
- 3/ Administration costs are not fully met by Agreement funds, as a portion will be met by revenue from book sales. Agreement funds are provided on a decreasing scale for this line-item, as the recipient hopefully becomes more self-supporting.

Attachment 4

Annual Budget and Basis for Advance Request

(SAR)

Twelve Month Budget

Line Item	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
1. Publication and distribution of books	52,500	-	17,500	-	70,000
2. Administration costs	9,750	9,750	9,750	9,750	39,000
3. Equipment	-	-	65,000	-	65,000
4. Financial Services	1,156	1,156	1,156	1,156	4,625
Total	<u>63,406</u>	<u>10,906</u>	<u>93,406</u>	<u>10,906</u>	<u>178,625</u>