

Modification 2 to APS 674-07-001

The purpose of this Modification is to a) advise of changes, b) release transcripts of the Pre-Bid Conference and c) provide answers to questions submitted by email.

A. Changes:

1. Page 2: The due date of concept papers for the Treatment component remains December 15th, 2006, but the time is changed from 1700 hours South African time to 1200 hours South African time.
2. Pages 6 and 16 – Eligibility: “Parastatals” is deleted and replaced with “Educational Organizations and Hospital Organizations.”
3. A revised cover page for the UGM component, Annex 1, is added to this Modification.
4. On page 7, we add that envelopes must be clearly marked with the APS No. 674-0-001.

B. Transcripts

Umbrella Grants Management (UGM) APS:

Pre-Bid Conference

19 October 2006, USAID-Pretoria

Q: *How do you measure prevention?*

A: In terms of PEPFAR’s overall goals, the aim is to prevent 7 million infections. While it is obviously difficult to measure this goal, USAID has employed statisticians to design models to measure how many infections have been averted based upon the more measurable process oriented indicators such as number of people reached with AB messages and so on. The South African Strategic Information (SASI) manual available on the PEPFAR website outlines all the indicators used to measure the effect that partners are having on prevention.

Q: *The presentation indicates that the bulk of funding should pass through to sub-partners. Can you define the bulk?*

A: There is no predetermined ratio. USAID has approximately 30 sub-partners who will be assigned to the winners of the UGM APS. Applicants should build their management fee into their budgets. These should be based upon the number and size of grants that applicants anticipate that they have the capacity to manage.

Q: *Will there just be one winner of this APS?*

A: There will be **at least** two awardees, possibly more.

Q: Will USAID be selecting new sub-partners?

A: There is an existing group of approximately 30 organizations that have already been selected as PEPFAR sub-partners. While there may be an opportunity in the future to select new sub-partners, this would involve a new APS process.

Q: Will applicants be rated according to their service delivery areas?

A: Under the UGM APS USAID is not concerned with the program areas in which organizations are operating. The Agency is predominantly interested in identifying organizations that are able to manage grants. Applicants should guard against budgeting for the maximum US\$40 million, but rather assess their capacity for grants management and determine they level of funding they feel confident to manage.

Q: When is the PowerPoint presentation for the oral presentation due?

A: The PowerPoint forms part of the oral presentations which is tentatively scheduled to take place between 15 and 17 November. However, the presentations must be submitted to USAID with supporting documentation by 13 November at 10:00 a.m. South African time to ensure that all applicants have the same amount of time to prepare. These presentations will be loaded on a computer for applicants to present during the oral presentations. Changes or modifications to presentations will not be allowed after they have been submitted to USAID.

Q: How will USAID evaluate the grant to management fee ratio?

A: Applicants need to indicate how much they can manage and how much they will charge as a management fee. For instance, one applicant may indicate the capacity to manage US\$10 million with a US\$10 million management fee while another may indicate the capacity to manage US\$10 million with a US\$2 million management fee.

Q: Will applicants have access to the list of sub-partners in advance to assist with budgeting? For instance fewer organizations with larger budgets will be easier to manage than many organizations with smaller budgets.

A: There is no plan to release a list of sub-partners. Applicants should focus on demonstrating their ability to manage grants, whether it be US\$10 million or US\$30 million.

Q: If an organization is involved in implementation but contracts sub-partners to perform certain activities, should the application be made by the implementing partner or consolidated under the primary partner?

A: Organizations bidding for the Treatment and Related Services APS may appoint sub-partners; however, the UGM APS process is designed to ensure that all applicants are on an equal footing. It would therefore not be equitable for an organization to include sub-partners in its UGM application. Organizations may apply under both the UGM and the Treatment components of the APS.

Q: What process will you use to acknowledge receipt of applications and provide applicants with a date for their oral presentation?

A: Receipts will be issued and applicants will be informed of the date of their oral presentation on the afternoon of 13 November 2006. Please ensure that there is a contact number and contact person who will be available on 13th November 2006. This will be incorporated into the cover sheet of the submission. USAID intends to notify applicants on the afternoon of the 13th November of their designated oral presentation time. Oral presentations are tentatively scheduled for November 15-17, 2006. It is anticipated that the final winners of the UGM component of the APS will be selected by 25 December 2006.

Q: Who can attend the presentation?

A: A maximum of five people from the applicant's organization may attend the presentation. These people should be limited to key members of the organization who will be directly involved in implementation or who are very familiar with the proposal, since there will be a range of questions.

Q: Will there be an opportunity to video conference with US based head offices during the oral presentation?

A: Applicants may choose to have presenters both physically present and via video conference. Please indicate your preference on the cover sheet. If you select video conference, you must also include the contact details of your video conference contact person on the cover sheet, so that USAID may call that person the day before your presentation in order to establish the details for the video connection.

Q: Will you allow three presenters for the same proposal?

A: Yes.

Q: How long should the supporting documents be?

A: The length of supporting documents will vary. The executive summary should be one page but it is difficult to put a page limit on the plans. Submissions must address the items in APS and superfluous information should be avoided.

Q: On page 27 of the APS it states that organizations must be able to demonstrate that they are South African organizations. What does this mean?

A: Organizations need to be registered in South Africa.

Q: Will US organizations with South African experience be eligible to apply under the APS?

A: Eligibility and South African experience are two different things. Yes, U.S. or international organizations are eligible to apply. If an organization is not registered in South Africa this will simply be factored into the overall criteria during the evaluation.

Q: How should organizations go about obtaining a letter of support from the South African government for the UGM application?

A: For the UGM application, organizations will not be required to provide letters of support from the South African government. The winners of the UGM APS will be assigned sub-partners and these sub-partners are required to provide letters of support. Organizations pursuing the Treatment component of the APS will also not be required to provide letters of support for the initial concept paper but will be required for the full proposal submission.

Q: In the UGM APS do organizations need to demonstrate their capacity to manage sub-partners operating in particular service delivery areas?

A: Initially sub-partners will be assigned to the UGM APS winners. At some point in the future there may be another competitive process to identify additional sub-partners at which point there may be some negotiation about the prime partner under which such new partners will fall.

Q: *The Methodist Church is a potential sub-partner, which operates at a national level, as well as provincially across all nine provinces. Would we be required to provide a letter of support from government departments in all nine provinces? It seems very onerous to meet these criteria.*

A: Although letters of support are not part of the UGM APS process sub-partners will be required to provide letters of support. This letter should be from the government department with which your organization works with most closely. For the most part this will be the provincial HAST managers. The South African government has made this request.

Q: *Will the winners of the UGM APS process be matched up with complementary sub-partners operating in similar service delivery areas or will they be assigned sub-partners from across the board?*

A: Organizations that have experience in a particular program area are welcome to address that in their presentations, and this could be factored into the assignments where possible. The focus areas are also a good indicator of where organizations should be pitching their dollar amount. For instance, organizations applying for the full US\$40 million should cover a broader number of service delivery areas. Organizations should, however, be careful not to restrict themselves too much because PEPFAR works in many different areas and many sub-partners work in multiple areas themselves.

Q: *How much capacity building will the winners of the UGM APS be required to conduct?*

A: One of the criteria is the organization's ability to build local organizations; however USAID is not prescribing a specific percentage of time or funds to be spent on capacity building. Individual organizations should indicate the level of capacity building they deem appropriate in their proposals.

Q: *Our organization is involved in treatment and care. Will it change our relationship with USAID if we are assigned to a new UGM? (We are making an application for the Treatment APS). Will we be assigned a new UGM for COP 07?*

A: The winners of the UGM APS will be considered as prime partners. They will not fall under a UGM. It is not yet determined whether winners of the Treatment APS will fall under a UGM. New and existing sub-partners that will fall under a new UGM will do so from September 2007.

Q: *If an organization is registered locally as a single organization but in the US it is registered as two organizations will it be eligible to apply under the APS process?*

A: It is likely that such an organization would be eligible. However, this is a legal stipulation which comes down to who is responsible and who USAID is contracting with. In your case you could apply together as a single entity.

Q: *Is the goal of capacity building to reduce reliance on external funding and what is the source of future funding likely to be? Should the focus be to move away from USAID funding to other donor funding or to South African government funding?*

A: Page 21 of the APS provides a detailed description of capacity building. This question refers to issues of sustainability and capacity building. These are among a number of criteria upon which organizations will be assessed. Capacity building covers a range of topics and organizations need to articulate what they think is best for the sub-partners that they will be managing. Organizations should define their own focus.

Q: Will unsuccessful applicants be given feedback to help them improve their presentations or proposals in the future? Our organization fears being rejected again.

A: USAID will provide some feedback indicating why organizations were not successful. It was not feasible during the previous APS due to the high number of applications. Furthermore, this APS is exclusively being conducted by USAID - it is not multi-agency APS - and USAID's decision is that it will provide feedback.

Q: If a South African organization is awarded the UGM APS will funds be made available in Rands or Dollars? How will the UGM disburse funds to its sub-partners?

A: Organizations should give a rand cost and a dollar cost specifying what they anticipate they will pay in each currency.

For budgeting purposes, cost applications and budgets should be depicted in US Dollars based on an exchange rate of US\$ 6.5:R 1, for the sake of consistency. Organizations will not necessarily be held to this exchange rate.

Q: How will the review committee be comprised?

A: The composition of the review committee has not been finalized. However, it will probably be made up of representatives of USAID and possibly the South Africa government.

Q: At a recent PEPFAR workshop held in Durban it seemed to emerge that Uganda has received a disproportionate amount of PEPFAR funding, compared to South African funding levels.

A: For 2006 South Africa received approximately US\$200 million. USAID is not in a position to comment upon funding levels in Uganda.

Q: How much outsourcing is it appropriate for organizations to do? Will outsourcing be seen in a negative light? Is there any guidance on this issue?

A: There is no guidance and it is up to organizations to determine how much outsourcing they need to do.

Q: Are consortia allowed to apply under the UGM APS?

A: Consortia are not eligible to apply under the UGM APS. USAID is looking for a single organization per award that can manage multiple organizations. One of the purposes of the APS is for the UGM to relieve USAID from some of the management function. USAID is not looking for multiple organizations to manage multiple organizations.

Q: The evaluation criteria on p 25 refer to 'the applicant or primary implementer'. This is misleading in light of the previous question, which suggests that there will only be one implementer.

A: USAID is looking at a single organization per award. Organizations that apply are applicants. The winning organizations will be implementers.

Q: In terms of the composition of the review team, will the South African government representatives be from specific departments?

A: There is a possibility that there will be members of the South Africa government on the review committee. These representatives may be from a variety of departments.

Q: Will future sub-partners be allowed to sub-contract certain activities?

A: Yes this is permissible provided that it is within the scope of their budget and contract.

Q: When do you anticipate signing agreements?

A: It is anticipated that the successful applicants will be notified before 25 December 2006. However, awards have to be negotiated and funds need to be appropriated by Congress, which needs to take place before contracts can be signed. It is unlikely that funding will begin to flow until after June 2007.

Q: Should organizations bring their own laptop computers to the presentations on 13 November 2006?

A: No, organizations will not be permitted to bring their own laptops through security. Organizations should include a CD with their PowerPoint presentations in their submission with their supporting documents on November 13, 2006.

Q: Do you think that you have achieved your goals? Will you be building stronger links with faith-based organizations (FBOs)? Do you think FBOs have a major role to play in term of reducing HIV and AIDS?

A: Three years in to PEPFAR, South Africa is progressing steadily towards its targets. FBOs are an important part of our partner base. Yes, FBOs have an essential role to play in terms of reducing HIV and AIDS, particularly since they are working at the community level. We encourage FBOs to apply under this APS.

Q: Will the UGM just be responsible for payment and evaluations of its sub-partners or is there scope for additional involvement?

A: There is significant scope for UGM involvement. The sub-partners have developed a framework of what they plan to do but there is scope for the UGM to influence how it gets done, as well as monitoring and evaluation, capacity building, and so on.

Q: Would it be possible for USAID to provide UGM APS applicants with a list of the type of information or template of what sub-partners have supplied? This would help applicants to get a sense of what type of information sub-partners have already contributed and where sub-partners will be starting.

A: The sub-partners are all very different because they are operating in different areas. It will not be possible to provide such a template. About twenty of the approximate thirty sub-partners are existing PEPFAR sub-partners. Ten are new and some have had some experience as USAID partners in the past.

Q: Can you provide a list of sub-partners?

A: No, such a list cannot be made available.

Q: There seem to be a limited response to FBO applications. The Methodist Church made a number of applications and was surprised that none were successful. The majority of FBOs also seem to have had little success.

A: Applicants are judged on the basis of their proposals. USAID is eager to include FBOs but applications are not ranked according to this category. A recent assessment revealed that 12% of USAID funding goes to FBOs. Organizations should examine the APS and criteria carefully because applications will be evaluated on the basis of these criteria and how they have been addressed.

Q: Will the UGM have a role in selection of new sub-partners?

A: Sub-partners will be assigned to the UGM. There is a lot of scope for the UGM to play a role in implementation, beyond monitoring and evaluation. The issue of soliciting new partners is dependent upon funding.

Q: Will the UGM be involved in the process of choosing sub-partners under a new APS?

A: No the selection of new partners will always be up to USAID.

Q: Considering that USAID has selected the 30 sub-partners that are to be managed, is aware of the distribution of program areas as well as the geographical distribution of sub-partners, and how much money is being awarded to them, it would make sense for USAID to issue a summary statement or allow applicants to contact the sub-grantees. This would help applicants to determine whether they are in a position to do the work, in terms of capacity, geographic proximity and so on. It seems senseless for applicants to be working in such a vacuum when significant information is available. Would such a summary be made available?

A: No

Q: What is USAID's thinking behind contracting an external organization to manage these grants, rather than simply hiring additional staff?

A: Hiring additional staff at USAID is complicated and there are limits. In essence the UGM APS is hiring an organization to carry out that management role for USAID. It would not be practical for one person to manage 30 sub-partners. The advantage of contracting an external organization is that USAID will have fewer staff and can rely on the UGM to conduct some of the technical assistance that USAID does not have the capacity to do.

Q: Assuming the 30 sub-partners are in all provinces, what is the range of their budgets?

A: Budgets range from US\$500,000 to US\$20 million, across all program areas. The point of this process, however, is for applicants to demonstrate that they can manage grants. USAID has 30 sub-partners, which need to be assigned to at least two organizations. If applicants were provided with all the information they would attempt to handpick their sub-partners or make conditions such as their preference to work in certain provinces and so on. This would make it difficult for both USAID and the applicant. The lack of information about sub-partners is not as much of a constraint as it seems. In the long run it is much easier if applicants identify their capacity for a certain number of projects and the amount of money that is manageable and USAID can in turn apply that information to list of available sub-partners. Furthermore, amongst the 30 sub-partners there are also sub-sub-partners. Basically USAID is looking for flexibility.

Q: Are new sub-partner applications possible under this APS process? How would they fit in?

A: Applications for new sub-partners are welcome under the HIV and AIDS Treatment and Related Services component of the APS but not welcome under the UGM APS process.

Q: One of the main purposes of the UGM is to develop capacity. Can my organization apply under PEPFAR if we want to build human capacity of our staff?

The purpose of the UGM is to manage grants. Organizations that want to manage grants should apply. Before applying, organizations should review the APS and ensure that they are able to meet the criteria.

Q: Where does the management of sub-partners end? Obviously it would include financial oversight, and monitoring and evaluation but would it include the conducting of external audits or would this still be a function of USAID?

A: The contractual relationship is still one from prime partner to sub-partner. The winner of the UGM will become a prime partner and all of the responsibilities of the prime partner will apply. For instance, organizations with over US\$300,000 will be audited by USAID.

Q: What do organizations need to demonstrate they can manage – sub-grants or cooperative agreements or contracts? Will the instrument between the UGM and the sub-partners and the sub-sub-partners be a grant? Can sub-partners do outsourcing?

The general principle in contracting is that the requirement drives the instrument so it is probable that these will be grants but this is to be confirmed. Only USAID may do Cooperative Agreements (CA). The instrument between USAID and the UGM will be a CA. The instrument between the UGM and the sub-partner will be a sub-grant.

Q: It has been suggested that sub-contracts are not permissible because consortia are not acceptable.

A: There is a difference between a consortium and a sub-contract. A consortium is a joint bid not a contract or sub contract relationship. Sub-contracting is permissible. However, USAID is looking for an organization that can manage grants and will probably not select and organization that plans to outsource this component. Thus USAID is also looking for an organization that has the in-house capacity to manage the sub-partners but if necessary to outsource certain aspects. In summary, consortia are not permissible and sub-contracts are not prohibited. It depends what an organization is outsourcing and how closely this is linked to the primary function of grant management.

Q: Is this the only pre-bid conference or is there a similar one happening in the US?

A: No, this conference is only being conducted in South Africa because it is a locally managed program. The presentations you see here, together with the transcript, will be in a modification in the website.

Notes:

- The agreement mechanism between USAID and the Umbrella Grant Managers will be a cooperative agreement (CA).
- Applicants must adhere strictly to the specified timeframes for oral presentations, as presentations will be terminated after 45 minutes.
- Organizations need to specify who they will be bringing for the presentation for security purposes. This information must be included in the cover sheet of the proposal, which will be modified to accommodate this information.

HIV and AIDS Treatment and Related Services APS:

Pre-Bid Conference

19 October 2006, USAID-Pretoria

Q: What is meant by 'full cost application'?

A: A description of the cost application is contained in Annex 10 on page 46. In the review process there is a separate review for cost and technical issues. The APS outlines exactly what should be in the cost application.

Q: Since the deadline is the same for the UGM can the deadline for submissions be extended to mid November?

A: It is quite a tight APS but six weeks is not unreasonable. In addition, the deadlines are not the same. The deadline for the UGM component is November 13, 2006, and the deadline for the concept paper under the Treatment component is December 15, 2006.

Q: Would a Memorandum of Understanding (MOU) be considered as a letter of support?

A: If you have a signed MOU from a provincial government representative it would suffice as South African government approval of your program.

Q: If an organization is operating in different provinces, will they be required to indicate their support in each province?

A: Yes, letters of support demonstrating provincial government approval are likely to be necessary from all provinces where an organization is operating (although this is still to be confirmed). At the concept paper stages letters of support are not necessary. These will be necessary in the full proposal stage.

Q: Would training and capacity building fall under the category of Treatment and Related Services.

A: Yes

Q: Is there a minimum cost share requirement?

A: It is not a requirement although it is encouraged. This is being left up to the individual organizations to determine what they are able to give to the program.

Q: How scientific does your cost share have to be, especially when working with the Department of Health?

A: USAID understands that this can be difficult. Technically it is intended to be by line item and organizations are required to report on it in their financial reports.

Q: Are there two new sub-partnerships on offer at this time?

A: There is a minimum of three new partnerships available. There is no maximum - it depends on the quality of submissions.

Q: When are organizations likely to receive the funding?

A: The mandate comes from Congress, which is what can delay the process but it is hoped that the money will be available in early 2007.

Q: Is there a cap on the amount of funding allowed in a country?

A: No

Q: When does the contract get signed?

A: We are hoping to make the selection within 30 to 60 days. Then the contracting process begins and it is difficult to predict how long this will take.

Q: Can we add onto the treatment component and introduce new activities?

A: Existing partners would be required to submit a plan for new activities. This would involve adding onto activities under their current partnership. A new agreement will be drawn up over and above the existing agreement. Administratively they will be under a new CA from September 2007. Organizations should be realistic – there is a wide range between US\$3 and US\$30 million and they should position themselves appropriately.

Q: Is there a geographical focus for the APS?

A: No; the treatment target is simply to provide 500,000 people with treatment in South Africa.

Q: Can proposals incorporate cross-border collaborations, for instance with Lesotho or Swaziland?

A: The funds awarded for this APS must be used for South Africa.

Q: How is treatment measured?

A: In the South African Strategic Information (SASI) Manual, available on the PEPFAR website, there are indicators that look at how and when training is quantified. If you are providing resources to someone on treatment in a government facility you can count them but check the indicators to confirm your specific case.

Q: Are applicants required to purchase ARVs?

A: This is up to the applicant. South Africa is fortunate because the South African government is a huge supporter of HIV and AIDS programs.

Q: Where should applicants purchase ARVs? Are only US ARVs permissible?

A: According to Geographic Code 935 ARVs do not have to be purchased from any specific country. Organizations that are invited to apply will be provided with more information.

This information would be useful from a budgeting point of view. To date it has been a US brand purchased in South Africa approved by the US FDA. There is a new list about what is purchasable on the main PEPFAR website.

Notes:

- No single Cooperative Agreement can get more than US\$80 million over the life of its agreement. The capacity for this APS is no more than US\$ 30 million per year over a two-year period.

C. Answers to questions received by email

Q.1. In the directions for preparing oral presentations and supporting documents there is no mention of the Curriculum Vitae of Key Personnel. Will USAID not require the submission of CVs for Key Personnel as part of this APS process? If not, will applicants be permitted to submit CVs in their supporting documents?

A. CVs of key personnel (up to a maximum 5 pages per CV) should be included in support documentation.

Q.2. Is it necessary that the oral presentation follow the exact outline and order included on pages 22 and 23 of the APS, or may presenters organize these points in a different way, so long as all the points listed are covered?

A. It is preferred that the oral presentation follow the format on pages 22 and 23. However, applicants will not be penalized if the format is deviated from as long as all the points listed are covered.

Q.3. USAID has noted that limited display materials will be permitted. Are applicants required to submit copies of display materials with their presentations and supporting documents on November 13, or should they bring copies of these materials to the presentations?

A. Display materials are to be part of the oral presentation and do not need to be submitted in advance. Handouts at the oral presentation are not permitted.

Q.4. PowerPoint presentations often include notes that guide the speech of the presenter(s). Does USAID require that applicants include a copy of these notes in their submission on November 13?

A. No USAID does not require this and these notes must not be included.

Q.5. Annex 12, which provides details about past performance references, requests that applicants provide “a list of all U.S. Government and/or privately funded contracts, grants, contracts etc. performed by the organization and major implementing partners or sub-partners in the last five years involving program similar to the program proposed in their application.” Does USAID desire that applicants provide a list of all similar programs implemented in the past five years? In the case of some applicants this may be a rather lengthy list. If this is the case, please clarify what is meant by “privately-funded contracts.” Does this apply only to grants and contracts from private sector companies and foundations, or does this also apply to contracts and grants received from bi-and multi-lateral donors outside of the US Government?

A. All Past Performance for the last five years should be submitted.

Q.6. The APS makes it clear that the cost application will not be presented at the oral presentation and will be reviewed by a separate panel. Does this mean that applicants may not talk about any cost items during the presentation (e.g. may an applicant discuss the ratio of the total amount of grants made to administration costs)?

A. The Oral Presentation and Supporting Documentation is the technical application. Costs will be evaluated separately from this. The separate cost review panel will be comprised of the technical review team plus representatives from the Financial Management Control Office and the Acquisition and Assistance Office.

Q.7. Please confirm truth of assumption as stated: "South African organization" means "national or international organization registered in South Africa."

A. This is true.

Q.8. Is it acceptable to have one expatriate "Chief of Party/Team Leader" based in the South Africa Regional Office of organization that has a home office in the USA? Or is this disallowed/discouraged? That is, does "**any expatriate involvement is limited to home office oversight**" mean the any expatriate staff member must be based in the USA at the home office, NOT in South Africa at the regional office?

A. This is not disallowed, but minimum expatriate presence in country (South Africa) is encouraged regardless of position.

Q.9. Is there an oral presentation required for the Tier One treatment applications?

A. No this applies to the Umbrella Grant Management Component only.

Q.10. The treatment proposal states that it must be no more than 5 pages. These are not the same restrictions for the Supporting Documents for the UGM. Are there limits and restrictions on the documentation for the UGM application?

A. The 5 page limit applies to concept papers for the Treatment Component only. Guidelines for the UGM application and supporting documents are in Annex 3 as well as this modification.

Q.11. The UGM states that the first application is due on November 13; however, the Treatment proposals do not state when the 1st Tier submissions are due. When do 1st Tier Treatment applications need to be submitted?

A. Page 2 of the APS give the date for which Treatment concept papers are due. Treatment concept papers are due December 15, 2006. The time is changed to 1200 hours South African time.

Q 12 APS 674-07-001, Section B, Topic: PREVENTION, Section 5, reads as following: "Abstinence/be faithful - activities (including training) to promote abstinence, fidelity, delay of sexual activity, partner-reduction messages, and prevention for HIV-infected people."

However, If I correctly read Section B. Treatment and Related Services Component of APS 674-07-001 in its entirety, moneys to be distributed for prevention is tied to a mandatory Treatment clause.

We are a not for profit education-based NGO with 20 years of experience in South Africa working with in excess of 50,000 rural learners and OVCs annually, in KwaZulu-Natal. We work in communities with the highest incidences of HIV/AIDS, where our audience is 90+% pre-sexual activity, where Section B: of APS 674-07-001 would be most effective. As an education organization, are we disqualified in applying for PEPFAR funding under APS-674-07-001?

A. No organizations are disqualified if they meet the eligibility criteria. We are, however seeking partners for carrying out HIV and AIDS treatment. Please see the treatment indicators on pages 13 and 14 of the APS.

Q.13. The UGM component budget may be assumed to cover support to grantees to build management capacity as outlined in the APS. Are we correct in assuming that no funds, within this Component, are to be employed for implementation expenditures, as these funds will be supplied through the Treatment Component?

A. The UGM and Treatment components are separate components with separate funding and the funding will not be integrated.

Q.14. Do the existing umbrella grants mechanism partners have an unfair advantage because they know the current grantees, technical scope, geographic location and budgets?

A. All applicants will be evaluated solely on the criteria as defined in Annex 4 of the APS.

Q.15. As stated in Annex 4, the grants are scheduled to start September 1, 2007 while the period of performance is expected to be two years. Does USAID expect the period of performance for this award to be June 2007 – August 2009 so that the grants go through a complete two year cycle, or is the second year of grant funding abbreviated?

A. As stated on page 2, paragraph 4, of the APS, “Each agreement will be awarded for an initial period not to exceed two years. It is possible that project extensions beyond two years will be granted pending project success and availability of funds. Funding is not expected to be available before May/June 2007, after which rapid project implementation will be expected.”

Q.16. Could USAID kindly confirm whether the UGM partners will be involved in the grantee selection process or serve only as grants management partners?

A. UGM partners will not be involved in sub grantee selections processes. Please see paragraph 4, page 3, of the APS.

Q.17. If USAID's response to the question above is that the UGM partners would only serve as a grants management partners, could USAID provide additional information as to how they envision the UGM partners describing a technical approach and proving its ability to monitor results during the oral presentation without knowing the nature and number of organizations to be managed?

A. The applicant should focus on its technical approach to grants management and related services, not necessarily the technical approach of its sub-partners. Please see Technical Approach, Section B of Annex 4, "UGM Application Evaluation Criteria" for more information.

Q.18. How should we budget for subagreements? For example, how many subagreements should we be budgeting for? And, at approximately what amount? The APS mentions 30 subagreements that need to be managed, is that per selected UGM partner, or total?

A. Approximately 30 subagreements is the current total of sub-partners.

Q.19. Is USAID seeking a UGM partner that can manage subagreements nationally, or is USAID looking for several UGM partners who will each focus on geographic regions?

A. Nationally.

Q.20. On page 25 of the APS, in the UGM Application Evaluation Criteria, the second bullet states "implementation is to be carried out by a South African organization and South African staff." Does this mean that all in country staff must be South African? Or will organizations receive fewer points if non South African staff is proposed?

A. This question has been answered in the transcript of the pre bid application workshop held on October 19, 2006. See above response to questions 8.

Q.21. On page 23 of the APS, in the Supporting Documents section, it states that the Executive Summary should include summary of proposed activities, description of strategy and activities, background and anticipated results. However, it also indicates that the Executive Summary should be one page. Is that the maximum page length for this Executive Summary, or a suggested length? Also is there a total page limit for the Supporting Documents to the UGM proposal?

A. The Executive Summary should be only one page. There is no total page limit for supporting documentation. However, as stated, submitting superfluous material as attachments will detract from the application.

Q.22. In describing capacity building activities for the UGM component of the APS, it is difficult to predict what specific capacity building needs organizations will require. How detailed should these capacity building activities be? Should proposed activities address each possible technical area the organizations the UGM might serve could need assistance with?

A. Yes, it is unfortunately difficult to predict. Although it is not necessary to address each technical area, the applicant should describe what capacity building services they could provide or would offer, and how they would offer them. The level of detail included is up to the applicant.

Q.23 On page 32 of the APS, number 5 (Financial Resources) indicates that USAID is requesting the organization's projected budget and cash flow of the organization. What kind of documentation does USAID expect to receive showing that information?

A. 3 years audited financial statement and a breakdown of costs for the activity.

Q.24. Also on page 32 of the APS, number 5 (Financial Resources) asks for approval of the organizations accounting system by a U.S. government agency. Does an established NICRA with the U.S. Government satisfy this requirement?

A. Approved NICRA will satisfy this requirement.

Q.25. Video conferencing – We anticipate having one of our staff hand deliver the proposal and remain in country for the oral presentation. We also anticipate having other key members of the organization participate at the oral presentation via video conferencing. Will this be acceptable to USAID?

A. This is acceptable. Please see the UGM Cover Letter, annex 1 to this modification for maximum attendees.

Q.26. Pre-bid Conference Minutes – Are the minutes from the pre-bid conference available for review? If not when will they be?

A. Transcript of the pre bid conference is included in this modification.

Q.27. Scoring subgrant applications and selecting subgrantees - Does USAID have a preference regarding the make-up of the applications review committee? That is, is there a preference to have this committee composed only of the recipient's staff, qualified individuals outside the recipient's organization, USAID staff, or a representative mixture from these groups?

A. The only regulation regarding the make-up of the review committee is that USAID represent a majority of the participants.

Q.28. Q: If we are successful in being awarded the Umbrella Grants Management component of the APS (funding opportunity number 674-07-001-APS), would we still be able to qualify for PEPFAR project funding or would we be excluded from applying for further PEPFAR funding?

A: A currently- or previously-funded PEPFAR partner would still be eligible for PEPFAR funding as long as there is not a conflict of interest or the appearance thereof. As we have stated, organizations can bid for both the UGM and Treatment awards simultaneously, so USAID would have to assess on a case-by-case basis whether there is a conflict of interest or the appearance thereof. In addition, if receiving additional PEPFAR funding implies receiving it from multiple USG agencies, please note that the PEPFAR Task Force prefers to avoid multiple USG agencies funding one partner organization, so the general interest would be to eventually consolidate all funding in one USG agency in order to maximize efficiency.

No further questions will be accepted.

END OF MODIFICATION.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
IN SUPPORT OF PEPFAR
APS COVER SHEET – UGM APPLICATION

Organization Name: _____

Project Name: _____

Contact Name: (please note that this contact person must be available November 13th to be notified of the presentation date and time):

Title: _____

Address: _____

City: _____

State/Province: _____

Country: _____

Zip Code: _____

Telephone: _____

Fax Number: _____

E-mail Address: _____

Website (for organization): _____

Type of Organization (choose from the list): _____

(Select one: South African NGO, South African private foundation, South African faith based organization, South African educational institution, South African private company, Educational Organization, Hospital Organization, International NGO, International private foundation, International faith based organization, International educational institution, International private company, South African Government Agency/Entity, International public entity, Other)

Funding Requested Year 1: USD _____

Funding Requested Year 2: USD _____

Select One Only:

Will Make Oral Presentation in Person

Will Make Oral Presentation via Video Conference

Name and telephone number of Oral Presentation Point of Contact (this person must be available for a phone call the day prior to the presentation in order to establish the details for the video connection): _____

Names of persons who will attend the presentation (maximum five people)

1. _____
2. _____
3. _____

4. _____
5. _____