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- 1) The SF 272 and 272a (if necessary) must be submitted via electronic format to the U.S. Department of Health and Human Services (<http://www.dpm.psc.gov>) within 45 calendar days following the end of each quarter. A copy of this form shall also be submitted at the same time to the Cognizant Technical Officer.
- 2) The SF 269 or 269a (as appropriate) must be submitted to the Cognizant Technical officer.
- 3) In accordance with 22 CFR 226.70-72, the original and two copies of all final financial reports shall be submitted to M/FM/CMP-LOC Unit. The electronic version of the final SF 272 or 272a shall be submitted to HHS in accordance with paragraph (1) above.

2. Program Reporting

The Recipient shall submit two copies of a performance report to, the Cognizant Technical Officer, at USAID/Mozambique, JAT Complex, Rua 1231, No. 41, Bairro Central "C" Maputo, Mozambique. The recipient shall submit a monthly progress report and a final report.

The monthly progress reports must be submitted 14 days after the end of the reporting month and shall not exceed 2 pages in size. The format of the report will be jointly agreed between USAID and the grantee and it should contain the following information:

- A narrative summarizing the general progress against the agreed work plan;
- The narrative should also discuss the major issues, constraints, problems and the ways to address them;
- Any proposed changes, adjustments to the work plan or time line must also be included.

3. Final Report

A Final Report shall be submitted within 30 days of the end of the project and shall not exceed 30 pages in size, including annexes. The format of the report will be jointly agreed between USAID and the grantee and it should contain the following information:

- A narrative summarizing the achievements, progress, problems and adjustments made during the course of the survey;
- A very brief description of the data analysis process, including the steps taken to clean the data;
- The tables containing the indicators that were measured, using the clean data;
- A CD-Rom containing the raw data, the clean data, and all files used for data analysis (including do files and others).

A.6 INDIRECT COST RATE



A.7 KEY PERSONNEL

NAME	POSITION
Kate Brownlow	Country Director
Albert Kilian	Senior Technical Advisor
Elizabeth Streat	Technical Advisor

A.8 TITLE TO PROPERTY

Property Title will be vested with the Recipient.

A.10 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this award is 935.

A.11 SUBSTANTIAL INVOLVEMENT

Substantial involvement during the implementation of this Agreement shall be limited to approval of the elements listed below:

- a. Approval of Recipient Implementation Plans.
- b. Approval of specified key personnel assigned to the positions listed below.
- c. Agency and recipient collaboration or joint participation.
- d. Agency Authority to immediately halt a construction activity.

A.12 USAID DISABILITY POLICY (DEC 2004)

- (a) The objectives of the USAID Disability Policy are
 - (1) to enhance the attainment of United States foreign assistance program goals by promoting the participation and equalization of opportunities of individuals with disabilities in USAID policy, country and sector strategies, activity designs and implementation;
 - (2) to increase awareness of issues of people with disabilities both within USAID programs and in host countries;
 - (3) to engage other U.S. government agencies, host country counterparts, governments, implementing organizations and other donors in fostering a climate of nondiscrimination against people with disabilities; and
 - (4) to support international advocacy for people with disabilities. The full text of the policy paper can be found at the following website: http://www.usaid.gov/about_usaid/disability/.
- (b) USAID therefore requires that the recipient not discriminate against people with disabilities in the implementation of USAID funded programs and that it make every effort to comply with the objectives of the USAID Disability Policy in performing the program under this grant or cooperative agreement. To that end and to the extent it can accomplish this goal within the scope of the program objectives, the recipient should demonstrate a comprehensive and consistent approach for including men, women and children with disabilities.

A.13 EXECUTIVE ORDER ON TERRORISM FINANCING (FEB 2002)

The Contractor/Recipient is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the responsibility of the contractor/recipient to ensure compliance with these Executive Orders and laws. This provision must be included in all subcontracts/subawards issued under this contract/agreement.

A.14 FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JAN 2002)

Funds in this agreement, may not be used to finance the travel, per diem, hotel expenses, meals, conference fees or other conference costs for any member of a foreign government's delegation to an international conference sponsored by a public international organization, except as provided in ADS Mandatory Reference "Guidance on Funding Foreign Government Delegations to International Conferences" or as approved by the AO.

-End of Schedule-

PROGRAM DESCRIPTION

Figure 1: Stratification zones for major implementation of malaria vector control interventions in Mozambique: blue=IRS, orange=ITN



The National Malaria Control Program (NMCP) malaria strategic plan for 2007 to 2009 has set the following targets:

- 1) Reduction of severe malaria incidence rate in children under five, from 55 per 10,000 found in 2000 to 41 per 10,000 in 2010 and 22.5 per 10,000 in 2015, and attain the Millennium Development Goal;

- 2) Reduction of severe and complicated malaria mortality rate in children under five, from 2 per 10,000 in 2001 to 1.5 per 10,000 in 2010 and 1 per 10,000 in 2015, thereby achieving the Millennium Development Goal;
- 3) Reduction of the proportionate mortality rate due to malaria in children under five, from 30% found in 2001 to 22.5% in 2010, and 15% in 2015;
- 4) Reduction of malaria parasite prevalence rates in pregnant women from 20% in 2001 to 15% in 2010, and 10% in 2015, thereby achieving the Millennium Development Goal;
- 5) Reduction of case fatality and mortality rates due to malaria in pregnant women;
- 6) Reduction of malaria parasite prevalence rates in the two to nine year age group from 60% in 2001 to 45% in 2010, and 30% in 2015, thereby achieving the Millennium Development Goal;
- 7) Reduction of the case fatality rate due to malaria from 7% in 2001 to 5% by 2010, and 3.5 % in 2015, thereby achieving the Millennium Development Goal;
- 8) Improvement in malaria diagnosis capacity and quality from the current 25-30% to 60% in 2010, and 80% in 2015.

The strategic plan also indicates the following service coverage indicators:

- 1) At least 60% of those at risk of malaria infection should benefit from the most appropriate combination of personal and collective protection measures, including indoor residual spraying (IRS), insecticide-treated mosquito nets (ITN) and other accessible and low-cost interventions by 2010;
- 2) At least 60% of all pregnant women have access to intermittent preventive treatment (IPT);
- 3) At least 60% of malaria cases have rapid access to correct and low-cost treatment within the first twenty-four hours following onset of symptoms;
- 4) Improve malaria diagnosis quality from the current 25-30%, to 60% in 2010 and 80% in 2015.

The indicators to be measured will also be used for the recently awarded Round 6 GFATM Grant which only includes indicators also present in the National Strategic Plan.

Furthermore, Mozambique was announced in 2006 to be one of the 15 African countries chosen for the US President's Malaria Initiative (PMI) and activities for this initiative are about to start. The indicators agreed for the PMI are as follows:

- 1) Proportion of households with a pregnant woman and/or children under five that own at least one ITN;
- 2) Proportion of children under five who slept under an ITN the previous night;
- 3) Proportion of pregnant women who slept under an ITN the previous night;
- 4) Proportion of houses in geographic areas targeted for IRS that were sprayed;
- 5) Proportion of pregnant women and children under five who slept under an ITN the previous night or in a house that was protected by IRS;
- 6) Proportion of women who have completed a pregnancy in the last two years who received two or more doses of IPTp during that pregnancy;
- 7) Proportion of government health facilities that have ACTs available for treatment of uncomplicated malaria; and
- 8) Proportion of children under five with suspected malaria who received treatment with ACTs within 24 hours of onset of their symptoms.

2. Justification

The Mozambican National Malaria Control Program, in collaboration with multiple partners, set high targets for coverage of interventions and reduction in malaria burden as outlined in the National Malaria Strategy. Evidence on progress in rolling out malaria interventions to affected communities has come from several partners and sources including the 2001 RBM Baseline Survey, the 2003 National Demographic and Health Survey (DHS), the 2006 IMCI Survey and the 2006 Health Facility Survey, as well as a number of sub-national surveys. The DHS 2003 showed that the percentage of under fives sleeping under an ITN the previous night was about 10% and that the percentage of pregnant women who slept under an ITN the previous night was 12.5%. The report also revealed the percentage of under fives with fever in the previous 2 weeks who received antimalarial treatment according to national policy within 24 hours from onset of fever was 51%. To date therefore, no comprehensive national malaria survey has been conducted to link coverage of the core malaria interventions and malaria-related burden.

Further justifications of the importance of a nationwide malaria survey are:

- a) The need to measure progress towards achievement of the Abuja Targets and the Millennium Development Goals given the increased malaria control efforts under way in the country;
- b) To collect baseline data to be used for increased funding from PMI, GFATM, World Bank and others;
- c) To collect data that will be used for the stratification of the country's malaria transmission zones;
- d) To complement the integrated health facility surveys which the IMCI Department and NMCP carried out in 2006.

3. Objectives

The main objective of the Malaria Indicator Survey (MIS) will be to establish a baseline so that progress toward achieving the goals and targets set in the NMCP strategic plan 2006-2009 can be measured; as well as to assess the impact of the interventions at a community level in Mozambique

The specific objectives of the Mozambique MIS 2007 are to:

- 1) Determine the prevalence of Plasmodium infection in children between the ages of 6 to 59 months and in pregnant women;
- 2) Determine the prevalence and severity of anemia in children under 5 years of age and in pregnant women;
- 3) Estimate the coverage, possession and use of ITN in communities;
- 4) Assess knowledge, attitudes and behaviors related to malaria;
- 5) Assess the coverage and the acceptance of IRS in communities;
- 6) Determine the coverage and access to ITPp and the compliance, availability and access to ACTs.

4. Study Design

The MIS Mozambique is designed according to the general recommendations for MIS published by the RBM M&E Reference Group (MERG) with changes where necessary to fit the particular country situation. The survey is lead by the National Malaria Control Program and is supported technically and administratively by the country RBM partnership that forms the survey task force.

5. Sample

The sampling frame for this survey is the "Mother Sample" of 1,510 primary sampling units (PSU) of the National Institute of Statistics which in turn is a population proportionate sample based on the 1997 national census with 8,600 PSU. This "Mother Sample" is used for all national surveys in the country until new census data are available.

The domains of the sample are the 11 provinces stratified by urban and rural areas. Based on a 95% confidence interval, a design effect of 2 and a 9% non-response rate the sample size is calculated to provide independent estimates of all indicators by province. A total of 346 PSU have been selected using population proportionate sampling by domain and stratum. Each PSU consists of 4-10 enumeration areas (EA) with on average 120-150 households in the urban stratum and 80-100 households in the rural stratum. One EA is randomly selected in each PSU. During the survey a complete list of households will be made using GPS measurements and the required number of households will be selected randomly, 15 in the rural and 20 in the urban stratum. A household will be defined as all persons "eating from the same pot".

The total households included in the survey are 5,990 which will provide approximately 7,440 interviews with women age 15-49, 3,900 children under age 5 of which 1,000 are expected to have experienced a fever in the last 2 weeks.

6. Questionnaires

Two questionnaires will be used for the Mozambique National Malaria Indicator Survey 2007: the household questionnaire and the women's questionnaire. These questionnaires are based on the model questionnaires developed by the RBM MERG Task Force on Household Surveys and modified in order to be able to collect all necessary variables for the indicators within the National Strategic Plan or other initiatives, such as PMI.

The household questionnaire will be used to list all usual members and visitors of the selected households. Some basic characteristics of each person will be collected including his or her age, sex, education, and relationship to the head of the

household. The household questionnaire will also identify eligible women and collect household characteristics and assets. Malaria-specific issues to be covered in the household questionnaire include:

- a) Indoor residual spraying including whether the house was sprayed in the last year and acceptability of this vector control method; and
- b) Insecticide treated mosquito nets, including household possession, net treatment status, type of ITN (long lasting or conventional) and use of nets among all household members.

The women's questionnaire will be used to collect information from all eligible women aged 15-49. The following topics will be included:

- a) Background characteristics;
- b) Reproduction, birth history, pregnancy status;
- c) General malaria knowledge;
- d) Intermittent preventive treatment for pregnant women; and
- e) Recall of fever episodes among children under five and fever treatment with antimalarials.

Questionnaires will be programmed into Personal Digital Assistants (PDAs) to eliminate the need for paper transcribing, allowing quicker data tabulation, and faster interviewing from available skip patterns.

7. Malaria parasite and anemia testing

Within the household interview teams, only health professionals will be trained to conduct anemia and malaria parasite testing finger prick blood for children aged 6-59 months and pregnant women; this target group will be identified from the household listing and full verbal and written consent will be obtained. Three tests will be performed from a single finger prick including an anemia test using Hemocue HB 201 microcuvettes and analyzers, malaria parasite testing using both a rapid diagnostic tests (RDT), and thick and thin blood smears. Results from the anemia testing and RDT will be available immediately. Thick smears will be fixed after drying and both smears will be stained the same day with Giemsa stain. All stained slides will be read by two independent microscopists masked from RDT results after field work is completed. Slides with discrepant RDT results will be reanalyzed by a third microscopist for final validation. Parasite densities will be calculated by counting the number of asexual stage parasites/500 white blood cells and assuming 8000 white blood cells per microliter of blood. Blood smears will be considered negative if no parasites are found after counting 100 fields.

Because the NMCP in Mozambique has a policy of expanding the use of RDTs for malaria in conjunction with the use of Artemisinin-based Combination Therapy (ACT) for primary treatment of malaria, RDTs will be used to guide treatment of parasitemic children under five and pregnant women during the survey.

Haemoglobin results will be shared with the parent/guardian. For children with haemoglobin levels <8g/dl, the parent/guardian will be given written results, and children will be given the artemisinin-based combination antimalarial treatment according to Mozambican national treatment guidelines, albendazole (if >24 months of age per IMCI guidelines), and an appropriate two-week dosage of daily iron and also referred to a health centre. Children with a positive RDT will receive immediate treatment according to national treatment guidelines. Children already treated with an ACT within the previous two weeks will be referred for treatment with quinine. Children found to be seriously ill, as determined by the survey nurses, will be provided transportation to the nearest health facility.

8. Personal Digital Assistants (PDAs)

PDAs and the software for incorporating the questionnaires and GPS information will be selected after careful review of existing hardware in the country as well as available options and capacities for the necessary software. Once this decision has been made training will be carried out to ensure sufficient capacity is available for the execution of the survey as well as for future work in the country. The finalized PDA forms will be ready for the training of field workers to allow extensive testing and familiarization and to iron out possible bugs. In addition, a team of IT capable staff will be on stand-by during the data collection to ensure timely and efficient transfer of data to the center as well as repair or replace any units that malfunction.

9. Community Sensitization

To prepare surveyed communities for impending field work including a finger stick for anemia and parasite testing, a series of community sensitization measures will be undertaken, in collaboration with community leaders. These will include a general informational letter with a prepared flyer for districts and local communities with information about the purpose, the procedures and the importance of household participation as well as meetings with the relevant community leaders. Further, a series of radio spots will be developed in important languages and aired on local community radio stations with service areas matching the selected EAs.

10. Training, pre-test activities and field work

Data collection for the MIS will take place in April and May 2007. Eleven interviewing teams will carry out the field work. Each team is expected to comprise at least two health professionals. Interviewers as well as health professionals will be selected by provincial and district health management teams in accordance with guidelines agreed by the national survey task force. The health professionals will be registered nurses to guarantee correct treatment and clinical assessment, and laboratory technicians who will be responsible for conducting blood sampling. Teams will be assigned to each of the eleven provinces.

Training will be conducted by the NMCP with strong support from partners in April 2007. The training schedule will include sessions on survey background, questioning methods, the questionnaire, testing procedures, team building issues and the third-stage cluster-level sampling of households. PDAs will be introduced to the interviewers after the questionnaires have been reviewed and participants familiarized with each procedure. A select group of field staff will be chosen to perform nightly staining of blood slides. Selected field officers will be provided detailed instructions on the use and maintenance of the PDAs, including procedures for daily backing up data and battery charging.

A field pre-test of all survey procedures will be conducted in a non sampled EA. Each team will need to practice performing the household listing, joining listed households from distinct PDAs and conducting interviews and testing procedures.

Annex 1: Sampling

Selection of clusters

The procedure for selecting clusters (i.e. EAs) in each stratum will involve:

- (i) Calculating the sampling interval, I , for each stratum

$$I_h = \frac{\sum_{i=1}^{N_h} M_{hi}}{a_h}$$

where M_{hi} is the number of households in EA (or cluster) i and stratum h ,

$\sum_{i=1}^{N_h} M_{hi}$ is the size of the stratum (total number of households in the stratum according to the 2000 census) and a is the number of EAs to be selected in the stratum.

- (ii) Calculating the cumulated size of each EA.

- (iii) Calculating the sampling numbers

$$R, R+I, R+2I, \dots, R + (a-1)I,$$

where R is a random number between 1 and I .

- (iv) Comparing each sampling number with the cumulated sizes of the EAs.

The first EA (or cluster) whose cumulated size is equal to or greater than the random number generated in (iii) will be selected. The next EA to be selected is the one with cumulated size equal to or greater than $R+I$. Each of the rest of the EAs will be selected using the same procedure, making sure to add I at each subsequent selection (as in Equation 4).

Selection of households

A frame of households will be determined by listing all the households in all the selected Ss. Upon completion of household listing, the household lists will be given new household numbers, which are sampling serial numbers assigned to each household in the cluster. The sampling numbers must be assigned sequentially within each S starting from 1. The total number of households in the S is equal to the last serial number assigned.

In summary, the following steps will be used to select the households:

1. Calculate the sampling interval for each category

$$I = \frac{B}{b}$$

where B is the number of households listed in the selected EA and b is the number of households to be selected in the selected EA.

2. Generate a random number (R) between 1 and the Interval I ; the first selection will hence be R
3. Add the interval to the random number to get the next selection
4. Add the interval repeatedly until you get your desired sample size.

Estimation Procedure

Weights

Due to the non-proportional allocation of the sample to the different strata, sampling weights are required to ensure actual representativity of the sample at national level. The sampling probabilities at first-stage selection of EAs and probabilities

of selecting the households, will be used to calculate the weights. The weights of the sample are equal to the inverse of the probability of selection.

The probability of selecting cluster i was calculated as

$$P_{hi} = \frac{a_h M_{hi}}{\sum_{i=1}^{N_h} M_{hi}}.$$

The weight or boosting factor is, thus, given as

$$w_{hi} = \frac{1}{P_{hi}}$$

where: p_{hi} is the first stage sampling probability of (EA), a_h is the number of EAs selected in stratum h , M_{hi} is the size (households according to the Census frame) of the i^{th} EA in stratum h , and $\sum M_{hi}$ is the total size of stratum h .

The selection probability of the household was calculated as:

$$p_h = \frac{n_h}{N_h}$$

where n_h = the number of households selected from stratum h , N_h = the total number of households in stratum h .

Let y_{hij} be an observation on variable Y for the j^{th} household in the i^{th} S of the h^{th} stratum. Then the estimated Total for the h -th stratum is:

$$y_h = \sum_{i=1}^{a_h} \sum_{j=1}^{n_h} w_{hi} y_{hij}$$

where, y_h is the estimated total for the h -th stratum., w_{hi} is the weight for the j^{th} household in the i -th S of the h -th stratum, $i=1-a_h$ is the number of selected clusters in the stratum, $j=1-n_h$ is the number of sample households in the stratum. The national estimate is given by:

$$y = \sum_{h=1}^H y_h$$

where, y is the national estimate, $h=1, \dots, H$ is the total number of strata. For this survey, $H = 3$ (the rural/urban and the intervention districts taken as a separate domain).

STANDARD PROVISIONS

STANDARD PROVISIONS FOR U.S., NONGOVERNMENTAL ORGANIZATIONS

I. MANDATORY STANDARD PROVISIONS FOR U.S. NONGOVERNMENTAL RECIPIENTS

1. ALLOWABLE COSTS (OCTOBER 1998)

- a. The recipient shall be reimbursed for costs incurred in carrying out the purposes of this award which are determined by the Agreement Officer to be reasonable, allocable, and allowable in accordance with the terms of this award and the applicable* cost principles in effect on the date of this award. The recipient may obtain a copy from the Agreement Officer. Brief definitions of what may be considered as reasonable, allocable, and allowable costs are provided below, however, it is the recipient's responsibility to ensure that costs incurred are in accordance with the applicable set of Cost Principles.
 - (1) Reasonable. Shall mean those costs which are generally recognized as ordinary and necessary and would be incurred by a prudent person in the conduct of normal business.
 - (2) Allocable Costs. Shall mean those costs which are incurred specifically for the award.
 - (3) Allowable Costs. Shall mean those costs which conform to any limitations in the award.
- b. Prior to incurring a questionable or unique cost, the recipient shall obtain the Agreement Officer's written determination on whether the cost will be allowable.
- c. It is USAID policy that no funds shall be paid as profit or fee to a recipient under this agreement or any subrecipient. This restriction does not apply to contractual relationships under this agreement.

[END OF PROVISION]

2. ACCOUNTING, AUDIT, AND RECORDS (OCTOBER 1998)

- a. The recipient shall maintain financial records, supporting documents, statistical records and all other records pertinent to the award in accordance with generally accepted accounting principles formally prescribed by the U.S., the cooperating country, or the International Accounting Standards Committee (an affiliate of the International Federation of Accountants) to sufficiently substantiate charges to this award. Accounting records that are supported by documentation will as a minimum be adequate to show all costs incurred under the award, receipt, and use of goods and services acquired under the award, the costs of the program supplied from other sources, and the overall progress of the program. Unless otherwise notified, the recipient records and subrecipient records which pertain to this award shall be retained for a period of three years from the date of submission of the final expenditure report and may be audited by USAID and/or its representatives.
- b. Foreign for-profit and non-profit organizations that expend \$300,000 or more per their fiscal year in "USAID awards", i.e. as recipients or subrecipients of USAID grants or cooperative agreements, or as cost reimbursable subcontractors of USAID grants or cooperative agreements, shall have an annual audit conducted in accordance with the "Guidelines for Financial Audits Contracted by Foreign Recipients" issued by the USAID Inspector General.
- c. Foreign for-profit and non-profit organizations expending less than \$300,000 per their fiscal year under USAID cost-reimbursable contracts, grants, cooperative agreements, or agreements with host governments shall be exempt from the above financial audit requirements, but are subject to the requirement to make records available upon request for review by USAID officials or their designees.
- d. USAID shall retain the right to conduct a financial review, require an audit, or otherwise ensure adequate accountability of organizations expending USAID funds regardless of the audit requirement.

- e. Foreign organizations that provide USAID resources to other organizations to carry out the USAID program and activities shall be responsible for monitoring their subcontractors or subgrantees. Allowable costs for limited scope subrecipient audits charged to USAID funds shall be limited to one or more of the following types of compliance requirements: activities allowed or unallowed; allowable costs/cost principles; eligibility; matching, level of effort; earmarking; and reporting.
- f. The audit report shall be submitted to USAID within 30 days after completion of the audit; the audit shall be completed, and the report submitted, not later than 9 months after the close of the recipient's fiscal year. The USAID Inspector General will review this report to determine whether it complies with the audit requirements of this award. No audit costs may be charged to this award if audits have not been made in accordance with the terms of this provision. In cases of continued inability or unwillingness to have an audit performed in accordance with the terms of this provision, USAID will consider appropriate sanctions which may include suspension of all or a percentage of disbursements until the audit is satisfactorily completed.
- g. This provision in its entirety shall be incorporated into all subawards with non-U.S. organizations which meet the \$300,000 threshold as described at paragraph (b) of this Provision. Subawards to non-U.S. organizations which are for more than \$10,000 but do not meet the \$300,000 threshold shall at a minimum incorporate paragraph (d) of this Provision. Subawards of grants and cooperative agreements made to U.S. organizations shall state that the U.S. organization is subject to the audit requirements contained in OMB Circular A-133.

[END OF PROVISION]

3. PAYMENT ADVANCES AND REFUNDS (OCTOBER 1998)

- a. Recipients shall maintain advances of USAID funds in interest bearing accounts, unless:
 - (1) the recipient receives less than \$120,000 in U.S. Government awards per year;
 - (2) the best reasonably available interest bearing account would not be expected to earn interest in excess of \$250 per year on U.S. Government cash balances; or
 - (3) the depository would require an average or minimum balance so high that it would not be practical to maintain the advance in an interest bearing account.
- b. Interest earned on advances will be remitted to USAID. However, the recipient may retain up to \$250 of interest earnings per account per year, for administrative expenses.
- c. At the time the award expires or is terminated, the following types of funds shall immediately revert to USAID:
 - (1) USAID has obligated funds to the award, but has not disbursed them to the recipient; or
 - (2) USAID has advanced funds to the recipient, but the recipient has not expended them.Notwithstanding (c) (1) and (2) above, funds which the recipient has obligated in legally binding transactions applicable to this award will not revert to USAID.
- d. USAID reserves the right to require refund by the recipient of any amount which the recipient did not spend in accordance with the terms and conditions of this award. In the event that a final audit has not been performed prior to the closeout of this award, USAID retains the right to a refund until all claims which may result from the final audit have been resolved between USAID and the recipient.

[END OF PROVISION]

4. REVISION OF AWARD BUDGET (OCTOBER 1998)

- a. The approved award budget is the financial expression of the recipient's program as approved during the award process.
- b. The recipient is required to report deviations from budget and program plans, and request prior approvals from the Agreement Officer for any of the following reasons:
 - (1) To change the scope or the objectives of the project and/or revise the funding allocated among project objectives.
 - (2) To change a key person where specified in the award, or allow a 25% reduction in time devoted to the project.
 - (3) Additional funding is needed.
 - (4) Where indirect costs have been authorized, the recipient plans to transfer funds budgeted for indirect costs to absorb increases in direct costs or vice versa.
 - (5) The inclusion of costs that require prior approval in accordance with the applicable set of Cost Principles.
 - (6) The transfer of funds allotted for training allowances (direct payment to trainees) to other categories of expense.
 - (7) The recipient intends to contract or subaward any of the work under this award, and such contracts or subawards were not included in the approved award budget.
- c. If specified in the Schedule of the award, the recipient may be further restricted from transferring funds among cost categories. Such a restriction would require the recipient to get the prior approval of the Agreement Officer before making budget shifts which expect to exceed 10% of the total budget.
- d. USAID is under no obligation to reimburse the recipient for costs incurred in excess of the total amount obligated under the award. If the total obligated amount under the award has been increased, the Agreement Officer will notify the recipient in writing of the increase and specify the new total obligated award amount.

[END OF PROVISION]

5. TERMINATION AND SUSPENSION (OCTOBER 1998)

- a. The Agreement Officer may terminate this award at any time, in whole or in part, upon written notice to the recipient, whenever it is determined that the recipient has materially failed to comply with the terms and conditions of the award.
- b. This award may be terminated at any time, in whole or in part, by the Agreement Officer with the consent of the recipient. Both parties shall agree upon termination conditions, including the effective date and, in the case of partial terminations, the portion of the award to be terminated. The agreement to terminate shall be set forth in a letter from the Agreement Officer to the recipient.
- c. This award may be terminated at any time in whole or in part by the recipient upon sending written notification to the Agreement Officer with the following information: the reasons for the termination, the effective date, and, in the case of a partial termination, the portion to be terminated. However, if USAID determines in the case of partial termination that the reduced or modified portion of the award will not accomplish the purposes for which the award was made, USAID may terminate the award in its entirety in accordance with paragraphs (a) or (b) above.

- d. If at any time USAID determines that continuation of all or part of the funding for a program should be suspended or terminated because such assistance would not be in the national interest of the United States or would be in violation of an applicable law, then USAID may, following notice to the recipient, suspend or terminate this award in whole or part and prohibit the recipient from incurring additional obligations chargeable to this award other than those costs specified in the notice of suspension during the period of suspension. If the situation causing the suspension continues for 60 days or more, then USAID may terminate this award on written notice to the recipient and cancel that portion of this award which has not been disbursed or irrevocably committed to third parties.
- e. Termination and Suspension Procedures. Upon receipt of and in accordance with a termination notice as specified above, the recipient shall take immediate action to minimize all expenditures and obligations financed by this award and shall cancel such unliquidated obligations whenever possible. Except as provided below, the recipient shall not incur costs after the effective date of termination.

The recipient shall within 30 calendar days after the effective date of such termination repay to the U.S. Government all unexpended USAID funds which are not otherwise obligated by a legally binding transaction applicable to this award. Should the funds paid by USAID to the recipient prior to the effective date of the termination of this award be insufficient to cover the recipient's obligations in the legally binding transaction, the recipient may submit to the Government within 90 calendar days after the effective date of such termination a written claim covering such obligations. The Agreement Officer shall determine the amount(s) to be paid by USAID to the recipient under such claim in accordance with the applicable Cost Principles.

This provision must be included in all subagreements.

[END OF PROVISION]

6. DISPUTES (OCTOBER 1998)

- a. Any dispute under this award shall be decided by the USAID Agreement Officer. The Agreement Officer shall furnish the recipient a written copy of the decision.
- b. Decisions of the USAID Agreement Officer shall be final unless, within 30 days of receipt of the decision of the Agreement Officer, the recipient appeals the decision to USAID's Assistance Executive. Any appeal made under this provision shall be in writing and addressed to the Assistance Executive, U.S. Agency for International Development, Office of Procurement, 1300 Pennsylvania Ave, N.W., Washington, D.C. 20523. A copy of the appeal shall be concurrently furnished to the Agreement Officer.
- c. In order to facilitate review on the record by the Assistance Executive, the recipient shall be given an opportunity to submit written evidence in support of its appeal. No hearing will be provided.
- d. A decision under this provision by the Assistance Executive shall be final.

[END OF PROVISION]

7. INELIGIBLE COUNTRIES (MAY 1986)

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

[END OF PROVISION]

8. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (JANUARY 2004)

- a. The recipient agrees to notify the Agreement Officer immediately upon learning that it or any of its principals:

- (1) Are presently excluded or disqualified from covered transactions by any Federal department or agency;
 - (2) Have been convicted within the preceding three-years period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice; commission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects your present responsibility;
 - (3) Are presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b); and
 - (4) Have had one or more public transactions (Federal, State, or local) terminated for cause or default within the preceding three years.
- b. The recipient agrees that, unless authorized by the Agreement Officer, it will not knowingly enter into any subagreements or contracts under this grant with a person or entity that is included on the Excluded Parties List System (<http://epls.arnet.gov>). The recipient further agrees to include the following provision in any subagreements or contracts entered into under this award:

DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION (DECEMBER 2003)

The recipient/contractor certifies that neither it nor its principals is presently excluded or disqualified from participation in this transaction by any Federal department or agency.

- c. The policies and procedures applicable to debarment, suspension, and ineligibility under USAID-financed transactions are set forth in 22 CFR Part 208.

[END OF PROVISION]

9. DRUG-FREE WORKPLACE (January 2004)

- a. The recipient agrees that it will publish a drug-free workplace statement and provide a copy to each employee who will be engaged in the performance of any Federal award. The statement must
- (1) Tell the employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in its workplace;
 - (2) Specify the actions the recipient will take against employees for violating that prohibition; and
 - (3) Let each employee know that, as a condition of employment under any award, he or she
 - (i) Must abide by the terms of the statement, and
 - (ii) Must notify you in writing if he or she is convicted for a violation of a criminal drug statute occurring in the workplace, and must do so no more than five calendar days after the conviction.
- b. The recipient agrees that it will establish an ongoing drug-free awareness program to inform employees about
- (i) The dangers of drug abuse in the workplace;
 - (ii) Your policy of maintaining a drug-free workplace;
 - (iii) Any available drug counseling, rehabilitation and employee assistance programs; and
 - (iv) The penalties that you may impose upon them for drug abuse violations occurring in the workplace.

- c. Without the Agreement Officer's expressed written approval, the policy statement and program must be in place as soon as possible, no later than the 30 days after the effective date of this award or the completion date of this award, whichever occurs first.
- d. The recipient agrees to immediately notify the Agreement Officer if an employee is convicted of a drug violation in the workplace. The notification must be in writing, identify the employee's position title, the number of each award on which the employee worked. The notification must be sent to the Agreement Officer within ten calendar days after the recipient learns of the conviction.
- e. Within 30 calendar days of learning about an employee's conviction, the recipient must either
 - (1) Take appropriate personnel action against the employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973 (29 USC 794), as amended, or
 - (2) Require the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for these purposes by a Federal, State or local health, law enforcement, or other appropriate agency.
- f. The policies and procedures applicable to violations of these requirements are set forth in 22 CFR Part 210.

[END OF PROVISION]

10. NONLIABILITY (NOVEMBER 1985)

USAID does not assume liability for any third party claims for damages arising out of this award.

[END OF PROVISION]

11. AMENDMENT (OCTOBER 1998)

The award may be amended by formal modifications to the basic award document or by means of an exchange of letters or forms between the Agreement Officer and an appropriate official of the recipient.

[END OF PROVISION]

12. NOTICES (OCTOBER 1998)

Any notice given by USAID or the recipient shall be sufficient only if in writing and delivered in person or mailed as follows:

To the USAID Agreement Officer and Cognizant Technical Officer, at the addresses specified in the award. To recipient, at recipient's address shown in the award or to such other address designated within the award.

Notices shall be effective when delivered in accordance with this provision, or on effective date of the notice, whichever is later.

[END OF PROVISION]

13. METRIC SYSTEM OF MEASUREMENT (AUGUST 1992)

Wherever measurements are required or authorized, they shall be made, computed, and recorded in metric system units of measurement, unless otherwise authorized by the Agreement Officer in writing when it has found that such usage is impractical or is likely to cause U.S. firms to experience significant inefficiencies or the loss of markets. Where the

metric system is not the predominant standard for a particular application, measurements may be expressed in both the metric and the traditional equivalent units, provided the metric units are listed first.

[END OF PROVISION]

14. EQUAL PROTECTION OF THE LAWS FOR FAITH-BASED AND COMMUNITY ORGANIZATIONS (FEBRUARY 2004)

- a. The recipient may not discriminate against any beneficiary or potential beneficiary under this award on the basis of religion or religious belief. Accordingly, in providing services supported in whole or in part by this agreement or in its outreach activities related to such services, the recipient may not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to actively participate in a religious practice;
- b. The Federal Government must implement Federal programs in accordance with the Establishment Clause and the Free Exercise Clause of the First Amendment to the Constitution. Therefore, if the recipient engages in inherently religious activities, such as worship, religious instruction, and proselytization, it must offer those services at a different time or location from any programs or services directly funded by this award, and participation by beneficiaries in any such inherently religious activities must be voluntary.
- c. If the recipient makes subawards under this agreement, faith-based organizations should be eligible to participate on the same basis as other organizations, and should not be discriminated against on the basis of their religious character or affiliation.

[END OF PROVISION]

15. IMPLEMENTATION OF E.O. 13224 -- EXECUTIVE ORDER ON TERRORIST FINANCING (MARCH 2002)

The Recipient is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the recipient to ensure compliance with these Executive Orders and laws. This provision must be included in all contracts/subawards issued under this agreement

[END OF PROVISION]

16. MARKING UNDER USAID-FUNDED ASSISTANCE INSTRUMENTS (December 2005)

(a) Definitions

Commodities mean any material, article, supply, goods or equipment, excluding recipient offices, vehicles, and non-deliverable items for recipient's internal use, in administration of the USAID funded grant, cooperative agreement, or other agreement or subagreement.

Principal Officer means the most senior officer in a USAID Operating Unit in the field, e.g., USAID Mission Director or USAID Representative. For global programs managed from Washington but executed across many countries, such as disaster relief and assistance to internally displaced persons, humanitarian emergencies or immediate post conflict and political crisis response, the cognizant Principal Officer may be an Office Director, for example, the Directors of USAID/W/Office of Foreign Disaster Assistance and Office of Transition Initiatives. For non-presence countries, the cognizant Principal Officer is the Senior USAID officer in a regional USAID Operating Unit responsible for the non-presence country, or in the absence of such a responsible operating unit, the Principal U.S Diplomatic Officer in the non-presence country exercising delegated authority from USAID.

Programs mean an organized set of activities and allocation of resources directed toward a common purpose, objective, or goal undertaken or proposed by an organization to carry out the responsibilities assigned to it.

Projects include all the marginal costs of inputs (including the proposed investment) technically required to produce a discrete marketable output or a desired result (for example, services from a fully functional water/sewage treatment facility). *An asterisk indicates that the adjacent information is new or substantively revised. 13

Public communications are documents and messages intended for distribution to audiences external to the recipient's organization. They include, but are not limited to, correspondence, publications, studies, reports, audio visual productions, and other informational products; applications, forms, press and promotional materials used in connection with USAID funded programs, projects or activities, including signage and plaques; Web sites/Internet activities; and events such as training courses, conferences, seminars, press conferences and so forth.

Subrecipient means any person or government (including cooperating country government) department, agency, establishment, or for profit or nonprofit organization that receives a USAID subaward, as defined in 22 C.F.R. 226.2.

Technical Assistance means the provision of funds, goods, services, or other foreign assistance, such as loan guarantees or food for work, to developing countries and other USAID recipients, and through such recipients to subrecipients, in direct support of a development objective – as opposed to the internal management of the foreign assistance program.

USAID Identity (Identity) means the official marking for the United States Agency for International Development (USAID), comprised of the USAID logo or seal and new brandmark, with the tagline that clearly communicates that our assistance is “from the American people.” The USAID Identity is available on the USAID website at www.usaid.gov/branding and USAID provides it without royalty, license, or other fee to recipients of USAID-funded grants, or cooperative agreements, or other assistance awards

(b) Marking of Program Deliverables

- (1) All recipients must mark appropriately all overseas programs, projects, activities, public communications, and commodities partially or fully funded by a USAID grant or cooperative agreement or other assistance award or subaward with the USAID Identity, of a size and prominence equivalent to or greater than the recipient's, other donor's, or any other third party's identity or logo.
- (2) The Recipient will mark all program, project, or activity sites funded by USAID, including visible infrastructure projects (for example, roads, bridges, buildings) or other programs, projects, or activities that are physical in nature (for example, agriculture, forestry, water management) with the USAID Identity. The Recipient should erect temporary signs or plaques early in the construction or implementation phase. When construction or implementation is complete, the Recipient must install a permanent, durable sign, plaque or other marking.
- (3) The Recipient will mark technical assistance, studies, reports, papers, publications, audio-visual productions, public service announcements, Web sites/Internet activities and other promotional, informational, media, or communications products funded by USAID with the USAID Identity.
- (4) The Recipient will appropriately mark events financed by USAID, such as training courses, conferences, seminars, exhibitions, fairs, workshops, press conferences and other public activities, with the USAID Identity. Unless directly prohibited and as appropriate to the surroundings, recipients should display additional materials, such as signs and banners, with the USAID Identity. In circumstances in which the USAID Identity cannot be displayed visually, the recipient is encouraged otherwise to acknowledge USAID and the American people's support.
- (5) The Recipient will mark all commodities financed by USAID, including commodities or equipment provided under humanitarian assistance or disaster relief programs, and all other equipment, supplies, and other materials funded by USAID, and their export packaging with the USAID Identity.

- (6) The Agreement Officer may require the USAID Identity to be larger and more prominent if it is the majority donor, or to require that a cooperating country government's identity be larger and more prominent if circumstances warrant, and as appropriate depending on the audience, program goals, and materials produced.
- (7) The Agreement Officer may require marking with the USAID Identity in the event that the recipient does not choose to mark with its own identity or logo.
- (8) The Agreement Officer may require a pre-production review of USAID-funded public communications and program materials for compliance with the approved Marking Plan.
- (9) Subrecipients. To ensure that the marking requirements "flow down" to subrecipients of subawards, recipients of USAID funded grants and cooperative agreements or other assistance awards will include the USAID-approved marking provision in any USAID funded subaward, as follows:

"As a condition of receipt of this subaward, marking with the USAID Identity of a size and prominence equivalent to or greater than the recipient's, subrecipient's, other donor's or third party's is required. In the event the recipient chooses not to require marking with its own identity or logo by the subrecipient, USAID may, at its discretion, require marking by the subrecipient with the USAID Identity."

- (10) Any 'public communications', as defined in 22 C.F.R. 226.2, funded by USAID, in which the content has not been approved by USAID, must contain the following disclaimer:

"This study/report/audio/visual/other information/media product (specify) is made possible by the generous support of the American people through the United States Agency for International Development (USAID). The contents are the responsibility of [insert recipient name] and do not necessarily reflect the views of USAID or the United States Government."

- (11) The recipient will provide the Cognizant Technical Officer (CTO) or other USAID personnel designated in the grant or cooperative agreement with two copies of all program and communications materials produced under the award. In addition, the recipient will submit one electronic or one hard copy of all final documents to USAID's Development Experience Clearinghouse.

(c) Implementation of marking requirements.

- (1) When the grant or cooperative agreement contains an approved Marking Plan, the recipient will implement the requirements of this provision following the approved Marking Plan.
- (2) When the grant or cooperative agreement does not contain an approved Marking Plan, the recipient will propose and submit a plan for implementing the requirements of this provision within 30 days after the effective date of this provision. The plan will include:
 - (i) A description of the program deliverables specified in paragraph (b) of this provision that the recipient will produce as a part of the grant or cooperative agreement and which will visibly bear the USAID Identity.
 - (ii) the type of marking and what materials the applicant uses to mark the program deliverables with the USAID Identity,
 - (iii) when in the performance period the applicant will mark the program deliverables, and where the applicant will place the marking,
- (3) The recipient may request program deliverables not be marked with the USAID Identity by identifying the program deliverables and providing a rationale for not marking these program deliverables. Program deliverables may be exempted from USAID marking requirements when:
 - (i) USAID marking requirements would compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and materials;

- (ii) USAID marking requirements would diminish the credibility of audits, reports, analyses, studies, or policy recommendations whose data or findings must be seen as independent;
 - (iii) USAID marking requirements would undercut host-country government “ownership” of constitutions, laws, regulations, policies, studies, assessments, reports, publications, surveys or audits, public service announcements, or other communications better positioned as “by” or “from” a cooperating country ministry or government official;
 - (iv) USAID marking requirements would impair the functionality of an item;
 - (v) USAID marking requirements would incur substantial costs or be impractical;
 - (vi) USAID marking requirements would offend local cultural or social norms, or be considered inappropriate;
 - (vii) USAID marking requirements would conflict with international law.
- (4) The proposed plan for implementing the requirements of this provision, including any proposed exemptions, will be negotiated within the time specified by the Agreement Officer after receipt of the proposed plan. Failure to negotiate an approved plan with the time specified by the Agreement Officer may be considered as noncompliance with the requirements is provision.

(d) Waivers.

- (1) The recipient may request a waiver of the Marking Plan or of the marking requirements of this provision, in whole or in part, for each program, project, activity, public communication or commodity, or, in exceptional circumstances, for a region or country, when USAID required marking would pose compelling political, safety, or security concerns, or when marking would have an adverse impact in the cooperating country. The recipient will submit the request through the Cognizant Technical Officer. The Principal Officer is responsible for approvals or disapprovals of waiver requests.
 - (2) The request will describe the compelling political, safety, security concerns, or adverse impact that require a waiver, detail the circumstances and rationale for the waiver, detail the specific requirements to be waived, the specific portion of the Marking Plan to be waived, or specific marking to be waived, and include a description of how program materials will be marked (if at all) if the USAID Identity is removed. The request should also provide a rationale for any use of recipient’s own identity/logo or that of a third party on materials that will be subject to the waiver.
 - (3) Approved waivers are not limited in duration but are subject to Principal Officer review at any time, due to changed circumstances.
 - (4) Approved waivers “flow down” to recipients of subawards unless specified otherwise. The waiver may also include the removal of USAID markings already affixed, if circumstances warrant.
 - (5) Determinations regarding waiver requests are subject to appeal to the Principal Officer’s cognizant Assistant Administrator. The recipient may appeal by submitting a written request to reconsider the Principal Officer’s waiver determination to the cognizant Assistant Administrator.
- (e) **Non-retroactivity.** The requirements of this provision do not apply to any materials, events, or commodities produced prior to January 2, 2006. The requirements of this provision do not apply to program, project, or activity sites funded by USAID, including visible infrastructure projects (for example, roads, bridges, buildings) or other programs, projects, or activities that are physical in nature (for example, agriculture, forestry, water management) where the construction and implementation of these are complete prior to January 2, 2006 and the period of the grant does not extend past January 2, 2006.

[END OF PROVISION]

17. VOLUNTARY POPULATION PLANNING ACTIVITIES – MANDATORY REQUIREMENTS (MAY 2006)

Requirements for Voluntary Sterilization Programs

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

Prohibition on Abortion-Related Activities:

- (1) No funds made available under this award will be used to finance, support, or be attributed to the following activities: (i) procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (ii) special fees or incentives to any person to coerce or motivate them to have abortions; (iii) payments to persons to perform abortions or to solicit persons to undergo abortions; (iv) information, education, training, or communication programs that seek to promote abortion as a method of family planning; and (v) lobbying for or against abortion. The term “motivate”, as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options.
- (2) No funds made available under this award will be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilizations as a means of family planning. Epidemiologic or descriptive research to assess the incidence, extent or consequences of abortions is not precluded.

[END OF PROVISION]

[END OF MANDATORY PROVISIONS]

**Required As Applicable Standard Provisions For
Non-U.S., Nongovernmental Recipients**

The following standard provisions are required to be used when applicable. Applicability statements are contained in the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with ADS Chapter 303.3.4. EACH AWARD IS REQUIRED TO HAVE A PAYMENT PROVISION.

1. PAYMENT – ADVANCE (OCTOBER 1998)

(This provision is applicable when the recipient's accounting and financial management systems conform to the standards for funds control and accountability required under: the standard provision of this agreement entitled "Accounting, Audit, and Records", ADS Chapter 303.5.9 and 22 CFR 226.20 through 226.22.)

- a. In accordance with the Standard Provision entitled "Payment Advances and Refund": USAID funds shall not be commingled with other recipient owned or controlled funds; the recipient shall deposit all USAID cash advances in a separate bank account and shall make all disbursements for goods and services from this account.
- b. Advances shall be limited to the maximum, amounts needed to meet current disbursement needs (generally 30 days) and shall be scheduled so that the funds are available to the grantee as close as is administratively feasible to the actual disbursements by the grantee for program costs. Advances made by the recipient to subrecipients or the recipient's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by USAID to the recipient.

Procedures

- c. After receipt of the initial advance, the recipient shall submit a Standard Form 1034 for each upcoming month (30 day period) with the statement "Request for Advance" printed at the top of the form. The recipient may submit a set of these forms on a quarterly basis (i.e. submission of three SF 1034s one for each month in the upcoming quarter). At the end of each quarter the recipient shall submit SF 1034 (marked "Liquidation of Advances") to liquidate the advances of the previous quarter. The recipient may submit a new set of SF 1034s (Request for Advance) once the "Liquidation of Advances" has been submitted. Each SF 1034 shall be identified by the appropriate award number.

(END OF PROVISION)

3. INTERNATIONAL AIR TRAVEL AND TRANSPORTATION (JUNE 1999)

(This provision is applicable when costs for international travel or transportation will be paid for with USAID funds. This provision is not applicable if the recipient is providing for travel with private funds as part of a cost-sharing requirement, or with Program Income generated under the award.)

a. PRIOR BUDGET APPROVAL

In accordance with OMB Cost Principles, direct charges for foreign travel costs are allowable only when each foreign trip has received prior budget approval. Such approval will be deemed to have been met when:

- (1) the trip is identified. Identification is accomplished by providing the following information: the number of trips, the number of individuals per trip, and the destination country(s).
- (2) the information noted at (a)(1) above is incorporated in: the proposal, the program description or schedule of the award, the implementation plan (initial or revisions), or amendments to the award; and
- (3) the costs related to the travel are incorporated in the approved budget of the award.
The Agreement Officer may approve travel which has not been incorporated in writing as required by paragraph (a)(2). In such case, a copy of the Agreement Officer's approval must be included in the agreement file.

b. NOTIFICATION

- (1) As long as prior budget approval has been met in accordance with paragraph (a) above, a separate Notification will not be necessary unless:
 - (i) the primary purpose of the trip is to work with USAID Mission personnel, or
 - (ii) the recipient expects significant administrative or substantive programmatic support from the Mission.

Neither the USAID Mission nor the Embassy will require Country Clearance of employees or contractors of USAID Recipients.

- (2) Where notification is required in accordance with paragraph (1)(i) or (ii) above, the recipient will observe the following standards:
 - (i) Send a written notice to the cognizant USAID Technical Office in the Mission. If the recipient's primary point of contact is a Technical Officer in USAID/W, the recipient may send the notice to that person. It will be the responsibility of the USAID/W Technical Officer to forward the notice to the field.
 - (ii) The notice should be sent as far in advance as possible, but at least 14 calendar days in advance of the proposed travel. This notice may be sent by fax or e-mail. The recipient should retain proof that notification was made.
 - (iii) The notification shall contain the following information: the award number, the cognizant Technical Officer, the traveler's name (if known), date of arrival, and the purpose of the trip.
 - (iv) The USAID Mission will respond only if travel has been denied. It will be the responsibility of the Technical Officer in the Mission to contact the recipient within 5 working days of having received the notice if the travel is denied. If the recipient has not received a response within the time frame, the recipient will be considered to have met these standards for notification, and may travel.
 - (v) If a subrecipient is required to issue a Notification, as per this section, the subrecipient may contact the USAID Technical Officer directly, or the prime may contact USAID on the subrecipient's behalf.

c. SECURITY ISSUES

Recipients are encouraged to obtain the latest Department of State Travel Advisory Notices before travelling. These Notices are available to the general public and may be obtained directly from the State Department, or via Internet. Where security is a concern in a specific region, recipients may choose to notify the US Embassy of their presence when they have entered the country. This may be especially important for long-term posting.

d. USE OF U.S.-OWNED LOCAL CURRENCY

Travel to certain countries shall, at USAID's option, be funded from U.S.-owned local currency. When USAID intends to exercise this option, USAID will either issue a U.S. Government S.F. 1169, Transportation Request (GTR) which the grantee may exchange for tickets, or issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.

e. THE FLY AMERICA ACT

The Fly America Act (49 U.S.C. 40118) requires that all air travel and shipments under this award must be made on U.S. flag air carriers to the extent service by such carriers is available. The Administrator of General Services Administration (GSA) is authorized to issue regulations for purposes of implementation. Those regulations may be found at 41 CFR part 301, and are hereby incorporated by reference into this award.

f. COST PRINCIPLES

The recipient will be reimbursed for travel and the reasonable cost of subsistence, post differentials and other allowances paid to employees in international travel status in accordance with the recipient's applicable cost principles and established policies and practices which are uniformly applied to federally financed and other activities of the grantee. If the recipient does not have written established policies regarding travel costs, the standard for determining the reasonableness of reimbursement for overseas allowance will be the Standardized Regulations (Government Civilians, Foreign Areas), published by the U.S. Department of State, as from time to time amended. The most current subsistence, post differentials, and other allowances may be obtained from the Agreement Officer.

g. SUBAWARDS.

This provision will be included in all subawards and contracts which require international air travel and transportation under this award.

[END OF PROVISION]

4. OCEAN SHIPMENT OF GOODS (JUNE 1999)

(This provision is applicable for awards and subawards for \$100,000 or more and when goods purchased with funds provided under this award are transported to cooperating countries on ocean vessels whether or not award funds are used for the transportation.)

- a. At least 50% of the gross tonnage of all goods purchased under this agreement and transported to the cooperating countries shall be made on privately owned U.S. flag commercial ocean vessels, to the extent such vessels are available at fair and reasonable rates for such vessels.
- b. At least 50% of the gross freight revenue generated by shipments of goods purchased under this agreement and transported to the cooperating countries on dry cargo liners shall be paid to or for the benefit of privately owned U.S. flag commercial ocean vessels to the extent such vessels are available at fair and reasonable rates for such vessels.
- c. When U.S. flag vessels are not available, or their use would result in a significant delay, the grantee may request a determination of non-availability from the USAID Transportation Division, Office of Procurement, Washington, D.C. 20523, giving the basis for the request which will relieve the grantee of the requirement to use U.S. flag vessels for the amount of tonnage included in the determination. Shipments made on non-free world ocean vessels are not reimbursable under this grant.
- d. The recipient shall send a copy of each ocean bill of lading, stating all of the carrier's charges including the basis for calculation such as weight or cubic measurement, covering a shipment under this agreement to:

U.S. Department of Transportation,
Maritime Administration, Division of National Cargo,
400 7th Street, S.W.,
Washington, DC 20590, and

U.S. Agency for International Development,
Office of Procurement, Transportation Division
1300 Pennsylvania Avenue, N.W.
Washington, DC 20523-7900

- e. Shipments by voluntary nonprofit relief agencies (i.e., PVOs) shall be governed by this standard provision and by USAID Regulation 2, "Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies" (22 CFR Part 202).
- f. Shipments financed under this grant must meet applicable eligibility requirements set out in 22 CFR 228.21.

[END OF PROVISION]

5. PROCUREMENT OF GOODS AND SERVICES (OCTOBER 1998)

APPLICABILITY: This provision is applicable when the procurement element of an award is over \$10,000.

PROCUREMENT OF GOODS AND SERVICES (OCTOBER 1998)

The recipient may use its own procurement policies and practices for the procurement of goods and services under this award, provided they conform to all of USAID's requirements listed below and the standard provision entitled "USAID Eligibility Rules For Goods and Services".

a. General Requirements:

- (1)** The recipient shall maintain a written code or standards of conduct that shall govern the performance of its employees engaged in the awarding and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such conflict would arise when the employee, officer or agent, or any member of the employee's immediate family, the employee's partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subagreements. However, recipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.
- (2)** All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The recipient shall be alert to organizational conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals shall be excluded from competing for such procurements. Contracts shall be made to the offeror whose offer is responsive to the solicitation and is most advantageous to the recipient, price, quality, and other factors considered. Solicitations shall clearly establish all requirements that the bidder or offeror shall fulfill in order to be evaluated by the recipient. Any and all offers may be rejected when it is in the recipient's interest to do so.
- (3)** All recipients shall establish written procurement procedures. These procedures shall provide, at a minimum, that:
 - (i)** Recipients avoid purchasing unnecessary items,
 - (ii)** Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement, and
 - (iii)** Solicitations for goods and services provide for all of the following:
 - (A)** A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition.
 - (B)** Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals.
 - (C)** A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.

- (D) The specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitation.
 - (E) The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.
 - (F) Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.
- (iv) Positive efforts shall be made by the recipients to utilize U.S. small business, minority owned firms, and women's business enterprises, whenever possible. Recipients of USAID awards shall take all of the following steps to further this goal:
- (A) Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises. To permit USAID, in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, to give United States small business firms an opportunity to participate in supplying commodities and services procured under the award, the recipient shall to the maximum extent possible provide the following information to the Office of Small and Disadvantaged Business Utilization (OSDBU/MRC), USAID, Washington, D.C. 20523, at least 45 days prior to placing any order or contract in excess of \$100,000:
 - (a) Brief general description and quantity of goods or services;
 - (b) Closing date for receiving quotations, proposals, or bids; and
 - (c) Address where solicitations or specifications can be obtained.
 - (B) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
 - (C) Encourage contracting with consortiums of small businesses, minority-owned firms, and women's business enterprises when a contract is too large for one of these firms to handle individually.
 - (D) Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms, and women's business enterprises.
- (v) The type of procurement instruments used, (e.g. fixed price contracts, cost reimbursable contracts, purchase orders, incentive contracts), shall be determined by the recipient but shall be appropriate for the particular procurement and for promoting the best interest of the program or project involved. The "cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of contracting shall not be used.
- (vi) Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources. Contracts shall not be made with firms or individuals whose name appears on the "Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs." USAID will provide the grantee with copy of this list upon request.

- (vii) Recipients shall, on request, make available for USAID, pre-award review and procurement documents, such as request for proposals or invitations for bids, independent cost estimates, etc., when any of the following conditions apply:
 - (A) A recipient's procurement procedures or operation fails to comply with the procurement standards in this part, and
 - (B) The procurement is expected to exceed \$10,000.

- (viii) The recipient shall document some form of price or cost analysis in its procurement files in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, and market prices, together with discounts.

Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.

- (ix) Procurement records and files for purchases in excess of the recipient's own small purchase threshold shall include the following at a minimum:
 - (A) Basis for contractor selection;
 - (B) Justification for lack of competition when competitive bids or offers are not obtained, and;
 - (C) Basis for award cost or price.

- (x) A system for contract administration shall be maintained to ensure contractor conformance with terms, conditions, and specifications of the contract and to ensure adequate and timely follow up of all purchases. Recipients shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions, and specifications of the contract.

- b. The recipient shall include, in addition to provisions to define a sound and complete contract, the following provisions in all contracts. The following provisions shall also be applied to subcontracts.
 - (1) Contracts in excess of \$10,000 shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.
 - (2) All contracts in excess of \$10,000 shall contain suitable provisions for termination by the recipient, including the manner by which termination will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
 - (3) All negotiated contracts (except those for less than the recipient's small purchase threshold) awarded by the recipient shall include a provision to the effect that the recipient, USAID, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.
 - (4) In all contracts for construction or facility improvement awarded for more than \$100,000, the recipient shall observe generally accepted bonding requirements.
 - (5) Contracts, the principal purpose of which is to create, develop, or improve products, processes, or methods; or for exploration into fields that directly concern public health, safety, or welfare; or contracts in the fields of science or technology in which there has been little significant experience outside of work

funded by the U.S. Government, shall contain a notice to the effect that matters regarding rights to inventions, intellectual property, and materials generated under the contract are subject to the regulations included in these grant provisions. The contractor shall be advised as to the source of additional information regarding these matters.

[END OF PROVISION]

6. USAID ELIGIBILITY RULES FOR GOODS AND SERVICES (SEPTEMBER 1998)

APPLICABILITY: This provision is applicable when the costs for goods or services will be paid for with USAID funds. This provision is not applicable if the recipient is providing for the goods or services with private funds as part of a cost-sharing requirement, or with Program Income generated under the award.

USAID ELIGIBILITY RULES FOR GOODS AND SERVICES (SEPTEMBER 1998)

- a. **Ineligible and Restricted Goods and Services:** USAID's policies on ineligible and restricted goods and services are contained in ADS Chapter 312. (See ADS 312)
- (1) **Ineligible Goods and Services.** Under no circumstances shall the recipient procure any of the following under this award:
 - (i) Military equipment,
 - (ii) Surveillance equipment,
 - (iii) Commodities and services for support of police or other law enforcement activities,
 - (iv) Abortion equipment and services,
 - (v) Luxury goods and gambling equipment, or
 - (vi) Weather modification equipment.
 - (2) **Ineligible Suppliers.** Funds provided under this award shall not be used to procure any goods or services furnished by any firm or individual whose name appears on the "Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs." USAID will provide the recipient with this list upon request.
 - (3) **Restricted Goods.** The recipient shall not procure any of the following goods and services without the prior approval of the Agreement Officer:
 - (i) Agricultural commodities,
 - (ii) Motor vehicles,
 - (iii) Pharmaceuticals,
 - (iv) Pesticides,
 - (v) Used equipment,
 - (vi) U.S. Government-owned excess property, or
 - (vii) Fertilizer.

Prior approval will be deemed to have been met when:

- (i) The item is of U.S. source/origin;
- (ii) The item has been identified and incorporated in the program description or schedule of the award (initial or revisions), or amendments to the award; and
- (iii) The costs related to the item are incorporated in the approved budget of the award. Where the item has not been incorporated into the award as described above, a separate written authorization from the Agreement Officer must be provided before the item is procured.

b. **Source, Origin, and Nationality:** The eligibility rules for goods and services based on source, origin, and nationality are divided into two categories. One applies when the total procurement element during the life of the award is over \$250,000 and the other applies when the total procurement element during the life of the award is not over \$250,000, or the award is funded under the Development Fund for Africa (DFA) regardless of the amount. The total procurement element includes procurement of all goods (e.g. equipment, materials, supplies) and services. Guidance on the eligibility of specific goods or services may be obtained from the Agreement Officer. USAID policies and definitions on source, origin and nationality are contained in 22 CFR 228, Rules on Source, Origin and Nationality for Commodities and Services Financed by the Agency for International Development, which is incorporated into this Award in its entirety. A copy will be provided upon request.

- (1) For DFA funded awards or when the total procurement element during the life of the award is valued at \$250,000 or less, the following rules apply:
 - (i) The authorized source for procurement of all goods and services to be reimbursed under the award is USAID Geographic Code 935, "Special Free World," and such goods and services must meet the source, origin and nationality requirements set forth in 22 CFR 228 in accordance with the following order of preference:
 - (A) The United States (USAID Geographic Code 000),
 - (B) The Cooperating Country,
 - (C) USAID Geographic Code 941, and
 - (D) USAID Geographic Code 935.
 - (ii) **Application of Order of Preference:** When the recipient procures goods and services from other than U.S. sources, under the order of preference in paragraph (b)(1)(i) above, the recipient shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the recipient's documentation:
 - (A) The procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,
 - (B) The price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,
 - (C) Compelling local political considerations precluded consideration of U.S. sources,
 - (D) The goods or services were not available from U.S. sources, or
 - (E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the award.
- (2) When the total procurement element exceeds \$250,000, (unless funded by DFA), the following applies: Except as may be specifically approved or directed in advance by the Agreement Officer, all goods and services financed with U.S. dollars, which will be reimbursed under this award must meet the source,

(including origin) and nationality requirements set forth in 22 CFR 228 for the authorized geographic code specified in the schedule of this award. If none is specified, the authorized source is Code 000, the United States.

- c. **Printed or Audio-Visual Teaching Materials:** If the effective use of printed or audio-visual teaching materials depends upon their being in the local language and if such materials are intended for technical assistance projects or activities financed by USAID in whole or in part and if other funds including U.S.-owned or U.S.-controlled local currencies are not readily available to finance the procurement of such materials, local language versions may be procured from the following sources in order of preference:
- (1) The United States (USAID Geographic Code 000),
 - (2) The Cooperating Country,
 - (3) "Selected Free World" countries (USAID Geographic Code 941),
 - (4) "Special Free World" countries (USAID Geographic Code 899).
- d. If USAID determines that the recipient has procured any of these specific restricted goods under this award without the prior written authorization of the Agreement Officer, and has received payment for such purposes, the Agreement Officer may require the recipient to refund the entire amount of the purchase.
- e. This provision will be included in all subagreements which include procurement of goods or services which total over \$5,000.

[END OF PROVISION]

8. LOCAL PROCUREMENT (OCTOBER 1998)

APPLICABILITY: This provision is applicable when goods or services are procured under the award.

LOCAL PROCUREMENT (OCTOBER 1998)

- a. Financing local procurement involves the use of appropriated funds to finance the procurement of goods and services supplied by local businesses, dealers, or producers, with payment normally being in the currency of the cooperating country. Regardless of which source, origin, and nationality rules in paragraph (b) of the Provision entitled "USAID Eligibility Rules for Goods and Services" apply, these rules may be followed for local procurement. Rules on Ineligible and Restricted goods continue to apply.
- b. Locally financed procurements must be covered by source and nationality waivers as set forth in 22 CFR 228, Subpart F, except as provided for in the Standard Provision "USAID Eligibility Rules for Goods and Services," or when one of the following exceptions applies:
- (1) Locally available commodities of U.S. origin, which are otherwise eligible for financing, if the value of the transaction is estimated not to exceed \$100,000 exclusive of transportation costs.
 - (2) Commodities of geographic code 935 origin if the value of the transaction does not exceed the local currency equivalent of \$5,000.
 - (3) Professional services contracts estimated not to exceed \$250,000.
 - (4) Construction services contracts estimated not to exceed \$5,000,000.
 - (5) Commodities and services available only in the local economy (no specific per transaction value applies to this category). This category includes the following items:
 - (i) Utilities including fuel for heating and cooking, waste disposal and trash collection;

- (ii) Communications - telephone, telex, fax, postal and courier services;
 - (iii) Rental costs for housing and office space;
 - (iv) Petroleum, oils and lubricants for operating vehicles and equipment;
 - (v) Newspapers, periodicals and books published in the cooperating country;
 - (vi) Other commodities and services and related expenses that, by their nature or as a practical matter, can only be acquired, performed, or incurred in the cooperating country, e.g., vehicle maintenance, hotel accommodations, etc.
- c. The coverage on ineligible and restricted goods and services in the standard provision entitled, "USAID Eligibility Rules for Goods and Services," also apply to local procurement.
- d. This provision will be included in all subagreements where local procurement of goods or services will be financed with USAID funds.

[END OF PROVISION]

10 PUBLICATIONS AND MEDIA RELEASES (MARCH 2006)

APPLICABILITY: This provision is applicable when publications are financed under the award.

PUBLICATIONS AND MEDIA RELEASES (MARCH 2006)

- a. The recipient shall provide the USAID Cognizant Technical Officer one copy of all published works developed under the award with lists of other written work produced under the award. In addition, the recipient shall submit final documents in electronic format unless no electronic version exists at the following address:

Online (preferred)

<http://www.dec.org/submit.cfm>

Mailing address:

Document Acquisitions

USAID Development Experience Clearinghouse (DEC)

8403 Colesville Road Suite 210

Silver Spring, MD 20910-6368

Contract Information

Telephone (301) 562-0641

Fax (301) 588-7787

E-mail: docsubmit@dec.cdie.org

Electronic documents must consist of only one electronic file that comprises the complete and final equivalent of a hard copy. They may be submitted online (preferred); on 3.5" diskettes, a Zip disk, CD-R, or by e-mail. Electronic documents should be in PDF (Portable Document Format). Submission in other formats is acceptable but discouraged.

Each document submitted should contain essential bibliographic elements, such as 1) descriptive title; 2) author(s) name; 3) award number; 4) sponsoring USAID office; 5) strategic objective; and 6) date of publication;

- b. In the event award funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the award unless the schedule of the award has identified the profits or royalties as program income.

- c. Except as otherwise provided in the terms and conditions of the award, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this award, but USAID reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for Government purposes.

[END OF PROVISION]

12. REGULATIONS GOVERNING EMPLOYEES (JUNE 1993)

APPLICABILITY: The following applies to the recipient's employees who are not citizens of the cooperating country.

REGULATIONS GOVERNING EMPLOYEES (JUNE 1993)

- a. The recipient's employees shall maintain private status and may not rely on local U.S. Government offices or facilities for support while under this recipient.
- b. The sale of personal property or automobiles by recipient employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire USAID personnel employed by the Mission including the rules contained in 22 CFR Part 136, except as this may conflict with host government regulations.
- c. Other than work to be performed under this award for which an employee is assigned by the recipient, no employee of the recipient shall engage directly or indirectly, either in the individual's own name or in the name or through an agency of another person, in any business, profession, or occupation in the foreign countries to which the individual is assigned, nor shall the individual make loans or investments to or in any business, profession, or occupation in the foreign countries to which the individual is assigned.
- d. The recipient's employees, while in a foreign country, are expected to show respect for its convention, customs, and institutions, to abide by its applicable laws and regulations, and not to interfere in its internal political affairs.
- e. In the event the conduct of any recipient employee is not in accordance with the preceding paragraphs, the recipient's chief of party shall consult with the USAID Mission Director and the employee involved, and shall recommend to the recipient a course of action with regard to such employee.
- f. The parties recognize the rights of the U.S. Ambassador to direct the removal from a country of any U.S. citizen or the discharge from this award of any third country national when, in the discretion of the Ambassador, the interests of the United States so require.
- g. If it is determined, under either (e) or (f) above, that the services of such employee shall be terminated, the recipient shall use its best efforts to cause the return of such employee to the United States, or point of origin, as appropriate.

[END OF PROVISION]

13. PARTICIPANT TRAINING (September 2006)

APPLICABILITY: *This provision is applicable when any participant training is financed under the award.*

PARTICIPANT TRAINING (September 2006)

(This provision is applicable when any participant training or exchange visitor program is financed under the award).

- (a) **Definitions:** A participant is a host-country citizen or resident sponsored for training or capacity development under this award whether within or outside of that individual's home country.
USAID

staff and staff of USAID contractors are not covered under this definition since as they are not eligible for participant training sponsorship.

- (b) **Application of ADS Chapter 252 and ADS 253:** Training under this award shall comply with the policies established in ADS Chapter 252, Visa Compliance for Exchange Visitors and ADS 253, Training for Development. All training management requirements (including TrainNet data entry) shall apply, unless specific exceptions to ADS 252 and ADS 253 have been provided in this award with the concurrence of the Economic Growth, Agriculture and Trade Bureau Office of Education. (See ADS 252 and ADS 253 Directives, available via internet or they may be obtained by submitting a request to the Agreement Officer.)
- (c) **Pre-departure Orientation:** It is required that a pre-departure orientation program be conducted by the Sponsoring Unit, as stated in the Mandatory Reference for ADS 253. Orientation programs create a foundation for technical or academic training by reducing uncertainty and eliminating obstacles to learning. Pre-departure orientation is normally divided into four parts, Program Objectives and Overview, Administrative and Policy Review, Cultural Aspects, and Training/Learning Methods. These topics must be covered in orientations for both U.S. and third-country participants.
- (d) **Exchange Visitor / Participant and Dependent Security and Fraud Risk Inquiry:** ADS 252.3.3 and ADS 253.3.1.2 state that Sponsoring Units must establish a process for conducting a security and fraud risk inquiry to help identify any potential security threats that potential Exchange Visitors / Participants or their accompanying dependents may pose to the United States. Sponsoring Units must include the process for conducting the security risk inquiry in the **Mission Order for Participant Training or a Directive for Participant Training.** (See **ADS 252 and ADS 253**).

End of Provision”

15. PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (OCTOBER 1998)

APPLICABILITY: This provision is applicable when human subjects are involved in research financed by the award.

PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (OCTOBER 1998)

- a. Safeguarding the rights and welfare of human subjects involved in research supported by USAID is the responsibility of the organization to which support is awarded. USAID has adopted the Common Federal Policy for the Protection of Human Subjects, Part 225 of Title 22 of the Code of Federal Regulations (the "Policy"). Additional interpretation, procedures, and implementation guidance of the Policy are found in USAID General Notice entitled "Procedures for the Protection of Human Subjects in Research Supported by USAID", issued April 19, 1995, as from time to time amended. USAID's Cognizant Human Subjects Officer (CHSO) in USAID/W has oversight, guidance, and interpretation responsibility for the Policy.
- b. Recipient organizations must comply with USAID policy when humans are the subject of research, as defined in 22 CFR 225.102(d), funded by the grant and recipients **MUST** provide "assurance", as required by 22 CFR 225.103, that they follow and abide by the procedures in the Policy. See also Section 5 of the April 19, 1995, USAID General Notice which sets forth activities to which the Policy is applicable. The existence of a BONA FIDE, applicable assurance approved by the Department of Health and Human Services (HHS) such as the "multiple project assurance" (MPA) will satisfy this requirement. Alternatively, organizations can provide an acceptable written assurance to USAID as described in 22 CFR 225.103. **SUCH ASSURANCES MUST BE DETERMINED BY THE CHSO TO BE ACCEPTABLE PRIOR TO ANY APPLICABLE RESEARCH BEING INITIATED OR CONDUCTED UNDER THE AWARD.** In some limited instances outside the U.S., alternative systems for the protection of human subjects may be used provided they are deemed "at least equivalent" to those

outlined in Part 225 (See 22 CFR 225.101[h]). Criteria and procedures for making this determination are described in the General Notice cited in the preceding paragraph.

- c. Since the welfare of the research subject is a matter of concern to USAID as well as to the organization, USAID staff consultants and advisory groups may independently review and inspect research and research processes and procedures involving human subjects, and based on such findings, the CHSO may prohibit research which presents unacceptable hazards or otherwise fails to comply with USAID procedures. Informed consent documents must include the stipulation that the subject's records may be subject to such review.

[END OF PROVISION]

16. INDIRECT COST RATES - PROVISIONAL (Nonprofit) (OCTOBER 1998)

APPLICABILITY: This provision is applicable to all recipients whose indirect cost rates under this award are on a provisional basis.

INDIRECT COST RATES - PROVISIONAL (Nonprofit) (OCTOBER 1998)

- a. Provisional indirect cost rates shall be established for the recipient's accounting periods during the term of this award. Pending establishment of revised provisional or final rates, allowable indirect costs shall be reimbursed at the rates, on the bases, and for the periods shown in the Schedule of this award.
- b. The recipient, not later than nine months after the close of each of its accounting periods during the term of this award, shall submit to the Agreement Officer proposed final indirect cost rates with supporting cost data. The proposed rates shall be based on the recipient's actual cost experience during that fiscal year. Negotiations of final indirect cost rates shall begin soon after receipt of the recipient's proposal.
- c. Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the applicable cost principles.
- d. The results of each negotiation shall be set forth in an indirect cost rate agreement signed by both parties. Such agreement is automatically incorporated into this award and shall specify (1) the agreed upon final rates, (2) the bases to which the rates apply, (3) the fiscal year for which the rates apply and (4) the items treated as direct costs. The agreement shall not change any monetary ceiling, award obligation, or specific cost allowance or disallowance provided for in this award.
- e. Pending establishment of final indirect cost rates for any fiscal year, the recipient shall be reimbursed either at negotiated provisional rates or at billing rates acceptable to the Agreement Officer, subject to appropriate adjustment when the final rates for the fiscal year are established. To prevent substantial overpayment or underpayment, the provisional or billing rates may be prospectively or retroactively revised by mutual agreement.
- f. Any failure by the parties to agree on any final rate(s) under this provision shall be considered a dispute within the meaning of the standard provision of the grant, entitled "Disputes".

[END OF PROVISION]

18. TITLE TO AND USE OF PROPERTY (RECIPIENT TITLE; \$50,000 and Under) (OCTOBER 1998)

APPLICABILITY: This provision is applicable only when title to property is vested in the recipient and under \$50,000 in equipment is expected to be procured with USAID funds. Equipment is defined as any tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

TITLE TO AND USE OF PROPERTY (RECIPIENT TITLE; \$50,000 and Under) (OCTOBER 1998)

- a. Title to all property financed under this award shall vest in the recipient.

- b. The recipient agrees to use and maintain the property for the purpose of the award and in accordance with the procedures established in this Provision.
- c. With respect to property having an acquired value of \$5,000 or more, the recipient agrees to report such items to the Agreement Officer as they are acquired and to maintain a control system which will permit their ready identification and location.
- d. Within ninety calendar days after the end of the award, the recipient will provide a list to the Agreement Officer and the Cognizant Technical Officer of each item that has current fair market value of \$5,000 or more with a detailed proposal of what the recipient intends to do with that property. If the Agreement Officer does not respond within 120 calendar days, the recipient may proceed with the disposition of the property. However, if the recipient uses the property for purposes other than those of the award or sells or leases the property, USAID shall be reimbursed of its share of the property unless the Agreement Officer authorizes USAID's share of the income from selling or leasing the property to be used as program income. This share is based upon the percentage of USAID's contribution to the recipient's program. If USAID paid 100% of the recipient's costs, then USAID would receive 100% of the selling cost less a nominal selling fee of \$500 or 10%, whichever is less.

[END OF PROVISION]

21. COST SHARING (MATCHING) (JULY 2002)

APPLICABILITY: This provision is applicable when the recipient is required to provide a matching share or to cost share.

COST SHARING (MATCHING) (JULY 2002)

- a. During the period of this award, the recipient agrees to spend funds from non-U.S. Government sources in an amount at least equal to the amount or percentage of the total expenditures under this award specified in the schedule of the award. The schedule of this award may also contain restrictions on the application of cost sharing (matching) funds. The schedule of the award takes precedence over the terms of this provision.
- b. Eligibility of non-U.S. Government funds applied to satisfy cost sharing (matching) requirements under this award are set forth below:
 - (1) Charges incurred by the recipient as project costs. Not all charges require cash outlays by the recipient during the project period; examples are depreciation and use charges for buildings and equipment.
 - (2) Project costs financed with cash contributed or donated to the recipient by other non-U.S. Government organizations (may include public international organizations or foreign governments and institutions, private organizations, or individuals), and
 - (3) Project costs represented by services and real and personal property, or use thereof, donated by other non-U.S. Government agencies and institutions, and private organizations and individuals.
- c. All contributions, both cash and in-kind, shall be accepted as part of the recipient's cost sharing (matching) when such contributions meet all of the following criteria:
 - (1) Are verifiable from the recipient's records;
 - (2) Are not included as contributions for any other U.S. Government-assisted program;
 - (3) Are necessary and reasonable for proper and efficient accomplishment of project objectives;
 - (4) Are types of charges that would be allowable under the applicable Federal cost principles;
 - (5) Are not paid by the U.S. Government under another grant or agreement (unless the grant or agreement is authorized by U.S. Government law to be used for cost sharing or matching);

- (6) Are provided for in the approved budget when required by USAID; and
- (7) Conform to other provisions of this paragraph.

The source, origin and nationality requirements and the restricted goods provision established in the Standard Provision entitled "USAID Eligibility Rules for Goods and Services" do not apply to cost sharing (matching) expenditures.

- d. Values for recipient in-kind contributions will be established in accordance with the applicable Federal cost principles.
- e. Specific procedures for the recipient in establishing the value of in-kind contributions from non-U.S. Government third parties are set forth below:
 - (1) Valuation of volunteer services: Volunteer services may be furnished by professional and technical personnel, consultants, and other skilled and unskilled labor. Volunteer services may be counted as cost sharing or matching if the service is an integral and necessary part of an approved program.
 - (i) Rates for volunteer services: Rates for volunteers should be consistent with those paid for similar work in the recipient's organization. In those instances in which the required skills are not found in the recipient's organization, rates should be consistent with those paid for similar work in the labor market in which the recipient competes of the kind of services involved. In either case, paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
 - (ii) Volunteers furnished by other organizations: When an employer other than the recipient furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (plus an amount of fringe benefits that are reasonable, allowable, and allocable, but exclusive of overhead costs) provided these services are of the same skill for which the employee is normally paid.
 - (2) Valuation of donated supplies: Donated supplies may include such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to expendable personal property included in the cost (matching) share shall be reasonable and shall not exceed the market value of the property at the time of the donation.
 - (3) Valuation of donated equipment, buildings, and land or use thereof:
 - (i) The method used for charging cost sharing or matching for donated equipment, buildings, and land for which title passes to the recipient may differ according to the purpose of the award as follows:
 - (A) If the purpose of the award is to assist the recipient in the acquisition of equipment, buildings, or land, the total value of the donated property may be claimed as cost sharing or matching.
 - (B) If the purpose of the award is to support activities that require the use of equipment, buildings, or land; normally only depreciation or use charges for equipment and buildings may be made. However, the full value of equipment or other capital assets and fair rental charges for land may be allowed provided that the USAID Agreement Officer has approved the charges.
 - (ii) The value of donated property will be determined in accordance with the usual accounting policies of the recipient with the following qualifications:
 - (A) Land and buildings: The value of donated land and buildings shall not exceed its fair market value, at the time of donation to the recipient as established by an independent appraiser (e.g. certified real property appraiser or General Services Administration representative) and certified by a responsible official of the recipient.

- (B) Equipment: The value of donated equipment shall not exceed the fair market value of equipment of the same age and condition at the time of donation.
 - (C) Use of space: The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately owned building in the same locality.
 - (D) Loaned equipment: The value of loaned equipment shall not exceed its fair rental value.
- f. The following requirements pertain to the recipient's supporting records for in kind contributions from third parties. With the authorization of the Agreement Officer, the recipient may attribute cost share contributions from subrecipients to the prime award.
- (1) Volunteer services must be documented and, to the extent feasible, supported by the same methods used by the recipient for its employees.
 - (2) The basis for determining the valuation for personal services, material, equipment, buildings, and land shall be documented.
- g. Individual expenditures do not have to be shared or matched provided that the total expenditures incurred during the year (or funding period) are shared or matched in accordance with the agreed upon amount or percentage set forth in the schedule of the award.
- h. If at the end of any or funding period hereunder, the recipient has expended an amount of non-U.S. Government funds less than the agreed upon amount or percentage of total expenditures, the Agreement Officer may apply the difference to reduce the amount of USAID funding for the following funding period, or, if this award has expired or been terminated, may require that the recipient refund the difference to USAID.
- i. If the recipient fails to act in good faith to meet the cost sharing (matching) requirements set forth in paragraph (a) above, the Agreement Officer may consider it sufficient reason to terminate this award for cause in accordance with the Standard Provision of this award entitled "Termination and Suspension".
- j. The restrictions on the use of USAID funds set forth in the standard provisions of this award are applicable to expenditures incurred with USAID funds provided under this award. Except for the requirements of this standard provision, the restrictions set forth in the standard provisions of this grant are not applicable to costs incurred by the recipient from non-U.S. Government funds. The recipient will account for the USAID funds in accordance with the standard provision of this award entitled "Accounting, Audit, and Records"; however, in the event of disallowances of expenditures from USAID award funds, the recipient may substitute expenditures made with funds provided from non-U.S. Government sources, provided they are eligible in accordance with all the standard provisions of this award.
- k. Notwithstanding paragraph (b) of the standard provision of this award entitled "Refunds", the parties agree that in the event of any disallowance of expenditures from USAID award funds provided hereunder, the recipient may substitute expenditures made with funds provided from non-Federal sources provided they are otherwise eligible in accordance with paragraph (b) of this provision.

[END OF PROVISION]

27. REPORTING OF FOREIGN TAXES (March 2006)

APPLICABILITY: This provision is applicable to all USAID agreements that obligate or subobligate FY 2003 or later funds except for agreements funded with Operating Expense, Pub. L. 480 funds, or trust funds, or agreements where there will be no commodity transactions in a foreign country over the amount of \$500.

REPORTING OF FOREIGN TAXES (March 2006)

- a. The recipient must annually submit a report by April 16 of the next year.
- b. Contents of Report. The report must contain:

- (i) Contractor/recipient name.
- (ii) Contact name with phone, fax and email.
- (iii) Agreement number(s).
- (iv) Amount of foreign taxes assessed by a foreign government [each foreign government must be listed separately] on commodity purchase transactions valued at \$500 or more financed with U.S. foreign assistance funds under this agreement during the prior U.S. fiscal year.
- (v) Only foreign taxes assessed by the foreign government in the country receiving U.S. assistance is to be reported. Foreign taxes by a third party foreign government are not to be reported. For example, if an assistance program for Lesotho involves the purchase of commodities in South Africa using foreign assistance funds, any taxes imposed by South Africa would not be reported in the report for Lesotho (or South Africa).
- (vi) Any reimbursements received by the Recipient during the period in (iv) regardless of when the foreign tax was assessed and any reimbursements on the taxes reported in (iv) received through March 31.
- (vii) Report is required even if the recipient did not pay any taxes during the report period.
- (viii) Cumulative reports may be provided if the recipient is implementing more than one program in a foreign country.

c. Definitions. For purposes of this clause:

- (i) "Agreement" includes USAID direct and country contracts, grants, cooperative agreements and interagency agreements.
- (ii) "Commodity" means any material, article, supply, goods, or equipment.
- (iii) "Foreign government" includes any foreign governmental entity.
- (iv) "Foreign taxes" means value-added taxes and custom duties assessed by a foreign government on a commodity. It does not include foreign sales taxes.

d. Where. Submit the reports to: [insert address and point of contact at the Embassy, Mission or FM/CMP as appropriate. see b. below] [optional with a copy to]

e. Subagreements. The recipient must include this reporting requirement in all applicable subcontracts, subgrants and other subagreements.

f. For further information see <http://www.state.gov/m/rm/c10443.htm>.

[END OF PROVISION]