



GRANT AGREEMENT

Between

Research Triangle Institute (RTI)

and

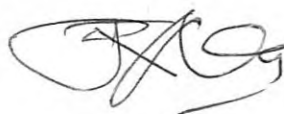
Sustainable Rural Community Development (SURCOD)

Grant Summary:

1. Grant Number	
2. Type of Grant	Simplified Cost Reimbursement Grant
3. Grant Activity Title	Malawi Early Grade Reading Improvement Activity: C2 - Increased Parental and Community Engagement in Supporting Reading
4. Grant Administrator	US Address: Research Triangle Institute (RTI) 36040 Cornwallis Road - P. O. Box 12194 Research Triangle Park, NC 27709-2194 – USA COUNTRY Address: Maa Halima Complex P/O Box 181, Lilongwe 3 Malawi
5. RTI Grants Officer	Eric Githinji
6. Grantee	Sustainable Rural Community Development (SURCOD) PO Box 126, Nsanje
7. Grantee's Point-of-Contact	January Mvula Executive Director
8. USAID Contract No	AID-612-TO-2015-00001

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9. Project Title	Malawi Early Grade Reading Improvement Activity
10. RTI Project No	0214446.002
11. Period of Grant	Start Date: 1 October 2017 End Date: 31 March, 2019
12. Grant Ceiling	K19, 000,000.00
13. RTI Technical Monitor	Sophie Mhoni
14. RTI Grant Manager	Kingwell Kumwenda
15. Incorporated Documents	Attachments A-C
ATTACHMENTS:	
Attachment A: Project Description	
Attachment B: Project Budget	
Attachment C: Standard Provision for Non-US NGOs	



This Grant is awarded to Sustainable Rural Community Development (SURCOD) of PO Box 126, Nsanje (hereinafter called "Recipient" or "Grantee") and administered by Research Triangle Institute (hereinafter called "RTI"), a not-for-profit corporation existing under the laws of the State of North Carolina, USA and having its principal place of business at 3040 Cornwallis Road, Research Triangle Park 27709-2194, under above mentioned award between USAID and RTI to support implementation of the Malawi Early Grade Reading Improvement Activity (MERIT) (Project Title) (hereinafter called "Project").

Whereas:

- A. This Grant will implement specific activities that will contribute to achievement of the overall Project Objectives.
- B. This Grant shall not (i) create the relationship of principal and agent, employer and employee, joint venture, or business partnership between RTI and the Grantee; and (ii) establish privity of contract between USAID and the Grantee.
- C. Authority of Agent: Designated agents on behalf of the Grantee and RTI are the sole authority authorized to make amendments and any other substantive changes to the Grant Agreement Terms.

Now, therefore, in consideration of the promises and of the mutual covenants and Agreements contained herein, and intending to be legally bound, RTI and the Grantee hereby agree to the following terms and conditions of this Grant.

Article 1. PROGRAM DESCRIPTION

The purpose of this Grant is to provide support for the activities described in the Program Description in **Attachment A** of this Grant Agreement.

Article 2. PERIOD OF GRANT

The period of performance for the grant activities is **1 October, 2017 to 31 March 2019**.

All activities financed with Grant funds will not commence prior to the Grant Activity Start date, and will be completed and will cease no later than the Grant Activity Completion Date; unless RTI provides approval of a time extension in writing prior to the specified Grant Activity Completion Date. No Grant award will provide for retroactive funding.

The effective date of this Grant is **1 October, 2017**, hereafter the "Grant Activity Start Date". The estimated completion date of this Grant is **31 March 2019**, hereafter the "Grant Activity Completion Date".

No activities financed with Grant funds will commence prior to the Grant Activity Start Date, and all such activities will be completed and will cease not later than the Grant Activity Completion Date; unless RTI provides approval of a time extension in writing prior to the specified Grant Activity Completion Date.

Article 3. CEILING AMOUNT OF AWARD

This is a Cost Reimbursement Grant. The total amount of this Grant for the period indicated in Article 2 is **K19,000,000 (Nineteen Million Kwacha only)**. At no time may the total expenditures to be charged to the Grant Agreement exceed the approved budget.

Article 4. OBLIGATED FUNDING

The amount currently obligated for this Grant is equal to the Total Grant Amount i.e. **K19,000,000 (Nineteen Million Kwacha only)**. RTI is not obligated to reimburse the Grantee for the expenditure of amounts in excess of the total obligated amount. Future funding commitments under this grant will be subject to the availability of client funding and Grantee's compliance with the terms of this agreement.



Article 5. GRANT BUDGET

The approved detailed and total Grant Budget and Budget Notes can be found in **Attachment B**. Formal revisions to the budget may be required on an ad-hoc basis in the event that there is a significant change in cost for a particular budget category. A significant change means expected overspending in an amount of 10% or greater of that major budget category's current annual budget total. The Grantee is allowed to over or under-spend a budget category up to 10% of the total Grant amount (Grant Budget Categories identified in **Attachment B**) without requesting a revision of the Grant Budget from RTI. However, if this change will impact the program activities, the Grantee should receive prior approval from RTI. Over-expenditure in one category must be offset by under-expenditure in another category. At no time may the total expenditures to be charged to the Grant Agreement exceed the approved budget.

Revisions (modifications) of the Grant Budget shall only be allowed if the request from the Grantee is submitted to RTI in writing and approved in writing by RTI.

Article 6. DISBURSEMENT SCHEDULE

All disbursements will be made on submission of complete supporting documents including invoices and expenditure statements that have been duly authorized. Liquidation will be conducted monthly, with grantees expensing out the advanced funds and then requesting the subsequent advance. Further disbursements will not be made until grantees responsibly liquidate 75% of advanced funds. The MLII finance officers will conduct at least quarterly onsite support visits for all grantees to validate reported expenses.

Funding Schedule

Tranche	Period
First Tranche	After signing the agreement
Second tranche and other tranches	Upon liquidation of 75% of advanced funds

Any transfer of funds to the grantee under this Agreement will be made to the following grantee bank account:

Bank Name : FDH Bank
Branch Name : Nsanje Branch
Branch Address : Box Nsanje
Account Name : SURCOB Early Reading Project
Account Number : 1110000096494
SWIFT Code : FDHFMWMMW

Article 7. PROGRAM REPORTING

The Grantee shall submit Program Reports on a quarterly basis to the Technical Monitor

These reports are due by the 15th of the month following the period being reported.



The Grantee will be responsive to requests for programmatic information and results by the Technical Monitor or Chief of Party. Should the information be in any way sensitive or incomplete, the Grantee should mark the documents as "DRAFT" to assure that the information is not used inappropriately. RTI will conduct monitoring of the program activities, including on-site visits as appropriate.

Article 8. MONITORING AND EVALUATION

The Grantee shall provide Monitoring and Evaluation data on a quarterly basis in conjunction with the Program Reports identified above in Article 7.

Article 9. FINANCIAL REPORTING AND CASH REQUESTS

A Quarterly Financial Report is due from the Grantee by the 15th of the month following the reporting month. The Grantee may submit reports on a monthly basis for reasonable, allowable, allocable, and necessary costs incurred in the performance of this Grant.

Cash Request shall be submitted on company letterhead in original and one copy, certified, and signed by a legally responsible official of the Grantee and provided to RTI's Grant Manager at the following address:

Chief of Party
RTI International, MERIT Project
Maa Halima Complex, P/Bag R481, Lilongwe 3
Attention: Grants Manager

Additional guidance about invoicing format and supporting documentation will be provided to the Grantee by RTI's Grant Manager.

Article 10. ASSIGNMENT

The Grantee may not assign its rights and obligations under this Grant or engage sub-grantees or contractors without prior written approval from RTI.

Article 11. REPORTING OF FOREIGN TAXES

The Grantee shall follow the procedures outlined in the Standard Provision "Reporting of Foreign Taxes" (March 2006) for reporting taxation of funds under this Grant.

The Grantee should report if any foreign taxes have been paid with USAID funds for commodity transactions over the amount of \$500. Grantee should not pay or should try to recover all foreign taxes paid with USAID funds. Grantee should include in the financial reports all foreign taxes paid and/or recovered. The Grantee should submit to RTI an annual report on the Foreign Taxes paid, by March 15th of the next year, or at the end of the Grant, whichever is earlier.

Article 12. MARKING

The Grantee shall follow the procedures outlined in the Standard Provision "Marking Under USAID" for marking procedures under this Grant in Attachment C.

Article 13. PROCUREMENT

The authorized geographic code for procurement of services and goods under this Grant is 935. Non compliance with this provision will result in disallowance of costs.

- ✦ **Goods:** Any procurement of equipment with a unit value of more than \$1000 must be pre-approved by RTI.

Article 14. TITLE TO PROPERTY



Title to all property purchased under this Grant shall be vested in RTI and subject to the conditions in 2 CFR 200.311. Property in this Grant is defined as non-expendable equipment having a value of greater than \$1,000 and useful life of at least 1 year. 60 days before the end of the Grant period, the Grantee shall request disposition instructions from the Project for all items of equipment purchased with Grant funds, if any.

Article 15. RECORDKEEPING, RIGHT OF INSPECTION AND AUDIT

Right of inspection: RTI reserves the right to review all program related documentation, and any documents related to proper compliance during the implementation of the Grant and up to a period of 3 years after the end-date of this Grant. Therefore, Grantee agrees to maintain records funded by this Grant for the period above.

The Grantee will commit to eliminate all the deficiencies or refund RTI for any unallowable costs found in resulting Inspection Report within 60 days.

Article 16. SEGREGATION OF FUNDS

The Grantee shall properly segregate Grant funds in a manner acceptable to RTI. RTI reserves the right to require the Grantee to establish a separate bank account for Grant funds from which all Grant activities would be paid.

Article 17. TERMINATION AND SUSPENSION

This Grant may be terminated by RTI at a date earlier than the proposed end-date under the following conditions:

- 1) Significant change in the scope of work: If the requirements of the donor or the program change such that the work to be completed varies significantly from the proposed activities.
- 2) Reduction or termination of donor funding: In the event USAID reduces funding or terminates funding earlier than the proposed end-date.
- 3) As a requirement of the donor: In the event the donor requests early termination of the Grant.
- 4) Significant delays or external or internal challenges which have a material impact on the ability of the Grantee to implement the activities.
- 5) (For Grants-under-Contracts) USAID has a right to terminate the Grant under extraordinary circumstances.

The Grantee will be notified in writing of proposed termination or suspension and outline close out procedures of the Grant.

Article 18. PROTECTION OF HUMAN SUBJECTS (IF APPLICABLE)

In the case any Grant activities are deemed to be "research" by RTI's Committee for Protection Human Subjects, the Grantee would be required to prepare materials for RTI's review procedures and adhere to RTI's guidance in finalizing and conducting project studies/ research. The Grantee will also adhere to local human subjects protection regulations in (COUNTRY). The RTI Grant Manager will provide additional guidance on the subject to the Grantee.

Article 19. LIABILITY

RTI does not assume liability for any third party claims for damages arising out of this Grant.

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Article 20. DISPUTES

Any dispute under or relating to this Grant shall be decided by the RTI Grant Officer.

Article 21. MANDATORY STANDARD PROVISIONS FOR NON-U.S NGO RECIPIENTS

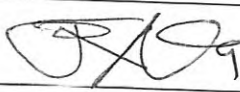
The Grantee should comply with the Standard Provisions contained in Attachments C.

Article 22. ORDER OF PRECEDENCE

Any conflict between any of the provisions and attachments to this Grant shall be resolved by applying the following order of precedence:

1. Articles of this Grant and all Attachments
2. Applicable USAID regulations

IN WITNESS OF THEIR AGREEMENT and their acceptance of its terms and conditions, RTI and the Grantee hereby execute this Grant.

RTI International	Sustainable Rural Community Development (SURCOD)
Signature:	
Name: Charles Gunsaru	Name: JANUARY W. MVULA
Title: Acting Chief of Party, MERIT	Title: EXECUTIVE DIRECTOR
Date:	Date: 11-10-2017



Attachments

- Attachment A – The Project and the Program
- Attachment B – The Budget
- Attachment C – Standard Provision for Non-US NGOs

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Attachment A:

The Project and Program

PART I: PROJECT DESCRIPTION

The Malawi Early Grade Improvement Activity (MERIT) is a five-year (2015 -2020) USAID and DFID funded activity of the Ministry of Education, Science and Technology (MoEST) designed to provide technical assistance and resources to the Government of Malawi (GOM) to strengthen the reading performance of Malawian children in Standards 1–4. The NRP is informed by the lessons learnt in the Major Literacy Pilots done in Malawi and is guided by the framework and principles of the National Reading Strategy (NRS). The NRS provides a framework for developing and implementing a cohesive, sustainable reading program on a national scale (MoEST 2014). The MoEST developed the National Reading Program (NRP) to implement the NRS.

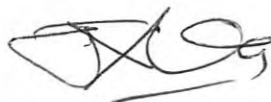
The program has five main objectives, served through five corresponding components:

- Objective 1: Improved instruction for primary grade reading outcomes
- Objective 2: Increased parental and community engagement in supporting reading
- Objective 3: Safer learning environments for reading created
- Objective 4: Pathways for sustainability instituted
- Objective 5: Country Development Cooperation Strategy (CDCS) priorities for integration advanced

Part II: The Program Description

Component 2 of MERIT is mobilizing and engaging parents and the wider community at district and community level to support children learning to read. Mobilizing and engaging parents and the community is an on-going process that will be implemented by key community stakeholders who are school governing bodies/structures as in School Management Committee (SMC), Parent Teachers Association (PTA) and Mother Groups (MG) and community structures as in Village Heads, Community Opinion leaders, Area Development Committee (ADC) and Village Development Committee (VDC). To enable these stakeholders communicate with the parents and the community effectively, they will undergo a two day capacity building orientation which will be conducted by district government partner Extension Workers from district line ministries of District Community Development Office (DCDO), District Education Office (DEM), District Gender Office (DGO), District Social Welfare Office (DSWO), District Youth Office (DYO) and District Information Office (DIO) under the auspices of the District Council through the Director of Planning and Development. Each one of these district offices has a specific role to play as duty bearers at community level and their impact will be measured throughout the implementation process from their district line function.

Sustainable Rural Community Development (SURCOD) will operationalize the National Reading Program (NRP) at district and community levels in **Nsanje District** by ensuring that structures that enable parents and the community to support children learning to read are available and able to provide the necessary guidance support for all the planned NRP community activities. Sustainable Rural Community Development (SURCOD) is placed in the district by MERIT on an 18 months contract to work with the district officers and Extension Workers to build capacity and strengthen existing implementation structures sustainably. To



make this intervention sustainable, community meetings and interpersonal communication activities will be delivered by existing government staff operating within existing structures at community level. The roles of Sustainable Rural Community Development (SURCOD) will be:

Role and Deliverables of Sustainable Rural Community Development (SURCOD)

Tasks	Deliverables
1. Empower government Extension Workers to strengthen community structures in their areas of operation	Training/Meeting Reports showing number of participants trained and disaggregated by gender
2. Enable Extension Workers to train community implementation partners to effectively engage interpersonal communication skills for change advocacy	Training/Meeting Reports showing number of participants trained and disaggregated by gender
3. Coordinate monitoring, evaluation and redirecting of activities	Monthly Reports
4. Share success stories collected by the grassroots stakeholder groups with MERIT and other relevant stakeholders	Monthly Reports/Compendium of success stories
5. Ensure role models are utilized to encourage all	Monthly/Activity Reports/Compendium of success stories
6. Build capacity of communities to identify advocacy issues;	Training Reports showing number of participants trained and disaggregated by gender
7. Strengthen collaboration and networking at community level	Monthly Reports
8. Spearhead planning and support of community events	Annual, Quarterly and monthly work plans. Annual, quarterly and monthly Reports
9. Empower the community for resource mobilization at community level	Training/Activity Reports
10. Coordinate production and submission of monthly activity reports	Monthly Reports
11. Strengthen coordination among NRP stakeholders at district and community levels	Minutes of meetings held/Monthly Reports
12. In liaison with the MERIT District Coordinator, the DCDO, DEM, DSWO, DIO, DYO and DPD establish NRP activities to achieve objective 2 through existing government and community structures	Monthly Reports
13. Train community leaders and teachers on the best way to put together a panel of learners to track students' progress	Bi-Monthly Reports



Sustainable Rural Community Development (SURCOD) must ensure that district and community structured will work jointly and in partnership with each other to enable all the listed district line ministries to sustainably establish the NRP activities and ensure that implementation continues systematically. The community, through the key community stakeholders and Extension Workers mentioned above, will continue to counsel, motivate and mentor parents and the wider community to support children learning to read. They will continue to implement NRP activities and identify more support activities that will be built into the community's everyday life and enable the community to be its own supervisor and assessor of its impact.

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Attachment B: The Budget

Attachment 1.A Estimated Budget per Line Item - Life of Award

Budget line items	Total Budget
Personnel	4,860,000
Fringe Benefits	1,215,000
Travel	1,798,200
Equipment	1,200,000
Materials /Supplies	632,000
Other Direct costs	9,294,800
Total Direct Costs	19,000,000
Indirect costs	-
Total Project costs	19,000,000



Attachment C: Standard Provisions

The Standard Grant Provisions contained in *Attachment C* are hereby incorporated by reference. The Grantee should comply with the Standard Provisions as applicable.

Details of Standard Provisions for Non-U.S. Nongovernmental Organisations are found on this link:

<https://www.usaid.gov/sites/default/files/documents/1868/303mab.pdf>

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