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**COMMUNITY SUPPORT PROGRAM**

Improving Economic  
Opportunities

Reducing Tensions in  
Vulnerable Communities

Enhancing the Delivery  
of Essential Services

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# GRANTS MANAGEMENT

July 27, 2021



## Session Expectations

Please keep the following expectations in mind when engaged in this training session to get the most of your training. Thank you!

- Minimize distractions. Silence your communication notifications and other forms of distraction to be able to focus on the content at hand.
- Actively listen to others when they are speaking. Keep your microphone on mute unless you are speaking. Freely use the chat bar, but please raise your hand before unmuting to speak.
- Participate. These sessions are most useful with your input! We welcome you to share with us your wealth of experience.
- If you run into technical difficulties, first use the chat bar to raise your technical problem, or contact Ms. Lamyia Ayyad at this email address: [layyad@lebanoncsp.org](mailto:layyad@lebanoncsp.org).
- If your internet drops or you get disconnected, try to rejoin the main call when possible, or contact Ms. Lamyia Ayyad at this email address: [layyad@lebanoncsp.org](mailto:layyad@lebanoncsp.org). If you have extended internet difficulties, we will record the session and share it with you.



## Objectives

Familiarize participants with Grants compliance requirements under USAID funded projects by going through the following topics:

- Difference between grants and subcontracts
- Types of grants and payment methods
- Regulatory frameworks
- Contract/Agreement clauses to be reviewed before signing subcontracts/ grant agreements/ purchase orders
- TCA Language, Signature, Liability



## What is a Grant?

Grants are financial **assistance** providing support or stimulation to accomplish a public (project) purpose, consistent with grantee's mandate

### Distinguishing Features:

- ✓ Governed by specific set of regulations
- ✓ Relationship is one of sponsorship
- ✓ Often entails capacity building



## What is a Subcontract?

Subcontracts are **acquisitions** to purchase goods or services on behalf of the U.S. government

### Distinguishing Features:

- ✓ Relationship is one of buyer and seller
- ✓ Acquisition of goods and services for prime contract implementation
- ✓ Requires oversight and technical direction



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## Grant vs. Acquisition

With a grant, USAID sponsors a recipient program.

With acquisition, USAID owns the program or activity.



## Grant or Subcontract

- Funding a local farmer's organization to engage and encourage regional farmers to use organic fertilizers and high value seedlings to enhance crop production and increase sales at the market.

Grant

- Funding a firm to supply and deliver the seeds, organic fertilizer and shovels to the farmers.

Subcontract

- Funding a firm to provide on-going training to an NGO on financial management.

Subcontract

- Funding a microfinance organization to strengthen their capacity to ensure high quality lending practices and products are being offered to the marketplace, therefore generating more confidence and acceptance by local borrowers

Grant





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## Types of Grants

- How many types of grants?

Four

- What are they?

Simplified

Fixed Amount Award

Standard

In-Kind

# Types of Grants

## Simplified

- Max of simplified acquisition threshold per grant, no limit on duration
- **Reimbursement** basis
- No indirect costs
- Equipment only if necessary

## Fixed Amount

- Per Chem guidance, max \$500,000/year, \$1.5m total
- Normally shorter duration but can be up to 3 years
- **Fixed tranche payments** upon achievement of **milestones**
- Accomplishments clear and discernible
- **Low risk** and management burden; Requires more up-front work

## Standard

- No max amount or duration
- **Advances** or reimbursement
- May include int'l travel, indirect costs
- Increased grantee financial and reporting requirements...**high risk for project**

## In-Kind

- No max amount or duration
- Can be portion of any grant type, or 100% in-kind grant
- Not an official grant type
- Pre-award risk assessment requires, but less extensive



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## Payment Methods

### Simplified

Periodic reimbursements based on submission of receipt

### Fixed Amount

Fixed amount tranche payments based on achievement of milestones (no receipts)

### Standard

Periodic advances and/or reimbursements (receipts)

### In-Kind

Direct payment to vendor



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## Regulatory Framework



### **Statute (Law)**

Foreign Assistance Act of 1961  
Federal Grant & CA Act of 1977

### **Administrative Rules and Regulations**

2 CFR 200  
22 CFR 216

### **USAID Policies & Procedures**

ADS (ADS 303)  
Standard and Mandatory Provisions

### **Grant Agreement - Terms and Conditions**



## ADS 303 - Grants and Cooperative Agreements to Non-Governmental Organizations

- Provides comprehensive guide for grants programs
- Includes Mandatory and Required as Applicable Standard Provisions (*2 sets one for FAAs and a second for other types*)



## Examples of Mandatory and Required As Applicable Standard Provisions

- Allowable Costs
- Accounting, Audit, and Records
- Amendment of Award and Revision of Budget
- Advance Payment and Refunds
- Reimbursement Payment and Refunds
- Subawards
- Procurement Policies
- USAID Eligibility Rules for Procurement of Commodities and Services
- Trafficking in Persons



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## Clauses To Be Reviewed Before Signing Awards

- Financials and Budget
- Period of Award
- Purpose of Award/Program Description and Deliverables
- Authorized Geographic Code
- Mandatory and Required as Applicable Standard Provisions
- Special Provisions (Audits, Environmental Compliance)
- Special Award Conditions (as applicable)
- Reporting Requirement
- Certification



## Financials and Budget

- Total Value – Cannot go above this amount for the life of the activity
- Obligated/Incrementally Funded – a smaller partial amount of the total value that you cannot exceed
- Set up a system to track your expenditures against both your obligation and the total value of your agreement





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## Period of Award

- You cannot incur expenses outside of the period of performance listed in your agreement
- Not a problem yet but it is important to keep this in mind – will you need more time?



## Certifications

ADS 303.3.8 mandates certain certifications that the grantee must sign prior to grant award.

### Examples of Certifications:

- ✓ Representation by Organization Regarding A Delinquent Tax Liability or a Felony Criminal Conviction
- ✓ Certification Regarding Lobbying
- ✓ Certification Regarding Terrorist Financing
- ✓ Certification of Recipient



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## Temporary Custodianship Agreement (TCA)

### ▪ By signing the TCA, Custodian agrees to:

- ✓ Use the Property solely for project implementation activities;
- ✓ Maintain and return the Property to Chemonics in good operating condition;
- ✓ Be responsible for all repairs to the Property during its custodianship;
- ✓ Safeguard the Property and ensure all items are securely stored when not in use;
- ✓ Refrain from modifying the equipment in any manner;
- ✓ Maintain insurance on the Property during the term of this agreement;
- ✓ Be responsible for all loss or damage to the Property until its return to Chemonics;
- ✓ Replace any item if it is lost, stolen, or damaged due to negligence;
- ✓ Notify Chemonics of any problem with the items at the time it occurs;
- ✓ Immediately notify Chemonics if the equipment becomes lost, stolen, or damaged.



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**THANK YOU**

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