



# MANCOMUNIDAD PUCA

Lepaera, La Iguala, La Unión, Las Flores, Talgua, San Rafael, Atima S.B.

Lepaera, Lempira 18/05/2016

Sr. Miguel Angel Reyes  
Alcalde La Unión Lempira

Su Oficina

Esperando se encuentren de lo mejor y de igual forma sus familiares.

Estimado alcalde Miguel Angel Reyes la presente con la finalidad de solicitarle de manera formal el depósito por la cantidad de **L.42, 844.36** a la cuenta de Mancomunidad Puca número **11-121-000109-9** de Banco Occidente. Lo anterior en el cumplimiento del convenio firmado entre la mancomunidad Puca y Fintrac del pago de manera de reembolso de un técnico en el área de producción, asignado al municipio de La Unión, Lempira.

Descripción del único depósito correspondiente a dos meses del municipio de La Unión, Lempira a Mancomunidad Puca para pago de técnico manera de reembolso:

Tasa Cambio del dólar según BCH. 5/5/2016	22.7472
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Descripción	Pago mensual en Dólares	Pago Mensual	Solicitado Para dos meses
Salario Mensual	\$ 750	L. 17,060.40	L. 34,120.80
Beneficios RAP/IHSS/Infop	\$ 191.75	L. 4,361.78	L. 8,723.56
	\$ 941.75	L. 21,422.18	L. 42,844.36

Atentamente.

Ing. Francisco Lara Márquez  
Gerente Administrativo Mancomunidad Puca.

## **I. DESCRIPTION OF ACTIVITY**

### **I.1 Introduction**

This grant (the "Partner Fund" or "Award") is made and entered into by and between Fintrac Inc, ("Fintrac") a corporation incorporated, organized and existing under the laws of Delaware, and having offices at 1400 16<sup>th</sup> Street, NW, Suite 400, Washington, District of Columbia, 20036 USA and MANCOMUNIDAD PUCA, ("Partner" or "Grantee"), a local Mancomunidad established and operating under the laws of Honduras, referred to collectively as the "Parties." Under Fintrac's Contract with Inversion Estrategica de Honduras (INVEST-H) Assistance Agreement #522-0470, Alianza para el Corredor Seco ("ACS-USAID Activity" or "the Activity"), a portion of funds approved under the Contract may be utilized for grants.

### **I.2 Purpose and Objectives**

The purpose of this Partner Fund is to strengthen local technical capacity to better support agricultural production in the long term for clients in the selected communities. Through this co-investment, the Partner will provide technical assistance in a sustainable manner through capacity building of PUCA's technical staff in order to assist an average of 250 client households per technician in the selected communities.

ACS-USAID will work with PUCA to increase farmers' and partners' access to technical assistance and training that will enable them to improve health and nutrition of family members specifically children under 5 years of age, and incorporate best practices and technologies that will improve productivity of their agriculture activities and increase family incomes. By providing technical assistance to this population, ACS-USAID will strengthen Honduran farmers in technical skills for increasing coffee yields (and income) as well as health and nutrition support for the farmers' families.

It is expected that PUCA field-based and geographically-targeted activities will directly impact client households and MSMEs in the form of increased productivity, incomes, nutrition, and overall livelihoods per the following targets:

- 500 poor/extreme poor client households receiving technical assistance and training
- 500 poor/extreme poor client households with increased income
- 500 hectares of land under improved technologies or management practices as a result of ACS-USAID assistance
- 1 public-private partnership formed as a result of ACS-USAID assistance

### **I.3 Scope of Work and Activities**

ACS-USAID will work with PUCA to increase farmers' and partners' access to agricultural technical capacity that will enable them to improve their income while building a strong local Institution. By providing technical assistance and capacity building to this institution and the local population, ACS-USAID will strengthen PUCA and its farmers in agricultural skills for increasing income.

The technical direction and supervision of the services rendered is under the exclusive responsibility of ACS-USAID through its corresponding Zone Manager. This includes staff training in methodologies and work skills. Other PUCA staff may participate in these trainings with ACS-USAID Zone Manager approval in order to develop local capacity to continue providing these services at the end of this award. ACS-USAID administrative staff will train the PUCA administrative staff in financial reporting and invoicing per donor requirements.

To support the objectives set under this award, PUCA will:

- Provide technical assistance in the form of long-term personnel to carry out the scope of work.
- Target the geographic areas of Lempira.
- Report all activities of field personnel in the CIRIS M&E system utilized in order to track progress against ACS-USAID targets.
- Submit all hiring candidates to ACS-USAID senior management for approval before hire.

Through this co-investment, the Partner will provide Field Activity Costs related with the implementation of the activity. These include motorcycle fuel, maintenance, communications, per diem, and other operational costs incurred by technicians.

### Operation

Award implementation requires coordination of activities by both parties. Expected activities for each participant include:

- Staffing. The Partner and ACS-USAID will participate jointly in the selection process. The Partner will hire the two technicians.
- Training. PUCA will designate an administrative contact within their organization who will receive training on invoicing and reporting from ACS-USAID.
  - Once hired, technicians will also receive administrative training concurrently with their technical training.
- Equipment. ACS-USAID will purchase one motorcycle and laptop for each technician and charge it to the partner fund. The equipment is property of the US Government (USG) and requires USAID approval for disposition.
  - Training will be provided on USAID policies governing USG Non-Expendable Property (NXP) and inventory management.
- Invoicing. The Partner will invoice ACS-USAID for all incurred costs excluding the agreed Field Activity Costs in the billing period of their preference (monthly or bi-weekly) no later than 5 days after each billing period.
- Payment. ACS-USAID will reimburse the Partner for all reasonable, allocable and allowable costs per agreement no later than ten business days after receiving a correct invoice.

This process will be continuous through the duration of the award.

## **2. REPORTING AND DELIVERABLES**

### **2.1 Reporting**

The partner must provide a detailed report of their investments with their invoice. This report will include all expenses made under budget line item Field Activity Costs as well as any other investments they make for this activity.

On the 5<sup>th</sup> (in some cases the 20<sup>th</sup> as well) of every month, the Partner will provide a detailed invoice report with the following information:

- Complete Invoice for all costs incurred including:

- o Salaries
- o Fringe
- o Other Direct Costs/ Administrative support
- o Detailed investment report on field activity costs and other grantee contributions

Report due date	Contents Required	For Period	
		Starting	Ending
5 <sup>th</sup> of every month	Complete Invoice	March 2016	30 November 2019

Partners shall immediately notify Fintrac of developments that have a significant impact on the award-supported activities. Also, notification shall be given in the case of problems, delays, or adverse conditions which materially impair the ability to meet the objectives of the award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.

Closeout of this award will include a final report on the exact amount of US\$ invested by each of the parties, how many growers benefitted, and results of the field activities developed under this award. Other reporting or information may be required by Fintrac and will be communicated in writing by an official contact listed on the first page.

**2.2 Deliverables**

Monthly reports and final report in Section 2.1 only.

**3. BUDGET**

Following is a summary illustrative budget for this activity.

DESCRIPTION	PUCA	ACS-USAID	TOTAL
Salaries		US\$ 74,886	US\$ 74,886
Fringe Benefits		US\$ 19,134	US\$ 19,134
Severance		US\$ 8,148	US\$ 8,148
Field Activity Costs	US\$ 60,423		US\$ 60,423
*Equipment		US\$ 12,722	US\$ 12,722
Other Direct Costs		US\$ 22,500	US\$ 22,500
<b>TOTAL</b>	<b>US\$ 60,423</b>	<b>US\$ 137,440</b>	<b>US\$ 197,863</b>

Note: Exchange rate used/ US\$ = 22. HNL Payments will be made in HNL at official exchange rate at time of payment.

\*Equipment for use by Partner will be purchased by Fintrac.

**4. PAYMENT MECHANISM**

This is a cost reimbursable grant where no advances are given to the grantee. Payment for the various activities listed above will be on a monthly/ bimonthly invoice in local currency, with attached supporting documentation. Invoices must be aligned to the agreed budget and must adhere to USAID procurement regulations.

The submitted invoices will be reviewed and must have the approval of the Fintrac Financial Contact before payment is made.

Equipment will be procured by ACS-USAID directly from vendors per Fintrac procurement guidelines and will be charged to this Partner Fund award.

Grantee contributions will be reported on a monthly basis.

## **5. PROVISIONS**

Grantee is required to adhere to all clauses and provisions mentioned by reference, including, but not limited to:

- General provisions added in Appendix 1
- ACS-USAID Specific Clauses in Appendix 2

### **Appendices That Form Part of This Partner Fund:**

1. General Provisions
2. ACS-USAID Clauses
3. Environmental Assessment Form

## Appendix I - GENERAL PROVISIONS

1. **Independent Organization.** Grantee shall be an independent organization and shall not claim to be an agent, officer, or employee of Fintrac and shall not have authority to make any commitments on behalf of Fintrac, except to the extent that such authority shall be expressly conferred by Fintrac in writing. Personnel hired by the Grantee for the provision of services are recognized as employees of the Grantee.
2. **Access to Records and Monitoring.** Fintrac is responsible to monitor the Grantee's proper use of funds, and shall do so by such means (which may, if deemed necessary, include an expenditure audit) as Fintrac or the USAID may reasonably designate. Grantee agrees to cooperate fully with such monitoring.
3. **Site Visits.** The Grantee understands and warrants that Fintrac, designated third parties or USAID may at any time make site visits to verify accomplishments reported and costs incurred. This right of inspection includes, but is not limited to all financial reports, accounting systems, and programmatic records related to this grant. Grantee hereby agrees to make available its staff resources as well as financial and programmatic records related to other sources of funding or general and administrative costs in order for Fintrac to verify costs have not been duplicated or double-billed.
4. **Deliverables and Technical Reports.** The Grantee will provide the work, equipment, products, reports, and deliverables or other items and/or perform the services as specified. Deliverable requirements, as stipulated in the Partner Fund, and all required deliverables shall be submitted to the Fintrac Contact Representative. Notwithstanding any other payment provision of this Partner Fund, failure of the Grantee to submit required reports when due, or failure to perform or deliver required work, supplies, or services to the reasonable satisfaction of Fintrac's Contact Representative, shall result in the withholding of payment under the Award unless such failure occurs due to causes beyond the control and without the fault or negligence of the Grantee. Fintrac has sole discretion to determine the acceptance of deliverables.
5. **Insurance.** Grantee is solely responsible for all applicable taxes, benefits, worker's compensation insurance or equivalent, health, all risk property insurance and a comprehensive general liability insurance with financially sound and reputable insurance companies, and other insurance as required under the applicable laws. The Grantee must hold a valid work permit and ensure that it operates in compliance with applicable laws.

The Grantee warrants that it shall obtain and maintain adequate insurances against all risks in respect of any property and any equipment used for the execution of this Award.

The Grantee shall be solely liable for the loss or theft of, or damage to, any and all items purchased with Award funds (including items in the possession of its lower-tier awards), and, immediately upon any such loss, theft or damage, shall replace such items at its own expense in compliance with the procurement requirements. In addition, the Grantee shall be solely liable for the loss or theft of any Award funds held in cash by the Grantee or any of its agents or lower-tier Grantees and shall have no recourse to Fintrac or USAID for any such loss or theft.

6. **Procurement and Property.** The Grantee shall ensure that any procurement conducted using Award funds utilize transparent, fair, and competitive procurement policies and practices. The

Grantee shall inform Fintrac about the policies and practices that it shall use to contract for goods and services under this Award.

Title to property financed by the USAID under this Award shall be held by the Grantee or, if Fintrac so directs, by another entity. Grantee shall care and account for all property financed under the Award, and shall ensure that such property shall be used solely to further program objectives. Upon project completion, Grantee shall submit the asset list, request prior approval on final disposition of property, and subsequently dispose of property as instructed by Fintrac in writing. Should the Grantee be approved to retain property purchased under the Award, the property shall be used to further program objectives.

7. **Publicity.** No advertising or publicity having or containing any reference to Fintrac, or in which the name of Fintrac is mentioned, shall be used by Grantee without the written approval of Fintrac. Grantee shall not use Fintrac's logo or title block on any correspondence or written matter without the written approval of Fintrac.
8. **Communication with the USAID.** All contact, communication and dealings with the USAID and its agent and representatives by Grantee and any of its personnel, consultants, or Grantees, on matters subject to this Award shall be through or approved by Fintrac.
9. **Assignment Prohibited.** Grantee may not assign or subaward any part of the activities described in the Award without the prior written consent of Fintrac. Where such prior written consent is given, it shall not relieve the Grantee of any of its responsibilities under this Award.
10. **Indemnification.** Each party shall indemnify and hold the other harmless against losses, claims, liabilities, or damages (including costs, reasonable attorney's fees, and amounts actually paid in reasonable settlement thereof) which are sustained as a result of the negligent acts, errors, or omissions of the other, its employees and agents, or for improper performance or nonperformance relating to activities hereunder.
11. **Termination and Suspension.** Fintrac may unilaterally terminate this award at any time, in whole or in part, for any of the following reasons:
  - Material Grantee noncompliance; or
  - Grantee's financial insolvency, bankruptcy, assignment in favor of creditors, or similar or comparable status; or
  - USAID termination or non-funding of all or part of the Fintrac Prime Award with the USAID.

**Notwithstanding the above, Fintrac may unilaterally terminate the award for convenience.**

Likewise, Fintrac may, upon written notice to Grantee, suspend all work for a designated period of time as determined by Fintrac. During the suspension, no costs may be incurred or billed to Fintrac.

The Parties may mutually agree to terminate the Award at any time, in whole or in part, upon such terms and conditions as may be agreed between them.

Termination shall be effected by written notice to the terminated Party, which notice shall identify the basis for termination, the reason(s) therefore, the effective date of the action, a statement identifying which part (or all) of the remainder of the Award term or the Grantee's program

activities is terminated, and procedures and standards, as appropriate, for phasedown costs and submission of final invoices.

The termination shall be effective on the date stated in the notice.

Unless otherwise stated in the termination notice, or as otherwise approved on a case by case basis, Fintrac shall not be obligated to reimburse Grantee for any expenses incurred after the termination effective date. Grantee shall, with due regard to economy, effect an expeditious but orderly phasedown of Grantee's program activities and implementation efforts (including, without limitation, subcontracts and lower-tier subawards). Reasonable phasedown costs will be reimbursed. Notwithstanding termination, Fintrac's obligation to reimburse termination costs under this Article shall in all respects be subject to USAID funding and, if required, USAID approval.

12. **Applicable Law.** This Award shall be enforced in accordance with the body of law applicable to procurement of goods and services by the US Federal Government. To the extent that Federal law does not exist, the laws of Washington DC shall apply. By accepting this Award, Grantee agrees to waive any rights to invoke the jurisdiction of the local national courts where this Award is performed.
13. **Disputes.** Any disputes arising out of this Award or from a breach thereof shall be submitted to arbitration in Washington DC, and the judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The arbitration shall be held under the standard form of the Rules of the American Arbitration Association.
14. **Audit Requirements.** The Grantee is obligated to meet the requirements of OMB A-133 for all federally funded agreements. If, under OMB A-133, the Grantee is required to have an audit, then the Grantee agrees that a copy of the audit report will be submitted to Fintrac Award Representative within 30 days of completion of the audit. Audit costs may be charged to the project, but will not increase the total Fintrac amount.
15. **Intellectual Property.** If the Grantee first conceives of, actually puts into practice, discovers, invents, or produces any intellectual property subject to patent or copyright exclusively in connection with Grantee's performance pursuant to the Award (the "Intellectual Property"), it shall report that finding to Fintrac. Grantee shall also assist Fintrac in obtaining governmental protection for rights in the intellectual property. Fintrac shall retain ownership of all patents and copyrights for intellectual properties created as the result of this Award, either in part or in whole. In the case of copyrighted materials created as a result of this Award, Fintrac shall grant to Grantee a nonexclusive, royalty-free right to use, publish, reproduce or distribute those materials for educational purposes.
16. **Confidentiality.** Both Parties acknowledge that any information obtained in performing this Award regarding the operation of a party or its products, services, policies, systems, programs, procedures, donor relations or any other aspect of its business, is confidential and proprietary. Both Parties will hold such information secret and will not: [i] use such information for any purpose other than performance of this Award, or [ii] disclose such information, directly or indirectly, to any other person, without in each instance the prior written consent of the other Party.
17. **Force Majeure.** Grantee's failure to perform the terms and conditions of this Award, in whole or in part, shall not be deemed to be a breach or a default hereunder or give rights to any liability to Fintrac if such failure is attributable to any act of God, riot, public enemy, fire, explosion, flood,



drought, war, sabotage, an action by governmental authorities or any other condition beyond the reasonable control of the Grantee.

18. **U.S. Executive Order 13224.** Grantee acknowledges that U.S. Executive Order 13224 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 Grantee to ensure compliance.
19. **Conflict of Interest.** Grantees must establish safeguards to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private financial gain for themselves or others such as those with whom they have family, business, or other ties. Each institution receiving funds must have written policy guidelines on conflict of interest and avoidance thereof. These guidelines should reflect country and local laws and must cover conflict of interest situations regarding financial interests, gifts, gratuities and favors, nepotism, and other areas such as political participation and bribery. Fintrac must be informed of any conflict of interest or appearance of conflict of interest by the Grantee. If organizational or management systems cannot be structured to neutralize such conflict, Fintrac may choose to terminate the relationship with the Grantee.
20. **Integrity.** Grantee agrees to maintain, with respect to all activities and all personnel funded under this Award, complete integrity and probity, and the appearance of the same, and that the failure to do so may be grounds for suspension or termination of this Award for cause.
21. **No Improper Payments:** Grantee agrees and represents that, in connection with its performance hereunder, it has not and will not make any payments or gifts or any offers or promises of payment or gifts of any kind, directly or indirectly, to any official of any government, government agent, government instrumentality or to any political candidate. This award will become null and void if the recipient organization makes any such offer, promise, payment or gift in connection with performance of this award.
22. **Fraud Awareness and Reporting:** Grantee will immediately report any instances of fraud, waste, abuse, conflict of interests concerning its staff, consultants, vendors or Grantees on this project to: [www.Fintrac.ethicspoint.com](http://www.Fintrac.ethicspoint.com) or to the Fintrac authorized representative listed on this Award.
23. **Whistleblower Protections.** Under the statute 41 U.S.C. §4712 "Pilot Program for Enhancement of Contractor Employee Whistleblower Protections" the Grantee may not discriminate against an employee for whistleblowing. More details on the statute are available upon request.
24. **Equal Opportunity.** To the extent not exempt, this contractor and subcontractor shall comply with Executive Order 11246 and shall abide by the regulations of 41 CFR Parts 60-1 through 60-60. This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.
25. **Entire Award.** The award document and all attachments incorporated therein represents and constitutes the entire award between parties and shall not be explained, modified, or contradicted by any prior or contemporaneous negotiations, representations, or agreements, either written or oral. Only a written instrument signed by each party may amend this award.

## Appendix 2

### **ACS-USAID SPECIFIC CLAUSES**

#### **Supplementary Standard Provisions Applicable to the ACS-USAID Activity**

##### **(a) Cost Allowability**

Reimbursement will be made only for costs incurred in carrying out the purpose of the Activity, which are reasonable, allocable, and allowable, in accordance with the following:

a) "Reasonable" means the costs do not exceed those that would ordinarily be incurred by a prudent person in the conduct of normal business.

b) "Allocable" means the costs are necessary to the Activity.

c) "Allowable" means the costs are reasonable and allocable, and conform to any limitations set forth in this Subaward.

The Subawardee is encouraged to obtain Fintrac's written concurrence in advance regarding the allowability of a specific cost to avoid uncertainty.

##### **(b) Eligibility Rules for Procurement of Commodities and Services**

1. No funding under this Subaward may be used to finance contracts or grants to organizations and individuals that are suspended, debarred, or ineligible, as indicated on the U.S. Government Excluded Parties List System ([www.epls.gov](http://www.epls.gov)).

2. Unless otherwise approved by Fintrac in this Subaward, no funds under this Subaward may be used to finance the procurement of:

- a) Military equipment,
- b) Surveillance equipment,
- c) Commodities and services for support of police or other law enforcement activities,
- d) Abortion equipment and services, information, education, training, or communication programs that seek to promote abortion as a method of family planning, or lobbying for or against abortion
- e) Involuntary sterilization equipment or services
- f) Luxury goods and gambling equipment, or
- g) Weather modification equipment;
- h) Support for police, prisons, or other law enforcement or security forces or activities,
- i) Agricultural commodities,
- j) Motor vehicles not manufactured in the United States,
- k) Pharmaceuticals or contraceptives,
- l) Pesticides,
- m) Used equipment,
- n) U.S. Government-owned excess property, or
- o) Fertilizer.

3. Source and Nationality:

- a) Except as specified in this Subaward or as Fintrac may otherwise agree in writing, all goods financed under this Subaward shall have their source, and the suppliers of all goods and services financed

under this Subaward shall have their nationality, in countries included in Geographic Code 937. Goods and services financed under this Subaward must be available for purchase in the applicable Geographic Code at the time of purchase. Geographic Code 937 includes: the Cooperating Country, the United States or a developing country. Geographic Code 935 includes any country which is not a prohibited source. For a current list of countries within each Geographic Code, see the following: <http://transition.usaid.gov/policy/ads/300/310maa.pdf> (for developing countries); <http://transition.usaid.gov/policy/ads/300/310mab.pdf> (for advanced developing countries); and <http://transition.usaid.gov/policy/ads/300/310mac.pdf> (for prohibited source countries)

- b) Any individual transaction not exceeding \$25,000, excluding those specifically requiring USAID approval by the Subaward, may be procured from any non-prohibited source or nationality, Geographic Code 935.

**(c) Termination and Suspension**

1. Either Party may terminate this Activity in its entirety or in part by giving the other Party thirty (30) days written notice. Fintrac may also suspend this Activity in whole or in part upon giving the Subawardee written notice. In addition, Fintrac may terminate or suspend this Activity in whole or in part, upon giving the Subawardee written notice, if: (i) the Subawardee fails to comply with any provision of this Activity; (ii) an event occurs that Fintrac determines makes it improbable that the Objective or Program Elements of the Activity will be attained or that the Subawardee will be able to perform its obligations under this Activity; or (iii) any disbursement or use of funds in the manner herein contemplated would be in violation of the legislation governing USAID, whether now or hereafter in effect.
2. Any portion of this Activity that is not suspended or terminated shall remain in full force and effect.

**(d) Refunds**

1. Funds obligated by Fintrac, but not disbursed to the Subawardee before the Activity Completion Date or before the Activity is terminated, will revert to Fintrac, except for funds committed by the Subawardee to a legally binding transaction applicable to the Activity. Any funds advanced to, but not disbursed by, the Subawardee before the Activity Completion Date or the Activity's termination must be refunded to Fintrac, except for funds committed by the Subawardee to a legally binding transaction applicable to the Activity.
2. In accordance with Section E.2 of the Assistance Agreement, any funds provided by Fintrac under the Activity that are expended by the Subawardee or any of its contractors or employees not in accordance with the terms of the Subaward must be refunded to Fintrac.

**(e) Title to and Disposition of Property**

1. Ownership of equipment, supplies, and other property purchased with funds under the Activity will vest in USAID. Disposition of excess property financed under the Activity will be made in consultation with Fintrac.
2. In the event any patentable rights are created or developed under this Subaward, USAID shall be granted a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the U.S. Government the subject invention throughout the world, and to sublicense others to do the same. The Subawardee agrees to include, or cause to be included, within the specification of any United States patent application and any patent issuing

thereon covering a subject invention, the following statement: "This invention was made with U.S. Government support under (identify the agreement awarded by USAID). The U.S. Government has certain rights in this invention." The Subawardee must ensure any and all contractors under this Subaward agree to cooperate in the preparation and prosecution of any U.S., Grantee or third country patent applications, to execute all papers requisite in the prosecution of such application, and to secure the cooperation of any employee.

3. For all other intellectual property developed, or for which ownership is purchased, under this Subaward, USAID reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the intellectual property, and to authorize others to do so.

**(f) Marking and Public Communications under USAID-Funded Activities**

The Subawardee will broadly publicize and mark the programs and activities under this Subaward as made possible with support from the American people through the U.S. Agency for International Development (USAID). All publicity and marking efforts will comply with USAID policies for branding and marking as may be requested by USAID in writing. In addition, the Subawardee will:

- (i) Share with USAID a public communications strategy and plans for the programs and activities under this Subaward for comments. The public communications strategy and plans will be designed to ensure adequate public awareness about the program in general as well as about the fact that this program is made possible with support from the American people through USAID.
- (ii) Develop specific guidance for all related publicity activities about how to acknowledge USAID assistance. Such guidance will specify language to be included in all speeches, written information materials, audio/video/print ads, and other publicity effort related to the program under this Subaward. The guidance will be approved by Fintrac and enforced by the Subaward throughout the lifetime of the program.
- (iii) Develop specific guidance and templates for prominent and permanent marking of all assistance, activities, and public communications under this program with the USAID logo and the U.S. flag. Items under this program include but are not limited to all 1) assistance sites, events, items; 2) informational and promotional material (e.g., press releases, websites, brochures, video/print ads, posters, billboards, promotional handouts, etc.) , and 3) materials prepared for related events (e.g., backdrops, streamers, standees, PowerPoint presentations, folders, notebooks, etc.). Marking with the USAID logo and the U.S. flag will comply with USAID requirements and policies.
- (iv) Provide Fintrac with information about pending publicity events and achievement of key milestones and invite U.S. Government representatives to participate at these events as part of the effort to acknowledge USAID support for the program.
- (v) Provide Fintrac with press releases, communications strategies and plans, marking guidance, and other public information or publicity material for comments, clearance, and coordination.

Fintrac will provide the Subawardee with the USAID policies, information and guidance pertinent to implementation of the subject Activity activities, including access to files of USAID logos and the U.S. flag. Fintrac may elect to design and implement additional publicity activities to promote U.S. assistance under this Subaward.

**(g) Faith-Based Activities**

The Subawardee must not favor or discriminate against any contractor, sub recipient, beneficiary or potential beneficiary on the basis of religion or religious belief as part of the programs or services directly funded under this Activity. Further, funds provided under this Activity may not be used in a manner that supports, enables or facilitates explicitly religious activities, which include, without limitation, worship, religious instruction, prayer, or proselytization.

**(h) Prohibition on Private Entity Trafficking in Persons**

Pursuant to the Protocol to Prevent, Suppress, and Punish Trafficking in Persons, especially Women and Children, supplementing the UN Convention against Transnational Organized Crime, the Subawardee is firmly committed to the fight against trafficking in persons. Pursuant to this fight, no Subawardee that is a private entity, or any of its employees, may engage in trafficking in persons or use forced labor during the period of the Activity.

**(i) United Nations Security Council Sanctions Lists**

It is the policy of USAID to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities designated for United Nations Security Council sanctions. In accordance with this policy, the Subawardee agrees to use reasonable efforts to ensure that none of the funds provided under this Subaward are used to provide support of individuals or entities designated for UN Security Council sanctions (compendium of Security Council Targeted Sanctions Lists at: [http://www.un.org/sc/committees/list\\_comp.html](http://www.un.org/sc/committees/list_comp.html)).

**(j) Terrorist Financing**

Consistent with numerous United Nations Security Council resolutions, including UNSCR 1267 (1999), UNSCR 1368 (2001), UNSCR 1373 (2001), and UNSCR 1989 (2011), both USAID and INVEST-H are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of USAID to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, the Subawardee agrees to use reasonable efforts to ensure that none of the USAID funds provided under this Agreement are used to provide support to individuals or entities associated with terrorism.

**(k) Worker's Rights**

Except as specifically set forth in this Subaward or otherwise authorized by Fintrac in writing, no funds or other support provided hereunder may be used for any activity that contributes to the violation of internationally recognized workers' rights of workers in the Subawardee's country.

**(l) Investment Promotion**

1. No funds or other support provided hereunder may be used to provide a financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States.

2. In the event the Subawardee requires clarification from Fintrac as to whether the activity would be consistent with the limitation set forth above, the Subawardee must notify Fintrac and provide a detailed description of the proposed activity. The Subawardee must not proceed with the activity, or authorize contractors to do so, until advised by Fintrac that it may do so.

**(m) Foreign Delegations to International Conferences**

U.S. Government funds under this Subaward must 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 multilateral organization, as defined below, unless approved by Fintrac in writing.

Definitions:

- a) A foreign government delegation is appointed by the national government (including ministries and agencies but excluding local, state and provincial entities) to act on behalf of the appointing authority at the international conference. A conference participant is a delegate for the purposes of this provision, only when there is an appointment or designation that the individual is authorized to officially represent the government or agency. A delegate may be a private citizen.
- b) An international conference is a meeting where there is an agenda, an organizational structure, and delegations from countries other than the conference location, in which country delegations participate through discussion, votes, etc.
- c) A multilateral organization is an organization established by international agreement and whose governing body is composed principally of foreign governments or other multilateral organizations.

**(n) International Travel and Air Transportation**

**1. Travel Costs**

Except as Fintrac may otherwise agree in writing, all travel costs must be consistent with those normally allowed in like circumstances in the Subaward's non-USAID-funded activities, but may not exceed USAID per diem rates. Costs incurred by employees and government officials for travel, including air fare, costs of lodging, other subsistence, and incidental expenses, may be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the Subawardee in its written travel policies. Additionally, any required airfare for travel must be booked at economy class rate. Business Class airfare is not authorized under this Subaward.

**2. Fly America Act Restrictions**

- a) The Subawardee must use U.S. Flag Air Carriers for all international air transportation (including personal effects) funded by this Subaward pursuant to the Fly America Act and its implementing regulations to the extent service by such carriers is available.
- b) In the event that the Subawardee selects a carrier other than a U.S. Flag Air Carrier for international air transportation, in order for the costs of such international air transportation to be allowable, the Subawardee must document such transportation in accordance with this provision and maintain such documentation pursuant to the Assistance Agreement's Standard Provision, "Accounting, Audit and Records." The documentation must use one of the following reasons or other exception under the Fly America Act:
  - (i) The Subawardee uses a European Union (EU) flag air carrier, which is an airline operating from an EU country that has signed the US-EU "Open Skies" agreement (<http://www.state.gov/e/eb/rls/othr/ata/iic/170684.htm>).
  - (ii) Travel to or from one of the following countries on an airline of that country when no city pair fare is in effect for that leg (see <http://apps.fas.gsa.gov/citypairs/search/>):

- a. Australia on an Australian airline,
- b. Switzerland on a Swiss airline, or
- c. Japan on a Japanese airline;
- (iii) Only for a particular leg of a route on which no US Flag Air Carrier provides service on that route;
- (iv) For a trip of 3 hours or less, the use of a US Flag Air Carrier at least doubles the travel time;
- (v) If the US Flag Air Carrier offers direct service, use of the US Flag Air Carrier would increase the travel time by more than 24 hours; or
- (vi) If the US Flag Air Carrier does not offer direct service, a. Use of the US Flag Air Carrier increases the number of aircraft changes by 2 or more,  
b. Use of the US Flag Air Carrier extends travel time by 6 hours or more, or  
c. Use of the US Flag Air Carrier requires a layover at an overseas interchange of 4 hours or more.

### 3. Definitions

The terms used in this provision have the following meanings:

- a) "Travel costs" means expenses for transportation, lodging, subsistence (meals and incidentals), and related expenses incurred by employees who are on travel status on official business of the Subawardee for any travel outside the country in which the organization is located. "Travel costs" do not include expenses incurred by employees who are not on official business of the Subawardee, such as rest and recuperation (R&R) travel offered as part of an employee's benefits package that are consistent with the Subawardee's personnel and travel policies and procedures.
- b) "International air transportation" means international air travel by individuals (and their personal effects) or transportation of cargo by air between a place in the United States and a place outside thereof, or between two places both of which are outside the United States.
- c) "U.S. Flag Air Carrier" means an air carrier on the list issued by the U.S. Department of Transportation at <http://ostpxweb.dot.gov/aviation/certific/certlist.htm>. U.S. Flag Air Carrier service also includes service provided under a code share agreement with another air carrier when the ticket, or documentation for an electronic ticket, identifies the U.S. flag air carrier's designator code and flight number.
- d) For this provision, the term "United States" includes the fifty states, Commonwealth of Puerto Rico, possessions of the United States, and the District of Columbia.

### (o) Training Requirements

Under this Subaward, the only training that would be authorized would occur in Honduras. No foreign travel is authorized for training or other purposes under this Subaward. With respect to training in Honduras, The Subawardee shall provide the following information to Fintrac for all training that takes place under this Subaward in any location other than the United States no later than 30 calendar days after the training session conclude:

- a) A description of the training program;
- b) The training dates;
- c) The method of instruction used (in-person or distance/virtual);
- d) The training provider's name, address and type;
- e) A brief description of the training program subject;
- f) The amount Fintrac funded for the instructor, materials, and trainee costs, including travel, per diem or registration fees;

- g) The amount funded for the training from all other sources;
- h) A description of the group of individuals trained;
- i) The number of males and females trained; and
- j) All of the countries of residence for the individuals trained.

The Subawardee shall not conduct any training under this Subaward for which attendees must travel to the United States without prior approval from Fintrac for this Subaward. Fintrac will provide further requirements and instructions to the Subawardee for any such training.

**(p) Contract Insurance Requirement**

The Subawardee shall ensure that its contractors or Subawardees (a) provide, before commencing performance under any Subawards funded under this Subaward, such workers' compensation insurance or security as required by USAID, and (b) continue to maintain such insurance until performance is completed.

**(q) Prohibition on Assistance to Drug Traffickers**

(a) Fintrac may terminate this Subaward or take other appropriate measures if the Subawardee or a key individual of the Subaward is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

(b) Fintrac may terminate assistance to, or take or take other appropriate measures with respect to, any participant approved by Fintrac who is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

(c) For any loan over \$1000 made under the Subaward, the Subawardee shall insert a clause in the loan agreement stating that the loan is subject to immediate cancellation, acceleration, recall or refund by the Subawardee if the borrower or a key individual of a borrower is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

(d) Upon notice by Fintrac of a determination under section (a) and at Fintrac's option, the Subawardee agrees to immediately cancel, accelerate or recall the loan, including refund in full of the outstanding balance. Fintrac reserves the right to have the loan refund returned to Fintrac.

(e) The Subawardee agrees not to disburse, or sign documents committing the Subawardee to disburse, funds to a sub-awardee designated by Fintrac ("Designated Sub-Awardee") until advised by Fintrac that: (1) any United States Government review of the Designated Sub-Awardee and its key individuals has been completed; (2) any related certifications have been obtained; and (3) the assistance to the Designated Sub-Awardee has been approved.

**(r) Local Compensation Plan**

Many firms use the U.S. Embassy's Local Compensation plan as a basis for estimating local labor costs. This is based on the concept that the U.S. Embassy & USAID pay reasonable salaries. Both Position Classification and Compensation are applied to determine the reasonableness of an individual position's salary under the system used by USAID and the Embassy.

The following pay ranges reflect the approximate equivalent base salary paid by the U.S. Government. In addition to this salary, the employees receive benefits normally required under the Honduran Labor Law.



Grade	Basic Salary Per Year		Sample Categories	Employee	
	Lempiras	Dollars			
FSN 12	Lps 733.559,10	- Lps 1.247.046	\$ 35.233,38	- \$ 59,896.89	Senior Recognized Expert with Advanced Degree – rare
FSN 11	Lps 597.059,97	- Lps 1.014.995	\$ 28,677.3	- \$ 48,751.01	Advanced Degree Professional/Area Specialist
FSN 10	Lps 438.570,96	Lps - 745.562,99	\$ 21,064.89	- \$ 35,809.94	Project Management Specialist/Degree Professional/Most Senior Admin Staff/Accountant/Systems Manager for a large organization
FSN 09	Lps 309.740,97	Lps - 526.557,06	\$ 14,877.9	- \$ 25,290.92	Project Management Assistant/Accounting and Mid Range Systems Manager for a Small Organization
FSN 08	Lps 255.437,05	Lps - 434.237,02	\$ 12,268.83	- \$ 20,856.72	Computer Management Assistant/Junior Project Assistant/Cashier accounting staff
FSN 07	Lps 216.045,03	Lps - 367.276,98	\$ 10,376.80	- \$ 17,640.59	Senior Admin Assistant/Junior Accounting Tech
FSN 06	Lps 166.477,93	Lps - 283.006,09	\$ 7,996.06	- \$ 13,592.99	Secretary
FSN 05	Lps 147.304,98	Lps - 250.424,96	\$ 7,075.17	- \$ 12,028.10	Junior Secretary/Maintenance Tradesperson
FSN 04	Lps 130.657,98	Lps - 222.114,06	\$ 6,275.60	- \$ 10,668.30	Receptionist/Messenger
FSN 03	Lps 102.617,03	Lps - 174.440,91	\$ 4,928.77	- \$ 8,378.53	Driver
FSN 02	Lps 79.426,04	Lps - 135.026,02	\$ 3,814.89	- \$ 6,485.40	Janitor/Sweeper/Laborer
FSN 01	Lps 68.719,02	Lps - 116.815,06	\$ 3,300.62	- \$ 5,610.71	
Exchange Rate: Lps. 20,42 = \$1.00					

**Appendix 3 – ENVIRONMENTAL ASSESSMENT FORM**

<b>Name of Activity:</b>	ACS-USAID PF # 00 PUCA
<b>Type of Activity</b>	Partner Fund
<b>Contractor:</b>	Fintrac Inc.
<b>Date of Review:</b>	January 18, 2016
<b>IIE/ETD Number:</b>	No. LAC-IEE-10-82

Screening Category / Criteria	A	B	C	
	Yes	No	If answered yes to A, is it ----?	
			High Risk	Medium Risk
<b>Impact on Natural Resources &amp; Communities</b>				
1 Will the activity involve construction of any type of structure (building, check dam, walls, etc.)? <sup>1</sup>	X			X
2 Will the activity involve the construction or repair of roads or trails? <sup>2</sup>	X			X
3 Will the activity involve the use, plans to use, or training in the use of any chemical compounds such as pesticides (including neem), herbicides, paint, varnish, lead-based products? <sup>3</sup>	X			X
4 Involve the construction or repair of irrigation systems?	X			X
5 Will the activity involve training or implementation of agricultural practices or production, including animal husbandry?	X			X
6 Involve the construction or repair of fish ponds?	X			X
7 Involve the disposal of used engine oil?	X			X
8 Will the activity involve implementation of timber management, extraction of forest products, clearing of forest cover, or conversion of forest land? <sup>4</sup>		X		

<sup>1</sup> Construction projects need to be reviewed for scale, planned use, building code needs and maintenance. Some small construction projects, such as building an entrance sign to a park, may require simple mitigations whereas larger buildings will require more extensive review and monitoring.

<sup>2</sup> New construction of roads and trails will require a full environmental assessment of the planned construction, i.e. a Positive Determination.

<sup>3</sup> The purchase of packaged store pesticides are included. The planned involvement of pesticides will trigger the need to develop a Supplemental Initial Environmental Examination that meets USAID pesticide procedures (Pesticide Evaluation Report and Safer Use Action Plan or PERSUAP) for the project.

<sup>4</sup> Any activities that involve harvesting trees or converting forests are considered high risk and require a full environmental assessment of the activity (i.e. positive determination).

9	areas near the project site, including protected area wetlands, critical wildlife habitat or nesting areas?	X			X
10	Will the activities proposed generate airborne gases, liquids, or solids (i.e. discharge pollutants)?	X			X
11	Will the waste generated during or after the activity impact on neighboring surface or ground water?		X		
12	Will the activity create objectionable odors?		X		
13	Will the activity violate air standard?		X		
14	Will the activity occur on steep slopes (Greater than 15%)?	X			X
15	Will the activity contribute to erosion?	X			X
16	Is the activity incompatible with existing land use in the vicinity?		X		
17	Will the activity contribute to displacement of people (housing) or businesses?		X		
18	Will the activity affect unique geological, physical, cultural, or historic features?		X		
19	Will the activity have potential impacts to inhabitants, natural landscapes, or flora/fauna downstream from the activity site?		X		
20	Will the activity contribute to change in the amount of surface water in any body of water?	X			X
21	Will the activity have a direct or indirect impact, or include actions with mangroves and coral reefs?		X		
22	Will the activity expose people or property to flooding?		X		
23	Will the activity contribute substantial reduction in the amount of ground water otherwise available for public water supplies?		X		
24	Does the activity involve a sub-grant component? <sup>5</sup>		X		
<b>Environment &amp; Health</b>					
25	Will the project activities create conditions encouraging an increase of waterborne diseases or populations of disease carrying vectors?		X		
26	For road rehabilitation as well as water and sanitation grants, has a maintenance plan been submitted?		X		
27	Will the activity generate hazards or barriers for pedestrians, motorists or persons with disabilities?		X		
28	Will the activity increase existing noise levels?		X		
29	Will the activity involve the disposal of syringes, gauzes, gloves and other biohazard medical waste?		X		
<b>Local Planning Permits</b>					

30	Does the activity e.g. infrastructure improvements, require local planning permission(s)?	X			X
31	Does the activity meet the national building code (e.g. infrastructure improvements)?		X	N/A	N/A
<b>GENDER*</b>					
32	Do men and women benefit disproportionately or are involved unequally in project activities?		X		
33	Does the activity inhibit the equal involvement of men and women?		X		
34	Are there factors that prevent women's participation in the activity?		X		

**RECOMMENDED ACTION (Check Appropriate Action)**

(a)	The project has no potential for substantial adverse environmental effects. No further environmental review is required (Categorical Exclusion). No EMPR required.	
(b)	The project has potential for minimal to medium adverse environmental effects, but mitigable environmental effects. Measures to mitigate environmental effects will be incorporated (Negative Determination with Conditions). EMPR Required.	X
(c)	The project has potentially substantial or significant adverse environmental effects, but requires more analysis to form a conclusion. An Environmental Assessment will be prepared (Positive Determination). No EMPR required.	
(d)	The project has potentially substantial adverse environmental effects, and revisions to the project design or location or the development of new alternatives is required (Deferral).	
(e)	The project has substantial and unmitigable adverse environmental effects. Mitigation is insufficient to eliminate these effects and alternatives are not feasible. The project is not recommended for funding.	

**NOTES:**

Environmental Screening template from ACS-USAID Environmental Mitigation Plan, approved September 10, 2015 by Hector Tablas of INVEST-H.

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Signature: Ricardo Arias, COP

February 25, 2016  
Date

\* A positive response to gender questions require follow up only when there are other positive responses on questions 1 – 30, and an EMP is developed.





















