

NGO Management Strengthening in Pakistan

REQUEST FOR APPLICATIONS (RFA)

RFA no.: 391-03-05 DRAFT
Draft RFA Issued: 24 February 2003
Comments Due: 10 March 2003

THIS IS A DRAFT RFA IS ISSUED FOR THE PURPOSE OF RECEIVING EXPRESSIONS OF INTEREST, COMMENTS AND SUGGESTIONS.

USAID/Pakistan is considering an assistance program as described in this draft RFA. If a decision is made to proceed with this program, USAID/Pakistan would issue a final RFA.

This draft RFA contains a description of the type of program USAID may support, planned eligibility and qualification requirements, and other information for organizations interested in submitting an application if a final RFA is issued.

The final RFA would be prepared including consideration of any feedback on this draft and may revise any portion of this draft.

USAID/Pakistan will prepare a list of persons and organizations that have expressed interest in this program, including the organization name, point of contact and applicable telephone, fax or email address. This list will be continually updated and will be provided to anyone on the list or that requests a copy if a final RFA is issued. The purpose of this list is to help an individual or organization to locate another organization that may be interested in working together. If your organization wishes to be included on the list, please provide the undersigned with the name of the organization, individual to contact, and applicable telephone, fax or email address.

Please direct all comments and suggestions concerning this draft RFA to the undersigned via email or fax.

Sincerely,

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Agreement Officer

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I. Eligibility and Minimum Qualifications For Applicants

Eligible applicants are U.S. or Pakistani non-governmental organizations (NGOs), whether profit making or non-profit entities.

In order for its application to be considered, an applicant must meet these minimum qualification requirements: No minimum qualification requirement for this RFA.

II. General Description of the Proposed Program

Objective

USAID/Pakistan has initiated this program in anticipation of improved business and funding opportunities for Pakistani non-profit, non-governmental organizations.

The primary objectives of this program are to (1) strengthen and increase the competitive base of Pakistani non-profit NGOs that meet the management standards required for a USAID award and (2) assist the NGOs in meeting the requirements necessary for certification as non-profit entities by the Government of Pakistan or its agents.

Another objective or benefit of the program may be to similarly inform and prepare Pakistani organizations to improve their management capacity as necessary in order to qualify for direct awards from donors other than USAID.

In addition, it is believed that an NGO assisted through this program would be better prepared to work as a sub-recipient in partnership with entities receiving awards from USAID or other donors. Pakistani organizations assisted through this program would be better prepared to work as a subcontractor or sub-recipient in partnership with other entities receiving awards from USAID or other donors.

Background

(1) *Management Standards.* The organization selected to implement the NGO Management Strengthening Program would assist Pakistani non-profit NGOs in meeting the management standards required for an organization to receive a USAID grant or cooperative agreement. Generally speaking, the USAID evaluation process is two-fold, where the first step of the evaluation process primarily focuses on a project proposal and leads to a recommendation as to whether or not USAID is interested in funding the project. If USAID is interested in funding the project, then the evaluation would proceed to the second step. The second step focuses on the organization that submitted the proposal and considers whether the organization is in good standing and has the management capacity to successfully complete the project in accordance with the terms of the planned award. The decision as to whether an organization meets the required standards to receive a USAID award is referred to as a “responsibility determination” and USAID will only make an award to an organization for which USAID makes a “positive”

responsibility determination. This is the area that USAID/Pakistan would like to see strengthened in Pakistan as one of the two objectives of this program: i.e. to increase the understanding and capacity of Pakistani NGOs to meet the management standards required for a direct USAID award.

Standards that apply to USAID grants and cooperative agreements awarded to non-U.S. organizations are described in USAID Automated Directive System (ADS) 303.5.9 “Pre-Award Responsibility Determination.” (Reference: <http://www.usaid.gov/pubs/ads>). These include the following from USAID Regulation 22CFR226 to be found at: <http://www.usaid.gov/pubs/ads/22cfr226.doc>:

- 1) Financial and Program Management 226.20 through 226.28
- 2) Property Management 226.30 through 226.37
- 3) Procurement 226.40 through 226.49
- 4) Reports and Records 226.50 through 226.53

USAID may fund smaller projects on the basis of a fixed amount for discretely defined programs. However, it is generally more likely that projects supported directly by USAID/Pakistan will be of a complex and/or uncertain nature, where funding and payment will necessarily be provided on a cost basis. Accordingly, it may be particularly important for a prospective recipient of a USAID grant or cooperative agreement to have a cost accounting system and financial management capability that is adequate for determining whether costs are allocable and allowable under any given award. This RFA contains a website reference for standard provisions for non-U.S. recipients of USAID grants and cooperative agreements. Some of these provisions may also be relevant to this management strengthening program including the provisions entitled “Allowable Costs” and “Accounting, Audit and Records.”

(2) *Certification of Non-Profit Status.* It is anticipated that the Government of Pakistan will soon charter one or more organizations to review and certify NGOs as non-profit entities. The applicants should be mindful of this when designing a program in response to this RFA.

Component Program Activities and Goals

USAID/Pakistan is seeking a program that will include assistance to non-profit NGOs in all four Provinces.

USAID/Pakistan does not have a targeted group or short list of organizations. Rather it prefers that assistance be offered as openly and as widely as possible to organizations interested in competing for USAID/Pakistan awards.

The following are some of the activities and issues that USAID/Pakistan would like to see included in the program description proposed by an applicant:

- 1) How and what information would be compiled and disseminated to non-governmental organizations in all four Provinces.
- 2) The approach to identifying organizations that will receive technical assistance.
- 3) How the applicant would approach its assessment and tailoring of assistance needs to an organization's size, type, business portfolio or other factors.
- 4) How the applicant would deliver the technical assistance.
- 5) Whether the applicant believes there will be gender issues to be addressed related to any program activities, and how these might be addressed.
- 6) The applicant's approach to managing for program results, what the expected results would be and how the applicant would monitor progress and measure the extent to which planned results were achieved in all four Provinces.
- 7) What if any sustaining features might the program include.

Applicant should note that this program is not proposed to procure pre-award survey services or to assist USAID/Pakistan in making any specific award decisions. Nor would organizations receiving assistance under this program be considered as pre-qualified for USAID awards or be assured of any USAID funding or contracts at any tier. Rather, it would be expected that organizations receiving assistance under this program would be better prepared to meet the management requirements of a USAID award, should they wish to pursue such opportunity.

In addition, it is hoped that organizations receiving assistance under this award and which merit non-profit status in Pakistan, would be successfully certified as such.

III. Competition – Context and Overview

Authorization. This program is authorized in accordance with the U.S. Foreign Assistance Act of 1961.

Competition. Consistent with the Federal Grant and Cooperative Agreement Act and USAID policy, USAID/Pakistan intends to use this competitive RFA as the means to identify and fund what it considers to be the best possible program to achieve the desired goals and objectives.

Amendments to the RFA. Any amendments to the RFA will be issued via the USAID website, as was the RFA itself: Interested parties are advised to check the website regularly to ensure timely receipt of any amendments.

http://www.usaid.gov/procurement_bus_opp/procurement/solicitation .

Process. The competition, pre-award considerations, and post-award actions will be conducted in accordance within the policies and guidelines contained in Chapter 303 of USAID Automated Directive System (ADS), as supplemented or revised by USAID Acquisition and Assistance Policy Directives (AAPDs) concerning "assistance" actions (grants and cooperative agreements). The decision as to which application USAID/Pakistan will elect to fund, will be based on the results of the evaluation of applications against stated evaluation criteria, the comparative strengths, weakness,

benefits and risks of the various programs offered, and other pre-award considerations. Reference: <http://www.usaid.gov/pubs/ads> and http://www.usaid.gov/procurement_bus_opp/procurement/cib .

Notices.

- (1) Funds to begin this program have not yet been received by USAID/Pakistan, but are expected to be available in time to permit an award in XXXX 2003. [To be completed in the final RFA.]
- (2) USAID/Pakistan reserves the right to fund any or none of the applications submitted in response to this RFA.
- (3) Depending on the results of its initial evaluation, USAID/Pakistan may make its award decision based solely on the original applications and conduct negotiations solely with the selected applicant; or, before making an award decision, USAID/Pakistan may elect to discuss the program(s) offered by one or more organizations that remain under consideration.
- (4) U.S. Executive Orders and U.S. law prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It will be the legal responsibility of the Recipient of the cooperative agreement to ensure compliance with these Executive Orders and laws. The same will be required for any contracts or grants issued by the Recipient under the agreement. One of the applicable Executive Orders is Executive Order 13224. The text of that E.O. and a list of the names of individuals and entities designated there under can be found at the web site of the Office of Foreign Assets Control (OFAC) within the Department of Treasury – <http://treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html>.

IV. Award Type and Expectation of Funding Level

USAID/Pakistan intends to award one cooperative agreement and estimates it will provide \$500,000 in funding over a one-year period commencing in XXXX 2003. [to be completed in the final RFA.]

If awarded to a U.S. organization, the planned cooperative agreement will be administered pursuant to USAID Regulation 22 CFR 226, applicable OMB Circulars and USAID Standard Provisions for U.S. organizations. These may be obtained via: <http://www.usaid.gov/pubs/ads/22cfr226.doc>
<http://www.usaid.gov/pubs/ads/300/303maa.pdf>

If awarded to a Pakistani organization, the planned cooperative agreement will be administered pursuant to USAID Standard Provisions for non-U.S. organizations. These standard provisions may be obtained via: <http://www.usaid.gov/pubs/ads/300/303mab.pdf>

The planned type of award is a cooperative agreement rather than a grant, because USAID/Pakistan expects it will be involved in the following areas during program implementation:

- Approval of the recipient's annual implementation plans, if the timeline for the planned achievement of milestones or results discussed in the selected applicant's program description are not established in sufficient detail when award of the cooperative agreement is made.

V. Evaluation Criteria

Applications will be evaluated against the following three criteria:

1. *Technical Merit* of the program description and approach included with the application. This factor is significantly more important than the other evaluation criteria.
2. *Past Performance* of the applicant and including any organizations included as part of its implementation team. This factor is of similar importance to Cost Realism and Effectiveness.
3. *Cost Realism and Effectiveness*. This factor is of similar importance to Past Performance.

Technical merit includes, but is not limited to, considerations such as: Approach to start-up, implementation and closeout. The goals and expected results (qualitative and quantitative) attributable to the proposed program; are they ambitious enough? Are they too ambitious? Will the program be managed well? Would the program be implemented by qualified individuals? Could the program succeed? Note: USAID/Pakistan has a strong preference for programs that maximize the utilization of Pakistani individuals in program implementation and management, both on principle and also so that the program will not be as vulnerable to continuing security incidents involving foreigners.

Past performance includes, but is not limited to: Were prior programs implemented by the organization effective? Were planned results achieved? How effectively did the organization manage problems or changed circumstances as they arose? Were resources managed in an effective manner?

The cost realism review will be primarily concerned with whether an application's budget is a reasonable and realistic representation of the applicant's program. Whether individual cost elements might be under-estimated or over-estimated will be considered.

The cost effectiveness analysis will consider elements of the program, its approach and/or budget that indicate careful or thoughtful utilization of funds; in general maximizing program impact per dollar, and more specifically maximizing benefit per dollar in Pakistan and to Pakistanis. Although this RFA does not require a minimum cost share contribution, it will be considered as an element of cost effectiveness. For instance, if the applicant's program includes elements of benefit to other donors, contributions from

those donors might be expected. Note: The section on cost share contained in ADS 303 has been superceded by AAPD 02-10 which can be found at: http://www.usaid.gov/procurement_bus_opp/procurement/cib .

Reasonableness and allowability of individual cost elements will also be considered as part of the cost realism and effectiveness review.

VI. Instructions for the Submission of Applications

Applications must be in English.

The application should be organized by the RFA's qualification requirements and evaluation factors. Separately bound technical and cost sections are not required.

The application must clearly and convincingly support the applicant's assertion that it meets the eligibility and qualification requirements as of the date applications are due.

Past performance information and references are required for the applicant and for any of its organizational team members to include the following: A list of all contracts, grants or cooperative agreements (including award numbers if available) involving similar or related programs since March 1999; the location where each project was implemented; a brief and precise description of the organization's role in the project; and a reference point of contract (name and his/her current telephone number or email).

The application should include a detailed program description and implementation approach responsive to this RFA, the "technical merit" of which will be evaluated. The program description and approach should be comprehensively described and include whatever information the applicant believes will best convince the panel that this is the program USAID/Pakistan should fund. It should include a clear statement of the program's purpose, clearly describe each element of the program, expected results, how progress towards those results would be monitored and how final results will be measured or documented at the conclusion of the program. If the applicant is proposing to team with other organizations, a description of the mutual roles and responsibilities of each organization; whether the team has successfully worked together before or why the applicant believes it would do so with respect to this program, should be noted. Similarly, the roles and responsibilities of "headquarters" versus field office and should be clearly conveyed, as well as the role individual field team members/positions who will function as the primary implementing unit.

Letters of commitment from organizational team members or individuals who are proposed to work on the program are requested if available. "Exclusive" letters of commitment are not required.

The cost or business portion of the application must be submitted including a standard form (SF) 424, SF424a and SF424b; these can be found at: <http://www.contacts.gsa.gov> .

Descriptive cost information (bases of estimates, etc.) should be provided along with the budget summary to support the application's budget as being realistic and efficient for the program proposed. Any features of the program description or implementation approach which offer cost efficiencies should also be noted.

If indirect rates are proposed, identify whether these rates have been agreed by a U.S. Federal agency. If so, identify that agency and a point of contact.

Note that profit is not permitted for recipients of grants or cooperative agreements.

Applications are due at USAID/Pakistan by application due date. Applications may be submitted via one of either of the following means: *Will be completed in the final RFA.*