USAID | AFGHANISTAN
FROM THE AMERICAN PEOPLE

PHOENIX OBLIGATION
[redacted]
AUG 20 2011
Requested By: _____ On 08-20-11
Reviewed By: _____ On _____
Submitted By: _____ On _____
Document Type: _____

August 21, 2011

[redacted]

Subject: Award No. 306-A-00-11-00528-00 Afghan Tuition Scholarship Program

Dear [redacted]

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the U.S. Agency for International Development (hereinafter referred to as "USAID" or "Grantor") hereby provides to Oasis International Schools Inc. (hereinafter referred to as "Recipient") the sum set forth in Section A.3 of this Award to provide support for the program described in Attachment B of this Award entitled "Program Description."

This Award is effective as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives for the period described in Section A.2.a of the Schedule. USAID shall not be liable for reimbursing the Recipient for any costs in excess of the obligated amount.

This Award is made to the Recipient on condition that the funds will be administered in accordance with the terms and conditions as set forth in the attachments listed under my signature below, which together constitute the entire Award document, and to which your organization has agreed.

Please sign the original and each copy of this letter to acknowledge your receipt of this Award, and return the original and all but one copy to the Agreement Officer.

Sincerely,

Joseph Terrazas
Agreement Officer

Attachments:

A. Schedule

B. Program Description

C. Standard Provisions

D. Branding Strategy and Marking Plan

[redacted]

ACCOUNTING AND APPROPRIATION DATA

A. GENERAL

[redacted]

4. Activity Title : Afghan Tuition Scholarship Program

[redacted]

B. SPECIFIC

1. (a) MAARD Number : 306-MAARD-11376

[redacted]

1. (d) Program Area : A012
1. (e) Program Element : A055
1. (f) EOCC : 4100201

[redacted]

1. (h) CO Reference Line No. : 20

[redacted]

C. PAYING OFFICE

Controller
USAID Afghanistan
6180 Kabul Place
Dulles, VA 20189-6180

Email: Kabulaidevouchers@usaid.gov

D. ADMINISTRATIVE OFFICE

a). Agreement Officer (AO)
Afghanistan Office of Acquisition and Assistance
USAID/Afghanistan
Great Massoud Road
Kabul

(b). Agreement Officer Technical Representative (AOTR)
Office of Social Structure Development
USAID/Afghanistan
Great Massoud Road
Kabul

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ATTACHMENT A - SCHEDULE

A.1 PURPOSE OF AWARD

The purpose of this Award is to provide support for the program described in Attachment B of this Award entitled "Program Description."

[redacted]

A.4 AWARD BUDGET

(a) Summary Budget

The following is the Award Budget for the total estimated amount of this Award (see Section A.3 above) for its full period (see Section A.2.a above). The Recipient may not exceed the total estimated amount or the obligated amount of this Award, whichever is less (see Section A.3 above).

THE BUDGET

a. Budget Table

[redacted]

*Note
USAID budget contribution shall be tracked against the number of tuition scholarships awarded per year as agreed upon in the approved work plans. Accordingly, ISK will only submit to USAID certified lists of scholarship beneficiaries for reimbursement.

(b) Budget Revisions

(1) Reporting of Deviations from Budget Plan

The summary budget set forth in paragraph (a) above is based on the detailed budget that the Recipient submitted with its application for this Award. The Recipient's detailed budget (as may be adjusted by USAID to correct any mathematical errors) constitutes the approved budget plan for this Award. In accordance with 22 CFR 226.25(b), the Recipient shall report all deviations from the approved budget plan.

(2) Prior Approval Required for Transferring Funds among Cost Categories by More Than 10% of Total Estimated Amount

In accordance with 22 CFR 226.25(f), the Recipient may not transfer funds among cost categories by more than 10% of the total estimated amount of this Award (see Section A.3 above) without the prior written approval of the Agreement Officer. Approval is also required for other budget revisions, as described in paragraph (b) (3) below, even if the budget revision is within the 10% restriction described herein.

(3) Prior Approval of Certain Revisions to Budget Plan

In accordance with 22 CFR 226.25(b), the Recipient shall request prior approval from the USAID Agreement Officer for the specific budget revisions described in 22 CFR 226.25(c) (1) through (c) (8).

A.5 SUB-AWARD, TRANSFER, OR CONTRACTING-OUT OF ANY WORK (OTHER THAN THE PURCHASE OF SUPPLIES, MATERIAL, EQUIPMENT, OR GENERAL SUPPORT SERVICES)

Pursuant to 22 CFR 226.25(c)(8), prior approval is required for the sub-award, transfer, or contracting-out of any work hereunder (other than the purchase of supplies, material, equipment, or general support services), unless it was described in the Recipient's application (see Attachment B of this Award) and funded in the approved budget of the award. Except as indicated above all other contracts sub-awards, transfers, and sub grants must have the prior approval of the Agreement Officer.

A.6 REPORTING AND EVALUATION

(a) Financial Reporting

(1) Reporting of Expenditures

(A) Financial reporting requirements shall be in accordance with 22 CFR 226.22 regarding Advance payments. Either paper copies or electronic copies (scanned PDF document) may be submitted, but not both. The Recipient shall submit an original and two copies of SF 1034 on monthly basis for cash advance payments and liquidation.

(B) In accordance with 22 CFR 226.52, the SF 425 and SF 425a are used to report actual expenditures and are required on a quarterly basis. The Recipient shall submit these forms in the following manner:

The SF 425 (as appropriate) must be submitted to the Agreement Officer's Technical Representative, Agreement Officer and the Office of Financial Management at kabulfinancialreport@usaid.gov. These reports shall be submitted within 45 calendar days from the end of each quarter, except that the final report shall be submitted within 90 calendar days from the estimated completion date of this Award.

(b) (1) Programmatic Reporting

(2) Program Planning Reports

(A) Annual Work-Plans

(i) Not later than 60 days from the effective date of this Award, the Recipient shall submit one hard copy to the AOTR of a draft annual work-plan, covering the first year of this Award. The work-plan shall include the activities planned to be conducted, the site(s) where they will be conducted, benchmarks/milestones and annual performance targets; the outputs/outcomes which the Recipient expects to achieve; and the inputs planned to be provided by the Recipient, during the work-plan period. Included shall be an explanation of how those inputs are expected to achieve the outputs/outcomes and benchmarks/milestones. The work-plans will also include the Recipient's planned international travel, as described in

paragraph (a)(1) of the Standard Provision set forth in Attachment C of this Award entitled "International Air Travel and Transportation."

(ii) Not later than 60 days prior to the beginning of each subsequent year, the Recipient shall submit one copy to the AOTR of draft annual work-plans for each subsequent year. The work-plans shall include the activities planned to be conducted, the site(s) where they will be conducted, and benchmarks/milestones; the outputs/outcomes which the Recipient expects to achieve; and the inputs planned to be provided by the Recipient, during the work-plan period. Included shall be an explanation of how those inputs are expected to achieve the outputs/outcomes and benchmarks/milestones. The work-plans will also include the Recipient's planned international travel, as described in the applicable Standard Provision, "International Air Travel and Transportation."

The AOTR shall review the draft annual work-plan, and shall provide comments within 30 days from receipt. Thereafter, the Recipient shall submit one copy of the final work-plan within 15 days of receipt of the AOTR's comments to the AOTR for approval.

(B) Monitoring and Evaluation (M&E) Plan

(i) Not later than 60 days from the effective date of this Award, the Recipient shall submit three copies to the AOTR of a draft M&E plan. The M&E plan shall include a detailed plan for managing the collection of data in order to monitor performance and report thereon. The M&E plan shall specify the source, method of collection, and schedule of collection for each datum required; and assign responsibility for collection to a specific partner, team, or individual. The M&E plan shall also describe critical assumptions. Also included must be performance baseline data that describe the prevailing conditions of a beneficiary population and/or the situation at the onset of the program, the magnitude of the problem and/or the needs that the Recipient's program will address, performance indicators (including appropriate rationale and justification therefore), and numerical performance targets delineated by the U.S. Government's fiscal year (*i.e.*, AOTR per October 1st - September 30th) or part thereof. If disaggregated data are required, the M&E plan must be capable of accomplishing this. If disaggregated data are not feasible, the M&E plan (including performance indicators) must assess impact on disaggregated populations indirectly. The AOTR will provide comments within 30 days, and the Recipient shall then submit three copies of the final M&E plan within 15 days of receipt of the AOTR's comments to the AOTR for approval. The M&E plan must be approved by the AOTR.

(3) Performance Monitoring Reports

(A) Notifications

The Recipient shall submit one copy to the AOTR and one copy to the Agreement Officer of notifications (in writing), as follows:

(i) Developments which have a significant impact on the activities supported by this Award; and

(ii) Problems, delays, or adverse conditions which materially impair the ability to meet the objectives of this Award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the problem.

(B) Quarterly Program Performance Reports

(i) The Recipient shall submit one copy of a concise and brief quarterly program performance report to the AOTR. Electronic submissions are preferred over hard-copy.

(ii) Reporting periods are calendar quarters.

(iii) The due-date for these program performance reports is not later than 30 days after the end of each reporting period. However, if the reporting period ends before 45 days from the effective date of this Award, or less than 30 days from the estimated completion date of this Award and this Award is not being extended, no submission shall be required. All other reporting requirements shall, however, apply.

(iv) At a minimum, these reports shall include the following:

- A comparison of actual accomplishments, both for the reporting period and cumulatively, with the established goals and objectives, and expected results; the findings of the investigator; or both. Data (both qualitative and quantitative) must be presented using established baseline data and indicators, and be supported by a brief narrative. Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs;
- Reasons why established goals were not met (if applicable), the impact on the program objective(s), and how the impact has been/will be addressed; and
- Other pertinent information including, when appropriate, success stories (if available) which illustrate the direct positive effects of the program; how unforeseen circumstances affected overall performance compared to original assumptions (if applicable), how activities were accordingly adjusted or re-targeted; and analysis and explanation of cost overruns or high unit costs.

(B) Annual Program Performance Reports

(i) The Recipient shall submit one copy of a concise and brief annual program performance report to the AOTR. Electronic submissions are preferred over hard-copy.

(ii) Reporting periods are the anniversary dates of this Award.

(iii) The due-date for these program performance reports is not later than 30 days after the end of each reporting period. However, if the reporting period ends before 30 days from the effective date of this Award, or less than 30 days from the estimated completion date of this Award and this Award is not being extended, no submission shall be required. All other reporting requirements shall, however, apply.

(iv) At a minimum, these reports shall include the following:

- A comparison of actual accomplishments, both for the reporting period and cumulatively, with the established goals and objectives, and expected results; the findings of the investigator; or both. Data (both qualitative and quantitative) must be presented using established baseline data and indicators, and be supported by a brief narrative. Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs;

- Reasons why established goals were not met (if applicable), the impact on the program objective(s), and how the impact has been/will be addressed; and;
- Other pertinent information including, when appropriate, success stories (if available) which illustrate the direct positive effects of the program; how unforeseen circumstances affected overall performance compared to original assumptions (if applicable), how activities were accordingly adjusted or re-targeted; and analysis and explanation of cost overruns or high unit costs.

(4) Final Report

(A) The Recipient shall submit one copy of an annual and/or final results report to the AOTR. Electronic submissions are preferred over hard-copy. These results reports shall cover the period October 1st through September 30th of each year, or parts thereof. If this Award expires during the reporting period, the Recipient shall submit a final report not later than 90 days after the estimated completion date. Otherwise, the Recipient shall submit an annual report not later than December 31st. These annual and final results reports shall emphasize quantitative as well as qualitative data that reflect results, shall measure impact using the baseline data and indicators established for the program, and shall, at a minimum, include the following:

(i) Number of beneficiaries targeted during the reporting period;

(ii) Number of beneficiaries reached during the reporting period;

(iii) Cumulative number of beneficiaries targeted to date;

(iv) Cumulative number of beneficiaries reached to date;

(v) Total numbers of beneficiaries targeted and reached to date;

(vi) A description of assessments and surveillance data used to measure results;

(vii) Success stories and an explanation of successes achieved, constraints encountered, and adjustments made for achieving Program objectives;

(viii) A discussion of the overall performance of the program, including details of any discrepancies between expected and actual results and any recommendations for improving the design of the program;

(ix) Overall cost effectiveness, with particular attention paid to cost savings and/or cost overruns, and other significant cost impacts such as major exchange rate fluctuations or other types of inflation shall be detailed;

(x) A comparison of actual accomplishments, both for the reporting period and cumulatively, with the established goals and objectives, and expected results; the findings of the investigator; or both. Data (both qualitative and quantitative) must be presented using established baseline data and indicators, and be supported by a brief narrative. Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs;

(xi) Reasons why established goals/targets were not met (if applicable), the impact on the program objective(s), and how the impact has been/will be addressed; and

(xii) Other pertinent information including, when appropriate, success stories (if available) which illustrate the direct positive effects of the program; how unforeseen circumstances affected overall performance compared to original assumptions (if applicable), how activities were accordingly adjusted or re-targeted; and analysis and explanation of cost overruns or high unit costs.

A.7 TITLE TO AND USE OF PROPERTY

Title to property financed under this Award or provided by USAID shall vest in the Recipient, subject to the following requirements regarding the use, care, accountability, maintenance, and disposition thereof:

(a) Tangible Property

(1) Equipment

[redacted]

(2) Supplies and Other Expendable Equipment

"Supplies and other expendable equipment" means items of tangible personal property that do not meet the definition of "equipment" in paragraph (a) (1) above. Supplies and other expendable equipment are subject to the requirements set forth in 22 CFR 226.35.

(3) Real Property

"Real property" means land, land improvements, structures, and appurtenances thereto. Real property is subject to the requirements set forth in 22 CFR 226.32.

(b) Intangible (Intellectual) Property

"Intangible property" means, but is not limited to, copyrights, inventions and patents, and data first produced under this Award. Intangible property is subject to the requirements set forth in 22 CFR 226.36.

A.8 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this award is 000.

A.9 COST SHARE

The Recipient agrees to expend an amount not less than $4,658,493 of the total activity cost.

A.10 INDIRECT COSTS

No Indirect Costs shall be reimbursed under this Agreement

A.11 RESTRICTIONS ON FUNDING FOR LAW ENFORCEMENT

None of the funds made available through this grant shall be used to provide training or advice, or provide any financial support, for police, prisons, or other law enforcement forces. The only exception to this restriction is activities that enhance professional capabilities to carry out investigative and forensic functions conducted under judicial or prosecutorial control. The Grantee shall consult with USAID before relying on this exception.

A.12 SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS

It is understood and agreed that USAID will be substantially involved during performance of this Award as set forth below. The AOTR is not authorized to provide any approvals which would constitute: (1) a change to the scope or objectives of the program described in Attachment B of this Award, which may only be approved by the Agreement Officer; (2) a change to the Award budget, unless the Agreement Officer's approval is not required for said budget changes pursuant to 22 CFR 226.25; or (3) an unauthorized commitment as defined in ADS-303.3.18.

1. Approval of specified key personnel
2. Approval of the School business development plan
3. Approval of annual work plans
4. Approval of performance monitoring reports
5. Approval of the scholarship program and procedures, and participation on scholarship application/award panel (before start of the academic year)
6. Approval of an Enrollment and Tuition reports with all proposed scholarship recipients
7. Approval of the School's Charter
8. Participation in the development and approval of the school's policies and procedures.

The following positions have been designated as key to the successful completion of the objectives of this award. In accordance with the Substantial Involvement clause of this award, the personnel are subject to the approval of the USAID Agreement Officer's Technical Representative (AOTR). The Recipient agrees to notify USAID at least 30 days in advance of the diversion of any personnel filling such positions identified below. Further, the Recipient agrees to notify USAID as soon as possible of the removal of any personnel filling such positions identified below.

Position	Person
1. Chief of Party	[redacted]
2. Fund Manager	[redacted]
3. Finance Director	[redacted]

A.13 PROGRAM INCOME

The Recipient shall account for Program Income in accordance with 22 CFR 226.24 (or the Standard Provision entitled Program Income for U.S. organizations. Program Income earned under this award shall be added to the project.

A.14 RESOLUTION OF CONFLICTS

Conflicts between any of the Attachments of this Award shall be resolved by applying the following descending order of precedence:

Attachment A - Schedule
22CFR226
Attachment C - Standard Provisions

Attachment B - Program Description
Attachment D - Branding Strategy and Marking Plan

SPECIAL PROVISIONS

A.15 SECURITY

The Recipient shall comply with all Government of the Islamic Republic of Afghanistan (GIRoA) and U. S. Government civilian/ military agency security policies and orders (COM/FRAG) as they relate to Recipient's activities under this Cooperative Agreement.

Recipient is advised that, as a result of Presidential Decree #62, security requirements for this Cooperative Agreement must be coordinated through the Afghan Ministry of Interior's Afghanistan Public Protection Force (APPF). At the time of award of this Cooperative Agreement, procedures for obtaining security are in transition and Recipient shall closely monitor APPF procedural requirements and implement changes. Recipient shall initiate discussion with APPF regarding security requirements as soon as possible. The APPF will require Recipient to prepare and submit information on several forms. After receipt, APPF will discuss Recipient's specific security requirements in a personal interview. At the time of award of this Cooperative Agreement, the contact persons for this process is Major General Sayed Kamal (Sadat), Director General of Public Protection , 0799-340-490 and 0700-145-575, E-mail generalsadat@yahoo.com (Note: Mr. Sadat is more comfortable communicating in Dari). USAID's, Safety and Security Office will assist with the process and may be reached at kabulaidsso@usaid.gov.

The Recipient shall be responsible for providing all life-support and security services required for its personnel deployed to project locations except when it is expressly stated in individual task orders that such facilities and services are to be provided by other means. The Contractor responsibilities shall include all life support, communications, and transportation of materials, personnel, and equipment to work sites. The Recipient may be required to provide the same life-support and security services for USAID personnel when so specified. In addition, the Recipient shall be responsible for maintaining the security of its personnel, materials, and equipment.

The Recipient shall prepare a comprehensive safety and security plan pertaining to all aspects of its activities and the activities of its employees in the performance of all work related to this Cooperative Agreement as well as the off-duty activities of its employees, as those activities relate to performance of contract work, serving in Afghanistan or elsewhere within the region as it relates to performance of the work. The Recipient shall continuously monitor and update this comprehensive safety and security plan by means of qualified and competent staff of personnel. The Recipient shall work closely with and establish liaison and cooperate

with all authorized and appropriate safety and security organizations and entities for the protection and safety of its operations and employees.

A.16 NON-FEDERAL AUDITS

In accordance with 22 CFR 226.26, the Recipient and its sub-recipients are subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and OMB Circular A-133. The Recipient and its sub-recipients must use an independent, non-Federal auditor or audit organization which meets the general standards specified in generally accepted government auditing standards (GAGAS) to fulfill these requirements.

A.17 USAID DISABILITY POLICY (DEC 2004):

1) The objectives of the USAID Disability Policy are

   a) to enhance the attainment of United States foreign assistance program goals by promoting the participation and equalization of opportunities of individuals with disabilities in USAID policy, country and sector strategies, activity designs and implementation;
   b) to increase awareness of issues of people with disabilities both within USAID programs and in host countries;
   c) to engage other U.S. government agencies, host country counterparts, governments, implementing organizations and other donors in fostering a climate of nondiscrimination against people with disabilities; and
   d) To support international advocacy for people with disabilities. The full text of the policy paper can be found at the following website: http://www.usaid.gov/about_usaid/disability/.

2) USAID therefore requires that the Recipient not discriminate against people with disabilities in the implementation of USAID funded programs and that it make every effort to comply with the objectives of the USAID Disability Policy in performing the program under this grant or cooperative agreement. To that end and to the extent it can accomplish this goal within the scope of the program objectives, the Recipient should demonstrate a comprehensive and consistent approach for including men, women and children with disabilities.

A.18 EXECUTIVE ORDER ON TERRORISM FINANCING (FEB 2002):

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

A.19 FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JAN 2002):

Funds in this agreement may not be used to finance the travel, per diem, hotel expenses, meals, conference fees or other conference costs for any

member of a foreign government's delegation to an international conference sponsored by a public international organization, except as provided in ADS Mandatory Reference "Guidance on Funding Foreign Government Delegations to International Conferences" or as approved by the AO.

A.20 BRANDING STRATEGY AND MARKING PLAN

(1) In accordance with the Standard Provision set forth in Attachment C of this Award entitled "Marking Under USAID-Funded Assistance Instruments," the Recipient's Branding Strategy and Marking Plan is incorporated into this Award as Attachment D hereof.

A.21 HOST COUNTRY TAXES AND DUTIES

The Recipient is advised that equipment, materials, and funds introduced into Afghanistan under the USAID program are exempt from customs duties and taxes of every kind. Accordingly, and in accordance with the applicable U.S. Government cost principles (see 22 CFR 226.27), such costs are unallowable and may not be charged to this Award or paid with funding provided hereunder. If the Recipient is assessed any such charges, the Recipient shall bring the proposed assessment to the immediate attention of the Agreement Officer and USAID/Kabul.

A.22 DATA BASE REPORTING REQUIREMENTS

USAID/Afghanistan uses a management information system to track program and project information for all mission-funded activities. The purpose of this database is to track and monitor development projects, while maintaining coordination between USAID/Afghanistan, USAID/Washington, Congress, implementing partners, the Government of Afghanistan, and other donors. This reporting process supports the Government of Afghanistan's requirement that USAID provide information to the Ministry of Finance in order to track ongoing and completed donor-sponsored development activities.

The Recipient shall provide at least a quarterly update of information on the activities under the award by entering this information into the USAID/Afghanistan management information system. The Recipient shall enter information via an internet website. USAID will provide the URL address, and a user ID/password. The Recipient shall name one person as the primary point of contact for this information system, who will receive training from the USAID Database Manager to utilize the system. A comprehensive user manual, which will be provided after award, provides detailed information on the required information and processes needed for managing the information in USAID/Afghanistan information system.

A.23 HOMELAND SECURITY PRESIDENTIAL DIRECTIVE (HSPD-12) (SEP 2006)

In response to the general threat of unauthorized access to federal facilities and information systems, the President issued Homeland Security Presidential Directive-12. HSPD-12 requires all Federal agencies to use a common Personal Identity Verification (PIV) standard when identifying and issuing access rights to users of Federally-controlled facilities and/or Federal Information Systems. USAID is applying the requirements of HSPD-12 to applicable assistance awards. USAID will begin issuing HSPD-12 "smart

card" IDs to applicable recipients (and recipient employees), using a phased approach. Effective October 27, 2006, USAID will begin issuing new "smart card" IDs to new recipients (and recipient employees) requiring routine access to USAID controlled facilities and/or access to USAID's information systems. USAID will begin issuance of the new smart card IDs to existing recipients (and existing recipient employees) on October 27, 2007. (Exceptions would include those situations where an existing recipient (or recipient employee) loses or damages his/her existing ID and would need a replacement ID prior to Oct 27, 2007. In those situations, the existing recipient (or recipient employee) would need to follow the PIV processes described below, and be issued one of the new smart cards.)

Accordingly, before a recipient (including a recipient employee) may obtain a USAID ID (new or replacement) authorizing him/her routine access to USAID facilities, or logical access to USAID's information systems, the individual must provide two forms of identity source documents in original form and a passport size photo. One identity source document must be a valid Federal or state government-issued picture ID. (Overseas foreign nationals must comply with the requirements of the Regional Security Office.) USAID/W recipients (and recipient employee) must contact the USAID Security Office to obtain the list of acceptable forms of documentation, and recipients working in overseas Missions must obtain the acceptable documentation list from the Regional Security Officer. Submission of these documents, and related background checks, are mandatory in order for the recipient (or employee) to receive a building access ID, and before access will be granted to any of USAID's information systems. All recipients (or employees) must physically present these two source documents for identity proofing at their USAID/W or Mission Security Briefing. The recipient (or employee) must return any issued building access ID and remote authentication token to USAID custody upon termination of the individual's employment with the recipient or completion of the award, whichever occurs first.

The recipient must comply with all applicable HSPD-12 and PIV procedures, as described above, as well as any subsequent USAID or government-wide HSPD-12 and PIV procedures/policies, including any subsequent applicable USAID General Notices, Office of Security Directives and/or Automated Directives System (ADS) policy directives and required procedures. This includes HSPD-12 procedures established in USAID/Washington and those procedures established by the overseas Regional Security Office. In the event of inconsistencies between this clause and later issued Agency or government-wide HSPD-12 guidance, the most recent issued guidance should take precedence, unless otherwise instructed by the Agreement Officer.

The recipient is required to include this clause in any subawards (including subcontracts) that require the subawardee or subawardee employee to have routine physical access to USAID space or logical access to USAID's information systems.

A.24 SPECIAL PROVISION FOR PERFORMANCE IN AFGHANISTAN (JULY 2010)

All recipient personnel deploying to Afghanistan under grants or cooperative agreements with a performance period over 30 days or valued at more than $100,000 must be accounted for in the Department of Defense maintained Synchronized Pre-deployment and Operational Tracker (SPOT) system.

[redacted]

Recipient shall register those individuals requiring SPOT-generated Letters of Authorization (LOAs) in SPOT before deploying any employees or consultants to Afghanistan. If individuals are already in Afghanistan at the time the recipient employs them, the recipient must enter each individual upon his or her becoming an employee or consultant under this award. Personnel that do not require LOAs are still required to be accounted for in SPOT for reporting purposes either individually or via an aggregate tally methodology. The recipient must maintain and keep current all employee and consultant data in SPOT. Information on how individual and/or aggregate tally registrations will be made in SPOT is available from the Agreement Officer (AO) or Agreement Officer's Technical Representative (AOTR).

Recipient performance may require the use of armed private security personnel. To the extent that such private security contractors (PSCs) are required, recipients are required to ensure they adhere to Chief of Mission (COM) policies and procedures regarding the operation, oversight, and accountability of PSCs. PSCs will be individually registered in SPOT.

Under this award, the term "PSC" includes any personnel providing protection of the personnel, facilities, or property of a recipient or sub recipient at any level, or performing any other activity for which personnel are required to carry weapons in the performance of their duties. As specific COM policies and procedures may differ in scope and applicability, recipient is advised to review post policies and procedures carefully in this regard and direct any questions to the Embassy Regional Security Office (RSO) via the Agreement Officer's Technical Representative.

Any exception to these policies must be granted by the COM via the RSO. A copy of any exception must be provided to the AO and AOTR. COM policies and procedures may be obtained from the RSO via the Agreement Officer's Technical Representative. Recipient is also advised that these policies and procedures may be amended from time to time at the post in response to changing circumstances.

Recipient is advised that adherence to these policies and procedures is considered to be a material requirement of this grant/cooperative agreement. The recipient must include this provision in all sub-awards at any tier or contracts under their grant/cooperative agreement.

Recipient is reminded that only the Agreement Officer has the authority to modify the Notice of Award. Recipients shall proceed with any security guidance provided by the RSO, but shall advise the Agreement Officer and the Agreement Officer's Technical Representative of the guidance received and any potential cost or schedule impact.

A.25 SERIOUS INCIDENT REPORTING IN AFGHANISTAN (DECEMBER 2010)

The implementing partner is responsible for reporting all serious incidents during performance of the award. This reporting shall apply to the prime implementing partner and all sub-awardees regardless of the tier (subs of subs and lower, etc). In addition to reporting, the prime is responsible for

ensuring timely investigation of all serious incidents and maintaining on file all records of reported serious incidents.
A serious incident is defined as any of the following against an employee paid for with US Government funding or on a USAID funded worksite regardless of the tier of the employee:

1. Death of an individual,
2. Discharge of a firearm with the intent to cause bodily injury or the use of an instrument with the intent of causing serious bodily harm to an employee,
3. The detention of an employee against their will.

Implementing partners shall provide initial notification to the USAID Safety and Security Office (SSO), either orally or by email, of any serious incident - as soon as practical if it practical if it cannot be done immediately. The emails shall be sent to: KabulAIDSSO@usaid.gov. This notification must provide as many details as are known at the time about of the incident.

Within 24 hours of the incident, the implementing partner shall submit a more formal written incident report. The prime partner shall provide the report to the SSO and will concurrently send a copy to the USAID Cognizant Contracting/Agreement Officer's Technical Representative (AOTR) and the Agreement Officer (AO).

The initial written report shall include the award number, the name of the company, location where the incident occurred (LatiLon or MGRS), time when the incident occurred, a brief description of the events of the incident, details about any known casualties and a point of contact for the company. The implementing partner shall provide a follow-up comprehensive written report of events surrounding the incident within 96 hours when greater details are known. Additionally, if a serious incident which involves an employee wounded in action (WIA) who later succumbs of the wound (s), the partner shall notify the SSO within 24 hours of the death of the individual.

A.26 GENDER INTERGRATION REQUIREMENTS (DECEMBER 2010)

USAID programs must address the needs and protect the rights of women and girls in Afghanistan. Therefore, USAID requires recipients to undertake efforts to prevent discrimination and violence against women and girls, provide economic and leadership opportunities, increase participation of women in the political process, improve security for women and girls, promote education, health and well-being, and other efforts designed to directly benefit women and girls. The Recipient shall integrate assistance to women into **all** aspects of development, planning, programming and implementation, as a part of this assistance program. Such integration shall contribute to the three pillars of development outlined in the ten-year National Action Plan for the Women of Afghanistan (NAPWA) 1) Security; 2) Government, Rule of Law, and Human Rights; and 3) Economic and Social Development. The Recipient shall establish the necessary implementation, management and reporting systems to separately track and report to USAID data on female beneficiaries and measurable impacts of activities intended to address the needs of women and girls. It is expected that the relevant

indicators on female beneficiaries and impacts of activities on the needs of women and girls will vary by project. However, relevant indicators may include items such as:

1) the total number of women and girls supported through the agreement on a quarterly basis through Afghan Info;
2) number of women accessing basic services, including education and health;
3) number of interventions leading to increased employment and economic opportunities for women, as well of number of beneficiaries;
4) number of interventions resulting in increased participation of women in government and civil society;
5) number of activities supporting legal rights and public access for women; and,
6) outcomes for women who have benefited from the agreement. The Recipient shall refer to USAID/Afghanistan's comprehensive Performance Management Plan (PMP) for complete list of gender indictors. To the extent possible, indicators applicable to the agreement will be disaggregated by gender.

A.27 USAID AFGHANISTAN IMPLEMENTING PARTNER NOTICES

The Recipient of this award shall comply with and adhere to all USAID Afghanistan Implementing Partner Notices. Copies of the notices are provided to implementing partners at the time of issuance. Copies are also available upon request from your cognizant Agreement Officer.

A.28 PAYMENT ADVANCES AND REFUNDS (OCTOBER 1998)

[redacted]

[redacted]

ATTACHMENT B - PROGRAM DESCRIPTION

International School of Kabul - (ISK -II) Afghan Tuition Scholarship Program

I. Executive Summary

International School of Kabul II Program (ISK-II)

1.1 Program Background

The International School of Kabul (ISK) is a fully integrated co-educational international K-12 school that provides Afghan and expatriate students with an American-style education in English. ISK has made great strides in designing a sound and comprehensive educational program for all ages and providing the facilities and resources needed to deliver the program. The school was chartered in 2005, and accredited by the Middle States Association of Colleges and Schools (MSA) with the observation that ISK was operating at a level of greater development and maturity than schools within the same peer group.

ISK serves an important role in providing a high-quality education to Afghan students who will become the future leaders of their country. The school also attracts skilled Afghan expatriates, experienced development professionals, and international diplomats to support the reconstruction of Afghanistan by providing their dependents a high-quality education. This excellence in academic achievement is illustrated by the fact that 86 percent of ISK graduates have been accepted to universities in more than eight countries. Overall, over 32 percent of ISK students maintain honors level performance with grade point averages of over 3.5 on a 4.0 scale.
USAID has supported ISK since 2005, commencing with a $9.6 million program of support that ended on December 31, 2010. As a result of USAID support, ISK has grown from only eight students in 2005 to more than 300 in 2010, of which more than 80 percent are Afghan and 38 percent are females.

ISK II aims to increase access to high-quality education for underprivileged Afghans by funding full and partial scholarships for deserving Afghan students. In addition, the program will assist in filling ISK's funding gaps, but based on a sound plan for financial independence. This will provide a transition period for ISK to implement business, sustainability, and fundraising plans and construct a new school.

The program's main objective to increase access to high-quality education is in line with the Afghanistan's National Education Strategic Plan Sub-Program 1.1: General Education overall goal that all school-age children will have equitable access without discrimination to quality education, to acquire competencies needed for a healthy individual, family, and social life, and to further opportunities for higher education.

1.2 Program Scope & Term

The Life of Project (LOP) is established for a period of two years, from [redacted] The Total Estimated Budget of ISK-II

will be limited to $4.3M USD in direct scholarships for Afghan students.

II. ISK-II Program Strategy

2.1 Program Summary

ISK II will support a fixed-level financial aid program for deserving Afghan ISK students. Specifically, the program will use culturally normalized and historically tested objective criteria to provide financial aid based on key criteria such as parental income, assets, the applicant's academic record, geographic origin, and gender factors. In addition, students will be required to maintain a certain grade point average to remain eligible for financial aid. Utilizing this approach will require ISK to explore other means of support such as fund raising and to intensify growth strategies to increase the enrollment of students whose families can afford to pay tuition and associated school fees. Specific program objectives are identified within three *Key Results* as listed within the following section.

2.2 ISK-II Key Results

Result #1 - Implement a fair and transparent scholarship program for deserving Afghan students attending ISK.

With the primary objective of increasing access to high-quality education, particularly for underprivileged Afghans, ISK-II will provide funding to ISK to award full and partial financial aid scholarships to deserving Afghan students. ISK will develop, for USAID approval, appropriate policies and procedures to determine which Afghan students are eligible for scholarships and scholarship amount to be awarded. The scholarships will be provided against a sliding scale based on the families' annual income and assets owned.

Each semester, ISK will provide to USAID an Enrollment and Tuition report with all proposed scholarship recipients for review and approval. The report will contain each Afghan student's ID, name, father's and mother's employer and position, total tuition, tuition paid, percentage tuition paid, scholarship received, and percentage of scholarship received. As a part of Audit requirements, USAID will perform a random check on a sample of the recipients to ensure the amount of annual income and assets reported to ISK are factual. If material discrepancies are discovered, the recipient's family will be required to reimburse ISK the full scholarship amount received.

Additional Criterion and Strategy Employed:

Based upon five years of historical data and the analysis of price elasticity, average earnings, and calculated Expected Family Contribution (EFC) toward tuition, ISK has developed and adopted a new (modified) Tuition Assistance Program that will provide acceptable criteria for the approval and processing of fixed level scholarships. ISK utilized the new model for during the 2010-2011 school-years in order to test the calculated financial capacity of families with children enrolled as ISK students as well as to evaluate the impact of changes to tuition rates

based upon the actual cost-per-child calculated by operating expenses and total enrollment. The model adopted is similar in structure to that utilized by the U.S. Department of Education for the calculation of post-secondary Federal Financial Aid and normalized to economic conditions within Afghanistan.

Under the proposed model the maximum level of USAID scholarship under ISK-II is 90% during the first year and 80% under the second year. The decrease in USAID support and the potential gap or margin in EFC will be recovered by increased family participation in costs and (or) the increased level of institutional support provided by ISK through other operational earnings or independent private subsidies acquired through fundraising efforts.

Scholarship Processing Criteria

The model employed under ISK-II can be best described to mirror the selection process adapted by the U.S. Department of Education under the Free Application for Federal Student Aid at the post-secondary level. The formulas and specific criteria have been adapted, normalized, and adjusted to the relevant economic capacity within Afghanistan. Initial comparative date was used from similar international schools in other countries and a five year base-line was established to determine the *"price elasticity"* for families. In economic terms, what is the percentage of disposable family income could a family afford to send one or more children to school at ISK.

Upon enrolling at ISK, if a student is determined to be qualified (by age, valid transcript, and the necessary level of English language skills required), parents who indicate they need assistance with tuition are provided an Application for the Tuition Assistance Program (TAP).

The TAP Form is used to collect information on Income, Current or *useable* Assets, and adjustments to income such as the number of dependents and other school tuition paid, in order to determine a family's capacity to pay full tuition. Based upon the historical baseline established for Tuition Assistance (or scholarship) a percentage is established within a related Table that determines the amount of assistance a family may be eligible to receive.

The formula is adjusted if multiple children are to be enrolled. Essentially, each child enrolled reduces the amount of disposable income a family has and results in an overall marginal increase to the amount of Tuition Assistance (scholarship) needed and a decrease in total tuition payments expected from the family.
Direct discounts are also applied to the cost of tuition for families who elect to pre-pay tuition versus those who request the option of monthly tuition payments.

The process was designed to be *nearly* "blind" to identity of the family making the request for assistance and is based primarily upon mathematical formulas. The term *"nearly"* is noted, however to identify that secondary information from the application is used to assess the validity of the application based upon other available data.

For example, an application where the primary wage earner is disclosed to hold a position as a Deputy Minister will likely earn a similar level of government salary provided to that of other Deputy Ministers. An application with grossly understated income compared to prior information or similar information may be reason to request a letter of Income Verification from the employer to determine proper eligibility.

Tuition Assistance can come in several forms, the most common being externally funded scholarships such as those proposed in ISK-II and Internal Scholarships or discounts to tuition. Previously, ISK primarily offered Internal Scholarships or Tuition Discount under the former award as USAID was subsidizing operations as opposed to the proposed exclusive scholarships for Afghan families.

Because the organizational Mission of ISK involves supporting the educational needs of Afghanistan, versus that with a *for-profit* emphasis, providing educational services to students may not always include those who can afford the cost of education. The outcome of improving educational capacity within the nation carries priority over that of only assisting those with the financial capacity to provide that education for their children. It is therefore essential to provide discounts to all families based upon identical criteria and baselines.

Some families will qualify for only a few sources of discount whereas other will qualify for various scholarships. The concept is based upon need. An Afghan family qualifying for fixed scholarship support under ISK-II will likely not require the use of internal scholarships or discounts.

Since internal scholarships are not externally funded, these amounts directly impact the Net-Margin or earnings of ISK. From and accounting perspective, this would be the equivalent of "Sales Discounts" (*Contra Account*) in an earnings statement and serves as a means to track any amounts less than total price.

Additionally, in certain circumstances ISK may have contractual requirements to provide specific discounts to families. For example, families who serve as full-time faculty members for ISK are required to receive full tuition discount for the cost of an ISK education of their children. Teachers with children clearly could not serve in Afghanistan without the opportunity for educating their own children. This discount must be accounted for and posted within the budget under *Generally Accepted Account Standards* (GAAS).

Full-tuition discount (*internal scholarship*) is the industry norm for providing such benefits versus inflating the level of salary required in order to charge full-tuition. While the net impact to cash flow may appear the same, tax implications and the assessment of operational earnings may be distorted by other methods.

ISK has developed a comprehensive Policy & Procedure to support this process and will clearly communicate with the COTR/AOTR with regards to documented modifications or updates that may occur during the second year of implementation of ISK-II.

Result #2 - Enhanced capacity of ISK to manage funds.

[redacted]

Additional Criterion and Strategy Employed:

During the most recent operating school-year, key personnel within ISK attended USAID sanctioned Compliance and Financial Management Workshops in order to secure a greater understanding of key issues and concerns involving the oversight USG funds and applicable Cost Principals established under OMB A-122. As a result operational weaknesses have been identified and an outline of activities was recently established and reviewed with all members of the ISK Finance staff in order to implement additional procedural changes and codify a new Finance Policy & Procedures Manual.

An RFP has been issued to secure the services of an Accounting and Compliance professional in order to assess and evaluate ISK's financial policies, accounting operations, and internal control procedures. The identified candidate under final consideration/evaluation is both a CPA and a USAID endorsed compliance expert with extensive experience with the oversight and audit of USG funds. ISK plans to engage and retain this individual to either lead or support finance operations in Kabul as a means to ensure dramatic improvement to operational efficiency.

Result #3 - Financial independence

[redacted]

Additional Criterion and Strategy Employed:
There are three Critical Success Factors (CSFs) related to fiscal sustainability and the strategic success of ISK those being:

1. Reduction in operating costs associated with facility leases;
2. Economies of scale through sustainable enrollment; and
3. Diversified foundational support.

Three separate Project Strategies have been identified to address these issues. It should be noted the first two CSFs have significant correlation.

Facilities

Operational expenses associated with facility leases and the related security costs necessary for maintaining a safe campus within an existing residential neighborhood are a significant portion of ISK's operation budget. While a full strategic analysis which includes a Risk Assessment is beyond the scope of technical questions submitted for response, costs of security are an imbedded aspect of facility costs.

Given that ISK is providing educational services to the children of expatriates working within the development community as well as certain high risk families serving within the Afghan government, safety and security take the highest priority for the strategic success of ISK. The continuity of facilities is essential for providing a secure campus. During the growth of the school over the past seven years, the gradual acquisition of adjacent properties has been necessary in order to sustain needed enrollment growth. Concerns for security prompted official approval by the Afghan Government for the closure of the residential street where ISK is currently located.

New opportunities will be exercised in order to expedite the legal acquisition and development of land committed to ISK by the Afghan government. The legal possession of the needed land will serve to dramatically improve ISK's capacity to attract private donor support for those interested in vertical (tangible) development projects. Further, moving to a permanent campus facility owned by the school will serve to dramatically reduce operating expenses associated with hyper-inflated property leases.

With respect to permanent facilities, the Government of Afghanistan has committed support to the success of ISK through the commitment of land for the development of permanent campus facilities. Additionally, the Office of the Mayor has been engaged for the development and platting of the proposed permanent site for ISK. Related efforts with the Ministry of Education have also resulted in endorsements for expediting progress for the development of the permanent site.

Efforts at seeking existing larger facilities more suited for the commercial development of an *Interim Campus* project was also pursued in 2009. Official recommendations from the Afghan Government, however resulted in shared findings that the costs associated with temporary relocation, renovation, and the risks associated with further capital improvements for leased facilities would be economically inefficient. A permanent site is therefore viewed as the optimal solution.

While the comparative costs of maintenance *may* somewhat increase in permanent (owned) facilities, the elimination of property leases will have a dramatic positive impact on reducing operating costs.

Additionally, a purpose-built facility will be designed with physical security as a core requirement, thereby reducing the level of armed private security required to maintain a safe campus for students.

Initial efforts have been established to secure the commitment of a private firm with the *approved* technical experience required for the full development of Master Facilities Plan that will involve:

- Initial site evaluation and assessment;
- Architectural Design and Development;
- Capital Program Development; and
- Technical Oversight for the Retention of required primary contractors.

The identified provider for these services is a U.S. based 501 (c) with experience in hundreds of international projects to include schools. These proposed services will be provided as *in-kind professional service donations* to the school.

It should be noted that while ISK will not be seeking USAID support for the development of the permanent campus, efforts that demonstrate progress toward this goal are relevant to financial independence and ISK will therefore keep USAID appraised with progress on this project as it relates to sustainability.

Finally, the acquisition and development of permanent campus facilities will provide the needed space for growth required to achieve optimal economies of scale in student enrollment. Current campus facilities are incapable of facilitating the number of student required for the targeted enrollment of students at ISK beyond the 2012-2013 School-year. With respect to other cost containment measures associated with facilities, a recent restructuring of ISK's Security Plan has resulted in a 13% decrease in annual security costs for the next two years. Efforts have also been initiated to negotiate with current property owners for extended lease terms. These new terms provide for future cost containment in order to eliminate additional inflation with property leases. Information provided from property sources in Kabul have indicated that the announced U.S. troop reductions, have resulted in falling lease costs around *Karte-i-Char* and *Karte-i-seh* in Kabul. The possibility exists that these recent conditions will serve to improve conditions for favorable lease negotiations.

A Work-Plan, to be approved by the COTR/AOTR will include several project activities and key indicators involving progress toward the permanent campus relocation plan.

[redacted]

[redacted]

Diversification of Support

In addition to the efforts mentioned regarding a stronger tuition-based fiscal model, ISK developed a comprehensive Resource Mobilization Plan in order to replace projected deficits in tuition revenue previously supplied through USAID subsidies and that proposed under the ISK-II Program. It would be grossly irrational to propose a fiscal model for ISK fully sustainable by tuition revenue within Afghanistan. The economic conditions clearly will not support such a model within the next seven to ten years (under optimal conditions). Therefore, targeting the support of private foundations and developing a sustainable private donor base to assist in replacing USAID is the most rational approach toward sustainability.

It is essential to note that the implementation of ISK's Resource Mobilization Plan was intentionally delayed as a result of technical complexities referenced within section **VI.**

Past Performance under the sub-heading of **Lessons Learned**.

Under the prior CA award, contract clarity was neglected under 22 CFR 226 regarding the utilization of program revenues. As a result, tuition collected was applied under the "*additive method*" as a portion of the total award and therefore could not be utilized for fund raising purposes under published provisions within A-122. All operating reserves and retained earnings established under the former CA were depleted within the duration of an NCE issued at the conclusion of the former award.

With the former financial restrictions for fund-raising activities no longer applicable, ISK will be able to commence with the necessary projects and efforts associated with the development of private sources for subsidies and donor support.

Upon the successful approval of ISK-II, a number of activities currently on-hold, will be commenced that will provide for the establishment of new website resources designed to support a comprehensive private donor campaign. Additionally, preliminary commitments have been secured from prominent leaders and celebrities who have agreed to endorse and assist ISK with annual fund raising efforts.

Additionally, the professional services of a Grant Development Expert have been sought and a target list of Private Foundations has been developed to support the resource mobilization efforts. (A copy of the latest approved version of Resource Mobilization Plan is attached to document this strategy.)

Finally, a proposed Monitoring and Evaluation Plan will include a number of specific performance indicators to include:

[redacted]

In the event that efforts toward fiscal sustainability are not achieved, a plan toward shifting faculty members to a self-supported model has been discussed as an alternative plan until new strategies may be evaluated and explored.

Under such a model, salary and benefit costs would be shifted from the school to that of individual teachers serving at the school. Self-supported staffing has been adopted by a number of NGO's currently working within Afghanistan. The parent organization of ISK currently operates 22 other schools worldwide on such a model.

Full salaries were initially offered for ISK under the original Agreement in order to provide the necessary incentives for recruitment of fully certified faculty and staff. The number of variables and risk factors associated with working in Afghanistan originally warranted salaries over the support model but moving to support or partial support could help with fiscal sustainability.

The proposed Work-Plan to be provided to the COTR/AOTR will include a number of activities and measurable goals to ensure that targeted efforts are being implemented as proposed.

2.3 Gender Equity

As a part of ISK-II Gender Equity will be considered in accordance with a Gender Analysis provided to ISK and, as outlined within this section. ISK will address gender issues within the Program Work Plan describing efforts ISK will employ to ensure project implementation in accordance with the provided Gender Analysis.

Under ISK-II a fair and transparent scholarship program for deserving Afghan students will be utilized and ISK will employ efforts to ensure that additional internal scholarship funds are deployed for Afghan females to encourage families to enroll female students. The school will also increase and closely monitor its scholarship program for deserving Afghan girls. Additionally, ISK will assign a qualified (female) staff member with the specific responsibility for monitoring Gender Equity Programs under this two year follow-on award.

In addition to monitoring statistical information for ISK, the Gender Equity Program Coordinator will work closely with ISK's Academic Counselor for the consideration and creation of programs designed to address the unmet needs of female students.

Among identified targeted growth strategies for female enrollment, ISK will employ additional internal scholarship discounts for Afghan females that will further incentivize Afghan families to enroll female students. Target enrollment demographic percentages for females during the period of 2010 - 2014 are documented within the following table (Table 2.1 Targeted Gender Enrollment):

Table 2.1 Targeted Gender Enrollment

School-Year	Projected Total Students	Percentage of Males	Percentage of Females
2010-2011	305	62%	38%
2011-2012	308	60%	40%
2012-2013	420	58%	42%
2013-2014	465	55%	45%

By the targeted EOP date for ISK-II, USAID will expect female enrollment to increase from 38 to 45 percent as a reasonable target for a two-year award. Addition Monitoring and Evaluation efforts will be identified for gender-specific school teacher and student data as an essential part of ISK's management and reporting process. Detailed enrollment reports will be compiled each semester following the closing date for enrollment. These reports will be utilized to track the percentage of females to male among the enrolled students. Additionally, the actual amount of proposed USAID scholarship support will be segregated to specifically identify amounts designated for female students. The project's performance tracking will be disaggregated by gender.

2.4 Initial Performance Indicators

Result #1 - The following illustrative indicators have been initially identified to track the effectiveness of the scholarship program:

- Number/percentage of Afghan students receiving a USAID scholarship support;
- Average amount of scholarship received;
- Average Effective Family Contribution (EFC) of tuition paid;
- Enrollment growth in targeted groups such as female students;
- Number and percentage of scholarships suspended or forfeited for reasons of student performance; and
- Distribution curve analysis for indications of statistical skewness or *kurtosis*.

Result #2 - The following illustrative indicators have been initially identified to track improvements to ISK's internal capacity for financial operations and the management of funds:

- The retention and approval of a qualified and Financial Manager to provide oversight to the Financial Operations;
- The retention of an accounting firm capable of providing outsourced services such as periodic internal audit, compliance assessments for both USG regulations and rules established under the Afghan Tax Law as published in the "Official Gazette;"
- The completion Agency Contracted Audit (ACA);
- The development and implementation of action designed to address all recommendations raised during the ACA;
- All ACA recommendations completed by the end of the 2011-2012 School Year (or earlier) as required;
- Conversion to Full *Accrual Accounting* with an integrated Accounts Receivable System associated with ISK's School Administration and Management System; and
- Improved completion of routine accounting functions to include reconciliation of cash accounts, the timely resolution of accounting errors, a reduction in the total number of accounting errors noted during each accounting cycle, and the preparation of Financial Statements (Balance Sheet, Income Statement, and Cash Flows).

Result #3 - The following illustrative indicators have been initially identified to measure progress toward financial independence and sustainability:

- The successful establishment of a mechanism to support the Attention of private donors, (for example, Friends of ISK);
- The number and scope of private foundations successfully engaged and supporting ISK each quarter;

- Reductions in the total Cost-Per-Student (CPS) based upon enrollment, non-USG external support, and reductions to operating expenses through cost containment strategies;
- ISK's contribution towards scholarships will increase by a minimum of 10% per year and USAID's scholarship contribution will decrease by 10% per year for each supported Afghan family;
- The total amount of funds collected through resource mobilization activities;
- The total amount of revenue collected from tuition and program activities; and
- Measured trend growth in the amount of operating reserves, and restricted funds to be used for the construction of a permanent campus facility.

[redacted]

[redacted]

2.6 Branding & Marking

An initial Branding & Marking Plan is submitted with the Technical Application for ISK-II. Initial evaluation and subsequent approval or modification will result in accordance with requirements established within the Initial Work Plan.

[redacted]

[redacted]

[redacted]

6.1 Lessons Learned
Analysis & Planning

With respect to the predecessors of ISK, an outstanding level of work was completed during the period covered under the former cooperative agreement. Those involved with the establishment of ISK were experienced educators with the necessary operational expertise required to develop a turn-key K-12 private school program. According to previous communications with representatives of the Office of Acquisition Assistance, all deliverables

established for ISK under the former Cooperative Agreement were successfully achieved.

What the former leadership team possessed in capacity for establishing a functioning, effective private school, they lacked in the realm of business processes, strategic planning, and operational efficiency under USG support. Staffing changes have occurred resulting in the emphasis upon organizational adaptation and a needs-based (*demand*) approach toward operational strategies.
Specific Lessons Learned involved greater insight regarding the oversight of USG funds and USAID Compliance requirements.

Technical Compliance Challenges

The original Cooperative Agreement between USAID and ISK contained a number of technical complexities that were not previously noted by prior former COTR's, AOTR's, or the senior management of ISK. These technical complexities did not surface until within the last six months of the prior award.

Upon discovery, issues were discussed at length with contacts established with the USAID/OIG advisors in order to determine possible solutions and necessary steps to ensure proper compliance. Detailed documentation was provided to both USAID/OSSD and USAID/OAA regarding many of the issues.

Examples of matters key to the original award included language referencing the application of *FR 225 to Program Funds (tuition revenue.)* Specificity was not provided within the original Cooperative Agreement regarding the Additive Method. The application of USG Cost Principals was therefore, not observed by the former leadership team and no interpretative guidance was offered by former COTR's. The lack of understanding in compliance toward the application of Cost Principals for Program Funds created a list of issues previously unidentified.

Under the Additive Method, program funds could not be used for fund raising purposes. This constraint provides a conundrum to financial independence. It is *nearly* impossible to engage in fund raising activities for sustainability purposes without the use of funds to cover costs associated with promotional materials, events, and costs associated with grant development / fund-raising professionals.

It should be noted that operating reserves established under the former Cooperative Agreement were liquidated as a *partial* means for support under a final NCE. A lack of modification to the former agreement was the primary reason for delay in implementing the Resource Mobilization Plan.

A lesson learned from these issues would be to ensure that close attention is given to both compliance and language developed within USG agreements is essential for the successful management of a USAID funded program. While the Executive Director (*author of ISK-II*) and the current USAID Grant Manager have secured USAID sponsored continuing education during the past calendar year, follow-up training and similar compliance training will be sought for all key Administrative Staff engaged with fiscal oversight of ISK-II.

In spite of the fact that the parent organization for ISK (Oasis) has nearly two decades of experience with international schools in more than twenty locations around the world, the former award was the first Federal grant of its kind ever managed under the organization. The importance of complying with all USAID requirements was therefore a clear organizational lesson learned. It was only after a leadership change occurred during the last full year of the award that requirements for implementing a Branding & Marking Plan and an M&P Plan were satisfied.

These facts all served to demonstrate that the former Administrative Team lacked the necessary experience for managing U.S. funded grants. Given that appropriate staffing and continuing education have resulted, performance as a USAID Implementing Partner is expected to increase.

[redacted]

Proactive Fund Raising

The most significant lesson learned involves that for the need for an effective and successful Resource Mobilization Program.
The former Executive Director (COP) made the assumption that continued USAID subsidies could be expected for an *indefinite period of time* and therefore placed all attention on academic programs. While this emphasis provided ISK with an outstanding product, in the absence of external subsidies, this is a product not readily affordable within the current economic conditions of Afghanistan.

Efforts to implement a comprehensive sustainability program and strategic plan were not engaged until the last year of the former agreement. Subsequently, a fiscal crisis followed when U.S. subsidies under the former Agreement were fully depleted. Upon the successful consummation of ISK-II, substantial efforts and focus activities will be placed upon moving from USAID support to that of private donors and educational foundations.

[redacted]

[redacted]

ATTACHMENT D: Branding and Marking Requirements

THE INTERNATIONAL SCHOOL OF KABUL:

BRANDING AND MARKING PLAN

BRANDING AND MARKING PLAN

1. Introduction

In accordance with published requirements defined in ADS 320.3.3., and 22 C.F.R. 226.2, The International School of Kabul (ISK) hereby submits to USAID/Afghanistan the International School of Kabul branding and marking plan. This branding and marking plan is revised and updated to replace all prior informal agreements established between ISK and the USAID Supervisory Agreement Officer as originally established 27, May 2005 for Award 306-A-00-05-00522-00 and is updated as of July, 2011. This branding and marking plan responds to the following questions:

- How will ISK acknowledge USAID's role in project funding and implementation?
- How and to what extent will ISK mark project activities, merchandise, public communications, and other deliverables?
- How will ISK promote the program while communicating the message "USAID from the American People"?
- How will ISK communicate project activities and results to beneficiaries and cooperating country citizens?

In addition to complying with all of USAID branding guidelines, ISK will fully comply with the standards set forth by Section 508 of the Rehabilitation Act as amended in 1998, which governs accessibility of electronic information to the disabled. ISK is committed to making all reports, documents, and presentations available to the public in full compliance with Section 508. ISK has access to the technical resources required to reasonably implement Section 508 requirements, when so requested. ISK has also adopted a policy for cultural relevance and will ensure that sensitivity is used to the use of local languages (Dari, Pashto) wherever practical.

2. Branding - Implementation Plan

ISK fully commits itself to complying with USAID branding guidelines as outlined in the *Graphics Standards Manual (GSM)*. ISK will *strive* to brand all program activities to enhance the visibility and value of U.S. Foreign Assistance. ISK recognizes that all activities engaged by the International School of Kabul are subsidized by "the American People" and should therefore be recognized.

We will comply with USAID Branding guidelines in accordance with revised Automated Directive Systems (ADS) 320, (revision dated 1/08/2007). ISK shall not attempt to recreate the USAID logo or brand-mark in any circumstances. In order to ensure that the United States Government is visibly acknowledged for its contributions and funding ISK will use the Standard Graphic Identity for USAID with the specified color palette and typography when appropriate for:

- Brochures;
- Newsletters;
- Posters;
- Reports;
- Power Point presentations; and
- Other forms of public communications, (such as press releases and any other materials associated with press conferences or media interviews).

In cases of co-sponsorship, ISK will "co-brand" with host-country counterparts and other donors in manner providing equal acknowledgement to co-sponsor(s).

Consistent with the environment of a K-12 College Preparatory educational entity, ISK has developed an independent logo and appropriate institutional branding that will be used in some instances for co-branding in compliance with ADS 320 and the USAID GSM. A sample of the school logo is provided for review in Appendix 1.

ISK will ensure that all affiliates will observe and comply with USAID branding guidelines, when providing services for USAID-funded projects and activities.

Security Considerations

Current security conditions in Afghanistan have experienced consistent adverse trends, specifically associated with the safety of expatriates and foreign employees engaged with development activities. These trends warrant the careful consideration and application of promotional branding and marking in order to mitigate risks associated with facilities and personnel assigned to ISK. Therefore, national (*in-country*) venues that will draw unnecessary attention to school facilities and staff will be minimized until a reasonable determination can be made that such attention will not compromise the safety of the program.

Specific areas ISK has determined might draw unwarranted attention to the presence of "foreign" staff and students include:

- Street-side placarding and signage;
- Vehicles;
- Business cards;
- Internet websites;
- School supplies and materials carried off campus; and
- Community newsletters widely distributed.

Where possible and appropriate, and where USAID branding and marking do not deter the achievement of program goals, ISK follow USAID branding guidelines as previously noted. Further, wherever possible, ISK seek will to communicate the message that ISK projects and activities are "From the

American People" and, that by increasing access to quality education in Afghanistan the lives and future of Afghans will improve.

Business Cards and Stationery

ISK is aware that, as a USAID implementing partner (award recipient) we must seek approval from USAID before printing business cards or stationary. ISK will comply with the following clauses in regards to business cars and stationary/letterhead:

> 320.3.1.6 **Business Cards**: It is USAID policy to prohibit the use of the USAID Identity on contractor and recipient business cards.
>
> 320.3.1.5 **Administrative Communications**: USAID contractors and recipients must not use the USAID Identity on any communications that are strictly administrative, rather than programmatic, in nature.

The business cards developed by ISK for project employees comply with these guidelines, and do not include the USAID logo. No employee for the International School of Kabul will claim to be a USAID employee, a member of the United States Government, or Diplomatic Mission.

Additionally, ISK will not use USAID letterhead to communicate on administrative issues such as renting facilities, hiring/firing staff, and communicating with cooperating governmental organizations on contractor compliance issues (local tax questions, etc.)

Non-USAID Authored, Edited, or Reviewed Publications

All project publications including reports, studies, and papers funded by USAID will follow the brand standards outlined in the Graphic Standards Manual. These publications authored by non-USAID employees will include the following statement on the cover at the bottom of the page:

"PUBLISHED DATE"

"This publication was produced for review by the United States Agency for International Development. It was prepared by the International School of Kabul, a USAID Grantee."

On the title page, ISK will include the following disclaimer:

"The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government."

Studies, reports, publications, websites, and all informational and promotional products that are not authored, reviewed, or edited by USAID will contain the following provision:

"This study, report, publication (specify) is made possible by the support of the American people through the United States Agency for International Development (USAID). The contents of this study, report, publication (specify), are

the sole responsibility of (name and organization) and do not necessarily reflect the views of USAID or the United States Government."

3. Marking - Implementation Plan

There are two components to a marking plan: 1) the type of marking selected and 2) the extent to which activities, merchandise, public communications, and project deliverables are marked.

With the exceptions noted under **Section 2, *Security Considerations,*** ISK will mark all merchandise, non-expendable equipment (including computers and vehicles), signage, event materials, project signs and plaques, Internet reports, and program materials with USAID's Standard Graphic Identity.

ISK will mark all USAID funded expendable equipment with adhesive labels containing the Standard Graphic Identity. Per USAID/Afghanistan and US Embassy security recommendations, ISK will not mark project vehicles.

ISK will mark all project publications including reports, studies, and papers funded or co-funded by USAID following the standards outlined in the *Graphic Standards Manual*.

All other project communications, (including website, training materials, folders, newsletters, banners, brochures, etc), will prominently display the USAID logo, and "From the American People" message.

The use of radio and television announcements will not currently be deployed within Afghanistan but all radio or video content produced for use or distribution within the United States will include an audio tag such as *"made possible by USAID, From the American People"*. All events financed by USAID will prominently display the USAID logo (trainings, conferences, launches, workshops).

4. Promoting Activities and Communicating Project Results

To promote project activities and communicate project results to beneficiaries, Afghan citizens, USAID counterparts, and donors, ISK has devised a knowledge management and communications strategy, which will be implemented in coordination with USAID.

This strategy will include a monthly newsletter and project website, the regular publication of research reports and project success stories, and the continued implementation of the International School of Kabul Performance Monitoring Plan. The Executive Director, with input from other members of ISK, will oversee and coordinate this communications strategy.

Special Project/Program Achievements

ISK will promote project activities and achievements through various programs. This includes the launch of the "ISK Capital Campaign Fund" with international press coverage and diplomatic attendees, the "National

Teachers Mentoring Program," and a variety of training programs and conferences. ISK will voluntarily document and widely publicize its market information activities and findings through the use of various tracking mechanisms established by Afghan based USAID projects such as GeoBase and the AIMS ACSP system. Provided that security conditions permit, ISK will use all project events to communicate project successes and to promote the "From the American People" message to diverse audiences.

Monthly Newsletter

The project will publish a Monthly newsletter to share information on 1) the project's activities and news; 2) upcoming national events and publications; 3) and program improvements. Family members of ISK students and other educational stakeholders will be encouraged to contribute to the newsletter. By the fall of 2009, this newsletter will be published in both English and Dari.

Project Website

ISK will maintain a website as a means to share information about the school's activities and results with the Afghan community and interested parties worldwide. This website will contain information on upcoming events sponsored by ISK and others; key news related to the educational sector of Afghanistan, electronic versions of the monthly newsletters, project success stories, and photographs that visually represent the school's impact on USAID beneficiaries. The ISK website will be hosted by U.S. based private ISP and will link to a website maintained by OASIS International Schools, a supporting partner to ISK.

Research Reports

As an educational entity, ISK will strive to contribute to the body of professional knowledge relevant to international schools by documenting and disseminating innovations, best practices, and lessons learned in Afghanistan. Such efforts will be published within a variety of educational venues and potentially available through web-based technical resources.

Success Stories

Success stories and academic achievements by students and faculty will be documented and encouraged to in order to foster the spirit of scholarship, study, and cultural growth. Success Stories will briefly summarized and disseminated in easy-to-read formats.

Annual Presentations to Affiliates & Partners

ISK will deliver annual presentations to its Affiliates and partners, which currently include Oasis International Schools, Middle States Association, USAID, Xe, Inc., Afghan Wireless, Federal Express, and GIRoA. The presentations will inform partners of the assistance delivered to the educational sector of Afghanistan through ISK, as well as planning activities for future periods, in order to ensure that all partners are aware of ISK activities and results, even those that may not involve them directly.

Press Releases
ISK will periodically produce press releases to inform the press (through USAID's Press Office) of project events.

Performance Monitoring Plan
The performance monitoring plan will be used to compile and track performance monitoring information, including indicators required by USAID and Congress (such as *TraiNet*®). This system is also used to capture qualitative information, such as academic benchmarks, standardized test scores, college acceptance rates, and anecdotal experiences, which could be published as Success Stories.

ISK will work closely with USAID to determine and define the performance indicators. The performance monitoring plan is discussed in greater detail and included with ISK's Project Management Plan.

Sample image of ISK institutional logo is provided below.