

## 2016 ESTH SMALL GRANTS PROCESS GUIDELINES

**Submission:** Proposals should be submitted to your regional OES/PPO contact (see cable paragraph 9) by COB on March 28, 2016.

**Proposal Content:** Please see the Proposal Template, also attached with the cable, for detailed instructions. Proposals must include: project title, point(s) of contact, countr(y/ies) of implementation, executive summary, description of the funding opportunity, budget, and proposed start and completion dates.

**Grants Officer Arrangements:** It is important to specify in your proposal who will be the Grants Officer (GO) for the project and indicate the level of their warrant. Please also indicate the officer at post who will be administering the grant on a day to day basis should the project be selected for funding. This can be the GO or a separate Grants Officer Representative (GOR). The GO must have a current grants warrant and GOR must have a valid certificate at the time of the award. PY 220 and PY 222 distance learning courses currently available via FSI online to complete training requirements.

### **Review and selection process:**

OES/PPO will evaluate each proposal based on three areas:

#### ***I. Project criteria (paragraph 3) (40 points)***

- a. How does the overall project proposal meet Department (i.e., OES and regional) ESTH goals/objectives?
- b. Does the proposal support a regional/trans-boundary approach? (Or if single country, is it a replicable “proof of concept” project?)
- c. Does it meet ESF criteria?

#### ***II. Overall proposal (30 points)***

- a. Rating of the technical feasibility and merit of the approach used (accounting for the limitations and restrictions presented by using FY2015 Economic Support Funds as detailed below), as reflected primarily though the expected results, activities, and stakeholder involvement.
- b. Are the expected results realistic and feasible?
- c. Is it a sound development strategy?

#### ***III. Sustainability and Impact (30 points)***

- a. Will the project continue once funds are spent? If so, how? Will the project have a measurable impact beyond the lifespan of the project?

How will it build/strengthen partnerships that will last beyond the project?

OES/PPO will develop a short list for recommended funding based on these criteria, and consult with the relevant OES offices and regional bureaus regarding the feasibility and desirability of the proposal. OES/PPO will ensure that all proposals under consideration have been fully vetted by relevant posts and have received appropriate Country Desk and Regional Bureau clearance before moving them forward. OES leadership will then make the final decisions on which proposals will be funded.

#### **Funding restrictions:**

Economic Support Funds (ESF) are authorized under Chapter 4, Part II of the Foreign Assistance Act, which provides a broad foreign assistance authority to use funds “in order to promote economic or political stability.” ESF advance U.S. interests by helping countries meet short- and long-term political, economic, and security needs. ESF should generally be programmed in a manner consistent with development assistance policy, purposes and programs. ESF may not be used for military or paramilitary purposes. ESF cannot be used to support U.S. government travel or participation in any aspect of a proposed project. There is a general prohibition on providing assistance to law enforcement officials, as well as a policy restriction on providing assistance to high-income countries as determined by the World Bank (defined as having a GNI per capita of \$12,746 or more based on 2013 data as detailed here: [http://data.worldbank.org/indicator/NY.GNP.PCAP.CD/countries?order=wbapi\\_data\\_value\\_2011+wbapi\\_data\\_value+wbapi\\_data\\_value-last&sort=desc](http://data.worldbank.org/indicator/NY.GNP.PCAP.CD/countries?order=wbapi_data_value_2011+wbapi_data_value+wbapi_data_value-last&sort=desc)), although there are certain enumerated exceptions and notwithstanding authorities that may be available. Other foreign assistance restrictions may apply depending on the country or specific activity proposed. Please contact your Hub Officer (contacts paragraph 17) for country specific restrictions.

The use of appropriated funds for “subsistence expenses” (which the Office of Legal Counsel at the Department of Justice has interpreted to include meals and light refreshments) at meetings is expressly disallowed by 31 U.S.C. § 1345 (2000) unless specifically authorized by law. Specifically, the meal or refreshment must be incidental to the training program, and attendance must be necessary for full participation in the program. Thus, coffee or light refreshments served during a full-day training event where participants must remain at the training to receive its benefits are acceptable. A lunch may be acceptable if it is a working lunch that is part of the overall day, and participants are not otherwise able to leave and return for the program later without missing important material. Under no circumstances may ESF ever be used to fund alcohol or entertainment related expenses.

REOs and Posts must comply with terrorist screening procedures per 08 State 20628, “Terrorism Finance: Guidance for Risk-Based Assessment” for any organization selected to implement an OES-funded project.

## **Obligation process for selected projects:**

After OES has determined which proposals will be funded, OES/PPO and OES's Executive Office (OES/EX/CPU) will initiate the Congressional Notification (CN) process. Once the CN has been approved, Post and/or the ESTH Hub will be responsible for working with OES/PPO and OES/EX/CPU to:

- a) Select the grantee organization to implement the project and/or set up the implementing mechanism. (Please see the note on open competition below.)
- b) Prepare draft award documents. In all cases, OES must review and clear the full draft award package, and receive a signed and finalized award package, before project funds can be released.

OES/EX/CPU will provide recipient Posts/Hubs with detailed instructions on this fund obligation process to all recipient Posts/Hubs.

A note on open competition: this internal selection process does not constitute a full and open competition. Posts whose projects are approved for funding are strongly encouraged to then hold an open competition through a Notice of Funding Opportunity to select an implementer. If post plans to hold an open competition, no NGOs or non-USG entities can be involved in the proposal creation process, as that would create an unfair advantage. Posts that do not plan to hold an open competition should seek their Grants Officer's advice and approval to sole source to a particular organization.

## **Management and oversight:**

A warranted Grants Officer must sign the grants on behalf of the USG, but most monitoring activities will be the responsibility of the Grants Officer Representative (GOR). Submissions should also indicate who at post will serve as the project manager. That person may be an FSO or LES mission employee who has been trained and OPE-certified as a GOR, has received a GOR certificate number, who preferably will be at post for the duration of the project, and who is able to provide on-the-ground monitoring and engagement with the project.

OES relies on the Regional ESTH Hubs to serve as a key point of contact for each project funded in their respective region. The Hub Officers may be designated as either the grants officer (GO) or grants officer representative (GOR) or may work closely with the designated GO or GOR at the relevant post(s) to ensure proper grants management. The GO and (if applicable) the designated GOR must provide oversight for the project. Project management activities may include: periodic meetings with grantees, site visits by in-country facilitators and/or the Hub Officer, and review of performance and financial reports submitted by grantees (as determined by the award specifics respective to the grant). Hubs and posts that submit proposals should be prepared to provide necessary resources and cooperation to successfully manage these awards. Additionally, all grants must include at least one F Standard Indicator.

If your proposal is selected for funding, OES will work with you to identify appropriate F indicator(s) for your project.

ESTH Hubs will be expected to send to OES/PPO and OES/EX/CPU: progress reports, F indicator data (see application template for more info), and final reports for all projects that are obligated in their region. Once the awards are expired they will need to work with OES/PPO and OES/EX/CPU to officially close out the grant. OES/PPO and OES/EX/CPU will provide more detailed instructions on the reporting requirements to Posts and Hubs whose proposals are funded.