



DESCRIPTION OF REQUESTED CHANGES TO REGULAR, GOVERNMENT PARTNER, AND NON-GOVERNMENT PARTNER MODEL PROJECT AGREEMENTS

Background

At the June 14, 2005 Advisory Committee Meeting, the AC members requested the STCU to provide background on the changes requested to the Annexes of the Regular, Government Partner, and Non-Government Partner Model Project Agreements, in order to provide a better basis for the AC members to understand the changes requested.

This document provides the requested background for all changes.

Background for Changes to Annex 1

Clauses 3 through 9 all renumbered from old numbering scheme (10 – 15) to new numbering scheme (3 – 9)

Clause 5 title changed to “Goods, Services, and Other Direct Costs” in order to be more descriptive than the old title of “Goods and Services”. “For the project” added to be more descriptive.

Clause 6 – changed to “country of residence” from “Georgia, Ukraine, etc.” in order to simplify and shorten this clause. The word “display” added to be consistent with other clauses and clean up the language.

Clause 7 – The word “display” added to be consistent with other clauses and clean up the language.

Clause 9 – The word “display” added to be consistent with other clauses and clean up the language.

Background for Changes to Annex 2

Part A, Article 4 – The phrase “(Russian optional, if the project is located in other CIS State)” added to allow non-Ukrainian institutes to complete their proposal in Russian, not Ukrainian.

Part B, Article 6.1– The currency Euro added, because the STCU pays not only in USD, but also EUR. “Interbank Rate of Ukraine” substituted for “National Bank Rate of Ukraine” because banks in Ukraine will no longer provide the National Bank Rate because the National Bank of Ukraine is no longer a player in the foreign exchange market. Because the STCU is no longer able to obtain the NBU rate, the agreement needs to change to incorporate the rate that is available to the STCU from its bank.

Part B, Article 8.1.7 – The responsibilities of Project Managers and Participating Institution Managers added to clearly articulate the responsibilities of these individuals. These responsibilities were originally contained in Article 8.1.10, but are moved up to Article 8.1.7 to have all of the responsibilities related to timecards in one article.

The responsibilities of Project Participants are not changed, but merely cleaned up to put them in the same format (i.e. verbs to start the sentences, etc.) as the responsibilities of the Project Managers and Participating Institution Managers. There are no material changes to these points, just a formatting and language clean up.

Part B, Article 8.1.8 – “as described in Section 8.1.7 above” added to make this clause much more clear, and to be specific in what constitutes a “properly completed timecard”.

Part B, Article 8.1.10 – This article is changed from earlier delineating the responsibilities of Project Managers and Participating Institute Managers as discussed above in Article 8.1.7 to delineating the issue of 220 days and how it impacts STCU project participants.

The STCU and ISTC both have in a requirement that project participants cannot work more than 220 days in a year without permission from the Center. With permission of the Centers, participants can work up to 242 days. Above 242 days is not allowed by either Center.

This Article refers to the written procedure that can be found on the STCU website that the project participants must adhere to related to this 220 day rule. Because the procedure related to this 220 day rule is 6 pages long, the document is referenced in the annex so as to not lengthen the annex by 6 pages.

Part B, Article 8.2.2 – This article is added because of the STCU’s requirement (at the suggestion of STCU’s auditors, which management of the STCU agreed to) to have a procedure for labeling equipment purchased by STCU projects. Again, because the procedure is 3 pages long, the website location is referenced as opposed to adding the entire procedure to the Annex and increasing the length of the Annex.

Part B, Article 8.4 – “Services and” added to title to be more specific.

Part B Article 8.5 – Changes here related to eliminating country names (Georgia, Uzbekistan, etc.) and leaving “Country of Residence”. This change will allow no further changes to this annex because of the addition or removal of recipient countries. Also, reimbursement rate for use of local car increased from \$.10 to \$.15 to provide for inflation.

Part B Article 8.5.1 – Added to point to the STCU procedure for project participant travel which can be found on the STCU website. The procedure contains more information not delineated in Article 8.5 because of the desire to not make the Annex too large.

Part B Article 9.1 – Added “or any other cost at discretion of the institute management” to emphasize that overhead is at the discretion of the Institute Director.

Part B Article 9.2 – Added “total” to bring the STCU’s annex in to line with that of the ISTC’s. Now these clauses are exactly the same in each Center.

Part B Article 10 – Added “direct” to bring the STCU’s annex in to line with that of the ISTC’s. Now these clauses are exactly the same in each Center.