

Amendment # 1

STANDARD LETTER OF AGREEMENT BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME AND
LEGAL ENTITY OF PUBLIC LAW "NATIONAL CENTER FOR DISEASE CONTROL AND PUBLIC HEALTH"
ON THE IMPLEMENTATION OF THE PROJECT "STRENGTHEN STRATEGIC INFORMATION BASE THROUGH
OPERATIONALIZING A NATIONAL M&E SYSTEM AND IMPLEMENTING THE MODES OF TRANSMISSION
STUDY AND A DATA TRIANGULATION EXERCISE" (UNAIDS PAF 00076673 AND 00081118)

13 SEPTEMBER 2012

The present Amendment#1 has been made to the STANDARD LETTER OF AGREEMENT BETWEEN THE UNITED NATIONS DEVELOPMENT PROGRAMME AND LEGAL ENTITY OF PUBLIC LAW "NATIONAL CENTER FOR DISEASE CONTROL AND PUBLIC HEALTH" ON THE IMPLEMENTATION OF THE PROJECT "STRENGTHEN STRATEGIC INFORMATION BASE THROUGH OPERATIONALIZING A NATIONAL M&E SYSTEM AND IMPLEMENTING THE MODES OF TRANSMISSION STUDY AND A DATA TRIANGULATION EXERCISE" (UNAIDS PAF 00076673 AND 00081118)

The proposed amendment to the LOA is made to reflect:

- Harmonizing meaningfully operational new national HIV M&E system and framework with current cycle of the National HIV strategic planning. – Based on to the recent (1 September 2012) decision by the CCM Georgia, most updated quality national data on HIV shall be available **before** development of the country's resubmission of the Renewal Request to the GF (Dec 2012 – Jan 2013) ; and
- Finalizing Modes of Transmission and Data Triangulation studies; - Critical strategic information to be generated by the implementing agency, shall be consistent with broader process of national consultations taking place before December 2012, in unison with current wave of the Bio-BSS among all key populations at HIV risk in Georgia.

Proposed no-cost-extension will allow efficient implementation toward the main goal of the project – 'to inform the national prioritization before 2013, the year of mid-term review of the new NSPA 2011-16 and planning of new cycle of 2014-16, and to provide critical intelligence for Georgia HIV Renewal Request to the GF and related reprogramming in 2012'.

The amendments are made to the Annexes 2 (7. Implementation Modalities) and 3 (8. Indicative Project Budget) of the LOA.

The parties have agreed on the following changes in the Standard Letter of Agreement:

1. The **duration** of the agreement in 2012, with NO additional costs to be incurred, will change TO the period of 14 March – 30 November 2012, from previous 14 March – 13 September 2012;
2. The NCDCPH shall submit the **next cumulative financial reports** (FACE) before October 15 (for the period of 1 June – 30 September) and December 15 (for the period of 1 October – 30 November 2012)

3. **Amended Timelines** (Deliverables and Timeframe) in the Annex 2, Project Document, chapter 7. Implementation Modalities (enclosed)
4. Amended **budget reallocated to the new duration** in the Annex 3 (enclosed)

The present amendment is drawn in two (2) copies in English (one copy for each party) and comes into force from the moment of its signing by both parties and becomes an integral part of the Standard Letter of Agreement between the United Nations Development Programme and NCDCPH. Corresponding clause of the said Agreement that has been amended, altered and/or cancelled herein are nil and void.

For UNDP Georgia:

9 Eristavi St. Tbilisi,
380079, Georgia

For : NCDCPH

Tbilisi, Georgia

Inita Paulovica
Deputy Resident Representative


 14/09/2012

Ekaterine Kavtaradze
Director



Annex 2

Amended

Implementation Modalities (7)

Timeline (7.1)

Deliverables

Deliverables	Time
1. Establish all tasks-related instruments; provide methodology trainings	14 Mar – 13 Apr 2012
2. Provide the project Inception Report	13 - 30 April 2012
3. Prepare and submit the study reports – financial gap analysis (1), MoT Study (2) and DT exercise (3), including recommendations in English, to the UNAIDS Country Office in Georgia	1 May – 30 July 2012
4. Finalize study reports / printing materials	1 Aug – 30 Sept 2012
5. Provide data validation / national consultation workshops	1-31 Oct 2012
6. Submit the Project final report to the UNAIDS Country Office in Georgia	1-30 Nov 2012

Timeframe

	Mar-Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
M&E								
Operationalization: Liaise with partners, organize trainings, collate available								

data, generate routine and specific reports envisaged								
M&E: Harmonizing national HIV M&E system with current cycle of the National HIV strategic planning (GF RR)								
MoT: collate available preliminary data								
MoT & Data Triangulation: methodology training & national consultations / workshops								
MoT & Data Triangulation: conduct analysis, Produce results								
MoT & Data Triangulation: Present findings to stakeholders / capacity building								
M&E, MoT & Data Triangulation: Write up results / Study Reports								

Amended Indicative Project Budget

Annex 3

Operationalize HIV M&E system (1), conduct MoT (2) and DT (3)

Georgia NCD/CPH budget. 2012

		cost per item	number of items	# of unit(s)	cost
1	Personnel				
	Team Leader all 3 tasks (item / monthly rate)	600	7	1	4200
	Coordinator all 3 tasks (item / monthly rate)	450	8.5	1	3825
	National Expert M&E (1) - Pr. And Fin gap analysis (i / daily rate)	600	5	1	3000
	Nat. expert Research (1) - MoT and DT (item / month)	700	7	1	4900
	Nat. experts M&E (2,3,4) (item / month)	350	6	3	6300
	Nat. experts research (2,3) (item / month)	500	7	2	7000
2	Events				
	Training & Workshops / meetings (item / day)	362.5	6	1	2175
	National Consultations (2 National Consultations during the Project)	400	1	2	800
	Equipment / computer	1000	1	1	1000
	Translation (item / nat consultation)	200	2	1	400
3	Printing / materials				
	miscellaneous	1800	1	1	1800
	Total				35800

Indicative Budget Summary:

Expense type	Atlas account	Cost, \$
Local Consultants	71300	23400
Audio Visual&Print Prod Costs	74200	3400
Stationary and IT equipment	72505	1000
Miscellaneous Exp	74500	8000
Total:		35800

Schedule of Payments (USD)

The payments will be effected by bank transfer in accordance with existing regulations in 2 installments:
The first (50%) installment will be paid as an initial advance;
The second (50%) will be paid after presenting all required documentation / tasks-related instruments and the project inception report and initial 3 months financial report.
The payments will be made to the contractor within 7 days of completion of the requested services.

Second payment completed according to the above schedule – copy of the relevant FACE enclosed.

Funding Authorization and Certificate of Expenditures (FACE)

Country	Project ID	Project Title	Responsible Officer(s)	Implementing Partner ID
GEORGIA				



UN Agency: UNDP

Date: DD/MM/YY

Type of Request:

X Direct Cash Transfer (DCT)
☐ Direct Payment
☐ Reimbursement

Bank Name:
Bank Account:

Currency: GEL

[illegible]

REPORTING

[illegible]

REQUESTS / AUTHORIZATIONS

New Request Period & Amount <u>MINORITY</u> C	F	G = D + F	Outstanding Authorized Amount
	0.00	40,000.00	40,000.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
0.00	40,000.00	40,000.00	0.00

CERTIFICATION

The undersigned authorized officer of the above-mentioned implementing institution hereby certifies that:

- ☐ The funding request shown above represents estimated expenditures as per AWP and itemized cost estimates attached.
- ☐ The actual expenditures for the period stated herein has been discussed in accordance with the AWP and request with itemized cost estimates. The detailed accounting documents for these expenditures can be made available for examination, when required, by the period of five years from the date of the provision of funds.

Date Submitted:

Name: _____

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NOTES:

FOR AGENCY USE ONLY:

FOR ALL AGENCIES

Approved by:

Name _____

Title

Date _____

FOR UNICEF USE ONLY		Validation Information	
Account Changes		DCT Reference	DCT Amount
Cash Transfer Reference	Percentage of 60	Percentage of 60	Percentage of 60
2. scores			
Training			
Tools			
Meetings & Conferences			
Other Cash Transfers			
Use			

FOR UNEPA USE ONLY	
New Funding Release	
Activity 1	0
Activity 2	0
Total	0

INSTRUCTION FOR THE FINANCIAL REPORT

Funding Authorization and Certificate of Expenditures (FACE) form is designed to request Direct Cash Transfers (DCT) and reflect expenditures accumulated by quarter.

Requests for the Direct Cash Transfer (DCT) should be prepared in line with the project or annual work plan, and must be signed by the implementing partner. The Cash transferred to the project are under the total responsibility of the implementing partner and must only be used for the activities and inputs stated in the annual work plan, and following UNDP's policies and procedures as referred to in the project document. The implementing partner/project must have a good system of accounting recording and appropriate filing of financial documentation on the project (in order to maintain records of all payments made with advances and original expenditure backup documentation). All these requirements and information will be reviewed at the project site during the project audit.

In order to receive the funds transferred by UNDP, the implementing partner for the project may open a bank account to be used only for receiving UNDP cash transfers and to make payments of the project. The bank account should be opened under the name of the project. This bank account should not be used for purposes other than receiving UNDP advances and making payments with these advances. This account must not have access to any credit nor be used for investments. If the project needs advances to make payments in local currency and non-local currency, then two bank accounts should be opened, or one bank account with two separate controls of currency.

At the finalization of the project, it is the responsibility of the implementing partner to close this/these account(s) and reimburse any remaining balances to UNDP.

The implementing partner must maintain strict control of such bank accounts, making bank reconciliations at least quarterly (monthly is advisable), and must keep on file all documentation related to account transactions. Any interest earned on the project bank account from the advances must be included by the implementing partner in the Funding Authorization and Certificate of Expenditures (FACE) and credited to the project, recording it as miscellaneous income. Bank statements must be filed by the project and a copy should be submitted to the country office with the FACES.

Together with the signed FACE form, the project has to send a copy of the bank statement as up to the date of the end of the period reported, to enable the country office to compare bank balances with FACE balances (UNDP will not make reconciliation between bank statements and expenditures reported in the Financial Report or FACE. This is the responsibility of the implementing partner and correctness of this reconciliation will be determined by the audit exercise.). The following main instructions apply:

- The normal disbursement cycle for the FACE is quarterly. More frequent reporting is encouraged if agreed to by the UNDP country office and the implementing partner
- Advances shall only be made in non-local currency in those instances where all payments arising out of such will also be in the same non-local currency. If the project has received advances in more than one currency, a separate financial report or FACE must be submitted for each currency received;

- The approval of a request for cash transfer for a particular project is subject to the verification by the CO that at least 80% of the previous advance given and 100% of all earlier advances have been liquidated.
- The implementing partner must submit the corresponding FACEs every time the project needs more funds **and** at the end of each quarter, within the first **15 days** of the following quarter. The FACE must include detailed information on payment instructions (bank account where advances should be deposited).

The FACE supports several important functions:

- Request for funding authorization: The section "Requests / Authorizations" will be used by the implementing partner to enter the amount of funds to be disbursed for use in the new reporting period. The country office can accept, reject or modify the amount approved;
- Reporting of expenditures: The section "Reporting" will be used by the implementing partner to report to the country office the expenditures incurred in the reporting period. The country office can accept, reject or request an amendment to the expenditures reported;
- Certification of expenditures: The section "Certification" will be used by the designated official from the implementing partner to certify the accuracy of the data and information provided.

In the process of certification, the designated official attests to one or both of the following statements:

- That the funding request shown represents estimated planned expenditures as per the Annual Work Plan (AWP)/Budget and that itemized cost estimates have been attached and/or;
- That the actual expenditures for the reported period have been disbursed in accordance with the annual work plan and previously approved itemized cost estimates. Further, the designated official attests that the supporting accounting documentation will be made available, upon request, for a period of five years.

FACE: Overall Approach and Guiding Principles

The FACE is intended to use by partners for requesting funds and reporting expenditure. Not all sections of the form will be used at all times. For instance, for an initial disbursement, only the request section of the form will be completed. For a final payment upon AWP completion, only the reporting section will be used. The following guiding principles apply:

- No FACE will be processed without the appropriate signature from the designated implementing partner official;
- The FACE is aligned with the annual work plan/budget. The activities for which funds authorization is requested, or for which expenditure is reported, will be the activities specified in the annual work plan;
- The FACE is normally certified by the designated official who signs the annual work plan. In all other circumstances, the annual work plan will specify any other official authorized to certify the FACE. For instance, the designated official signing the annual work plan may be from the central Ministry of Health while the actual expenditures may be incurred by a regional health office. In such cases, the annual work plan should specify whether the central authority will process and sign a consolidated FACE or whether individual FACE forms will be processed by other authorized officials from the subordinate offices and implementing partners. The respective reporting relationship must be specified in the annual work plan;
- A request for funding included in the FACE must be accompanied with an itemized cost estimate of the activities to be funded according to UNDP guidelines.

FACE: Header Area

The header area of the FACE allows the implementing partner to report on the reason and purpose of the funding/ reporting request. This data is usually needed for correct coding in financial and management accounting systems. The specific data elements include:

- Name of the agency (UNDP);
- Date of the request;
- Type of request (direct cash transfer, direct payment, reimbursement);
- Country where the program takes place;
- project title and code;
- Responsible officer(s);
- Implementing partner;
- Currency of the request and disbursement.

FACE: Body of the Form

Activity Description: activity ID and Budget Items description as it appears in the annual work plan/budget.

Coding Column: The second column is ATLAS chart of accounts: Account, Fund, Donor. This data is required for UNDP's financial accounting system.

Reporting Area

The FACE is a dynamic form that must balance and reconcile from one reporting period to the next. The first column, column A, on the form repeats the last one, column G, from the previously submitted and authorized FACE form. Note that columns C, D, F and G are shaded. They are blank when the FACE is submitted to the country office. They are filled out by the country office prior to the financial processing of the form. All non-shaded columns are to be completed by the implementing partner.

Column A – Authorized Amount: Column A will be blank for the first request from an implementing partner. It should include the date of the most recent previous authorization.

Column B – Actual Expenditure: Column B reports the actual expenditures by the implementing partner for the period. The expenditures reported by the implementing partner are, at this point, still subject to review and approval by the country office. The designated official of the implementing partner is certifying that these expenditures are reported in accordance with the provisions of the annual work plan, country programme action plan and/or other related agreements with UNDP.

Column C – Expenditures Accepted by Agency: Column C is used by the country office to review and approve, reject or amend to expenditures reported by the implementing partner. If the amounts are accepted as reported, no further adjustments to this part of the FACE or communication with the implementing partner about these expenditure is required. However, if changes are made (e.g., to query or reject a reported expenditure), then the amount recorded by the country office in column C will differ from that reported in column B. In this case, the change needs to be communicated with the implementing partner.

Column D – Balance: Column D records the balance of funds authorized for use in the reporting period that remained unspent as of the date of the form. The term 'unspent' can also reflect expenditures which are either known or ongoing as of the date of the FACE, but which cannot be certified by the implementing partner due to timing or internal reporting delays. The outstanding balance of funds authorized by activity can be carried forward, reprogrammed or refunded, depending on the particular circumstances of the signed agreement..

Requests and Authorizations Area

Column E – New Request Period and Amount: Column E determines the period of the new request, which is normally contiguous to the last reporting period. The column contains the requests for the authorization to spend or receive funds, by activity and for that period. Each time a request for new or additional funds is submitted, it will be accompanied by an itemized list of expenditures in line with the annual work plan. This column can also reflect any balance for an activity in column D, which is requested for reprogramming. This will reduce the total amount of the new disbursement request accordingly.

Column F – Authorized Amount: Column F is used by the country office to establish the amount of new funds, by activity, to be disbursed for the new reporting period. This column is filled in by the country office. It can be used to accept, reject or modify the amounts requested in column E. Any credits for reprogramming will be reflected in this column for reconciliation of the amounts.

Column G – Outstanding Authorized Amount: Column G is the sum of columns D and F, and indicates the total outstanding authorized amount. For subsequent period reporting, the amount of this column will be carried forward to the column A of the new FACE form

Certification Area

The Certification Area is used by the designated official of the implementing partner to request funds and/or to certify expenditures. This area requires a date, the signature of the official and his/her title.

For Agency Use Only Area Approvals Box: The "For All Agencies" box in the lower left hand corner of the FACE form should be signed by the appropriate UNDP official. This indicates the review and approval of the request for funds and authorizes the recording of the reported expenditures. The official should sign, date and provide his/her title.

Bank accounts

In order to receive the funds advanced by UNDP, the IP/project may open a bank account to be used only for receiving UNDP advances and to make payments of the project. If local conditions permit, the bank account should be opened under the name of the project. Opening a separate bank account for the project will usually lower risk but may also place an additional administrative burden on the IP.

Alternatively, the IP may use an existing bank account under the IP's name, but this option may only be used with the agreement of UNDP's Project Manager. In making this decision, the Project Manager will consider the inherent risk involved, using the assurance mechanisms described in HACT.