

UNITED STATES GOVERNMENT

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DEPARTMENT OF LABOR
BUREAU OF LABOR AFFAIRS

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OFFICE OF CHILD LABOR, FORCED LABOR,
AND HUMAN TRAFFICKING
(OCFT)

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COMBATING EXPLOITIVE CHILD LABOR THROUGH
EDUCATION SGA
BIDDER'S MEETING

+ + + + +

WEDNESDAY,
JUNE 24, 2009

+ + + + +

The meeting convened at 1:30 p.m. in the
Frances Perkins Building Auditorium, 200
Constitution Avenue, NW, Washington, D.C.

STAFF PRESENT:

- MARCIA EUGENIO
- MALAIKA JETER
- MICHAL MURPHY
- KEVIN WILLCUTTS
- AMY RITUALO
- GEORGIETTE NKPA
- DENNIS ADELSON
- VICTOR LOPEZ
- ANGIE PELTZER
- EILEEN MUIRRAGUI
- SHARON HELLER
- CHARITA CASTRO
- TANYA RASA

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WITNESSES:

JONA LAI
KATE CARPENTER
AGUEDA MARIN
JANE ROSSER
CARA KURTZ
VICKIE BROOKS
ERIC EVERSMANN
RUTH ALLEN
SERGIO RAMIREZ
WHITNEY MAYER
JENNIFER WHATLEY
VICKIE WALKER

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P-R-O-C-E-E-D-I-N-G-S

(1:42 p.m.)

OPENING REMARKS

MS. EUGENIO: Good afternoon, everyone, and thank you for joining us today, and welcome to the Department of Labor, and to our bidders' meeting for the fiscal year 2009 child labor solicitation for SGAs.

The focus of the SGA this year is for projects to combat exploitive child labor in Guatemala, Indonesia, Nepal and Rwanda. For the meeting today, we have a lot of colleagues from the Department of Labor from different offices, and they will be able to not only provide you with general information about our child labor programs but also to try to answer some of your questions regarding the SGA.

We should tell you that for any definitive answers on questions you may have, you should always look to the SGA for guidance

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1 even though we will try to clarify it if there
2 is anything that is not clear in there.

3 As many of you know, we have been
4 working in this area since 1995. We have
5 funded a number -- hundreds of projects, but
6 we are very proud to say that we have had the
7 ability over the years to work with about 60
8 organizations. Many of them are represented
9 here today, and some of them, I see some new
10 faces I don't recognize, so I'm glad to see
11 that we also have attendance from new
12 organizations that are looking at our SGAs for
13 a possibility for funding.

14 In that time as well we've been
15 able to rescue about 1.3 million children from
16 exploitation, and provided them and their
17 families with alternatives to child labor.

18 This is a very important
19 achievement, and one that we are very proud of
20 at the Department of Labor. But we realize
21 that we couldn't do that without the
22 assistance of many of the people who are here

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1 in the room today, and we thank you for that,
2 and we look forward to working with you on
3 these programs in the future.

4 As many of you know, we do have a
5 new administration, and we have a new
6 secretary of labor. And Secretary Solis is
7 very committed to this issue. We had an event
8 on June 10th to commemorate the World Day
9 Against Child Labor. And Secretary Solis, Tom
10 Harkin from Iowa, as well as Tina Tchen who is
11 the director, executive director of the White
12 House Council on Women and Growth,
13 participated in that event.

14 We also had representation from
15 industry groups and labor groups as well as
16 NGOs working in this area.

17 To us that was a very important
18 event, because it helped us to have a
19 conversation with different stakeholders about
20 where we see challenges and opportunities to
21 address these problems in the future.

22 It was also an opportunity to

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1 celebrate in a way the 10th anniversary of
2 Convention 182 on the Worst Forms of Child
3 Labor. And since this is what guides the work
4 that we do, those were very important events.

5 I'm also happy to say that we were
6 very pleased and somewhat surprised when
7 President Obama actually issued a statement on
8 June 12th basically recommitting the U.S.
9 government in the fight against child labor.
10 And I just want to read one quote from that
11 statement that I think should guide our work
12 in the future.

13 He said: "We must stand united in
14 opposition to child labor and recommit
15 ourselves to ending this practice in all its
16 forms today and everyday."

17 That is something that I know
18 people in the Office of Child Labor, Forced
19 Labor and Human Trafficking have been doing
20 everyday, and I know many of you are also
21 working and following in this commitment.

22 So I would like to thank you all

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1 for being here, and I would like to turn the
2 meeting over to my colleagues who are going to
3 give you a presentation about the work that we
4 do.

5 REVIEW OF AGENDA

6 MS. JETER: Thank you, Marcia.

7 My name is Malaika Jeter. I work
8 in the Office of Child Labor, Forced Labor and
9 Human Trafficking. And I just wanted to take
10 a moment to go over the agenda with you, so if
11 you want to pull it out.

12 First we will have a brief overview
13 of OCFT, and the Combating Exploitive Child
14 Labor Through Education Program; followed by a
15 review of this year's SGA.

16 We'll then have a presentation on
17 the Department of Labor procurement process,
18 followed by a presentation on associations and
19 unallowable items.

20 And finally we'll have a
21 presentation on NICRA issues, followed by a
22 presentation on OCFT's Government Performance

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1 and Results Act Performance Measures.

2 Following the formal presentations
3 we will have a question and answer session.
4 Hopefully we will be able to get through all
5 of your questions. And we'll have closing
6 remarks by Kevin Willcutts, the acting
7 director for OCFT.

8 OVERVIEW OF OCFT AND THE COMBATING
9 EXPLOITIVE CHILD LABOR THROUGH
10 EDUCATION PROGRAM

11 MS. JETER: So now I'd like to
12 give you a brief overview of our office. OCFT
13 is one of three offices within the Bureau of
14 International Labor Affairs (ILAB). Our areas
15 of action include technical assistance,
16 research and policy, and awareness raising.

17 Just to give you an idea of the
18 history of our office, in 1993 DOL began
19 conducting congressionally mandated research
20 on international child labor. In 1995, as
21 Marcia stated, ILAB began funding technical
22 cooperation projects to combat exploitive

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1 child labor around the world.

2 In 1999, Executive Order 13126 was
3 passed prohibiting federal agencies from
4 buying products made with forced or indentured
5 child labor.

6 In 2005, we received a new mandate
7 under the Trafficking Victims Protection
8 Reauthorization Act (TVPRA) to monitor and
9 report on forced labor and child labor.

10 The 2008 TVPRA set a deadline of
11 January, 2010, for the publication of OCFT's
12 list of goods.

13 This map gives you a good general
14 overview of our projects to date. We have
15 funded more than 228 projects in over 82
16 countries, and as you can see we've covered
17 projects in countries, developing countries
18 and regions throughout the world.

19 So through our work we try to reach
20 children under the age of 18 who are at risk
21 of or engaged in the worst forms of child
22 labor; their parents who often rely on their

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1 children's income; and government, NGOs, and
2 other organizations working on issues related
3 to child labor.

4 We work to provide children and
5 families with access to schooling, vocational
6 training, and other services that are of high
7 quality and relevant to the children's lives.

8 We also provide skills training,
9 income generating alternatives, and help --
10 try to help parents overcome their reliance on
11 their children's labor.

12 We also help governments and NGOs
13 to increase their capacity to address child
14 labor issues through programs, policies and
15 laws.

16 If you remember nothing else that I
17 say during this brief presentation, I want you
18 to remember this. I want to highlight how our
19 projects differ from others that you may have
20 worked on.

21 First, our projects seek to provide
22 education as a strategy for withdrawing and

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1 preventing children from the worst forms of
2 child labor. This requires assessing
3 children's needs, and developing a strategy
4 that keeps children out of exploitive labor.
5 And through our projects, monitoring of both
6 school participation and work status is
7 needed.

8 So our projects must develop and
9 implement strategies for monitoring the work
10 status of children, and in addition they need
11 to consider how long a child must be enrolled
12 in project services, before they can be
13 considered withdrawn.

14 Finally just to give you a sense of
15 how we got to where we are today, in funding
16 our projects first we meet with foreign
17 ambassadors. We exchange letters with
18 governments. We published a notice of intent
19 several months ago. Our SGA has been on
20 grants.gov since June 2nd.

21 The next steps are to review our
22 proposal and make awards by the end of our

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1 fiscal year on September 30th.

2 So I thank you for your attention,
3 and I'd like to invite Michal Murphy up to
4 give you the much-anticipated presentation on
5 our SGA.

6 REVIEW OF THE FY 2009 COMBATING
7 EXPLOITIVE CHILD LABOR THROUGH EDUCATION
8 SOLICITATION FOR GRANT APPLICATIONS

9 MS. MURPHY: Thank you, Malaika,
10 for that great overview, and I will certainly
11 do my best to live up to the expectations of
12 why you all came here today for, which is to
13 learn more about our SGA and our process;
14 things that have changed this year, and key
15 points that we want you to be aware of.

16 But before I get started, I wanted
17 to thank many of you in this room who were
18 very integral and played an important part in
19 actually bringing about the SGA that you have
20 in your hands right now. As many of you will
21 recall, we issued a notice requesting public
22 comments on past SGAs that we have done. And

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1 we heard from a number of you, and we heard a
2 lot of very constructive comments and
3 feedback. And we've really tried to take that
4 into account as part of our ongoing quality
5 control, and trying to improve our process and
6 our SGA.

7 So we believe that this year's SGA
8 is probably the best that it's ever been. And
9 I think a lot of that is attributable to some
10 of the feedback that we got from you as well
11 as our ongoing efforts.

12 So I'd just like to acknowledge
13 that, and thank you for the comments that you
14 provided to us. They were very helpful.

15 So what I'm going to cover today
16 with the SGA presentation is to go over the
17 target countries for this year; the structure,
18 just briefly, of the SGA; what's new for FY
19 2009 over past years; and key points that
20 would be helpful for you to keep in mind as
21 you prepare your applications.

22 So as you will note in the SGA, the

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1 countries we're funding are Guatemala; up to
2 \$4.2 million is available for Guatemala;
3 Indonesia, up to \$5.5 million; Nepal, up to
4 \$4.25 million; and Rwanda, up to \$4.5 million.

5 And I would like to point out that applicants
6 can apply for any funding amount up to the
7 maximum available for each country.

8 I'm not going to spend a lot of
9 time on the structure of the SGA just because
10 it's already in your handout as well as the
11 table of contents that you have there. But I
12 just wanted to touch on a few points briefly
13 related to the structure.

14 It starts out with an executive
15 summary, description of the funding
16 opportunity where we go into the scope of
17 work. And the scope of work is broken down
18 into general requirements which center around
19 the five goals of USDOL funded projects; other
20 requirements; country-specific requirements
21 then we go into award information,
22 eligibility, who is eligible to apply for a

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1 grant; instructions to offeror, which provides
2 more information on how you need to prepare
3 your cost proposal and your technical
4 proposal; the formatting, submission and
5 delivery information; application review
6 information, which is our rating section and
7 point values that we allocate to each section;
8 award administration and agency contacts and
9 appendices.

10 And I just wanted to point out a
11 couple of things with the appendices. For the
12 definitions section, applicants are expected
13 to be familiar with these definitions and to
14 use them appropriately in their applications.

15 These are terms related to our projects that
16 we think you should be familiar with.

17 The cost proposal format and the
18 technical proposal format, the appendices, we
19 provided as checklists to help you in the
20 preparation of your application— to have all
21 the forms and things that you need all in one
22 place. So we hope that that is helpful.

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1 And then finally Appendix D on
2 subgrants and subcontracts. This is also very
3 important for you to be familiar with, since
4 DOL funds may not be used to provide
5 subgrants. And if there are any questions on
6 that, we can get to that during the questions
7 and answers, Dennis will also be covering that
8 in more detail in his presentation on
9 unallowable activities.

10 So just briefly, the five goals
11 that all DOL projects have to support include:
12 the withdrawal and prevention of children from
13 exploitive child labor; strengthening country
14 capacity to combat child labor; raising
15 awareness on the problem and the solution of
16 education; supporting child labor research and
17 data collection; and promoting long-term
18 sustainability of efforts to combat child
19 labor in the target countries.

20 Next, the country specific
21 requirements. This is the format of how they
22 are broken down for each country section:

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1 background and problem statement, project
2 targets, project-specific strategies; and
3 collaboration with the government and links to
4 national policies, laws and programs.

5 Section V is a section I think a
6 lot of you might be most interested in. It is
7 how we are actually going to be rating your
8 proposals once we receive them. Project
9 design and budget is worth 45 points.
10 Strategy for monitoring direct beneficiaries
11 is worth 10 points. Building local capacity
12 and promoting sustainability is worth 20
13 points. Organizational capacity is worth 10
14 points. Personnel and project management plan
15 is worth 15 points. And finally , if
16 applicants choose to propose cost sharing, you
17 are eligible to receive up to 5 additional
18 points for that. But that is an optional
19 section.

20 What's new for this year? We've
21 tried to shorten our SGA and make it more
22 streamlined and more user-friendly for you.

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1 We've also shortened our country sections and
2 the background information that we provide.
3 Now we are basically linking you to our Trade
4 and Development Act report on the website for
5 most of the background information.

6 And we've also provided on our
7 website, country documents that we thought
8 would be helpful to you, and also country
9 documents that may be hard to access on the
10 we; some things we had access to that we
11 wanted to post for your information.

12 And also relevant information on
13 our past and current projects, including
14 evaluation reports and project summaries are
15 available on the website.

16 And actually if you look in your
17 folder, if you haven't already seen it there,
18 are two printouts of the websites, and you can
19 actually see for each country what is
20 available.

21 Other things that are new this
22 year: we've eliminated a number of our

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1 technical proposal requirements. This is in
2 part due to some of the feedback that we got
3 from you all. However, some of these
4 documents will still be required at the
5 project document stage in the event of award.

6 We've tried, in response to some of
7 your comments, leave the SGA open longer, so
8 this year is probably the longest we've ever
9 had it open, almost 60 days that you have to
10 prepare your application.

11 Also, applicants can submit your
12 applications this year either through hard
13 copy or you can continue to use grants.gov as
14 was available last year.

15 Another thing that is new this year
16 is, we've tried to provide more guidance to
17 you on safe and healthy learning environments,
18 and what our expectations are of our grantees.

19 We do expect applicants to support the
20 provision of a safe and healthy learning
21 environment for all direct beneficiaries. Our
22 goal is for goods and services provided in

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1 schools sponsored by or associated with the
2 project, to be safe for direct beneficiaries.

3 And at the proposal stage what this
4 means is that you should assess learning
5 environments in target areas and ensure that
6 your budget contains sufficient resources to
7 make any improvements to ensure that learning
8 environments are safe and healthy.

9 If it's not possible to ensure the
10 safe and healthy learning environments with 10
11 percent or less of the project budget for
12 direct costs, there are a couple of different
13 options that you have. One is to consider
14 alternative sites for project service
15 delivery, or to propose an alternative level
16 of funding for construction in the budget and
17 provide a justification in the budget
18 narrative for it.

19 Applicants are also encouraged to
20 work with local partners and communities to
21 share the cost of construction as well to
22 ensure sustainability.

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1 Related to this, afterward we have
2 a new requirement for FY '09 grantees to
3 conduct a needs assessment, develop a plan to
4 inspect schools and other learning
5 environments that will be attended by direct
6 beneficiaries, identify those with conditions
7 that could pose a health or a safety risk to
8 children, and develop an action plan for
9 mitigating those conditions.

10 So this needs assessment action
11 plan will be due to DOL within 12 months of
12 award.

13 I'm running out of time, so I'm
14 going to speed this up a little bit. We have
15 made some changes to our evaluation criteria
16 and the points that we have allocated this
17 year. We increased the points available for
18 project design and budget. We also increased
19 the points for building capacity locally and
20 promoting sustainability. But we see ensuring
21 sustainability as directly related to building
22 local capacity in the target countries.

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1 So in recognition of that we
2 thought that was worth additional points.

3 We also deleted the additional
4 beneficiaries criteria, and bonus points for
5 that. And we added some additional
6 clarification regarding cost sharing.

7 Here are some key points on cost
8 sharing. As I mentioned earlier, you can
9 receive up to five additional points for
10 including non-U.S. Government resources to
11 expand the dollar amount as well as the size
12 and/or scope of the project.

13 And cost-sharing can include either
14 matching funds, in-kind contributions, or
15 other forms. They must be reported on the SF-
16 424, and 424-A, and afterwards grantees are
17 required to report to DOL on all cost sharing
18 expenditures quarterly, and you are liable to
19 meet that full amount during the life of the
20 project.

21 We also provided some clarification
22 this year on cost sharing. If cost sharing

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1 comes from subcontractors under the contract,
2 the value of the cost sharing needs to be used
3 to support the work of the project and it
4 should not be used directly by the applicant
5 or its employees for their benefit.

6 And applicants may not make the
7 award of a subcontract contingent upon a
8 subcontractor agreeing to provide matching
9 funds.

10 I think in the interest of time I'm
11 just going to go ahead and skip over the
12 checklist for non-responsiveness. This is in
13 the SGA as well as in your handouts.

14 Finally just another key point to
15 note is that subcontractors under the award
16 would not have decision making ability
17 pertaining to the grant. And that is also
18 spelled out in Appendix D of the SGA.

19 All technical questions on this SGA
20 need to be directed to Lisa Harvey and
21 Georgiette Nkpa by June 30, 2009, and we'll
22 compile your questions and publish them along

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1 with our responses in early July.

2 Additionally we'd like to point out
3 that the FAQs related to this SGA and a
4 transcript of today's meeting will be
5 available on our website coming soon. And the
6 website is there in your handout; feel free to
7 follow up.

8 So with that I'd like to turn it
9 over to Georgiette Nkpa from our Procurement
10 Office, and she'll be going over information
11 about the procurement process here at DOL.

12 REVIEW OF DEPARTMENT OF LABOR
13 PROCUREMENT PROCESS

14 MS. NKPA: Hello, everyone.

15 My name is Georgiette Nkpa, and I
16 work as a grants specialist with the Office of
17 Procurement Services (OPS).

18 I'll be talking today about the
19 grant process. And I'd like to remind
20 everyone that the process is competitive, as
21 you already know.

22 The program office, ILAB, will

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1 discuss its procurement needs with our office,
2 Office of Procurement Services, at which point
3 the solicitation is developed and includes the
4 evaluation criteria. This availability is
5 announced via grants.gov, and applicants must
6 submit their proposals by the due date.

7 The proposals are reviewed by our
8 office, the Office of Procurement Services, to
9 determine if they are fully responsive, at
10 which point they can be forwarded on to the
11 panel for review.

12 The panel then reviews and scores
13 the proposals according to the evaluation
14 criteria, which is in the SGA.

15 Upon which the panel then makes a
16 recommendation to our office, the Office of
17 Procurement Services, to the grant officer.

18 All successful applicants are
19 notified as well as unsuccessful applicants,
20 which can be debriefed upon request.

21 The cooperative agreements have
22 been developed by OCFT as well as our office,

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1 OPS. All awards are completed prior to
2 September 30 of 2009.

3 All interested applicants may
4 complete the grant registration process via
5 grants.gov. Particularly if you are new to
6 the program we are advising that you try to
7 register as soon as possible as the process
8 could take up to three weeks if you don't have
9 a DUNS number or are not registered with
10 Central Contractor Registration (CCR). So
11 please, please register early.

12 In order to view our SGA on
13 grants.gov, you would need to have Adobe
14 installed on your computer. It is available
15 to you on grants.gov at no charge.

16 In order to apply for a grant, you
17 would need to download it after installing
18 Adobe if you don't already have it; complete
19 the application package; and submit it to our
20 office for review.

21 Again please follow the
22 instructions in the SGA and submit your

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1 application by the due date.

2 As you heard earlier, you are more
3 than welcome to mail in your applications to
4 our office. Just follow the instructions in
5 the SGA, or submit your applications via
6 grants.gov if you choose to do so.

7 Grants.gov gives you the option to
8 track your application. Once you submit your
9 application via grants.gov a tracking number
10 is automatically generated. And we are asking
11 that you follow up on grants.gov to ensure
12 that your application was successfully
13 submitted, as the system can reject your
14 application due to errors.

15 So please check back with
16 grants.gov to ensure that your application was
17 successfully submitted. You may do this by
18 logging onto grants.gov and clicking on the
19 application status button.

20 Again, please submit your
21 applications early.

22 If you encounter problems via

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1 grants.gov you may contact them directly at 1-
2 800-518-4726, or you may send them an email.
3 The email address is support@grants.gov.

4 Thank you very much for your
5 attention.

6 MS. JETER: Thank you. At this
7 time I'd like to invite Dennis Adelson to
8 discuss associations and unallowable items.

9 REVIEW OF ASSOCIATIONS AND
10 UNALLOWABLE ITEMS

11 MR. ADELSON: I'm going to talk a
12 little bit about the uses of money that
13 hopefully you will be getting under these
14 grants or cooperative agreements, and some of
15 the activities that are not allowed. And we
16 do this by way of informing you of the
17 restrictions that cover the grants and the
18 money so you can be better prepared to make
19 your budgets and your project documents, and
20 to avoid surprises that may occur later on in
21 the audit process when we come back through
22 and see how performance has been and how the

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1 money has been used under the grants.

2 The primary reason we do that is to
3 avoid the need for any disallowances of money
4 that you have already spend. Disallowances
5 could very well lead to our asking for the
6 return of the money, and that's a situation
7 that we don't want to put you in and that we
8 don't want to face ourselves. So we believe
9 in getting all the rules out up front, all the
10 do's and dont's, so that everybody is better
11 informed up front, and people don't get into
12 difficult situations later on.

13 Just generally these -- the do's
14 and dont's, the rules governing the use of
15 money and the activities that you can engage
16 in, come from a number of sources. Some of
17 them come from the annual appropriations that
18 fund these grants and Cooperative Agreements;
19 others come from executive orders on things
20 like trafficking in persons and other things
21 of that nature.

22 A lot of the rules, especially on

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1 the allowable costs that we can reimburse,
2 come from things like OMB circulars, in
3 particular Circular A-122, which is applicable
4 to nonprofit agencies, and that can be found
5 on OMB's website. It's a very valuable
6 document. It lists a lot of different kinds
7 of costs and what's allowable and what's not.

8 Many things are allowable, but they are
9 allowable only with approval of the agency.
10 So those are the kinds of things before you
11 engage in spending on that kind of cost you'd
12 want to get approval from DOL. It can save a
13 lot of time and trouble, a lot of headaches.
14 We get the ground rules set beforehand, and
15 everyone knows ahead of time what's possible.

16 In addition there are some rules on
17 things that can be done that come simply from
18 Department of Labor or ILAB policy, and they
19 are just things that have grown up over the
20 course of years, and that's the way we
21 administer the grants.

22 Now some of the major unallowable

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1 activities include the items listed here. One
2 of them is lobbying. Lobbying is using
3 federal funds to influence any federal or
4 state legislation or elections in the United
5 States, whether through contributions or
6 communications, to governmental officials.

7 You may not engage in that type of
8 lobbying. You can use your own money to do
9 lobbying on your own, but if you are going to
10 do that it has to be clearly accounted for and
11 separated from any money you get under these
12 grants. The government doesn't give you money
13 to lobby itself.

14 Prostitution, that is always a no-
15 no. The U.S. government opposes prostitution,
16 regarding it as a harmful activity that leads
17 to trafficking. Grantees and your
18 subcontractors may not use any federal funds -
19 - and this goes to not just activities but to
20 the nature of your organization and its
21 policies -- but you may not use federal funds
22 to advocate or promote the legalization of

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1 prostitution or its regulation as a legitimate
2 form of work.

3 Most importantly, I think is the
4 provision in the SGA on trafficking in persons
5 that comes from the Trafficking Victims
6 Protection Act, and its implementing
7 regulations, which authorize DOL to terminate
8 a grant and to debar a grantee or a
9 subcontractor from any further contracting or
10 granting with the government if you violate
11 the provisions of that law or the regulations.

12 And basically what that prevents or
13 causes you to refrain from is the use of any
14 forced labor in performing your grant;
15 engaging in any severe form of trafficking in
16 persons during the performance of the award;
17 or procuring a commercial sex act or
18 prostitution during an award.

19 And you may say to yourself that
20 this will never happen; but things do happen,
21 and you are responsible for your employees and
22 your subcontractors, and their employees to

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1 make sure that they do not engage in any of
2 these kinds of activities. Some times people
3 go off and do things they shouldn't do, and
4 it's your job to kind of rein them in and act
5 like mom and dad a little bit, and make sure
6 your people don't engage in any kind of
7 activity that could in any way be attributable
8 back to your organizations in part because you
9 do represent the U.S. Government and you are
10 the government overseas to some extent; your
11 activities reflect on us; and it's the law.

12 And finally doing business with
13 terrorists -- that also may sound kind of
14 intuitive. We don't like terrorists, and we
15 don't like to see our money going to
16 terrorists. And there is an executive order
17 in place that forbids any grant money from
18 going to any terrorist organization. You say
19 -- we think we know what terrorists are.
20 That's not always easy to define, but the
21 Treasury Department keeps a list, which makes
22 it convenient. You can go to the Treasury's

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1 website, the Office of Foreign Assets Control.

2 They have a very long list of every bad guy's
3 name in the world, every alias they have ever
4 used, and organizations and ships that have
5 been used in terror activities.

6 So if you are contemplating working
7 with any organizations or persons overseas you
8 should check that list; make sure they're not
9 on the list; that will provide you with a good
10 deal of protection. That may not be the be-
11 all and end-all because the list -- there are
12 always more terrorists than there are names on
13 a list. So you should just simply be aware
14 that organizations that you are dealing with
15 should be checked out, check out their
16 bonafides, find out what you can about them to
17 make sure that they are not engaging in any
18 kind of terrorist activities.

19 A big issue that often comes up is
20 inherently religious activities. The federal
21 government is prohibited from providing direct
22 financial assistance for what is called an

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1 inherently religious activity. That consists
2 of religious teaching, prayer, purchasing
3 religious materials, or spreading or
4 proselytizing a religion.

5 That does not prohibit a religious
6 organization -- and there are many of them --
7 from applying for grants. It does not
8 prohibit you from applying for or performing
9 the grant. That is perfectly acceptable. You
10 are not required to change the structure of
11 your organization or remove religious symbols
12 from your buildings or your facilities. The
13 only thing you must do is make sure that any
14 religious activities that you do engage in or
15 that the grant recipients participate in are
16 separated in time or space from the grant
17 activities that we are funding.

18 Basically our dollars cannot be
19 used to fund a religious activity. Any
20 religious activity has to be kept separate.
21 If you are going to do it, you need to keep
22 separate accounting to make sure that our

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1 dollars did not fund that particular religious
2 activity.

3 This comes up in terms of paying
4 teacher salaries and things like that. So if
5 there is an hour of a day of religious
6 instruction and seven hours a day of secular
7 instruction, we can only pay for the secular
8 portion and you must account for the fact that
9 our money only went to pay for that part of
10 the school day.

11 There is more information on this
12 at DOL's website, under www.dol.gov/cfbci, The
13 Center for Faith-Based and Community
14 Initiatives.

15 There are a number of unallowable
16 uses of money that we need to talk about. One
17 is -- and these are generally pretty obvious;
18 but they always bear a little repeating -- one
19 is direct cash transfers. We are giving you
20 money, and your job is not to spread the money
21 around but to turn it into service and to do
22 good things with the money. And although we

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1 might like to hand out money to people, that
2 is not the business we are in.

3 So you may, however, in lieu of
4 providing money to children and other
5 recipients, provide them with certain supplies
6 and other benefits -- we sometimes talk about
7 books and school uniforms, transportation and
8 other things that facilitate their receiving
9 of your services, as opposed to just handing
10 them cash. Sometimes we deal in vouchers,
11 which are used only for obtaining services.

12 You cannot make loans with the
13 money -- no micro loans, no revolving loans,
14 no micro credits or all those kinds of things.

15 As good as those things might be, you cannot
16 do them with our money under these programs.
17 There may be other programs in other parts of
18 the government allow that, but not under these
19 types of grants.

20 Very importantly, we are not
21 authorized to allow you to make subgrants, and
22 the issue always comes up as to what is a

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1 subgrant. And generally a subgrant is when
2 you have taken the funds we give you and you
3 give them to someone else to share a portion
4 of the grant work, and you have kind of
5 released control over that work. And we have
6 some guidance -- I think it's in the SGA in a
7 chart -- that describes some of the
8 differences between subgrants, which are not
9 allowed, and subcontracts, which are allowed.

10 And if you have any questions on those points
11 we encourage you and beseech you to consult us
12 beforehand, and find out whether the activity
13 that you are about to engage in might take you
14 into the subgrant area as opposed to the
15 subcontract area.

16 There are a number of costs that
17 are specifically not allowed with the money
18 that we are giving you. Among these are
19 construction, which can only be done with
20 prior approval of the department; purchasing
21 land also only with prior approval. Money
22 cannot be used to give out gifts or souvenirs

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1 or other personal items or to pay for food or
2 entertainment, except when it is in the nature
3 of transportation or other incidental items
4 that might be supportive of a meeting or a
5 conference.

6 Funds cannot be given to foreign
7 governments or foreign officials except to
8 reimburse them for certain expenses, for
9 activities that are supportive of the grant.

10 And finally money can only be used
11 to support beneficiaries, those people who are
12 under 18, or who are 18 at the time of
13 beginning to enter into the programs, or to
14 support their parents for the benefit of the
15 children that we are targeting.

16 The general rule is that when in
17 doubt, on any aspect of these grants, consult
18 with us, come to us early, don't wait until
19 the end, don't wait until the money has been
20 spent or the activity has been engaged in.
21 Then it's too late for us to guide you and
22 help you, and there may be a situation where

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1 there will be a cost disallowance. So we do
2 encourage you to ask questions and be very
3 upfront and work with your grant specialist
4 and other folks within ILAB.

5 REVIEW OF NICRA ISSUES

6 MR. LOPEZ: Good afternoon. My
7 name is Victor Lopez. I am the Chief of the
8 Division of Cost Determination. The title of
9 this presentation is Indirect Costs in Federal
10 Grants: Cooperative Agreements and Contracts.

11 We are going to cover eight topics
12 in this short presentation. We are going to
13 disclose some details about our contact
14 information, website address, compensation and
15 total costs, who reviews and approves direct
16 and indirect costs; when should organizations
17 submit indirect cost rate proposals, which
18 organizations should submit proposals.

19 During grant applications, we will
20 require organizations to indicate regarding
21 direct cost, and details for option A, B and
22 C.

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1 Our office has been in existence
2 since 1972, and we basically negotiate
3 indirect cost rates on behalf of the federal
4 government. If the Department of Labor
5 provides, say, federal funds to the
6 organization that we are working with, we
7 follow cost principles. For state and local
8 organizations, it's the A-87. For nonprofits
9 it's A-122, and for commercial organizations,
10 it's the FAR Part 31.

11 This is a -- just to show that we
12 have a website, and there is a website address
13 in the presentation where you can access
14 information related to how to put a proposal
15 together and that type of thing.

16 When we are looking at the cost of
17 your proposal as part of the grant, you are
18 proposing direct costs plus indirect plus
19 applicable credits. We are going to define
20 what those are, and who actually reviews and
21 approves those types of costs.

22 On the direct side, those types of

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1 costs are reviewed and approved by the program
2 officers sponsoring the award. On the
3 indirect side, those costs are reviewed and
4 approved by the organization that is providing
5 the entity the federal funds. We call that --
6 or the cost principles define that as the
7 federal cognizant agency.

8 Again the -- when we are
9 negotiating the cost rates, they may be
10 subject to any grant limitations or ceilings
11 established by the grant officer or program
12 office sponsoring the award.

13 This next slide relates to the
14 timing, when you have to submit proposals.
15 The proposals have to be submitted annually.
16 For incurred cost type of proposals, they must
17 be submitted six months after the end of the
18 fiscal year. For new grantees, contractors,
19 they must be submitted within 90 days of --
20 after the effective date of the award. We are
21 talking about budgetary type of proposals,
22 provisional type of proposals.

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1 And the first one I address was
2 incurred costs type of proposals. Extensions
3 of time may be granted. Which organizations
4 should submit indirect cost rate proposals?
5 Those organizations receiving direct federal
6 funding. So if you happen to receive, happen
7 to be awarded a grant with the federal
8 government, you must have an indirect cost
9 rate agreement approved.

10 Organizations that are part of an
11 association as well grantees as well as
12 associates must have as well indirect cost
13 rates approved.

14 As part of the package that you
15 receive, you have an indirect cost form, which
16 basically gives you some narrative. And there
17 are three options there, A, B and C.

18 Option A tells you whether or not
19 you have a current rate approved, with the
20 federal government. Option B, whether this
21 needs to be updated. And Option C, whether no
22 indirect costs will be claimed.

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1 So we are going to talk about each
2 individually very briefly. Regarding option
3 A, we just want to know that some federal
4 agencies issue NICRAs that are effective,
5 quote unquote, until amended. These NICRAs
6 will not be accepted by the grant officer if
7 the last negotiated fiscal year shown in the
8 agreement is more than one year past the date
9 of the USDOL award.

10 What that means in layman's terms
11 is if you got a rate agreement that is three
12 years old and you don't have any rates
13 approved, it is just not adequate. We need
14 something current that you can use to support
15 the indirect costs that you are claiming.

16 Regarding option B, no NICRA update
17 are approved. Basically like I was saying,
18 you have to submit in accordance with the cost
19 principles. You have to submit a proposal
20 within 90 days to the cognizant agency.

21 We're also noting that a temporary
22 billing rate may be approved by the grant

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1 officer. What that means is, while you submit
2 a proposal, a budgetary type of proposal so to
3 speak, you are not getting reimbursement for
4 indirect costs when you -- the temporary
5 billing rate is a rate that could be approved
6 by the grant officer until you submit a
7 proposal for a whole period of a year, and
8 then could be approved after that.

9 Option C is when there are no
10 indirect costs claimed. Some organizations
11 choose not to charge any indirect costs. If
12 that happens, we need to get a certificate
13 from -- some type of certificate from the
14 organization -- certification from the
15 organization stating that the costs charged to
16 the grant are defined, quote unquote, as
17 direct costs only, no indirect costs are being
18 charged.

19 We also are noting that the cost
20 principles, costs may not be shifted between
21 direct and indirect costs to overcome funding
22 deficiencies.

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1 And here is my contact information.

2 We are going to entertain questions
3 afterwards.

4 Thank you.

5 MS. JETER: Thank you, and I'd
6 like to invite Amy Ritualo for our final
7 presentation.

8 OCFT'S GOVERNMENT PERFORMANCE AND
9 RESULTS ACT (GPRA) PERFORMANCE MEASURES

10 MS. RITUALO: I'm going to speak
11 briefly about our performance measures,
12 specifically the sort of impetus behind our
13 performance measures; the context of our
14 performance measures within the Department of
15 Labor; and then details including the
16 definitions of the performance measures, and
17 monitoring requirements.

18 So the movement towards greater
19 accountability within the federal government
20 began in the early 1990s when there was an --
21 when there was sort of a focus on identifying
22 fraud, waste and abuse in the federal

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1 government.

2 And in 1993 Congress passed the
3 Government Performance and Results Act or
4 GPRA, and you'll be hearing that quite a lot
5 in the SGA as well.

6 The purpose of GPRA was really to
7 try and ensure that taxpayer dollars were
8 being used efficiently and effectively for the
9 public good. So GPRA established the need for
10 federal agencies to develop strategic plans
11 including annual performance plans. And its
12 provided that strategic plans should include
13 goals and objectives, and an explanation of
14 how those goals and objectives were going to
15 be met and measured.

16 It also required agencies then to
17 submit an annual performance report which then
18 said, how did you -- based on the goals that
19 you established early on-- how did you meet
20 those goals. So agencies were required to
21 develop these indicators to show how they were
22 meeting the goals that they had established.

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1 Based on that annual performance
2 report, then, Congress would use those reports
3 to make informed decisions and assessments
4 about program effectiveness and budget
5 allocations in future years.

6 So how GPRA has translated to the
7 Department of Labor is that the Department of
8 Labor currently has four strategic goals.
9 ILAB contributes to strategic goal two on a
10 competitive workforce. In particular ILAB in
11 its child labor work contributes to a
12 strategic goal through its performance goal
13 called 2I which is to contribute to the
14 elimination of the worst forms of child labor
15 internationally. So all of our work is
16 governed by that performance goal.

17 Our office has established two
18 indicators that we refer to as our GPRA
19 indicators. These GPRA indicators have been
20 established by our office and approved by the
21 Department of Labor and by the Office of
22 Management and Budget (OMB).

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1 The two indicators are the number
2 of children withdrawn or prevented from
3 exploitive child labor and provided education
4 or training opportunities as a result of our
5 programs; and the number of countries with
6 increased capacity to address child labor.
7 And the SGA goes into quite a bit of detail on
8 these two indicators and how they are defined;
9 I'll talk about that a little bit in this
10 presentation.

11 These two indicators are reported
12 on by every project that we fund. They were
13 selected because they represent the two major
14 areas that our projects generally work, which
15 is providing educational services to children
16 withdrawn or prevented from the worst forms of
17 child labor; and building country capacity to
18 better address the issue of child labor.

19 They were also selected because
20 they meet specific requirements that were set
21 out by the Department of Labor and OMB and
22 these types of requirements were, for example,

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1 that they be outcome oriented; that they be
2 verifiable; that they be reliable, timely, and
3 relevant.

4 So the first indicator which is the
5 number of children withdrawn and prevented
6 from exploitive child labor, there are a
7 number of definitions built within here. The
8 first is exploitive child labor. What do we
9 mean by that? And that really is defined in
10 detail in the SGA. But briefly it's based on
11 international standards including ILO
12 Convention 182, ILO Convention 138, and then
13 national laws and regulations.

14 The term, withdrawn, refers to
15 essentially two categories of withdrawal. One
16 is complete withdrawal, which would be
17 applicable for children who are involved in
18 forms of labor identified in ILO Convention
19 182 as slavery, trafficking, armed conflicts,
20 drug production, drug trafficking,
21 prostitution and pornography, and then those
22 children who are working in violation,

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1 complete violation of national laws. And then
2 the second category is children involved in
3 hazardous work or work that impedes a child's
4 education but who are no longer working under
5 exploitive conditions. So if a child is above
6 the minimum age and is legally able to work,
7 full withdrawal may not be necessary, but
8 there would need to be improved working
9 conditions or decreased risk leading to safe
10 work.

11 These definitions have some flexibility
12 built into them, because they do rely on the
13 international conventions and standards, and
14 national law. And just like the conventions,
15 they have included flexibilities in them. So
16 it's very important for the proposals to
17 include information about how you are going to
18 define withdrawal based on the national laws
19 of the countries that you are going to be
20 working in.

21 The second definition that I'd like
22 to talk about is children prevented. This

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1 refers to children not yet working but who are
2 considered to be at high risk of engaging in
3 exploitive child labor. It's important for
4 proposals to include information and
5 definitions specifically about how they are
6 going to define high risk. We talk about a
7 high risk situation referring to a set of
8 conditions or circumstances under which the
9 child lives, or to which he or she is exposed.

10 The focus of your definition of
11 high risk should really focus on exploitive
12 labor, and not specifically on education. In
13 most cases it is not enough to just say that a
14 child is high risk because they have shown
15 poor performance in school, or they may be at
16 high risk of dropping out. It really is about
17 identifying how children are at high risk of
18 engaging in exploitive labor.

19 In both cases for children to be
20 considered as withdrawn and prevented, they
21 should be benefiting from a direct educational
22 service. And again that is defined in much

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1 detail in the solicitation. One of the
2 first steps that a project will go through in
3 terms of meeting this primary objective of
4 withdrawing and preventing children is
5 targeting and identifying project
6 beneficiaries. And this is a really important
7 process. It's important for the project to
8 establish which children are in need of being
9 fully withdrawn; which children are in need of
10 improved work conditions because they are
11 legally able to work.

12 It is important to define how you
13 are going to -- how you are going to identify
14 children who are at high risk, and that your
15 focus is on their risk of being exploited in
16 labor situations. It is important for you to
17 share this information and for you to make
18 sure that your subcontractors that are working
19 on the project clearly understand this
20 definition as well.

21 And the other important point I
22 wanted to make about this issue of withdrawing

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1 and preventing children is the development of
2 proper monitoring systems. We often get asked
3 by our grantees why we require the development
4 of comprehensive monitoring systems. And the
5 first and foremost answer is, we need to make
6 sure we are doing right by the kids. That the
7 purpose of these projects is to make sure that
8 children are not working in exploitive child
9 labor, and that they are no longer at risk of
10 getting into exploitive labor situations; and
11 the monitoring systems help to ensure that.

12 It is important -- it can also be
13 an important management and accountability
14 function. It can answer questions like, is
15 what we're doing working? Are we and our
16 implementing partners doing what we think
17 we're doing? And are our funds being used as
18 we intended them to be used?

19 So just a couple of points about
20 developing proper monitoring systems. It's
21 important to identify and establish criteria
22 to determine when children are withdrawn or

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1 prevented. It's important to develop systems
2 as Malaika had mentioned that monitor the work
3 status and educational status of children.
4 It's not just the educational status that
5 matters. Projects need to make sure that
6 children are not working, that they are not
7 going to school during the day and also
8 working at night, or working on the weekends.

9 It's important to develop proper
10 intake forms and monitoring records. So you
11 need to establish what forms you are going to
12 use to monitor children, and with what
13 frequency you are going to use those forms.

14 And it's important to provide these
15 guidelines and training and updates in
16 training to all of your partners who are
17 monitoring beneficiaries and ensure that they
18 - they are using the same definitions, and
19 that they are using the same forms across the
20 implementing partners.

21 And it's important for the grantees
22 to institute a system for verifying the data,

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1 so that you go out and visit the implementing
2 partners and make sure that their systems are
3 doing what they should be doing, and what they
4 are intended to do, and that children are
5 actually being withdrawn and prevented, and
6 provided educational services.

7 And then lastly our second GPRA
8 indicator is increased country capacity. And
9 what we mean by that is that projects can
10 contribute to one of the four criteria
11 established here: the adaptation of a legal
12 framework to international standards; the
13 formulation of specific policies and programs;
14 the inclusion of child labor concerns and
15 relevant development; social and anti-poverty
16 policies and programs; and the establishment
17 of a child labor mechanism.

18 Just briefly, and there is more
19 information in the solicitation, but the
20 adaptation of a legal framework to
21 international standards can be the project
22 working with the government to develop a

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1 hazardous work list, or working with the
2 government to draft new or amend existing
3 legislation to better address child labor
4 issues, the formulation of specific policies
5 and programs can be at the national, regional
6 or sectoral level. It can be a government
7 program. It can be a partner program. The
8 inclusion of child labor concerns and relevant
9 development, social and anti-poverty programs
10 and policies. It could be the inclusion of
11 child labor in an education for all plan,
12 millennium development goals in countries,
13 poverty reduction strategy papers. It would
14 be the inclusion of an indicator on child
15 labor in one of those plans.

16 And then the establishment of a
17 child labor monitoring mechanism. It could be
18 at the national level; it could be at the
19 local level. It could be based on one
20 particular sector, or child labor broadly at a
21 community level, or at a wider level.

22 The important part here is that the

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1 project actually contributed to this outcome.

2 And that's it, and now I'd just
3 like to hand it over to Michal Murphy to
4 facilitate the question and answer period.

5 QUESTIONS AND ANSWERS

6 MS. MURPHY: Thank you, Amy, for
7 that presentation on GPRA.

8 We'd now like to go ahead and open
9 it up for your questions that you have for us
10 on this solicitation, and thanks for your
11 attention to all these presentations as we've
12 tried to share with you the best information
13 that we have.

14 In case there are questions related
15 to the PowerPoint presentations that we have
16 shared, those will all be available on our
17 website this week, so you can get copies of
18 all the presentations you have seen here later
19 on this week on our website if that helps you.

20 So I think before we get started
21 with the questions and answers I'd like to
22 just go ahead and take this opportunity to

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1 introduce a number of people that will be
2 helping respond to your questions. So if I
3 could ask the division chiefs to please stand.

4 Okay, so we have Eileen Muirragui
5 here for the Latin America team. Sharon
6 Heller for the MENA/Europe/Asia team; Tanya
7 Rasa for the Africa division. And Charita,
8 could you -- Charita Castro is the division
9 chief for our OPS team, so they may also be
10 answering some of your questions.

11 I'd also like to introduce the
12 acting director for OCFT, Kevin Willcutts.
13 Also we have Bill Stevens in the back there
14 for -- from our procurement office. He may
15 work with Georgiette on some questions. Also
16 we have Matt Levin here from our Solicitor's
17 Office.

18 So we have about 40 - 45 minutes
19 available for questions. And how we'd like to
20 structure this is -- we have two microphones
21 set up on either aisle there, and if you could
22 just make a line behind each microphone, we

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1 have some staff available to help assist with
2 this process.

3 And we'll just kind of take
4 questions alternating between the two
5 microphones. As you come and ask your
6 question, before you do we'd like you to just
7 go ahead and state your name and the
8 organization that you are representing, and
9 that will help for our transcription team, and
10 it will also help if you could try to speak
11 slowly so they make sure to get all of your
12 questions for the transcript.

13 In some cases, we may not be able
14 to answer your question right here on the spot
15 today, but we promise to take your question
16 down and respond to it in the forthcoming
17 frequently asked questions that we are going
18 to be posting on our website.

19 So we will make sure to get you a
20 response in the case that we can't get it to
21 you today.

22 So with that I'd like to just go

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1 ahead and invite you to head to the
2 microphones if you have any questions, and
3 we'll go ahead and get started.

4 MR. WILLCUTTS: And again as
5 Michal said if you could note your name and
6 your organization. We will be including this
7 Q&A session as part of the transcript so that
8 those who aren't able to attend will be able
9 to benefit from your questions and the
10 responses. And we are hoping someday in the
11 future to actually do this as a webcast too.

12 MS. MURPHY: Okay, we can go ahead
13 and start with Jona, would you like to go
14 ahead?

15 MS. LAI: Hi, I'm Jona Lai from
16 MSI. And I have two questions in reference to
17 the Nepal solicitation. So I don't know,
18 Sharon, if you can answer them.

19 On page 20 of the solicitation it
20 states that applicants must target children
21 engaged in at least three other sectors
22 identified in the national plan of Nepal.

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1 This document was produced in 2004.

2 I was wondering if there was any relevant
3 information that is more recent than 2004, or
4 is that what we should base both our sectors
5 as well as our target numbers.

6 MS. HELLER: Thanks for your
7 question, Jona. I'm actually going to ask
8 Angie to reply to that, since Angie is our
9 project manager for Nepal.

10 MS. PELTZER: The national master
11 plan has not been updated since 2004, so it's
12 still the current guiding document for the
13 ministry, so that is what we want you to use.

14 MS. LAI: Okay. Should we then
15 take the numbers as well, as the sectors
16 identified. Should we take the numbers that
17 have been given since those numbers are going
18 to be fairly old?

19 MS. PELTZER: The numbers --?

20 MS. LAI: The numbers of children
21 in those particular sectors. Should we use
22 that as target numbers or baseline numbers?

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1 MR. WILLCUTTS: Let me jump in and
2 say, you can use that as a reference, but if
3 you have more current information we'd ask you
4 to use the most current information that you
5 have for any of the proposals to reflect your
6 understanding of the situation and how best to
7 use the resources to address the issue.

8 MS. LAI: Okay.

9 The second question, the DOL states
10 that applicants must target children engaged
11 in CSEC, including children who have been
12 internally trafficked for sexual exploitation
13 in the entertainment industry. So for the
14 project does DOL then view internal and
15 external trafficking as equal priorities?

16 MR. WILLCUTTS: Well, I would say
17 in terms of looking at trafficking,
18 trafficking based on ILO Convention 182 is
19 considered one of the worst forms of child
20 labor. So we see any of the worst forms of
21 child labor as a priority sector, particularly
22 the unconditional forms such as trafficking or

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1 forced labor.

2 So yes, they are both priorities.

3 MS. LAI: So internal trafficking
4 in Nepal as well as external trafficking
5 outside of Nepal?

6 MR. WILLCUTTS: Right, trafficking
7 where it's occurring would be considered a
8 worst form, placing the child at great risk
9 and at great cost to the child. So it's a
10 priority for us in terms of addressing that
11 issue.

12 MS. LAI: Okay, thank you.

13 MS. MURPHY: Yes, go ahead here.

14 MS. MARIN: My name is Agueda
15 Marin from the International Organization for
16 Migration. We probably will be applying for
17 several countries. This question applies to
18 all of them.

19 In terms of institutional
20 strengthening, capacity building, is it
21 possible under this grant to subcontract to a
22 governmental agency?

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1 MR. WILLCUTTS: I guess I would
2 have to know more about what you're talking
3 about in terms of subcontracting to a
4 government organization. In general we are
5 not looking to relieve a government of
6 responsibility either for funding or carrying
7 out activities that it's already doing that
8 would address child labor. So that is not
9 something we are looking to do. So if they
10 have a program that they are currently
11 implementing and they are interested in an
12 organization saying, could you provide us the
13 money so we'll stop funding it ourselves, we
14 wouldn't be interested in doing that.

15 If there's a way that you are
16 looking to work with the government in terms
17 of carrying out an activity, we would have to
18 see the specifics of that. There can be cases
19 where that's a possibility, but we are very
20 cautious not to be looking to again take over
21 what a government has responsibility for
22 doing.

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1 MS. MARIN: Because the idea was
2 if there is a new activity, by supporting the
3 government specifically we could engage
4 towards the goals; that was my question. So
5 that will be on a case by case.

6 MS. MURPHY: Right, and just to
7 add to what Kevin said, on page 42 of the
8 solicitation we do give some guidance about
9 funds to host country governments. And
10 basically any subcontract that you would be
11 looking to do with the host country government
12 would only be able to be implemented after a
13 competitive procurement process has been
14 undertaken, and that you -- this is all after
15 award -- after you've determined that no other
16 entity is capable of performing that work.
17 And then you would also have to receive
18 approval from us here at DOL. So it is
19 possible on a case-by-case basis. But within
20 those parameters.

21 MR. WILLCUTTS: And that's again
22 page 42 of the SGA.

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1 MS. CARPENTER: Hi, I'm Kate
2 Carpenter from the International Youth
3 Foundation. My question is about the
4 Guatemala section. You mentioned the
5 conditional cash transfer program, and I
6 wondered if the DOL has discussed and gotten
7 the approval of the government to use those
8 funds for the things that are outlined in the
9 SGA, and also confirm that those funds
10 continue to be available.

11 MS. MUIRRAGUI: Well, hi Kate, as
12 was mentioned earlier in the presentation,
13 when we engage in consultations with the
14 governments before we decide to fund, and they
15 also tell us what their priorities are. And
16 the government of Guatemala has asked us to
17 work in municipalities where this program is
18 operating now.

19 This program is not our program.
20 This is a program of the government of
21 Guatemala, which I believe is funded by the
22 World Bank. So the conditional cash transfer

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1 program, which has been made effective as a
2 mechanism in other Latin American countries is
3 one that the government of Latin America has
4 decided to use, and our program, our project,
5 would come in and coordinate with that.

6 MS. CARPENTER: The reason I ask
7 is because we face some challenges in terms of
8 the availability of funds in terms of our
9 project that we have been doing in Peru, and
10 so we were just curious about, given the
11 financial situation, and where some of the
12 cash may be coming from, whether it actually
13 is still around.

14 MS. MUIRRAGUI: Well, the
15 conditional cash transfer programs work
16 differently in different countries. In some
17 they have more adequate financing than others.
18 But my understanding is that this program is
19 relatively recent.

20 MR. WILLCUTTS: And I would just
21 add, that's also something I think we have
22 encouraged in the SGA- to reach out to the

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1 government as well, and to look at what your
2 plan is. So we hope you will also do that to
3 see how you can best integrate.

4 MS. ROSSER: Hi, I am Jane Rosser
5 from World Education. And I just have a
6 number of questions from our different
7 offices.

8 Are residential costs such as
9 shelters or accommodation costs seen as
10 eligible project costs?

11 MR. WILLCUTTS: I'm sorry, shelter
12 costs for --

13 MS. ROSSER: For accommodations,
14 for kids that are being removed?

15 MR. WILLCUTTS: Okay. If you are
16 looking at this in terms of being direct
17 services to children to help withdraw them
18 from a situation of exploitive labor and to
19 get them into school, then you would be
20 proposing costs that would facilitate that,
21 and those could take many different forms.

22 MS. ROSSER: They would make a

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1 distinction with construction, though.

2 MR. WILLCUTTS: Oh, okay, if you
3 are looking at construction, versus using
4 existing facilities, we do note a 10 percent
5 threshold -- yes.

6 MS. ROSSER: For Nepal the
7 solicitation says that the project must also
8 support the work begun under the U.S. DOL-
9 funded IPEC bonded labor project. Does U.S.
10 DOL want priority to be given to the ILO IPEC
11 geographic areas currently being served, and
12 to continue services in those regions? Or is
13 it asking for the new project to maintain a
14 focus on the same sectors where bonded labor
15 is common, but perhaps move to other
16 geographic areas?

17 MS. HELLER: Hi. In response, I
18 think the idea was that a new project
19 collaborating and working with that project so
20 that nothing is replicated, so if a new
21 project --

22 MR. WILLCUTTS: Duplicated.

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1 MS. HELLER: Duplicated, sorry.
2 Replication is okay. Duplication is not. If
3 a new project were to work in the same
4 geographic areas it would be important to make
5 sure that they weren't working with the same
6 beneficiaries, duplicating work that another
7 project has already done. Does that answer
8 the question?

9 MS. ROSSER: That's perfect.

10 MS. ROSSER: And the last one I'll
11 ask is, on the research, do you want research?
12 Should it emphasize in built research within
13 the project design, such as action research on
14 child labor strategies being used, best
15 practices being used? Or can it also include
16 rapid assessments that aim to reflect progress
17 in the child labor sectors within the country
18 context?

19 MR. WILLCUTTS: I think what we
20 are looking for is, as you look at your
21 overall strategy for the project, and you are
22 looking at the needs in the country, and that

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1 includes what is the information available
2 about the situation of children, we need to
3 overcome the problem in the country, and how
4 can you effectively propose research that
5 would help to fill some of those gaps.

6 MS. ROSSER: Okay, so sort of
7 really the latter, looking at those gaps that
8 you could address that are issues nationally
9 within the country.

10 MR. WILLCUTTS: I think -- I'm
11 going to have to have you repeat the two,
12 because I think both of them sounded like they
13 would be appropriate.

14 MS. ROSSER: One was really
15 project specific in looking at specific
16 things; the other was, you could do that as
17 part of your monitoring. The other would be
18 looking at some of the major issues and the
19 gaps, the knowledge gaps that are missing.

20 MR. WILLCUTTS: Right, and I would
21 say both of those are a potential, in terms of
22 having research that would help us learn more

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1 from what you are doing, that's something we'd
2 encourage; and again, if there are key gaps,
3 and you are realizing that there is a
4 phenomena that has not been explored well
5 enough, and if really we are going to attack
6 the problem in the country, someone needs to
7 do research in this area, we would support
8 that as well.

9 MS. ROSSER: Thank you very much.

10 MS. KURTZ: Hi, my name is Cara
11 Kurtz, and I'm from the Solidarity Center. We
12 just had a quick question. On pages 10 and 11
13 of the SGA under strengthening country
14 capacity, social partners are listed as
15 entities who could demonstrate the
16 finalization of a policy on the worst forms of
17 child labor. And by social partners are you
18 referring to civil society organizations like
19 trade unions? Is that inclusive under social
20 partners?

21 MS. MURPHY: Yes.

22 MS. KURTZ: Okay, we just wanted

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1 to make sure. Thank you.

2 MS. BROOKS: Hi, I'm Vickie Brooks
3 with American Institutes for Research. And I
4 have a question about the indirects. On the
5 indirects, AIR receives a NICRA every year
6 from DCAA. And does this mean that we have to
7 apply for approval each year for you all to
8 approve the new NICRA?

9 MR. LOPEZ: Yes. That's the short
10 answer. The cost principles say that
11 organizations that are receiving grants and
12 contracts have to submit -- cost reimbursal
13 contracts that is -- they must submit annual
14 proposals of indirect costs applicable for the
15 whole grant period. So as you -- the grant is
16 for five years, and you have -- you would have
17 to submit five proposals for -- depending on
18 the -- there may be overlap, so maybe four,
19 maybe six, maybe five, based on incurred
20 costs.

21 MS. BROOKS: Okay, so it wouldn't
22 be the provisional then, it would be the

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1 actual --

2 MR. LOPEZ: Right, the provisional
3 is for estimating purposes, but these are
4 treated as, by definition, cost reimbursable
5 contracts based on actual costs incurred. If
6 there are any adjustments from the
7 operational, they need to be adjusted.

8 MS. BROOKS: Okay, another
9 question.

10 On our annual, our fiscal year ends
11 December 31st, and if this particular grant is
12 September 30th, begins September 30th, then
13 can we still submit for that fiscal year?

14 MR. LOPEZ: Yes, that would be --
15 say for example you are getting September 30,
16 going back to what I was saying you need to
17 have a proposal of indirect costs that go to
18 12/31/09. So it's only three months, but
19 there is still somehow to evaluate the
20 indirect costs that you are claiming.

21 Also I need somebody that needs to
22 look at the costs you are proposing and see

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1 what --

2 MS. BROOKS: But if that changes -
3 - like whenever we submit our proposal, that's
4 September 30th, and then say January 1st, our
5 rates change based on that previous year, then
6 we have to go back to you all on let's say
7 January-February --

8 MR. LOPEZ: No, actually, it will
9 be June 30 for the actual costs, assuming in
10 the same example. You got the award on
11 September 30. Your fiscal year ends 12/31/09.

12 The actual cost proposal based on incurred
13 costs will be due on June 30, 2010. Six
14 months after, and again this is not me, but
15 it's citing the cost principles.

16 MS. BROOKS: Okay, so then this
17 doesn't become your indirect rates that you
18 approve at the proposal stage whenever you
19 issue the grant, that doesn't become a ceiling
20 rate?

21 MR. LOPEZ: It may become a
22 ceiling. It's subject to a negotiation by a

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1 grant officer or program office.

2 MS. BROOKS: Okay, so if it
3 becomes a ceiling rate, then can you go back
4 and renegotiate it if --

5 MR. LOPEZ: No.

6 MS. BROOKS: Even if the base
7 changes, the allocation changes?

8 MR. LOPEZ: No. I'm just giving
9 you a simple answer. What's the definition of
10 a ceiling? A ceiling is -- it's a ceiling;
11 it's a cap. So that is something to consider
12 when the - you are negotiating the grant.

13 MS. BROOKS: Okay.

14 MR. LOPEZ: I mean a plan for the
15 grant as well as when you sign the piece of
16 paper, if there is a ceiling imposed as part
17 of the grant, it is something to negotiate.

18 MR. WILLCUTTS: Let me clarify
19 too, in terms of a ceiling or cap that is put
20 on there, as you are noting, that's
21 established. A grantee can always come to the
22 grant officer and propose a change, but it

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1 would be subject to grant officer approval.
2 The fact that your cognizant agency had
3 renegotiated a different rate that could
4 exceed, that wouldn't -- you still have an
5 agreement. But you can always come to the
6 grant officer. But it is subject to the
7 grant officer's discretion.

8 MS. BROOKS: Okay -- well, in our
9 case we had a reallocation of direct costs --
10 of costs, and so the structure, the base that
11 the allocation was made on changed. So it
12 kind of changes, it's not just the costs that
13 change.

14 MR. LOPEZ: I guess it's on a case
15 by case basis to a point. But in principle,
16 if there is a ceiling established, that is
17 part of the grant for indirect costs, it's a
18 ceiling; it's a cap. That's -- it's up to
19 that amount that you can get reimbursed. That
20 doesn't mean that then you take away the
21 responsibility of submitting annual proposals.
22 You still got to submit annual proposals,

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1 because we have to -- all the cap or ceiling
2 implies is up to.

3 MS. BROOKS: Okay, thank you.

4 MR. EVERSMANN: My name is Eric
5 Eversmann. I'm with Catholic Relief Services.

6 And I have two questions related to the
7 health learning environments. The first is
8 whether you have any standards that you'd like
9 to refer to as to what constitutes healthy
10 learning environments? And the second is
11 whether there is a degree of liability
12 incurred by the performer of the services if a
13 breach of either physical or mental health
14 occurs at a school which is being supported
15 through the project.

16 MR. WILLCUTTS: I would say that
17 what we are seeking to do here is, obviously
18 the purpose of these grants is to help
19 children. And we want to take children out of
20 situations in which they are being placed at
21 risk and their future is being compromised
22 because of their involvement in child labor

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1 and being denied the opportunity for
2 education.

3 So what we are seeking to address
4 here is that when we put a child in school,
5 obviously all of us are committed to this
6 issue, and we are committed to the children,
7 and we want to make sure that we are not
8 putting them into an environment which rather
9 than improving their chances for the future
10 actually could place them at risk.

11 So what we are asking is that
12 organizations are -- using every chance they
13 have to assess if there is an unsafe
14 situation, and then we look at how that can be
15 addressed. So this is an enterprise we're
16 entering into together; it's a cooperative
17 agreement, but we have a shared goal to try to
18 ensure that we are providing the best for the
19 children.

20 So you can speak about it in terms
21 of what the liabilities are. What we are
22 trying to do is mitigate the risk that a child

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1 will be harmed because we are looking for ways
2 to deal with this. In terms of a set of
3 standards, you need to establish criteria for
4 how you would assess a school. And one of the
5 issues there is that we know that every
6 environment you're talking about can have so
7 many different factors that could be affecting
8 the safety of the school environment.

9 There are standards that are out
10 there, that different groups are working on,
11 and there is information you could use. But
12 what we'd ask of you, as an organization, is
13 to assess the safety of a learning environment
14 for children, that you are doing what you can,
15 and you are also informing us of what needs to
16 be done, so we are doing what can be done to
17 ensure that children are safe.

18 And that would start with what is
19 the most obvious hazard for a child, something
20 that would clearly place a child at risk. We
21 want to start there and say if that can
22 readily be seen by someone, we need to take

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1 steps. So I hope that --

2 MR. EVERSMANN: It does. I guess
3 my primary concern is around the issue of
4 sexual abuse at schools. And to the extent
5 that it is pervasive in many countries where
6 CRS works, and entire projects could be
7 dedicated just to creating safe and healthy
8 learning environments, and addressing those
9 particular issues.

10 I'm just interested in the extent
11 to which we need -- a finding might be that
12 sexual abuse is taking place in a project
13 school and that it wasn't sufficiently dealt
14 with by the project.

15 MR. WILLCUTTS: You are worried
16 about this in terms of an audit?

17 MR. EVERSMANN: I'm unclear about
18 the scope of healthy learning environment, and
19 the extent to which an audit finding or other
20 evaluative finding would be that we have not
21 sufficiently addressed an issue of safety or
22 health at a school.

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1 MR. WILLCUTTS: Let me just say,
2 and Charita might want to chime in here as
3 well, when we are looking at an audit, what we
4 are seeking to do in a situation like that is
5 we are seeking to address the situation to
6 ensure that the children are in a safe
7 situation. So looking at what would be the
8 corrective action that would be taken would be
9 with the goal of what can be done to address
10 the situation, and with that primary goal
11 again of protecting the children.

12 So in these different situations,
13 let me give you an example, if we are talking
14 about a situation, talking about public
15 schools in a country, and saying -- if it's
16 identified that all the schools in a country
17 have issues of various sorts because of the
18 infrastructure and the country generally, it
19 wouldn't be possible for an organization with
20 the funds that we've given you- or the funds
21 that the Congress has given us- for us to
22 solve all the infrastructure problems in a

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1 country. But we'd have to assess what steps
2 can we take so that children aren't in a
3 school that poses an imminent risk to them.
4 And we have to work together: what is
5 realistic, and what can we do. Marcia?

6 MS. EUGENIO: I think you are
7 bringing up a good point, because if you are
8 aware of a situation in a country that could
9 potentially impact how you are going to
10 deliver services or monitor the services, I
11 think that it's good to put that in your
12 initial application, your proposal, and
13 actually say from the beginning how you plan
14 to deal with that situation. Because I think
15 to wait -- to acknowledge that it is a problem
16 I think like you do, and then if there is an
17 audit, and the audit says, well, you know we
18 found this problem, and we think -- or we
19 don't know how the project implementers
20 actually address this, it would be good for
21 you to already have a plan of how you intend
22 to deal with that. That would be the same for

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1 situations where the infrastructure of the
2 school is not appropriate, and you know you
3 are going into situations where that is the
4 case. You don't want to put children in
5 schools where you know that the roof is going
6 to be falling on their heads. That would go
7 completely against what we are trying to do in
8 terms of providing them with a safe and
9 healthy environment.

10 So I think that -- I mean in a way
11 it's good that you are aware of it, that you
12 are bringing it up. But it's also good that
13 you understand our proposal, that you will
14 actually be addressing what you already have
15 identified as a problem.

16 MR. WILLCUTTS: And if I could
17 add, you brought up the case of possible
18 sexual abuse in the schools. And as you're
19 saying, if you are dealing with a situation in
20 which this is a widespread problem, that could
21 be part of an intervention about reaching out
22 to the ministry of education, to say what can

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1 we do to address this? It's not that this
2 project can solve the issue, but if it's a
3 widespread problem we can be part of an effort
4 to raise awareness and to try to address it.

5 MR. EVERSMANN: Thank you.

6 MS. ALLEN: Hi, I'm Ruth Allen
7 from Mercy Corps, and I have a question
8 regarding the Indonesia section. And on the,
9 I guess it's page 19 there is a discussion
10 about programming with parents, and looking at
11 alternative jobs that wouldn't require
12 children to be supporting parents. And I just
13 wondered if there was a target number, a sort
14 of percentage wise on how much a program
15 should focus on children -- activities with
16 children as beneficiaries versus activities
17 and beneficiaries numbers of parents, and if
18 there were any further guidance on priority
19 sectors. It says here, entrepreneurship
20 should be encouraged, and I don't know if
21 there is any further information we could have
22 on that.

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1 MR. WILLCUTTS: Maybe we can touch
2 on the first question in terms of the amount
3 of the funds. You know already in terms of
4 the number of children that need to be
5 targeted by the project, so that really
6 encompasses what we are looking -- as you are
7 talking about your overall strategy, it could
8 be broken up in different ways. We want to
9 make sure there are enough resources going
10 directly to children. We see this as one
11 component- working with families- to make it
12 less likely they need to rely on the labor of
13 their children. But we wouldn't give a
14 percentage, but what you can use as a guide is
15 the number of children per \$100,000 that are
16 to be targeted by this project. So I would
17 use that as a guide.

18 And then part of this we leave up
19 to your creativity in telling us how you would
20 break up those funds, given the country
21 context, to be most effective.

22 And the second part of your

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1 question was?

2 MS. ALLEN: Whether there was any
3 specific guidance on priority sectors as far
4 as changing livelihoods of parents or is that
5 again a creativity --

6 MR. WILLCUTTS: I don't think we
7 cover this in our section, so I think that
8 would be something we are looking for in terms
9 of you, in terms of your knowledge of the
10 country or in your development of the
11 strategy, how you would assess that, and then
12 how you would incorporate it into your
13 approach.

14 MS. ALLEN: Right, thank you.

15 MR. WILLCUTTS: Thank you.

16 MR. RAMIREZ: My name is Sergio
17 Ramirez from the Academy for Educational
18 Development. And my question is the
19 following, actually following up on the
20 \$100,000 number with the number of
21 beneficiaries. What would you consider, what
22 would your advice be about knowing that

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1 education is sort of a lifelong project, and
2 you might encounter some of the children that
3 are being benefited already from one or
4 several of the projects that you mentioned in
5 the countries. In this case just as you say
6 here, is the 177 for every \$100,000. With
7 children already being served by the existing
8 project, or one that might be ending in one of
9 these countries, could we count those as part
10 of the beneficiaries? Or do they have to be
11 entirely new, and new beneficiaries into the
12 program? That is one question.

13 The second one is about, the
14 projects are three to four years, and is there
15 any criteria about three or 3-1/2 or four, and
16 what would -- how should we look at that?
17 Because education again is a lifelong process.

18 MS. RITUALO: So for the first
19 question I think what you are asking is can we
20 serve beneficiaries that have already been
21 served under another project.

22 MR. RAMIREZ: And can they be

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1 counted.

2 MS. RITUALO: And can they be
3 counted as withdrawn and prevented. So each
4 of our projects has the outcome of withdrawing
5 and preventing children, and that is the main
6 goal. So they have already been counted. And
7 the idea is that you look at each individual
8 child, you understand their needs, and what
9 kind of services you can provide, what variety
10 of services you can provide to ensure that
11 they are withdrawn or fully prevented.

12 And it's at that point that the
13 projects no longer need to serve those
14 children. So for the most part those
15 projects that you are speaking about, the
16 prior projects, have already withdrawn or
17 prevented those children.

18 Now if there is a group of children
19 who haven't been considered as withdrawn maybe
20 the project ended and they weren't able to
21 provide the full set of services. You can
22 work with that project to identify those

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1 children and continue to serve them to make
2 sure that they have been withdrawn.

3 MR. RAMIREZ: Well, I would say
4 you can count them because they haven't been
5 considered withdrawn yet. They are in the
6 middle of providing services to them when the
7 project ends, and you are going to pick them
8 up if they haven't been reported.

9 MR. WILLCUTTS: You basically can
10 only count them once to us in terms of -- for
11 the purposes of GPRA. So as Amy was saying if
12 they started a service, or as Sharon was
13 mentioning, if they were beneficiaries of an
14 indirect service, and again, were not counted,
15 those would be some cases where they could
16 still be counted for GPRA.

17 And if they were counted and there
18 is an assessed need to provide some additional
19 services, we wouldn't be opposed to that, but
20 they can't be counted toward the target
21 numbers or for GPRA purposes.

22 MR. RAMIREZ: And about the

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1 duration?

2 MR. WILLCUTTS: Oh, the duration
3 in terms of -- are you saying do we have a
4 priority?

5 MR. RAMIREZ: It's up to us to
6 decide?

7 MR. WILLCUTTS: Right, exactly.
8 Basically we look at it as three years;
9 anything else than three years, given that we
10 are looking at educational services for
11 children, we think it would generally be too
12 short for a project to be shorter than three
13 years, and we stop at four years because our
14 funding has five-year funding life, and we
15 don't want to get near that third rail of
16 funding, we stay back from that.

17 But what we would look for is in
18 terms of the strategy that you are assessing,
19 what your aiming to provide to the children,
20 how long do those services need to be. So we
21 leave that to you.

22 MS. MAYER: Hi, my name is Whitney

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1 Mayer. I'm with the Global Fairness
2 Initiative. I have a question a little bit
3 more on procurement.

4 I understand the requirements
5 versus the subcontract and the subgrant.
6 However I was reading the portion on applying
7 as an alliance. And so just to clarify, for
8 example, if we had a particular expertise in
9 two of the five points, and the other
10 organization had an expertise in the other,
11 can we apply together as an association, and
12 still be eligible?

13 MR. WILLCUTTS: So can you apply
14 as an association with an organization -- yes,
15 you can apply as an association.

16 MS. MAYER: And does that then
17 require a separate budget submitted through
18 grants.gov, or do we do one complete
19 application together?

20 MR. WILLCUTTS: You would do one
21 application. You would be applying as an
22 association, so you need to be together. And

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1 with that you'd have to be showing how the
2 funding is going. So for instance you'd be
3 showing a 424, showing how much each
4 organization would be receiving out of that,
5 and showing overall how the funding would be
6 broken down.

7 MS. MAYER: And could the
8 implementation be staggered and that one
9 organization would be providing services for
10 the first year, and then the next phase would
11 kick in where another organization had a
12 different expertise?

13 MR. WILLCUTTS: Again, if you are
14 applying as an association we look upon you --
15 and I say you as in whichever organizations
16 are part of that association -- as the
17 grantee.

18 MS. MAYER: Okay.

19 MR. WILLCUTTS: So however you are
20 dividing it up in terms of your relationship
21 with us, you are the grantee; the association
22 is the grantee.

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1 Dennis, anything?

2 MR. ADELSON: Yes, think of it as
3 kind of a joint venture, or a partnership.
4 You can have one, two, three grantees --
5 multiple entities, coming together and
6 applying together for the grant, and if they
7 are awarded the grant they are all considered
8 grantees. Each one is liable for the full
9 performance of the grant, so you need to make
10 sure that if any one company drops out or goes
11 out of business and can't perform, the rest of
12 the remaining grantees, members of the
13 alliance, are responsible for continuing the
14 full performance, and you each sign on to the
15 grant agreement. You are all liable for
16 performance. One of the organizations is
17 designated as the lead primarily for purposes
18 of contact and to handle the money, and you
19 can make an agreement among yourselves as to
20 how the work will be allocated and how the
21 money will be distributed, and all that sort
22 of thing. But part of your proposal would be

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1 to show how these individual entities in the
2 alliance would be working together to
3 highlight the strengths and the different
4 approaches and who was going to do what. That
5 is all part of our evaluation. So we can look
6 at that and say, this works, or this doesn't,
7 or we like this approach or not.

8 But essentially all the members of
9 the alliance are grantees; they are all liable
10 to the government for performance and for use
11 of the money.

12 MS. MAYER: Thank you.

13 MS. WHATLEY: Jennifer Whatley
14 with World Learning. I have a question
15 regarding the child-free labor zones mentioned
16 in the Guatemala section. A couple of
17 questions actually.

18 One is, does DOL have a preference
19 about which level the child-free labor zone
20 should be at, whether it's community,
21 department, municipality, or is that something
22 that would be left to the applicants?

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1 And then also about the definition
2 of child-free labor zone, would that imply
3 that by the end of the project that we should
4 be verifying or able to verify 100 percent of
5 the children in that zone are not involved
6 with hazardous or exploitive labor? Or would
7 it be sufficient to establish systems that
8 would lead to perhaps a longer term result in
9 which child labor would be eradicated?

10 MS. MUIRRAGUI: Those are two very
11 complex questions. The idea that we have with
12 the child-labor free municipality, and if you
13 read the SGA very carefully is, we are aiming
14 high. Okay? We do want you to select an area
15 where you think it is really possible to reach
16 as much as possible that 100 percent child
17 labor elimination.

18 So it's up to you to see where you
19 think that's possible, whether that would be
20 in just a few municipalities, or whether it's
21 in a more extensive area. And that's where
22 your knowledge of the country and the

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1 communities is going to come into play. And
2 that's why it's going to be important for you
3 to link up with your leaders and innovators
4 who are going to allow you to reach that very
5 high goal.

6 But the idea is yes, that when we
7 are talking about child-labor-free zones,
8 that's what we mean.

9 MS. WALKER: Vickie Walker with
10 Winrock International. I have two or three
11 questions primarily regarding associations and
12 partners.

13 The first question is, if an
14 associate partner, not the lead but an
15 associate partner, has non-government funding
16 from another source, and can they perhaps
17 provide some structural or sanitation
18 facilities in one of the schools, where direct
19 service children are being served, is that
20 eligible for a match? Or would that just be
21 considered added value in leveraging? In
22 other words the value of the improvement that

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1 the partner could bring with non-U.S.
2 government sources, would that be able to be
3 valued as in-kind contribution?

4 And my second question is, in an
5 association can one of the partners, again not
6 the lead but an associate partner, be non-
7 exclusive on a proposal.

8 MR. WILLCUTTS: Could you clarify
9 nonexclusive?

10 MS. WALKER: Meaning could they
11 also have an associate provisional partnership
12 with another partner so that it wouldn't mean
13 exclusive commitment to only one going into
14 the proposal.

15 MR. ADELSON: I guess I can take a
16 stab at those.

17 On the first question, I think yes,
18 if any of the partners brings to the table
19 some non-U.S. funds or services or in-kind or
20 materials or equipment, that could be
21 considered for a cost sharing or a matching
22 fund. And remember that -- and all those

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1 resources are valuable to bring to a project.

2 Just keep in mind that any promise of any
3 kind of cost sharing becomes a binding
4 commitment of the alliance of grantees, and it
5 must be realized that must be brought to the
6 table ultimately or it could be the subject of
7 a disallowance. So that is part of your
8 binding promise. But I don't see any reason
9 why it would not be part of a cost sharing
10 with a matching amount of money.

11 As to the second question, I don't
12 think there is really any prohibition on a
13 particular entity signing up as a partner on
14 more than one proposal if they can
15 legitimately do the work; if they have the
16 resources and the staff, they can be a member
17 of one team and propose for this country; be a
18 member of another team that proposes for
19 another country. And be part of two winning
20 grants if they can actually perform them.

21 MS. WALKER: What about if it's
22 the same country?

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1 MR. ADELSON: Oh, okay, you mean
2 if one entity wants to bid for two competing
3 proposals?

4 MS. WALKER: Or partners.

5 MR. ADELSON: Sure. I don't think
6 there'd be any problem other than the one --
7 questions that are internal to each
8 organization to make sure that proprietary
9 data is not transferred from one competing
10 grant to the other. But that is a concern of
11 each bidding team. But there is no reason why
12 an entity that has something to bring to the
13 table could not be able to participate in two
14 competing proposals or more.

15 MS. WHATLEY: Jennifer Whatley
16 from World Learning again. Just a quick
17 question on association agreements. If the
18 association includes more than two partners,
19 the grantee and two more associates, the
20 association agreements, one of the required
21 attachments in the proposal, would you be
22 looking for one associate agreement that

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1 covers all the members? Or would you be
2 looking at -- or would it be allowable to
3 include separate associate agreements between
4 the lead and the different associates?

5 MR. WILLCUTTS: I would say what we
6 are looking for with the agreement is that we
7 have an indication from the associates that
8 you are working as associates, and that you
9 have established a relationship and that you
10 are in agreement with it in order to operate
11 together in performance of the grant.

12 Again we look on the association as
13 the grantee. So you may have a situation- how
14 you are working together or how you have
15 structured the agreement amongst you, but we
16 want to have an indication that you have had
17 those discussions and have come to some
18 agreement so that we have confidence that you
19 will be able to work together.

20 Dennis?

21 MR. ADELSON: Yes, I would agree.
22 You're forming an association, if you can do

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1 that on one piece of paper, that's fine and
2 that's easy. If it takes you three or four or
3 five pieces of paper, that's okay too. As
4 long as we can look at the papers and
5 determine if there is binding commitment for
6 all these members to work together on the
7 grant and perform the terms and handle the
8 money correctly.

9 MS. MURPHY: Do we have any other
10 questions at this point? Last call for
11 questions. I think we are going to go ahead
12 and just ask Kevin to close us out for the
13 afternoon.

14 CLOSING

15 MR. WILLCUTTS: The first thing
16 I'd like to say in terms of the questions,
17 again, the questions that were provided here
18 will be posted as part of the transcript, and
19 you will note again in the SGA there is an
20 indication of where if you have questions
21 where you should be directing those. And it's
22 to Lisa Harvey, grants officer, and to

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1 Georgiette. Today we had various individuals
2 here, and our division chiefs available, but
3 questions should not be directed to any of the
4 division chiefs moving forward. They should
5 go to the grant officer. So I hope that is
6 clear to everyone.

7 I want to thank you all for being
8 here today. And as Michal mentioned earlier,
9 we did try something new this year in terms of
10 reaching out to all of you to have a chance to
11 tell us what you did and didn't like about our
12 past SGAs. And we really want to thank
13 everyone who took the time to get back to us
14 and to provide some thoughts about how we
15 could do things differently.

16 You may notice some things in there
17 that changed where you said, why don't you
18 guys change this and we did. I hope you found
19 some things that way. There are other
20 elements that we are continuing to consider
21 and to look at that might take us longer.

22 But we do want to make this a

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1 process in which we can continue to improve.
2 So on our side we can help to make the process
3 easier for you so you can develop the best
4 proposals so we can get at what is the most
5 important thing, which is developing really
6 good projects that would make a difference in
7 the countries.

8 And I want to say something about
9 how we chose these countries. Some of the
10 things we were looking at, obviously, it all
11 starts with the need, looking at where we see
12 the need for children, who are being
13 exploited- who need to have the benefits of
14 education.

15 But we are also looking at
16 commitment in those countries, and from local
17 actors. So as we are looking at your
18 projects, we're looking at how you can reach
19 out to those national partners and even the
20 local experts as you look at who could be the
21 staff on your projects; how you can use and
22 build local capacity in those countries. And

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1 looking at the potential of working with you
2 to try to bring about good practices and to
3 effect a lasting and meaningful change in
4 those countries.

5 We realize even if we're talking
6 about \$5 million for a project, with the scope
7 of the problem we are talking about- that
8 can't solve the problem in the country in and
9 of itself. And that's why we are looking for
10 you to show us how you can take this
11 investment of resources and the work of your
12 team to make a difference and to try to
13 encourage action on the ground that will take
14 the good practices, the models that you test,
15 and try to scale them up and replicate them.

16 So we are looking at you proposing
17 to us how you could do that. I also want to go
18 back to something Malaika said in her
19 presentation. Noting how we are different
20 than some other projects, some of the
21 organizations here, if you have worked before
22 on basic education projects, it's important to

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1 note that these projects, while education is a
2 key part, it's not all that we are doing here.

3 At the end of the day what we are trying to
4 do is, we are looking at a particular
5 population that is more challenging in many
6 ways than the general population. These are
7 children who are amongst the poorest; these
8 are children whose families are in
9 particularly difficult circumstances that
10 leads them into exploitive labor. And we all
11 know the hazards that those children can face.

12 So we need to be looking at not
13 just putting children into school, but seeing,
14 as we assess their situation, and as Amy was
15 speaking to this, as we are assessing the
16 situation for the children, what strategy do
17 we need that will withdraw them from child
18 labor, and education will be a part of that.

19 And then as we seek to monitor, we
20 have to go beyond just monitoring attendance
21 at school. We want to know about attendance;
22 we want to know about performance; we want to

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1 see the impact of what we are doing. But we
2 need -- part of seeing the impact is assessing
3 that children are leaving exploitive work, and
4 that their situation has improved.

5 So I want to note that those models
6 that have proved effective, we really want you
7 to be seeing how you can expand our knowledge
8 of how to be most effective in that area.

9 We are looking forward greatly to
10 your proposals. We hope the extra amount of
11 time that you have had this year, and we are
12 always fighting to try to get you more time to
13 develop these proposals, we hope that will be
14 helpful to you.

15 I want to say a special thanks to a
16 number of people who worked very long hours on
17 this SGA, and were thinking about all of you
18 throughout the process, and how they could
19 make it more straightforward and we loved
20 getting your comments. Because they said, oh
21 great -- in many cases they were saying, see,
22 I told you Kevin, that's something we needed

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1 to change. So we tried to make good changes,
2 which we hope will make these proposals even
3 better than in years past.

4 But I want to thank Michal Murphy
5 and Malaika Jeter for their work on the SGA
6 and in the preparation of today's event, as
7 well as Doris Senko.

8 I want to thank all of our
9 presenters, and I want to thank our division
10 chiefs and everyone at OCFT who was helping us
11 in pulling this together.

12 And again I just want to thank all
13 of you for your commitment to changing the
14 lives of children around the world. Many of
15 you have worked on our projects in the past,
16 and we are glad you are here to continue to be
17 part of this community, and we look forward to
18 seeing what your ideas will be and to working
19 with you over the next three to four years.
20 Thank you.

21 (Whereupon at 3:33 p.m. the proceeding in the
22 above-entitled matter was

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adjourned)

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