

**Grant Agreement  
Between  
The Partnership for Transparency Fund, Inc.  
And  
Uganda Ethics Network Outreach (UENO)**

1. Uganda Ethics Network Outreach (UENO) has requested financial support of The Partnership for Transparency Fund, Inc. (PTF) to implement a program to improve the management of school funds and resources in the Manafwa District of Eastern Uganda. The project will focus on ten selected school and will train and manage local volunteers in appropriate monitoring techniques. The program will be called "*Enhancing the Capacity of School Management Committees (SMCs) in Monitoring Education Sector Programs*" and will commence from January 3, 2011.

2. Uganda Ethics Network Outreach has submitted the attached Project Proposal dated December 14, 2010, which includes background information on its partner CSO People's Anti Corruption Organisation (PACO), an operational plan for the project, and a detailed breakdown of costs.

3. On the basis of this information, PTF has approved a grant of US\$25,000.00 (United States dollars twenty five thousand) to be disbursed in three tranches, each for the purposes spelled out in the attached documents. The tranches will be disbursed as follows:

- a) First tranche of \$11,750.00 (United States dollars eleven thousand seven hundred fifty) to be disbursed on signature of this Grant Agreement.
- b) Second tranche of \$11,250.00 (United States dollars eleven thousand two hundred fifty) to be disbursed upon receipt by PTF, in form and substance reasonably satisfactory to PTF, of [1] a statement of expenditure, certified by the chief financial officer of Uganda Ethics Network Outreach, showing the itemized use made of the first tranche funds, and [2] a brief report on progress made in the implementation of the project showing that the following activities have been completed satisfactorily: The mechanism for dialogue and collaboration with local education authorities established; community volunteers elected and trained; the ten target schools identified; and the School Management Committees (SMCs) revitalized and trained. In addition, fortnightly monitoring and evaluation will have begun.
- c) Third tranche of \$2,000.00 (United States dollars two thousand) to be disbursed on receipt from Uganda Ethics Network Outreach of a satisfactory project completion report that describes and assesses the project achievements, including an assessment of the project's impact and a final statement of project

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expenditures, certified by the chief financial officer of Uganda Ethics Network Outreach.

4. Uganda Ethics Network Outreach on its part commits to provide counterpart funding of \$1,000.00 (United States dollars one thousand) or its equivalent in local currency, to make up the balance of the \$26,000.000 (United States dollars twenty-six thousand) estimated total cost of the project, and any additional balances needed to complete the project.
5. The PTF grant will be made available to Uganda Ethics Network Outreach on the following conditions:
  - a) The grant will be used only for the purposes described in the attached Project Proposal. Any material changes in the use of project funds or project design shall be made only with the prior agreement of the PTF.
  - b) If PTF finds that the its grant was not used/is not being used for the purposes or in the manner described in the Project Proposal or the conditions have changed such that the project is not likely to achieve its objectives, PTF has the right to cancel the remaining tranches of its grant. In case PTF finds that its grant funds were willfully misused by Uganda Ethics Network Outreach, PTF reserves the right to require the full refund of its grant.
  - c) Any funds disbursed by PTF remaining unutilized at the end of the project shall be returned by Uganda Ethics Network Outreach to the PTF.
  - d) Uganda Ethics Network Outreach shall keep a record of all expenditures incurred under the project and will provide PTF, in form and substance reasonably satisfactory to PTF, a full accounting of these expenditures, certified by the chief financial officer of Uganda Ethics Network Outreach, with relevant supporting documentation, [1] following expenditure of the first tranche funds, and [2] on completion of the project, but in any event no later than February 29, 2012
  - e) Uganda Ethics Network Outreach shall provide PTF a copy of its audited financial statements for each year during the term of the grant hereunder, within 180 days of the end of each of its fiscal years. Such financial statements shall be accompanied by the auditor's certification, which shall be in form and substance reasonably satisfactory to PTF. Such audited accounts shall include in its notes or schedules a statement disclosing the PTF grant and the expenditures made thereunder during the relevant period.<sup>1</sup>

<sup>1</sup> In the case of grants of \$100,000 or more, these provisions are to be rewritten to require audited project accounts.

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- f) PTF shall have the right, upon reasonable notice, to inspect (or to have its designated representatives inspect) the books and records of Uganda Ethics Network Outreach relating to the project and to the grant.
- g) Uganda Ethics Network Outreach will make brief quarterly reports on the implementation of the project accompanied by a statement of expenditure showing the use of PTF funds and, on project completion, a full detailed final report summarizing the implementation of the project and its outcome and assessing the impact of the project on reducing corruption, its likely sustainability and the lessons learned, together with a certified final itemized statement of expenditure. The latter report will be sent within two months of the completion of the project, together with a copy of any other reports prepared under the project.
- h) Following project completion, the PTF may make its own independent ex post evaluation of the implementation, outcome and impact of the project. Uganda Ethics Network Outreach will furnish the person appointed to undertake this task all possible assistance and access to all relevant documents and personnel.
- i) Uganda Ethics Network Outreach will post this Grant Agreement, the Project Proposal, the final project report, and the statement of expenditures on the Uganda Ethics Network Outreach's website, and PTF shall have the right to post on its website such documents and any other reports received from Uganda Ethics Network Outreach or from its independent evaluation of the project.

6. Uganda Ethics Network Outreach will be responsible for securing all necessary government approvals of the grant, if any, and any necessary government filings and will be responsible for paying any tax liability arising from the grant. Uganda Ethics Network Outreach shall compensate PTF in the event that PTF suffers any liability or expense as a result of Uganda Ethics Network Outreach's failure to obtain any such required approvals or to pay any such tax liability.

7. The signed copy of this Grant Agreement and the request for the subsequent tranche releases may be sent by email to the PTF Secretary at: [rsullivan@ptfund.org](mailto:rsullivan@ptfund.org). The two original copies of the Grant Agreement should be mailed to Roger Sullivan, Secretary, PTF, at 1875 Connecticut Avenue, N.W., Suite 1210, Washington, D.C. 20009.

8. The responsible PTF Project Advisor in respect of this project is Kathleen White at [kwhite@ptfund.org](mailto:kwhite@ptfund.org) or such other Project Advisor as PTF may subsequently notify to Uganda Ethics Network Outreach (UENO). Such Project Advisor shall be Uganda Ethics Network Outreach's principal point of contact in respect of the project.

*RS*  
*Dec 27, 2010*

9. The responsible Uganda Ethics Network Outreach project director in respect of this project is Alice Wabule at [uenoethics@yahoo.co.uk](mailto:uenoethics@yahoo.co.uk) / [wabulealice@yahoo.com](mailto:wabulealice@yahoo.com) or such other project director as Uganda Ethics Network Outreach may subsequently notify to PTF. Such project director shall be PTF's principal point of contact in respect of the project.

10. Each of PTF and Uganda Ethics Network Outreach represents and warrants, for the benefit of the other party, that:

- a. it is a legal entity recognized under the laws of the jurisdiction of its formation or in which its principal activities are conducted; and
- b. this Grant Agreement constitutes its legal, valid and binding obligation, enforceable in accordance with its terms.

In addition, Uganda Ethics Network Outreach represents and warrants, for the benefit of PTF, that [1] the information set forth in the Project Proposal does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, and [2] the making of the grant by PTF shall not subject PTF to any tax or require any governmental approval in the jurisdiction in which Uganda Ethics Network Outreach is organized and operates.

11. This Grant Agreement shall be governed by the laws of the District of Columbia in the United States of America, the jurisdiction in which PTF's principal executive offices are located. In the event of any dispute between the parties in respect of the Grant Agreement, the parties shall act in good faith to resolve such dispute through discussions and negotiation, and they may seek the assistance of a third party mediator to assist them in the resolution of such dispute. In the absence of a mutually acceptable resolution, such dispute shall be resolved by arbitration in accordance with the UNCITRAL Arbitration Rules in effect on the date of this Agreement. Any such arbitration shall be conducted in the English language before an impartial single arbitrator sitting in Washington, D.C., appointed by the American Arbitration Association as appointing authority.

*MJ*  
*Dec 27, 2010*

Dated:


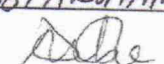
Dec 27, 2010

For  
The Partnership for Transparency Fund, Inc.

Roger Sullivan  
Secretary



For  
Uganda Ethics Network Outreach

~~1. ~~ 22/12/2010  
A. BYARUKANYA OUKOOKO  
2.   
WABULE ALICE

Dated: 22/12/2010

Address for Notices:

Uganda Ethics Network Outreach  
Attention: Alice Wabule  
Executive Director, UENO  
Cardinal Nsubuga Leadership Training Center,  
Nsambya  
Old Ggaba Road, Next to the American Embassy  
Uganda

Email: [uenoethics@yahoo.co.uk](mailto:uenoethics@yahoo.co.uk)  
[wabulealice@yahoo.com](mailto:wabulealice@yahoo.com)

Attachments:

1. Project Proposal dated December 14, 2010
2. LogFrame (included in Project Proposal)
3. Budget (included in Project Proposal)
4. 2011 Workplan