

**SMALL GRANT AGREEMENT**  
**BETWEEN THE NATIONAL DEMOCRATIC INSTITUTE FOR INTERNATIONAL**  
**AFFAIRS**  
**AND TRANSPARÊNCIA BRASIL**

This Agreement is entered into between the National Democratic Institute for International Affairs, hereinafter referred to as “NDI” and **Transparência Brasil**, hereinafter referred to as “Recipient”, located at **Rua Professor João Marinho, 161, Vila Mariana, São Paulo – SP, 04007-010, Brazil**.

**ARTICLE I – Authority.**

This Agreement is made under the authority provided to NDI on **March 13, 2023** by agreement # **2023-4** from the **National Endowment for Democracy** (hereafter referred to as "the Endowment") under the Program Number #19.345- “International Programs to Support Democracy, Human Rights and Labor”-of the Catalog of Federal Domestic Assistance (CFDA).

**ARTICLE II – Amount and Purpose**

- A. NDI hereby agrees to provide funding not to exceed **\$15,000** to the Recipient for the purpose of the activities described in the proposal attached as Appendix A and made an integral part of this Agreement.
- B. The Recipient hereby accepts these funds in accordance with conditions and provisions contained herein.

**ARTICLE III- Term of Agreement**

The term of this Agreement shall be from **September 1, 2023** to **May 31, 2024**. All expenditures paid with funds provided by this Agreement must be incurred for authorized activities, which take place during this period.

**ARTICLE IV– Changes in the Budget.**

The Recipient may not make any changes to the Budget that would increase the total amount of the Budget.

**ARTICLE V – Payment Terms**

NDI shall pay the Recipient up to **\$15,000** in line with the budget attached hereto as Appendix B. Payment shall be made in the following installments:

- 1) \$6,000 (or 40%) upon signing by both parties of this agreement;
- 2) \$3,750 (or 25%) after the review and approval of all required monthly financial and narrative reports through December 10, 2023;
- 3) \$4,500 (or 30%) after the review and approval of all required monthly financial and narrative reports through March 10, 2024, and
- 4) Up to \$750 (or 5%) upon completion of the project and upon the review and approval of all final narrative and financial reports.

The recipient agrees to refund to NDI any unspent funds and funds not spent in accordance with this Agreement.

#### **ARTICLE VI – Compliance**

All funds spent under this Agreement shall be in accordance with the following regulations:

(i). Public Law 98-164, The National Endowment for Democracy Act  
<http://uscode.house.gov>

(ii). Office of Management and Budget (OMB), 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, **Subparts A through E**, <http://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1>

(iii). Office of Management and Budget (OMB), 2 CFR 600 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards  
<http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=21181c21d9a6cd515a52c4dfba3d75df&ty=HTML&h=L&mc=true&r=PART&n=pt2.1.600>

Only costs incurred during the effective period of this Agreement will be allowed.

These funds shall be used prudently and only for expenses incurred by the Recipient in carrying out the program described in the attached program proposal and program budget. Any questions concerning the propriety of any particular expenditure of these grant funds must be referred to NDI before the expense is incurred.

The following list is a summary of certain items that may not be purchased under OMB 2 CFR 200, Subpart E; however, the list is not all-inclusive. Please refer to OMB 2 CFR 200, Subpart E for the complete list of unallowable items.

- activities outside the approved purpose and project objectives or budget for the Agreement;
- costs incurred before or after the official agreement period;
- inadequately documented costs;
- alcoholic beverages;
- goods and services for personal use;
- fines & penalties;
- gifts;
- bribes;
- loans, including loans to staff (salary advances);
- entertainment and amusement expenses;
- contributions or donations to individuals or organizations; and
- contingency reserves (funds held for uncertain events).

The Recipient agrees that none of the funds provided by this agreement shall be used by the Recipient for any advocacy or lobbying efforts designed to influence the foreign policy of the United States Government. This provision shall not be construed to abridge the freedom of speech rights of any recipient, so long as such recipient does not use funds provided under this

Agreement in exercising such right for the aforementioned purpose.

By signing this Agreement, the Recipient certifies that neither it nor its principals is presently excluded or disqualified from participation in this transaction by any U.S. Federal department or agency.

The Recipient shall abide by the U.S. Executive Orders and U.S. law which prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the Recipient to ensure compliance with these executive orders and laws. The following websites contain updated lists of such individuals and organizations:

<https://sanctionssearch.ofac.treas.gov/>

[https://www.un.org/sc/suborg/en/sanctions/1267/aq\\_sanctions\\_list](https://www.un.org/sc/suborg/en/sanctions/1267/aq_sanctions_list)

and <https://sam.gov/portal/public/SAM/>

**ARTICLE VII-Remedies for Noncompliance.** If the Recipient fails to comply with Federal statutes, regulations or the terms and conditions of a cooperative agreement, NDI may impose additional award conditions. If NDI determines that noncompliance cannot be remedied by imposing additional conditions, NDI may take one or more of the following actions, as appropriate in the circumstances:

- (1) Temporarily withhold cash payments pending correction of the deficiency by the Recipient.
- (2) Disallow all or part of the cost of the activity or action not in compliance.
- (3) Wholly or partly suspend or terminate the Agreement.
- (4) Initiate suspension or debarment proceedings.
- (5) Withhold further awards for the project or program.
- (6) Take other remedies that may be legally available.

The Recipient will be notified in writing about such actions.

**ARTICLE VIII– Prior Approvals.** No authorization or amendment of this Agreement shall have any force or effect unless it is in writing and signed by an authorized representative of NDI.

Instances in which an authorization subject to this provision is required, include, but are not limited to, the following:

1. Change in the scope or objective of the Project (even if there is no associated budget revision requiring prior written approval),
2. The Agreement period is insufficient for satisfactory completion of project objectives.
3. Budget revisions as defined in Article IV,
4. Purchase and disposition of equipment that has unit cost of \$5,000.
5. Transferring work to a sub grantee or contracting out of any work. Does not apply to acquisition of supplies, material, equipment or general support services,
6. Rearrangement and reconversion: costs for ordinary and normal rearrangement of facilities incurred as a direct cost,
7. Fees paid to consultants that exceed a daily rate of \$600.

**ARTICLE IX – Title to Property and Procurement.** All property, including all equipment, supplies, and intangible property under this Agreement shall be by owned by the Recipient. The Recipient is not permitted to buy goods or services from any of its directors, employees, agents or consultants, or from any family relative of any such person, without the prior written consent of NDI. The Recipient may not have a supplier from a prohibited country.

**ARTICLE X – FINANCIAL MANAGEMENT AND INTERNAL CONTROLS.** The Recipient should establish and maintain effective internal controls, financial management procedures and shall take steps to ensure that it keeps track of all payments made with Project funds.

**ARTICLE XI – Termination and Suspension**

Either party may terminate this Agreement at any time by providing the other party with written notice ten (10) business days in advance of such termination. In the event of such termination, NDI shall pay the Recipient for services rendered to the date of termination, and the Recipient shall return any advance payments paid by NDI and provide NDI with any reports or parts thereof, including the materials made under this Agreement prior to the date of termination.

NDI reserves the right to terminate this Agreement effective with immediate written notice if the National Endowment for Democracy discontinues funding for this program. NDI agrees to compensate the Recipient for work completed up until the time the Agreement is terminated, and any advance payments shall be returned.

Upon written notice of suspension from NDI, Recipient will suspend, delay, or interrupt all or part of the activities as described in the proposal, in accordance with the notice. In such event, upon subsequent written notice from NDI, Recipient will resume work on the suspended activities.

**ARTICLE XII– Indemnification**

The Recipient is responsible for any and all losses, injuries and/or damage that result from the Recipient's Project activities; NDI is not responsible for and will not pay for any of these losses.

The Recipient shall keep NDI, both during and after the term of this Agreement, fully indemnified against all losses, damage, injuries, deaths, expenses, actions, proceedings, demands, costs and claims, including, but not limited to, legal fees and expenses, suffered by the Recipient or any third party, where such loss, damage injury or death is the result of a wrongful action, negligence, or breach of Agreement by the Recipient including any alleged wrongful use or violation of any copyrighted work or literary property or patented invention, article or appliance. This provision shall survive the termination of this Agreement.

**ARTICLE XIII – Maintenance of Records**

The Recipient shall maintain all financial records, supporting documents, and other records pertinent to this Agreement for a period of at least three years. It is the sole responsibility of the Recipient to properly account for all funds.

NDI reserves the right to conduct or have conducted an audit of the Recipient's books or records. The Recipient shall make its books and records pertaining to the funds granted under this

Agreement open and available for inspection and copy by NDI or its representative upon five days written notice. NDI or its representative shall have access to the place or places where the accounts of the Recipient are normally kept.

**ARTICLE XIV– Reporting**

The Recipient shall submit financial reports according to the following schedule:

<u>Period Covered:</u>	<u>Due Date:</u>
September 1-30, 2023	October 10, 2023
October 1-31, 2023	November 10, 2023
November 1-30, 2023	December 10, 2023
December 1-31, 2023	January 10, 2024
January 1-31, 2024	February 10, 2024
February 1-29, 2024	March 10, 2024
March 1-31, 2024	April 10, 2024
April 1-30, 2024	May 10, 2024
May 1-31, 2024	June 10, 2024

The financial report shall include a summary cover sheet (see Appendix C), logs of expenses (see Appendix D) to document the detailed transactions for each budget category, and attached to each log of expenses shall be all receipts, invoices and other applicable supporting documentation for the underlying purchases/contracts, and a salary receipt for labor from each person receiving payment under the award. The salary receipt shall include: the amount of payment, period of performance, the number of hours worked for the NDI project as well as total hours worked for the subgrantee organization in relation to the period of time that is paid, and the signature of the individual receiving the payment or his/her supervisor’s signature, unless the person is paid by direct deposit in which case the proof of transfer is adequate.

If expenses are paid in a currency other than the U.S dollar, all exchanges from the U.S. dollar to local currency shall be documented in Appendix G, and the weighted average rate should be used in the summary cover sheet (Appendix C) to convert local currency expenses to U.S dollars.

The Grantee is required to submit **monthly** narrative reports on its activities as well as two copies of all documents, information/educational materials, posters, handouts, any publications they might have produced with NDI funding. Each report should detail the activities, accomplishments, and challenges of the previous month’s activities.

Please send the narrative and financial reports and supporting documentation to the following address:

National Democratic Institute for International Affairs – **Colombia**  
Calle 69A# 4-88 Oficina 401

**ARTICLE XV – Amendments and Modifications**

No amendment or modification of this Agreement shall have any force or effect unless it is in writing and signed by an authorized representative of NDI and an authorized representative of the Recipient. All attachments specified in this Agreement are incorporated herein by reference

and constitute part of this Agreement.

#### **ARTICLE XVI– No Partnership or Agency**

Nothing in this Agreement or in the relationship between NDI and the Recipient shall be construed to create any partnership, agency or joint venture relationship between NDI and the Recipient. The Recipient is an independent organization operating separately from NDI, and the Recipient has no power or authority to bind, contract for, or represent NDI in the Recipient's jurisdiction or elsewhere.

#### **ARTICLE XVII-Special conditions**

**Corrupt Practices Laws and Fraud Prevention.** The Recipient agrees, represents, and warrants that in connection with any business transactions involving NDI, it will not make, offer, or authorize any payment to a governmental or political party official, for the purpose of influencing an official act or decision by such person to obtain, retain, or direct business to any person, in violation of any applicable corrupt practice law.

The Recipient must take all reasonable steps to deter unethical behavior on the part of its directors, employees and volunteers. Specifically, the Recipient must have in place policies and processes that prohibit fraud, bribery, the receipt of inappropriate gratuities and conflict of interest in the conduct of activities included under this grant. The Recipient is responsible for all losses from fraud, bribery, conflict of interest and the receipt of improper gratuities.

**Timely Disclosure of Fraud, Corruption, or False Claims.** If Grantee has credible evidence that a principal, board member, employee, agent or sub-awardee of the Grantee may have engaged in fraud, corruption or false claims (including, but not limited to, bribery, kickbacks, billing for goods and services not provided, embezzlement, theft, inappropriate gratuities from vendors, participants, government officials or others, and falsification of financial records) related to the funds associated with this Agreement, the Grantee has an affirmative obligation to report these allegations in writing to the Grantor immediately. The Grantee has a further obligation to cooperate in any investigation related to the alleged fraud conducted by NDI, NDI Donor or their representatives.

NDI provides a reporting hotline and website to anonymously report fraud, corruption, or false claims. All information will be treated with the utmost confidentiality.

[www.lighthouse-services.com/ndi](http://www.lighthouse-services.com/ndi) 844-450-0004 (in US), 800-603-2869 (outside of US)

**Conflict of Interest and Code of Conduct.** Organizational conflicts of interest means a situation in which an individual(s) has competing interests or loyalties. The Grantee must maintain written standards of conduct covering organizational conflicts of interest.

**Prohibition on certain telecommunications and video surveillance services or equipment.** By signing this agreement, the Grantee certifies that no Agreement funds will be used to purchase telecommunications equipment or services from Huawei Technologies Company or ZTE (or any subsidiary or affiliate of such entities) **unless no other alternatives are available and to the extent practicable (Section 889(b) of the NDAA of Fiscal year 2019, Pub. L. No 115-232 and 2 CFR 200.216).**

**IN WITNESS WHEREOF**, the parties hereto have executed this agreement as of the date indicated below.

ACCEPTED BY **Transparência Brasil**:

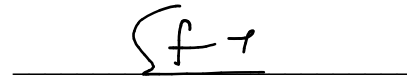
**Juliana Mari Sakai**  
**Executive Director**



Date: September 29, 2023

ACCEPTED BY NDI:

**Francisco Herrero**  
**NDI-Country Director**



(Signature) \_\_\_\_\_  
Date: September 29, 2023