



# Bombay Natural History Society

HORNBILL HOUSE, (MUSEUM COMPOUND)

SHAHEED BHAGAT SINGH ROAD,

BOMBAY 400 023

A meeting of the members of the Bombay Natural History Society held on the 94<sup>th</sup> Birth Anniversary of Dr. Salim Ali on 12 November 1990 hereby resolve that the Swifts and Swallows do not appear in any schedule of the Indian Wildlife Protection (1972) Act; and realising the importance of preservation of these species, particularly the Edible-nest Swiftlets of the genus *Collocalia*, especially those from the Andaman and Nicobar islands whose nests have been exported in large numbers; this meeting strongly recommends that the concerned authorities should take immediate steps to accord necessary protection to them under the Wildlife Protection (1972) Act.

<del>S.A. Hussain</del>	Mehera D. S. Dahad	I. J. Vaidya	(K. G. PATIL)
(S. A. HUSSAIN)	Ravi Sankaran	Subhedar	(SHYOTI SUBHEDAR)
M. N. Chaturvedi	(Nagesh Chaturvedi)	Goutam Narayan	(GOUTAM NARAYAN)
(Mohan Natta)	Paddekar	Maneen D.	(MANEEN DSA)
(S. J. BHAKKA)	(D. P. DEKAR)	(MIRIR DEVIRKI)	
(Vilas Shingre)	M. B. Desai	(Dr. Madhukar Desai)	(Dr. M. N. Bhat)
(Vilas Shingre)	(Mehernosh. P. Doh)	Dasa	(Doreen Dsa)
Umas	(ULHAS PARALKAR)	Meerul Shewar	K. K. Soetan
Dhiren M. Pania		K. K. Soetan	
(K. G. SAITHE)			
(Umesh Brahme)			
(P. V. DURANDARE)			
Shriyateh G. K. Mehta	(Anand Mehta)	Shaholi	(SHAHOLI ALI)
Khairi Wakil	D. U. U. U.	D. S. Salgare	
(B. P. SMITH)		(Anand Mehta)	

3E 26/18

FWS Grant Agreement No. 14-16-0009-90-1253  
14FT566(16) 5,463,931 Indian Rupees

COOPERATIVE AGREEMENT BETWEEN  
THE  
U.S. FISH AND WILDLIFE SERVICE  
AND THE  
BOMBAY NATURAL HISTORY SOCIETY

I. PURPOSE

This Grant Agreement between the U.S. Fish and Wildlife Service, Department of the Interior, hereinafter referred to as "FWS" or the "Service" and the Bombay Natural History Society, hereinafter referred to as "BNHS" is entered into under the Authority of the Endangered Species Act of 1973 and the Foreign Assistance Act of 1961, as amended (31 USC S3324). This agreement is to facilitate the study of the grasslands of the Indian Plains with particular reference to their endangered fauna.

II. BACKGROUND

- A. The U.S. Fish and Wildlife Service has been assisting with technical assistance efforts in India for over 10 years. Previous projects have included support for research of endangered species and their habitats, training programs in wildlife management and exchanges of experts in environmental education. The present project is intended to survey and evaluate the status of the subtropical grasslands of the Indian plains and conduct detailed studies on the ecology of various indicator faunal species.
- B. The Bombay Natural History Society has played a lead role in the study of birds and natural history in India for over 100 years and has become one of Asia's premier conservation bodies. Since 1980 BNHS and FWS have participated in a number of joint multi-year research projects including a five-year study of bustards, the results of which called attention to the plight of the grassland habitats.

Past BNHS studies on bustards looked at some aspects of their biology and migration/strategies at selected sites in India. It is now felt necessary to expand and elaborate this research with a survey and evaluation of all the grasslands inventorying the major ones to identify a long-term conservation strategy for the grasslands and the species that inhabit them.

### III. SCOPE OF WORK

The purpose of this grant is to facilitate the study of the grasslands of India and their role in providing habitat for fauna to help devise a conservation strategy. A detailed description of the project is included in Appendix A.

- A. Specifically, the Service - through its Project Officer in the Office of International Affairs -- will:
1. Identify, and so far as possible, provide a skilled FWS or private sector expert to act as U.S. Advisor to assist in planning, review, implementation and assessment.
  2. Facilitate site visits of U.S. Advisor including short-term U.S. consultants.
  3. Assist and facilitate, where possible, workshops/seminars on important subjects to be identified in India or the U.S. with joint participation of U.S. and Indian resource personnel.
  4. Provide information to BNHS in the form of books, periodicals and miscellaneous publications on Service and related wildlife research topics.
- B. Specifically, BNHS will (in addition to activities included in Appendix A):
1. Provide technical information to FWS on project status on a timely basis as indicated under Section V. In addition, BNHS will provide FWS an informal update of project status through six-month progress reports.
  2. Look to FWS as a source of skills and expertise in implementing and assessing the research project and, when possible, provide logistical and administrative support to facilitate such services.
  3. Coordinate with FWS on project implementation and schedule visits of U.S. personnel to India and Indian scientists to U.S. for training, meetings, etc. at least one year in advance.
  4. Identify Indian Principal Investigator, project scientist and other project personnel and any changes thereof on a timely basis.
  5. Agree to credit FWS and U.S. Advisor on report or materials produced under this project.

#### IV. PERIOD OF PERFORMANCE

The period of performance of the Grant Agreement is for one year from the date of signature of both parties. This agreement may be extended on an annual basis not to go beyond June 1, 1996, subject to mutual agreement by both parties. NOTE: Government of India approval for the present activities was obtained in November 1989. For planning purposes, the project is deemed to have begun June 1, 1990.

#### V. FINANCIAL ADMINISTRATION

- A. The Service agrees to provide rupee funding of 5,463,931 Indian rupees to BNHS as indicated in the budget in Appendix A subject to the availability of funds.
- B. The Service agrees to release first-year funds as noted in Appendix A upon the project's inception. The second payment will be made at the expiration of the period for which the advance was made. Succeeding payments will be on an annual basis. Payments other than the first advance payment will be made upon receipt by the FWS project officer of satisfactory annual technical reports and fiscal reports and a letter requesting payment for the next year's work. Payments to be made from US-India Fund (USIF) Account No. 14FT566(16) in Indian rupees only.

#### VI. PROJECT OFFICERS

For the Fish and Wildlife Service:

David A. Ferguson  
SFC Coordinator  
Office of International Affairs  
860 Arlington Square  
4401 N. Fairfax Drive  
Arlington, VA 22203

For the Bombay Natural History Society:

Dr. Robert Grubh  
Research Coordinator  
Bombay Natural History Society  
Hornbill House  
Shaheed Bhagat Singh Road  
Bombay, INDIA 400 023

VII. MODIFICATION/TERMINATION

This Agreement may be terminated by either party by providing written notice to the other 60 days in advance of the proposed termination. In the event of termination, unused portions of funds shall be returned to FWS. This Agreement may be modified at any time by mutual agreement of both parties.

VIII. GENERAL PROVISIONS

The U.S. Fish and Wildlife Service General Provisions for Foreign Grants and Cooperative Agreements is hereby incorporated as part of this agreement as Appendix B.

IX. SIGNATURE/APPROVAL

U.S. FISH AND WILDLIFE SERVICE

BOMBAY NATURAL HISTORY SOCIETY

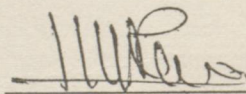
\_\_\_\_\_  
Marlene L. Haywood  
(Name)

\_\_\_\_\_  
Ulhas Rane  
(Name)

\_\_\_\_\_  
Contracting Officer  
(Title)

\_\_\_\_\_  
Hon. Secretary  
(Title)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
  
(Signature)

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(Date)

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(Date)

APPENDIX A

A STUDY OF THE ECOLOGY OF GRASSLANDS OF INDIAN PLAINS  
WITH PARTICULAR REFERENCE TO THEIR ENDANGERED FAUNA

*ORIGINATOR* : BOMBAY NATURAL HISTORY SOCIETY  
HORNBILL HOUSE  
SHAHID BHAGAT SINGH ROAD  
BOMBAY 400 023, INDIA.

*CONSULTING AGENCIES* : U.S. FISH & WILDLIFE SERVICE  
CENTRAL ARID ZONE RESEARCH INSTITUTE  
GRASSLAND AND FODDER RESEARCH INSTITUTE  
WILDLIFE INSTITUTE OF INDIA, DEHRA DUN  
INSTITUTE DE FRANCAIS, PONDICHERRY

*PROJECT PERIOD* : 5 YEARS

A STUDY OF THE ECOLOGY OF GRASSLANDS OF INDIAN PLAINS  
WITH PARTICULAR REFERENCE TO THEIR  
ENDANGERED FAUNA

(A PROJECT PROPOSAL)

A. Introduction: In India it seems doubtful if there are any examples of tropical climax grasslands, though grassland is common enough as a secondary serial stage (Champion & Seth 1968). Most workers opined (Champion & Seth 1968, Dabandghao 1961, Pandey *et al* 1977, etc) that the grasslands of India owe their existence primarily to biotic factors, chiefly fire and grazing.

Due to a huge livestock population, the Indian grasslands are under tremendous grazing pressure and most of the so-called grasslands are at present in various stages of degradation. Destruction of grasslands has resulted in rarity or local extinction of a large number of species like the great Indian bustard, floricans, blackbuck, wolf, quails, partridges, certain snakes and lizards. Floral composition has also changed, adversely affecting the most palatable species (Dabadghao and Shankarnarayan 1973).

Some work on the vegetation and ecology of the Indian grasslands has been done (e.g. Pandeya 1952, Tiwari 1954, Whyte 1957, Pandeya *et al* 1977) but not much work has been done on the fauna of the grasslands except for blackbuck (e.g. nair 1976, Rajitsinh 1982) and the great Indian bustard (Reports of the BNHS Endangered Species Project). So far, complete ecology of the Indian grassland, incorporating both flora and fauna, has not been attempted. Moreover, status of the grasslands and their utility for the conservation of fauna is not known comprehensively. Most of the data is outdated or not useful from the point of fauna conservation. Therefore, it is imperative to survey and study the status and condition of the grasslands of the Indian plains and to evolve a conservation strategy to protect the fauna and flora of the grassland ecosystem.

## B. Aims and Objectives

1. To survey and evaluate the status of the subtropical grasslands of the Indian plains.
2. To make an inventory of the major grasslands, both private and governmental, and to identify some for long-term conservation strategy.
3. To identify important grasslands from the view point of endangered biotic communities, both floral and faunal.
4. To make an inventory of the vertebrate fauna of major Indian grasslands.
5. To conduct detailed studies on the ecology of indicator species, such as blackbuck, chinkara, bustard, florican and quail.
6. To study the effects of stock grazing on the breeding success of indicator species.

## C. Methodology

Studies will be conducted in two phases:

*Phase I: Survey and inventory of the grasslands:* Many states will be surveyed to identify important grasslands and complete inventory of the floral and fauna will be prepared. French Landset photographs (with 100 m resolution) will be used to study the condition of the grasslands.

*Duration: 2 year or more*

*Phase II: Faunistic and Floristic Studies:*

Three or four field stations will be established to study the indicator species and also to study the ecology of some threatened grasslands.

*Duration: 3 years*

D. Background work:

During the studies of the great Indian Bustard and the floricans, extensive surveys were done in the Indian plains, and a rough picture of the status of the grasslands has emerged. However, these surveys were done mainly in those places/states where the bustard/floricans are found. Similar areas but lacking these avian species were generally not visited. Moreover, during the Endangered Species Project, main emphasis was given to the bustard and floricans and not to the grasslands as such. Experience gained during the Endangered Species Project will be utilized to resurvey the old areas such as Banni, Ramgarh, mohal for ecosystem studies, and to survey more areas for collection of relevant data.

E. Some Research Problems:

It is tentatively proposed to take some of the following topics:

- a) Comparative studies of distribution and structure of avian population in different types of grasslands. Studies will be conducted in atleast five sites: 1. Banni grassland in Kutch, (2) Ramgarh Grassland in Jaiselmer, (3) Mohol/Solapur grassland in Maharashtra (4) Dikhala grassland in Corbett (5) Maidans in Kanha.
- b) Comparative studies on the breeding success of birds in grazed and ungrazed grasslands. Plots of 40-100 hectares will be marked inside and outside the grazing areas and next census will be done.
- c) Ecology of Rain Quail, with special emphasis on movement and breeding success in different areas. Movement will be studied by banding the bird.

- d) Ecology of sandgrouse species including migratory ones.
- e) Ecology of the wintering population of the birds of prey, with special emphasis on utilization of grasslands for foraging and roosting. Ecology of the wintering population of the Houbara.
- f) Effect of afforestation on the avian population of Indian grasslands.
- g) Ecology of Chinkara, and the lesser cats of the grassland ecosystem.

F. A General Plan of Field Work:

- a) Surveys: After preliminary surveys, a format will be designed to collect information on species composition, percentage cover, dominance, succession, status and type of the grassland, grazing pressure, etc. Similarly, a complete list of birds, mammals, reptiles, amphibians and invertebrates will be prepared.
- b) Intensive studies: Detailed studies in some selected grasslands will be conducted for three years. Study plots for flora and fauna will be chosen. The size and number of the plots will depend up on the size of the grassland and the type of the species studies. Micro-habitat utilization by certain birds will be studied. Telemetry studies will be done to study the movement and behavior of animals. Breeding success of the birds will be done by nest counts in different habitats, and by studying hatching and fledging percentages. Weekly studies will be done on the pattern of Misra (1968), with scope for modification and improvement.
- c) Data will be collected systematically and after designing a programme for statistical and computer analyses. Qualitative and quantitative analyses will be done.

- d) Baseline data: Specimens of plants and invertebrates will be collected. Reptiles and amphibians will also be collected wherever required and/or permitted. Meteorological data will be recorded.
- e) Reports and Publications: Progress report will be submitted yearly and detailed report after each phase. Final report will be printed in two forms: scientific and general. The general report will be written for layman and for managers of the protected places.
- f) M.Sc. and Ph.D. Students: A few interested and highly motivated researchers will be selected for M.Sc. and Ph.D. courses, and they will be given specific topics to work (within the framework of the project). Basic laboratory facilities will be provided at the field stations.

Active cooperation from certain institutes like the Grassland and Fodder Research Institute, Jhansi, the central Arid Zone Research Institute, Jodhpur, BSI, ZSI, etc., will be sought and students will be sent to these institutes to learn certain techniques or to attend short specialized courses.

Staff requirements are as follows :-

1. Principal Investigator	1 -
2. Research Scientists	2
3. Scientists	④
4. Research Scholars	4 -
5. Statistician	1 -
6. Administrative Officer	①
7. Accounts Assistant	1 -
8. PA to Executive Investigator	1 -
9. Typist	1 -
10. Driver	①
11. Local Assistants (daily wages)	6 -
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### References

- Champion, H.G. & Seth, S.K. (1968): The Forest Types of India. Government of India, New Delhi.
- Dabadghao, P.M. (1961): Types of grass cover in India and their management. Proc. 8th Int. Grassl. Cong. 1960: 226-30.
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Ranjitsinh, (1982): Ecology and Behaviour of the Indian Blackbuck. Ph.D. Thesis, Saurashtra University, Rajkot, India  
Tiwari, S.D.N. 1954. The grasses of Madhya Pradesh. Indian For. 80: 601-11, 681-9.

Whyte, R.O. (1957): The grassland and fodder resources of India. Sci. Monogr. Indian Council of Agricultural Research. New Delhi 22: 437 pp.

BOMBAY NATURAL HISTORY SOCIETY

A Study of the Ecology of the Endangered Dry Grassland Habitats with particular reference to its fauna

Summary of Budget Estimates - 5 years (prepared in March '87)

Particulars	I year	II year	III year	IV year	V year	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Salaries and Wages						
a. Professional staff	279,404	288,737	297,413	306,607	305,383	14,77,544
b. Supporting Staff	136,541	140,396	144,271	148,134	152,112	7,21,454
c. Consultants' honorarium	13,200	13,200	13,200	13,200	13,200	66,000
d. Terminal benefits to staff	"	"	"	"	381,246	3,81,246
2. Material, supplies & services	55,000	70,000	75,000	85,000	90,000	3,75,000
3. Travel Expenses	101,000	108,000	118,000	133,000	140,000	6,00,000
4. Perdiem	42,000	42,000	42,000	42,000	42,000	2,10,000
5. Equipment	230,000	100,000	15,000	-	-	3,45,000
6. Vehicles	250,000	-	-	-	-	2,50,000
7. Reports & Publications	10,000	20,000	20,000	30,000	50,000	1,30,000
8. Library Books	40,000	20,000	15,000	5,000	5,000	85,000
9. Seminars & Workshops	"	25,000	-	40,000	40,000	1,05,000
10. Audit fees	1,000	1,000	1,000	1,000	1,000	5,000
	1,158,145	828,333	740,884	803,941	1,219,941	47,51,244
11. BNHS Administrative charges @ 15%	173,722	124,250	111,133	120,591	182,991	7,12,687
	1,331,867	952,583	852,017	924,532	1,402,932	54,63,931

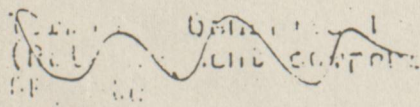
Note: Expenses of study tour of 4 Biologists to U.S.A./U.K. approximately Rs.1,50,000/- to be provided separately during 2nd/3rd year of the project period.

BOMBAY NATURAL HISTORY SOCIETY.

A Study of the Ecology of the Endangered Dry Grasslands Habitats with particular reference to its fauna

Budget Estimates for 5 years (Prepared in March '87)

Particulars	I year Rs.	II year Rs.	III year Rs.	IV year Rs.	V year Rs.	Total Rs.
1. <u>Salaries and Wages</u>						
a. <u>Professional staff</u>						
Senior Scientist (C) (1) 1500-60-1800-100-2000	40,128	41,136	41,892	43,461	44,802	211,419
b. Research Scientist (Plant Ecology-1) (Animal " -1) 1100-50-1600	40,128	41,136	41,892	43,461	44,802	211,419
Scientist (4) 700-40-1100-50-1300	98,896	104,548	109,876	114,968	109,900	538,188
Statistician (1) 700-40-1100-50-1300	24,724	26,137	27,409	28,742	29,977	137,089
Research Scholars (4) Rs.1000/- p.m.	48,000	48,000	48,000	48,000	48,000	240,000
Sub Total	279,404	288,737	297,413	306,607	305,383	1,477,544
b. <u>Supporting Staff:</u>						
Administrative Officer (Headquarters) (1) 650-30-740-35-810-EB-35-800-40- 1000-EB-40-1200	22,959	24,018	25,078	26,137	27,307	125,499
Personal Assistant (1) 550-25-750-EB-30-900	19,427	20,310	21,192	22,075	22,959	105,963
Accounts Assistant (HQ)(1) 330-10-380-12-500-15-560	13,606	13,939	14,273	14,607	14,941	71,366

Particulars	I year Rs.	II year Rs.	III year Rs.	IV year Rs.	V year Rs.	Total Rs.
Steno-Typist (HQ) (1) 425-15-500-EB-15-560-20-700	16,485	16,811	17,137	17,463	17,787	85,683
Driver (1) (L) 260-6-326-8-350	10,958	11,210	11,463	11,716	11,968	57,315
Attendants (Loca 1 Asstts.)(6) 210-4-226-EB-250-EB-5-290	53,106	54,108	55,128	56,136	57,150	275,628
Sub-total	136,541	140,396	144,271	148,134	152,112	741,454
c. <u>Consultants Honorarium</u>						
1. Principal Investigator Rs.600/- p.m. to cover conveyance exp.	7,200	7,200	7,200	7,200	7,200	36,000
2. Visiting Scientists Rs.100/- per day for 5 days in a month Rs.100x5x12	6,000	6,000	6,000	6,000	6,000	30,000
d.  (P.L. UNIT CONTROL)	13,200	13,200	13,200	13,200	13,200	66,000
d. Terminal benefits to staff (Retrenchment compensation, PF, etc)	-	-	-	-	381,246	381,246
Sub-total	-	-	-	-	381,246	381,246



Particulars	I year Rs.	II year Rs.	III year Rs.	IV year Rs.	V year Rs.	Total Rs.
<b>5. Equipment</b>						
a. Laboratory Equipment	25,000	20,000	5,000			50,000
b. Field equipment	30,000	20,000	5,000			55,000
c. Office Equipment	25,000	10,000	5,000			40,000
d. Computer	150,000	50,000				200,000
Sub Total	230,000	100,000	15,000			345,000
<b>6. Vehicles</b>						
a. Jeep (1) with body	150,000					150,000
b. Motor Cycles 350cc (4)	100,000					100,000
Sub Total	250,000					250,000
7. Reports and Publications	10,000	20,000	20,000	30,000	50,000	130,000
8. Library Books	40,000	20,000	15,000	5,000	5,000	85,000
9. Seminars, Workshops		25,000		40,000	40,000	105,000
10. Audit fees	11,000	1,000	1,000	1,000	1,000	5,
Total	11,58,145	8,28,333	7,40,884	8,03,941	12,19,941	47,51,244
11. BNHS Administrative charges 15%	1,73,722	1,24,250	1,11,133	1,20,591	1,82,991	7,12,687
GRAND TOTAL	13,31,867	9,52,583	8,52,017	9,24,532	14,02,932	54,63,931

Note : Expenses of study tour of 4 biologists to U.S.A./U.K. approximately Rs.1,50,000/- to be provided separately during 2nd/3rd year of the project period.

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APPENDIX

Name : Asad Rafi Rahmani  
Father's Name : Late Mr. Rafi Ahmaed Rahmani  
Date of birth : 30th July 1950  
Place of birth : Mainpuri, Utter Pradesh, India  
Address : Bombay Natural History Society  
Hornbill House  
Shahid Bhagat Singh Road  
Bombay - 400023 India  
Marital Status : Unmarried

Academic Record:

High School	1966	U.P. Board	First Division
Intermediate	1969	-do-	Second Division
B.SC	1971	Aligarh Uni.	First Division
M.Sc	1974	Aligarh Uni.	First Division Second Division
M.Phil	1976	-do-	First
Dip. Journalism	1977	-do-	First Division First Division
Ph.D	1979	-do-	-

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Title of the Ph.D Thesis: Studies on the Anatomy of the  
Olfactory organs of certain teleosts.

Publications : Attached.  
Present Position : Project Scientist  
Endangered Species Project  
Bombay Natural History Society

U.S. FISH AND WILDLIFE SERVICE

GENERAL PROVISIONS

FOR FOREIGN GRANTS AND COOPERATIVE AGREEMENTS

## GENERAL PROVISIONS

The following provisions are for use in assistance agreements with foreign Governments and foreign organizations.

### 1. DEFINITIONS

Throughout the assistance agreement, the following terms, in so far as they are used, shall have the meanings set forth below:

- a. The term "Head of the Agency" or "Secretary" means the Secretary or any Assistant Secretary of the United States Department of the Interior; and the term "his duly authorized representative" means any person or persons or Board authorized to act for the head of the Agency or the Secretary.
- b. The term "Department" means the United States Department of the Interior.
- c. The term "Service" means the U. S. Fish and Wildlife Service.
- d. The term "Signing Official" or "SO" means any person authorized to execute the agreement on behalf of the Service and includes, except as otherwise provided in the agreement, the authorized representative of the Signing Official acting within the limits of his authority.
- e. The term "FWS Project Officer" means the SO's authorized representative responsible for the technical administration of the agreement, the evaluation of performance under the agreement, the acceptance of technical reports, and for such other specific responsibilities as may be stipulated in various provisions of the agreement.
- f. The term "Recipient" includes Federal, State and Provincial entities of foreign governments, foreign nonprofit organizations, and foreign public and private institutions of higher education.
- g. The term "Federal" means the United States Government and any component thereof.

### 2. ALLOWABLE COSTS

Only the specific items and amounts specified in the agreement are considered to be allowable costs to be reimbursed by the Service. Any required changes to the budget must be approved in advance and in writing by the SO. Any costs not so approved shall be the responsibility of the recipient.

### 3. PAYMENT REQUIREMENTS

The Service shall not withhold payments for proper charges made by recipients at any time during the project or program period unless a recipient has failed to comply with the program objectives, award conditions, or Federal reporting requirements. Under such conditions, the Service may inform the recipient that payments will not be made for obligations incurred after a specified date until the conditions are corrected.

4. RETENTION AND CUSTODIAL REQUIREMENTS FOR RECORDS

- a. Financial records, supporting documents, statistical records, and all other records pertinent to an agreement shall be retained by the recipient for a period of 3 years, with the following qualifications:
  1. If any litigation, claim or audit is started before the expiration of the 3 year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved.
  2. When records are transferred to or maintained by the Service, the 3 year retention requirement is not applicable to the recipient.
- b. The retention period starts from the date of the submission of the final expenditure report or final payment, whichever occurs last.
- c. Recipient organizations may be authorized by the Service, to substitute microfilm copies in lieu of original records.
- d. The Service shall request transfer of certain records to its custody from recipient organizations when it determines that the records possess long-term retention value. However, in order to avoid duplicate record keeping, the Service may make arrangements with recipient organizations to retain any records that are continuously needed for joint use.
- e. The Director of the Service and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any pertinent books, documents, papers, and records of the recipient organization and their subrecipients to make audits, examinations, excerpts and transcripts.

5. PROGRAM INCOME

Any income earned on Federal funds, such as interest, shall be used only for the project for which the funds were provided and shall be deducted from the Federal share of a project's cost.

6. STANDARDS FOR FINANCIAL MANAGEMENT SYSTEMS

A recipient's financial management system shall cover both the Federal and non-Federal funds associated with a project or program and shall provide for:

- a. Accurate, current and complete disclosure of the total financial results of each Federally supported project or program.
- b. Records that identify adequately the source and application of all funds of a project or program. These records shall contain information pertaining to Federal and non-Federal awards, authorizations, obligations, unobligated balances, assets, outlays and income.
- c. Effective control over and accountability for all funds, property and other assets. Recipients shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.

d. Procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and the disbursement by the recipient, whenever funds are advanced by the Service. Advances made by primary recipient organizations (those which receive payments directly from the Service) to subrecipients shall conform substantially to the same standards of timing and amount as apply to advances by the Service to primary recipient organizations.

e. Accounting records that are supported by source documentation.

f. A systematic method to assure timely and appropriate resolution of audit findings and recommendations.

## 7. FINANCIAL REPORTING REQUIREMENTS & PAYMENT REQUEST PROCEDURES

a. For all non-construction projects, the recipient shall submit quarterly status reports utilizing the attached form titled "Financial Status Report" or a form of their own design containing substantially the same information. This report shall be submitted 30 days after each 90 days of the project with the exception that the final Report shall be due 90 days after project completion.

b. To obtain reimbursement for non-construction projects, recipients shall utilize the attached form titled "Request for Advance or Reimbursement" or a form of their own design containing substantially the same information.

c. For construction projects, recipients shall utilize the attached form titled "Outlay Report and Request for Reimbursement for Construction Programs," or a form of their own design containing substantially the same information, for both quarterly reports and requests for reimbursements. Reports shall be submitted in accordance with 7.a above.

## 8. MONITORING AND REPORTING PROGRAM PERFORMANCE

a. Recipients shall monitor the performance under the Agreement and, where appropriate, ensure that time schedules are being met, projected work units by time periods are being accomplished, and other performance goals are being achieved.

b. Recipients shall submit quarterly performance reports that briefly presents the following information:

(1) A comparison of actual accomplishments with the goals or milestones established in the scope of work.

(2) Reasons why established goals or milestones were not met.

(3) Problems, delays, or adverse conditions that will materially affect the ability to attain program or project objectives, prevent the meeting of schedules, or preclude the attainment of project objectives by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any Federal assistance needed to resolve the situation.

(4) Favorable developments or events that enable schedules to be met sooner than anticipated.

c. If any performance review conducted by the recipient discloses the need for change in the budget estimates, the recipient shall submit a request for budget revision.