



# OFFICE OF INSPECTOR GENERAL

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## AUDIT OF USAID/SOUTHERN AFRICA'S GENDER-RELATED HIV/AIDS ACTIVITIES

AUDIT REPORT NO. 4-674-11-004-P  
JANUARY 4, 2011

PRETORIA, SOUTH AFRICA



*Office of Inspector General*

January 4, 2011

**MEMORANDUM**

**TO:** USAID/Southern Africa Mission Director, Jeff Borns

**FROM:** Regional Inspector General/Pretoria, Christine M. Byrne /s/

**SUBJECT:** Audit of USAID/Southern Africa's Gender-Related HIV/AIDS Activities  
(Report No. 4-674-11-004-P)

This memorandum transmits our final report on the subject audit. We have considered management's comments on the draft report and have incorporated them into the final report as appropriate. They have been included in their entirety in Appendix II (excluding attachments).

The final report includes eight recommendations to strengthen USAID/Southern Africa's gender-related HIV/AIDS activities. Based on management's comments, we deleted recommendation 2 in the draft report from the final report and renumbered draft report recommendations 3 through 9 in the final report accordingly. On the basis of management's comments and supporting documentation provided, we consider that management decisions have been reached on recommendations 1, 3, 4, 5, 6, and 7, with final action taken on recommendations 1, 3, and 6. These recommendations are closed upon report issuance. For recommendations 4, 5, and 7, please provide the Office of Audit Performance and Compliance Division (M/CFO/APC) with the necessary documentation to achieve final action.

Regarding recommendation 2, the mission has not yet determined the allowability of \$22,745 in questioned costs arising from the Women's Justice Empowerment Initiative launch. Regarding recommendation 8, while the mission endorsed some use of the Gender Technical Working Group's self-assessment tool, it did not specifically address the use of the tool in enhancing the capability of the South African PEPFAR Partner Performance Assessment. As a result, management decisions have not been reached on recommendations 2 and 8. We ask that you notify us in writing within 30 days of any actions planned or taken to reach management decisions on recommendations 2 and 8.

I want to express my sincere appreciation for the cooperation and courtesy extended to my staff during the audit.

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# SUMMARY OF RESULTS

Gender norms and disparities are significant factors driving the global AIDS epidemic. They are especially significant in South Africa, which has the world's largest HIV burden. A highly patriarchal society, the acceptance of concurrent relationships with multiple partners, and the feminization of poverty have placed South African women and girls at higher risk of HIV infection. This higher risk is reflected, for example, in an HIV prevalence rate for females ages 20-24 over four times greater than that for males in the same age group.

To address women's greater vulnerability to HIV/AIDS, USAID/Southern Africa implemented a number of activities in South Africa focusing on five high-priority gender strategies set forth by the Office of the Global AIDS Coordinator.<sup>1</sup> These strategies include increasing women's legal protection, addressing male norms, and reducing violence against women. This audit selected five activities that focused on one or more of these gender strategies. These activities and the organizations with which USAID partners to implement them are shown in the following table.

**Audited Activities**

<b>Activity</b>	<b>Objective</b>	<b>Implementing Partner</b>	<b>Funding</b>	<b>Period</b>
Social mobilization	To reduce violence against women	Project Concern International (PCI)	FY 2009 funding of \$4.6 million	FY 2009-12
Brothers for Life	To combat HIV by promoting positive male norms	The John Hopkins University	\$28 million (over 5 years)	FY 2009-13
Voluntary savings and loan	To increase incomes	CARE	FY 2009 funding of \$825,000	May 2004-June 2010
Voluntary counseling and testing	To reduce the spread of HIV and mitigate its impact by increasing men's access to HIV-related services	EngenderHealth	FY 2009 funding of \$1,025,000	September 24, 2008, through September 23, 2013
Women's Justice and Empowerment Initiative (WJEI)	To improve the quality of, and access to, care, treatment, and justice for victims of sexual violence and abuse	Research Triangle Institute, Inc. (RTI)	\$11.7 million (original)	Sept. 30, 2008, through September 2011 (original)

The audited gender-related activities of USAID/Southern Africa were performing well in terms of striving to change social attitudes related to violence against women, promoting positive male norms, and increasing incomes of female caregivers of orphans and

<sup>1</sup> See "The Power of Partnerships: The President's Emergency Plan for AIDS Relief" Third Annual Report to Congress, p.130.

vulnerable children. However, EngenderHealth's voluntary counseling and testing activity was only partially successful, and WJEI did not achieve its planned level of performance for fiscal year 2009.

The audit found that the social mobilization program's ultimate success, despite a promising start, was jeopardized by a 33-percent decline in its second-year funding. For WJEI, a slow start that caused the program to miss its first-year goals was compounded by contract ambiguities and questionable spending. Furthermore, the audit found that USAID's contract with RTI for this program was not reviewed in accordance with Agency guidance. The audit found a number of additional problems, including the lack of setting performance targets for partner activities by gender, difficulties in exploiting potential synergies between partners, and the low public awareness in South Africa of U.S. Government assistance in fighting HIV/AIDS. The audit also found that the mission's monitoring of its HIV/AIDS activities could be enhanced.

We make 8 recommendations to help strengthen gender-related HIV/AIDS activities in South Africa:

1. Devising and implementing an action plan to help ensure that the social mobilization program achieves its main objectives in the face of reduced funding (page 9).
2. Determining the allowability of \$22,745 in questioned costs relating to the WJEI launch, and recovering any amounts deemed unallowable (page 15).
3. Establishing management controls to help ensure that contracts are reviewed in accordance with Agency guidance (page 16).
4. Promoting mutually beneficial collaboration between Project Concern International and EngenderHealth (page 18).
5. Developing a plan to devote more staff resources to coordinating HIV/AIDS gender issues (page 18).
6. Devising a branding and marketing plan for WJEI (page 20).
7. Establishing policies and procedures for partners to follow in setting gender-specific targets for activities (page 21).
8. Utilizing the Gender Technical Working Group's gender self-assessment tool as a guide to improve the mission's own performance assessment tool (page 22).

# BACKGROUND

The Republic of South Africa is the predominant economic and military power in southern Africa and is one of the United States' main strategic partners for maintaining stability and security on the African continent. South Africa's long-term stability and security, however, are threatened by the effects of the HIV/AIDS epidemic. The country has the largest number of HIV-positive individuals in the world, nearly 6 million.

To assist South Africa in combating HIV/AIDS, the United States has provided assistance through the President's Emergency Plan for AIDS Relief (PEPFAR).<sup>2</sup> From the inception of PEPFAR in 2003 through fiscal year 2008, over \$1.3 billion in cumulative funding has been made available for use in South Africa. Another \$551 million was authorized in fiscal year 2009. As PEPFAR has evolved from an emergency response to a sustained public health intervention, it has focused on the dynamics that propel the epidemic. One of those dynamics has been the role that gender norms and disparities play in fostering conditions conducive to the spread of the disease.<sup>3</sup>

## **The Role of Gender in the South African Epidemic**

Although the 2008 national estimate of HIV prevalence among South Africans 2 years old and older was 10.9 percent, certain groups displayed strikingly higher rates.<sup>4</sup> As shown in figure 1, the HIV prevalence rate for women exceeded that for men for nearly all age groups. In some groups the disparity between male and female prevalence was particularly evident. For example, in the 20-24 age group, the HIV prevalence rate for women was 21.1 percent, versus 5.1 percent for men; in the 25-29 age bracket, the female prevalence rate of 32.7 percent was significantly higher than the corresponding rate for men of 15.7 percent.

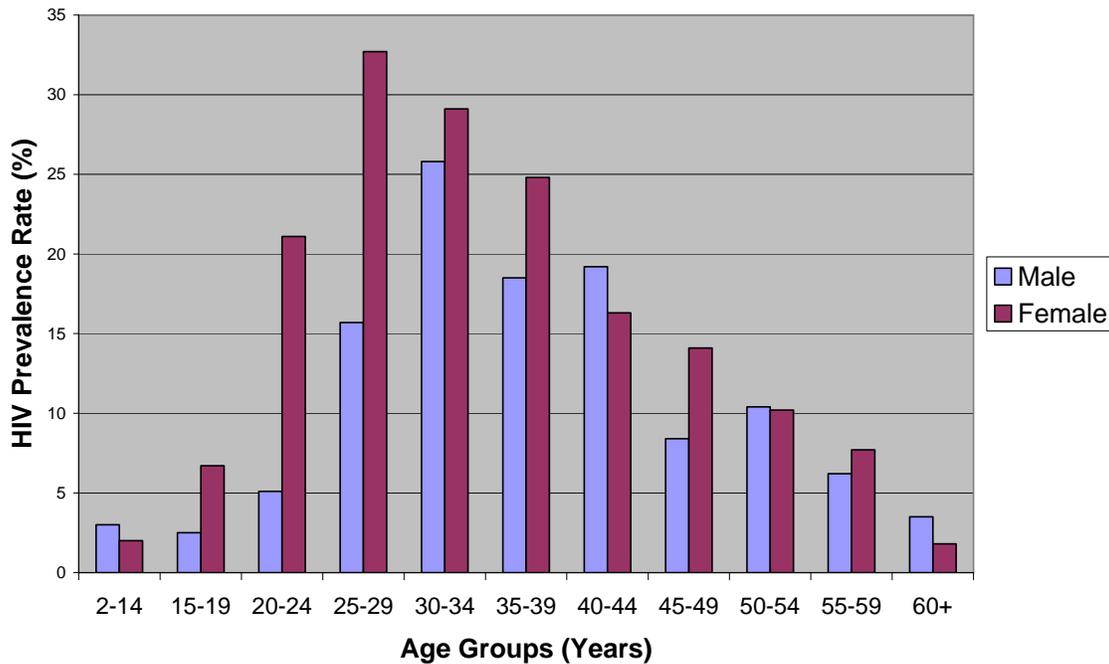
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<sup>2</sup> The legislation creating PEPFAR in 2003 was amended by the Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Reauthorization Act of 2008 (P.L. 110-293, July 30, 2008; referred to as the Lantos-Hyde Act), which authorized \$48 billion over 5 years (fiscal years 2009 to 2013) to combat those three diseases. Given that the U.S. Government still uses the terms "PEPFAR" and "President's Emergency Plan for AIDS Relief" in referring to its HIV/AIDS activities in foreign countries, this report does likewise.

<sup>3</sup> USAID defines gender as the economic, social, political, and cultural attributes and opportunities associated with being a man or a woman. The nature of gender definitions and patterns of inequality vary among cultures and change over time.

<sup>4</sup> HIV prevalence is the percentage of a population (or subset thereof) that is infected with HIV.

**Figure 1. 2008 HIV Prevalence in South Africa, by Sex**



Source: Shisana O et al., *South African national HIV prevalence, incidence, behaviour and communication survey 2008: A turning tide among teenagers?* Cape Town: HSRC Press, 2009.

One factor contributing to these disparities is biological: women are at greater risk of infection than men during heterosexual intercourse. Other factors, however, are rooted in culture. In general, South Africa is a highly patriarchal society where men hold dominant positions in familial and intimate relationships. These power imbalances contribute to a number of attitudes that facilitate HIV transmission, such as reluctance by men to use condoms and widespread acceptance of men engaging in concurrent relationships with multiple partners.<sup>5</sup>

These gender inequalities are also manifested in a climate of coercion and violence. According to the Treatment Action Campaign, a leading South African HIV/AIDS activist group, a woman is raped in South Africa every 26 seconds, and every 6 hours a South African woman is murdered by her partner. Such violence, and the mere fear of it, furthers HIV transmission by inhibiting women from insisting on consistent condom use by their partners, disclosing their HIV status, and adhering to treatment regimens.

Economic conditions reinforce these cultural and biological factors, placing South African women at greater risk for HIV infection. In South Africa, the poverty rate for female-

<sup>5</sup> Multiple concurrent partnerships (MCPs) are an effective mechanism for transmitting HIV. In an MCP, a number of people form an essentially open sexual network. When a person becomes infected with HIV, he or she has a very high viral load (viral load is a measurement of the amount of active HIV in the blood of someone who is HIV-positive) and is most infectious. If this person is part of a sexual network, HIV transmission can occur fairly easily and rapidly. In addition, consistent and ongoing condom use is not readily sustained as it is in longer-term relationships.

headed households is double that of male-headed households. This vulnerability creates incentives for women to enter into sexual relationships for economic gain, where women's powerlessness hinders them from requesting condom use or an end to multiple partnering. In addition, mobile labor patterns among mineworkers, truck drivers, informal traders, cross-border jobseekers and others—all pervasive in southern Africa—lead to the higher likelihood of having multiple sexual partners, thereby increasing exposure to HIV for both the itinerants and the communities they pass through. Finally, globalization has affected traditional employment patterns, creating new situations where women are working while some men cannot find jobs. Traditional male roles, however, were based on the historically greater economic role played by men. According to one expert, these changing conditions help fuel violence against women.

## **The Role of Gender in PEPFAR**

The overall goals of gender programming in PEPFAR include strengthening program quality and sustainability, providing equitable access for men and women, and preventing results that may unintentionally harm women and men in varying degrees. In support of these goals, the Office of the Global AIDS Coordinator set forth in its third annual report to Congress the following five high-priority gender strategies:

- Increasing gender equity in HIV/AIDS activities and services
- Reducing violence and coercion against women
- Addressing male norms and behaviors
- Increasing women's legal protection
- Increasing women's access to income and productive resources

The Lantos-Hyde Act reauthorizing PEPFAR appropriations has continued this emphasis, moving gender to the forefront of the HIV/AIDS response. Among other things, the Lantos-Hyde Act calls for specific targets to address the vulnerabilities of females to higher risk of HIV infection (codified in 22 U.S.C. 7611(a)(20)(B)) as well as an explicit, strategic focus on preventing gender-based violence (codified in 22 U.S.C. 7611(a)(20)(G)). In conjunction with this renewed focus, the legislation also mandates that PEPFAR address the needs of survivors of such abuse, including post-exposure prophylaxis protecting against HIV infection (codified in 22 U.S.C. 7611(a)(20)(H)).

At USAID/Southern Africa, a large number of PEPFAR activities contain elements that address in varying degrees the high-priority gender strategies.<sup>6</sup> For this audit, we selected five activities that addressed one or more of the strategies. Detailed information on the audited activities is presented in the Audit Findings section.

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<sup>6</sup> Although USAID/Southern Africa is a regional mission overseeing programs in several countries, this audit focuses exclusively on bilateral programs conducted in the Republic of South Africa.

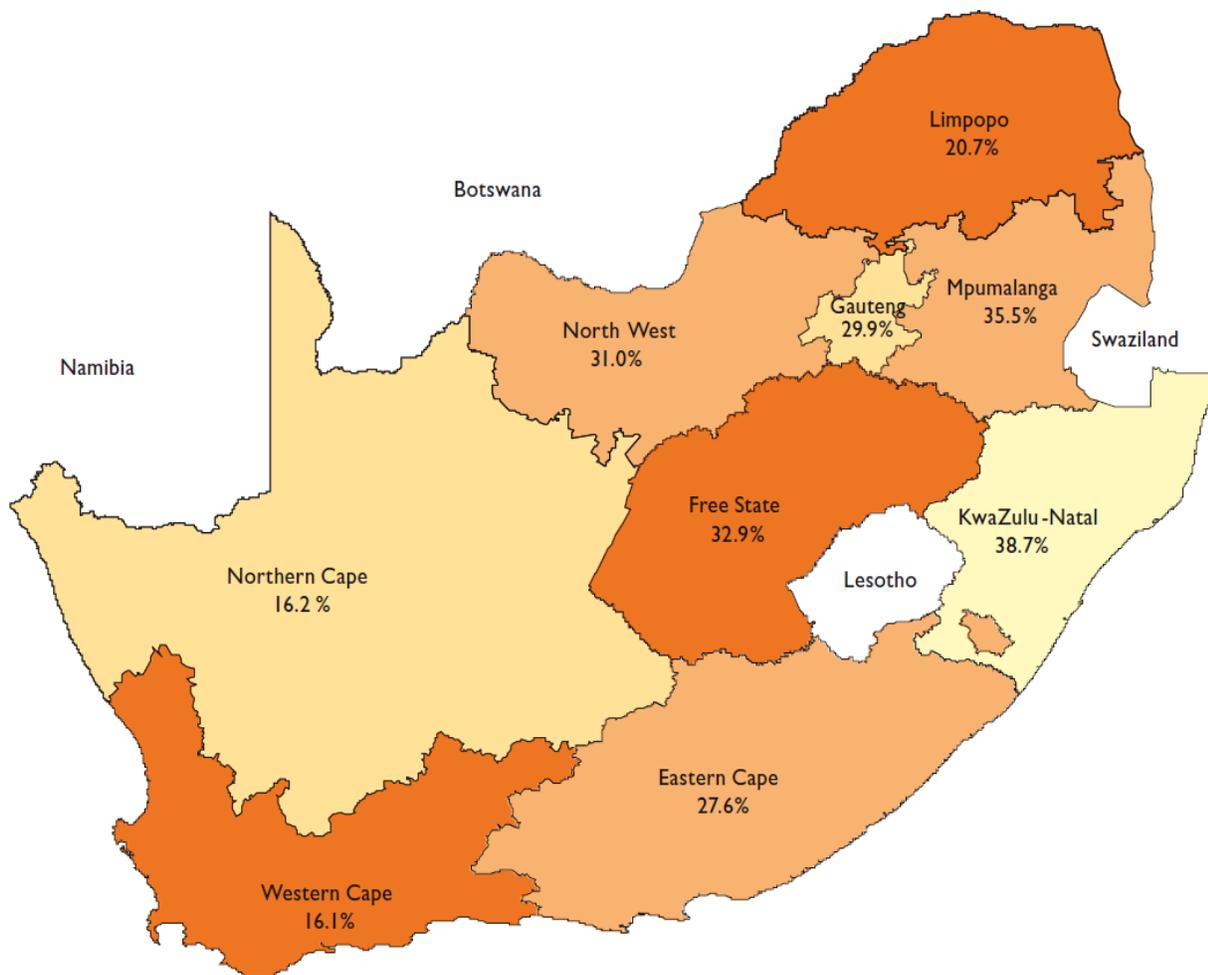
## AUDIT OBJECTIVE

As part of its fiscal year 2010 audit plan, the Regional Inspector General/Pretoria performed this audit to answer the following question:

Are selected gender-related HIV/AIDS activities implemented by USAID/Southern Africa achieving their main goals?

The main goals of each of the five activities reviewed are detailed in the following section of this report. Appendix I contains a discussion of the audit's scope and methodology.

**Figure 2. HIV Prevalence Among Pregnant Women by Province, 2008**



Source: 2008 National Antenatal Sentinel HIV & Syphilis Prevalence Survey, Department of Health, South Africa

# AUDIT FINDINGS

## **Are selected gender-related HIV/AIDS activities implemented by USAID/Southern Africa achieving their main goals?**

The audited gender-related activities of USAID/Southern Africa were performing well in terms of striving to change social attitudes related to violence against women, promoting positive male norms, and increasing incomes of female caregivers of orphans and vulnerable children. Specifically:

- The Project Concern International social mobilization program implemented a well-conceived, multifaceted strategy to change social norms that foster a climate conducive to violence against women.
- Brothers for Life has embarked on a capably produced and well-received mass media campaign to promote condom use, responsible use of alcohol, reduction in the number of sexual partners, and male involvement in pregnancy and fatherhood.
- The CARE voluntary savings and loan activity helped promote the economic security of orphans and vulnerable children along with their primary and secondary caregivers, who are primarily women in rural and underdeveloped areas.
- EngenderHealth provided HIV testing and counseling services to 10,429 persons in fiscal year 2009, exceeding its planned level of performance.

However, EngenderHealth's voluntary counseling and testing activity was only partially successful, and the Women's Justice and Empowerment Initiative did not achieve its planned level of performance for fiscal year 2009. A detailed discussion of each activity follows.

### **PCI Social Mobilization Program**

The main goal of the PCI social mobilization program is to contribute to the reduction of HIV transmission in South Africa by changing social norms related to violence against women. This ambitious 4-year project, implemented by Project Concern International (PCI) through a subagreement with the Academy for Educational Development's umbrella grants mechanism in South Africa, focuses on the provinces of KwaZulu-Natal and the Western Cape. With initial funding of \$4.6 million, the program completed its inaugural year on September 30, 2009.

**Program Got Off to a Good Start** – PCI has developed a multifaceted strategy to change social norms that foster a climate conducive to violence against women. First, key civil society and public sector actors will be engaged and mobilized to combat this problem. PCI has partnered with two longstanding community organizations, the KwaZulu-Natal Network on Violence Against Women (KZN) and the Western Cape Network on Violence Against Women (WCN), in this effort. During the engagement phase, research will be conducted to identify and understand the social norms related to violence against women that currently exist. Next, PCI plans to create an environment where those norms can be brought into the public sphere for discussion. This will largely be accomplished through a communications strategy using mass media to amplify the messages developed during the analysis and engagement phases. Finally, PCI, KZN,

and WCN will work with their civil and public sector counterparts to implement activities at which the existing social norms can be critically examined and the desired changes effected.

Although it is premature to determine whether the PCI social mobilization program has achieved its main goal, evidence indicates that the program is well conceived and being capably implemented. Regarding the initial phases, workshop leaders in both provinces identified social norms conducive to violence against women, staff prepared summaries of professional literature on violence against women, and researchers conducted a baseline panel survey. PCI also conducted a bus campaign in nine KwaZulu-Natal cities where community dialogues were held and provincial leaders engaged. These activities were thorough, insightful, and fully capable of informing a sound approach to program design. In addition, key actors have made commitments to support the program. Most significantly, KZN and WCN received commitments from their respective premiers (a premier is essentially equivalent to a governor in the United States). Commitments were also received from representatives of the South African Police Service in KwaZulu-Natal, as well as from religious organizations and the South African Democratic Teachers Union, with other commitments in both provinces being negotiated.

Just as important, PCI personnel are exceptionally well qualified and experienced. PCI's technical consultant, for example, holds a doctorate in cultural and media studies, has over 20 years' experience in HIV/AIDS communications research, and is one of the authors of the 2008 national report on HIV prevalence. Moreover, PCI's in-country director has nearly 20 years of development experience in Africa, while its communication manager has a diverse background including commercial advertising and service in the Peace Corps.

Furthermore, PCI's communication strategy proved itself during the 16 Days of Activism campaign against violence against women in November and December 2009. The centerpiece of the campaign involved a visual depiction of an abused woman's face, accompanied by a statement incorporating one of the enabling social norms identified in the analysis phase. The woman's face progressively worsened during most of the 16-day period. In Durban, we observed the Showstopper, a 25- by 20-meter edifice that supported these images and served as a backdrop for various events, such as an attempt by over 2,000 people to form the world's largest human white ribbon. A smaller display was also erected in Cape Town during this period, and the visual images were used in other media such as print and mobile billboards. Finally, radio spots were broadcast in both the Durban and Cape Town markets during the 16 Days campaign, a focus group study of those radio messages was conducted, and detailed media schedules were prepared for when those spots were to be aired.

**Reduced Funding Threatens Future Results** – Adequate funding, however, is necessary for future success of the PCI social mobilization program. Despite the solid foundation established thus far, the reduction in funding from \$4.6 million in the program's first year to \$3.1 million (a 33 percent reduction) jeopardizes the program's ultimate success. According to a PCI official, some first-year funding was conserved to fully fund the 16 Days campaign; however, the reduction in funding means that there are no more funds for either additional mass media activities or future grassroots support. As a result, the program's ability to capitalize on the momentum generated by the 16

Days campaign is constrained. If the shortfall persists, the program will likely have to curtail its activities.

Mission officials stated that the decline in PCI's funding was part of an across-the-board reduction in funding for prevention activities at the direction of the Office of the Global AIDS Coordinator. According to these officials, the reduction was part of an effort to refine the focus of the U.S. Government's HIV prevention activities in South Africa. Mission officials added that this effort also involved the elimination of smaller activities with funding less than \$250,000 and the inclusion of an additional strategic prevention initiative.

In conclusion, the PCI social mobilization program is a bold, well-conceived initiative combining an evidence-based communications strategy with committed community involvement. Jeopardizing the ultimate success of such a program for lack of adequate funding after a productive initial investment has already been made seems ill advised. Consequently, we are making the following recommendation.

***Recommendation 1.*** *We recommend that in the face of the 33 percent decrease in program funding, USAID/Southern Africa develop and implement an action plan to help ensure that Project Concern International's social mobilization program achieves its main objectives.*

## **Brothers for Life**

Brothers for Life is a 5-year, \$28 million initiative launched in August 2009. Conceived as a movement to engage men in the fight against HIV through the promotion of positive male norms, Brothers for Life aims to promote condom use, responsible use of alcohol, reduction in the number of sexual partners, and male involvement in pregnancy and fatherhood. The activity is one of many implemented by The John Hopkins University in South Africa on behalf of USAID, and is carried out with a number of key partners, including the Sonke Gender Justice Network, UNAIDS, and over 30 local and international nongovernmental organizations. The activity had spent approximately 50 percent of its \$5.6 million first-year budget as of the audit; USAID and PEPFAR contributed roughly 96 percent of those funds, with the remainder provided by UNICEF.

Although the activity was started shortly before the audit commenced and thus had only a limited history, Brothers for Life was on track to accomplish its main goals. Most notably, Brothers for Life had established a broad coalition of support. This included an endorsement by the Deputy President of South Africa, which was read during the launch in KwaZulu-Natal. According to the mission, more than 10,000 people attended the launch, which received widespread media coverage. In addition to this high-level political support, Brothers for Life had attracted participation by prominent South African men from the worlds of entertainment and sports.

Brothers for Life's mass media campaign, the main activity conducted as of the date of the audit, had produced posters, billboards, television and radio spots, and the Brothers for Life Web site. These ads were capably produced and well received.

## **CARE Voluntary Savings and Loan**

The CARE voluntary savings and loan activity was one component of CARE's Local Links Project in Free State and Limpopo provinces to serve orphans and vulnerable children. The Local Links Project started in May 2004 and was to end in June 2010, with FY 2009 funding of \$825,000. The main goal of the voluntary savings and loan activity was to promote the economic security of orphans and vulnerable children and of their primary and secondary caregivers. These caregivers, primarily women in rural and underdeveloped areas, were the main targets for membership in voluntary savings and loan groups.

The activity promoted economic security by providing a vehicle for group members to pool savings and disburse loans among themselves. Loans were used for a variety of personal and business purposes, and were usually repaid to the member pool within 3 months. After a defined duration, such as 6 months or 1 year, the pool liquidates and group members share the proceeds equally. During FY 2009, a reported 10,934 loans were made, with a total value of \$535,217.<sup>7</sup>

Through interviews with group members we found evidence that the activity was achieving its main goal. For example, one member started a business selling beauty products, another started a dressmaking enterprise, and a third expanded her residence. In one group we visited, members were enhancing their economic security by supplementing their regular savings and loan pool with an emergency fund that could be used for funerals, sicknesses, and other emergencies. Although recordkeeping could be improved, the errors the audit identified were primarily administrative and not indicative of systemic or programmatic deficiencies.

## **EngenderHealth Voluntary Counseling and Testing Activity**

The main goal of EngenderHealth's activity in South Africa is to reduce the spread of HIV and mitigate its impact by increasing men's access to HIV-related services. According to an internal 2007 study, EngenderHealth found that South African men are much less likely than women to be tested for HIV, with men accounting for only 21 percent of clients receiving voluntary counseling and testing (VCT). The study indicated that men underutilized VCT services for a variety of reasons, including societal factors such as men's gender socialization and institutional ones such as confidentiality concerns and poor treatment by nurses.

To address these concerns and help achieve its main goal, EngenderHealth challenges men to question traditional gender norms and take charge of their own health. This includes accessing HIV-related services, chiefly through a mobile, male-friendly VCT service that primarily serves the Soweto area of Johannesburg.<sup>8</sup> Despite having more than 1 million people, Soweto has only 1 hospital, Chris Hani Baragwanath, which was built during World War II. EngenderHealth's mobile VCT service features a specially equipped van with the faces of different men depicted on the sides along with the slogan "I am not afraid to test." Providers traveling in the van are trained by EngenderHealth to

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<sup>7</sup> These loans were made in South African rand. Reported loans totaled 3,933,845 rand, which equates to \$535,217 at an exchange rate of 7.35 rand to the U.S. dollar.

<sup>8</sup> Some mobile VCT services are also provided in Mpumalanga Province.

be sensitive to the unique needs of men; training individuals to perform counseling and testing and HIV prevention activities is another integral component of the program.

To determine whether EngenderHealth was achieving its main goal, we examined its fiscal year (FY) 2009 reported results—the number of individuals counseled and tested, as well as the number of individuals trained in the various activities noted above. For FY 2009, EngenderHealth had a target of 10,000 individuals for VCT and reported results of 11,689 individuals, comprising 6,509 males and 5,180 females. Our statistical sample yielded a result of 10,429 individuals,<sup>9</sup> confirming that EngenderHealth met its target for individuals' counseled and tested. Nevertheless, EngenderHealth did not meet its three major training targets for FY 2009. According to program officials, targets were not met because the program had difficulty locating persons to train, and training that did not last for at least 2 days was not considered sufficient by EngenderHealth to include in the indicator.

Even though the program disaggregated its *results* by gender, as required by Agency guidance, the program did not disaggregate its *targets* by gender, as is also required. This made it more difficult to assess the program's progress in increasing men's utilization of VCT services. The lack of gender-specific targets was not unique to EngenderHealth, and is discussed in more detail on page 20. Nonetheless, given the lack of sufficient health facilities in Soweto and the fact that the program met its overall VCT target for FY 2009, the program was increasing men's access to HIV-related services. However, since the program fell short of its training targets, it is only partially achieving its main goal.

**Mobile CD4 Testing Machine Would Improve Service** – As part of our fieldwork, we visited a mobile VCT operation at the Kliptown informal settlement in Soweto. We inquired what took place if a client received a positive HIV test result. Program officials responded that, after counseling, the client would be referred to a health facility for a CD4 test to ascertain his or her level of HIV infection, the crucial first step in determining available treatment options. However, according to program officials, EngenderHealth does not have a mobile CD4 testing machine because of a lack of funding and therefore cannot provide this essential follow-on testing to its HIV-positive clients.

Given the lack of sufficient health facilities in Soweto, the same impediments that discourage men from accessing conventional VCT services and which make EngenderHealth's mobile operation a vital asset—long waits and travel times—are also likely to discourage men from undergoing CD4 testing. Consequently, the draft report recommended that the mission assess the costs and benefits of providing funding for a portable CD4 testing machine and to provide such funding if warranted. The mission responded that the CD4 testing machine model approved for use in South Africa has not yet been approved by the U.S. Food and Drug Administration, while the model approved for use in the U.S. has not been approved by South African authorities. As a result, the mission is unable to provide a CD4 testing machine and reagents for EngenderHealth, and the recommendation in the draft report has been deleted (see appendix II for details).

**EngenderHealth Could Better Promote Its Services** – The effectiveness of the mobile VCT operation could also be enhanced through more active and creative promotion of

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<sup>9</sup> This sample had a margin of error of +/- 4 percent at a confidence interval of 90 percent.

those services. For instance, EngenderHealth partners with local nongovernmental organizations to facilitate entry into informal settlements and publicize mobile VCT drives. This outreach involves going door-to-door within the settlement to inform people of the drive. EngenderHealth officials noted, however, that the outreach teams often had difficulty covering the entire area that could be serviced by the van. We then asked whether residents of informal settlements in Soweto typically had a radio or at least access to one, and on learning that they did, suggested that EngenderHealth could use the radio to publicize the drive. Furthermore, EngenderHealth could send a representative to host a radio program or call-in show to stimulate community discussion of gender norms as well as generate publicity. The presence of community radio stations in Soweto could reduce the cost of such initiatives. EngenderHealth officials were enthusiastic about these ideas but generally lacked experience in crafting media strategies. (See page 17 for a related discussion on exploiting synergies between programs and the need for a full-time gender specialist.)

## **Women's Justice and Empowerment Initiative**

The Women's Justice and Empowerment Initiative (WJEI) is implemented by Research Triangle Institute, Inc. (RTI) under an original 3-year, \$11.7 million cost-plus-fixed-fee contract that was signed in September 2008. WJEI addresses two high-priority PEPFAR gender strategies: increasing women's legal protection and reducing violence against women. To this end, the program's main goal is to improve the quality of, and access to, care, treatment, and justice for victims of sexual violence and abuse by strengthening the capacity of the South African Government to develop and expand the Thuthuzela Care Center (TCC) model.<sup>10</sup> RTI's South African Government partner in this program is the Sexual Offences and Community Affairs Unit (SOCA) of the National Prosecuting Authority.<sup>11</sup>

The TCC model aims to improve the care and treatment of sexual abuse survivors by providing medical, legal, and counseling services in one location. By co-locating these services and focusing on the quality and sensitivity of care, the TCC model helps reduce the secondary traumatization that rape survivors can experience. The model also includes access to post-exposure prophylaxis against HIV infection and long-term counseling. Finally, the model strives to support victims, increase conviction rates, and reduce the time to finalize cases by enhancing coordination among health professionals, the police, and the South African judicial system.

USAID's involvement with TCCs began before the initiation of WJEI. Under the Local Governance Support Program (LGSP), which was also implemented by RTI and scheduled to run through September 2010, USAID/Southern Africa supported the establishment of seven TCCs. These seven TCCs built on an earlier network of 10 TCCs inaugurated by the South African Government. WJEI was intended to complement these efforts by establishing 23-29 additional TCCs.

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<sup>10</sup> Thuthuzela means "be comforted" in Xhosa and Zulu, 2 of South Africa's 11 official languages.

<sup>11</sup> Section 179 of South Africa's 1996 Constitution and the National Prosecuting Authority Act (South Africa, Act No. 32 of 1998) provide the prosecuting authority with the power to institute criminal proceedings on behalf of the State and to do everything necessary related to this function.

After completion of its first year, WJEL was not achieving its main goal. For the year ended September 30, 2009, the program not only failed to reach its indicator targets but also reported zeros for all quantitative performance data. Results were null because (1) the eight TCCs planned for the first year had not been fully established<sup>12</sup> by September 30, 2009, and (2) all WJEL performance indicators are based on data collected at the TCCs to measure impact. Moreover, the delays in establishing the first eight TCCs will make it more difficult to achieve the main goal by the end of the contract term in September 2011. A WJEL official estimated that even a reduced target of 23 TCCs could not be established until at least February 2012.<sup>13</sup>

According to program officials, no TCCs could be established because the site selection survey, which should have been completed before WJEL commenced, was not started until January 2009. Funding for the survey, which was provided by a non-U.S. Government donor, was delayed. As a result, the survey was not completed until May 2009, and the final siting decisions were not made until June, precluding the establishment of any TCCs before September 30, 2009. However, according to mission officials, until June 2009 RTI had been indicating that it would achieve its targeted results for the year ended September 30, 2009.

Even though the establishment of additional TCCs was a major goal of WJEL, the program had other objectives that were not affected by the delay in completing the site selection survey. However, overall progress in meeting these other objectives was less than desired. For example, although the September 30, 2009, WJEL quarterly report stated that one of the main activities for the project's first year was the refurbishment of seven TCCs, no TCCs had been refurbished as of that date. According to a program official, WJEL coordinated with TCCs to determine their infrastructure needs and submitted the list of requested furniture and equipment to SOCA for approval. The approval process, which was coordinated by the South African Government, was hindered by inordinate attention to minor details such as the color of furniture and the type of wood it was made of. Many of the results under the WJEL contract are contingent on the South African Government counterpart, which pays close attention to all aspects of the project since SOCA will ultimately assume financial responsibility for the TCCs established under WJEL.

**Contract Ambiguities Contributed to Poor Results** – The WJEL contract also contained a second objective (objective 2) to “improve care and treatment for victims assisted by the TCCs.” In the view of one USAID official who served as the contracting officer's technical representative for this project and is also a lawyer, this objective applied to all TCCs and not merely the new ones to be established under WJEL. Moreover, this task to improve services in WJEL was initiated as a result of a 2007 PEPFAR-funded assessment. The assessment identified a number of deficiencies in TCC operations, including noncompliance with South African Department of Health guidelines, which the LGSP program could not address because of funding limitations.

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<sup>12</sup> According to mission officials, for a TCC to be considered “fully established,” a number of criteria must be met. These include identification of an appropriate site, recruitment of required staff, and installation of necessary furniture and equipment.

<sup>13</sup> The official made this estimate in speaking to auditors before a contract modification, which was made to RTI. Subsequently, mission officials stated that RTI had committed to establishing the 23 TCCs by September 2011.

During the delay in site identification, USAID suggested to RTI that activities under objective 2 could be initiated at all TCC sites, including those established under LGSP, to address the findings of the 2007 assessment and bring those sites into compliance with the Department of Health guidelines. According to a USAID official, RTI responded that working with the LGSP TCC sites was not part of the contract. Although mission officials with the Regional Democracy & Governance Office (which manages WJEl) concurred that USAID intended for RTI to improve services at the LGSP sites, several officials concluded that the contract was too vague to be enforceable on this point. Problems in the contracting process are discussed in more detail on page 15.

**Questionable Spending Also Occurred** – The fourth objective of the WJEl contract was to “provide institutional support to SOCA in order to be able to sustain the TCC.” As with objective 2, mission officials contended that objective 4 was vague and poorly defined. According to these officials, the South African Government interpreted objective 4 to include “South-South” exchanges intended to facilitate collaboration with other countries regarding the TCC model. Consequently, South African officials requested that the contract be modified to reflect their interpretation. Although the contractor knew of this interpretation as early as July 2008, the contractor did not submit a modification request addressing this issue until May 2009. The request was delayed because of a change in contracting officer’s technical representatives for this program in early 2009.

The program’s first South-South exchange involved the visit of a delegation from Benin, which also has a WJEl program, in July 2009. Although the delegation stayed in South Africa for 5 days, the agenda furnished in the contractor’s September 2009 quarterly report indicated that no events were scheduled after lunch on 3 of those days, which was wasteful and inefficient. RTI officials said that the agenda was undertaken together by RTI, USAID, and SOCA, and added that traffic could have posed difficulties for the delegation during site visits. When asked how the Benin exchange benefitted WJEl in South Africa specifically, RTI officials said that South Africa could learn from Benin, a resource-strapped country, how to apply the TCC model in remote, rural areas. Although mission officials stated that the objectives of the exchange were mostly achieved, the event could have been better planned to maximize productivity.

Similarly, the program incurred questionable costs that could be perceived as only tangentially related to its main goals. For example, the WJEl launch was held in April 2009 at a luxury hotel in Cape Town, where a three-course gourmet lunch was served to approximately 120 attendees. According to RTI officials, this launch cost roughly \$23,000, or \$190 per person, more than double the U.S. Government’s daily meal rate for Cape Town at that time. A USAID official who served as the contracting officer’s technical representative for this project and attended the launch felt that the event “lacked substance” in that it covered only very general information already familiar to the attendees and presented little opportunity for discussion or real engagement. In this official’s opinion, the goals of the launch could have been achieved through a less expensive exercise, such as a press conference in Pretoria or a luncheon in conjunction with a substantive workshop, rather than as a stand-alone event. Contributing to the extravagant cost, communication between RTI and USAID was poor, with the organization of the launch and the development of the program done entirely by SOCA and RTI.

The WJEI contract states that allowable costs are limited to those that are reasonable, allocable, and necessary, determined in accordance with Federal Acquisition Regulations 52.216-7 and 52.216-8 and with USAID Acquisition Regulation 752.7003. Federal Acquisition Regulation 52.216-7 incorporates the cost principles of FAR Subpart 31.2-Contracts with Commercial Organizations, which defines a reasonable cost as one that “does not exceed that which would be incurred by a prudent person in the conduct of competitive business” and is “generally recognized as ordinary and necessary” for the conduct of the contractor’s business or for contract performance. Even though the event was part of the program budget, in our opinion, given the event’s high cost per person, limited utility, and the availability of less expensive alternatives, the cost of the launch was not reasonable in accordance with subpart 31.2. As a result, these funds were not put to their best use in achieving the objectives of WJEI. Consequently, we are making the following recommendation.

**Recommendation 2.** *We recommend that USAID/Southern Africa determine the allowability of \$22,745 in ineligible questioned costs arising from the Women’s Justice and Empowerment Initiative launch and recover from Research Triangle Institute, Inc., any amounts determined to be unallowable.*

**Conclusion** – Contract ambiguities, coordination issues with the South African Government, and less than optimal use of resources have contributed to the project not achieving its goal of fully establishing eight new TCCs by September 30, 2009. Despite these challenges, mission officials stated that by September 30, 2010 five TCCs had been fully established with another three 80 percent operational as of December 1, 2010. Set-up of the next eight TCCs is underway with all sites selected and the majority of staff hired and in place.

To improve WJEI, USAID/Southern Africa proposed terms of a contract modification to RTI in December 2009. Among other things, the proposed modification contains specific, detailed tasks that correct the ambiguities described above. Furthermore, the proposed modification addresses the critical importance of improving adherence to national Department of Health guidelines for post-exposure prophylaxis against HIV infection. In our opinion, the proposed modification provides a firm foundation for moving forward with WJEI, which would not exist otherwise. This modification was ultimately executed in July 2010. The modification increased the total estimated cost to \$15 million but did not extend the contract past its original September 2011 completion date. As a result of the proposed modification being executed, we are not making additional recommendations on this matter.

## **Contract Not Adequately Reviewed by Contract Review Board**

Summary: USAID policy requires that contracts exceeding \$10 million be reviewed at various stages of the procurement process. However, the contract for the Women’s Justice and Empowerment Initiative was not reviewed in accordance with this policy. This occurred because mission officials initially believed that the threshold for review was higher than \$10 million. As a result, the contract was not adequately reviewed, exposing the Agency to possible legal action and contributing to contract ambiguities.

Reviewing the legal aspects of contracts before their execution is a common business practice. Similarly, USAID's Automated Directives System (ADS) 302.3.1.2 requires that acquisition actions, such as contracts, that exceed \$10 million be reviewed by USAID's Contract Review Board (CRB). The CRB reviews these actions to minimize USAID's vulnerability to potential legal action, provide senior-level advice on contracting actions, and to support contracting officers. As part of this effort, the CRB includes attorneys from the Office of General Counsel experienced in Government contracting. ADS 302.3.1.2 also requires that contracting officers submit actions to the CRB at the presolicitation, competitive range determination, and preaward stages of the procurement process. In submitting actions, the Contract Review Board Guidelines (a mandatory reference to ADS 302) recommends that contracting officers allow ample lead time to accommodate CRB review and to respond to mandatory findings.

The contract for the Women's Justice and Empowerment Initiative, an \$11.7 million award, did not fully comply with these requirements. According to the mission, the solicitation for the project was published in October 2007, and a notice of award was made to RTI in July 2008; however, the CRB was first notified of the contract on August 18, 2008. In accordance with ADS 302.3.1.2, the CRB should have been notified before the October 2007 solicitation. Moreover, the mission's notification requested the CRB's prompt attention since the desired effective date for the proposed contract was September 1, 2008.

According to USAID officials, the late notification and the extremely short notice period adversely affected the CRB process in several ways. First, had the CRB been notified in a timely manner in accordance with Agency requirements, the CRB more likely would have detected the contract ambiguities that hindered program implementation referred to in the previous section. Second, the CRB acknowledged in its response to the mission that some risk of protest still existed, thereby exposing the Agency to possible legal action. Finally, the CRB instructed the mission that further submissions would not be necessary and permitted the mission to document its responses to mandatory findings in the contract file. This was contrary to ADS guidance (ADS 302.3.1.2.c(1)) requiring that the CRB be informed in writing of corrective actions taken in response to such findings.

A mission official stated that he believed the threshold for referral was higher than the award amount and thus did not notify the CRB until the error was recognized at the contract negotiation stage. This unfamiliarity was due, in part, to the lack of past CRB submissions. Nonetheless, the CRB indicated to the mission that this particular submission "cannot and should not be taken as precedent for the future." To help ensure that any future CRB submissions are made in accordance with USAID requirements, we are making the following recommendation.

***Recommendation 3.*** *We recommend that USAID/Southern Africa (1) notify its acquisition staff of USAID requirements related to the Contract Review Board and (2) establish a management control to help ensure that all prospective awards that meet the requirements for review by the Contract Review Board are submitted in a timely manner to the Board.*

## **Full-Time Gender Specialist Could Help Maximize Program Effectiveness**

Summary: Maximizing the effectiveness of U.S. Government programs is a vital USAID responsibility. However, several opportunities to identify and exploit synergies between programs were missed because there was no full-time gender specialist. Consequently, the effectiveness of several activities was not maximized.

Maximizing the efficiency and effectiveness of U.S. Government programs is a core responsibility of all Federal employees. This can be accomplished, in part, by identifying and exploiting the synergies that exist between activities with broadly similar objectives. The gender-related activities examined in this report provide a particularly fertile area for capitalizing on such opportunities.

Despite these chances to maximize effectiveness, mission officials were not able to do so. As noted earlier, the EngenderHealth mobile VCT operation could have been more effective if radio outreach had been utilized, but EngenderHealth officials lacked expertise in this area. Media acumen, however, was a clear strength of PCI's social mobilization program, exemplified by PCI officials visiting radio stations to garner their support in promoting the 16 Days of Activism campaign. Conversely, PCI's Durban Showstopper event would have been enhanced had counselors such as those trained by EngenderHealth engaged in targeted outreach with the multitude of male spectators that attended. Officials from one of PCI's network partners underscored the importance of men's groups in eliminating violence against women, yet they lacked experience working with these groups. EngenderHealth, whose South African operations are focused on men's health but are led by a woman, is uniquely poised to periodically assist PCI and its partners and also serve as a bridge between men's and women's groups. Officials from both PCI and EngenderHealth agreed that selected collaboration made sense and were willing to discuss matters further.

These opportunities were not capitalized on because there was no single official with detailed knowledge of the mission's gender-related HIV/AIDS programming who could identify and exploit potential synergies. The PCI and EngenderHealth activities, for example, had different USAID activity managers with numerous additional responsibilities that hindered them in assessing how strengths in other activities could complement their own programs to increase effectiveness. Similarly, an official with comprehensive knowledge of the mission's gender-related HIV/AIDS programming could identify questionable planned spending that could be used more effectively by other programs, as was the case with the WJEI launch and EngenderHealth's need for a mobile CD4 testing machine.

The emphasis PEPFAR places on gender is reflected not only in PEPFAR's authorizing legislation and statements by senior officials, but also in the creation of the Gender Technical Working Group (GTWG). This group was created by the Office of the Global AIDS Coordinator in the State Department to provide assistance on the gender-related aspects of HIV/AIDS programming. The GTWG has provided this assistance in part by devising a number of best management practices, such as a self-assessment tool for

integrating gender throughout the range of PEPFAR programming and a “gender continuum” for assessing how programs currently address gender and can be improved.

Despite this emphasis, staffing constraints typified by multiple responsibilities hampered the mission from fully utilizing the best practices created by the GTWG. One mission official noted that her duties as the health team’s “gender focal point”—which consisted mainly of writing the technical area narrative for the country operational plan—were merely one of several responsibilities. This official also conceded that the technical conference on gender programming under PEPFAR produced by the GTWG was the first time that members of the Health team focused collectively on gender issues. Consequently, the best practices developed by the GTWG were not being utilized, thereby depriving the mission of additional opportunities to increase effectiveness and efficiency.

A full-time gender specialist is the most practical and productive means of increasing efficiency and effectiveness by identifying synergies between programs and incorporating the best management practices developed by the GTWG. In addition, a full-time gender specialist can provide other value-added services. These include drafting an overall HIV/AIDS gender strategy, identifying any potential gaps in the mission’s programming, and liaising with other U.S. Government agencies to promote gender integration of prevention, care, and treatment activities. Consequently, we are making the following recommendations.

***Recommendation 4.*** *We recommend that USAID/Southern Africa identify and implement steps to promote mutually beneficial collaboration between Project Concern International and EngenderHealth.*

***Recommendation 5.*** *We recommend that USAID/Southern Africa develop a plan to devote more staff resources to coordinating HIV/AIDS gender issues.*

## **Public Awareness of U.S. Efforts Needs To Be Improved**

Summary: Effective branding of USAID projects is an integral part of the Agency’s mission to advance American interests by strengthening relationships abroad. Nonetheless, public awareness of U.S. efforts against HIV/AIDS in South Africa was low, and two Thuthuzela Care Centers we visited lacked any USAID or U.S. Government branding. The centers were not branded at the direction of the South African Government, but no waivers were obtained from USAID. As a result, contractual requirements were not met and U.S. public diplomacy efforts hindered.

The importance of ensuring that the American people are appropriately recognized for their generosity in funding U.S. foreign assistance has been a longstanding U.S. Government objective. For example, section 641 of USAID’s framework legislation, the Foreign Assistance Act of 1961, codified as amended in 22 U.S.C. 2401, specifies that programs under the act be identified appropriately overseas as “American aid.” More recently, the rising importance of development as part of the United States’ post–September 11 national security strategy increased the need for U.S. foreign assistance activities to be more fully identified in host countries as being provided by the United

States. This need is addressed in ADS 320, which contains USAID's branding and marking requirements.

Public awareness of the United States' response to the global HIV/AIDS pandemic is important. According to a report from the Center for Strategic and International Studies, "As instruments of U.S. global soft power become ever more important, PEPFAR provides a source of goodwill by helping to stabilize disease-shattered economies and by reducing the security threats that typically accompany economic and political instability." In our opinion, however, the benefits of this goodwill cannot be maximized unless public awareness is improved.

In South Africa, a low percentage—only about 20 percent—of those surveyed on behalf of the U.S. Embassy in late 2008 were even aware that the United States provided South Africa with HIV/AIDS assistance. These results were confirmed during this audit. During our visit to the Durban Showstopper, for instance, we found that only 2 out of 34 respondents knew that the U.S. Government was funding the event, and those 2 were from organizations affiliated with the KwaZulu-Natal Network on Violence Against Women.

**Logos Have Proliferated** – The 2008 survey found some possible explanations for this low level of awareness. Although 25 percent of respondents identified the USAID logo when it was shown to them, only 13 percent recognized the PEPFAR logo. In Gauteng Province the disparity was even greater, as 32 percent recognized the USAID logo but only 14 percent the PEPFAR logo. Since the United States' HIV/AIDS efforts in South Africa are carried out not only by USAID but also the Centers for Disease Control and Prevention, the Department of Defense, and the Peace Corps, the issue of branding is a sensitive one, according to an Embassy official, as all agencies want their particular logos displayed.

**Two Thuthuzela Care Centers Visited Had No Branding** – The lack of public awareness also can be attributed to the lack of USAID branding observed during the audit. Specifically, we visited two Thuthuzela Care Centers (TCCs) at Tembisa and Kopanong hospitals in Gauteng that were established by RTI under the Local Governance Support Program contract. This contract contains a provision stipulating that USAID-financed project locations be suitably marked with the USAID emblem. The contract also states that authority to waive this and other marking requirements is vested with the mission director.

Despite these contractual requirements, neither the Tembisa nor the Kopanong TCCs displayed the required USAID marking or any other acknowledgment of U.S. Government support. Furthermore, no request to waive the marking requirements was made by RTI. RTI officials said that such branding was "not allowed" by the National Prosecuting Authority on the basis that any signage outside the TCC could not show all donors who had assisted the project.

After our discussions with RTI, mission officials stated that the branding issue had been "clarified" with SOCA. According to these mission officials, SOCA does not oppose signage at TCCs and was only seeking clarification on what would be acceptable. These officials also stated that SOCA agreed that all U.S. Government-supported TCCs will have appropriate acknowledgment of U.S. Government support.

Low awareness of the United States' international HIV/AIDS activities keeps the public diplomacy aspects of these initiatives from achieving their full potential. This is a particularly serious problem in Africa, as other donors increasingly turn to financing tangible, long-lasting projects whose funding sources are more widely known by the public. Given this low level of public awareness and USAID's explicit requirement for branding, we are making the following recommendation.

**Recommendation 6.** *We recommend that USAID/Southern Africa (1) immediately correct the noncompliance with Local Governance Support Program contractual branding requirements found at the Tembisa and Kopanong Thuthuzela Care Centers, and (2) devise a branding and marking plan for all Thuthuzela Care Centers to be established under the Women's Justice and Empowerment Initiative that is both acceptable to the South African Government and in accordance with contractual branding requirements.*

## **Performance Targets Were Not Disaggregated by Gender**

Summary: Agency policy calls for the collection and analysis of sex-disaggregated data for individual-level indicators and targets. Although results were generally disaggregated by gender, targets were not. According to USAID, such gender-based targeting has not been an historical focus of the U.S. Government's international HIV/AIDS efforts. Failure to set these targets makes it more difficult for program managers to assess whether gender equity has been enhanced by USAID programming.

USAID has long recognized that collecting sex-disaggregated data is a critical component of performance management. To this end, an additional-help reference to ADS 200.5 specifies that targets for individual-level indicators should be disaggregated to establish expectations about a program's intended impact on men and women.<sup>14</sup> This guidance was reinforced in the FY 2009 country operational plan, which stated that "PEPFAR South Africa will work to set sex-disaggregated targets for all reporting indicators" as part of its efforts to increase gender equity in HIV/AIDS services. As noted in the Background section of this report, increasing gender equity is one of PEPFAR's five high-priority gender strategies.

Despite this intent, and even though reported results were broken out by gender, none of the indicator targets set by partners for the activities reviewed in this audit were disaggregated by gender. This was generally true for activities beyond the scope of the audit as well.

According to mission officials, disaggregating targets by gender has not been an historical focus of PEPFAR. These officials noted that initially there may have been a lack of knowledge on how to target by gender, but now there is a baseline of gender-based results to inform such target setting in the future.

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<sup>14</sup> Performance Monitoring and Evaluation TIPS No. 8, "Establishing Performance Targets." TIPS No. 8 is listed as an Additional Help reference in ADS 200.5.

The lack of gender-specific targets deprives USAID of a powerful tool to motivate its partners and hold them accountable for results. Moreover, setting such targets forces partners to determine how the epidemic has affected men and women differently and what strategies are needed to ensure equitable access to the services being measured by the performance indicator. Finally, comparison of actual results by gender against such targets would enable program managers to monitor gender equity and adjust strategies as necessary. Consequently, we are making the following recommendation.

**Recommendation 7.** *We recommend that USAID/Southern Africa establish policies and procedures to ensure that gender-specific targets for its HIV/AIDS indicators are set at the partner-level, where appropriate, in the next planning cycle.*

## **Partner Monitoring Could Be Enhanced**

Summary: Agency guidance requires the development of appropriate and efficient internal controls. To its credit, the mission has begun piloting a tool to improve monitoring of its HIV/AIDS activities. This tool can be improved by using features of the Gender Technical Working Group's gender self-assessment tool as a guide. However, mission officials involved in developing the monitoring tool were unaware of the gender self-assessment tool. Failure to include this tool diminishes the effectiveness of the pilot monitoring initiative regarding gender issues.

ADS 596.3.1 requires USAID officials to develop and implement appropriate, cost-effective internal controls that produce results and assure the financial integrity of transactions. To their credit, USAID and the Centers for Disease Control and Prevention in South Africa have developed the South African PEPFAR Partner Performance Assessment tool (SAPPPA) to assist in monitoring these activities. The SAPPPA tool is currently in the pilot phase; however, this tool could be improved.

As noted previously, the Office of the Global AIDS Coordinator has established a Gender Technical Working Group to provide assistance on the gender-related aspects of HIV/AIDS programming. Among other things, the working group has developed a self-assessment tool for integrating gender into PEPFAR programs. The tool is divided into technical areas, such as adult care and treatment, and then describes the different elements that would be included in integrating gender concerns in that particular part.

The SAPPPA tool is similarly divided into a number of modules based on technical areas. Each module comprises inquiries and procedures based on various administrative and operational components of program management. In the prevention module that we surveyed, however, only a few superficial procedures pertained to gender. Mission officials stated this was the case for other modules as well. Since gender affects all aspects of PEPFAR programming, the SAPPPA tool should cover this vital feature of partner performance. Mission officials responsible for developing the SAPPPA tool in conjunction with CDC, however, were unaware of the gender self-assessment tool created by the working group. Failure to incorporate the gender self-assessment tool diminishes the effectiveness of SAPPPA regarding gender issues, while using the ready-made elements established by the working group provide the mission

with insight into the way those issues are being addressed in various technical areas. As a result, we are making the following recommendation.

***Recommendation 8.*** *We recommend that USAID/Southern Africa, in coordination with the Centers for Disease Control and Prevention as necessary, utilize the self-assessment tool prepared by the Gender Technical Working Group as a guide to improve the capability of the South African PEPFAR Partner Performance Assessment tool.*

# EVALUATION OF MANAGEMENT COMMENTS

In its response to the draft audit report, USAID/Southern Africa agreed with 6 of 9 recommendations. Based on management's comments, we deleted Recommendation 2 in the draft audit report from the final audit report and renumbered Recommendations 3 through 9 accordingly. Those comments and the audit team's evaluation are summarized below.

Regarding Recommendation 1, the draft audit recommended that USAID/Southern Africa reconsider reprogramming sufficient funds to maintain the funding of the Project Concern International social mobilization program at its first-year level. The recommendation in the final report was amended based on consultations with Office of Inspector General headquarters. The mission responded to the draft recommendation by stating that it is seeking approval from the Office of the Global AIDS Coordinator to increase the program's FY 2011 budget by \$851,602. Although made in response to the draft recommendation, the mission's action meets the basic intent of the final recommendation while balancing the competing priorities of a complex and evolving HIV portfolio. Based on the mission's actions, the supporting documentation provided, and the role of the Office of the Global AIDS Coordinator in approving funding decisions, we consider that a management decision has been reached and final action taken on Recommendation 1.

Regarding Recommendation 2 (Recommendation 3 previously), the draft audit recommended that USAID/Southern Africa determine the allowability of \$22,745 in ineligible questioned costs arising from the Women's Justice Empowerment Initiative launch and recover any unallowable amounts. In response, the mission estimated that a management decision would be provided within 30-90 days of the final audit report. Consequently, a management decision has not yet been reached on Recommendation 2.

Regarding Recommendation 3 (Recommendation 4 previously), the draft audit recommended that the mission notify its acquisition staff of USAID requirements related to the Contract Review Board and establish a management control to ensure compliance. The mission agreed with the first part of the recommendation and stated that its acquisition staff has been reminded of Contract Review Board policies and procedures. Regarding the second part, the mission indicated that existing operational controls, including supervision, are sufficient. Given the isolated nature of this incidence of noncompliance and the specific circumstances surrounding it, we believe that the mission's actions and current supervision are sufficient to prevent future instances of noncompliance. Based on this analysis, the mission's comments, and the supporting documentation provided, a management decision has been reached and final action taken on Recommendation 3.

Regarding Recommendation 4 (Recommendation 5 previously), the draft audit recommended that the mission promote mutually beneficial collaboration between Project Concern International and EngenderHealth. The mission agreed with the

recommendation and indicated that its activity managers for these programs have already initiated steps to increase collaboration. Upon further inquiry, the mission stated that it intends to accomplish this via a meeting with all partners working in gender issues and particularly gender-based violence in order to discuss the U.S. Government's interagency gender strategy and improve coordination. The mission plans to hold this meeting within six to nine months from the date of its comments. Based on the mission's comments, a management decision has been reached on Recommendation 4.

Regarding Recommendation 5 (Recommendation 6 previously), the draft audit recommended that the mission assess the cost and benefits of hiring a full-time HIV/AIDS gender specialist and to hire such a specialist if determined to be beneficial and necessary funding is available. The mission agreed with the recommendation and stated that it expects to complete the assessment by November 1, 2010. The recommendation in the final report was revised based on consultations with Office of Inspector General headquarters. Although made in response to the draft recommendation, the mission's comments satisfy the intent of the final recommendation. Consequently, we consider that a management decision has been reached on Recommendation 5.

Regarding Recommendation 6 (Recommendation 7 previously), the draft audit recommended that the mission immediately correct noncompliance with branding requirements at the Tembisa and Kopanong Thuthuzela Care Centers as well as devise a branding and marking plan for all future centers to be established under the Women's Justice and Empowerment Initiative. The mission responded that the Tembisa and Kopanong Thuthuzela Care Centers are now outfitted with appropriate signage recognizing USAID support. Furthermore, the mission stated that the July 2010 modification to the Women's Justice and Empowerment Initiative contract clarifies that all Thuthuzela Care Centers shall be branded with the USAID logo. In our opinion, this language eliminates the ambiguity regarding this matter in the original contract and is responsive to the recommendation. Based on management's comments and the supporting documentation provided, a management decision has been reached and final action taken on Recommendation 6.

Regarding Recommendation 7 (Recommendation 8 previously), the draft audit recommended that the mission establish policies and procedures to ensure that gender-specific targets for HIV/AIDS indicators are set at the partner level, where appropriate, in the next planning cycle. The mission responded that it plans to require all implementing partners to set gender-specific targets for the 25 Technical Area Summary Targets where gender is relevant as well as for HIV sexual prevention indicators. The mission expects to finalize these targets by March 2011. Based on management's comments, a management decision has been reached on Recommendation 7.

Regarding Recommendation 8 (Recommendation 9 previously), the draft audit recommended that the mission coordinate with the Centers for Disease Control as necessary to utilize the self-assessment tool prepared by the Gender Technical Working Group as a guide in improving the South African PEPFAR Partner Performance Assessment (SAPPPA) tool. The mission responded that it will request that each interagency technical working group utilize the self-assessment tool in preparing upcoming work plans. While such utilization would be beneficial, the mission's response does not address using the self-assessment tool to improve the SAPPPA tool. As a result, a management decision has not been reached on this recommendation.

# SCOPE AND METHODOLOGY

## Scope

The Office of Inspector General conducted this audit in accordance with generally accepted government auditing standards.<sup>15</sup> Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective, which was to determine whether selected gender-related HIV/AIDS activities implemented by USAID/Southern Africa in South Africa were achieving their main goals. Audit fieldwork was conducted at USAID/Southern Africa from November 9, 2009, to February 10, 2010. The audit covered selected gender-related HIV/AIDS activities conducted by USAID/Southern Africa in its bilateral HIV/AIDS program during FY 2009 and through the conclusion of fieldwork.

The selection of those gender-related activities to be included in the scope of this audit was made by the audit team with input from USAID/Southern Africa officials. Activities were selected primarily based on their congruence with one or more of the five high-priority gender strategies specified by the U.S. Congress (page 5). In addition, ensuring a geographical balance among the activities selected was a basis for consideration.

In planning and performing the audit, the audit team made inquiries relating to the respondents' knowledge of actual or suspected fraud in the mission's gender-related HIV/AIDS activities. In conjunction with these inquiries, we also assessed the risk of illegal acts. Furthermore, we assessed management controls for ensuring compliance with applicable laws, regulations, and policies regarding those activities. Specifically, we reviewed the following:

- Reports required under the Federal Managers' Financial Integrity Act of 1982<sup>16</sup>
- Implementing partner contracts and agreements
- FY 2009 country operational plan
- Performance measures and results
- Trip reports prepared by mission officials and consultants
- South African PEPFAR Partner Performance Assessment modules
- Data quality assessments
- 2009 semiannual and annual progress reports.

As part of the audit planning process, we also attended the conference entitled "Strengthening Gender Programming in PEPFAR: Technical Exchange of Best Practices, Program Models and Resources." This conference was held in Johannesburg, South Africa, October 28-30, 2009. Further, we reviewed the 2002 Nelson Mandela/Human Sciences Research Council Study of HIV/AIDS, the 2005 South African National HIV Prevalence, HIV Incidence, Behavior and Communication Survey,

<sup>15</sup> *Government Auditing Standards*, July 2007 revision (GAO 07-731G).

<sup>16</sup> Public Law 97-255, as codified in 31 U.S.C. 1105, 1113 and 3512.

and the South African national HIV prevalence, incidence, behaviour and communication survey 2008: A turning tide among teenagers?.

We also conducted interviews and other inquiries with officials from USAID/Southern Africa, the U.S. Embassy in Pretoria, the Office of the Global AIDS Coordinator, the Gender Technical Working Group, the Office of Acquisition and Assistance in Washington, D.C., implementing partners, and program beneficiaries and participants.

## Methodology

To answer the audit objective, we first determined the main goals of the selected activities through interviews and reviews of contracts, agreements, and other documentation. Next, we determined the best measurements, whether quantitative or qualitative, for assessing whether those main goals were being achieved. Finally, we devised procedures for obtaining evidence consistent with those measurements and evaluated such evidence accordingly. Detailed methodology for the selected activities is given below.

**Project Concern International (PCI) Social Mobilization Program** – Given the early stage of this program and its focus on the 16 Days of Activism against Violence Against Women, we determined that a qualitative measure of achievement would be most appropriate. To this end, we judgmentally selected key milestones from PCI's subagreement with the Academy for Educational Development that we deemed necessary for the program to be on track to achieve its main goal. These key milestones included events such as the development of a communications strategy and the launch of the resulting campaign, analysis phase research, and sectoral expressions of commitment. We then reviewed documentation and observed various communications products. Audit fieldwork included visits to the Showstopper event in Durban (KwaZulu-Natal) and to the offices of PCI.

**EngenderHealth** – Given the established nature of this activity and the strong nexus between its indicators and main goals, we selected the fiscal year (FY) 2009 reported results for the number of individuals counseled and tested as well as the number of individuals trained in various activities. For the number of individuals counseled and tested, we randomly selected 40 counseling and testing events, such as mobile site visits, out of 147 total events during FY 2009. These 40 events reportedly involved 2,021 individuals out of 11,689 total. Testing included tracing worksheet totals to records of individuals tested (prepared by the nurses administering the test), which in turn were traced to consent forms that individuals were required to complete and sign before the test was administered. During our visit to the Kliptown section of Soweto (Gauteng Province), we observed the mobile voluntary counseling and testing service and those consent procedures in action. Errors noted during our sampling were projected to the population, yielding a result of 10,429 individuals with a +/-4-percent margin of error at a 90-percent confidence interval. Sample results were reviewed by the Office of Inspector General statistician. Since EngenderHealth officials reported that they did not reach their training targets, we concluded that the risk of an error in which the targets were actually reached was low for those indicators. Consequently, our testing of these indicators consisted of inquiries of EngenderHealth officials, confirming those results.

**Brothers for Life** – Because the activity was launched just before the start of the audit, we concluded that a qualitative assessment would be most appropriate. Therefore, we focused on whether the activity was successful in garnering political support and in implementing the initial stages of its mass media campaign. In answering the audit objective, we reviewed documentation, conducted interviews, and observed communications products.

**CARE Voluntary Savings and Loan** – We concluded that observation, inquiry, and review of documentation would be the most efficient means of answering the audit objective, given available audit resources. To this end, audit fieldwork included site visits to Mohlaba Cross and Tzaneen in Limpopo Province, where we interviewed seven members of a voluntary savings and loan group and visited CARE offices. We also reviewed documentation, such as an interim evaluation of the activity and records of 60 voluntary savings and loan groups.

**Women’s Justice and Empowerment Initiative** – We determined that FY 2009 indicator results would provide the best and most objective measure of program achievement. Since WJEI reported results of zero for FY 2009, we concluded that the risk of an error in which the targets were actually reached was low and decided to test all indicators through confirmation with contractor officials. We also conducted fieldwork at the Kopanong and Tembisa Thuthuzela Care Centers in Gauteng Province. Although these centers were established under the Local Governance Support Program, they are similar to those to be established under WJEI. In addition to interviews with contractor and mission officials, we spoke with nurses, reviewed trip reports, and examined contractual documents.

# MANAGEMENT COMMENTS



September 29, 2010

## MEMORANDUM

TO: Regional Inspector General/Pretoria, Christine Byrne

FROM: USAID/Southern Africa Mission Director (acting), Cathy Moore

SUBJECT: Audit of USAID/Southern Africa's Gender-Related HIV/AIDS Activities

REFERENCE: RIG Pretoria Draft Report No. 4-674-10-XXX-P dated 24 August 2010

Thank you for the opportunity to comment on the draft audit of USAID/Southern Africa's Gender-Related HIV/AIDS Activities. I want to express my sincere appreciation for the thoughtful approach to this audit. We particularly appreciated the audit team's effort to learn about gender norms and disparities in South Africa at the onset of the Audit, by participating in the PEPFAR Gender Conference, and by reviewing the HSRC report on the epidemic in South Africa.

Following are USAID/Southern Africa's management comments in response to the nine recommendations to strengthen USAID/Southern Africa's gender-related HIV/AIDS activities. Each response also includes a plan for corrective action. The instances where we disagree are also provided below with an explanation of the reasons.

***Recommendation 1.*** *We recommend that, given the initial success of Project Concern International's social mobilization program, USAID/Southern Africa reconsider reprogramming sufficient funds to, at a minimum, maintain the funding of the Project Concern International social mobilization program at its first-year level.*

We appreciate RIG's assessment of the success of PCI social mobilization program. As a result of its own review of the Health portfolio, USAID/Southern Africa is seeking approval from Office of the Global AIDS Coordinator (OGAC) to reprogram PEPFAR funding to increase PCI's FY 11 budget by \$851,602. In addition, it is anticipated that PCI will receive another \$200,000 in FY 11 from OGAC for the approved Gender Challenge proposal that PEPFAR/SA submitted. While this is not quite the original level, USAID/SA is confident that with these additional funds and increased coordination to enhance synergies among projects, PCI will reach its targets and the project will attain its intended outcomes. It is not possible for USAID to reprogram any additional funds at this time as we have already completed substantial reprogramming to support the scale up of urgent evidence-based prevention efforts including the initiation of high volume

medical male circumcision services in three provinces to respond to SAG requests and OGAC recommendations.

***Recommendation 2.*** We recommend that USAID/Southern Africa 1) assess the cost and benefits of providing funding for a portable CD4 testing machine to be used in EngenderHealth's mobile VCT operations and 2) provide such funding, if the perceived benefits exceed the cost.

USAID in South Africa supports the use of portable CD4 machines in an exploratory way to determine the cost-effectiveness of point of care testing in differing settings. We also support the use of TB point of care tests in the same way. The PIMA machine produced by Inverness has been accepted by the National Health Laboratory Service (NHLS) South Africa, for point of care mobile use. The PIMA machine is not yet approved by the FDA, so we are unable to procure them. Inverness has loaned a certain number to our partners with research capabilities. EngenderHealth is not one of the partners selected for the cost-effectiveness analyses. Point Care in Boston, does produce a point of care CD4 machine that is FDA approved, but the NHLS is not in favor of using that machine for our purposes. We will be unable to provide a CD4 mobile testing machine and reagents for EngenderHealth. We will share our point of care testing results with them when they are available. We suggest Recommendation 2 be modified or removed in the final audit report in consideration of this additional information.

***Recommendation 3.*** We recommend that USAID/Southern Africa determine the allowability of \$22,744.79 in ineligible questioned costs arising from the Women's Justice and Empowerment Initiative launch and recover from Research Triangle Institute, Inc., any amounts determined to be unallowable.

Thank you for noting the questioned costs. We estimate a management decision will follow within 30-90 days of the final audit report.

***Recommendation 4.*** We recommend that USAID/Southern Africa (1) notify its acquisition staff of USAID requirements related to the Contract Review Board and (2) establish a management control to help ensure that all prospective awards that meet the requirements for review by the Contract Review Board are submitted in a timely manner to the Board.

All RAO staff have been reminded of the policy and procedures concerning the Contract Review Board. In addition, covered actions have been reviewed and no further instances of non-compliance have been identified. We therefore believe existing operational controls including supervision are sufficient. During the 2011 FMFIA review process, we will again review files to re-confirm compliance.

***Recommendation 5.*** We recommend that USAID/Southern Africa identify and implement steps to promote mutually beneficial collaboration between Project Concern International and EngenderHealth.

USAID/SA welcomes this recommendation. USAID/SA has already initiated steps to increase collaboration between PCI and Brothers for Life. The activity managers for PCI and Engender Health have begun taking steps to promote mutually beneficial collaboration between Engender Health and PCI. Further, USAID/SA plans to organize a partners meeting in the next 6-9 months as a concrete step that will enhance the

collaboration among all the USAID supported partners working in the area of GBV.

**Recommendation 6.** *We recommend that USAID/Southern Africa 1) assess the cost and benefits of hiring a full-time HIV/AIDS gender specialist and 2) hire such a specialist if the perceived benefits exceed the cost and the necessary funding is available.*

Thank you for recommending that we assess the costs and benefits of hiring a full-time gender specialist. We will conduct this assessment while we draft the 2011 COP narrative and management and staffing database. The assessment will be completed by approximately November 1, 2010. If we determine that perceived benefits exceed the cost, are certain funding and space are available, and obtain the necessary approval to add a new position, the specialist may be hired in approximately November 2012 (since FY 2011 COP funding will not be available before then.) We suggest the final audit report modify the second part of the recommendation to include a decision to hire, in lieu of actually hiring the specialist, given the factors beyond cost-benefit analysis and the long lead time before such an encompassing recommendation could be closed.

**Recommendation 7.** *We recommend that USAID/Southern Africa (1) immediately correct the noncompliance with Local Governance Support Program contractual branding requirements found at the Tembisa and Kopanong Thuthuzela Care Centers, and (2) devise a branding and marking plan for all Thuthuzela Care Centers to be established under the Women's Justice and Empowerment Initiative that is both acceptable to the South African Government and in accordance with contractual branding requirements.*

This has been corrected. The WJEI contract (Section D.3) allows for different levels of branding visibility in cases where the audience needs to perceive South African Government (SAG) ownership of the program and in cases in which the audience would react negatively to USAID identity visibility. The SAG's interpretation of this clause, and subsequent meetings to discuss this, is what led to the delay in placing signs in Tembisa and Kopanong Thuthuzela Care Centers (TCCs). This has since been resolved and the appropriate signage (with the USAID logo) is in place at both the Tembisa and Kopanong TCCs. The July 2010 WJEI contract modification (Section C.IV, Task 1.6) further clarified that all project TCCs shall be branded with the USAID logo/identity.

**Recommendation 8.** *We recommend that USAID/Southern Africa establish policies and procedures to ensure that gender-specific targets for its HIV/AIDS indicators are set at the partner-level, where appropriate, in the next planning cycle.*

An initial set of interviews was conducted between the USAID/South Africa Health Office M&E Advisor and the Gender Audit team approximately one year ago. During these interviews the idea of incorporating gender into partner-specific targets was raised. It was agreed that the Health Office would disaggregate targets for selected FY 2011 COP indicators into males and females.

Currently the Health Office captures quarterly results from its implementing partners on a total of 87 indicators, spanning all HIV and AIDS (PEPFAR-related) program areas. Out of those indicators, the only ones in which results are not disaggregated by gender are Vertical Transmission (because results are specific to females), Male Circumcision, HIV-

TB, Lab Services, and Human Resources for Health. At the same time, the Health Office has a new Performance Management Plan (PMP) in which 12 Intermediate Results and 12 associated Sub-Intermediate Results are, where applicable, disaggregated by gender. (Note that approximately one half of the PMP indicators are also part of the 87 collected on a quarterly basis.)

Finally, a total of 25 “Technical Area Summary Targets” are required by OGAC for the FY 2011 COP cycle. Of those in which gender is relevant, all are disaggregated by gender except for indicators relating to HIV sexual prevention.

*Implementation*

The Health Office plans to require all implementing partners to set targets for the FY 2011 period of implementation according to the 25 Technical Area Summary Targets outlined above. In addition, the Health Office will require gender-specific targets to be set for those HIV sexual prevention indicators that currently have no gender disaggregation requirements issued from OGAC.

Target setting will be a twofold process for the FY2011 COP. First, the 25 “Technical Area Summary Targets” will be set at the USG level by technical teams. These will be sent to OGAC along with the full set of COP materials. Second, in October 2010 all implementing partners supported by the USAID/South Africa Health Office will receive a template via the USG Data Warehouse in which the 25 Technical Area Summary Targets are listed, with instructions to estimate targets for the 2011 programming period.

Activity Managers and the Strategic Information team will review the estimated targets with the goal of finalizing and documenting the targets by mid-November 2010. These partner-specific targets will be appropriately disaggregated by gender to ensure that gender is thoughtfully incorporated into project performance monitoring.

***Recommendation 9.*** *We recommend that USAID/Southern Africa, in coordination with the Centers for Disease Control and Prevention as necessary, utilize the self-assessment tool prepared by the Gender Technical Working Group as a guide to improve the capability of the South African PEPFAR Partner Performance Assessment tool.*

USAID will request that each interagency technical working group utilize the self-assessment tool as it prepares work plans for activities funded under the FY 2011 Country Operational Plan. We will assess and document the extent to which this tool improves the work plans and, based on that assessment, determine whether we will continue to use the tool in future years.

Thank you for the opportunity to comment.

Sincerely yours,

Cathy Moore /s/  
Mission Director (acting)

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