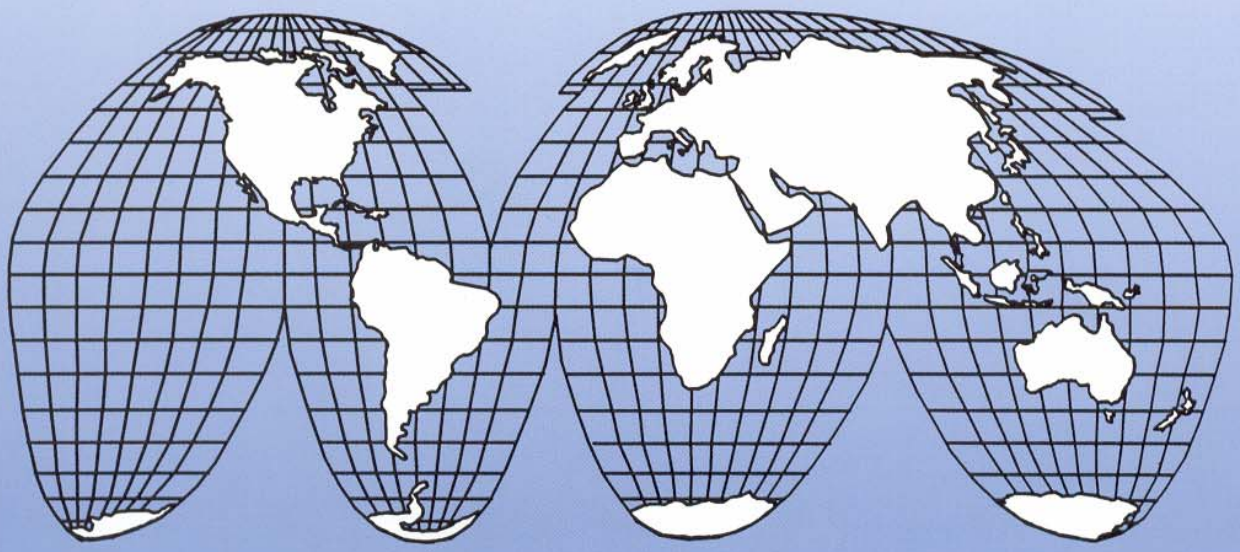
USAID

OFFICE OF INSPECTOR GENERAL

Audit of USAID/Senegal's Casamance Conflict Resolution Program

7-685-03-003-P

May 30, 2003



Dakar, Senegal

May 30, 2003

MEMORANDUM

FOR: Patrick Fine, Acting Director, USAID/Senegal

FROM: Lee Jewell III, RIG/Dakar /s/

SUBJECT: Audit of USAID/Senegal's Casamance Conflict Resolution Program (Report No. 7-685-03-003-P)

This memorandum is our final report on the subject audit. In finalizing this report, we considered management's comments on our draft report and included them in Appendix II.

This report contains three recommendations. Based on appropriate action taken by the Mission, management decisions have been reached, and all recommendations are considered closed upon issuance of this report. No further action is required of the Mission.

I appreciate the cooperation and courtesies extended to my staff during the audit.

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Summary of Results

The Casamance Conflict Resolution Program, USAID/Senegal Special Objective 02, seeks to improve conditions for peace and reconciliation in the Casamance region via economic, social and political development. A major constraint affecting development in the Casamance region is its nineteen-year armed separatist struggle that has lead to a sharp decline in the economic and social well being of the population. Progress towards a resolution to the conflict in the Casamance remains an ongoing process. Non-governmental organizations (NGO) continue to play key roles in peace building activities and have stimulated public pressure to resolve the conflict. USAID is working with its implementing partners to identify safe but effective ways to expand activities in the region. (See page 6.)

The objective of this audit was to determine if USAID/Senegal's Casamance Conflict Resolution Program is achieving its planned objectives. (See page 7.)

In general, the Casamance Conflict Resolution Program is achieving its intended objectives. The program has reported results of meeting or exceeding targets for 11 out of 14 intermediate and key intermediate results. Even though documentary support for these indicators at the NGO level may not be sufficient, based on what was observed during audit site visits and meetings with partners, it was determined that progress is being made in achieving the objectives. Thorough monitoring of the program takes place with both the Special Objective Coordinator and the Casamance Liaison extremely active in site visits and meeting with the implementing partners. During numerous site visits performed by the auditors, testimony was heard from beneficiaries regarding the positive impact of the activities. In addition, several cultural weekends have taken place that have brought all factions involved in the conflict together including the military, rebel forces, and government officials. (See pages 7 and 8.)

However, several issues were noted that need to be addressed by the Mission. Documentation at the partner level of results reported was not sufficient for some of the selected indicators. We recommend that the Mission periodically check that the supporting information is accurate and complete. (See pages 9 through 11.)

Another issue noted was lack of clarity for two indicators. We recommend that the Mission clarify the indicators in question. (See pages 11 and 12.)

A third issue noted was that the reporting of incorrect information in the Mission's annual performance report. We recommend that the Mission develop procedures to ensure the accuracy of data included in the annual report. (See pages 12 and 13.)

Background

The Casamance Conflict Resolution Program, USAID/Senegal Special Objective 02, formerly Casamance Recovery Development Program, seeks to improve conditions for peace and reconciliation in the Casamance region via economic, social and political development. There are three key intermediate results envisioned in the program, namely 1) improved standards of living for the affected population, 2) increased self-reliance for local development actors, and 3) improved conditions for local level conflict resolution. The program is based on a multisectoral approach which emphasizes 1) income generation including micro finance and training, 2) promotion of cash crops, 3) capacity building for local non-governmental organizations, 4) peace and reconciliation efforts, and 5) infrastructure and rehabilitation. USAID/Senegal's 2002 Annual Report showed that the program has had important effects in the region and the Mission met its performance targets.

The Casamance region is an important focus area for the economic development of Senegal due in part to its rich tropical environment. The region is centrally located to facilitate trade with neighboring countries and has some of the largest traditional markets in Senegal. At one time, Casamance was also well known as a major tourist destination in Senegal. Currently, a major constraint affecting development in the Casamance region is its nineteen-year armed separatist struggle that has lead to a sharp decline in the economic and social well being of the population. Fighting between the Government of Senegal soldiers and rebels for the Movement of Democratic Forces for the Casamance has adversely affected the potential of the Casamance to contribute fully to the economy of Senegal. It is estimated that the conflict has cut agricultural production by 50 percent. The tourism industry has been devastated by the conflict with many of its 16,000 employees being dismissed as a result of the continuing struggle. In addition, it is estimated that thousands of refugees have fled Casamance to neighboring countries such as Guinea-Bissau and The Gambia.

Progress towards a resolution to the conflict in the Casamance remains an ongoing process. Non-governmental organizations continue to play key roles in peace building activities and have stimulated public pressure to resolve the conflict. Nevertheless, armed attacks are frequent in some parts of the Casamance and make it difficult for USAID staff to monitor activities outside the city of Ziguinchor. USAID is working with its implementing partners in various program areas to identify safe but effective ways to expand activities in the region.

Per USAID records, funding for the program totals $9.6 million since 1999. The audit focused on information and data from fiscal years 2001 and 2002.

Audit Objective

In accordance with its fiscal year 2003 Audit Plan, The Regional Inspector General, Dakar (RIG/Dakar) performed this audit to answer the following objective:

Is USAID/Senegal's Casamance Conflict Resolution Program achieving its planned objectives?

Appendix I contains a complete discussion of the scope and methodology of the audit.

Audit Findings

Is USAID/Senegal's Casamance Conflict Resolution Program achieving its planned objectives?

In general, the Casamance Conflict Resolution Program is achieving its intended objectives. USAID/Senegal has reported meeting or exceeding targets for 11 out of 14 intermediate results and key intermediate results. Even though documentary support of these indicators at the nongovernmental organization (NGO) level may not be sufficient, based on observations during audit site visits and meetings with partners, progress is being made in achieving the objectives. Thorough monitoring of the program was taking place with both the Special Objective (SPO) Coordinator[1] and the Casamance Liaison[2] extremely active in site visits and meeting with the implementing partners. During audit site visits, many partners mentioned that without USAID support, there would not be any programs in the Casamance.

Photograph of a woman, who received training by Africare, tending a vegetable garden in the Bignona area. (Photograph taken February 6, 2003)

[1] The SPO Coordinator is responsible for the overall management and coordination of the SPO. The Coordinator is based in Dakar but travels often to the Casamance.
[2] The Casamance Liaison assists the SPO Coordinator through a regional office in Ziguinchor.

Two key intermediate results "improved standards of living for the affected population," and "increased self-reliance for local development actors," are both being achieved through numerous activities. The first key intermediate result is being measured through projects that increase the standard of living for areas affected by the war that has been occurring in the region. During site visits to rehabilitation projects, it was observed that entire villages were working to reconstruct housing that had been previously destroyed. Testimony from villagers during a visit to Kandialang/Medina Mancagne villages thanked USAID and Catholic Relief Services (CRS) for the rehabilitation of the villages. In addition, testimony was also heard from women involved in a village bank. These women commented that because of the USAID's support, they have an opportunity to better their lives and the lives of their families. The second key intermediate result is being achieved through projects that are giving the local people an opportunity to become more self-reliant. For example, one project teaches local villagers how to process cashews into a ready-to-eat form, which can be sold at a higher price than raw cashews.

Photograph of a home being reconstructed with the help of Catholic Relief Services and USAID/Senegal in the Madina Mancagne village. (Photo taken February 5, 2003)

The third key intermediate result, "improving conditions for local level conflict reduction," is being met through meetings and cultural weekends. This intermediate result is aimed at decreasing the conflict that is occurring in the region. At a meeting convened to discuss the situation in the Casamance, community leaders expressed a willingness to accept past aggressors back into the community. In addition, cultural weekends have taken place with representatives from the groups involved in the conflict participating in activities together. These activities include dancing, sporting events, and discussion groups. These events mark a milestone in the region; not long ago, these events would not have been possible.

Other encouraging factors of the program include the synergy that was already occurring between various implementing partners. For example, one

implementing partner is teaching local artisans how to manufacture water pumps that are being used in another implementing partner's project. In addition, because of the close relationship between the various implementing partners, two partners originally not scheduled for meetings with the auditors specifically requested that the auditors review their field operations and controls.

While the above actions and results show that progress is being made toward the objectives, several issues were noted that need to be addressed by the Mission. Implementing partners were unable to provide supporting documentation for some of the selected performance indicators. In addition, two of the indicators used for reporting results to the Mission were found to be unclear. Finally, the annual report contained inaccurate information due to a lack of verification at the strategic objective (SO) and special objective levels.

Indicators Should Be Supported
With Appropriate Documentation

USAID guidance stresses the importance of high quality, accurate and reliable results reporting information in order to properly measure results. The implementing partners did not have sufficient documentation to substantiate results reported to USAID/Senegal. This lack of supporting documentation was caused by the lack of understanding by the implementing partners as to what support was needed as well as a lack of periodic checks on the part of the Mission. The effect of this is that the Mission is subject to receiving possible inaccurate, unsupported information that could be used in making decisions.

USAID guidance stresses the importance of high quality, accurate and reliable results reporting information in order to properly measure results. According to the Automated Directives System (ADS) 203.3.5.1, data quality standards include validity, integrity, precision, reliability, and timeliness. Valid data should clearly and adequately represent the intended result. Data should also be reliable in the fact that it should reflect stable and consistent data collection processes and analysis methods over time. Performance Monitoring and Evaluation TIPS guidance No. 12 states that proper documentation is especially important in an organization such as USAID where there is turnover in operating units and objective teams. Documentation ensures the availability of information critical to the analysis of performance data. Documentation also allows staff to explain their procedures to those who are seeking assurance that quality standards are being maintained in the collection and reporting of performance data.

In addition, the U.S. General Accounting Office's (GAO) Standards for Internal Control in the Federal Government state that all transactions and significant events need to be clearly documented, and that the documentation should be readily available for examination.

During visits to four implementing partners, documentation supporting the results reported to USAID/Senegal was either insufficient or non-existent for some of the selected indicators. For example:

World Education - World Education reported results on the selected indicator, "cultural weekends in 100 communities," using information provided by a local partner. However this information could not be reconciled with World Education's own attendance data, which had participants give their name, village, function, and signature.

Enterprise Works - Enterprise Works provided self-created spreadsheets to support the results reported to the Mission for two selected indicators: "kilos of raw cashews processed per year using improved techniques" and "minimum number of users of low-cost, efficient treadle and hand pumps for irrigated horticulture." However, they could not provide any original documentation to support the figures in the spreadsheets. Enterprise Works management stated that they performed monthly visits to acquire the data for the spreadsheets but that the original documentation was maintained by the artisans.

Africare - Africare was able to provide sufficient documentation for the selected indicator "number of economic interest groups undertaking one new income generation activity." However, for another selected indicator, "improved water management on agricultural lands through the construction of secondary water management structures," Africare could not provide calculations or other data to support the numbers reported to USAID regarding the number of hectares positively improved. For the third selected indicator, "number of persons benefiting from a commercial loan," Africare provided documentation they believed supported their figures. However, in verifying the data, the documentation could not be reconciled with the reported figures, and Africare was unable to recreate the calculations used for their report.

CRS - CRS could not provide support for the data reported in their spreadsheet for the first selected indicator, "number of jobs created." Furthermore, the spreadsheet was mathematically incorrect. A miscalculation was found in the reporting of the second selected indicator chosen, "number of hectares under sesame cultivation," which was reported to the Mission. For the third indicator, "number of infrastructures rehabilitated," CRS did not have supporting documentation for the reported September 2002 result.

The lack of documentation was caused by a lack of understanding on the part of the implementing partners as to what support is needed. Additionally, even though the Mission has in place procedures for periodically checking data, these procedures were not fully implemented; a lack of periodic checks of the data also contributed to the problem.

By not having proper supporting documentation, decisions may be made with possibly inaccurate information. The data being reported to USAID/Senegal could either be under- or overreported, which is then passed on to USAID/Washington in the annual report. The following recommendation is made to address the lack of supporting documentation.

> **Recommendation No. 1: We recommend that USAID/Senegal fully implement existing procedures requiring periodic checks of implementing partners to determine that they are maintaining appropriate and sufficient documentation to support indicator results.**

Two Indicators Need to be Clarified

ADS Chapter 203.3.4.2 states that performance indicators must be direct, objective, unambiguous, and adequate. However, in two instances, performance indicators established for USAID/Senegal's Casamance Conflict Resolution Program did not satisfy those criteria; they were ambiguous and subject to varying interpretations. This situation arose because management was not aware of the varying interpretations possible. As a result, those indicators may not be providing the intended information to the Mission.

Per ADS 203.3.4.2, performance indicators should be direct, objective, useful for management, practical, attributable to USAID efforts, timely, and adequate. With regards to indicators being direct, the performance indicators should closely track the results they are intended to measure. In being objective, the indicator should be unambiguous about what is being measured.

During discussions with two of the implementing partners, questions were raised regarding two indicators. The two instances are described below.

- The indicator for the number of communities participating in cultural weekends by World Education was subject to different interpretations. World Education management used the word "community" interchangeably with the word "village" both during the meeting as well as in literature regarding cultural weekends. The listing from a local partner organization stated the list of "villages" that participated in cultural weekends. However, the list was composed of "groups" that have a chief. For example, the village Cagnoute was counted twice among the villages participating in the weekend. Per explanation from World Education management, the village is divided into two sectors with two different leaders. As such, the village was on the list twice as people attended from each sector.

- The second instance came about when Enterprise Works asked for clarification regarding one of their indicators. Enterprise Works management was unclear on how the number of individuals active in cashew processing using improved techniques should be calculated given the changes in employees based on the work load during the time period.

The lack of clarity in the indicators was caused by misinterpretations from each of the parties involved. USAID management did not realize the indicators were subject to different interpretations.

By having unclear indicators, the results being reported may not reflect the intended information. The recommendation below addresses the issue with the two indicators.

> **Recommendation No. 2: We recommend that USAID/Senegal clarify how indicators for the Casamance Conflict Resolution Program be measured.**

Information Included in the Annual Report
Needs to be Reviewed and Verified for Accuracy

USAID's guidance stresses the importance of high quality, accurate, and reliable results reporting information in order to properly measure results. However, inaccurate information was included in the 2003 Annual Report, caused by a lack of review and verification of information reported to the program office by the SPO Coordinator. The effect is that USAID/Washington did not have accurate information regarding program results.

USAID's ADS and Performance Monitoring and Evaluation TIPS guidance stresses the importance of high quality, accurate, and reliable results reporting information in order to properly measure results. *FY 2003 Annual Report Guidance* gives specific instructions regarding data quality that is used to determine if objectives have been met. Per ADS 203.3.8.1, the annual report is the Agency's principal tool for assessing program performance on an annual basis and communicating the information to higher management levels. In addition, GAO's Standards for Internal Controls in the Federal Government state that all transactions and significant events need to be clearly documented, and that the documentation should be readily available for examination.

Supporting document provided by the SPO Coordinator was reviewed for two indicators included in the annual report: "number of jobs created" and "hectares of land in use due to SPO funding." There were miscalculations in the SPO Coordinator's spreadsheets supporting the number of jobs created that was submitted to the program office. In fiscal year 2001, the number was underreported, and in fiscal year 2002, the result was overreported by about one-

third. This overreporting was included in the 2003 Annual Report. In addition, according to the SPO Coordinator, information published in the annual report regarding the number of hectares positively affected by dike construction was later determined to be inaccurate; SPO funding was used to construct dikes in order to improve the usability of the land.

Inaccurate information reported to the program office by the SPO Coordinator was included in the annual report due to a lack of review and verification of the information. Per discussion with management, this lack of review was due to time constraints in the reporting process.

The effect of inaccurate information being included in the annual report is that USAID/Washington does not have correct information regarding the results of the program. To address the problem, the following recommendation is made.

Recommendation No. 3: We recommend that USAID/Senegal develop and implement procedures to verify data included in the annual report.

Management Comments and Our Evaluation

In response to the draft report, USAID/Senegal agreed with all of the findings and recommendations in the draft audit report. Based on appropriate action taken by the Mission, all recommendations are considered closed upon the issuance of the final report. The attachments to management comments are not attached in this audit report.

Recommendation No. 1 recommends that the Mission fully implement existing procedures requiring periodic checks of implementing partners to determine that they are maintaining appropriate and sufficient documentation to support indicator results. The Mission concurred with this recommendation and has taken steps to address it which include planning a workshop in mid-June for all implementing partners to clarify the type of supporting documentation that is required to be kept. In addition, the Mission has set up a monitoring schedule with a minimum of one data quality and collection check per quarter for each partner.

Recommendation No. 2 states that the Mission needs to clarify indicator measurements for the program. Both indicators noted in the report have been clarified with the appropriate implementing partner. In addition, the Special Objective Coordinator has sent a letter to all partners stressing the importance of data quality and support documentation. Any questions regarding indicators will be discussed during the mid-June meeting with all partners.

Recommendation No. 3 recommends that the Mission develop and implement procedures to verify data included in the annual report. To address this recommendation, the Mission issued a Mission Order on Monitoring and Reporting Program Performance. Procedures have been created requiring the Monitoring and Evaluation Specialist to assure that data reported in the Annual Report meets the quality standards including validity, reliability, timeliness, precision/accuracy, integrity, completeness, and consistency.

Scope and Methodology

Scope

The Regional Inspector General, Dakar conducted this audit in accordance with generally accepted government auditing standards. The purpose of the audit was to determine if USAID/Senegal's Casamance Conflict Resolution Program is achieving its planned objectives. The audit was conducted at USAID/Senegal in Dakar from January 17 to February 21, 2003. Site visits were performed in the Casamance region of Senegal from February 4 to 11, 2003 with visits to four implementing partners for testing: World Education, Enterprise Works, Africare, and Catholic Relief Services.

Total program funding is equal to $9.6 million since 1999. The audit focused on information from fiscal years 2001 and 2002.

The audit scope primarily included identifying performance indicators used by USAID/Senegal to assess whether the Casamance Conflict Resolution Program is achieving its intended objectives. The audit included reviewing the Mission's achievement of its reported results and assessing the data quality of the performance data for fiscal years 2001 and 2002. We assessed management controls governing the management of the program using USAID guidance including the Automated Directives System, mission reports, and other internal policies and procedures. In addition, the scope of this audit included a limited review of the internal control structure associated with the management of activities by implementing partners.

Methodology

While conducting fieldwork, we performed limited tests of compliance with USAID procedures with regard to results reporting both at the Mission level as well as at the implementing partner level. At the implementing partner level, we selected four partners and performed testing of the results reported to the Mission. We then examined at the Mission level the roll-up of these results into a consolidated result that was reported to the Program Office. These controls and our review included examining supporting documentation to determine the accuracy of the results reported. In addition, we reviewed the general controls over the monitoring of the activities both by the implementing partners and by the Mission staff.

In assessing data quality and verifying and validating the performance data to source documentation, we used a threshold of one percent for transcription accuracy and five percent for computation accuracy.

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Management Comments:

U.S.A.I.D. / SENEGAL

DATE: April 29, 2003

TO: Lee Jewell, III RIG/Dakar

FROM: Donald Clark, Director, USAID Senegal /s/

SUBJECT: Response to Draft Memo on USAID Audit results and Recommendations

The purpose of this memo is to reply to the draft report on the Audit of USAID/Senegal's Casamance Conflict Resolution Program (Report No.7 -685-03-00X-P).

Prior to responding to RIG's findings, USAID has two general comments on the draft:

1) **Funding level, GOS contribution**. The current funding level is $9,567,036, not $10 million. (as stated on page 4). The Government of Senegal does not contribute to the Casamance Conflict Resolution Program. A waiver was signed on this subject, copy attached.

2) **Word use.** Under Audit Findings, page 7 second paragraph, RIG states that "the annual report contained inaccurate information due to a lack of review at the strategic objective (SO) and special Objective Levels. This is an inaccurate statement. The data for the annual report were reviewed both by the Program office and the Monitoring and Evaluation specialist, as is the case for all USAID SOs and SPOs. The error occurred due to a mistake in a formula on a spreadsheet. USAID recommends that "lack of verification" replace "lack of review". This better conveys the nature of the error which occurred.

RIG Finding 1: Lack of Documentation

Condition: During visits to four implementing partners, we noted that documentation supporting the results reported to USAID/Senegal was either insufficient or non-existent.

Cause: The lack of documentation seemed to be caused by a lack of understanding on the part of the implementing partners as to what support is needed.

Effect: By not having proper documentation, the data being reported to USAID/Senegal could either be under or over reported, which is then passed on to USAID/Washington in the annual report.

RIG Recommendation: That USAID/Senegal fully implement existing procedures requiring periodic checks of implementing partners to determine that they are maintaining appropriate and sufficient documentation to support indicator results.

USAID Response to Recommendation No 1: The SPO has repeatedly raised the issue of data quality with partners:

1. On May 16, 2001, the SPO held an M&E workshop in Ziguinchor attended by representatives from Africare, Dyna Enterprise, Handicap International, Catholic Relief services (CRS), APRAN, UNICEF, and ASACASE. It is worth noting that Enterprise Works (EW) and World Education (WE) were not represented because at that time they did not have cooperative agreements with the SPO. The data verification was specifically underscored through topics such as (a) double counting; (b) methodology consistency; (c) data completeness; and (d) documentation of procedures for data collection, processing and storage.

2. From January 2-5 2002, Monitoring and Evaluation Specialist was in Ziguinchor to carry out spot checking on quarterly reports from implementing partners. The SPO assistant and M &E specialist visited CRS, Africare and Enterprise Works. The purpose of the trip was to assess a) existence of procedures for data collection b) data record keeping c) data storage d) ease of data availability; e) existence of data collection tools and f) data transcription process. Also verified were calculation of numbers reported as totals and the accuracy of the data in quarterly reports. At the time of the mission, recommendations were made to partners for improvements in their data collection/verification systems. It is worth noting that implementing partners like CRS indicated this visit on page 3 of their January-March 2002 quarterly report. CRS responded to the recommendations made to improve their information system in the following terms "While CRS does not expect to develop an M&E manual specifically for the Casamance project such documentation does in fact exist. The sub-office in Ziguinchor, however, does not currently use this CRS management tool."

Furthermore, CRS Ziguinchor staff were not willing to write memoranda or reports after every contact with sub-grantees, but preferred to develop checklists of indicators to help us monitor sub-grants and to use these to formulate both feedback to sub-grantees and progress reports to CRS and USAID."

3. The February 19-22, 2003 trip to assist World Education in improving their monitoring system was a means to educate peace building partners in M&E. In peace building context, we believe that the topic is extremely sensitive and it would be difficult for World Education to require that all attendees at a cultural weekend sign an attendance list. In this respect, we will urge World Education to write reports that account for attendees included in the list as well as those estimated. For the estimates the report will clearly disclose the data limitations.

4. To summarize, USAID is committed to implementing existing M&E procedures requiring periodic checks of implementing partners as demonstrated by the examples given above. The M&E specialist has done two spot-checks within a two-year

timeframe. This periodicity seems to be consistent with ADS requirements of "at least one assessment within a three-year span of time".

To resolve this finding, USAID has taken the following management actions:

1) Planned a workshop in mid-June with all implementing partners. USAID will clarify again to what kind of support documentation is required to meet USAID requirements. Partners will be advised to keep separate monitoring files/support documentation for each indicator.

2) Adherence of implementing partners to correct data collection procedures will henceforth be routinely monitored, with a minimum of one data quality and collection check per quarter for each partner. These visits will primarily be carried out by the Casamance Special Objective Liaison, but the Casamance Special Objective Coordinator and the Monitoring and Evaluation Specialist will participate when they are in the Casamance.

Support documentation: workshop handouts, trip reports, team memo on data verification (copy attached), letter to implementing partners on data requirements (copy attached).

RIG Finding 2: Two Indicators are Not Clear

Condition: During discussions with two of the implementing partners, questions were raised regarding two indicators. These were: the indicator for the number of villages participating in cultural weekends by World Education was subject to different interpretations. The listing from AJAEDO is composed of "communities" that have a chief. For example, the village Caghoute is listed twice. Per explanation from World Education management, the village is divided into two sectors with two different leaders. In addition, Enterprise Works asked for clarification regarding one of their indicators. Management was unclear on how the number of individuals active in cashew processing using improved techniques should be calculated given the changes in employees based on the work load.

Cause: The lack of clarity in the indicators was caused by misinterpretations from each of the parties involved. Management at Enterprise Works stated that they felt the indicator could be interpreted in several ways. With World Education, management had a different interpretation from the auditors.

Effect: By having unclear indicators, the results being reported may not reflect the intended information from the Mission.

Recommendation: RIG recommends that USAID/Senegal clarify how indicators for the Casamance Conflict Resolution program be measured.

To resolve this finding, USAID has taken the following management actions:

1) World Education responded to RIG concerns about data quality in a letter dated March 25, 2003. World Education states that additional back-up documents have been obtained to support their figures on attendance at cultural weekends. The SPO accepts the World Education definition of communities as groups identifying with one leader – in

accordance with local traditions. If, as in the case of Caghoute, there are two leaders in a village, the name will be Caghoute 1 and Caghoute 2, and this will be noted in the data collection.

2) The indicator on employment creation has been modified to take into account seasonal changes. The SPO decided that if a workshop employs 10 people during the full season and only 5 during the off season, the larger number will be recorded. The reason for this is that the employment generation indicator measures both temporary and permanent employment. In this case, 5 employees could accurately be reported as full time, and the 5 extra during the high season would be temporary. We have shared this redefinition with Enterprise works so that all partners use the same interpretation of the indicator.

3) The SPO has sent a letter (attached) to partners stressing the importance of data quality and support documentation, and has asked all partners to send specific questions to USAID, to ensure that during the mid-June meeting of partners, all indicators will be clarified and agreed upon.

Support documentation: World Education letter (copy attached), letter to partners clarifying definitions of indicator calculations/data quality requirements and announcement of mid June M and E workshop/meeting (attached).

RIG Finding 3: Inaccurate Information in Annual Report

Condition: RIG reviewed supporting document provided by the SPO Coordinator for two indicators included in the annual report (number of jobs created and number of hectares improved). We found that there were miscalculations in the spreadsheets supporting the number of jobs created. In FY 2001, the number was under-reported, and in FY 2002, the result was over-reported by about one-third. This over-reporting was included in the 2003 Annual Report.

In addition, the SPO Coordinator informed us that information published in the annual report regarding the number of hectares positively affected by dike construction was later determined to be inaccurate.

Cause: Inaccurate information was included in the annual report due to a lack of review of the information reported by SO and SPO team leaders. Per discussion with management, this lack of review was due to time considerations in the reporting process.

Effect: The effect of inaccurate information being included in the annual report is that USAID/Washington is receiving incorrect information.

Recommendation: That USAID/Senegal develop and implement procedures to verify data included in the annual report.

To resolve this finding, USAID has taken the following management actions:

1) A Mission Order on Monitoring and Reporting Program Performance (number IX.1.2 dated April 2, 2003) has become effective since the Audit. The concerns raised by RIG are addressed in the paragraph on Performance Data, which reads as follows: "The

Monitoring and Evaluation Specialist is also responsible for assuring that data reported in the Annual Report meets quality standards such as validity, reliability, timeliness, precision/accuracy, integrity, completeness, and consistency. To this end s/he may a) review reports from implementing partners or secondary sources; b) conduct site visits; c) supervise field surveys; d) cross check with other data sources/users; and e) verify data in annual Report narratives. The goal is to ensure that SO/SPO team is aware of data strengths and weaknesses, and to the extent which it can be trusted when making management decisions."

Support documentation: Mission order IX.1.2: USAID/Dakar Framework for Monitoring Performance

Summary of attachments:

- Memo waiving Government of Senegal Contribution
- Team Memo on data collection
- Letter to partners on Data quality and announcing June meeting
- World Education letter on back up documentation for indicators
- Mission order IX.1.2: USAID/Dakar Framework for Monitoring Performance