OFFICE OF INSPECTOR GENERAL

FOLLOW-UP AUDIT OF USAID/GUYANA'S PROGRESS IN IMPLEMENTING THE PRESIDENT'S EMERGENCY PLAN FOR AIDS RELIEF

AUDIT REPORT NO. 1-504-10-003-P
DECEMBER 29, 2009

SAN SALVADOR, EL SALVADOR

Office of Inspector General

December 29, 2009

MEMORANDUM

TO: USAID/Guyana Director, Carol J. Horning

FROM: Acting RIG/San Salvador, Ismail Kenessy /s/

SUBJECT: Follow-Up Audit of USAID/Guyana's Progress in Implementing the President's Emergency Plan for AIDS Relief (Audit Report No. 1-504-10-003-P)

This memorandum transmits our final report on the subject audit and six recommendations. We have considered management's comments on the draft report and have incorporated them into the final report, as appropriate. Mission comments have been included in their entirety (without attachment) in appendix II.

On the basis of your management comments and other information you submitted, we consider that final action has been taken on all recommendations except recommendation 4. We ask that you provide us with written notice within 30 days regarding any additional information related to actions planned or taken to implement this recommendation.

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

On May 27, 2003, President George W. Bush signed the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003,[1] the initial legislative authorization for the President's Emergency Plan for AIDS Relief (PEPFAR). The legislation originally provided $15 billion over 5 years to carry out this act. Of this amount, the President requested that Congress commit $10 billion to turn the tide against AIDS in the most afflicted nations of Africa and the Caribbean. In Guyana, the PEPFAR 5-year goals through fiscal year (FY) 2008 were to prevent 14,000 HIV infections, provide palliative care and support services to 9,000 persons infected or affected by HIV/AIDS, and provide treatment to 1,800 HIV-infected people. USAID received $14.5 million of the $23.8 million in funding provided by the Guyana HIV/AIDS program in FY 2008, and $11.4 million of the $20.5 million in funding in FY 2009 (see page 3). USAID/Guyana-funded HIV/AIDS activities have been implemented through contracts with the following three organizations (see page 4):

- Family Health International (FHI), a contract ending in FY 2009, for a total cost of $23.5 million

- Management Sciences for Health, a contract from April 2009 through December 2012, for an estimated total cost of $8.9 million

- Community Support and Development Services, Inc., a contract from May 2007 through September 2009, for an estimated total cost of $6.7 million

The Regional Inspector General/San Salvador conducted this audit to determine whether USAID/Guyana's HIV/AIDS Program has achieved its main goals and whether the actions taken by USAID/Guyana in response to the recommendations in Audit Report No. 1-504-06-005-P were effective (see page 4).

USAID/Guyana's HIV/AIDS activities partially achieved their goals for FY 2008. Specifically, USAID/Guyana substantially met or exceeded its performance targets for the number of individuals who received services for prevention of mother-to-child transmission of HIV, orphans and vulnerable children served, and individuals provided with HIV-related palliative care. However, we could not determine whether goals were achieved for voluntary counseling, testing services, or outreach programs because reported results for three of six goals tested were not supported with adequate documentation or were not always accurate (see page 5).

With respect to the second audit objective, USAID/Guyana's actions were effective in response to five of the nine recommendations in Audit Report No. 1-504-06-005-P and partially effective in response to the other four. This report includes additional recommendations to improve USAID/Guyana's response to the previous audit findings (see page 14).

[1] Public Law 108–25, 117 Stat. 711 (codified as amended in scattered sections of 22 U.S.C.).

The audit disclosed that (1) three of the six planned targets in USAID/Guyana's 2008 country operational plan were inconsistent with the aggregate subgrantee targets (see page 7), (2) USAID/Guyana needs to take additional steps to improve the quality of data from its recipients, subrecipients, and the Guyanese Ministry of Health (see page 8), (3) there were allegations of sexual misconduct between a member of a subgrantee's board of directors and minor children participating in an orphan and vulnerable children program (see page 11), and (4) although the mission has made progress in implementing an exit strategy to promote sustainability with partner countries, USAID/Guyana could take additional steps to foster sustainability, such as requiring implementing partners to provide cost-sharing contributions or other forms of leveraging (see page 12).

This report recommends that USAID/Guyana

- *Require its contractors to develop and implement written procedures for subgrantees' work plans that include approved targets tied to the overall USAID/Guyana President's Emergency Plan for AIDS Relief targets* (see page 8).

- *Require its contractors to develop and implement a written plan that provides monitoring procedures for subgrantees and confirms that results are accurate and supported by source documentation* (see page 11).

- *Provide and document training and administrative guidance to help the Ministry of Health prepare support documentation, including the submission of accurate, well-documented results, and report any limitations on data quality when reporting results from the ministry* (see page 11).

- *Provide training to its subgrantees regarding the appropriate methodology to use to calculate and report their results for outreach activities to avoid double-counting and request written reclarification from the Office of the U.S. Global AIDS Coordinator regarding the use of mass-media efforts for outreach results reporting* (see page 11).

- *Require its institutional contractor, Community Support and Development Services, Inc., to establish and document a standard code of conduct for all subgrantees with orphans and vulnerable children activities, outlining appropriate and inappropriate conduct in dealing with children in the program* (see page 12).

- *In the fiscal year 2010 agreements, include provisions and minimum requirements for cost share contributions (see page 14).*

USAID/Guyana concurred with five of the six draft recommendations and took final action in response to these five recommendations. A sixth recommendation—regarding additional training to improve the calculation of outreach efforts—was revised in response to mission comments, and a management decision is pending (see page 18).

BACKGROUND

During his State of the Union Address in January 2003, President George W. Bush announced the President's Emergency Plan for AIDS Relief (PEPFAR), which made a 5-year, $15 billion commitment to the fight against HIV/AIDS. Of this amount, $10 billion is destined for 15 focus countries, including Guyana. The money supports (1) treatment for HIV-infected people, (2) prevention of new HIV infections, and (3) care for people infected with and affected by HIV/AIDS. On July 30, 2008, the President signed legislation[2] authorizing up to $48 billion over the next 5 years to combat global HIV/AIDS, tuberculosis, and malaria.

Guyana has a population of approximately 772,000 people, of whom about 13,000 have been thought to be infected with HIV/AIDS, according to a 2007 estimate. The United Nations Program on HIV/AIDS estimates a national HIV-prevalence rate among adults of 2.5 percent. However, higher HIV-prevalence rates were reported for some high-risk populations such as female commercial sex workers (27 percent), male homosexuals (21 percent), injecting drug users (17 percent), and persons who are tuberculosis positive (14 percent).

The HIV/AIDS goal under the U.S. Government's 5-year strategy for fiscal years (FY) 2004–2008 in Guyana was to prevent 14,000 HIV infections, provide palliative care and support services to 9,000 persons infected or affected by HIV/AIDS, and provide treatment to 1,800 HIV-infected people. To achieve this goal, the HIV/AIDS program focuses on strengthening the capacity of the national health care system and nongovernmental organizations (NGOs) to deliver effective and expanded HIV/AIDS preventive care, palliative care, and treatment services. In Guyana, the program is implemented collaboratively by a country team that is led by the U.S. Ambassador and includes representatives from USAID, the Centers for Disease Control and Prevention, the Peace Corps, and the Department of Defense.

USAID/Guyana is one of the main U.S. Government agencies supporting HIV/AIDS activities in Guyana. USAID received $14.5 million of the $23.8 million in funding provided by the Guyana HIV/AIDS program in FY 2008, and $11.4 million of the $20.5 million in funding in FY 2009. USAID/Guyana finances the following activities:

- Prevention—primarily prevention of mother-to-child transmission of HIV, promotion of abstinence and faithfulness, promotion of other prevention initiatives, and targeted approaches for most at risk populations.

- Care—provision of voluntary counseling and testing services; palliative care services that help improve the quality of life of individuals suffering from HIV/AIDS and their families; support for HIV/AIDS-affected orphans and vulnerable children; and treatment programs for opportunistic and sexually transmitted infections.

[2] The Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Reauthorization Act of 2008, Public Law 110–293, 122 Stat. 2918.

- Treatment—counseling and testing, antiretroviral therapy services, and strengthening the Ministry of Health's systems to procure, warehouse, and distribute critical HIV/AIDS treatment and clinical management commodities.

USAID/Guyana-funded HIV/AIDS activities are implemented through the following contracts:

- A contract with the Family Health International (FHI), totaling $23.5 million and ending in FY 2009, provided technical direction to a network of local NGOs and faith-based organizations that provided services to program beneficiaries. FHI also helped the Ministry of Health implement counseling and treatment activities.

- When the FHI contract ended in FY 2009, USAID entered into a contract with Management Sciences for Health from April 2009 through December 2012, for an estimated total cost of $8.9 million, to provide services similar to those FHI had provided.

- A contract with the Community Support and Development Services, Inc., from May 2007 through September 2009, for an estimated total cost of $6.75 million per a subsequent modification, to provide financial and administrative support to a network of 18 USAID-supported NGOs and faith-based organizations.

The mission's 5-year HIV/AIDS strategy ended on September 30, 2008. The mission has started the next phase of its strategy, covering the period from 2009 to 2013.

AUDIT OBJECTIVES

As part of its FY 2009 audit plan, the Regional Inspector General/San Salvador audited USAID/Guyana's progress in implementing HIV/AIDS activities to answer the following questions:

- Did USAID/Guyana's HIV/AIDS activities achieve their main goals?

- Were the actions taken by USAID/Guyana in response to the recommendations in Audit Report No. 1-504-06-005-P effective?

The audit scope and methodology are described in appendix I.

AUDIT FINDINGS

Did USAID/Guyana's HIV/AIDS activities achieve their main goals?

USAID/Guyana's HIV/AIDS activities partially achieved their goals for fiscal year (FY) 2008. As shown in the following table, USAID/Guyana substantially met or exceeded its targets for the number of individuals who received services for prevention of mother-to-child transmission (PMTCT) of HIV, orphans and vulnerable children (OVC) served, and individuals provided with HIV-related palliative care. However, we could not determine whether goals were achieved for voluntary counseling and testing (VCT) services and for outreach programs because reported results for three of six goals tested were not supported with adequate documentation or were not always accurate. Therefore, it was not possible to verify reported results or determine whether the results actually exceeded the targets for three of the six indicators.

Table 1. USAID/Guyana's Country Operational Plan Targets and Reported Results for Indicators for FY 2008

Indicators	Targets	Reported Results	Audited Results	Target Met? [3]
Number of pregnant women who received HIV counseling and testing for PMTCT and received their test results	12,200	12,039	12,039	Yes
Number of individuals provided with HIV-related palliative care	500	1,170	1,170	Yes
Number of OVC served by OVC programs	850	1,199	1,199	Yes
Number of individuals who received counseling and testing for HIV and received their test results	21,000	26,131	Unsupported	Not Determined
Number of individuals reached through community outreach that promote abstinence and/or being faithful[4]	38,300	54,025	Unsupported[5]	Not Determined
Number of individuals reached through community outreach that promotes HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful	36,000	40,606	Unsupported	Not Determined

[3] We consider that targets were substantially met if the reported results were within 5 percent.

[4] For the last two indicators in the table, the majority of results were reported by a subgrantee, Merundoi, funded by the Centers for Disease Control and Prevention (CDC) until March 31, 2008. USAID/Guyana began funding Merundoi in April 2008. The results reported in the table include all FY 2008 results for Merundoi, including those results that occurred with CDC funding.

[5] A majority of the individuals reported as reached in the last two indicators may be ineligible to be counted because of conflict with the definition of the indicator. In addition, there was double counting of individuals reached. Please see a related finding on page 8.

USAID/Guyana, along with its implementing partners and the Government of Guyana, achieved some important results and impacts as follows:

- PMTCT activities included training for health professionals in conjunction with the Ministry of Health (MOH), HIV/AIDS counseling and testing of pregnant women, and nutritional counseling. PMTCT services were provided at 102 sites throughout Guyana, an increase from 43 sites in 2005. These 102 sites reported that they had provided HIV counseling and testing for 12,039 women, slightly below the target for FY 2008 of 12,200 women.

- In 2007, Family Health International (FHI) helped transition its PMTCT services and some VCT services as well as some of its personnel to MOH sites throughout the country. This allowed the ministry to take ownership of PMTCT and VCT health activities, thus fulfilling a major goal of the HIV/AIDS strategy.

- The program greatly exceeded its planned target of 500 individuals receiving HIV-related palliative care for FY 2008. Eleven subgrantees reported assisting 1,170 individuals.

- USAID helped 12 subgrantees provide OVC services such as shelter and care, protection, health care, psychosocial support, and education. These 12 subgrantees reported serving a total of 1,199 OVCs for FY 2008, thereby exceeding the target of 850.

This subgrantee provides voluntary counseling and testing, OVC services, and palliative care in Georgetown, Guyana. Photo taken by a RIG/San Salvador auditor on May 22, 2009.

Although the mission reported that its overall USAID/Guyana HIV/AIDS targets had been met or exceeded, we noted that planned targets for FY 2008 differed between the overall USAID/Guyana HIV/AIDS targets included in the country operational plan and the consolidated subpartner targets for a few performance indicators. In addition, reported results were not always supported with adequate documentation or always accurate. These and other findings are discussed below.

Performance Targets Were Inconsistent

Summary. According to guidance in USAID's Automated Directives System (ADS), performance indicators and targets must be established so that program performance can be measured. However, the performance targets established for 3 of 6 HIV/AIDS activities in Guyana were inconsistent among program documents, and 3 of 18 subgrantees reported results on several activities for which they did not include targets in their work plans. Targets were inconsistent because no one had ensured that the targets for the subgrantees added up to the overall program targets listed in the country operational plan. Inconsistencies in the performance targets reduced their usefulness and hindered the mission's ability to assess progress under the program.

ADS 203.3.4.5 states that each indicator "should include performance baselines and set performance targets that are ambitious, but can realistically be achieved within the stated timeframe and with the available resources." Furthermore, according to ADS 203.3.2.2, USAID missions and offices should use performance information to assess progress in achieving results and to make management decisions on improving performance.

However, for three indicators listed in the table below, the planned targets were inconsistent among USAID/Guyana's targets in the 2008 country operating plan and the aggregate subgrantee targets.

Table 2. Comparison of Performance Targets

Performance Indicator	Overall USAID/Guyana Target	Combined Targets for Subgrantees	Percentage Difference
Number of orphans and vulnerable children served by the program	850	902	6
Number of individuals provided with HIV-related palliative care	500	1,091	118
Number of individuals reached through community outreach that promotes HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful	36,000	33,682	(6)

In addition, 3 of the 18 subgrantees did not include targets for FY 2008 in their work plans, but they reported results on activities as follows:

- St. Francis reported 1,981 individuals reached through community outreach that promotes abstinence or being faithful, but its work plan did not include these performance targets for that indicator.

- Swing Star/FACT reported 41 OVCs served, but its work plan did not include OVC performance targets.

- Roadside Baptist reported 331 persons reached through community outreach beyond abstinence or being faithful, but its work plan did not include performance targets for that indicator.

According to mission officials, targets were inconsistent because USAID had set overall targets during the country operational planning process, but the targets for the subgrantees were set later during the subgrantees' work plan process, and the mission did not confirm that the targets for the subgrantees added up to the overall mission program targets.

USAID/Guyana may have difficulty in assessing progress under the program because of its failure to set performance targets as well as the significant inconsistencies between program performance targets and implementing partners' targets. When the cumulative subgrantee target is less than the overall HIV/AIDs target, the overall target may not be achieved. To avoid these situations, we are making the following recommendation:

> ***Recommendation 1.*** *We recommend that USAID/Guyana require its contractors to develop and implement written procedures for subgrantees' work plans that include approved targets tied to USAID/Guyana's HIV/AIDS program's overall targets.*

Some Results Reported by Implementing Partners Were Unsupported or Inaccurate

Summary. According to ADS 203.3.5.1, performance data should meet data quality standards, including standards for reliability and precision, and missions should take steps to ensure that submitted data are adequately supported. However, reported results for OVC activities for all four subgrantees and outreach activities for three of four subgrantees were not fully supported or were inaccurate. In addition, reported results for three of four MOH VCT sites visited and three of five PMTCT sites visited were unsupported or inaccurate. These discrepancies occurred because implementers lacked clear guidance on procedures for reporting on implementation activities and reviewing the resulting data. As a result, the subgrantees' and MOH's results reported do not accurately reflect USAID's HIV/AIDS achievements in Guyana. Unsupported and inaccurate reporting hinders the ability to determine whether program activities are meeting their goals.

To enable USAID staff to manage for results and produce credible reporting, performance data should meet data quality standards, including standards for reliability and precision (i.e., data should be sufficiently precise to present a fair picture of performance, according to ADS 203.3.5.1. Moreover, ADS 203.3.5.2 requires that missions perform data quality assessments and take steps to ensure that submitted data are of reasonable quality and adequately supported. The ADS further states that when missions conduct quality assessments of data from secondary sources (including implementing partners, government counterparts, and international agencies), the mission should focus the assessment on the apparent accuracy and consistency of the data. According to the ADS, missions should consider visiting a broad range of sites to assess whether reports accurately reflect conditions and events in the field. When a mission provides technical assistance to a government ministry to improve data collection and analysis, the mission may be in a good position to assess the quality of

the data. Finally, according to ADS 203.3.2.2, USAID missions should report information candidly and communicate any limitations in data quality so that achievements can be honestly assessed.

While visiting 5 of the 18 subgrantee project sites, we compared information included in selected monthly progress reports to supporting documentation for FY 2008. We found the following errors and discrepancies:

- *OVC files lacked support for HIV testing.* At four of the subgrantees visited, none of the OVC files included HIV testing documentation to support the HIV positive status of the parents. Of the 12 selected files, 3 contained no documentation that mentioned the HIV status of the child or the parent.

- *Services provided to ineligible patients.* In 1 of the 10 OVC files reviewed at Linden Care Foundation, a patient who was receiving services was not affected by HIV because neither he nor his parents were HIV positive. Only children affected by HIV/AIDS should be in the program.

- *Double counting of beneficiaries.* An implementer reported 2,927 individuals reached through community outreach. However, a review of supporting documentation for 1,681 individuals reached through community outreach programs revealed double counting of 124 individuals, representing a 7 percent overstatement of results tested.

- *Lack of documentation to support number of beneficiaries reached.* Some outreach activities had no attendance lists to support the reported results. The subgrantee officials said that prisons and some primary schools did not want to have attendance lists. Of 69 annual outreach programs tested, which reportedly reached 1,354 individuals (exclusive of the prisons and schools that did not wish to have attendance lists), 17 outreach programs reportedly reached 317 people, representing 23 percent of results tested, but had no sign-in sheets. Subgrantee officials admitted that these 17 sites did not have sign-in sheets and were unable to provide an explanation.

- *Errors in estimating methodology for deriving results.* Reporting for two outreach indicators was based on an estimate of the number of people reached through a weekly radio program and the number of people reached through listening and discussion groups. The subgrantee estimated the total number of individuals reached on the basis of discussions with those leading the listening and discussion groups, who estimated that 30 percent of those attending the group sessions also had listened to the radio show. Therefore, according to this methodology, 30 percent of the individuals attending the group sessions had also been counted as individuals reached through listening to the radio program. The double counting caused an overstatement of 9 percent for the outreach indicator reporting the number of individuals reached through community outreach that promoted abstinence and/or being faithful and 6 percent for the number of individuals reached through community outreach that promoted HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful.

- *Numbers of people reached did not meet the program definition*. Reported results for individuals reached through outreach activities included estimated numbers of individuals reached via mass media—a factor that does not meet the program definition for community outreach. According to the program indicators reference guide, *community outreach* is defined as an effort to effect change through such means as peer education or information obtained in a classroom, small group, or one-on-one—not large-scale public gatherings. However, a subgrantee reported reaching 54,025 individuals through community outreach programs promoting abstinence and/or being faithful, of whom 52 percent (27,865) received the message through a weekly radio program. Similarly, the subgrantee reported reaching 40,606 individuals through community outreach programs promoting HIV/AIDS prevention through other behavior changes, of whom 48 percent (19,441) were listeners of a weekly radio program. It is not clear that a radio program meets the program definition of *community outreach*.

In addition to the problems mentioned above, results reported to FHI from MOH sites for FY 2008 were unsupported or inaccurate as follows:

- *Supporting documentation missing.* A hospital reported 3,547 VCT patients served for FY 2008, but it was only able to provide supporting documentation for 2 of the 12 months. Hospital officials explained that they were unable to provide support because the VCT site moved to a new location in July 2008, and consequently the audit could only verify 641 results. Therefore, 82 percent of the results for 3,547 VCT patients served could not be supported.

- *Supporting documentation destroyed.* Georgetown Public Hospital Corporation was unable to provide detailed supporting documentation (e.g., registers or patient files) to support the 1,048 VCT patients served because a fire had destroyed its records.

- *Data entered erroneously.* According to USAID/Guyana, in February and March 2008, FHI incorrectly reported 140 VCT results from a facility that does not provide VCT services. In addition, a clinic underreported its PMTCT results by 39 percent—it reported 317 PMTCT results, but its records showed 442 PMTCT results.

These discrepancies occurred because implementers lacked clear guidance on procedures for reporting on implementation activities and reviewing the resulting data. For example, the mission did not note the problems with MOH data because, according to mission officials, the ministry has primary responsibility for its reported results and is solely responsible for monitoring and verification of the results of its PMTCT and VCT sites in MOH hospitals and clinics. Furthermore, the mission did not verify MOH results, because, according to mission officials, USAID/Guyana does not have the resources to monitor and verify results reported by MOH facilities.

The HIV/AIDS program relies on good data to support its programs and demonstrate progress toward goals. However, as a result of the issues addressed above, the mission's reported results for HIV/AIDS achievements may not accurately reflect USAID's achievements in Guyana. To help ensure that USAID/Guyana reports accurate and reliable data to USAID/Washington and the Office of the U.S. Global AIDS

Coordinator (OGAC), we are making the following recommendations:

Recommendation 2. *We recommend that USAID/Guyana require its contractors to develop and implement a written plan that includes procedures for monitoring subgrantees and for confirming that results are accurate and supported by source documentation.*

Recommendation 3. *We recommend that USAID/Guyana (1) provide and document training and administrative guidance to the Ministry of Health in preparing support documentation that requires the submission of accurate, well-documented results and (2) report any limitations on data quality when reporting results from the Ministry of Health.*

Recommendation 4. *We recommend that USAID/Guyana (1) provide training to its subgrantees regarding the appropriate methodology to use to calculate and report their results for outreach activities to avoid double-counting and (2) request written reclarification from the Office of the U.S. Global AIDS Coordinator regarding the use of mass-media efforts for outreach results reporting.*

Local Subgrantees Need Codes of Conduct for Interactions with Orphans and Vulnerable Children

Summary. According to guidance issued by OGAC, the guiding principles in implementing programs for OVCs are rooted in the principles of child protection. The mission received allegations of inappropriate behavior regarding one of the local subgrantees in providing services to OVCs. This occurred in part because the subgrantees did not have codes of conduct outlining appropriate and inappropriate conduct when dealing with children in the program. Without codes of conduct regarding appropriate conduct with OVCs, children in the program are put at risk.

According to guidance issued by OGAC in July 2006, the guiding principles of OVC program implementation are rooted in the principles of child protection: developing and implementing programs that place the best interests of the child and his or her family above all else. Thus, programs should include efforts to confront and minimize the reality of stigma and social neglect faced by OVCs, as well as abuse and exploitation, including trafficking, theft of inherited property, and land tenure.

Of the 18 local subgrantees, 12 provide services to OVCs affected by HIV/AIDS. The services include caregiver training, access to education, legal aid, emotional and psychological care, and food and nutritional support. For FY 2008 the mission reported assisting about 1,200 OVCs.

USAID/Guyana informed us that two former employees of one of the subgrantees have accused the chairman of their board of sexual misconduct with minor children who participate in the OVC program. The chairman denied these allegations but acknowledged that children in the program have visited his home and that he has taken children to fast-food restaurants. These extra-official interactions raise questions, since they are outside the scope of the services provided by the program and the chairman's official duties do not require contact with children in the program.

These extra-official contacts occurred in part because the subgrantee did not have a code of conduct or policies clearly outlining appropriate and inappropriate conduct when dealing with children in the program. Of the other 11 subgrantees that provide services to OVCs, only 1 had a code of conduct regulating staff interactions with OVCs, and this code of conduct was required by another donor organization. The subagreements are entered into and renewed annually.

Without clear policies regarding interactions with children in the program, the children may be put at unnecessary risk. Because many of these children are poor and are affected by HIV—for example, when a parent is infected with HIV or one or both parents have died—they are especially vulnerable. Moreover, without clear policies, even well-intentioned but unofficial contact with children in the program may be misconstrued.

We have referred the allegations of sexual misconduct to appropriate authorities for investigation. In addition, to reduce the potential for such allegations in the future, we offer the following recommendation.

> ***Recommendation 5.*** *We recommend that USAID/Guyana require its institutional contractor, Community Support and Development Services, Inc., to establish and document a standard code of conduct for all subgrantees with activities affecting orphans and vulnerable children, outlining appropriate and inappropriate conduct in dealing with children in the program.*

Opportunities to Move Toward Sustainability

Summary. One characteristic of the HIV/AIDS legislation is the mandate for the U.S. Government to promote sustainability with partner countries by strengthening country capacity, ownership, and leadership. However, despite the mission's efforts to strengthen the Guyanese Government's capacity and ownership of key components of the HIV/AIDS initiative, sustainability without U.S. Government support is questionable. The reason, according to mission officials, is the limited capacity of the Ministry of Health and the local NGOs. Furthermore, the mission has not taken advantage of the options available to promote more ownership of the projects, such as the inclusion of cost-sharing requirements. As a result, the HIV/AIDS objectives will not continue to advance without continued U.S. support.

In July 2008, U.S. legislation[6] reauthorized U.S. efforts worldwide to combat HIV/AIDS, tuberculosis, and malaria for FY 2009–2013. The law authorized the U.S. Government to establish compacts or framework documents with partner countries to promote a more sustainable approach, characterized by strengthened country capacity, ownership, and leadership. In addition, in response to the audit recommendation included in the 2006 OIG audit of USAID/Guyana's PEPFAR program, the mission prepared an exit strategy to address the issue of sustainability. This exit strategy calls for building the capacity of a local system to ensure continuity long after USAID/Guyana's assistance has ended. Specifically, the exit strategy includes such strategies as obtaining MOH support for NGOs and working with the private sector to generate support and resources for HIV/AIDS media events and community efforts.

[6] Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Reauthorization Act of 2008, Public Law 110–293, 122 Stat. 2918.

Moreover, ADS 303.3.10.1 says that USAID should consider including cost sharing in its agreements when the program contains a rationale for cost sharing, such as helping to ensure that the recipient will build its organizational capacity for resource mobilization, or when it is critical that the activity continues after USAID assistance ends. Cost-sharing requirements can ensure that the recipient establishes adequate alternate sources of funding.

USAID has made progress in strengthening the Guyanese Government's capacity and ownership of key components of the HIV/AIDS initiative. Beginning in 2007, the MOH assumed ownership of some PMTCT- and VCT-related health activities and personnel who transferred to MOH positions in hospitals and clinics throughout the country. In addition, USAID/Guyana continues to train MOH staff and provide technical assistance by providing HIV supplies, test kits, and antiretroviral and other commodities. According to several MOH hospital and clinic staff, the MOH distribution process works fairly well, and stockouts of necessary test kits or commodities have been rare.

Nevertheless, USAID/Guyana officials acknowledge that parts of the exit strategy have not been implemented and admit that local institutions lack sufficient capacity to implement HIV/AIDS services. They will continue to need significant U.S. Government support in the foreseeable future. For example, most NGOs receive almost all of their funding from the HIV/AIDS program and would be unable to function or maintain the same level of activity without continued financial and technical support. USAID/Guyana has expected its contractors to provide assistance to strengthen the capacity of the NGOs by including contract provisions for strengthening the financial management, administrative, managerial, and technical capacity of partner organizations. However, as noted earlier, NGOs still do not have the capacity necessary to operate autonomously.

USAID/Guyana could move toward sustainability in two additional ways, as follows:

- *Cost sharing.* None of the CSDS subagreements with the 18 local NGOs include requirements for cost-sharing contributions. Although cost sharing is not specifically required, USAID policy encourages its use in building NGO capacity. Given the decrease in the Guyana HIV/AIDS budget from $23.8 million in FY 2008 to $20.5 million in FY 2009, it is important for USAID partner organizations to find alternative means to fund their programs and ensure the partners' long-term sustainability. Even without a formal cost-sharing requirement, several NGOs are already seeking assistance from other sources. For example, when Youth Challenge Guyana (YCG) faced a shortage of financial resources, the organization worked with local communities to marshal additional resources to maintain its mobile unit. Similarly, some communities provided YCG staff with accommodations and food during their visits, freeing up cash resources that would have been spent on lodging and meals.

- *Private sponsorship.* The program supports a 15-minute radio drama that reaches an estimated 27,865 listeners weekly. However, the show's producers have not secured corporate sponsorship that would help to provide sustainable revenues from the private sector to increase outreach activities. In addition, because the radio drama's entertainment value attracts a larger audience, the private sector would be more willing to provide sponsorship.

Given the 14 percent decrease in HIV/AIDS Guyana budget between FY 2008 and FY 2009, it is important for USAID/Guyana's partner organizations to find alternative means to fund their programs and ensure the partners' long-term sustainability. If partner NGOs are unable to secure additional support from other sources, their ability to operate and provide services could be diminished.

> ***Recommendation 6.*** *We recommend that USAID/Guyana, in the fiscal year 2010 subagreements, include provisions and minimum requirements for cost-sharing contributions.*

Were the actions taken by USAID/Guyana in response to the recommendations in Audit Report No. 1-504-06-005-P effective?

The mission's actions were effective in response to five of the nine recommendations. However, the mission's actions in response to four other recommendations were only partially effective (see recommendations 3, 5, 6, and 9 below). This audit addressed these issues further in response the first audit objective and included recommendations to assist the mission further improve in these areas. The following paragraphs discuss the recommendations made in the original report, the mission's actions taken on those recommendations, and conclusions concerning the effectiveness of the mission's actions.

Original recommendation 1. We recommended that USAID/Guyana obtain from Family Health International (FHI) an action plan that includes a timeline and steps needed to fully implement abstinence/be faithful activities, prevention of mother-to-child transmission (PMTCT) mass media campaigns, palliative care, and orphan and vulnerable children programs.

In response to the recommendation, USAID/Guyana requested and received a work plan from FHI for each year following the 2006 audit. The work plan outlined an implementation plan with timelines and steps that address abstinence and faithfulness activities, PMTCT communication programs, palliative care, and orphans and vulnerable children (OVC). The FHI contract ended in FY 2009, and the USAID/Guyana's HIV/AIDS program is now implemented by Community Support and Development Services, Inc. (CSDS), and Management Sciences for Health (MSH). CSDS submitted its FY 2009 work plan, which includes timelines for its objectives and activities. MSH's contract began in April 2009, and the mission anticipated receiving the work plan in June 2009.

We conclude that the mission's actions to implement the recommendation were effective.

Original recommendation 2. We recommended that USAID/Guyana, in coordination with FHI, develop, disseminate, and support with onsite mentoring, detailed guidance on implementing the palliative care and orphan and vulnerable children program components for the benefit of participating subgrantees.

The mission agreed with the recommendation, and FHI provided detailed training to subgrantee staff to reinforce OVC and palliative care guidance and foster the development of skills in these areas. Teams conducted semiannual reviews of

subgrantees to examine program implementation and make recommendations for program strengthening. OVC and palliative care was tailored for subgrantees, and additional details and guidance were included in these guidelines.

Therefore, we conclude that the mission's actions to implement the recommendation were effective.

Original recommendation 3. We recommended that USAID/Guyana ensure that performance indicators and their corresponding targets are developed consistently among the various program documents.

USAID/Guyana stated that subgrantee targets had been developed using overall program targets as a point of reference for each fiscal year. The mission noted that the standard practice employed during target development had been to slightly inflate targets at the implementer level to ensure that overall program targets are achieved.

However, as previously discussed, the planned targets for several indicators had been inconsistent among overall USAID/Guyana HIV/AIDS targets derived from the country operational plan and the aggregate subgrantee targets. Moreover, 3 of the 18 subgrantees had reported results on several activities for which no targets were included in their work plans. Thus, we consider that the mission's actions to implement the recommendation were partially effective.

Original recommendation 4. We recommend that USAID/Guyana periodically evaluate performance indicators to ensure that all indicators are necessary, relevant, and easily understood by all concerned.

In response to the recommendation, the mission indicated that it had used annual PEPFAR guidance to ensure that only necessary information was requested of subgrantees. Any additional indicators not required by PEPFAR guidance had measured program effectiveness or had met host government information needs. We conclude that the mission's actions to implement the recommendation were effective.

Original recommendation 5. We recommended that USAID/Guyana ensure that FHI provides the Ministry of Health (MOH) and subgrantees with training and guidance that ensures the submission of accurate, well-documented performance data on current and cumulative progress toward achieving targets.

The mission agreed with the recommendation and provided technical support to the ministry to strengthen the monitoring and reporting capabilities within the voluntary counseling and testing (VCT) and PMTCT programs. FHI provided support to the ministry for the review and revision of data collection and reporting systems and sustained training of health care workers in the use of these systems. USAID management stressed that neither USAID nor its contractor have the mandate or the human resources to conduct sustained monitoring of data quality at health facilities. The MOH took the lead in addressing these responsibilities. In support of the ministry's continuing efforts, USAID has successfully advocated for the establishment of a monitoring and evaluation (M&E) unit within the National AIDS Program Secretariat and has provided M&E training to the unit staff.

With regard to subgrantees, the mission's contractors continued to support them to help ensure accurate and comprehensive reporting. This support included developing M&E guidance for subgrantees, developing standard monitoring tools to ensure comprehensive data collection, and training subgrantees in the use of standard tools and interpretation of monitoring and reporting guidance.

However, in several cases the data submitted to USAID by the ministry and subgrantees were unsupported or inaccurate. Therefore, we consider that the mission's actions to implement the recommendation were only partially effective.

Original recommendation 6. We recommended that USAID/Guyana ensure that FHI implements a monitoring plan that regularly validates the quality of data, including supporting documentation, submitted by all subgrantees.

The mission agreed with the recommendation. FHI conducted semiannual data quality reviews to verify the reported results. Subgrantees were required to submit supporting documentation for training conducted. In addition, the strategic information officer hired by USAID/Guyana has the responsibility of ensuring that systems utilized by contractors and its subgrantees are capable of collecting accurate data.

However, in several cases subgrantees submitted data that were unsupported and could not be verified. Thus, we conclude that the mission's actions to implement the recommendation were only partially effective.

Original recommendation 7. We recommended that USAID/Guyana arrange to modify the current contract and any subsequent contracts with Maurice Solomon & Company to better ensure that subgrantees receive adequate funds in a timely manner.

In May 2006, the USAID Regional Controller's Office provided technical assistance to Maurice Solomon to properly request and liquidate advances. The contract with Maurice Solomon ended on June 30, 2007, and CSDS is now responsible for managing these functions.

In interviews at five subgrantees, staff members indicated that there have been no further problems of fund shortages, and financial resources have been available as needed by partner organizations. We consider that the mission's actions to implement the recommendation were effective.

Original recommendation 8. We recommended that USAID/Guyana obtain evidence that Maurice Solomon & Company has provided financial management training to subgrantees so that the monthly liquidations can be completed accurately and on schedule.

Maurice Solomon & Company provided annual financial training to subgrantees to reinforce financial management practices. As stated above, CSDS assumed responsibility for grants management of subgrantees in May 2007. CSDS sends monthly liquidation schedules to subgrantees to inform them of the timing and date of upcoming liquidation visits. During these liquidation visits, additional technical assistance is provided to rectify any financial management issues encountered.

We conclude that the mission's actions to implement the recommendation were effective.

Original recommendation 9. We recommended that USAID/Guyana work with FHI and Maurice Solomon & Company to develop a clear exit strategy for the HIV/AIDS program in Guyana.

USAID/Guyana developed an exit strategy in December 2006. One aspect of this strategy was to identify a sustainable, cost-effective solution to institutional capacity building. The mission contracted CSDS, a local management organization that handles institutional capacity and umbrella grants, to strengthen the financial and management capacity of the subgrantees in the USAID network. In addition, four local consultants provided technical assistance to subgrantees in the areas of organizational development, governance, and human resource policies and practices. Moreover, MSH will provide technical assistance to build subgrantees' capacity. In keeping with sustainability principles and the commitment to build local capacity, the PMTCT staff, previously employed by the program, was transferred to the Ministry of Health. In addition, the VCT mobile team was transferred to a local nongovernmental organization (NGO), and the Guyana Business Coalition on HIV/AIDS will now perform some of the tasks previously performed by the USAID/Guyana program.

Although USAID continues to try to build the capacity of local Guyanese organizations, the majority are still unable to maintain their activities without continued USAID support. Most rely almost exclusively on USAID funding to support their operational and programmatic expenditures. In addition, the program contracted to CSDS was meant to build the financial, human resource, and other internal policy functions of the NGOs, even though some of these NGOs have been in existence for over 10 years. It remains unclear whether, if ever, the NGOs will have sufficient administrative and financial capacity to operate independently of USAID assistance. Finally, although the USAID/Guyana HIV/AIDS program successfully transferred many activities and staff members to MOH, the ministry continues to rely on commodities support and technical assistance provided by USAID and the HIV/AIDS program in general.

Thus, building the capacity of indigenous organizations and the host country to be self-reliant in providing HIV/AIDS services continues to be a difficult task. Self-reliance probably will not occur in the foreseeable future. Nevertheless, USAID can help by having CSDS require subgrantees to provide minimum cost-sharing contributions and secure additional funding from donors and the private sector.

Therefore, we consider the actions taken to address the recommendation were only partially effective.

EVALUATION OF MANAGEMENT COMMENTS

In its comments to the draft report, USAID/Guyana concurred with five of the six recommendations and took final action in response to these five recommendations. The mission did not concur with one draft recommendation; this recommendation has been adjusted in response to the mission comments and a management decision is pending.

In response to the first recommendation, the mission and its contractors revised the work plan guidance to ensure that summary NGO targets are consistent with USAID/Guyana's overall targets. In consideration of our review of the revised guidance, we believe that final action has been taken on the recommendation.

In response to the second recommendation, the mission and its contractors developed a new monitoring plan that includes an emphasis on enhancing data quality assurance measures and procedures. The new plan addresses the need to ensure data quality through regular site visits, developed procedures, and training. On the basis of our review of the plan, we believe that final action has been taken on the recommendation.

In response to the third recommendation, USAID/Guyana completed a new performance monitoring and evaluation plan. Sections of the plan detail the support to be provided to the Ministry of Health in terms of enhancing data quality and improving reporting procedures. The mission also agreed to utilize the "PEPFAR Annual Program Results" report template to identify any concerns or shortcomings regarding data generated from Ministry of Health facilities. In light of these comments and our review of the plan, we believe that final action has been taken on the recommendation.

With regard to the fourth recommendation, the mission partially agreed. Although the mission decided not to include in its results the estimated number of persons reached through mass-media efforts, the mission did not agree that a new methodology for calculating and reporting the results of other outreach efforts was needed. Instead, the mission stated that additional training should be provided to improve the calculation of results. According to the mission, such training and follow-up are central aspects of the mission's and contractor's activities. In response, we have adjusted the fourth recommendation to require a specific plan for such training and follow-up. A management decision will be reached upon submission of this training plan.

In response to the fifth recommendation, the mission responded that Community Support and Development Services, in collaboration with the Guyana HIV/AIDS Reduction and Prevention project and the Ministry of Human Services and Social Security, has developed a guide to codes of conduct. In addition, the mission stated that training on the use of the document was conducted by the Director of Children Services, Ministry of Human Services and Social Security, for all NGO personnel whose official job responsibilities involve providing services to children. These comments and our review of the document cause us to believe that final action has been taken on the recommendation.

In response to the sixth recommendation, the grants manager at Community Support and Development Services included language in the grantees' subagreements to reflect required cost-sharing contributions. For FY 2010, the subgrantees will provide a 5 percent cost-sharing contribution. After reviewing the new provisions, we believe that final action has been taken on this recommendation.

Management comments (without attachment) are included in their entirety in appendix II.

SCOPE AND METHODOLOGY

Scope

The Regional Inspector General/San Salvador conducted this audit in accordance with generally accepted government auditing standards to determine whether USAID/Guyana's HIV/AIDS activities have achieved their goals and whether the actions taken by USAID/Guyana in response to the recommendations in Audit Report No. 1-504-06-005-P have been effective. 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 objectives. Audit fieldwork was conducted at USAID/Guyana from May 18 through June 5, 2009. The scope of this audit included activities of USAID/Guyana's HIV/AIDS program carried out during fiscal year 2008, which were funded at $14.5 million.

In planning and performing the audit, we assessed the effectiveness of management controls related to USAID/Guyana's HIV/AIDS program. Specifically, we obtained an understanding of and evaluated the country operational plan, the oversight and monitoring performed by USAID/Guyana officials, and reports on actual program results.

During the audit, we interviewed USAID/Guyana officials, members of the U.S. Government country team in Guyana, and officials of the organizations implementing the program. We visited USAID/Guyana's contractor, Community Support and Development Services, Inc., and 5 of its 18 subgrantees. We interviewed Ministry of Health (MOH) officials and visited the commodities warehouse operated by the ministry and USAID's contractor, Supply Chain Management Systems. We visited five MOH hospitals and clinics that offer voluntary counseling and testing (VCT) and services for the prevention of mother-to-child transmission of HIV.

At some MOH facilities, we were unable to verify reported results data because of a fire at one facility, insufficient documentation at a facility that had moved its offices, and errors in recordkeeping that prevented documentation from reconciling with reported results.

Methodology

To answer the audit objectives, we reviewed pertinent HIV/AIDS documents from the mission and the selected partners, including the country operational plan and partner work plans and annual reports. We judgmentally selected the number of sites to test under six main indicators from all sites involved in providing services. Our audit included testing from subgrantee and MOH sites. We also judgmentally selected a sample of results reported by the implementer to verify whether the reported amounts were supported and accurate. In selecting the sample, we chose months for which the implementer had reported activity. We determined that, in comparison with the total percentage of reported results tested, our sampling generally supported the audit's findings, conclusions, and recommendations. Lastly, we selected the six indicators identified in table 3, below, for their significance to supporting program goals. The table summarizes the percentage of sites and results tested for purposes of answering the

audit objective.

Table 3. Percentage of Audit Coverage by Sites and Indicator

Indicators	Total No. of Sites	No. of Sites Tested	Percentage of Sites Tested	Total Results Reported	No. of Results Tested	Percentage of Results Tested
Number of pregnant women who received HIV counseling and testing for PMTCT and received their test results	102	5	5	12,039	4,460	37
Number of individuals provided with HIV-related palliative care	11	3	27	1,170	514	44
Number of OVC served by OVC programs	12	4	33	1,199	772	64
Number of individuals who received counseling and testing for HIV and received their test results	27	8	30	26,131	12,632	48
Number of individuals reached through community outreach that promote abstinence and/or being faithful	17	3	18	54,025	44,666	83
Number of individuals reached through community outreach that promotes HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful	17	4	24	40,606	29,878	74

We validated performance results reported by USAID/Guyana by comparing the reported information with supporting documentation such as log books, patient records, and other data for selected months and selected activities. We used a materiality threshold of 5 percent when disclosing inaccurate or unsupported reported results.

MANAGEMENT COMMENTS

USAID | GUYANA
FROM THE AMERICAN PEOPLE

MEMORANDUM **November 4, 2009**

TO: **Catherine M. Trujillo, RIG/San Salvador**

FROM: **Matthew Nims, Mission Director (a.g.)**

SUBJECT: **Mission Comments on the Audit of USAID/Guyana's President's Emergency Plan for AIDS Relief Program**

REF.: **RIG Audit Report No. 1-504-10-0XX-P**

This memorandum contains USAID/Guyana's response to the referenced RIG audit report, which was transmitted to post on November 7, 2009. We commend the audit team's effort and believe that the President's Emergency Plan for AIDS Relief (PEFAR) program in Guyana will benefit from the draft report's thoughtful recommendations. The Mission appreciates the opportunity to respond to the draft report's recommendations.

Audit Recommendation No. 1: The report recommends hat USAID/Guyana require its contractors to develop and implement written procedures for subgrantees' work plans that include approved targets tied to the overall USAID/Guyana President's Emergency Plan for AIDS Relief targets.

The Mission agrees with this recommendation. The USAID/Guyana Mission has continued to work to ensure that sub-grantee's work plan targets are consistent with the Mission's overall targets for the PEPFAR Country Operational Plan (COP) targets. In response to the recommendations, USAID/Guyana and its contractors have revised the work plan guidance. This document, completed December 2nd 2009, ensures that summary NGO targets will be consistent with USAID COP targets, where relevant (Attachment #1). Given that target setting for the COP involves dual planning timelines and is affected by changing program decisions throughout the subgrantee planning process, it will remain a challenge to ensure synchronicity.

Contrary to conclusions cited in the audit report, the Mission does seek to ensure that these targets are consistent; however, it is acknowledged that those efforts may not have been fully successful in the past. In the recent target-setting exercise for FY 2010, the

Mission did take steps to ensure that targets in the subgrantee work plans are consistent with USAID's overall targets.

The Mission wishes to note however, that good target setting practice permits that the sum of individual partner level targets are not automatically expected to equal overall summary targets.

The PEPFAR COP guidance for fiscal year 2010 advises that, "The expected accomplishments at the summary level are not simply the sum of the targets for a given indicator across individual partners.....The targets should be an accurate reflection of the total de-duplicated reach of programs during the fiscal year period". Furthermore, good target setting convention encourages the PEPFAR country team to make studied and practical estimations of achievable targets based on the efforts of individual partners but also considers the risk of individual partners being unable to fully reach or surpass targets.

In light of this, the Mission believes that the sum of subgrantee targets does not need to equal the overall PEPFAR target. However, it is acknowledged that expected subgrantee targets should not be less or significantly greater (>25%) than overall Mission targets (which was the audit team's findings for two (2) of the fifty (50) indicators).
In the event that unanticipated changes need to be made to subgrantee targets after FY2010 COP targets are finalized, the Mission will be able to utilize an established PEPFAR reprogramming opportunity that occurs in April of the fiscal year, to make any revisions.

Audit recommendation No. 2: We recommend that USAID/Guyana require its contractors to develop and implement a written plan that includes procedures for monitoring subgrantees and for confirming that results are accurate and supported by source documentation.

The Mission agrees with this recommendation and wishes to note that a new plan has been developed by USAID/Guyana and its contractors. This plan, completed December 2, 2009, builds on the previous document with an emphasis enhancing data quality assurance measures and procedures (Attachment #2).

The plan does discuss the support provided to subgrantees to address data quality through regular site visits, developed procedures and training. The monitoring trips to the NGOs which were semi-annual visits will now to be conducted quarterly. At each visit, the NGO's monitoring system and use of standardized tools will be assessed, weaknesses identified, and guidance provided on how to improve the system. Additionally, periodic monitoring and evaluation meetings will be held to provide the NGOs with refresher training on monitoring and reporting systems, address weaknesses in reporting, share experiences in the implementation of monitoring systems, and provide guidance in the use of data for program management.

The Mission notes that some of the findings cited by the audit team to support the recommendation concerning validity of source documentation are not consistent with

PEPFAR guidance: specifically, with regard to the type of documentation required for confirming the accuracy of results reported.

HIV test results for HIV-infected or affected children are not necessary for Orphan or Vulnerable Child (OVC) to receive service. In a presentation made by the Senior Technical Advisor for OVC at the Office of the Global AIDS Coordinator (O/GAC) in September 2007 to clarify this issue, a slide stated, "a child does not need to be infected, or an orphan, and does not need proof, but only possibility of parent being chronically ill to be considered an OVC [orphan or vulnerable child] (Attachment 2 a - slide 7). This broader definition of "OVC" is also a matter of Public Law. Public Law 110-293, which reauthorized the PEPFAR program in 2008, states: "orphans and children who are vulnerable to, or affected by, HIV/AIDS."

The current data collection system being employed by USAID and its partners is appropriate in this instance. This method is widely accepted in other programs and is considered appropriate to protect the privacy of clients seeking HIV-related services that are still highly stigmatized in Guyana. This also explains why the existence of participant sign-in sheets at community outreach events is not acceptable.

Audit recommendation No. 3: We recommend that USAID/Guyana:
a. Provide and document training and administrative guidance to the Ministry of Health (MOH) in preparing support documentation that requires the submission of accurate well-documented results, and
b. Report any limitations on data quality when reporting results from the Ministry of Health

The Mission agrees that this recommendation is important and crucial. USAID/Guyana and its contractors have recently completed a Performance Monitoring and Monitoring Plan. This action was completed December 3rd, 2009. This plan contains sections detailing the support to be provided to the Ministry of Health (MOH) in terms of enhancing data quality and improving reporting procedures (Attachment #3).

(a.) USAID/Guyana, through its contractors, has been the main international partner working with the Ministry of Health to establish program monitoring and reporting systems for the last five years and is currently working in this capacity. Training and administrative guidance to the Ministry of Health, particularly for the HIV Counseling and Testing (C&T) and the Prevention of Mother to Child Transmission (PMTCT) programs, have been important and ongoing aspects of the Mission program since its inception.

Specifically, the USAID/Guyana and its contractors are responsible for the development of monitoring and reporting systems and tools for both of these programs. Previously, the Mission has supported the Ministry of Health through training and visits to a sub-set of the 120+ PMTCT and 62 Voluntary Counseling and Testing (VCT) sites nationally to address issues of data quality.

It is important to realize that prior to USAID's activities in this sector no data, no reporting and no organized monitoring occurred within the MOH in regards to these

activities. Early on the Mission acknowledged the constraints it faced due to limited human resources to be able to comprehensively monitor all VCT and PMTCT facilities. Thus, the provision of training at the central level and the provision of sustained technical support to MOH units in the field were designed to not only compensate for this shortcoming, but to also strengthen the health service capacity of the Ministry as a whole. This process continues and the Mission shares the audit team's emphasis on data quality and reporting systems.

Finally, the Ministry has recently established a Monitoring and Evaluation (M&E Unit) within the National AIDS Program Secretariat (NAPS). Support to this unit is being provided by a USAID-funded resident M&E Advisor, in addition to other M&E technical assistance being offered to the Unit. Support to the Ministry of Health to improve reporting procedures and data collection will remain a central tenet of USAIDs programs in Guyana and the attached document is a good example of the assistance that will be provided.

(b.) Because issues of human resource capacity and data quality at Ministry of Health facilities is not an uncommon occurrence, PEPFAR will document any data issues that may exist in the results that are reported to the Office of the Global AIDS Coordinator (OGAC). Hence, the Mission will continue to utilize this section of the PEPFAR Annual Program Results report template to identify any concerns or shortcomings regarding data generated from Ministry of Health facilities and reported to OGAC.

Audit recommendation No. 4: We recommend that USAID/Guyana (a) require its sub-grantees to revise and document the methodology they use to calculate and report their results for outreach activities to avoid double-counting and (b) request written clarification from the Office of the Global AIDS Coordinator regarding the use of mass-media efforts for outreach results reporting.

(a.) The Mission disagrees with part of this recommendation. The Mission has provided clear guidance to all its subgrantees regarding the methodology used to avoid double-counting. All subgrantees with the exception of Merundoi (the NGO utilizing the estimation technique in this unique case) utilize the same guidance regarding gathering and reporting results on outreach activities. The instance of double-counting

(124 individuals out of a total of 2,927 individuals reported reached) that was uncovered by the audit team was an isolated incident involving a very new M&E officer and, in the Mission's estimation, is not a reflection of flawed guidance but rather a demonstration of the need for additional training for that individual. The training and follow-up is a central aspect of the Mission's and our contractor's activities and will be continually revisited to ensure all new M&E officers are oriented.

(b.) Regarding the separate issue of the estimation technique utilized by the local NGO, Merundoi; approval was sought and granted from PEPFAR in Washington DC. However, in light of the audit team's concerns and the desire to ensure no over-representation of the 'beneficiaries reached' occurs, the Mission has made the decision to

discontinue the use of this methodology. The Annual Program Results report for FY 2009 did not include results from Merundoi where the estimation technique was employed. Further, until an alternative method is developed and approved again, the data will not be reported for PEPFAR.

Finally, PEPFAR has stated that all U.S. agencies have agreed to comply with and follow standardized PEPFAR reporting guidance. Currently and in the future PEPFAR does not and will not require routine monitoring of mass-media at the output level. However, mass-media activities together with other prevention activities are expected to contribute to intermediate outcomes (changes in knowledge and behavior) and impacts (incidence). These measures are monitored through surveys and surveillance.

Audit recommendation No. 5: We recommend that USAID/Guyana require its institutional contractor, Community Support and Development Services, Inc., to establish and document a standard code of conduct for all subgrantees with activities affecting orphans and vulnerable children, outlining appropriate and inappropriate conduct in dealing with children in the program.

The Mission agrees with this recommendation. Community Support and Development Services Inc. (CSDS) has developed a document entitled, *"Community Support and Development Services Inc. - Guide to the Development of Child Protection Policies and Codes of Conduct for Organizations working with Orphans and Vulnerable Children in Guyana*." (Attachment #4). This document, completed July 2009, was developed in collaboration with representatives from the Guyana HIV/AIDS Reduction and Prevention (GHARPII) project and the Ministry of Human Services and Social Security, Child Protection Agency. In addition, training on the use of the document was conducted by the Director of Children Services, Ministry of Human Services and Social Security for all NGO personnel whose official job responsibilities involve providing services to children.

Audit recommendation No. 6: We recommend that USAID/Guyana, in fiscal year 2010 sub-agreements, include provisions and minimum requirements for cost-share contributions.

USAID's NGO Grants Manager, Community Support and Development Services Inc. (CSDS) has included the requisite language in the grantees' sub-agreements to reflect the cost-share contributions. For FY 10, the NGOs are providing 5% cost share contributions. The provisions and minimum requirements for cost-share contributions are contained in Attachment B, of the NGOs sub-agreement. (Attachment #5) This revised procedure was instituted in July 2009 and is current policy.

Please note that this response contains six (6) attached documents. For ease, those documents will be attached in one email. The attachments are listed below:

#1 – Tri-partite plan for Sub-grantee proposal development and Finalization
#2 – CSDS Data Quality Assurance Plan
#3 – Guyana HIV_AIDS Reduction and Prevention Project_ME_Plan
#4 – CSDS Guideline – OVC
#5 – Cost Sharing doc

ABBREVIATIONS

ADS	USAID's Automated Directives System
AIDS	acquired immunodeficiency syndrome
CDC	Centers for Disease Control and Prevention
CSDS	Community Support and Development Services, Inc.
FHI	Family Health International
HIV	human immunodeficiency virus
M&E	monitoring and evaluation
MOH	Ministry of Health
MSH	Management Sciences for Health
NGO	nongovernmental organization
OGAC	Office of the U.S. Global AIDS Coordinator
OVC	orphans and vulnerable children
PEPFAR	President's Emergency Plan for AIDS Relief
PMTCT	prevention of mother-to-child transmission (of HIV)
SCMS	Supply Chain Management Systems
VCT	voluntary counseling and testing
YCG	Youth Challenge Guyana

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