



OFFICE OF INSPECTOR GENERAL

AUDIT OF USAID/CENTRAL ASIAN REPUBLICS' FAMILY FARMING PROGRAM FOR TAJIKISTAN

AUDIT REPORT NO. 5-176-14-002-P
JANUARY 13, 2014

MANILA, PHILIPPINES



Office of Inspector General

January 13, 2014

MEMORANDUM

TO: USAID/Central Asian Republics Regional Director, Jonathan Addleton

FROM: Regional Inspector General/Manila, William S. Murphy /s/

SUBJECT: Audit of USAID/Central Asian Republics' Family Farming Program for Tajikistan
(Report No. 5-176-14-002-P)

This memorandum transmits our final report on the subject audit. In finalizing the audit report, we considered your comments on the draft report and have included them in Appendix II.

This report contains four recommendations to assist the mission in improving certain aspects of the Family Farming Program. On the basis of the information provided by the mission in its response to the draft report, we determined that the mission has taken final action on Recommendations 2 and 3, and we acknowledge the mission's management decisions on Recommendations 1 and 4. Please provide the Audit Performance and Compliance Division of USAID's Office of the Chief Financial Officer with evidence of final action to close the recommendations with management decisions.

Thank you and your staff for the cooperation and courtesies extended to us during this audit.

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Abbreviations

The following abbreviations appear in this report:

ADS	Automated Directives System
CAR	Central Asian Republics
COR	contracting officer’s representative
DAI	Development Alternatives Inc.
FtF	Feed the Future
PMEP	performance management and evaluation plan
WUA	water users association

SUMMARY OF RESULTS

The 2013 Global Food Index ranked Tajikistan 82nd of 107 countries in terms of food security—the ability to obtain enough nutritious food to live an active and healthy life.¹ Approximately 30 percent of the population suffers from food insecurity; most affected are those in remote areas, especially unskilled laborers, farmers, and members of households headed by women.² While three-quarters of total employment is in agriculture and the country has abundant water, only 7 percent of the land is arable because of poor irrigation, limiting income-earning opportunities.

To address Tajikistan's food security problem, USAID's regional office for Central Asian Republics³ (USAID/CAR) awarded a task order contract valued at approximately \$29 million to Development Alternatives Inc. (DAI) to implement the Family Farming Program for Tajikistan. The program covers the 4-year period from September 30, 2010, to September 29, 2014. Its main objectives are improving food security by increasing the volume of agricultural production, the income of food-insecure households, and household nutrition in regions where food insecurity exists. As of December 31, 2012, the mission had obligated approximately \$14.2 million for the program and expended \$10.6 million.

In early 2011, the program underwent a strategic change when USAID adopted the U.S. Government's global hunger and food security initiative, Feed the Future (FtF), and decided to implement it in Tajikistan. This initiative seeks to increase agricultural production and the incomes of those in rural areas who rely on agriculture for their livelihoods. Prior to this initiative, USAID/CAR planned to implement program activities in the most food-insecure communities in Tajikistan's four main geographic zones, consisting of three provinces and the area near the capital (shown in the map on the following page). However, under the FtF initiative, activities focus on one province, Khatlon Province; there the program implements activities in 12 of the 24 districts.

Following the adoption of the FtF approach, the program was eventually revised to include four components: (1) Improve water provision for agricultural production through water users; (2) Research, obtain, test, and disseminate appropriate agricultural technology; (3) Improve household economics; and (4) Support research and advocacy for irrigation water sector policy reforms that enhance food security. (The original six components are listed in Appendix I).

The purpose of the audit was to determine if the program was achieving its main objectives as stated above: increasing the volume of agricultural production; increasing the income of food-insecure households; and raising the standard of household nutrition. While the program has made positive contributions through its technical assistance to food-insecure communities, the program has made only limited progress on its objectives.

¹ <http://foodsecurityindex.eiu.com/>.

² Secretariat of the UN System High Level Task Force for the Global Food Security Crisis; "Tajikistan Summary of Country Visit – 9 to 20 April 2009," accessed June 15, 2013, on the Web at http://un-foodsecurity.org/sites/default/files/Tajikistan_June09.pdf.

³ Kazakhstan, Kyrgyzstan, Turkmenistan, and Uzbekistan are the other countries in the region.



Source: <http://www.un.org/Depts/Cartographic/map/profile/tajikist.pdf>.

Examples of the program’s achievements by component appear below.

Agricultural Development and Livestock. The program has assisted farmers in targeted communities by demonstrating improved agricultural approaches. As of September 30, 2012, the program had established demonstration plots in 76 sites; the plots contain crops that boost household nutrition. In addition, the program had trained farmers in cultivating crops using hybrid seeds, as well as in preparing and preserving the food they produced. The program also established four greenhouse complexes used for year-round training, employment, and local revenue generation from crops grown in the greenhouses. One beneficiary expressed great satisfaction with the program’s demonstrations and trainings in planting onion and garlic. The farmer reported that the techniques he acquired from the program’s trainings, coupled with the program-furnished seeds, have increased his harvests, crop quality, and sales.

Irrigation Water Management. As of May 2013, the program had assisted in establishing 20 water user associations (WUAs), with 60 expected by the program’s end. The chairperson of one WUA in Qubodiyon District (whose office is pictured on the next page) said that the civil war⁴ impoverished the country, leaving scant resources for maintenance of the irrigation delivery system. The program created a WUA and gave it technical assistance, resulting in rehabilitated irrigation gates and cleared canals.

⁴ Civil war broke out after Tajikistan became independent from the Soviet Union. The war lasted from 1992 to 1997. (University of Massachusetts, Amherst - www.peri.umass.edu/fileadmin/pdf/Tajikistan.pdf)



This is the new WUA office in Qubodiyon District, Khatlon Province. (Photo by OIG, June 2013)

Nutrition Enhancement and Household Economics. The program's nutrition component trained women on new techniques for planting vegetables, as well as on child health and nutrition, breast-feeding, hygiene and sanitation, and food preparation and preservation. The program assisted 39 women's groups and established 64 demonstration plots (like the one shown below) in the program's 12 target districts. A member of one of the women's groups said the training gave her skills in preparing more nutritious foods for her family. She was very eager to share this knowledge with other women in the community.



Cabbage grows in garden demonstration plot in Vakhsh District, Khatlon Province. (Photo by OIG, June 2013)

However, the audit disclosed the following problems:

- The mission did not modify the contract promptly (page 5). Following the decision to adopt the FtF initiative, which significantly changed the program's strategy, USAID/CAR sought to modify the contract task order. However, it had not issued a modification at the time of the audit—15 months later. This holdup kept the mission from completing the program's formal monitoring plan, which would describe the contractor's methodology for collecting performance data and measuring progress under the new FtF initiative. The revised strategy put a number of activities from the original contract on hold or reduced their scope, while introducing new FtF activities.
- Reported results were not reliable (page 6). Data reviewed and reported on 14 of 15 sampled performance indicators were inaccurate and unreliable. Other data quality deficiencies also arose.
- The contractor did not do required branding and marking at all sites (page 8). During visits to activity sites, the audit team inspected 12 water irrigation gates installed by the program and noted that 5 did not have the required USAID logo and marking.

The report recommends that USAID/CAR:

1. Direct its country office in Tajikistan to approve a final performance management and evaluation plan (PMEP) for the Family Farming Program (page 6). At a minimum, this plan must clearly define each performance indicator, including what data should be collected and how they should be measured, and establish baselines for all performance indicators specified in the plan to facilitate the measurement of progress.
2. Direct the contractor to implement a strategy to improve the reliability of the program's reported results (page 7).
3. Direct its country office in Tajikistan to conduct a data quality assessment of the results reported under the performance indicators for the Family Farming Program (page 8).
4. Require the contractor to implement a plan including dates for providing water user associations with enough signs bearing the USAID logo and verifying that these have been affixed to all irrigation gates restored under the program's water management activities (page 9).

Detailed findings appear in the section that follows. The scope and methodology appear in Appendix I. Our evaluation of management comments is included on page 10, and the full text of management comments appears in Appendix II.

AUDIT FINDINGS

Mission Did Not Modify the Contract in a Timely Manner

Federal Acquisition Regulation 52.243-4 authorizes contracting officers to order, at any time, changes that are within the general scope of the contract, such as changes in the specifications and the manner in which the work is to be performed, and to modify the contract in writing.

In addition, USAID's Automated Directives System (ADS) 300.3.5 emphasizes the need for contracting officers and technical offices to work together to establish realistic schedules for all procurement actions to ensure that they are carried out in a timely manner. To facilitate this process, the guidance provides expected time frames for completing various procurement actions. For example, the guidance gives 91 calendar days (or about 3 months) as typical for processing contract modifications.

However, contracting officials did not modify the program's contract task order promptly after a change in the program's strategy. In late 2011, the contractor received notice from the mission of its participation in USAID's FtF initiative. The new initiative required the contractor to redesign its strategy and establish performance indicators suitable for measuring performance results of the FtF approach on food security. The revised strategy put a number of activities from the original contract on hold or reduced their scope, while introducing new FtF activities. The mission approved the new strategy in March 2012, necessitating the modification of the program contract. However, at the time of the audit in June 2013—15 months later—the modification had not been completed. Although a revised statement of work had been completed, discussions on the contract modification continued.

The slow progress on the modification stemmed from the mission's and the contractor's limited technical capacity and the frequent turnover of key officials, including the program's contracting officer's representative (COR) and the chief of party.

Shortage of Technical Capacity. Development of the program's new strategy took longer than expected partly because the contractor and the Tajikistan country office did not have enough technical capacity to review and understand the new specifications and budget requirements of the FtF approach. According to the previous COR, the contractor did not have the experienced community-based groups participating in the FFP to support the development of the new strategy. Although the contractor eventually developed this strategy, getting from development to approval took 7 months.

Turnover of Key Officials. Another contributing factor was the high turnover of key program officials. During the program's first 3 years, three CORs were assigned to oversee the program, the third in January 2013. The high turnover in this position slowed the Tajikistan country office's ability to review proposed changes to the strategy, and the mission needed the COR's input before it could modify the contract. Turnover was also high on the contractor's staff. During the first 2 years, the program had three chiefs of party, the first of whom had to leave because of performance problems.

While the slow progress in modifying the contract's task order did not prevent the program from implementing most activities, it delayed completion of the PMEP, a key monitoring and planning document. The PMEP was still in draft at the time of the audit—almost 3 years into the program's 4-year performance period. Although the contractor submitted an initial draft to the mission during the program's first 90 days as required, the mission withheld approval since the plan needed to incorporate performance indicators and related baseline data for the program's new FtF initiative. In the absence of a formal PMEP, the contractor relied on the initial draft, which preceded the FtF initiative, as a monitoring tool.

On August 15, 2013, following audit fieldwork, USAID/CAR formally approved the long-awaited contract modification. With the program scheduled to end by September 30, 2014, however, the benefits to be derived from the modification are limited.

Without an approved PMEP, USAID/CAR has been without a critical tool for planning, as well as monitoring and documenting data. Likewise, the Tajikistan country office has had trouble monitoring the contractor in carrying out activities.

An approved monitoring plan should be in place to measure progress under the revised performance indicators and assess the program's overall achievements before it ends. To ensure that it is, we recommend the following.

Recommendation 1. *We recommend that USAID/Central Asian Republics direct its country office in Tajikistan to approve a final performance management and evaluation plan for the Family Farming Program. At a minimum, this plan must (1) clearly define each indicator, including what data should be collected and how it should be measured, and (2) establish baselines for all performance indicators specified in the plan to facilitate the measurement of progress.*

Reported Results Were Not Reliable

ADS 203.3.11.1, "Data Quality Standards," requires that performance data meet quality standards for validity, integrity, precision, reliability, and timeliness so that the data are credible for reporting and useful for monitoring performance. To meet these standards, missions and contractors are responsible for maintaining data quality so that the data can be used for assessing and reporting on program performance.

However, most of the program activity results reviewed were not supported or reliable. Tests of data on 15 of the 20 FtF performance indicators disclosed that results for 14 that appeared in the program's quarterly and annual progress reports were not supported. In addition, program achievements for six indicators recorded in USAID's FtF global reporting database did not match what the contractor included in its annual progress reports and auditors verified. The table on the next page shows examples of the discrepancies identified.

Further, results on some FtF indicators were not valid—meaning data did not represent the intended result. For example, several indicators were intended to track the number of beneficiaries trained under the program, but instead reflected the number of times the beneficiaries attended program training activities or workshops, thereby overstating the results. Likewise, results on the indicator *Number of people trained in child health and nutrition* were found to consist of mothers and pregnant and lactating women trained, rather than the intended

beneficiaries under this indicator: health professionals, primary health-care workers, and community health workers.⁵ Results on the indicator *Number of members of producer organizations and community-based organizations receiving USG [U.S. Government] assistance* were based on estimates, rather than actual results, casting doubt on their reliability.

Discrepancies Between the Contractor’s Annual Report and the FtF Global Database for Fiscal Year 2012 Performance Results (audited)

Performance Indicator	Annual Report	FtF Global Database	Validated*	Amount Overstated/ (Understated) [†]	% Overstated/ (Understated) [†]
Number of people trained in child health and nutrition through U.S. Government-supported programs	1,491	1,491	1,671	(180)	(12)
Number of hectares under improved technologies or management practices as a result of U.S. Government assistance	1,128	1,032	32	1,096	97
Number of rural households benefiting directly from U.S. Government interventions	20,890	20,946	20,946	(56)	(0.3)
Value of incremental sales attributed to FTF implementation	64,433	51,634	51,634	12,799	20

* Validated numbers from supporting documents.

[†] Computations based on the difference between the annual report and validated numbers.

The mission attributed these deficiencies to the delayed approval of the PMEP and the lack of a central record-keeping system. Without the PMEP, for example, the contractor had no clear guidance explaining how to collect and document data. In addition, the program had no centralized system for storing supporting records and consolidating activity results. Instead, field office workers sent results to the program’s technical staff, who were responsible for consolidating results for their respective areas, maintaining supporting records, and providing the program’s monitoring and evaluation team with tabulated results for reporting. If results were estimated, they were not always updated when the actual results were finally received. Furthermore, the program’s staff usually did not verify the actual results.

As a result of these deficiencies, the data supporting the reported accomplishments were not valid or reliable. They did not allow USAID to measure the program’s overall performance or make informed decisions. With less than a year remaining before the program ends, the mission needs to ensure that the previously reported results are accurate and reliable so that cumulative accomplishments reported at the end fairly present the program’s overall performance. To support this effort and address the deficiencies noted, we make the following recommendations.

Recommendation 2. *We recommend that USAID/Central Asian Republics direct its contractor to implement a strategy to improve the reliability of the Family Farming*

⁵ Our conclusion was based on the indicator’s definition from the PMEP’s performance indicator reference sheet and the FtF indicator handbook, updated April 4, 2012. The FtF handbook, updated October 18, 2013, which is referred to in the mission’s management comments (“Revision 2”) was finalized after audit fieldwork.

Program's reported results. At a minimum, this strategy should include measures for (1) verifying the results maintained in the Feed the Future Global Database and reconciling any differences between them and those reported in the contractor's annual reports, (2) verifying that the data collected under each performance indicator are appropriate and consistent with the definition in the program's performance management and evaluation plan, and (3) developing a centralized system for documenting and consolidating data from the field, with procedures for verifying the results regularly.

Recommendation 3. *We recommend that USAID/Central Asian Republics direct its country office in Tajikistan to conduct a data quality assessment of the results reported under the performance indicators for the Family Farming Program.*

Contractor Did Not Do Required Branding and Marking at All Sites

The contract requires DAI to comply with the branding and marking provisions in ADS Chapter 320, "Branding and Marking." These provisions stipulate that all USAID-funded foreign assistance must be communicated, promoted, and marked as coming from the American people through USAID. The contract further requires the contractor to refer to the program as USAID's and make it clear that the program, including all its activities and deliverables, is made possible by the American people.

However, the contractor and its partners did not comply with these provisions at all sites. The program's activities in water management involved repairing and replacing water irrigation gates used to control the distribution of water to farms and family household gardens. To comply with USAID's branding and marking requirements, the program gave WUAs signs with the USAID logo and required the associations to display them on rehabilitated gates. Yet 5 of 12 irrigation gates (42 percent) inspected during the audit lacked signs.



The water gate in Qubodiyon District (left) bears the USAID logo and marking; the gate in Sharituz District (right) has no logo or marking. (Photos by OIG, June 2013)

According to WUA officials, the program did not give them enough signs for all the water gates installed. These officials were waiting for the program to provide them with additional signs. The program staff, however, said they were unaware that some of the installed irrigation water gates did not have the USAID markings. Staff members said they periodically visited the activity sites during construction but did not check for USAID markings because of time constraints and did not visit completed construction projects.

If those associated with and assisted by the program do not follow USAID's branding and marking requirements at all activity sites, the American people will not receive proper credit for installing and repairing water gates. To address this deficiency, we make the following recommendation.

Recommendation 4. *We recommend that USAID/Central Asian Republics require the contractor to implement a plan including dates for providing water user associations with enough signs bearing the USAID logo and verifying that signs have been affixed to all irrigation gates restored under the Family Farming Program's water management activities.*

EVALUATION OF MANAGEMENT COMMENTS

In its response to the draft report, USAID/CAR agreed with the four recommendations. The status of each recommendation is shown below.

Recommendation 1. The mission agreed and made a management decision to direct the Tajikistan office to approve a final PMP. The contractor submitted a revised PMP on October 11, 2013, following the modification of the contract on August 15, 2013. The mission asked for minor revisions and was waiting for the contractor to resubmit the plan for approval. The plan is designed to track six standard performance and additional customized indicators. According to the mission, the six indicators are defined in the performance indicator reference sheet, which includes details on how data will be collected, stored, analyzed, and reported. The mission anticipated completing corrective action by September 1, 2014. We acknowledge USAID/CAR's management decision on this recommendation.

Recommendation 2. The mission agreed and made a management decision to work with the contractor on a set of standard procedures for data collection, storage, and reporting. According to the mission, the procedures developed explain the process of data management and help ensure data quality. We acknowledge USAID/CAR's management decision and final action on this recommendation.

Recommendation 3. The mission agreed and made a management decision to conduct data quality assessments. The mission stated that USAID/CAR's monitoring and evaluation specialist and the COR for the program conducted assessments in October 2013 for all six indicators. They found all the data concerns had been resolved. We acknowledge USAID/CAR's management decision and final action on this recommendation.

Recommendation 4. The mission agreed and made a management decision to ensure proper markings on all water gates by September 1, 2014. USAID's officials, in coordination with the contractor, have designed new, sturdier plaques with the USAID logo to be affixed on water gates. According to USAID/CAR, these plaques are being attached to new water gates at the manufacturer's site, so that they cannot easily be removed. Installation of these plaques on all new water gates was anticipated by February 28, 2014, and reinstallation of the sturdier plaques on older water gates was to be completed by March 31, 2014. We acknowledge USAID/CAR's management decision on this recommendation.

SCOPE AND METHODOLOGY

Scope

The Regional Inspector General in Manila conducted this performance audit in accordance with generally accepted government auditing standards. 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 that reasonable basis.

The purpose of this audit was to determine whether USAID/CAR's Family Farming Program for Tajikistan was achieving its main objectives of improving food security by increasing the volume of agricultural production, the income of food-insecure households to make food more accessible, and household nutrition in some regions where food insecurity exists.

To implement the program, USAID/CAR signed a \$29 million contract task order with DAI, covering a 4-year period from September 30, 2010, to September 29, 2014. As of December 31, 2012, cumulative obligations totaled approximately \$14.2 million and expenditures approximately \$10.6 million. Because this was a performance audit, which focused on program implementation rather than financial transactions, the audit did not include a financial review of the \$10.6 million in expenditures.

The program originally had six components: (1) Agricultural Development and Livestock Enhancement; (2) Irrigation Water Management; (3) Nutrition Enhancement, Household Economics, and Gender Equity; (4) Grants and Subcontracts; (5) Access to Finance; and (6) Policy Reform. The audit covered selected activities carried out under these components from the program's inception through March 31, 2013. However, following the adoption of the FtF approach, the program was eventually revised to include four components: (1) Improve water provision for agricultural production through water users; (2) Research, obtain, test, and disseminate appropriate agricultural technology; (3) Improve household economics; and (4) Support research and advocacy for irrigation water sector policy reforms that enhance food security.

In planning and performing the audit, the audit team assessed significant controls used by the mission to manage program activities and ensure that the contractor was providing adequate oversight of these activities. These controls included reviewing the contractor's quarterly and annual progress reports, as well as the annual work plans, attending meetings with the contractor to discuss program status, and performing site visits to validate program achievements. Additionally, the auditors examined the mission's FY 2012 annual self-assessment of management controls, which the mission is required to perform to comply with the Federal Managers' Financial Integrity Act of 1982,⁶ to check whether the assessment cited any relevant weaknesses.

Audit fieldwork was performed at the USAID country office in Tajikistan, the contractor's office, and the offices of subpartners in Dushanbe. The audit team also visited 8 of the program's 12 target districts in Khatlon Province: Jomí, Bokhtar, Rumi, Jilikul, Qubodiyon, Nosiri Khusrav,

⁶ Public Law 97-255, codified in 31 U.S.C. 3512.

Sharituz, and Vakhsh. During these visits, the team visited selected program-supported activities implemented under 13 of the program's 28 subawards. These 13 subawards were judgmentally selected from the total universe of activities and had a total value of \$5.2 million, representing roughly 88 percent of the total value of all 28 subawards. The audit fieldwork was conducted from May 29 to June 20, 2013.

Methodology

To determine whether the program was achieving its main objectives, the audit team reviewed relevant background documents such as a prior audit report,⁷ as well as the contract task order, modifications, annual work plans, site visit documents, and other program records to gain an understanding of the program and its activities. In addition, the auditors examined the contractor's quarterly and annual progress reports to ascertain the status of activities as of March 31, 2013. The team also interviewed personnel from USAID's country office in Tajikistan, the contractor, and 4 of the program's subpartners, as well as 8 WUAs, 11 beneficiaries of the program's demonstration plot activity, and members of 10 women's initiative groups.

In addition to reviewing records on file at the USAID country office and the contractor's main office in Dushanbe, auditors traveled to eight districts in Khatlon Province, where they visited selected activity sites.

Audit work during these site visits included interviewing subpartners and beneficiaries to solicit feedback on the program's activities and assess the impact of the interventions on targeted farmers' crop yield, income, and employment. To the extent possible, the audit team verified the planned deliverables and determined the extent to which they had been achieved.

In validating the program's reported achievements, the auditors selected a judgmental sample of 15 performance indicators and tested data reported on them during the period from the program's inception through March 31, 2013. This involved comparing the reported results with supporting records to determine whether the reported data were accurate and reliable. The auditors established a materiality threshold of 15 percent. Since total deficiencies identified exceeded 15 percent of the tested data, the auditors concluded that the reported data reviewed were not reliable. Because selection was based on a judgmental sample, results and overall conclusions were limited to the items tested and could not be projected to the entire audit universe. As part of this review, the audit team also examined a data quality assessment that the country office staff had initiated but not completed.

⁷ *Audit of USAID/Tajikistan's Productive Agriculture Program*. Report No. 5-119-12-001-P, October 28, 2011.

MANAGEMENT COMMENTS



MEMORANDUM

DATE: November 29, 2013

TO: William S. Murphy, Regional Inspector General/Manila,

FROM: Jonathan Addleton, USAID/CAR Regional Mission Director /s/

SUBJECT: Performance Audit of USAID/CAR Family Farming Program in Tajikistan
(Audit Report No. 5-176-14-00X-P)

The CAR Mission appreciates the interest that the audit team took in the Family Farming Program and the work that the Inspector General does around the world to strengthen USAID's impact. Please find attached our comments in response to the draft report. USAID/CAR concurs with all four recommendations to strengthen the Family Farming Program and has set forth corrective action plans and related target dates for completion.

In addition to providing action plans to respond to the audit recommendations, the CAR Mission would also like to take this opportunity to request minor revisions to the report.

Revision 1: The Mission respectfully requests a change in the text on page 2. Currently the report lists the original 6 components instead of the revamped 4 components. The second paragraph starting "The revamped program has...." should read: "The revamped program has four components: (1) Improve water provision for agricultural production through water users; (2) Research, obtain, test, and disseminate appropriate agricultural technology; (3) Improve household economics; and (4) Support research and advocacy for irrigation water sector policy reforms that enhance food security. (Please see Attachment 1: Contract Modification.)

Revision 2: The Mission respectfully requests the removal of a sentence from the last paragraph in the text on page 6. The sentence in the last paragraph reads, "...Likewise, results reported under the indicator Number of People trained in in child health and nutrition were found to consist of mothers and pregnant and lactating women trained, rather than the intended beneficiaries under this indicator: health professionals, primary health-care workers, and community health care workers..." This statement is not accurate. The Feed the Future Indicator Handbook, page 79, states that 3.1.9-1 "Number of people trained in

child health and nutrition through USG-supported programs (S) Clarified that 1) indicator counts training participants, not unique individuals (in contrast to 4.5.2-7, which counts unique individuals trained); 2) mothers/caregivers, policy-makers, researchers also counted under the indicator.” The USAID Family Farming Program operates under this guidance provided by USAID/Washington. For more information on Feed the Future indicator definitions, please see Attachment 2 or the following link:

http://feedthefuture.gov/sites/default/files/resource/files/ftf_handbook_indicators_sept2013_2_0.pdf

Revision 3: The Mission respectfully requests corrections on two of the four discrepancies listed on p. 7 in the chart: “Discrepancies Between the Contractor’s Annual Report and the FTF Global Database for fiscal year 2012 Performance Results”:

- Number of hectares under improved technologies or management practices as a result of U.S. Government assistance in FY 2012 is reported in the Feed the Future global database as 1,032 hectares. This includes 32 hectares under multiple interventions (e.g. crop genetics, pest management, disease management, irrigation) and an additional 1,000 hectares under improved water management. Please correct 32 to read 1,032 in the chart under the “FtF Global database” column on page 7 and adjust the corresponding amounts in the following columns for this performance indicator.
- Number of people trained in child health and nutrition reported in the FTFMS for FY12 is 1,491. Please correct 1,671 to read 1,491 in the chart under the “FtF Global database” column on page 7 and adjust the corresponding amounts in the following columns for this performance indicator.

The two other discrepancies that were identified in the report are accurate and the COR will ensure that the FY13 Annual Report matches the data reported in the FTF Global Database. (Please see Attachment 3: FY2012 Report from the Feed the Future Global Database.)

The following are the Mission’s management comments In regards to the four audit recommendations:

Recommendation 1: We recommend that USAID’s Central Asian Republics direct its country office in Tajikistan to approve a final performance management and evaluation plan for the Family Farming Program. At a minimum, this plan must (1) clearly define each indicator, including what data should be collected and how it should be measured, and (2) establish baselines for all performance indicators specified in the plan to facilitate the measurement of progress.

Mission management agrees and plans to close this audit recommendation by September 1, 2014. Following the contract modification on August 15, 2013, the Family Farming Program submitted a revised Activity M&E Plan (formerly called the “PMEP”) to USAID on October 11, 2013. After review, the COR requested minor revisions and is awaiting the final submission. The final Activity M&E Plan will track six standard performance indicators and additional custom indicators for activity management purposes. (Performance indicators are understood to be those indicators which are reported in the Performance Plan and Report.) The six performance indicators already have reference sheets that contain clear definitions

of each indicator and detail measures that will be taken in data collection, storage, analysis, reporting, and quality assurance. (Please see Attachment 4: Performance Indicator Reference Sheets.)

Recommendation 2: We recommend that USAID/Central Asian Republics direct its contractor to implement a strategy to improve the reliability of the Family Farming Program's reported results. At a minimum, this strategy should include measures for (1) verifying the results maintained in the Feed the Future Global Database and reconciling any differences between them and those reported in the contractor's annual reports, (2) verifying that the data collected under each performance indicator are appropriate and consistent with the definition in the program's performance management and evaluation plan, and (3) developing a centralized system for documenting and consolidating data from the field, with procedures for verifying the results regularly.

Mission management agrees. USAID has worked with the Contractor to develop a set of Standard Operation Procedures for data collection, storage, and reporting that apply to the entire Family Farming Program M&E system. The purpose of the procedures is to articulate the process for data management, including clear explanations on how to execute data collection, analysis, verification, and communication at various stages in the M&E and reporting cycle, and provides further detail to assure data quality. The procedures cover all the indicators in the Activity M&E Plan, not solely the six performance indicators discussed above. Attachment 5 is a copy of the Standard Operation Procedures for Data Collection of FFP Indicators. With RIG/Manila's approval, USAID/CAR requests closure of this audit recommendation.

Recommendation 3: We recommend that USAID/Central Asian Republics direct its country office in Tajikistan to conduct a data quality assessment of the results reported under the performance indicators for the Family Farming Program.

Mission management agrees. After the contract modification on August 15, 2013, the Family Farming Program now reports on six standard performance indicators. The USAID COR for the Family Farming Program, in consultations with the USAID/CAR M&E Specialist, conducted data quality assessments (DQAs) in March 2013 for all six indicators, at which point concerns with data quality were articulated to the Contractor. DQAs were again conducted in October 2013 for all six indicators and the data concerns were found to be resolved. Attachment 6 is a copy of the Data Quality Assessment documentation. With RIG/Manila's approval, USAID/CAR requests closure of this audit recommendation.

Recommendation 4: We recommend that USAID/Central Asian Republics require the contractor to implement a plan including dates for providing water user associations with enough signs bearing the USAID logo and verifying that signs have been affixed to all water irrigation gates restored under the Family Farming Program's water management activities.

Mission management agrees and plans to close this audit recommendation by September 1, 2014. To ensure proper marking and branding, USAID has embarked on a two-fold strategy for new water gates and for already installed water gates: USAID COR and the USAID Tajikistan Country Office Development Outreach Coordinator (DOC) have worked with the Contractor and USAID has approved the design of new plaques to be affixed to the

water gates. The new plaques are sturdier and cannot be removed easily as they are affixed to the metal water gates with stronger materials.

New water gates: USAID approved plaques are being attached to new water gates at the manufacture site, before gates are delivered to water user associations. This procedure began with irrigation water control gates ordered in August 2013. (Please see Attachment 7: Pictures of USAID-Branded Water Gates at Factory Prior to Installation.)

Existing water gates: USAID will work with the Contractor to conduct an inventory assessment of installed water gates to be completed by February 28, 2014. The inventory will determine which gates need to be marked or re-marked. (Several irrigation gates have been noted as having been marked, but the older designed plaques were stripped off). By March 31, 2014 new plaques will be affixed to all unmarked gates.

The USAID COR, DOC, and Contractor Chief of Party will make an inspection of WUAs and their irrigation water gates, both new and existing water gates, in mid-April 2014 to verify that full USAID branding and marking compliance was achieved.

For audit recommendation tracking purposes in the Consolidated Audit and Compliance System (CACS), USAID/CAR Mission anticipates the closure of Recommendations 1 and 4 by September 1, 2014 and requests closure of Recommendations 2 and 3 upon issuance of the final audit report.

Thank you again for sharing this draft audit report and for providing the Mission the opportunity to review and respond accordingly.

Attachments:

- 1 - Contract Modification
- 2 - Feed the Future Indicator Handbook Definition Sheets
- 3 - FY2012 Report from the Feed the Future Global Database
- 4 - Performance Indicator Reference Sheets
- 5 - Standard Operation Procedures
- 6 - Data Quality Assessment Reports Completed by COR
- 7 - Pictures of USAID-Branded Water Gates at Factory Prior to Installation

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