



USAID
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OFFICE OF INSPECTOR GENERAL

**AUDIT OF
USAID/AFGHANISTAN'S
HIGHER EDUCATION
PROJECT**

AUDIT REPORT NO. 5-306-09-002-P
December 04, 2008

MANILA, PHILIPPINES



USAID
FROM THE AMERICAN PEOPLE

Office of Inspector General

December 4, 2008

MEMORANDUM

TO: USAID/Afghanistan Mission Director, Michael Yates

FROM: Acting Regional Inspector General/Manila, David A. Thomanek /s/

SUBJECT: Audit of USAID/Afghanistan's Higher Education Project (Audit Report No. 5-306-09-002-P)

This memorandum transmits our final report on the subject audit. In finalizing the report, we considered your comments on the draft report and included the comments in their entirety in appendix II.

This report contains four recommendations to assist the mission in improving its management and oversight of the Higher Education Project. Based on the information provided by the mission in response to the draft report, we determined that management decisions have been reached on recommendation numbers one, two, and three. In addition, final action has been taken on recommendation number four upon issuance of this report. A determination of final action will be made by the Audit Performance and Compliance Division upon completion of the planned corrective actions for recommendation numbers one, two, and three.

I want to thank you and your staff for the cooperation and courtesy extended to us during the audit.

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SUMMARY OF RESULTS

USAID and the Government of Afghanistan entered into a 5-year agreement that set out their mutual objectives toward a better educated population in Afghanistan. USAID/Afghanistan's goal under its 5-year education strategy was to improve access to quality education in Afghanistan. As part of this strategy, USAID/Afghanistan awarded a 5-year, \$38 million cooperative agreement to the Academy for Educational Development (implementer) to support its Afghanistan Higher Education Project (project). The project supports the goal of improving access to quality education by improving the quality of pre-service teacher education at 4-year institutions of higher education. The mission expects this project to result in (1) the transformation of the instruction of teaching and learning in faculties and departments of education in the 16 4-year postsecondary institutions in Afghanistan and (2) institutionalized structures and systems in these same institutions to support and sustain high-quality instruction and professionalism. By the end of the project period, the 16 postsecondary institutions will take full responsibility for the reformed systems and leadership in teacher training and support (see page 3).

The Regional Inspector General/Manila conducted this audit to determine whether USAID/Afghanistan's Higher Education Project was achieving planned results, and what the impact had been (see page 4).

USAID/Afghanistan's Higher Education Project partially achieved planned results toward (1) transforming the instruction of teaching and learning in faculties and departments of education and (2) institutionalizing structures and systems to support and sustain high-quality instruction and professionalism. The implementer measured its progress against nine objectives for which it met its target objectives for three, partially met the targets for four and did not meet the targets for two (see page 5). The project made progress in two areas in particular. First, project activities provided training to faculties that included teaching methods, basic information technology skills, and graduate-level courses in education. Second, project activities to transform institutional structures and systems included workshops and seminars on institutional and leadership development. The project also initiated the Afghan master's degree program and trained several master's degree candidates in the United States. From an impact standpoint, faculty members who participated in the project's different activities were exposed to new and more effective teaching methodologies being used in their classes. Also, faculty members advanced their English language skills through the English courses provided and had greater opportunities to access training and educational materials not available in their local language (see pages 5-7).

Despite these accomplishments, the audit identified three areas that, if not addressed during the last half of the project, will have a negative effect on the sustainability of the project's results (see pages 7-10). Finally, the audit identified that the mission's technical oversight of the project has fallen short of what is required by the agreement and USAID's policies (see page 11).

This report contains 4 recommendations to assist USAID/Afghanistan to improve its oversight of the project (see pages 8, 9, 11, and 13). Based upon the mission's comments management decisions have been reached on the first three recommendations and final

action has been taken on the last one. The mission's written comments are included as appendix II to this report (see page 17).

BACKGROUND

USAID and the Government of Afghanistan entered into a 5-year agreement in September 2005 that set a mutual objective toward a better educated population in Afghanistan. At that time, Afghanistan had one of the world's lowest percentages of population in higher education at less than 0.15 percent. No university had what might be considered a minimally acceptable number of books for a university library and most important, faculty members had few opportunities in the prior 25 years to improve their teaching methods and course content. Younger faculty members rarely had advanced degrees, and many had graduated only from the secondary school in which they presently taught, while veteran faculty members had received their training decades ago with little opportunity to improve their skills and knowledge. Few in either group possessed strong skills in a second international language, which hampered their ability to access current educational materials and research.

USAID/Afghanistan's goal under its education strategy was to improve access to quality education in Afghanistan. To put this strategy into action, USAID/Afghanistan created the Afghanistan Higher Education Project (project) and in January 2006 awarded a 5-year, \$38 million cooperative agreement to the Academy for Educational Development (implementer). The project is part of a program to rehabilitate and strengthen the capacity of the education system and improve access to quality education throughout Afghanistan. The project supports this objective by building sustainable capacity to deliver high-quality pre-service¹ and in-service teacher education for secondary school teachers.

The project aims to strengthen both the individual and institutional capacity at the 16 institutions offering 4-year teacher education programs. The universities with education faculties to be assisted are Kabul Education University, Kabul University, Herat University, Balkh University, Kandahar University, and Nangarhar University, as well as smaller universities in Badakshan, Baghlan, Bamiyan, Faryab, Jouzjan, Khost, Kunduz, Paktia, Parwan, and Takhar.

A key aspect of the project is to institutionalize structures and develop an academic culture that supports high-quality teaching and professional activities. Focusing on the 16 4-year postsecondary institutions cited above, the mission expects this project to result in (1) transformation of teaching instruction and learning in faculties and departments of education and (2) institutionalized structures and systems to support and sustain high-quality instruction and professionalism. By the end of the project period, the 16 4-year institutions are to take full responsibility for the reformed systems and leadership in teacher training and support.

USAID/Afghanistan designed the project around two different components and the implementer focused its resources on achieving nine different objectives. Appendix III lists the nine objectives with the individual indicators and cumulative targets through fiscal year 2008, for each objective and the status of achievement as of June 30, 2008.

¹ The term pre-service refers to students and graduates who have not begun teaching, while in-service refers to those who have already entered the teaching profession.

As of June 30, 2008, the mission had obligated \$23 million and disbursed \$14 million in support of this project.

AUDIT OBJECTIVE

The Regional Inspector General/Manila conducted this audit as part of its fiscal year 2008 annual audit plan to answer the following question:

- Was USAID/Afghanistan's Higher Education Project achieving its planned results, and what has been the impact?

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

AUDIT FINDINGS

USAID/Afghanistan's Higher Education Project (project) partially achieved its planned results toward (1) transforming the instruction of teaching and learning in faculties and departments of education and (2) institutionalizing structures and systems to support and sustain high-quality instruction and professionalism. The Academy for Educational Development (implementer) measured its progress against nine objectives. It met the targets for three indicators, partially met the targets for four indicators and did not meet the targets for two indicators.

As of June 30, 2008, 30 months into project implementation, the project had its principal impact on individual faculty members. Faculty members who participated in the project's activities were exposed to new and more effective teaching methodologies. Also, the English courses provided advanced their English language skills increasing opportunities to access training and educational materials not available in the local language.

Where the project met and partially met its targets, it showed encouraging results. For example, the project established professional development centers at 9 of the 16 universities. These centers were staffed with Afghan personnel and worked to increase the adoption of improved pedagogical methods.



Photograph of an English language training class being conducted at the Professional Development Center at Balkh University in Mazar, Afghanistan. (Office of Inspector General, August 2008)

Through these professional development centers, the project also provides ongoing computer skill training to teach faculty members to use MS Windows programs: Word, Excel, and Power Point. Thanks to the new skills learned through these centers, faculty members stated that they can now prepare their class material using computer applications. Increased English language proficiency has also allowed some to use the Internet to search for professional development and educational resources as very few educational resources are available in Dari, the main Afghan language.

One project objective is to increase the adoption of improved pedagogical methods. Pedagogy is defined as the art or science of being a teacher and the use of formal teaching strategies. The project delivers three different workshops in teaching methods: (1) critical thinking, (2) syllabus design, and (3) course design. Faculty members interviewed found each course beneficial and were now engaging students in lessons by moving away from solely lecture-based teaching and introducing more participatory teaching methods.

The project also implemented study-abroad activities to increase faculty members' rigor and depth of knowledge in content areas. These activities included U.S. and third-country certificate and graduate degree programs in education. For example, 16 faculty members completed the Singapore Certificate Program in Teaching English as a Foreign Language. Further, a 1-day workshop was held for faculty members who attended the Singapore program and were enrolled in a master's degree program with the University of Indiana to discuss how they can apply their new knowledge in their classrooms.



Photograph of faculty members who completed study abroad programs working together to discuss how to apply the learned teaching methodologies in their classrooms. Session took place in Kabul, Afghanistan. (Office of Inspector General, July 2008).

Despite the progress achieved in the first 30 months of project implementation, the audit identified the following issues that the mission needs to address to further the results and impact of the project: (1) the need to align project indicators of the mission and the

implementer, (2) the need to improve cooperation between the Afghanistan Ministries of Education and Higher Education, (3) the need to identify how to sustain critical activities, and (4) the need to improve mission technical oversight of the project. These issues are further addressed below.

Mission and Project Indicators Need Alignment

Summary: USAID policy states that missions should only collect and report on the information that is most directly useful for performance management. The mission did not align the implementer's performance indicators with its own indicators to ensure that the implementer's monitoring and evaluation plan collected and reported the type of information that is most directly useful for the mission's performance management. This occurred because the mission never officially approved the implementer's monitoring and evaluation plan, even though it had received the plan at the beginning of the project. As a result, the mission has made repeated ad hoc requests for program performance information from the implementer which diverts its efforts from programmatic issues.

USAID's Automated Directives System 203.3.2.1 (d) states that missions should collect and report only on the information that is most directly useful for performance management. More information is not necessarily better because it markedly increases the management burden and cost to collect and analyze. Further, missions should align their performance information needs with those of their partners, thereby lessening the reporting burden for partner organizations. For example, the mission and its implementing partners should jointly define critical performance indicators or incorporate data collection directly into assistance and acquisition mechanisms. As well, missions should ensure that reporting requirements are included in acquisition and assistance instruments, and that partner reporting schedules provide information at the appropriate times for Agency reporting.

The mission did not align the implementer's performance indicators with its own indicators to ensure that the implementer's monitoring and evaluation plan collected and reported the type of information that is most directly useful for the mission's performance management. The mission has one indicator for reporting on the Higher Education Project: "Number of students enrolled in USAID-supported programs with faculties of higher education." This is the mission's sole indicator for intermediate results under increased access to quality education, whereas the implementer reports for nine indicators under its seven project functional areas. The mission and implementer both use quantitative performance measures, but use different measures to assess results.

The mission's indicator is based on the assumption that data reported from the Higher Education Project represent one person trained. By contrast, the implementer's methodology measures multiple discrete activities in which the same individual could participate. For example, the implementer's English language training program has 20 different modules. One individual who successfully completes each module will be reported 20 times in the implementer's quarterly results reporting and annual progress reports. Further, if this same individual also successfully completes any of the computer courses, pedagogy training sessions, or teacher content training sessions, the implementer will count this individual under these discrete activities as well.

This misalignment between indicators occurred because the mission never officially approved the implementer's monitoring and evaluation plan, even though it had received the plan. Therefore, the implementer operated on the assumption that its indicators were acceptable and useful to the mission. As a result, the implementer designed and operated a monitoring and evaluation system that does not efficiently meet the mission's needs for reporting, forcing implementing officials to devote additional resources to satisfy ad hoc requests from the mission for additional progress data.

Because mission performance information needs are not aligned with the implementer's monitoring and evaluation plan, project resources are redirected from dealing with programmatic issues to meeting the mission's reporting needs. As a result, this audit makes the following recommendation.

Recommendation No. 1: We recommend that USAID/Afghanistan determine the key indicators to measure and report results and revise the indicators at the implementer level, the mission level, or both, to more accurately link the activity data to the mission's planned results.

Mission Assistance Required For Ministry Collaboration

Summary: According to the mission's agreement with its implementer, a critical objective of sustaining the project's results was the degree of coordination between Afghanistan's Ministry of Education and Ministry of Higher Education. The implementer had made no progress in meeting any of its targets towards this objective as of June 2008. No progress had been made because the mission's technical staff responsible for overseeing the project did not help the implementer open up lines of communication between the two ministries, and there was a lack of continuity of technical staff in overseeing this project. The resulting lack of collaboration between the ministries could negatively affect sustainability of project results due to the interrelated education segments managed by the two ministries.

A critical objective of sustaining results of the Higher Education Project was the degree of coordination between Afghanistan's Ministry of Education and Ministry of Higher Education. At the time the project was awarded, there was little coordination between these ministries; therefore, the project was to develop a plan to enhance collaboration between them on common issues. These ministries have interdependent roles in developing quality secondary-level education. The Ministry of Higher Education manages the universities that prepare secondary-level teachers, and the Ministry of Education prepares secondary-level students to attend university. For this reason, the project's cooperative agreement made coordination between these ministries a critical objective that was essential for sustaining results.

The implementer had made no progress in meeting any of its targets for this objective as of June 2008. The 2006 version of the implementer's monitoring and evaluation plan included an indicator to measure the number of collaborative events and initiatives engaged in by the two ministries. Seven events were planned through the life of the project with one each in 2006, 2009, and 2010 and two each year in 2007 and 2008. However, the implementer's 2007 and 2008 work plans reported that political tensions

between the ministries made cooperation between them slow and difficult. Ultimately, the implementer reported that no progress was made through fiscal year 2008 and that establishing collaboration between the ministries was not feasible. Therefore, the implementer planned to cease pursuit of this objective and measurement of this activity. The implementer reported that it assumed that USAID would undertake a coordinated effort to address the lack of ministry collaboration for all its education projects.

No progress had been made on this objective because the mission's technical staff responsible for overseeing the Higher Education Project did not help the implementer to open up lines of communication between the two ministries. This lack of involvement on the part of the mission contributed to the Higher Education Project not achieving the targets established for enhancing collaboration between these ministries. According to USAID policy, Automated Directives System 202.3.5.3, mission officials are considered official U.S. Government representatives, and can open lines of communication with host governments. USAID officials play a critical coordination role with respect to their partners and host country governments.

Staffing issues with both the mission and implementer also contributed to the lack of progress toward coordination between the ministries. The mission had assigned five different cognizant technical officers to oversee this project since the award date of January 23, 2006, resulting in limited continuity of oversight. Also, review of the cognizant technical officers' correspondence and other administrative files indicates no correspondence addressing the lack of collaboration between the ministries. The only information indicating the mission's involvement was in the implementer's cover letter to its April 1, 2008, monitoring and evaluation plan. In it, the implementer reported that in February 2008, the director of USAID/Afghanistan's Office of Social Sector Development recommended that this issue be documented by the project as a matter of urgency since a program audit was to be conducted in July 2008.

The implementer also experienced problems in staffing its chief of party position, the executive director of the project. The project did not have a chief of party in place for the first 9 months of project implementation. The project has had two different chief of party officials since the project began, which likely averted management's attention from this objective.

The project design included collaboration between the two ministries as an objective because of collaboration's positive impact on the sustainability of project results. The implementer's most recent monitoring and evaluation plan reported that the reluctance by officials from both ministries to collaborate on donor-funded efforts will be detrimental to the Higher Education Project and other projects involved in teacher education. According to implementing partner officials, enhanced collaboration between the two ministries has been a challenge beyond the control of the project alone and therefore, mission assistance is needed to make it happen.

Recommendation No. 2: We recommend that USAID/Afghanistan intervene with the Ministry of Education and Ministry of Higher Education to reach an agreement on appropriate collaborative actions to further the Higher Education Project.

Sustainability Plan Needed for Centers

Summary: Sustainability is a core element of USAID program design. One of the principles of the education strategy is for USAID/Afghanistan to ensure that Afghan partners become providers of quality educational services without the need for continuing USAID support. To accomplish a number of important higher education results, the project implemented professional development centers that are a focal point for activity at client institutions, and the development of these centers was given high priority to ensure the visibility and credibility of the project's work. However, upon completion of the award, these centers will not be self-sustaining, because the program design did not include an exit strategy with ways to keep these centers operating after the award ended. Given the centers' visibility, their closure would negatively affect the public perception of U.S. assistance and greatly diminish research and training opportunities for university faculty resulting in possible reversals of long term project impact.

Sustainability is a core element of USAID program design, as shown in the Agency's Strategic Plan Checklist which requires the strategic teams to address two questions: (1) Is the achievement of sustainability for these institutions and processes realistic and within the planned timeframe for the completion of USAID's assistance to a specific strategic objective and/or a country's graduation from USAID assistance? (2) Will sustainability plans be provided for key institutions and processes that will be necessary beyond the timeframe of the USAID strategy? Further, one of the principles of the education strategy is to focus on sustainable capacity and avoid using project resources to create unsustainable subsidies. USAID/Afghanistan's goal is to ensure that Afghan partners become providers of quality educational services without the need for continuing USAID support. These principles were to guide project design, implementation, and evaluation as USAID/Afghanistan developed projects based on its education strategy.

To accomplish a number of important higher education results, the project implemented professional development centers that are serving as a primary locus of higher education activity. However, these centers will not be self-sustaining at the completion of the award.

In 2006, the 16 institutions associated with the Higher Education Project did not have space and facilities to provide the level and type of training to achieve project objectives. The project implemented professional development centers to meet this need. Each center is staffed with Afghan personnel and equipped with computer workstations, multilingual keyboards, and Internet connectivity. The centers are also the location for Higher Education Project training in pedagogy, information technology and English language skills, and serve as a base of operations for the institutional development teams. At the time of the audit, 9 of the 16 universities had professional development centers.

The professional development centers are a focal point for activity at client institutions, and the development of these centers was given high priority to ensure the visibility and credibility of the project's work. These activities will continue through the duration of the mission's agreement with the implementer. However, there are no plans to enable

continued operation of the professional development centers beyond the end date of the agreement.

Center operations are funded through the Higher Education Project at a cost of approximately \$52,000 per year. Operating costs cover salaries for staff (including development coordinators), translators, a multimedia person, and trainers and staff to operate the centers. Other costs covered are electrical power (including generators and oil to keep the centers running), Internet connectivity, and resources to produce and disseminate educational publications.

These centers will not be self-sustaining after the end of the agreement because the program design did not include an exit strategy with ways to keep these centers operating after the award ended. At project initiation, the implementer's response to the mission's request for applications did not address the long-term sustainability of these centers in its program description.

The project ends January 31, 2011, and continued operation of the professional development centers is unlikely without alternative funding or methods to provide services. According to the dean of one of the 16 institutions assisted, these centers provide one of the most important project impacts and are highly visible to university faculty. Given their visibility, closing these centers would negatively affect the public perception of U.S. assistance and greatly diminish research and training opportunities for university faculty, resulting in possible reversals in long term project impact. As a result, this audit makes the following recommendation.

Recommendation No. 3: We recommend that USAID/Afghanistan collaborate with the Academy for Educational Development and applicable Afghanistan universities to develop an exit strategy so that key services of professional development centers will continue after project completion.

Improvements in Technical Oversight Necessary

Summary: USAID's policy requires the agreement officer to designate a cognizant technical officer to provide technical and administrative oversight of assistance awards. The mission officials designated to provide technical and administrative oversight of the project did not, in all respects, properly discharge their duties and responsibilities as designated by the mission's agreement officer. Repeated staff changes in the cognizant technical officer position apparently caused this problem. As a result the mission has not been substantially involved in the implementation of this project which has contributed to the previous problem areas previously cited in this audit report.

USAID's policy, Automated Directives System 303.2 (f) requires the agreement officer to designate a cognizant technical officer to provide technical and administrative oversight of assistance awards. In this capacity, the cognizant technical officer serves as a liaison, directs communications with the recipient, and takes reasonable steps to:

- Ensure that the recipient has submitted all required program and financial reports.

- Monitor the recipient's progress in achieving the objectives of the program description.
- Make written recommendations to the agreement officer when any changes to the program description, technical provisions, and or any other term or condition of the award are necessary.
- Approve the recipient's annual implementation plans, including annual monitoring and evaluation plans.

These responsibilities are formally assigned through a designation letter from the agreement officer to the cognizant technical officer. When mission officials are assigned cognizant technical officer responsibilities they receive a number of mission orders reiterating their financial and programmatic responsibilities.

The mission officials designated to provide technical and administrative oversight of the project did not, in all respects, properly discharge their duties and responsibilities as designated by the mission's agreement officer. Technical and administrative oversight were not properly administered in the following main areas:

Approval of annual implementation and monitoring and evaluation plans – The implementer submitted annual work plans and versions of its monitoring and evaluation plans, the most current of which was dated February 13, 2008, (revised April 8, 2008). Implementing officials commented that they never received official approval of these plans and therefore worked under the assumption that the mission accepted the plans as submitted.

Monitoring the recipient's progress – Since the start of the project in January 2006, various activities took place at each of the 16 universities supported by the project. However, monitoring of progress through site visits was limited. As of June 30, 2008, midway through project implementation, mission cognizant technical officers had made only two site visits, both to the same location, Herat, in January and November 2007.

Ensuring that the recipient submitted all required financial reports – The cognizant technical officer's activity work file should include copies of the recipient's financial documentation to support financial management of the project. The Office of Management and Budget quarterly Financial Status Report (Standard Form 269) for recipients of federal grants is a critical document for inclusion. However, these documents were not complete in the file; the technical office had to request copies of the forms from the implementer to satisfy the audit's documentation request.

One reason why the mission has experienced these problems is because of the constant turnover in technical staff assigned to oversee this project. The principal mission official who assisted with this audit was designated cognizant technical officer in early July 2008, approximately 3 weeks before the start of the audit. In all, as of August 2008, five different USAID/Afghanistan staff members served as cognizant technical officers in the 30 months of project implementation. Because of this frequent staff turnover, no one at the mission had historical knowledge of the project at the time of the audit.

The designation letter states that the cognizant technical officer files serve as the primary tools for carrying out their duties and responsibilities. It also stresses that inadequate files impede the ability of current and successor cognizant technical officers

to manage the cooperative agreement and may therefore jeopardize the program for which it was awarded. Overall, past cognizant technical officers for the Higher Education Project did not fulfill their responsibilities by maintaining such files.

As a result, the mission has not been substantially involved in the implementation of this project which has contributed to the problem areas cited previously in this audit report. Further, the implementer has managed and implemented the activities as it deemed necessary, which may or may not always be in the best interest of USAID's intended goals and objectives.

Improved technical oversight by each of the incumbent cognizant technical officers would mitigate the risk of not having a body of knowledge on the recipient's progress in achieving the objectives of the program. This would also ensure that the recipient submits all required administrative, performance, and financial reports, and that the USAID-funded activities conform to the terms and conditions of the award. Therefore, the audit makes the following recommendation.

Recommendation No. 4: We recommend that USAID/Afghanistan implement appropriate procedures to strengthen (1) project monitoring, (2) review and approval of project documents, and (3) maintenance of the cognizant technical officer project file for the Higher Education Project.

EVALUATION OF MANAGEMENT COMMENTS

In its response to the draft report, USAID/Afghanistan agreed with the findings and recommendations. Based on the Regional Inspector General/Manila's review of the mission's comments and planned actions, we determined that management decisions have been reached on recommendations one, two and three. Further, based on the actions already taken by the mission we determined that final action has been taken on recommendation four.

In response to recommendation number one, the mission stated that on November 17, 2008, the cognizant technical officer reached an agreement with the Academy for Educational Development, implementer of the Higher Education Project (the project), to jointly define critical performance indicators and to incorporate data collection directly into the acquisition mechanism. Further, a revised monitoring and evaluation plan will be submitted by the implementer for review on or before December 31, 2008, which the mission anticipates approving by mid-February 2009.

In regards to recommendation number two, the mission stated that initial efforts to establish cooperation between the Afghan Ministries of Education and Higher Education took place during the project sponsored Teacher Standards Conference held November 17 and 18, 2008. Representatives from both ministries attended, as well as rectors from the 16 pedagogical universities and Kabul Education University. At this conference a memorandum of understanding was drafted among the Ministries of Education and Higher Education, the implementer, and USAID confirming the adoption of secondary and higher education standards of teacher education. The memorandum is expected to be signed by January 2009.

With respect to recommendation number three, the mission stated that from November 12 to 13, 2008 the project partners (the implementer, University of Massachusetts, and University of Indiana) held a consortium meeting where they discussed mechanisms to ensure the sustainability of each of the 16 professional development centers expected to be operational by project completion. The results of this meeting will be presented to the mission by December 1, 2008. The agreed-upon mechanism is expected to be in place by January 31, 2011. Finally, the mission expects a sustainability plan (exit strategy), to be completed by February 28, 2009.

Regarding recommendation number four, the mission stated that the short-term staff assignments prevalent in Afghanistan prevent a cognizant technical officer term of more than one year. However, the mission also acknowledges that cognizant technical officer turnover for the project had been unacceptably high, but that it anticipates that the current cognizant technical officer will remain in place until August 2009, and that it will make every effort to curtail turnover. It is expected that a longer-term cognizant technical officer will alleviate the project management issues cited by the audit.

USAID/Afghanistan's written comments on the draft report are included in their entirety as appendix II to this report.

SCOPE AND METHODOLOGY

Scope

The Regional Inspector General/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 a reasonable basis for our findings and conclusions based on our audit objective. The objective of this audit was to determine whether USAID/Afghanistan's Higher Education Project (project) was achieving its planned results, and what the impact has been.

In January 2006, USAID/Afghanistan awarded a 5-year, \$38 million cooperative agreement to the Academy for Educational Development (implementer) to support its Afghanistan Higher Education Project. As of June 30, 2008, 30 months into the 60-month project, the mission had obligated \$23 million and disbursed \$14 million in support of this project.

The audit was performed in Afghanistan from July 23, to August 6, 2008, and covered the project activities implemented by Academy for Educational Development from January 2006 to June 2008. In Kabul, fieldwork was conducted at USAID/Afghanistan and at the implementer's offices. We also conducted fieldwork at Kabul University and the Kabul Education University both located in Kabul, and at the Balkh University in Mazar-e-Sharif, Balkh province. Because of security restrictions, we were not able to pursue our planned site visit to Herat University. The audit also involved meeting with ministry officials in the Government of Afghanistan's Ministry of Education and Ministry of Higher Education.

We reviewed and analyzed the activities supporting all nine project objectives that the implementer reported to the mission. The mission relies on this performance data to report the number of university professors, deans, and rectors trained under its education strategy.

As part of the audit, we assessed USAID/Afghanistan's significant internal controls in place to monitor the project activities. The assessment included controls related to whether the mission (1) conducted and documented site visits to evaluate progress and monitor quality, (2) required and approved recipient work plans, (3) reviewed progress reports submitted by the implementer, and (4) compared the implementer's reported progress to planned progress and the mission's own evaluations of progress. We also reviewed the mission's annual self-assessment of internal controls in accordance with the Federal Managers' Financial Integrity Act. Finally, we reviewed relevant prior audit reports.

We also assessed significant internal controls used by the implementer to monitor its implementation of project activities. Specifically, we reviewed how the implementer ensured compliance by its staff with project planned activities and timeframes.

Methodology

To answer the audit objective, we interviewed officials and staff from USAID/Afghanistan, the Academy for Educational Development, the Government of Afghanistan's counterpart ministries (Ministry of Higher Education and Ministry of Education), and project beneficiaries. We also reviewed and analyzed relevant documents at both the mission and the implementer. This documentation included annual work plans, the agreement and its modifications, site visit and other monitoring reports, progress reports, and financial reports and records.

Regarding the monitoring and evaluation systems at the mission and implementer, we reviewed the systems to determine if results were being captured. We then judgmentally sampled results reported for individual indicators and compared these results against supporting documentation. For each selected performance indicator, we established the following materiality threshold criteria to measure progress made in the program:

- The planned result would be achieved if the target number was met.
- The planned result would be partly achieved if progress was made toward meeting the target number.
- The planned result would not be achieved if no progress was made toward meeting the target number.

MANAGEMENT COMMENTS



ACTION MEMORANDUM FOR THE MISSION DIRECTOR

TO: Catherine M. Trujillo, RIG/Manila

From: Michael J. Yates, Ph.D., Mission Director /s/

DATE: November 20, 2008

SUBJECT: Draft Report on the Audit of USAID/Afghanistan's Higher Education Project (HEP); (Audit Report No. 5-306-09-00X-P)

REFERENCE: APegues/MYates memo dated October 21, 2008

Thank you for providing the Mission the opportunity to review the subject draft audit report. We would like to express our gratitude for the professionalism exhibited by the audit team during the performance of the field work. We are providing confirmation of the actions that have been taken or are planned to be taken to address the four audit recommendations.

MISSION RESPONSES TO AUDIT RECOMMENDATIONS

Recommendation No. 1: We recommend that USAID/Afghanistan determine the key indicators to measure and report results and revise the indicators at the implementer level, the mission level, or both, to more accurately link the activity data to the mission planned results.

The Mission agrees with this recommendation.

Action Taken:

The Cognizant Technical Officer (CTO) has reached agreement with the Academy for Educational Development (AED), implementer of the Higher Education Project (HEP), to jointly define critical performance indicators and to incorporate data collection directly into the acquisition mechanism. The review and revision of performance indicators was initiated in a meeting on November 17, 2008 that was participated in by AED's Chief of Party (COP), AED's Monitoring and Evaluation (M&E) expert, USAID's CTO and the Senior Education Specialist and Chair of the USAID Education Data Working Group in Washington, D.C. who is currently in Afghanistan to review the Mission's Education Performance Monitoring Plan (PMP) and PMPs for all education projects.

Planned Action:

A draft revision of the M&E plan will be submitted by AED for USAID's review on or before December 31, 2008. After Mission review, it is anticipated that the approved M&E plan will be implemented by mid-February 2009. By March 15, 2009, the Mission will have assessed the Higher Education Project's implementation of the approved M&E plan.

The target date for closure of this recommendation is March 15, 2009. We therefore request RIG/Manila's concurrence that a management decision has been reached.

Recommendation No. 2: We recommend that USAID/Afghanistan intervene with the Ministry of Education and Ministry of Higher Education to reach an agreement on appropriate collaborative actions to further the higher education project.

The Mission agrees with this recommendation.

Action Taken:

As a first step toward providing the essential Mission assistance toward reaching this objective, USAID/Afghanistan's Office of Social Sector Development (OSSD) met with the new Minister of Education on November 9, 2008, thus opening a pathway of communication for the CTO, who will visit the Minister with the HEP Chief of Party before the end of November 2008. Both HEP and the CTO currently have well-established relationships with the Ministry of Higher Education (MOHE) including the Minister himself.

Planned Action:

As an initial effort to establish cooperation between the two ministries, HEP sponsored a Teacher Standards Conference on November 17 and 18, 2008. Representatives from both the Ministry of Education and the Ministry of Higher Education attended, as well as rectors from the 16 pedagogical universities and Kabul Education University. A Memorandum of Understanding (MOU) among the Ministry of Education (MOE), the Ministry of Higher Education (MOHE), HEP and USAID confirming the adoption of secondary and higher education standards of teacher education has been drafted and is expected to be signed by January 2009.

This MOU is crucially important in moving towards greater sustainability, quality and professionalism in the area of teacher preparation as it will formalize a shared vision of the teaching profession in Afghanistan and will initiate formal cooperation between the MOE and MOHE by forming Standards Committees at both the institutional and Ministerial levels which are responsible for implementation and evaluation of the standards.

The Mission will continue to work with AED to foster the collaboration between HEP and the MOE and MOHE established by the participation of all parties in the Teacher Standards Conference by requesting that each ministry assign a Deputy Minister to attend an ongoing series of meetings with the HEP Chief of Party and the CTO to explore further avenues of collaboration.

Since the CTO has reached agreement with HEP to jointly reinstate the critical objective of raising the level of cooperation between the MOE and the MOHE as a key to sustainability of project results, and has initiated actions to ensure the successful attainment of this recommendation, we therefore request RIG/Manila's concurrence that a management decision has been reached. Closure will be requested as soon as a MOU is executed among MOE, MOHE, HEP and USAID. The target completion date is February 28, 2009.

Recommendation No. 3: We recommend that USAID/Afghanistan collaborate with the Academy for Educational Development and applicable Afghanistan universities to develop an exit strategy so that key services of professional development centers will continue after project completion.

The Mission agrees with this recommendation.

Action Taken:

The Academy for Educational Development (AED) and USAID/Afghanistan have begun a series of meetings designed to put in place by January 31, 2011, a mechanism for ensuring the sustainability of each of the 16 Professional Development Centers (PDCs) expected to be operational by that date.

To this end, a consortium meeting on November 12 -13, 2008, brought together the HEP partners (AED, University of Massachusetts, and University of Indiana) to discuss development of a comprehensive sustainability plan. The results of this meeting will be presented to the Mission by December 1, 2008.

Options currently being explored include a proposal that the Ministry of Higher Education actively pursue a partnership with the private sector to ensure sustainability. Although initially reluctant, the Minister seems to be more willing to discuss the use of private funds as both HEP and the Mission stress the benefits such a partnership would bring. Roshan Corporation has made an offer to support the Afghan Masters of Education (AME) from 2011; after an initial refusal to even consider the offer, the MOHE is now willing to engage in meetings with Roshan.

Finally, HEP has identified key Afghan trainers at each PDC to receive accelerated instruction so that they can carry forward the work of HEP employed trainers when the project ends in 2011.

Planned Action:

HEP, with Mission encouragement and support, is developing a business plan for the establishment of the International Computer Driving License (ICDL) for each of the 16 institutes so that they can offer revenue generating computer training. Initial investigation of the feasibility of for-profit English as a Foreign Language instructional centers at the PDCs is underway.

We request RIG/Manila's concurrence that a management decision has been reached. Closure will be requested upon completion of a comprehensive sustainability plan on or about February 28, 2009.

Recommendation No. 4: Planned Action: We recommend that USAID/Afghanistan implement appropriate procedures to strengthen (1) project monitoring, (2) review and approval of project documents and (3) maintenance of the Cognizant Technical Officer project file for the Higher Education Project.

The Mission agrees with this recommendation.

Action Taken:

It is anticipated that the current CTO will remain in place until August 2009. The Mission requests the understanding of RIG/Manila that the short-term staff assignments currently prevalent in Afghanistan make a CTO term of more than one year not feasible in all cases. The Mission does acknowledge, however, that the CTO turnover relating to the HEP project had been unacceptably high, and the Mission will make every effort to curtail turnover.

It is anticipated that a longer-term CTO will have a direct impact on (1) above, *project monitoring*. The current CTO maintains almost daily telephone and/or email contact with HEP's management. In addition, weekly meetings are held on an established basis. Such meetings review project progress and problems, and serve to immediately address areas of concern, either on the part of the Mission or HEP.

The current CTO has moved all relevant documents into the project files, and updates such files on a weekly basis, thus addressing (3) above, *maintenance of the Cognizant Technical Officer project file for the Higher Education Project*.

The Education Team Leader, newly appointed to the Mission, has assumed CTO supervision, thus assuring the above initiatives are followed through.

Planned Action:

The current CTO will submit written comments on any and all documents received in a timely and complete manner, thus addressing (2) above, *review and approval of project documents*. In the absence of the CTO, the designated alternate is charged with offering the same service to HEP, further ensuring that the review and approval process is maintained to the highest standard.

The Mission acknowledges that field visits to HEP sites had been lacking in the past. However, it should be noted that the inability of CTOs to conduct adequate project monitoring visits due to security concerns has been reported as a significant deficiency in the Mission's annual FMFIA report since FY 2002. Travel restrictions due to weather, lack of availability of air service and the inadvisability of road travel in addition to overriding safety and security concerns often make site visits on the part of the expatriate CTO impossible to carry out.

To mitigate risks associated with the lack of site visits, the Mission plans to send Afghan nationals to perform site visits when the expatriate CTO is unable to visit a range of the 16 sites. Provincial Reconstruction Teams will also be regularly consulted regarding security and other issues that a constant and consistent presence might note with increased awareness.

The Mission believes that this restructured approach contributes directly to strengthening HEP in the areas designated. We therefore request concurrence that a management decision has been reached on this recommendation. By February 28, 2009, the Mission will have implemented further corrective measures to improve project monitoring, facilitate document approvals, and maintain adequate CTO files.

Table A-1: Project Indicators and Cumulative Targets Through June 30 of the Fiscal Year Ending Sept. 30, 2008

Component 1: Improved preparation of teachers at Afghan faculties of education in universities and 4-year teacher training institutions.			
Objective	Indicator	Cumulative Target Through 2008	Status as of June 30, 2008 Achieved?
Increased adoption of improved pedagogical methods.	Professional Development Centers (PDCs) functioning to support teacher educators.	9	Yes
	In country teacher education pedagogy training provided.	95 sessions and 1,040 participants.	Partial
Increased rigor and depth of knowledge in content areas.	In-country teacher education training, on subject matter content pedagogy training provided.	Design of content training program.	Yes
		Development of part 1 of Module one.	Yes
		Delivery of part 1 of module one.	No
	Study abroad activities, including U.S. and third country certificate and graduate degree programs in the field of education.	11 started graduate degree program in Indiana University. 16 completed certificate program in Singapore.	Yes Yes
Increased English Language proficiency and IT skills among faculty members.	In-country English Language instruction training provided.	314 individuals participating and completing.	Yes
	In-country ICT training provided for teaching and research purposes in support of instruction.	325 individuals participating and completing.	Yes
Enhanced capacity of faculty members for intellectual and academic inquiry.	Papers and academic materials developed by teacher educators who have participated in HEP professional development activities.	30	Yes
	Number of participants in Afghan Master's program.	22 started.	Yes
Increased professionalism in faculties of education.	Development of professional associations and committees which are active with membership and events.	9 functional management, membership and events achieved.	Yes

Component 2: Improved administrative and policy framework to sustain quality teaching, learning, and a culture of excellence.			
Objective	Indicator	Cumulative Target Through 2008	Status as of June 30, 2008 Achieved?
Improved administrative competencies and clear professional roles for deans and department heads.	Institutional development activities such as workshops and seminars provided to rectors, deans, and department chairs (deans) to foster enhanced administrative capacity and clarity vis-à-vis professional roles.	6 sessions and 253 participants.	Partial
	Study abroad activities, including U.S. and third country degree, certificate or short-term study tour programs in the field of education institution administration.	7 started graduate degree program in UMass. 18 in ID Study Tour I. 6 in Afghan Master Study Tour 1. 18 in ID Study Tour II. 18 in NLD Study Tour I. 18 in NLD Study Tour II.	Yes Yes Yes Partial Yes No
	Institutional development plans that address administrative structures, facilities, and resources needed to better support education faculty developed at the 16 targeted Afghan universities.	USAID nine physical structure tender ready for 9 sites. Implementation of plans of institutions initiated.	No
Policies and standards for teacher certification established.	Assessment conducted, recommendations on teacher development reforms submitted and considered by MOHE, and MOHE assisted by HEP in developing process for reviewing, adopting, and implementing select reforms.	White paper (Standard for Teacher Education in Afghanistan's Institutions of Higher Education) presented to MoHE, rectors and deans. The white paper submitted to MOHE minister approval. Consultative Validation Completed and Standard finalized and accepted as National Standards of Teacher Education. 18 faculty members participated in Standard and Accreditation Study Tour.	Yes Yes No No
Enhanced collaboration between MOHE and MOE regarding training and certification of teachers.	No indicator.	None.	No
Improved mechanism for systematic review and modification of teacher preparation curriculum.	No defined indicator.	National curriculum review committee established and responsible for new curricula.	No

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