



OFFICE OF INSPECTOR GENERAL

AUDIT OF USAID/INDONESIA'S MATERNAL AND CHILD HEALTH INTEGRATED PROGRAM

AUDIT REPORT NO. 5-497-13-003-P
DECEMBER 11, 2012

MANILA, PHILIPPINES



Office of Inspector General

December 11, 2012

MEMORANDUM

TO: USAID/Indonesia Mission Director, Andrew B. Sisson

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

SUBJECT: Audit of USAID/Indonesia's Maternal and Child Health Integrated Program
(Report No. 5-497-13-003-P)

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

This report contains one recommendation to assist the mission in improving its oversight of the Maternal and Child Health Integrated Program. A management decision was reached on that recommendation. 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 recommendation.

I wish to thank you and your staff for the cooperation and courtesies extended to us during the course of this audit.

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Abbreviations

The following abbreviations appear in this report:

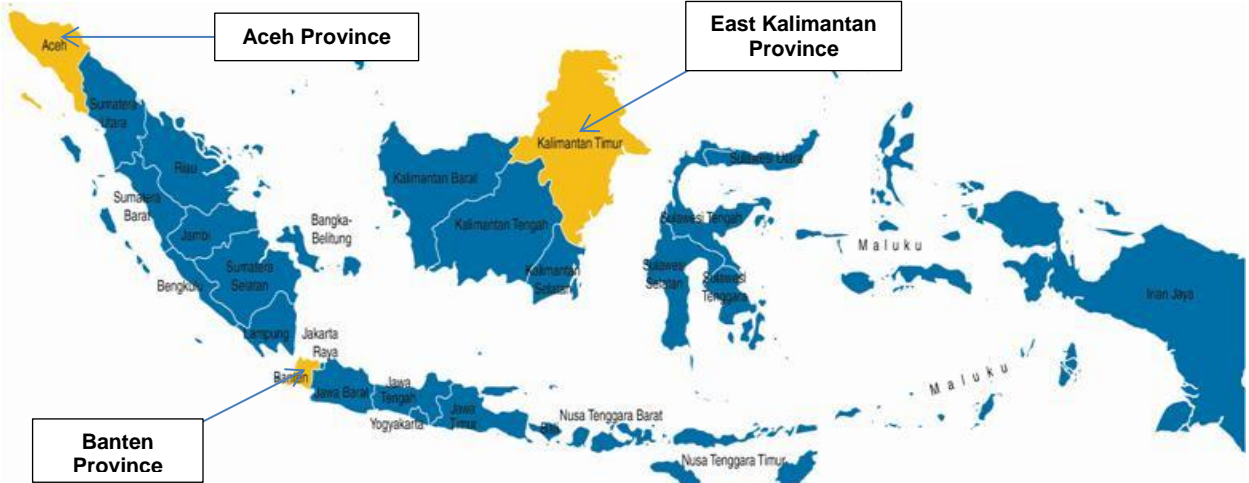
- JRISE Jhpiego Result Information System
- LAMAT Local Area Monitoring and Tracking
- MCHIP Maternal and Child Health Integrated Program

SUMMARY OF RESULTS

In the area of global health, USAID has made reducing the mortality rate of mothers and children under five a priority development objective. Although maternal and child mortality rates have declined over the past decade in Indonesia, they are still considerably higher than those in developed countries. According to the 2007 Indonesia Demographic and Health Survey, the maternal mortality rate is 228 per 100,000 live births, and the infant mortality rate is 34 per 1,000 live births. By comparison, the United States has a maternal mortality rate of 13.3 and an infant mortality rate of fewer than 6.

To contribute toward lowering Indonesia’s maternal and child mortality rates, USAID awarded Jhpiego a total of \$9.8 million in funding under the Maternal and Child Health Integrated Program (MCHIP).¹ MCHIP Indonesia covers a 3-year period from January 2010 through December 31, 2012, with activities taking place in three remote districts throughout the country. This includes the districts of Kutai Timur (East Kalimantan Province), Bireuen (Aceh Province), and Serang (Banten Province), shown in yellow on the map below. Originally designed as a 2-year, \$4.8 million program, MCHIP’s funding increased to \$9.8 million, and the mission extended it by a year and expanded the scope. The program thus filled the gap between when the mission’s Health Services Program ended (2010) and when the Expanding Maternal and Neonatal Survival Project began (2012).

Jhpiego is implementing the program in collaboration with Save the Children and John Snow Inc. As of March 2012, cumulative obligations and disbursements for activities in Indonesia totaled \$9.8 million and \$5.6 million, respectively.



USAID/Indonesia’s Maternal and Child Integrated Health Program is active in the three provinces highlighted in yellow. (Map from USAID/Indonesia, MCHIP)

¹ The program is a 5-year, \$600 million cooperative agreement awarded to Jhpiego. The goal is to reduce maternal, infant, and child mortality rates in 30 countries, including Indonesia. This audit focused exclusively on Indonesia.

MCHIP Indonesia's goal is to strengthen the implementation of existing policies or activities that promote life-saving interventions in maternal, newborn, and child health care. To achieve this goal, Jhpiego works with health-care workers, government officials, and community members to focus on the following three subjects:

1. Improving maternal and newborn care in the community.
2. Improving the quality of clinical services provided to mothers and newborns.
3. Improving management of the district health system.

Some of the activities include standards-based management and recognition;² kangaroo mother care³ for underweight babies; management of pre-eclampsia and eclampsia conditions; active management of the third stage of labor;⁴ community-integrated case management; early initiation of breast-feeding; and integrated postnatal care. In addition, Jhpiego assists in strengthening the use of maternal and child health data in decision making, drawn from a government system known as Local Area Monitoring and Tracking (LAMAT).

While none of these activities are new to the Indonesian health-care system, their implementation at the community level has been problematic and weak.

The objective of the audit was to determine whether the program was achieving its goal of improving maternal, newborn, and child health-care services as noted above. Although MCHIP has made some progress in training health-care workers, government officials, and community members, it is not clear how much services have improved in the three districts covered by the program. This is because some data was not reliable (page 3).

The report recommends that USAID/Indonesia, in conjunction with USAID's Division of Maternal and Child Health of the Office of Health, Infectious Diseases and Nutrition of the Global Health Bureau:

1. Clearly define in writing all performance indicators established for the Maternal and Child Health Integrated Program, and update reported data to reflect the new definitions.

A detailed discussion of the audit finding appears in the following section. The scope and methodology are described in Appendix I. USAID/Indonesia's written comments on the draft report are included in Appendix II. Our evaluation of these comments is on page 6.

² Standards-based management and recognition is an approach to health sector reform through standards establishment and achievement, and developed by JHPIEGO with USAID funding.

³ Kangaroo mother care refers to the practice of wrapping an underweight baby directly on one's skin to prevent hypothermia and to encourage weight gain.

⁴ Active management of the third stage of labor is a process undertaken for vaginal births.

AUDIT FINDINGS

Some Reported Results Were Not Reliable

To be useful for performance management and credible for reporting, data should be valid, reliable, and timely. Data should also be sufficiently precise, with a suitable level of detail, to present a fair picture of performance and to help managers make decisions.⁵

Contrary to this guidance, however, data that Jhpiego reported to the mission and to the program's global reporting database were not reliable.

Data Quality of Host Government Database Was Problematic. Jhpiego relied on data from the Indonesian Government's health-care database, LAMAT, for 6 of the program's 24 indicators. LAMAT's data pertain to maternal, newborn, and child health status in a given area. Midwife coordinators at subdistrict health clinics collected the data manually from midwives in villages and entered them into LAMAT.

While Jhpiego relied on information in the LAMAT database, members of its staff, as well as mission officials and local government health-care workers acknowledged that the information in the system was not reliable. For example, in the Jeumpa subdistrict of Bireuen, local project staff informed the audit team of the discrepancies they found between LAMAT and the corresponding written records. As shown in Table 1 below, the differences were significant.

Table 1. Comparison of Written and Computerized LAMAT Data for 2011

Indicator Description	Written Record Data*	Computerized LAMAT Data*	Overstatement of Results (Percent)
<i>Number of Deliveries with a Skilled Birth Attendant</i>	573	733	28
<i>Number of Newborns Who Receive Postnatal Visits in First Week of Life</i>	416	735	77
<i>Number of Women Who Receive Postnatal Visits in First Week After Giving Birth</i>	413	735	78

*These data were not substantiated during the audit.

Discrepancies in the LAMAT database, such as the examples cited in the table, were attributed to not having enough health-care employees at the village level to collect data and not enough trained staff at the subdistrict health clinics or district health offices to enter data into LAMAT in an accurate, timely manner. In addition, the database was relatively new, and many health-care employees preferred to use the old manual version of the system. Although flawed, mission officials said the data were still useful in terms of showing general trends.

⁵ Automated Directives System 203.3.5.1, "Data Quality Standards."

Performance Indicators Not Clearly Defined. Some indicators were poorly defined, which led to reporting inaccurate data. For example, one indicator tracks the number of clinics treating complex pregnancies. Jhpiego defined the clinics as either those certified by the Indonesian Government to perform such activities or those that were not certified but had the capacity to treat complex pregnancies, provided the clinic had the necessary staff, equipment, and managed at least one complex pregnancy case per quarter.

However, the audit team found that one government-certified clinic no longer had the capacity to treat complex pregnancies because it did not have trained medical staff, electricity, or ambulance service. Nonetheless, Jhpiego included this clinic in its reported results.

Two other poorly defined indicators tracked the districts and subdistricts “scaling-up” or expanding the program’s 11 activity interventions. In April 2011, MCHIP received an additional \$5 million, which increased funding to \$9.8 million and extended implementation an additional year, through December 2012. To account for the additional funding and time, the program added a new subobjective aimed at implementing MCHIP activities throughout a broader geographic area to reach more people.

The mission outlined this subobjective in the program’s implementation plan, stating that MCHIP’s final year would focus on transferring knowledge and skills to other districts and subdistricts, with the intent of those new areas implementing plans to scale up MCHIP activities. Two performance indicators—one for districts and the other for subdistricts—were added to monitor the progress of activities under the new subobjective

As of December 31, 2011, Jhpiego reported a total of 3 districts and 40 subdistricts scaling-up program interventions against targets of 17 and 23 respectively. However achievement was defined as those districts or subdistricts that have received technical assistance in at least 1 of the 11 program activity interventions.

This narrow definition is inadequate. For example, the audit found that all reported locations were either areas the program had been working in since it began or new locations that had received training on only one program activity intervention. There was no indication that new locations were developing plans to scale up or implement any program intervention. These results are not useful to management and give the impression the program is expanding into new areas—when in fact it has not made much progress.

Unsupported Data Submitted to MCHIP Global. USAID/Washington’s Division of Maternal and Child Health of the Office of Health, Infectious Diseases and Nutrition is responsible for overseeing the global MCHIP (hereafter referred to as the global program), which is being implemented in 30 countries, including Indonesia. As part of the global program, MCHIP Indonesia submits monthly updates on its progress to Jhpiego’s MCHIP headquarters in Washington, D.C., through its reporting database, Jhpiego Result Information System (JRIS). This global information is compiled and provided to USAID/Washington as annual reports.

The audit team found large discrepancies between what the Bireuen and Kutai Timur Districts reported and what MCHIP Indonesia entered into JRIS, shown in Table 2 on the next page. As a result, the program had reported unreliable data to Washington.

Table 2. Comparison of Reported Results for October through December 2011

Indicator Description	District	Results Reported from District*	Results Reported in JRISE*	Overstatement (Percent)
<i>Number of Deliveries with a Skilled Birth Attendant</i>	Bireuen	842	2,650	215
	Kutai Timur	302	972	222
<i>Number of Newborns Who Receive Postnatal Visits in First Week of Life</i>	Bireuen	900	2,307	156
	Kutai Timur	289	982	240
<i>Number of Women Who Receive Postnatal Visits in First Week After Giving Birth</i>	Bireuen	890	2,327	161
	Kutai Timur	290	1,020	252

*These data were not substantiated during the audit.

Jhpiego officials said these discrepancies occurred because they occasionally used estimated figures in reporting since data from the field were often months behind. By doing so, however, the quarterly data they reported for the global program were overstated.⁶

This might not have happened if MCHIP's global performance management plan had been followed. According to that plan, the mission was required to perform a data quality assessment. Mission officials said they did not do one because of the short-term nature of the program. However, when the program was extended for a third year—and its budget doubled—the mission still made no plans to perform a data quality assessment. While the mission dropped some indicators because of concerns about the data and performed other monitoring activities such as site visits and a midterm implementation assessment, such actions would not replace a rigorous examination conducted during a data quality assessment.

Since the program will be ending soon, we are not recommending a formal data quality assessment. However, the mission should be cognizant of problems with data quality and take proactive measures to minimize deficiencies in new programs like the \$55 million Expanding Maternal and Neonatal Survival Program.

Without accurate data and clearly defined indicators, mission officials cannot make effective programming decisions. We therefore make the following recommendation.

Recommendation 1. We recommend that USAID/Indonesia, in conjunction with USAID/Division of Maternal and Child Health of the Office of Health, Infectious Diseases and Nutrition of the Global Health Bureau, work with Jhpiego to define in writing all performance indicators established for the Maternal and Child Health Integrated Program and update reported data to reflect those definitions.

⁶ As part of its recent management comments, subsequent to audit fieldwork, the mission provided additional unaudited data on an annual basis that indicated smaller or no discrepancies.

EVALUATION OF MANAGEMENT COMMENTS

RIG/Manila has reviewed the mission's response to the draft report and determined that a management decision has been reached on the report's recommendation. Our evaluation of comments on the recommendation is below.

In response to Recommendation 1, mission officials said they would "ensure that the final indicators and their definitions for MCHIP Indonesia are complete, and will update the final reported data against those indicators as feasible with existing data collected from the field." They further reiterated that the mission would "ensure that the final MCHIP Indonesia indicators have complete definitions, and that the final quarterly and annual reports are against these indicators." Therefore, we conclude that a management decision has been reached. Final action will be achieved when the mission completes the actions noted above, which should be no later than November 30, 2013.

As part of its response, the mission has provided suggested refinements to the wording in some sections of the report. In certain cases, we were able to make minor adjustments. The mission also elaborated on some activities that have either taken place since audit fieldwork or are scheduled to occur in 2013 after the program ends. Furthermore, the mission has provided additional explanations regarding data problems and discrepancies in documentation while at the same time acknowledging that some indicators were not well-defined or had weak data collection at the local level.

SCOPE AND METHODOLOGY

Scope

We 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 in accordance with our audit objective. We believe that the evidence obtained provides that reasonable basis.

The purpose of this audit was to determine whether USAID/Indonesia's Maternal and Child Health Integrated Program was improving maternal, newborn, and child health-care services.

In September 2008 USAID awarded Jhpiego a \$600 million leader with associate award to implement MCHIP in 30 countries. USAID/Indonesia participated in this program through a field support activity mechanism and obligated \$9.8 million for the 3-year period from January 2010 through December 31, 2012. This audit covers only the amount obligated for Indonesia. As of December 31, 2011, cumulative obligations and disbursements there totaled \$9.8 million and \$5.8 million, respectively.

The audit covered program activities over roughly a 2-year period from January 2010 through December 31, 2011 (the latest available formal reporting period). Ongoing program activities through March 2012 also were covered to the extent that data were available. In general, the audit involved conducting site visits to selected activity sites to observe activities and interview partners and beneficiaries. The audit also made an effort to validate reported results for selected performance indicators through substantive testing and analytical procedures; however, this was limited in effectiveness because of problems with the quality of data from Jhpiego and the Indonesian Government. Since this testing was based on a judgmental—not a statistical—sample, the results and overall conclusions related to this analysis were limited to the items tested and cannot be projected to the entire audit universe.

As part of the audit, we assessed the significant internal controls USAID/Indonesia used to monitor program activities. The assessment included determining whether the mission (1) had an approved monitoring and evaluation plan in place, (2) required and approved an implementation plan, and (3) conducted and documented site visits to evaluate progress and monitor quality. We also examined the mission's fiscal year 2011 annual self-assessment of management controls, which the mission is required to perform to comply with the Federal Managers' Financial Integrity Act of 1982, to determine whether the assessment cited any relevant weaknesses.

Audit fieldwork was performed at the USAID/Indonesia mission as well as at the implementer's office in Jakarta from March 5 through 30, 2012. During that period, the audit went to the three project districts to conduct site visits to observe program activities and interview beneficiaries, Jhpiego employees, and district government officials. During these site visits, the auditors obtained input from doctors and midwives in villages, health centers, and hospitals.

Methodology

To determine whether the program was achieving its goal, the audit team initially interviewed key staff in USAID/Indonesia's Office of Health and at the implementer's office to gain an understanding of the program, the key players, their roles and responsibilities, and the reporting procedures and controls in place for monitoring the program. Additional work to answer the audit objective focused on conducting field trips to the three program supported districts to observe activities and interview a sample of program beneficiaries. Analytical procedures were also conducted in conjunction with a review of documents in an effort to validate data reported under selected performance indicators.

To view a wide range of program activities, the audit team observed training sessions and meetings with the intended beneficiaries, interviews with the village and subdistrict health center midwives, nurses, and doctors, and beneficiaries. Additionally, the team solicited feedback on the program's level of support and interaction from district hospitals and village centers where the program conducts activities.

To assess the test results, the audit team established a materiality threshold of 85 percent that was based in part on the challenging environment in which the program operated. For example, if at least 85 percent of tested results data reported under a specific performance indicator for a selected province were found to be adequately supported, the auditors concluded that the reported results were reasonably accurate.

MANAGEMENT COMMENTS



Nov 9, 2012

MEMORANDUM

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

FROM: Nancy Fisher-Gormley, Acting Mission Director

SUBJECT: Draft Report on the Audit of USAID/Indonesia's Maternal and Child Health Integrated Program (Audit Report No. 5-497-12-XXX-P)

As requested in your October 12 Memorandum, the following are the Mission's comments on the draft audit report. We appreciate the opportunity to comment on this report and for the time your staff took to prepare it. While USAID/Indonesia accepts the recommendation of the report, several factual statements need to be corrected, and the auditors findings and recommendations should be adjusted to reflect those corrections.

USAID/Indonesia's comments on the draft report follow as well as recommended corrections in the order in which they are presented in the report:

1. **P. 1 par. 2:** This paragraph mischaracterizes the project by not making clear that the MCHIP program is a Washington awarded program and the USAID/Indonesia activity was one component of a larger effort. The evolutionary nature of USAID/Indonesia's investment in this USAID/Washington project is essential to understanding the performance of the project – its initial use as a “bridge” between two bilaterally procured project, and a later extension of that bridge with a doubling of funding that expanded the scope of activities, and the other management and oversight changes that happened at the time of that expansion. The Mission recommends this paragraph to read as follows:

MCHIP is a 5-year, \$600 million cooperative agreement awarded to JHPIEGO by USAID/Washington for activities in multiple countries. The goal is to reduce maternal, infant, and child mortality rates in 30 countries, including Indonesia. The USAID/Indonesia Mission bought into this award in 2010 with \$4.8 million for 2 years to bridge the time between the closeout of the Health Services Program (HSP) and the startup of a new maternal and child health award. When the new award was delayed in procurement, USAID/Indonesia expanded the support to MCHIP with an additional \$5 million for an extra year, and expanded the scope of activities. The result was a 3-year bridge maternal and child health project, running from January 2010 to December 2012. Project implementation is in three remote districts throughout the country: Kutai Timur (East Kalimantan Province), Bireuen (Aceh Province), and Serang (Banten Province). The provinces are shown in yellow on the map below.

2. **P.2 Par 1:** This first sentence does not accurately convey the role of MCHIP within the current Indonesian context given decentralization. This sentence should be reworded as follows:

“MCHIP Indonesia’s goal is to strengthen the implementation of existing policies or activities that promote life-saving interventions in maternal, newborn, and child health care *at the decentralized level*”.

3. **P. 2 Par 4 “The objective of the audit...”:** The Mission does not agree with the statement, “Although MCHIP has made some progress in training health-care workers, government officials, and community members, it is not clear how much maternal, newborn and child health-care services have improved in the three districts [...] because data was not reliable.” This mischaracterizes the project as a training project, and casually dismisses all of the positive results reported against various indicators in order to focus on the indicators that the auditors felt were “unreliable.”

MCHIP Indonesia, in addition to high-quality training of various levels of health workers in key interventions, also implemented an individual and facility-based self-assessment tool called “SBM-R” which, in the absence or regular supportive supervision, benchmarks the performance of workers against themselves to monitor progress, and became a centerpiece in many of the “MCHIP facilities.” MCHIP produced job-aids and guidelines for implementation of key interventions; established functioning midwife-TBA partnerships in implementation areas to ensure a culturally appropriate

experience with skilled birth attendants; worked with facilities to improve their capacity of reporting and measuring various indicators, including working with the new electronic LAMAT (Local Area Monitoring and Tracking) system; worked with community and district leadership to ensure sustainable evidence-based planning including assisting with drafting local laws linked to budget allocation (Perdes); improved use of maternal and perinatal audit under the new government policy and political support for continued prioritization of MCH in implementation districts. Indicators within the direct manageable interest of MCHIP performed well.

The Mission recommends that P2. Par 4 be replaced with the following corrected language:

The objective of the audit was to determine whether the program was achieving its goal of improving maternal, newborn, and child health-care services. MCHIP Indonesia had a broad scope of work in maternal and child health which included training of various levels of health workers in key interventions, implementation of an individual and facility-based self-assessment tool called “SBM-R” which, in the absence of regular supportive supervision, benchmarks the performance of workers against themselves to monitor progress, produced job-aids and guidelines for implementation of key interventions; established functioning midwife-TBA⁷ partnerships in implementation areas to increase the number of deliveries with skilled birth attendants; worked with facilities to improve their capacity of reporting and measuring various indicators, including working with the new electronic LAMAT system; worked with community and district leadership to ensure sustainable evidence-based planning including assisting with drafting local laws linked to budget allocation (“Perdes”); improved use of maternal and perinatal audit under the new government policy and political support for continued prioritization of MCH in implementation districts. Indicators within the direct manageable interest of MCHIP performed well. However, some indicators were not well-defined or had weak data collection at the local level. These indicators were less reliable, making it difficult to draw conclusions about the impact of the project against these areas.

⁷ Traditional Birth Attendants

4. **P. 3 – Audit Findings – Title:** The Mission recommends adding “Some” to the title, “Some reported results were not reliable.”
5. **P. 3 par 3:** The report states that the project relied on local data for “6 of the 24” indicators. The fact of using local indicators is not a finding in the opinion of the Mission, since many projects use local data when it is already being collected to avoid duplication of effort, and will typically work to strengthen its collection and do various kinds data validation on it. The Mission recommends that this paragraph be changed to read as follows:

Data Quality of some government indicators was problematic. In addition to collecting indicators directly related to project implementation, Jhpiego also collected data from the Indonesian Government’s health-care database, LAMAT, for 6 of the program’s 24 indicators to measure impact at the higher level. LAMAT data pertain to maternal, newborn, and child health status in a given area. LAMAT has been used for years as a manual system, and only recently was the electronic database version introduced. Because there has not yet been adequate training in the electronic system, government officials typically continue to rely on manual LAMAT entered into the SP2TP (integrated planning and reporting system) which is submitted to the District Health Office (DHO) from the health centers. While its weaknesses are recognized by the MCHIP and the Mission, it is believed to be useful to monitor trends in MCH over time in areas outside the direct control of MCHIP (e.g. numbers of births with skilled birth attendants, postnatal visits, etc.)

6. **P. 3 par 4, Table 1 and Par 5:** The report states that Mission officials and local government acknowledged the information was not reliable. This mischaracterizes the conversations about LAMAT. Programmatically, MCHIP was working with the government facilities and district health office to strengthen the LAMAT system (Ref: Sub-objective 4 of the project). The need for training to strengthen the system was well-represented by MCHIP in the example in the report, but does not accurately reflect the sources of MCHIP’s reporting data.

The Mission recommends removing these paragraphs and Table 1, finding the above recommended paragraph sufficient description of LAMAT as a reporting source.

7. **P. 4 par 2:** second sentence should read as follows, “ In April 2011 MCHIP received an additional \$5 million, which extended implementation an additional year, *and expanded the scope* of the project.” (delete unnecessary reference to \$9.8 million and clarify that the project was not just extended temporally, but in (geographic and technical) scope as well.
8. **P. 4 par 3:** The report states that, “However achievement was defined as those districts or subdistricts that have received technical assistance in at least one of the 11 program activity interventions. This narrow definition is inadequate. For example, the audit found that all reported locations were either (1) areas the program had been working in since it began or (2) new locations that had received training on only one program activity intervention. There was no indication that new locations were developing plans to scale up or implement any program intervention. Such reported results are not useful to management and give the impression the program is expanding to new areas, when very little progress has been made.”

This paragraph mischaracterizes the scale-up plan for MCHIP. At the time of the audit, the Mission was working with MCHIP on a “Mini University” scale-up strategy that would not be implemented until mid-2013 in the 3 districts. The Mission was aware that this was underway, and knew that there were no districts or sub-districts that would be counted against this indicator until the very end of the project. Because the Mini University was still being designed at the time of the auditor’s visit, the definition was made broad – to include one key area of intervention. This was realistic, given the short time-frame of the scale-up activity, and the desire to do at least one thing well in each expansion area. In the end, the Mini Universities were successful, with broad participation, and scale-up districts selecting and focusing on one key area. The audit finding that this had not been done yet is not a relevant finding, since the Mission knew exactly what the scope of work and timeline for this activity was.

The Mission recommends that this example be removed from the final report.

9. **P. 4 par 5, Table 2 and p. 5 par 1:** Table 2 and the conclusions in par 5 on p. 4 and par 1 on p. 5 are inaccurate. Please reference the attached table which is what was actually reported and shown to the auditors. The table below summarizes this information and is a correction of Table 2 in the draft audit report. In the audit report, the numbers in the 3rd column labeled, “Results

Reported from District” are numbers from Oct-Dec 2011. The numbers in the 4th column labeled, “Results reported in JRise” are cumulative from January-December 2011. The attached table shows reporting from both districts both for the Oct-Dec quarter, and the 12-month cumulative as reported. From the summary table below, comparing reporting from the district over the 12-year cumulative period from the district and within JRise, it is clear that there was no “overstatement” as claimed by this report.

Table 1. Revised Comparison of Reported Results for January through December 2011

Indicator Description	District	Results Reported from District*	Results Reported in JRISE*	Overstatement (%)
Number of Deliveries with a Skilled Birth Attendant	Bireuen	2,650	2,650	0%
	Kutai Timur	987	972	0%
Number of Newborns Who Receive Postnatal Visits in First Week of Life	Bireuen	2,567	2,307	0%
	Kutai Timur	970	982	1.2%
Number of Women Who Receive Postnatal Visits in First Week After Giving Birth	Bireuen	2563	2,327	0%
	Kutai Timur	1031	1,020	0%

The Mission recommends that these paragraphs and this table be removed from the final report.

10.P. 5 par 2: The report states that, “Data problems in the program may have been reduced if MCHIP’s global performance management plan had been followed. According to that plan, the mission was required to perform a data quality assessment. However, mission officials said they did not do one because of the short-term nature of the program. However, when the program was extended for a third year—and its budget doubled—the mission still made no plans to perform a data quality assessment.”

The Mission does not agree with this statement, and believes it completely mischaracterizes the actions and intent of the Mission in its management of MCHIP. At the same time as the Mission added additional funds into MCHIP (April 2011), MCHIP Indonesia was undergoing a mid-term assessment from the USAID/Washington office, which looked at various aspects of the implementation including monitoring and evaluation. Additional actions that were taken:

- 1) August 2011 – Site visit to Kutai Timur by USAID Indonesia – report includes findings and recommendations on collection of data and program implementation
- 2) June 2011 – internal consultant Marge Koblinsky reviews entire set of MCHIP Indonesia indicators to validate what they are measuring
- 3) October 2011 – site visit to Serang by USAID Indonesia, report including findings and recommendations to strengthen programming and M&E.
- 4) January 2012 – intensive review process and “finalization” of indicator list by USAID with MCHIP following receipt of Oct-Dec 2011 quarterly report.

Before the project was extended, there was no requirement to do a DQA, due to its “short-term nature” as stated in the report. After the project was expanded, the DQA was not done because the mid-term review was being conducted, as well as other monitoring activities. The Mission believes that MCHIP Washington was in fact following its performance management plan in conducting the mid-term review.

The Mission recommends that the language in this paragraph be changed to better reflect the actions and intent of the mission vis a vis data quality management:

While the mission did not perform a data quality assessment after extending MCHIP for a third year, other monitoring activities did take place, some of which overlapped with the requirement for a DQA in the performance monitoring plan. Had the mission conducted a DQA, some of the data reporting problems may have been reduced sooner.

11.P. 5 par 2: The report states that, “instead [of a DQA], the mission dropped 3 of the 27 indicators MCHIP was reporting because of concerns about data quality.”

This statement mischaracterizes why the number of indicators changed. Over the course of in-depth review of the indicators with MCHIP, several indicators were changed to clarify denominators, refine definitions, and validate sources of data collection. Others were dropped based on concerns about the ability to collect high-quality data or redundancy. This was not done to evade a DQA, and was, in fact, a sign that thorough review of the strength of indicators was happening – something that a complete DQA would likely also have done.

The Mission recommends that this statement be dropped (as in the recommended paragraph above).

The Audit report makes the following single recommendation:

Recommendation No.1: We recommend that USAID/Indonesia, in conjunction with USAID's Division of Maternal and Child Health of the Office of Health, Infectious Diseases and Nutrition of the Global Health Bureau, work with the implementer to define in writing all performance indicators established for the Maternal and Child Health Integrated Program and update reported data to reflect those definitions.

Response: The USAID Indonesia Mission notes that the project has terminated field work in the three implementation districts as of October 31, 2012. The project will end its country presence in December, 2012. The USAID/Indonesia Health Office nonetheless will ensure that the final indicators and their definitions for MCHIP Indonesia are complete, and will update the final reported data against those indicators as feasible with existing data collected from the field.

The Mission also notes that in the final debrief to the Mission Director, auditors stated orally that "had they known" the project in Indonesia was to end in December 2012, they may not have performed the audit, yet this fact was presented to them prior to their arrival.

Action 1: Ensure that the final MCHIP Indonesia indicators have complete definitions, and that the final quarterly and annual reports are against these indicators.

Mission Recommendation:

Based on the actions undertaken, we recommend RIG/Manila determine that a mission management decision has been reached upon the issuance of this audit report recommendation. A closure request will be submitted to the Office of the Chief of Financial Officer, Audit Performance and Compliance Division (M/CFO/APC) with supporting documents to substantiate the request.

In summary, the mission accepts the recommendation reported by the RIG/Manila audit team. We thank you for the opportunity to allow the mission to provide comments on the draft audit report.

U.S. Agency for International Development
Office of Inspector General
1300 Pennsylvania Avenue, NW
Washington, DC 20523
Tel: 202-712-1150
Fax: 202-216-3047
<http://oig.usaid.gov>