



# OFFICE OF INSPECTOR GENERAL

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## AUDIT OF USAID/JORDAN'S EDUCATION REFORM SUPPORT PROGRAM

AUDIT REPORT NO. 6-278-13-007-P  
FEBRUARY 18, 2013

CAIRO, EGYPT



***Office of Inspector General***

February 18, 2013

**MEMORANDUM**

**TO:** USAID/Jordan Director, Beth Paige  
**FROM:** Regional Inspector General/Cairo, Catherine Trujillo /s/  
**SUBJECT:** Audit of USAID/Jordan's Education Reform Support Program  
(Report No. 6-278-13-007-P)

This memorandum transmits our final report on the subject audit. We have considered carefully your comments on the draft report and have included them in their entirety in Appendix II.

The final report includes eight recommendations to help strengthen the implementation of USAID/Jordan's Education Reform Support Program. The mission agreed with all recommendations and provided adequate support demonstrating corrective actions taken. Consequently, final action has been taken on all eight recommendations upon issuance of this report.

I want to express my sincere appreciation for the cooperation and courtesy extended to my staff during the audit.

# CONTENTS

<b>Summary of Results .....</b>	1
<b>Audit Findings.....</b>	4
Classroom and Office Renovation Activities Met Standards.....	4
Some Renovated Sport Areas Did Not Meet Minimum Standards .....	6
Some Training Activities Were Not on Schedule to Achieve Targets .....	8
Some Reported Data Were Not Accurate.....	10
Mission Did Not Include Activity in Program Work Plan.....	12
Two Subagreements Did Not Include Human Trafficking Provision .....	13
<b>Evaluation of Management Comments.....</b>	14
<b>Appendix I—Scope and Methodology .....</b>	16
<b>Appendix II—Management Comments .....</b>	18

# SUMMARY OF RESULTS

Because the quality of education in Jordan is uneven—especially in poor urban and rural areas—many students have not been taught the skills they need to succeed. Children who can only attend the nation's public schools are at a disadvantage when they enter first grade. Moreover, the curriculum and teaching techniques have not changed much over time.

Realizing this shortcoming, the Jordanian Government implemented its Education Reform for the Knowledge Economy (ERfKE) initiative in 2003. To help the Government succeed in this vital sector, USAID/Jordan based its education assistance on the priorities outlined in the initiative's first 5-year plan, such as improving policies and administration, curriculum, testing, physical facilities, and early childhood education. The second and current 5-year plan follows a more decentralized approach that expects individual schools to manage and implement their own development programs and improvement plans. In addition, both the mission and ERfKE have made the professional development of teachers, principals, and supervisors a priority.

On May 13, 2009, USAID/Jordan awarded Creative Associates International Inc. a 5-year, \$50 million cooperative agreement to implement the Education Reform Support Program. As of September 30, 2012, the mission had obligated \$38 million and disbursed about \$27.3 million.

The program's objective was to help the education sector develop the capacity to implement and sustain ERfKE. Creative Associates implemented training and renovation activities through four components:

- Early Childhood Education: promoting changes in behavior and practice by involving teachers, principals, parents, and communities as stakeholders and decision makers, and institutionalizing approaches that help children learn, grow, and develop.
- Youth, Technology, and Careers Development: proposing a workforce-readiness skills development strategy that enables students to build a complement of relevant skills and enhances their ability to constantly assess their own strengths and career interests, explore and learn about the market, and be ready to enter and succeed in it.
- Improved Professional Development and Certification: helping the Jordanian education sector bring a new generation of teachers and leaders into schools.
- Increased Capacity to Manage School-Based Programs: helping employees at the school and field directorate levels use a common set of tools for collecting, analyzing, and making decisions based on sound data.

The Regional Inspector General/Cairo (RIG/Cairo) conducted this audit as part of its fiscal year (FY) 2013 audit plan to determine whether USAID/Jordan's Education Reform Support Program was achieving its primary goal of helping the Jordanian Government make progress in implementing its education initiative through renovating schools and building capacity of educational institutions.

The audit team determined that the mission is making progress. The team found that the renovations of kindergarten classrooms, career counseling centers, and counselor offices met Ministry of Education standards. The program renovated, furnished, and equipped

199 kindergarten classrooms and playgrounds throughout Jordan for about \$3.3 million, and provided furniture and supplies worth nearly \$23,000 to 17 kindergarten classrooms in schools newly built under the auspices of another USAID/Jordan program. It established 18 career counseling centers and 168 counselor offices in schools for about \$401,000 to involve parents and the community in student activities, and to enable counselors to conduct career exploration sessions and organize student internships (page 4).

The program also helped train about 9,000 teachers, 1,000 principals, more than 700 school supervisors, and other administrative professionals in numerous subjects, and prepared more than 250 trainers within the Ministry of Education who can then train more trainers.

Despite the progress, the audit found the following problems that USAID/Jordan should address to improve program performance.

- A subimplementer renovated 12 sports areas for about \$111,650 that did not meet the ministry's quality standards, and Creative Associates renovated some sports areas that have cracked surfaces and poor drainage (page 6).
- Creative Associates supported results for nine of ten training activity indicators that did not meet expected targets by more than 10 percent; thus, they were not on schedule to achieve targets (page 8).
- Reported results were not accurate for six of ten training activity indicators selected for testing (page 10).
- The program spent \$78,000 to furnish and equip new classrooms, but did not modify the work plan to reflect this additional activity or set an indicator target (page 12).
- Creative Associates did not include the required human trafficking provision in its agreements with two subimplementers (page 13).

To improve program performance, we recommend that USAID/Jordan:

1. In coordination with Creative Associates Inc., implement procedures to incorporate the Ministry of Education's documented approval during all renovation phases (page 8).
2. Perform an analysis to determine whether to adjust the sports areas renovations target based on location need and remaining funds, and document the determination (page 8).
3. Revise program activity targets to reflect inconsistent cooperation from the Ministry of Education and fewer training participants than expected, and adjust funding levels accordingly (page 10).
4. Evaluate the number of program activity indicators and available monitoring and evaluation resources required, adjust the total number of indicators accordingly, and document the results (page 12).
5. Document a clear definition for each indicator and communicate the written definitions to all program employees responsible for gathering data (page 12).

6. Implement a process to verify reported results (page 12).
7. Modify the program's work plan to include indicator targets for all activities (page 13).
8. In coordination with Creative Associates Inc., modify all awards to include the required trafficking in persons provision (page 13).

Detailed findings appear in the following section, and the scope and methodology appear in Appendix I. Management comments, without attachments, are in Appendix II, and our evaluation of them is on page 14.

# AUDIT FINDINGS

## Classroom and Office Renovation Activities Met Standards

USAID/Jordan designed the program to implement activities that would improve and sustain early childhood facilities. The program included activities to renovate, furnish, and equip kindergartens to Ministry of Education standards, and to renovate, furnish, and equip some career counseling centers and offices. Table 1 below shows the targets and results for the activities tested.

**Table 1. Renovation Targets and Actual Results as of September 30, 2012 (Audited)**

Indicator Description	Targets	Actual Results*
<i>Number of kindergarten classrooms renovated, furnished, and handed over to Ministry of Education</i>	370	199
<i>Number of kindergarten classrooms in newly constructed schools provided with materials and supplies</i>	32	17
<i>Number of career counseling centers established</i>	18	18
<i>Number of counselors' offices established</i>	312	168

\* Program is on track to meet activity targets over the life of the award.

**Kindergarten Classrooms and Playgrounds.** The program renovated, furnished, and equipped 199 kindergarten classrooms and playgrounds throughout Jordan for about \$3.3 million, and it provided materials and supplies worth nearly \$23,000 to 17 kindergarten classrooms in schools recently built under the auspices of another USAID/Jordan program. Classroom renovations included installing aluminum windows and steel doors, ceramic wall and floor tiles, and painting walls and ceilings. Playground renovations included installing swings, slides, monkey bars, canopies for shade, and steel fences.

In addition, the program provided furniture, equipment, and supplies to each classroom, such as 20 chairs, 3 tables, 2 coatracks, toys, puzzles, pencils, scissors, books, musical instruments, a vacuum cleaner, an air conditioner, a radio, and a wall clock.

We visited seven schools in the governorates of Irbid, Amman, and Karak. There we observed that the program renovated six kindergarten classrooms and playgrounds at a cost of about \$83,000, and provided nearly \$36,000 in equipment and supplies to seven kindergarten classrooms.

Photos on the next page show ongoing and completed activities.



A worker prepares walls in this kindergarten classroom at Al Rmaimeen Secondary School for Girls in Balqa. (Photo by RIG/Cairo, December 4, 2012)



The program has renovated a classroom at Al Tayba Secondary Comprehensive School for Girls in Irbid. (Photo by RIG/Cairo, November 25, 2012)



This kindergarten playground at Khawla Bint Al Azwar Primary School in Ajloun is one of many that USAID is renovating. (Photo by RIG/Cairo, December 3, 2012)



Swings and slides are some of the new equipment in playgrounds, like this one at Khalda Secondary School for Girls in Amman. (Photo by RIG/Cairo, November 26, 2012)

**Career Counseling Centers and Counselor Offices.** The program spent about \$401,000 establishing 18 career counseling centers and 168 counselor offices in schools to involve parents and the community in student activities, and to let counselors hold career exploration sessions and organize student internships. To establish these facilities, Creative Associates renovated existing doors and windows, installed electrical outlets and blinds, and painted. Additionally, the program provided furniture to the centers and offices, such as tables and computer desks and chairs.

We visited six schools in the governorates of Irbid, Amman, and Karak, and one counseling center in Amman. We observed that the program had renovated the offices and center and provided furniture for about \$19,000. The pictures on the next page show the renovated center and a counselor's office.



The program renovated and provided new furnishings to this career center and. (Photo by RIG/Cairo, November 26, 2012)



Several counselors' offices like this one have been updated through the program. (Photo by RIG/Cairo, November 27, 2012)

## Some Renovated Sport Areas Did Not Meet Minimum Standards

According to the agreement, the program included activities to upgrade the physical condition of sports facilities and equipment at sports areas to implement a life skills and sports program. The Ministry of Education advocated adhering to international safety standards for basketball, volleyball, and handball court renovations.

Table 2 shows the targets and results for the renovation activities tested.

**Table 2. Renovation Targets and Actual Results as of September 30, 2012 (Audited)**

Indicator Description	Targets	Actual Results
<i>Number of sports areas undergoing extensive renovations and provided with sports equipment</i>	36	32
<i>Number of schools receiving sports kits</i>	100	47

The program did not renovate some sports areas to meet the ministry's standards. Initially, Creative Associates awarded these renovations to a subimplementer. While performing a field visit in December 2010, the agreement officer's representative (AOR) expressed concern about the quality of the work. "The soccer posts were not securely installed and were rusting and scratched," she said.

To address these concerns, Creative Associates took over the renovations in March 2011. It revised the renovation standards to align with international safety standards, specified a needs assessment process to categorize the level of renovation, and established a quality assurance process.

During fieldwork, the audit team visited three sports areas that the subimplementer renovated and equipped for about \$19,000. We found the following problems.

- Volleyball posts were not placed correctly.

- The acrylic paint on surfaces was cracked, and painted boundaries for games had faded.
- Basketball goals were not all the same height.
- Water had settled into surface areas.
- There was not enough space between boundaries for games and walls, as shown in the photo below.



**This renovated sports area at Jameeleh Abu Ezza Secondary School in Irbid does not follow international safety standards. (Photo by RIG/Cairo, November 25, 2012)**

The audit team observed some quality deficiencies while visiting four sports areas that Creative Associates renovated for about \$97,000. We saw cracks in the asphalt, problems with rainwater drainage, and open volleyball pole footings.



**The asphalt on this renovated court at Al Tayba Secondary Comprehensive School for Girls in Irbid is cracked and shows signs of drainage problems. (Photo by RIG/Cairo, November 25, 2012)**



**The sports area that Creative Associates renovated at Al-Rabah Secondary School for Boys in Karak does not have a volleyball pole footing safety cover. (Photo by RIG/Cairo, November 27, 2012)**

Some renovations did not meet quality and safety standards for two reasons.

First, the subimplementer did not consult with the Ministry of Education while renovating 12 sports areas. During March 2011, the program's chief of party said the renovations implemented by the subimplementer did not meet the ministry's expectations because of a lack of clear quality standards to be achieved from renovation activities, poor quality work on the surface areas and pole coverings, and lack of on-site supervision to ensure quality.

Second, Creative Associates' preliminary assessments did not identify the renovation needs of some sports areas accurately. Based on these inaccurate assessments, the asphalt in these areas has deteriorated prematurely and does not drain properly. Over time, settled water can penetrate the asphalt and wash out the base underneath, causing it to crack or collapse.

The program renovated these areas to provide a place for after-school sports and to implement activities for students in grades 8 through 12 that would help improve communication, teamwork, negotiation and critical thinking skills, build self-confidence, and enhance physical well-being. Additionally, the program intended for the sports areas to provide the local community with free access to athletic facilities and an opportunity to engage in after-school activities.

However, a ministry official said the 12 sports areas the subimplementer renovated for about \$111,650 had "conditions that were not safe for children" including "faulty asphalt, bad equipment, cracking acrylic paint on asphalt, and rusting metal." To avoid having these problems in the future, we make the following recommendations.

***Recommendation 1.*** We recommend that USAID/Jordan, in coordination with Creative Associates Inc., implement procedures to incorporate Ministry of Education documented approval during all renovation phases.

***Recommendation 2.*** We recommend that USAID/Jordan determine whether to adjust the sports area renovation targets based on need and remaining funds, and document its determination.

## **Some Training Activities Were Not on Schedule to Achieve Targets**

The program work plan set targets for dozens of indicators and activities designed to contribute to effective teacher training and support programs.

Eight of ten training activities selected for testing were not on schedule to achieve targets. As of September 30, 2012, the implementer supported results for eight training activity indicators that missed their targets by more than 10 percent. The selected indicators, associated targets, and reported results are summarized in Table 3 on the next page.

**Table 3. Selected Training Activity Targets and Results  
as of September 30, 2012 (Audited)**

Indicator Description	Overall Target	Estimated Target (to Date)*	Supported Results	Difference	Percent Difference
<i>Number of schools reached by Ministry of Education trainers</i>	<b>490</b>	<b>319</b>	<b>0</b>	<b>319</b>	<b>100</b>
<i>Number of certified teachers</i>	<b>6,394</b>	<b>4,156</b>	<b>787</b>	<b>3,369</b>	<b>81</b>
<i>Number of grade 1-3 teachers trained</i>	<b>3,330</b>	<b>2,165</b>	<b>430</b>	<b>1,735</b>	<b>80</b>
<i>Number of school staff trained by Education Reform Support Program on data use for decision making</i>	<b>2,840</b>	<b>1,846</b>	<b>391</b>	<b>1,455</b>	<b>79</b>
<i>Number of newly hired teachers who successfully complete the Induction Professional Development program</i>	<b>3,090</b>	<b>2,009</b>	<b>443</b>	<b>1,566</b>	<b>78</b>
<i>Number of Management Information Stream teachers trained and implementing Management Information Stream-Online</i>	<b>1,122</b>	<b>729</b>	<b>224</b>	<b>505</b>	<b>69</b>
<i>Number of principals trained on parental involvement</i>	<b>550</b>	<b>358</b>	<b>197</b>	<b>161</b>	<b>45</b>
<i>Number of educators and school staff participating in the training on block 3</i>	<b>1,120</b>	<b>728</b>	<b>484</b>	<b>244</b>	<b>34</b>
<i>Number of schools participating in the In-service Professional Development program</i>	<b>390</b>	<b>254</b>	<b>238</b>	<b>16</b>	<b>6</b>
<i>Number of counselors trained on the Youth Livelihoods Mapping</i>	<b>330</b>	<b>215</b>	<b>209</b>	<b>6</b>	<b>3</b>

\* Estimated targets are based on 65 percent of overall program target (39 of 60 months of the program).

In general, training activities were not likely to reach program targets because (1) the ministry did not cooperate consistently and limited progress in some cases, and (2) trainees were less willing to participate than expected.

Officials at the mission and Creative Associates said the ministry has not always followed through on program activities as originally anticipated, sometimes acting in ways that limited progress toward activity targets. For example, the ministry told program officials to stop training teachers in the Management Information Stream<sup>1</sup> curriculum and implementing it online because the ministry would take over those activities. While having the Jordanian Government take over such activities is the desired outcome, Creative Associates did not provide data on whether the ministry had in fact continued this training activity or terminated it altogether. In another instance of the ministry's lack of cooperation, program goals for entry level training were not likely to meet the target because the ministry did not provide the names of teachers to be trained.

Fewer educators participated in activities than expected. Initially, program officials were confident in reaching the target for *Number of certified teachers* because a sufficient number of

<sup>1</sup> This curriculum focuses on entrepreneurship and developing occupational skills.

teachers and school administrators started training toward certification. However, as the program progressed, the monitoring and evaluation manager said fewer than 20 percent of teachers attended all the required courses and passed the certification exam. Teachers were either unwilling or unable to attend training sessions because they sought better incentives to attend and because many were mothers who did not have child care after school. Many male teachers had second jobs in the evenings and could not attend after-school training. Some teachers had to commute to centralized training locations, but neither the program nor the ministry provided travel allowances. USAID/Jordan considered providing them, but decided not to because the ministry could not sustain the allowances after the program stopped.

As a result, fewer students received improved teaching from trained educators and fewer principals use data for making decisions, rendering the program less effective. In addition, program spending was less efficient since unit costs increased for some activities. For example, program expenses per targeted trainee are higher than intended when trained teachers are not certified. Based on the initial budget and target, the anticipated cost per certified teacher was \$1,000; however, as of September 30, 2012, the program spent about \$5,000 per certified teacher.

***Recommendation 3.*** *We recommend that USAID/Jordan revise program activity targets to reflect inconsistent cooperation from the Ministry of Education and fewer training participants than expected, and adjust funding levels accordingly.*

## **Some Reported Data Were Not Accurate**

USAID Automated Directives System (ADS) Chapter 203, "Assessing and Learning," states that performance data should be sufficiently precise to present a fair picture of performance, to enable management to make decisions, and to reflect stable, consistent data collection processes over time. A supplementary reference document for the chapter states that indicators should be clear about what is being measured and what data are being collected. Furthermore, according the "Model Letter and Procedures for Designating the Contracting Officer's Representative [COR]," the COR or AOR is responsible for confirming the data's quality.

Reported results were not accurate for seven of ten training activity indicators selected for testing. Creative Associates underreported data for one indicator and overreported data for six others,<sup>2</sup> as of September 30, 2012, as shown in Table 4 on the next page.

The accuracy problems stemmed from (1) inconsistent counting methods and unclear indicator definitions, (2) the ministry's failure to provide data, (3) a known issue of one subimplementer's failure to keep supporting documents in years 1 and 2, (4) the implementer reporting expected rather than actual results with the intention of revising the results at a later date, if necessary, and (5) too many indicators.

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<sup>2</sup> The audit report identified indicators that are over- or underreported if the difference between reported and supported amounts exceeded 10 percent.

**Table 4. Reported and Supported Results as of September 30, 2012 (Audited)**

Indicator Description	Reported to USAID	Supported by Documentation	Difference	Percent Difference
<i>Number of schools reached by Ministry of Education trainers</i>	28	0	28	100
<i>Number of newly hired teachers who successfully complete the Induction Professional Development program</i>	1,564	443	1,121	72
<i>Number of Management Information Stream teachers trained and implementing Management Information Stream-Online</i>	432	224	208	48
<i>Number of schools participating in the In-service Professional Development program</i>	385	238	147	38
<i>Number of educators and school staff participating in the training on block 3</i>	604	484	120	20
<i>Number of school staff trained by Education Reform Support Program on data use for decision making</i>	477	391	86	18
<i>Number of certified teachers</i>	871	787	84	10
<i>Number of principals trained on parental involvement</i>	218	197	21	10
<i>Number of grade 1-3 teachers trained</i>	453	430	23	5
<i>Number of counselors trained on the Youth Livelihoods Mapping</i>	187	209	-22	-12

**Inconsistent Counting Methods or Unclear Indicator Definitions.** The audit found that employees from USAID/Jordan, Creative Associates, and subimplementers disagreed about indicator definitions and counting methods. For example, Creative Associates reported a number that included principals, teachers, and assistant principals to measure the number of principals trained on parental involvement. However, the AOR said she understood the indicator should count only one individual per school—the principal.

**Ministry Did Not Provide Data.** Some indicator targets included results that only the ministry could achieve. Reported results for these indicators included unsupported numbers from the ministry combined with supported program results. The AOR said that resource constraints, both of the program and the ministry, prohibited thorough confirmation of the data.

**No Supporting Documentation.** Two indicators had supported results well below reported results because the subimplementer did not keep records for the first and second years. The subimplementer changed leadership at the start of the third year and began keeping records, but there was no way to confirm prior results. The reported results for year 3 were accurate.

**Reporting Expected Results.** Two indicators included anticipated results from activities in process. Subimplementers acknowledged that they planned to revise the results in future reports if necessary. However, they had not revised the results as of December 2012.

**Too Many Indicators.** The AOR and program monitoring and evaluation manager acknowledged that having an unusually large number of indicators (144) contributed to data quality lapses by stretching monitoring resources.

As a result, the mission cannot make informed decisions regarding the program and might not be allocating resources efficiently. Moreover, without reliable information or results to make funding decisions, mission officials cannot assure taxpayers that Creative Associates uses their dollars properly. For example, in the case of principals trained, mission officials believed program funds were spent to train only principals. However, these funds were used to train assistant principals, teachers, and others the mission did not intend to include.

Reporting accurate program data is important because they are aggregated as part of reported results for USAID/Jordan's education office and the mission as a whole, and the data are used to respond to requests from various sources. Therefore, we make the following recommendations.

**Recommendation 4.** *We recommend that USAID/Jordan evaluate the number of program activity indicators and available monitoring and evaluation resources required, adjust the total number of indicators accordingly, and document the results.*

**Recommendation 5.** *We recommend that USAID/Jordan document a clear definition for each indicator and communicate the written definitions to all program employees responsible for gathering data.*

**Recommendation 6.** *We recommend that USAID/Jordan implement a process to verify reported results.*

## **Mission Did Not Include Activity in Program Work Plan**

USAID's ADS 203.3.5, "Monitoring Activities/Implementing Mechanisms," states that implementers must submit an activity monitoring and evaluation plan to the AOR at the same time as an approved work plan. In addition, the monitoring and evaluation plan should include performance indicators that the mission needs to manage activity implementation. Moreover, ADS 203.3.9, "Setting Performance Baselines and Targets," states that every performance indicator must set targets that are ambitious, but can be achieved realistically within the stated time frame and with the available resources.

Creative Associates implemented an activity that the mission did not approve in the work plan. The Ministry of Education expressed concern that there might not be enough physical space in existing facilities to renovate, furnish, and equip the program's targeted 370 kindergartens. Additionally, the ministry finished building around 65 kindergartens but could not furnish and equip them because the Prime Ministry told officials not to purchase furniture. So the program was asked to furnish and equip some of these classrooms. Consequently, Creative Associates received written approval from the AOR to provide about \$78,000 worth of furniture and supplies to 17 newly constructed kindergartens, but it did not modify the program's work plan to reflect the additional activity or set an indicator target.

The mission did not establish an indicator target for this activity in the program's monitoring and evaluation plan because when the mission was establishing its plan, the ministry did not provide the number of kindergartens that needed furnishing. It was afterwards during program implementation that the minister identified the 17 newly constructed classrooms needing furnishings. Moreover, the chief of party said the program did not establish a target for this activity because the funds used came from the same budgeted line item as the kindergarten

renovation activity, and both activities were in keeping with the program's objective to increase access and improve the quality of early childhood education.

The audit team agrees that both activities align with the objective. However, without modifying the work plan to include the additional activity and setting an indicator target, the mission cannot measure the success of the program's efforts. For example, although the program has spent \$78,000 to furnish and equip 17 classrooms, these results were not planned for and captured as part of the program's overall results.

***Recommendation 7.*** *We recommend that USAID/Jordan, modify the program's work plan to include indicator targets for all activities.*

## **Two Subagreements Did Not Include Human Trafficking Provision**

ADS 303, "Grants and Cooperative Agreements to Nongovernmental Organizations," requires the recipient to include in all subagreements—including subawards and contracts—a provision prohibiting (1) trafficking in persons, (2) procurement of a commercial sex act, and (3) the use of forced labor in the performance of an award by the subrecipient, or any of its employees.<sup>3</sup>

The program's cooperative agreement incorporated the human trafficking provision in an April 2011 modification. However, Creative Associates did not include it in agreements with two subimplementers.

The USAID agreement officer expected these modifications to be included in subawards, but did not explicitly inform Creative Associates about this or follow up to make sure it has been done. Creative Associates' contract officials said they mistakenly omitted the provision in two of four subawards.

Although the program does not specifically target victims of trafficking, without the inclusion of the provision, USAID/Jordan cannot terminate an award, without penalty, if the recipient or its employees engage in trafficking, procure a commercial sex act, or use forced labor in performance of an award. To address this concern, we make the following recommendation.

***Recommendation 8.*** *We recommend that USAID/Jordan, in coordination with Creative Associates Inc., modify all awards to include the required trafficking in persons provision.*

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<sup>3</sup> See USAID's Standard Provisions for U.S. Nongovernmental Organizations Section M20

# EVALUATION OF MANAGEMENT COMMENTS

In response to our draft report, USAID/Jordan officials agreed with all recommendations and provided adequate support demonstrating its corrective actions. Consequently, final action is completed and all eight recommendations are closed upon issuance of this report.

**Recommendation 1.** The mission implemented and formalized procedures to ensure that the Ministry of Education would be engaged in all phases of renovation. We acknowledge that a management decision has been reached and consider that final action has been taken on this recommendation.

**Recommendation 2.** The mission performed an analysis and decided to renovate all four remaining sports fields. The mission will reallocate funds from another activity to complete the fields. We acknowledge that a management decision has been reached and consider that final action has been taken on this recommendation.

**Recommendation 3.** The mission categorized the indicators as those under the Ministry of Education's control and implementation and those related to USAID-funded activities. The mission then eliminated those within the Ministry's responsibility and not within the mission's control. We acknowledge that a management decision has been reached and consider that final action has been taken on this recommendation.

**Recommendation 4.** The mission, in collaboration with Creative Associates, evaluated the 144 activity indicators and eliminated 90 that primarily measured completed activities or activities that were the Ministry of Education's responsibility. We acknowledge that a management decision has been reached and consider that final action has been taken on this recommendation.

**Recommendation 5:** The mission, in collaboration with Creative Associates, agreed upon the definitions for the remaining 54 indicators. The mission asked Creative Associates to disseminate the definitions to all program staff members responsible for managing activities. We acknowledge that a management decision has been reached and consider that final action has been taken on this recommendation.

**Recommendation 6:** The mission formalized a process to verify results and assess data quality on a quarterly basis and provided it to Creative Associates to use. We acknowledge that a management decision has been reached and consider that final action has been taken on this recommendation.

**Recommendation 7:** The mission asked Creative Associates to revise its work plan to include activities and targets to capture the kindergarten classrooms, built by the Ministry of Education, and serviced by the program. Creative Associates revised its work plan, and the mission approved the target. We acknowledge that a management decision has been reached and consider that final action has been taken on this recommendation.

**Recommendation 8:** Creative Associates modified its subawards to include the trafficking in persons provision. We acknowledge that a management decision has been reached and consider that final action has been taken on this recommendation.

# 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/Jordan's Education Reform Support Program was achieving its primary goal of helping the Jordanian Government make progress in implementing its education initiative through school renovations and building capacity of educational institutions. The mission awarded Creative Associates a 5-year cooperative agreement for approximately \$50 million on May 13, 2009. As of September 30, 2012, USAID/Jordan had obligated \$38 million and disbursed about \$27.3 million. The audit team tested \$250,216, or 1 percent, of that disbursement through site visit observation.

The audit covered the period from when the program started on May 13, 2009, to September 30, 2012. In planning and performing the audit, we assessed management controls related to documentation and data verification; reporting; supervisory and management review of program processes and activities; and establishment and review of performance measures and indicators. We assessed the following significant controls: the mission's performance management plan, annual work plans, data quality assessments, quarterly reports, and Creative Associates' agreement and subawards, including modifications.

We conducted audit fieldwork at USAID/Jordan in Amman and offices of the implementer and subimplementer and ministry offices. We visited schools in the governorates of Ajloun, Amman, Balqa, Karak, and Irbid. The work took place from November 20 to December 6, 2012.

## Methodology

To answer the audit objective, we interviewed personnel from USAID/Jordan and Creative Associates, as well as Ministry of Education officials. We reviewed reports and files that the mission and Creative Associates maintained as part of their program monitoring activities. We obtained an understanding of the program and how USAID/Jordan monitored and measured results by reviewing the agreement, subsequent modifications, the mission's performance management plan, Creative Associate's annual work plans, site visit documentation, and progress reports. We also reviewed the mission's FY 2012 Federal Managers' Financial Integrity Act assessment, the AOR's oversight, performance measures, and data quality assessments. Furthermore, we reviewed applicable laws and regulations and USAID policies and procedures regarding the program, including the agreement and modifications, and ADS Chapters 203 and 303.

To assess whether the program was achieving its objective, we validated reported results for 16 renovation and training activity indicators covering the program's four component areas through September 30, 2012. We judgmentally selected renovation and training activities for review as these activities comprised 93 percent of program expenditures.

We validated the implementer's results captured in its monitoring and evaluation report with supporting documentation, like attendance sheets, and our observations during site visits. The audit team considered an activity indicator achieved if the verified amounts were within 10 percent of 65 percent of overall program targets as of September 30, 2012. We considered the reported results for nine indicators accurate, but we considered the reported results for the other seven inaccurate. The results of our test work cannot be projected to the population of program activities.

The program renovated, furnished, and equipped 199 kindergartens at a cost of about \$3.3 million as of September 30, 2012. The audit judgmentally selected seven schools that the program renovated or equipped for about \$119,000 for site visits based on security constraints and geographic locations: two in Amman, three in Irbid, and two in Karak. To the extent possible, we verified renovation activities and the existence of furniture, equipment, and supplies, and we determined the extent to which schools were aware of the source of program funding. The results of these site visits cannot be generalized to the population of all kindergartens renovated.

The program also established 18 career counseling centers and 168 counselor offices in schools, at a cost of about \$401,000 as of September 30, 2012. The audit judgmentally selected one center and six counselor offices renovated, furnished, and equipped at a cost of about \$19,000 for site visits based on security constraints and geographic locations: a center in Amman, and two counselor offices each in Amman, Irbid, and Karak. To the extent possible, we verified renovation activities, the existence of furniture and equipment, and determined the extent to which schools were aware of the source of program funding. The results of these site visits cannot be generalized to the population of all renovated, furnished career centers and counselor offices.

The program renovated and equipped 32 sports areas and provided sports kits to 47 schools for about \$630,000 and \$42,000, respectively, as of September 30, 2012. The audit judgmentally selected seven sports areas renovated and equipped for about \$116,000 for site visits based on security constraints and geographic locations: one each in Ajloun, Balqa, and Karak, and two each in Amman and Irbid. To the extent possible, we verified renovation activities, the existence of equipment and sports kits, and determined the extent to which schools were aware of the source of program funding. The results of these site visits cannot be generalized to the population of all sports areas renovated and equipped.

We visited eight judgmentally selected schools and interviewed principals and teachers regarding program training provided at the school. Of the eight schools visited, five received or should have received special training for physical education teachers or coaches, seven received career counselor training, and four received in-service training. Interview questions corroborated reported results and assessed program successes and failures. We also interviewed six teachers who received the program's training for newly hired teachers.

In addition, we inspected supporting documentation for reported results of ten judgmentally selected training activities. We selected the activities in coordination with the AOR with priority given to activities specifically mentioned in the agreement that contributed to aggregated results reported to USAID/Washington. Interview and document inspection results cannot be generalized to the population of all teachers or training activities.

# MANAGEMENT COMMENTS



OFFICE OF THE DIRECTOR

TO: Catherine Trujillo, Regional Inspector General

FROM: Douglas Ball, Acting Mission Director /s/

SUBJECT: Mission Response to OIG Review of USAID/ Jordan's Education Reform Support Program (ERSP)

The Mission is grateful for the Office of Inspector General's (OIG) timely and insightful review of USAID/Jordan's Education Reform Support Program. This review has given the Mission, the implementer and the Jordanian Ministry of Education (MoE) an opportunity to pause and reflect on the implementation of the program activities, the accomplishments and challenges.

The Mission welcomes the OIG's recommendations and recognizes their importance to inform the management of ERSP to ensure that it is being managed in compliance with Agency policy. Below, the Mission has responded to each of the recommendations presented in the OIG's draft review report. The Mission accepts all of the recommendations and has provided a response on actions that have been taken to address each respective recommendation.

***Recommendation 1: In coordination with Creative Associates Inc., implement procedures to incorporate the Ministry of Education's documented approval during all renovation phases.***

The Mission agrees with the recommendation. The Mission reinforced and formalized with ERSP the procedures for renovation to ensure MoE engagement in all phases of renovation. This was done to emphasize the level of collaboration that USAID expects ERSP to maintain with the MoE throughout its renovation activities. The procedures are described in a letter the Mission sent to ERSP on

February 6, 2013 (Attachment 1). The Mission requests that this recommendation be closed upon issuance of the Regional Inspector General's (RIG) audit report.

***Recommendation 2: Perform an analysis to determine whether to adjust the sports areas renovations target based on location need and remaining funds and document their determination.***

The Mission agrees with the recommendation. The Mission has performed an analysis to determine the best way to proceed with the four remaining sports areas for renovation. The analysis (Attachment 2) determined it possible to provide all four remaining sports fields with the full renovation package; asphalt, full acrylic works, and sports equipment. The Mission will direct ERSP to reallocate the required amount from savings of the counselor centers renovation line item towards the sports areas renovation. The Mission had determined it important to achieve ERSP's target in order to provide as many schools as possible with a renovated sports area, consequently providing more communities with access to high quality sports areas. The Mission requests that this recommendation be closed upon issuance of the RIG's audit report.

***Recommendation 3: Revise program activity targets to reflect inconsistent cooperation from the Ministry of Education and fewer training participants than expected, and adjust funding levels accordingly.***

The Mission agrees with the recommendation. The Mission assessed the targets in response to the recommendation. The status of targets fall into two main categories: 1) targets that were under the MoE's control and implementation, which were typically underperforming, and 2) targets related to USAID-funded activities. Those indicators that reflected inconsistent cooperation from the MoE and fewer training participants than expected were eliminated, as further discussed below in our response to Recommendation 4, since they were measuring activities within the Ministry's responsibility that were no longer within USAID's control. For the USAID-funded targets, the Mission concluded that the activities are on track and attainable, therefore, funding levels will not need to be adjusted. The Mission requests that this recommendation be closed upon issuance of the RIG's audit report.

***Recommendation 4: Evaluate the number of program activity indicators and available monitoring and evaluation resources required, adjust the total number of indicators accordingly, and document the results.***

The Mission agrees with the recommendation. On January 21, 2013, the program Agreement Officer Representative (AOR) and Creative Associates met to assess the 144 dashboard indicators according to specific criteria and to determine the viability of continuing collection of data and measurement against these indicators. The assessment led to the elimination of 90 indicators which primarily measured activities that were completed, or are now being implemented by the MoE. The revised dashboard of the 54 remaining indicators is provided in Attachment 3. The Mission has determined no implications on budget in dropping the 90 indicators, in light of the criteria used for elimination. The Mission requests that this recommendation be closed upon issuance of the RIG's audit report.

***Recommendation 5: Document a clear definition for each indicator and communicate the written definitions to all program employees responsible for gathering data.***

The Mission agrees with the recommendation. On January 29, 2013 the program AOR and ERSP key personnel, including the Monitoring and Evaluation Officer, met to discuss and agree upon the definitions of the remaining 54 indicators. The revised dashboard of the 54 indicators and their definitions is provided in Attachment 3. The Mission communicated the agreed upon definitions in a letter (Attachment 4) to the Prime Implementer and requested dissemination to all program staff managing activities, implementing activities and/or responsible for gathering data. The Mission requests that this recommendation be closed upon issuance of the RIG's audit report.

***Recommendation 6: Implement a process to verify reported results.***

The Mission agrees with the recommendation. The program AOR has formalized a process to perform results verification and data quality assessment on a quarterly basis. This process was described and communicated to the Prime Implementer in a letter on January 27, 2013 (Attachment 5). The Mission requests that this recommendation be closed upon issuance of the RIG's audit report.

***Recommendation 7: Modify the program's work plan to include indicator targets for all activities.***

The Mission agrees with the recommendation. The Mission requested the Prime Implementer to revise the work plan to include the MoE-built kindergarten classrooms receiving only partial service, furniture and learning materials under ERSP's Early Childhood Education Objective 1.2 "Improving and Sustaining ECE

*Facilities*”. The work plan was revised on January 23, 2013 to reflect this additional sub-activity and its target and was approved by the AOR. The revised work plan is provided in Attachment 6; see page 11 of the Work Plan Narrative and page 2 of the Work Plan Activities Chart. The Mission requests that this recommendation be closed upon issuance of the RIG’s audit report.

***Recommendation 8: In coordination with Creative Associates Inc., modify all awards to include the required trafficking in persons provision.***

The Mission agrees with the recommendation. Creative Associates Inc. modified its sub-awards, which did not have the trafficking in persons provision, to include it. The two modified sub-awards are provided in Attachment 7. The Mission requests that this recommendation be closed upon issuance of the RIG’s audit report.

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