



# OFFICE OF INSPECTOR GENERAL

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## AUDIT OF USAID/KENYA'S PEPFAR-FUNDED ACTIVITIES FOR THE PREVENTION OF TRANSMISSION OF HIV

AUDIT REPORT NO. 7-615-10-010-P  
JULY 29, 2010

DAKAR, SENEGAL



*Office of Inspector General*

July 29, 2010

**MEMORANDUM**

**TO:** USAID/Kenya Mission Director, Erna Kerst

**FROM:** Regional Inspector General, Gerard Custer /s/

**SUBJECT:** Audit of USAID/Kenya's PEPFAR-Funded Activities for the Prevention of Transmission of HIV (Audit Report No. 7-615-10-010-P)

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

Based on actions taken by the mission and supporting documentation provided, final action has been taken on Recommendation 2, and management decisions have been reached on the other nine recommendations. Please provide the Audit Performance and Compliance Division in the USAID Office of the Chief Financial Officer (M/CFO/APC) with the necessary documentation to achieve final action.

I appreciate the cooperation and courtesy extended to my staff during the audit.

# CONTENTS

<b>Summary of Results .....</b>	<b>1</b>
<b>Audit Findings.....</b>	<b>6</b>
Performance Targets Were Inconsistent and Not Always Included in the Performance Management Plan .....	6
Reported Results Were Inconsistent.....	9
Reported Results Could Not Be Verified .....	12
Prevention Data Were Not Collected Uniformly .....	16
Site Visits Were Infrequent and Key Meetings Were Undocumented.....	19
<b>Evaluation of Management Comments .....</b>	<b>21</b>
<b>Appendix I—Scope and Methodology.....</b>	<b>23</b>
<b>Appendix II—Management Comments.....</b>	<b>25</b>

# SUMMARY OF RESULTS

Enacted in May 2003, the President's Emergency Plan for AIDS Relief (PEPFAR) was designed to combat HIV/AIDS throughout the world. PEPFAR was extended in July 2008 when President George W. Bush signed legislation authorizing up to \$48 billion over 5 additional years (2009–2013) to continue the U.S. Government's global efforts against HIV/AIDS, tuberculosis, and malaria. PEPFAR is implemented collaboratively by seven government agencies and departments—USAID; the Departments of State, Commerce, Health and Human Services, Labor, and Defense; and the Peace Corps. USAID is one of the lead agencies. In fiscal year (FY) 2009, USAID administered 60 percent of all PEPFAR funds, amounting to about \$3.4 billion.

Kenya is one of the original 15 PEPFAR focus countries. According to the Joint United Nations Programme on HIV/AIDS' *2008 Report on the global AIDS epidemic*, between 1.5 and 2 million Kenyans were living with HIV/AIDS in 2007. This health crisis threatens Kenya's stability and its positive contributions to regional affairs.

PEPFAR's three overarching goals through FY 2013 are to provide treatment for at least 3 million people, prevent 12 million new HIV/AIDS infections, and provide care for 12 million people, including 5 million orphans and vulnerable children. This audit focused on the goal of prevention, specifically the prevention of sexual transmission of the virus according to the "ABC" approach: "A" for abstinence, "B" for being faithful, and "C" for consistent and correct use of condoms. The audit reviewed all six PEPFAR prevention-related indicators:

1. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence or being faithful.
2. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence.
3. Number of individuals trained to promote HIV/AIDS prevention through abstinence or being faithful.
4. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through other behavior change beyond abstinence or being faithful.
5. Number of individuals trained to promote HIV/AIDS prevention through other behavior change beyond abstinence or being faithful.
6. Number of targeted condom service outlets.

USAID's PEPFAR activities in Kenya are part of the AIDS, Population and Health Integrated Assistance Program II (APHIA II), managed by the mission's Office of Population and Health. As the name implies, APHIA II includes not only the full range of HIV/AIDS prevention, care, and treatment services, but also activities to address tuberculosis, child survival, and malaria. Some of these activities are regional, USAID having established a separate cooperative agreement for each province, carried out by a primary implementing partner and several subpartners. Each agreement is referred to

as APHIA II, followed by the name of the province. Other activities are Kenya-wide, designed to support the provincial programs in certain technical areas.

### Three Programs and Partners Audited

APHIA II Western is implemented in Western Province by PATH and approximately 44 subpartners. HIV/AIDS prevention activities include community group dialogues, worksite programs, peer and family groups, magnet theater outreach, school programs, weekly radio broadcasts, and other types of community outreach. Volunteers, referred to throughout the report as peer educators, organize most of these activities and document the number of participants (who are reported as persons reached for indicators 1, 2, or 4 above). PATH trains peer educators, and each peer educator is reported as a person trained for indicator 3 or 5 above.

APHIA II Coast is implemented by Family Health International (FHI), which works with approximately 31 subpartners to conduct activities similar to those described above for APHIA II Western. FHI uses the same system of training volunteers to carry out prevention activities, but tailors the activities to its target populations in Coast Province.

APHIA II Health Communications and Marketing (HCM) is a Kenya-wide program. The primary implementing partner is Population Services International (PSI). PSI's main goal is to evolve social marketing initiatives to create sustainable, long-term results for improved health among Kenyans. The first of the four program objectives is to improve behaviors that help prevent HIV/AIDS. This objective is carried out through activities that promote abstinence, being faithful, and consistent and correct use of condoms. One of PSI's main activities is the social marketing of *Trust* condoms. This program is the main source of results for the indicator "number of targeted condom service outlets."

**Table I. Audited Programs**

<b>Program</b>	<b>Partner</b>	<b>Budget* (\$ millions)</b>	<b>Program Dates</b>
APHIA II Western	PATH	\$43.0	12/19/2006–12/31/2010
APHIA II Coast	FHI	47.0	6/7/2006–12/31/2010
APHIA II HCM	PSI	51.4	4/1/2007–4/16/2012

\* Amounts include funding for other health activities not specifically related to HIV/AIDS.

### Funding

For FY 2008 and FY 2009 funding, USAID/Kenya's PEPFAR sub-obligations for the three programs audited totaled \$41.1 million. Disbursements against these amounts totaled \$26 million. However, more FY 2009 funding could still be obligated or disbursed since the mission did not receive FY 2009 funds until September 2009, the last month of the fiscal year.

The Regional Inspector General/Dakar conducted this audit at USAID/Kenya as part of the FY 2010 audit plan to answer the following question:

Have USAID/Kenya's activities for preventing sexual transmission of HIV achieved Agency and overall PEPFAR goals?

Regarding USAID's prevention goals, available estimates indicate that new HIV infections have declined, from an estimated 132,000 new adult infections in 2007<sup>1</sup> to 100,000 new adult infections in 2009.<sup>2</sup> Given the scale of the prevention activities financed by USAID/Kenya, it is possible that USAID activities contributed to this decline. However, in terms of PEPFAR prevention goals, it is not clear whether USAID-financed activities have achieved performance targets for the six specific performance indicators listed on page 1 because performance targets were inconsistent, and reported results were unreliable and unverifiable. As discussed below, the differences we found were so large that it is impossible to offer even an educated guess as to whether targets for the six specific performance indicators were met.

- *Performance targets were inconsistent* (page 6). The targets established in the mission's country operational plans and the performance management plans (PMPs) sometimes did not agree with each other or with targets used by the implementing partners. For example, the FY 2009 APHIA II Western target for individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence or being faithful was listed as 1,440,000 in the country operational plan, 60,000 in the performance management plan, and 30,000 in the partner's progress report.

In addition, PSI did not develop a monitoring and evaluation plan as required in its agreement and did not establish a PMP until March 2010 (3 years after the program started). The mission acknowledged that country operational plan targets are outdated and that performance management plans should be updated regularly.

- *The results reported for prevention indicators were inconsistent* (page 9). For example, in FY 2009:
  - FHI reported reaching 206,461 people with abstinence messages, while USAID reported 470,012.
  - FHI reported reaching 1,201,808 people with abstinence or being faithful messages, while USAID reported 2,147,545.
  - FHI reported reaching 786,859 people with behavior-change messages promoting methods beyond abstinence or being faithful, while USAID reported 1,960,619.

Similar inconsistencies appeared between USAID's records and the records of the other implementing partners. Inconsistencies occurred because USAID or its implementing partners updated reports without coordinating with each other.

- *The reported results could not be verified* (page 12). The information collected for each indicator was not organized in a way that made it possible to verify the results reported by the implementing partner or those reported by USAID (only raw data were available, not summary information).

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<sup>1</sup> The Kenya 2007 HIV and AIDS Estimates prepared by the National AIDS Control Council and the National AIDS and STD Control Programme, July 2009.

<sup>2</sup> United Nations General Assembly Special Session on HIV and AIDS Country Report–Kenya 2010.

- *Prevention data were not collected uniformly* (page 16). Data collection tools and reporting methodologies were not synchronized to improve the integrity of reported results.
- *Site visits were infrequent, and key meetings were not documented* (page 19). The Office of Population and Health conducted only two site visits for the APHIA II Western Program from December 2006 to September 2009. For APHIA II Coast, the office documented only three site visits for FY 2008-09. For all three audited programs, the agreement officer's technical representative documented only 1 of the 24 quarterly review meetings held during FY 2008-09.

USAID's inadequate monitoring and evaluation of its HIV/AIDS projects contributed to the problems identified above (page 15). The mission had only two individuals to perform this function for a portfolio of over \$300 million involving 70 prime implementing partners.

To address these weaknesses, the audit team recommends that USAID/Kenya:

1. Require that performance targets are established for each indicator and implement a system to ensure that the targets are consistently updated and aligned in performance management plans and the implementing partners' progress reports (page 8).
2. Obtain the monitoring and evaluation plan from PSI as required in its cooperative agreement (page 8).
3. Require that all changes to partner-reported results be documented and communicated, as appropriate (page 11).
4. Prohibit partners from changing results in Kenya's Program Monitoring System after a specified date without first requesting written approval (page 12).
5. Require implementing partners to indicate that data in quarterly reports are not final and that final reported results may change significantly (page 12).
6. Work with partners to establish a data compilation and filing system that permits users to access support for data reported under the PEPFAR prevention indicators (page 15).
7. Expand monitoring and evaluation support for the Office of Population and Health (page 15).
8. Complete data quality assessments for all of its indicators (page 16).
9. Establish a system for collecting, collating, and reporting results for prevention indicators that would facilitate verification, and ensure the same system is followed by implementing partners (page 18).
10. Require mission officials to (1) document all key meetings and (2) conduct regular site visits that include data quality testing and soliciting suggestions to improve the mission's monitoring and evaluation of activities (page 20).

Detailed findings appear in the following section. The audit's scope and methodology are described in Appendix I.

USAID/Kenya agreed with all 10 recommendations. On the basis of actions taken by the mission and the documentation provided, final action has been taken on Recommendation 2, and management decisions have been reached on the other nine recommendations. USAID/Kenya's comments appear in their entirety in Appendix II.

# AUDIT FINDINGS

## Performance Targets Were Inconsistent and Not Always Included in the Performance Management Plan

USAID’s Automated Directives System (ADS) 203.3.4.5 states that, for each indicator in a performance management plan (PMP), the operating unit should set performance baselines and set targets that can be optimistically but realistically achieved within the stated timeframe and with the available resources. ADS 203.3.5.1d also states, “When data collection and analysis methods change, the performance management plan should be updated.” Furthermore, the Office of the Global AIDS Coordinator, which oversees the President’s Emergency Plan for AIDS Relief (PEPFAR), adds that, “Regardless of levels of funding, all programs should be results-oriented with clearly established targets.”

As shown in Tables 2 and 3, some of USAID’s targets established in its country operational plans (COPs) and the PMPs for fiscal years (FY) 2008 and 2009 were significantly different from the targets shown in the quarterly reports of its implementing partners—Family Health International (FHI) and PATH.

**Table 2. APHIA II\* Coast: Comparison of USAID and FHI Targets**

Indicators	2008 USAID Target		2008 FHI Target	2009 USAID Target		2009 FHI Target
	COP	PMP		COP	PMP	
1. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence and/or being faithful	500,000	1,200,000	575,000	700,000	1,500,000	700,000
2. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence	300,000	600,000	346,150	300,000	800,000	347,870
3. Number of individuals trained to promote HIV/AIDS prevention programs through abstinence and/or being faithful	2,000	3,000	2,300	2,000	4,000	3,000
4. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful	700,000	Not given	Not given	900,000	Not given	900,000
5. Number of individuals trained to promote HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful	1,700	Not given	Not given	2,500	Not given	2,500
6. Number of targeted condom service outlets	100	Not given	237	150	Not given	150

\*AIDS, Population and Health Integrated Assistance Program II.

**Table 3. APHIA II\* Western: Comparison of USAID and PATH Targets**

Indicators	2008 USAID Target		2008 PATH Target	2009 USAID Target		2009 PATH Target
	COP	PMP <sup>†</sup>		COP	PMP	
1. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence and/or being faithful	15,000	60,000	15,000	1,440,000	30,000	60,000
2. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence	Not given	Not given	Not given	Not given	Not given	Not given
3. Number of individuals trained to promote HIV/AIDS prevention programs through abstinence and/or being faithful	200	6,000	200	24,000	6,000	6,000
4. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful	400,000	3,356,680	400,000	700,000	118,875	118,875
5. Number of individuals trained to promote HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful	2,000	21,372	2,000	2,500	6,000	5,042
6. Number of targeted condom service outlets	60	Not given	60	70	Not given	500

\* AIDS, Population and Health Integrated Assistance Program II.

<sup>†</sup> Targets were mistakenly established for the calendar year instead of the USAID fiscal year.

In preparing the COP, the mission sets annual targets for future years. For example, the FY 2009 COP targets were established during the COP planning process that took place in 2007. The disadvantage of this process is that targets set so far in advance do not take into account the most recent years' results, which in this case would be FY 2008 and 2009 results. Rather, the Sexual Transmission Prevention Interagency Technical Team developed the targets on the basis of the PEPFAR Coordination Office's proposed budget allocation and past performance, which in this case would be fiscal years prior to FY 2007.

Implementing partners contributed to the technical implementation strategies but not to target development, which involves procurement-sensitive funding information that partners were not privy to. As a result, USAID's partners do not have a say in setting targets, and in most cases, do not agree with the COP targets. The mission and its partners sometimes update their targets, but reportedly could not change the targets in the COP.

The targets established in the PMP were based on current program performance levels for all indicators, partner feedback, and any additional funds allocated to the program after approval of the COP. However, the mission did not update its PMP each year, as required, partly because of an oversight, but also because some mission officials incorrectly believed that since the PMP was part of the cooperative agreement, it would require a great amount of work to modify. The initial targets were established at the start of the AIDS, Population and Health Integrated Assistance Program II (APHIA II) Coast

and Western Programs in late 2006, but USAID did not update these PMPs until August 2008 and January 2010, respectively. This explains why many of the PMP targets shown in Tables 2 and 3 were significantly different from the targets in the COP and the partners' progress reports.

Also, as shown in the tables, a few of the targets had not been established. The mission explained that one indicator—Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence—is a subset of the first indicator—Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence and/or being faithful—and was not targeted separately by PATH. There was no explanation provided for why targets were not established for the other indicators.

Furthermore, Population Services International (PSI), which implements the APHIA II Health Communication and Marketing Program, has not developed a monitoring and evaluation plan as required in its award and did not establish a PMP until March 2010—3 years after the program began. Although USAID assigned PSI annual targets, PSI's quarterly reports did not have targets and did not reference any program-level PEPFAR indicators. The agreement officer's technical representative noted that although the monitoring and evaluation planning process had started, it was never completed because the mission was still making decisions about the reporting coverage of PSI in relation to the other APHIA II partners to avoid double counting.

According to the mission, setting targets has been particularly challenging in recent years because the budget for HIV/AIDS has increased dramatically. From FY 2007 to FY 2008, the budget jumped from \$127.5 million to \$237.1 million (86 percent), and the following year, it increased again to \$340.3 million (an additional 44 percent). The annual process of preparing the COP generally resulted in changes to the timing and the amount of funds received, directly affecting the scope of each partner's activities. Budget increases, strategy changes, and activity changes have all made it difficult for the mission to remain current with the targets.

Without a common understanding between USAID and its partners as to what the targets were for prevention indicators, it was impossible for USAID to assess the partners' performance. Furthermore, the inconsistency in the targets, as well as in reported results (discussed later in the report), precluded the audit team from reaching any conclusions about whether the mission met its goals. The mission agreed that targets should be updated in the PMPs annually as part of the process of establishing work plans. Further, to avoid confusion, the mission should ensure that targets set by USAID are in line with those established by the partners in their reports.

***Recommendation 1:*** We recommend that USAID/Kenya require that performance targets are established for each indicator and implement a system to ensure that the targets are consistently updated and aligned in its performance management plans and the implementing partners' progress reports.

***Recommendation 2:*** We recommend that USAID/Kenya obtain from Population Services International the monitoring and evaluation plan required in the cooperative agreement.

## Reported Results Were Inconsistent

According to ADS 203.3.2.2.b, USAID “should use performance information to assess progress in achieving results and to make management decisions on improving performance.” The Office of the Global AIDS Coordinator provided country teams with guidance addressing the importance of data quality, stating that “quality data are needed to inform the design of Country Operational Plan activities, to monitor partner performance, and to set reasonable and achievable targets. In order for targets to be meaningful and realistic, the quality of the data on which they are based must meet minimum standards of acceptability.”

USAID’s results recorded in Kenya’s Program Monitoring System (KePMS<sup>3</sup>) did not match the results reported by the implementing partners for two of the three programs reviewed.<sup>4</sup> In fact, the results reported by the two partners, FHI and PATH, differed significantly from those in KePMS, as shown in the Tables 4 and 5.

**Table 4. APHIA II Coast: Comparison of USAID and FHI Prevention Results**

Indicator	2008 Results		2009 Results	
	KePMS	FHI	KePMS	FHI
1. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence and/or being faithful	871,297	1,357,880	2,147,545	1,201,808
2. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence	730,922	862,588	470,012	206,461
3. Number of individuals trained to promote HIV/AIDS prevention programs through abstinence and/or being faithful	85	2,025	112	728
4. Number of individuals reached through community outreach that promotes HIV /AIDS prevention through other behavior change beyond abstinence and/or being faithful	1,083,502	Not Reported	1,960,619	786,859
5. Number of individuals trained to promote HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful	691	Not Reported	774	6,596
6. Number of targeted condom service outlets	3,853	4,906	3,490	6,155

<sup>3</sup> KePMS is the source for results reported in USAID/Kenya’s annual performance report. KePMS is a stand-alone Microsoft Access database used in the management, monitoring, and evaluation of HIV/AIDS treatment and prevention programs supported by PEPFAR. This system reportedly reduces the burden of reporting and improves the quality of data by standardizing the collection of data. It also allows USAID and implementing partners to print useful summary reports for program evaluation.

<sup>4</sup> We were unable to include a comparison for APHIA II HCM, the third program, because it did not report results using program-level PEPFAR indicators.

**Table 5. APHIA II Western: Comparison of USAID and PATH Prevention Results**

Indicator	2008 Results		2009 Results	
	KePMS	PATH	KePMS	PATH
1. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence and/or being faithful	108,053	202,877	461,517	245,014
2. Number of individuals reached through community outreach that promotes HIV/AIDS prevention through abstinence	93,804	Not Reported	247,856	Not Reported
3. Number of individuals trained to promote HIV/AIDS prevention programs through abstinence and/or being faithful	429	15,280	347	21,056
4. Number of individuals reached through community outreach that promotes HIV /AIDS prevention through other behavior change beyond abstinence and/or being faithful	813,532	604,344	931,079	568,032
5. Number of individuals trained to promote HIV/AIDS prevention through other behavior change beyond abstinence and/or being faithful	3,065	25,292	5,633	39,537
6. Number of targeted condom service outlets	245	2,980	137	3,464

In addition, when asked about two PEPFAR results reported by the International Centre for Reproductive Health (one of FHI's subpartners), FHI and the subpartner provided worksheets and lists with figures that differed drastically from those reported by USAID for both FY 2008 and 2009. For example, the subpartners believed the number of people reached with other prevention in FY 2009 was 505,360 instead of 286,762, and the number of service outlets was 440 instead of 1,626. The subpartners responsible for implementing the activities were unable to explain the inconsistencies.

The results for FY 2008 that appeared in USAID/Kenya's annual performance report differed only slightly from the results reported in KePMS. One person interviewed for this audit believed that these differences resulted from updates made in KePMS after results were submitted to the Office of the Global AIDS Coordinator through the annual performance report, while another individual speculated that updates were made to the annual performance report results but were not updated in KePMS.

Below are a few explanations for the differences in reported results:

**Results Reported by Partners Were Updated but Not Communicated to All Stakeholders** – Implementing partners prepared quarterly reports containing results for the quarter or for the year to date and provided these results to USAID/Kenya through KePMS as follows: Implementing partners processed data offline in KePMS and sent them to the system developer, Macro International. On receiving the data from implementing partners, the Macro team performed a preliminary “cleaning” process, checking the data for double counting and comparing them with previous years' data. Macro then consolidated and posted the data on the KePMS Web site, where they were available for downloading by the mission.

USAID/Kenya officials said they conducted in-depth data cleaning for every implementing partner by program area and resolved any anomalies they detected in the downloaded data through discussions with the implementing partner. The officials said

they discussed all data queries with the appropriate partner, and after reaching agreement on what needed to be done, advised the partner to revise the data and resend the dataset to Macro International. USAID/Kenya officials said they did not make any modifications to the submitted dataset, reserving this role for implementing partners. Moreover, according to the mission, neither USAID nor Macro had access rights to the data entry module in KePMS and could not make any changes. Therefore, USAID officials stated that partners may have made changes without communicating them to USAID.

The audit team found that implementing partners were relying on data from their own quarterly reports rather than on data from KePMS. When the audit team asked about results for a given indicator, partners referred to their own reports. Partners were not able to explain the exact differences between their reports and the KePMS data.

Not communicating updates to reported results may also be a problem at the lower levels. For example, the PSI manager for the Western Province speculated that changes were being made to her reported figures at PSI's head office in Nairobi without her knowledge.

The HIV/AIDS program relies on accurate data to demonstrate progress toward goals. However, because of the inconsistencies in the results reported, the mission's results for HIV/AIDS activities may not accurately reflect USAID's achievements in Kenya. To ensure that USAID/Kenya reports accurate and reliable data to the Office of the Global AIDS Coordinator and to improve the integrity of the reporting process, we make the following recommendation.

***Recommendation 3:*** *We recommend that USAID/Kenya require that all changes to partner-reported results be documented and communicated, as appropriate.*

**KePMS May Have Contributed to Reporting Errors** – The audit team learned that one implementing partner experienced numerous glitches in KePMS after regular system updates. For example, at the time of the audit, the implementing partner was not able to print accurate quarterly summary reports. The audit team observed that the number the partner entered for one indicator unexplainably changed to a different number when the system produced output reports for that indicator. The implementing partners interviewed all confirmed that the technical support team for the system was responsive and usually fixed glitches quickly. Nevertheless, even if quickly fixed, these glitches could contribute to erroneous data reports generated by KePMS. Officials also acknowledged that, as with any new system, there are opportunities for user errors. To address this issue, the mission has provided KePMS training for all users, and the number of user errors has reportedly declined.

Furthermore, the audit team learned that data could be retroactively changed in KePMS by either USAID/Kenya or the implementing partners after it had been reported for that period. If any changes made were not uploaded to the central database, the results would no longer match.

Because the team responsible for KePMS technical support is aware of the glitches described above and has reportedly resolved such problems, we are not making a recommendation to fix the system errors. However, to prevent possible future

inconsistencies between partner and USAID KePMS data, we make the following recommendation.

**Recommendation 4:** *We recommend that USAID/Kenya prohibit partners from changing results in Kenya's Program Monitoring System after a specified date without first requesting written approval.*

**Results Were Reported Late** – Some results were reported late and were not included in the partners' quarterly reports. The mission explained that there will always be some level of underreporting in either KePMS or quarterly progress reports because of logistical challenges that partners and government counterparts face in receiving monthly reports from subpartners. Underreporting affected both facility- and community-based results. Many activities were carried out by subpartners that did not always report results in time because the subpartners were based in hard-to-reach areas and had logistical problems. However, after implementing partners issued the quarterly reports to USAID/Kenya, the subpartners provided their results, and the updates may have been made offline and not uploaded by Macro or communicated to USAID. The mission agreed that, at a minimum, the partners should disclose that the reported results are incomplete. Underreporting likely contributed to some, but not all, of the differences between the implementing partners' reports and the KePMS data.

**Recommendation 5:** *We recommend that USAID/Kenya require implementing partners to indicate that data in quarterly reports are not final and that final reported results may change significantly.*

## **Reported Results Could Not Be Verified**

To measure performance effectively and make informed management decisions, missions must ensure that quality data are collected and made available. USAID provides its assistance objective teams with extensive guidance to help them manage for improved results. Among this guidance is ADS 203.3.5.2, which states that the USAID mission/office and assistance objective teams should be aware of the strengths and weaknesses of their data and the extent to which the data's integrity can be trusted to influence management decisions. According to ADS 203.3.5.1, "Data Quality Standards," performance data should meet data quality standards for validity, integrity, precision, reliability, and timeliness, and missions should take steps to ensure that submitted data are adequately supported. The Office of the Global AIDS Coordinator further cautions that prevention data are particularly prone to double counting and advises added oversight.

Of results reviewed, neither those reported by USAID nor those reported by implementing partners could be verified. While attempting to verify these results, the audit team noted the following issues related to reporting of results.

**FHI** – Kenya's Girl Guide Association (KGGA), a subpartner of FHI, conducted peer education. KGGA's reported results for the one district reviewed contained the following errors:

- For 1 of 17 schools in this particular district, the KGGGA administrator entered the number 5 in the Excel worksheet cell for number of boys reached; the number should have been 56, as recorded in the source document.
- For another school, the KGGGA administrator entered the number of students reached in the wrong cells and inadvertently reported 0 students.
- For 8 of 17 schools, KGGGA double reported some student beneficiaries. The reporting form used by KGGGA has one section for entering students in grades 4–7 and another section for students in grades 1–3 and 8. However, the guide leaders who completed the forms and the KGGGA administrator reported dozens of beneficiaries twice by including students in grades 4-7 in both sections.

KGGGA did not cross-check the administrator’s input, and FHI’s monitoring and evaluation team failed to identify these errors.

The audit discovered that the Anglican Church of Kenya (another subpartner of FHI) made multiple typographical and mathematical errors in calculating how many people it reached through community outreach that promotes HIV/AIDS prevention through abstinence and/or being faithful. Nobody at the church or FHI was aware of these errors until the audit team’s visit.

**PATH** – At the APHIA II Western office, where PATH is the primary implementing partner, the audit team was not able to trace reported results on the six PEPFAR indicators to supporting documentation. The supporting documentation for these results consisted of raw data sheets rather than summary sheets. For example, PATH filed thousands of reporting sheets used to support hundreds of thousands of people reached through community outreach by month and by subpartner. To verify the reported data for the indicator “Number of individuals reached through community outreach that promotes HIV /AIDS prevention through other behavior change beyond abstinence and or/being faithful,” the audit team would have had to look through 12 monthly files for each of the 44 subpartners. Then, in each of the files, the audit team would have had to add various numbers from the reporting sheets. For some subpartners, this could have meant hundreds of sheets. Similar documentation challenges existed for both FHI and PSI.

**PSI** – PSI had difficulty supporting results for APHIA II Health Communications and Marketing (HCM). When asked about figures in PSI’s quarterly reports, the manager in the Western Province was unable to demonstrate how the head office in Nairobi had arrived at the reported results. She speculated that perhaps the head office was removing some double counting from the data that she was providing. She acknowledged that she should have been more familiar with the indicator targets and results for PSI’s activities in the Western Province.

PSI had difficulty supporting results for the indicator “Number of condom outlets.” PSI was the main contributor to this indicator through its marketing of a brand of condoms known as “Trust” (pictured on the following page). PSI used monthly data from an organization called the Research Institute to estimate the number of Kenyan businesses selling Trust condoms. The reports from the Research Institute showed the percentage of retailers nationwide that were selling Trust condoms. PSI multiplied these percentages by the total estimated number of retailers in Kenya to determine the number

of retailers selling *Trust* condoms. When the audit team used the same method to calculate the number of condom outlets, the results were not the same as those reported in KePMS. For example, for FY 2009, KePMS showed 85,076 condom outlets for APHIA II HCM, while the audit team's recalculation showed 92,628 (an understatement of 7,552). For FY 2008, KePMS showed 92,651 while the audit team's calculation showed 70,342 (an overstatement of 22,309 outlets). PSI could not explain the differences.

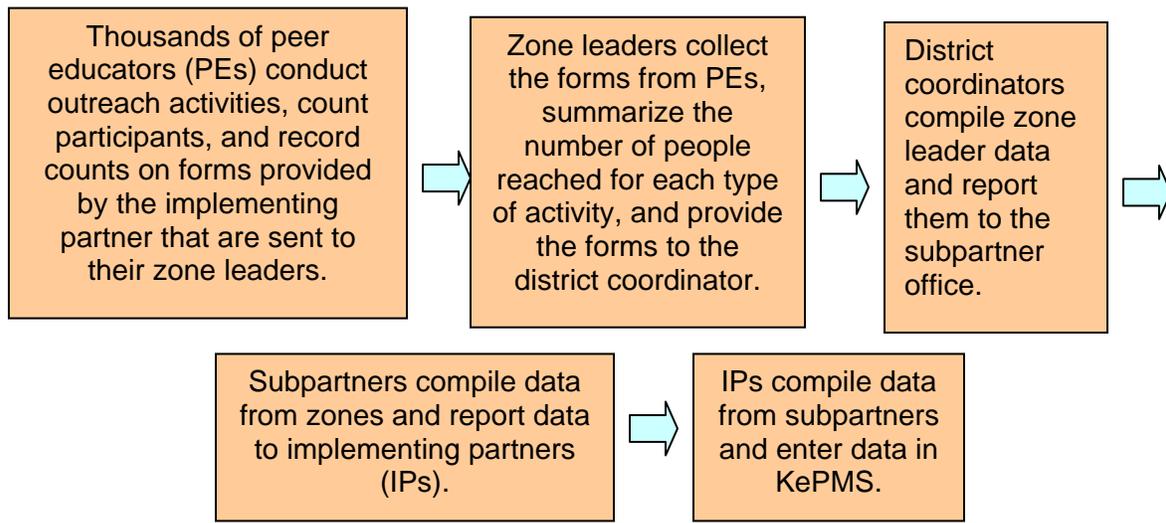


A Nairobi retail store displays PSI's *Trust* condoms, shown in April 2010. (Photo by OIG)

Various factors contributed to the problems. The mission and its implementing partners and subpartners all reported that the results for prevention indicators related to numbers of people reached were based on estimates. Consequently, the results were much more difficult to support than those for facility-based indicators such as the number of people taking medication. Other reasons for unsupported results are provided below.

**The Reporting Process Was Too Complicated** – The audit team found that the reporting process was lengthy, increasing the likelihood of double counting and data-entry errors. In general, as illustrated on the following page, a volunteer peer educator completes one form. A zone leader, who may also be a volunteer, compiles this information and completes another form. District coordinators compile the sheets completed by zone leaders and submit the data to the subpartner office's administrator for entry into a Microsoft Excel spreadsheet. This spreadsheet is then e-mailed to the implementing partner's monitoring and evaluation team. The prime implementing partner must consolidate aggregated data from all subpartners before data are entered into KePMS. The aggregation described above is tedious, often done using paper, pencil, and calculator, and the audit team identified numerous errors in these types of calculations. The results are finally entered into KePMS and submitted to USAID for review. In addition, these community-based activities are also reported to the Kenyan National AIDS Control Council.

## The Reporting Process



Similar processes have been developed for other outreach activities such as worksite outreach, theatre group outreach, one-on-one sessions, etc. Because every step of the lengthy and complex reporting process generated records, the number of supporting documents increased exponentially. Since USAID's partners and subpartners generally did not have summary schedules, we were not able to verify any results.

**Recommendation 6:** *We recommend that USAID/Kenya work with partners to establish a data compilation and filing system that permits users to access support for data reported under the President's Emergency Plan for AIDS Relief prevention indicators.*

**Monitoring and Evaluation Were Insufficient** – USAID and its implementing partners failed to realize that results (and targets) that were reported quarterly were inconsistent and could not be readily supported. Because of the heavy workload associated with managing annual PEPFAR funding levels of over \$300 million going to over 70 prime implementing partners, USAID's two monitoring and evaluation (M&E) officers were unable to adequately monitor PEPFAR programs and relied heavily on implementing partners for M&E. For example, the M&E staff is required to participate in other national activities and meetings and also carry out the responsibilities of the agreement officer's technical representative. USAID concurred that additional M&E staff should be added to support the Office of Population and Health, particularly with regard to its HIV/AIDS activities. This function is particularly important because some of the subpartners—especially the small, local ones—need more capacity building and experience.

**Recommendation 7:** *We recommend that USAID/Kenya expand monitoring and evaluation support for the Office of Population and Health.*

**Data Quality Assessments Were Not Performed** – Although the mission has developed a standard data quality assessment tool and has completed data quality assessments for other indicators, it has not yet conducted assessments for the HIV/AIDS prevention indicators because it acknowledges that progress on them is

difficult to measure. As reported above, verifying results for one indicator would have required searching for multiple numbers on hundreds of sheets in hundreds of different files. Consequently, it was impossible for the audit team to verify the reported results in some cases. Furthermore, neither USAID/Kenya nor the partner's M&E team could support reported results. This lack of verification likely contributed to the problems with inconsistent reporting.

Reporting results that are inaccurate or that lack needed context can undermine USAID's credibility and impair USAID's ability to secure the resources it needs to accomplish its mission. Internal controls for results reporting were not sufficiently reliable to ensure that reported service provider results were (1) valid, (2) attributable to the mission's program, (3) accurate and supported, and (4) accurately summarized prior to being reported to the mission. The likelihood of data quality problems such as those described above can be minimized if data quality assessments are adequately completed.

***Recommendation 8:*** *We recommend that USAID/Kenya complete data quality assessments for all of its HIV/AIDS indicators.*

Finally, the reporting process is more focused on reporting monthly or quarterly results than on annual results. Agreements reviewed at USAID/Kenya did not have annual reporting requirements, so PSI did not report any annual results. Nonetheless, other partners reported annual results in their fourth quarter report for each year. When annual results were compiled, FHI used the calendar year, which does not correspond to USAID's fiscal year.

As mentioned earlier, the results that are being reported by the mission and its partners are probably not entirely accurate because of uncoordinated updates that are made after submission due dates. Furthermore, these incorrect results were not adequately supported. Therefore, the actual results achieved by USAID/Kenya's prevention program could not be verified, and stakeholders could be misled about USAID's and its partners' achievements. The mission added that, when in doubt, it reports figures more conservatively.

## **Prevention Data Were Not Collected Uniformly**

USAID's Automated Directives System, Section 203.3.5.1d states, "Data should reflect stable and consistent data collection processes and analysis methods from over time. The key issue is whether different analysts would come to the same conclusions if the data collection and analysis processes were repeated."

USAID's partners and subpartners do not have a uniform system for collecting and supplying data. Each of the implementing partners that the audit team visited used different methods to collect data. Some of these tools required peer educators to report the number of new people reached separately, while others asked only for the number of people present at outreach events.

For example, the audit team discovered that implementing partners were not all using the same system to count the numbers of people reached. Although USAID/Kenya has

made it clear that the partners should be counting people as “reached” only the first time they attend an outreach event, not all the partners were using this approach. Some subpartners reported that they counted the number of outreach participants who were present for the first time through observation or by having first timers raise their hands. The volunteers conducting the outreach reported this number as “people reached” and the total participants as “people contacted.” Other subpartners reported that they simply took the total number of people contacted in a month and subtracted the number of people contacted the previous month. The difference was assumed to be the new people reached. However, one subpartner reported that it did not report the number of people reached separately from the number of people contacted. As a result, if the same 10 people attended 3 outreach events, they would be reported as 30 people reached, which is contrary to the policy of counting people only the first time they attend.

Other examples concerned results for training and theater outreach. Some partners likely considered people who have received mentorship, continuing medical education, or updates as people trained, while the indicator is meant only for those who have completed formal training based on a national curriculum. For counting the number of people reached through theater group outreach, sometimes partners assigned an individual to count new viewers and repeat viewers; sometimes partners just recorded an estimate.

The problems with data collection had numerous causes as described below. These further explain why the mission and its partners have experienced difficulty in supporting their results.

- While the Office of the Global AIDS Coordinator has provided an indicator reference guide, it is still not specific enough to ensure that all partners are uniformly counting the number of people reached. The office has periodically changed indicators or changed the way they are worded and measured. For example, the indicator for the number of people reached through mass media, a critical one for APHIA II HCM, was dropped. While major indicator revisions were introduced for FY 2008 and FY 2010 reporting, discussions about possible changes and actual adjustments occur continually.
- The partners and subpartners worked more closely with other indicators and were not as concerned about the PEPFAR prevention indicators. In fact, the PEPFAR indicators did not even appear in PSI’s work plan and reports. For example, PSI’s quarterly report referred to training for bar owners, partners, community-based organizations, health care providers, community health workers, youth leaders, and others. It would be difficult for independent observers to determine which types of training should be reported under PEPFAR and under which indicator. Similarly, PATH’s FY 2010 work plan discussed a variety of indicators by activity type, but it did not specifically refer to the six PEPFAR prevention indicators. However, past results and targets were clearly set for some of the other indicators.

Confusion also exists for reporting on the three prevention indicators that track numbers of people reached. FHI’s M&E specialist explained that, to arrive at the number of people reached through outreach events that promote HIV prevention through other behavior change beyond abstinence and or/being faithful, one had to add the following results together:

- Number reached by materials and information through outreach and peer education activities.
- Number reached under community outreach (peer education activities)
- Number reached through group sessions
- Number reached by one-on-one sessions
- Number reached through community outreach events that promote HIV prevention through other behavior change beyond abstinence (stigma reduction)

Although FHI reported results for PEPFAR indicators, its subagreements and M&E plans with the four subpartners visited did not specifically refer to PEPFAR indicators. For example, the International Centre for Reproductive Health M&E plan listed 12 indicators, but it is unclear how these indicators relate to the PEPFAR indicators, if at all.

The two managers of PSI's activities in the Western and Coast Provinces confirmed that they did not work closely with the PEPFAR indicators. They did not report specifically on PEPFAR indicators and explained that reporting was done by their head office in Nairobi. In fact both managers believed that PSI's new activity of distributing basic care packages to beneficiaries from various facilities was a prevention activity. However the audit team later learned that this activity contributed to other indicators.

- Finally, the mission believed that the PEPFAR indicators for prevention did not adequately measure the impact of its prevention activities. Even before the audit began, the mission acknowledged that the prevention indicators were based on estimates. USAID/Kenya reported that it, as well as the Office of the Global AIDS Coordinator, provided definitions for the indicators and guidelines for estimating the results. However, the audit team noted that partners were reporting results inconsistently using different methods, and the mission agreed that this was happening. The mission has already accepted the weaknesses in reporting on these indicators and is more enthusiastic about PEPFAR's new prevention indicators, which were to be used starting in FY 2010.

The audit team believes that the lack of uniformity in the data collection process among USAID/Kenya's implementing partners contributed to the problems described in the previous findings (inconsistency in reported results and difficulty supporting these results). Furthermore, if reported results represent different information for each partner, the consolidated results will not be reliable for making management decisions.

***Recommendation 9:*** *We recommend that USAID/Kenya establish a uniform system for collecting, collating, and reporting results for prevention indicators that would facilitate verification and ensure that the same system is followed consistently by all implementing partners.*

## **Site Visits Were Infrequent and Key Meetings Were Undocumented**

According to USAID's ADS 202.3.6, monitoring the quality of key outputs is a major task of USAID officials. An integral part of this monitoring activity is timely and adequate documentation of pertinent findings and lessons learned. This is recognized in both the Government Accountability Office's *Standards for Internal Control in the Federal Government* and in ADS 596.3.1c, which require appropriate documentation of transactions and internal controls. Consequently, sufficient monitoring visits and complete and timely documentation of key meetings are necessary for both good internal control and effective performance management.

**Infrequent, Undocumented Site Visits** – The audit team found that the Office of Population and Health had conducted only two site visits for the APHIA II Western Program since its inception in December 2006. For APHIA II Coast, only three site visits were formally documented in trip reports (one for each fiscal year from FY 2008 to FY 2010). In the Audit of USAID/Kenya's PEPFAR-Funded Activities and Commodities for the Prevention of Mother-to-Child Transmission of HIV, dated August 17, 2009, another audit team observed that USAID Kenya's Office of Population and Health was not adequately documenting its site visits. The audit team observed that the mission has made improvements in documentation of site visits, but the Office of Population and Health acknowledged that time constraints have minimized the number of visits. Although the Office of Population and Health reported having regular contact with these implementing partners, officials rarely conducted or documented formal site visits to monitor activities and verify prevention-related results. For example, no trip reports were provided for the APHIA II HCM Program.

Without active monitoring through regular site visits and data verification, the mission did not always have reasonable assurance that data used for performance-based decision making and for reporting were valid and reliable. A program to monitor data quality with regular site visits could have identified and prevented many of the problems of data reliability identified in this report.

While the mission has developed a standard reporting tool for site visits, the mission still has not conducted site visits frequently.

**Undocumented Meetings** – The audit team further observed that the agreement officer's technical representative for the three APHIA II programs that were audited did not adequately document quarterly review meetings that were held with implementing partners. These quarterly meetings were normally held at USAID/Kenya, but were sometimes held in the field at the implementing partners' offices. The meetings focused on discussing the partners' performance over the quarter against the program targets, reviewing the quarterly report, and addressing challenges and successes in program implementation. When the meetings were held in the field, the agreement officer's technical representative usually added on site visits to have firsthand observation of program implementation. The audit team found that, for the three programs selected, only 1 of the 24 quarterly review meetings held during FY 2008 and FY 2009 had been documented.

According to mission officials, technical representatives did not document quarterly review meetings because of competing priorities, large workloads, and time constraints. The two technical representatives for the three programs audited were also responsible for several other PEPFAR programs and activities. These other responsibilities limited the time available for documenting meetings.

Inadequate documentation of quarterly review meetings can hinder both performance management and internal control. Important issues raised in the meetings may not be shared effectively with other mission officials, and corrective action may be delayed or overlooked. Moreover, without documentation, it is difficult to confirm that adequate oversight is taking place. For example, mission officials and partner staff explained that quarterly reports were thoroughly reviewed, yet our audit revealed inconsistencies between what was reported by the partners and what was reported by the mission. If the meetings had been documented and the discussions disseminated to all involved parties, the mission may have been able to avoid the inconsistencies between partner- and mission-reported targets and results. The mission also agreed that key meetings should be documented in the program management files. Accordingly, we are making the following recommendation.

***Recommendation 10:*** We recommend that USAID/Kenya require mission officials to (1) document all key meetings and (2) conduct regular site visits which include data quality testing and soliciting suggestions to improve the mission's monitoring and evaluation of activities.

# EVALUATION OF MANAGEMENT COMMENTS

USAID/Kenya agreed with all 10 recommendations in the draft report. In preparing the final report, the Regional Inspector General/Dakar (RIG/Dakar) carefully considered management's comments and has addressed the two general comments raised by the mission in the final report. The evaluation of management comments is shown below.

*Recommendation 1.* USAID/Kenya agreed with the recommendation and intends to ensure that the yet-to-be awarded APHIAPlus agreements will have targets for each indicator. PMPs will be living documents that will be updated regularly and modified as needed. In addition, a discussion of targets will be included in quarterly meetings with implementers. The mission expects to complete these actions by March 2011. Accordingly, a management decision has been reached for this recommendation.

*Recommendation 2.* USAID/Kenya agreed with the recommendation and has obtained from Population Services International the monitoring and evaluation plan. RIG/Dakar reviewed the plan and agrees that it constitutes final action for this recommendation.

*Recommendation 3.* USAID/Kenya agreed with the recommendation and intends to develop and disseminate to all partners by November 2010 a new communiqué, *Results Management Guidelines*, describing how to make and communicate changes to reported results. Accordingly, a management decision has been reached for this recommendation.

*Recommendation 4.* USAID/Kenya agreed with the recommendation and, as stated above, intends to develop and disseminate to all partners by November 2010 guidelines that will communicate this prohibition. Accordingly, a management decision has been reached for this recommendation.

*Recommendation 5.* USAID/Kenya agreed with the recommendation and intends to send out an official communication to all partners by November 2010 on the need to indicate that data in quarterly reports are not final and that final reported results may change significantly. The mission will also emphasize this requirement at quarterly review meetings and document it in meeting minutes. Accordingly, a management decision has been reached for this recommendation.

*Recommendation 6.* USAID/Kenya agreed with the recommendation and will remind partners of their responsibility to establish a data compilation and filing system that permits users to access supporting documents for data reported under the PEPFAR prevention indicators. In addition, technical representatives of agreement and contracting officers will conduct spot checks during monitoring visits to ensure compliance. The target date for completion is November 2010. Accordingly, a management decision has been reached for this recommendation.

*Recommendation 7.* USAID/Kenya agreed with the recommendation and will explore possibilities of increasing monitoring and evaluation support functions by June 2011. Accordingly, a management decision has been reached for this recommendation.

*Recommendation 8.* USAID/Kenya agreed with the recommendation and is currently in the process of designing descriptions for national monitoring and evaluation programs that could include data quality assessments for all HIV/AIDS indicators. The target date for completion is November 2010. Accordingly, a management decision has been reached for this recommendation.

*Recommendation 9.* USAID/Kenya agreed with the recommendation and will document by June 2011 the existing system for collecting, collating, and reporting prevention indicators and share this with all prevention partners. Accordingly, a management decision has been reached for this recommendation.

*Recommendation 10.* USAID/Kenya agreed with the recommendation and will document all quarterly review meetings with partners. In addition, the mission is in the process of developing a field monitoring tool that includes limited data quality testing on selected indicators. The target date for completion is June 2011. Accordingly, a management decision has been reached for this recommendation.

# SCOPE AND METHODOLOGY

## Scope

The Regional Inspector General/Dakar 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 the audit was to determine whether USAID/Kenya's HIV/AIDS activities achieved their main goals.

In planning and performing the audit, the audit team assessed management controls related to management review, proper execution of transactions and events, and performance targets and indicators. Specifically, we reviewed and evaluated the following:

- Country operational plans for fiscal years (FY) 2008, 2009, and 2010
- Performance management plans
- Certification required under the Federal Managers' Financial Integrity Act of 1982
- Implementing partner agreements
- Actual performance results
- Data quality assessments
- Financial reports

We interviewed key USAID/Kenya personnel, implementing partner staff, beneficiaries, and Kenyan government health officials. We conducted the audit at USAID/Kenya and at the activity sites of implementing partners in three of Kenya's eight provinces (Eastern, Western, and Coast). Audit fieldwork was conducted at USAID/Kenya from April 6 to April 23, 2010, and covered selected activities that took place in FY 2008 and 2009.

During FY 2008 and 2009, USAID/Kenya's HIV/AIDS program had agreements with several partners. We focused on three of the four largest agreements to implement USAID/Kenya's prevention-related programs. (See the table on the following page.)

For FY 2008 and FY 2009 funding, USAID/Kenya's PEPFAR sub-obligations for the three programs audited totaled \$41.1 million. Disbursements against these amounts totaled \$26 million. However, more FY 2009 funding could still be subobligated and/or disbursed since the mission did not receive FY 2009 funds until September 2009, the last month of the fiscal year.

## HIV/AIDS Program Agreements

Activity Name	Partner Name	Estimated Budget	Program Start Date	Program End Date
APHIA II Health Communications and Marketing	Population Services International (PSI)	\$51,400,000	4/1/2007	4/16/2012
APHIA II Western	Program for Appropriate Technology in Health (PATH)	\$43,000,000	12/19/2006	12/31/2010
APHIA II Coast	Family Health International (FHI)	\$47,000,000	6/7/2006	12/31/2010

## Methodology

To answer the audit objective, we reviewed activities implemented by the three selected implementing partners, as well as the PEPFAR prevention indicators reported by USAID/Kenya in FY 2008 and 2009. We also reviewed available agreements, progress reports, and work plans of these implementing partners. We reviewed applicable laws and regulations and USAID policies and procedures pertaining to USAID/Kenya's HIV/AIDS program, including the Federal Managers' Financial Integrity Act of 1982 certification and ADS Chapters 202 and 203.

We interviewed program and monitoring and evaluation staff at USAID/Kenya as well as at the Nairobi offices of PATH, FHI, and PSI. We also visited PATH and PSI field offices in Kakamega and the FHI field office in Mombasa to interview program and monitoring and evaluation staff and to review supporting documentation for the results reported on the PEPFAR prevention indicators. Additionally, we interviewed staff and reviewed supporting documentation at three of PATH's largest APHIA II Western subpartners and at four of FHI's largest APHIA II Coast subpartners. We also interviewed APHIA II Evaluation implementing partner staff and one Government of Kenya Ministry of Health official. We conducted these interviews, documentation reviews, and site visits to determine how prevention activities were being implemented, how this implementation was being documented, and whether reported results were accurate.

Finally, we performed site visits as follows:

- Two APHIA II HCM prevention activities in Eastern Province
- Three APHIA II HCM prevention activities in Western Province
- Four APHIA II Western prevention activities
- Three APHIA II Coast prevention activities

During these site visits, we observed activities in progress, interviewed individuals who were conducting the activities, and interviewed program beneficiaries. Because of the large number of activities and the extensive geographical dispersion of the sites, a statistical sample was not possible. Therefore, a judgmental sample was selected, and the results of the sample cannot be projected to the universe of all activities on a statistical basis. However, we believe that our work provides a reasonable basis for our conclusions because the sample consisted of sites that (1) were located in Eastern, Western, and Coast Provinces where the three audited programs were being implemented, (2) included a representative sample of the wide variety of prevention programs being implemented, and (3) involved significant subpartners.

# MANAGEMENT COMMENTS



**USAID** | **KENYA**  
FROM THE AMERICAN PEOPLE

**To:** Gerard Custer, Regional Inspector General, Dakar, Senegal

**From:** Erna Kerst, Mission Director, USAID/Kenya

**Date:** July 13, 2010

**Subject:** Audit of USAID/Kenya's PEPFAR-Funded Activities for the Prevention of Transmission of HIV (Audit Report No. 7-615-10-00X-P) – June 10, 2010

This memorandum transmits USAID/Kenya's management response on the subject audit report (Report No. 7-615-10-00X-P) regarding USAID/Kenya's HIV prevention program. As the audit report noted, prevention programs, targets and outcomes are among the most difficult to monitor and evaluate due to the fact that much of the monitoring is based on estimates, and that there is such a wide range of project implementation scale, from mass media campaigns to small community group activities. We understand that the USAID prevention audit effort involves multiple countries, and we look forward to seeing best practices being shared on USAID evaluation of the impact of its HIV/AIDS prevention efforts under PEPFAR programs.

Our management response is presented below:

**Recommendation No. 1:** *"We recommend that USAID/Kenya ensure that performance targets are established for each indicator and implement a system to ensure that the targets are consistently updated and aligned in its performance management plan and the implementing partners' progress reports."*

**Management Comments:** The mission agrees with the recommendation. In the yet-to-be awarded APHIAPlus (the newest phase of the health strategy) agreements, USAID/Kenya will ensure that the PMPs contain targets for each indicator. PMPs will not be included in the cooperative agreement, but will rather be living documents that will be updated regularly and modified as needed to ensure flexibility and responsiveness to programmatic changes. As part of this effort, all A/COTRs will ensure that the PMP review vis-à-vis targets are a standing agenda in all partner quarterly meetings. The target date for completion of these actions is March 2011.

**Recommendation No. 2:** *"We recommend that USAID/Kenya obtain from Population Services International the Monitoring and Evaluation Plan required in the cooperative agreement."*

**Management Comments:** The mission agrees with the recommendation. As evidenced by Attachment 1, the mission confirms that PSI has now submitted its M&E Plan to USAID/Kenya. We consider the recommendation closed.

**Recommendation No. 3:** *“We recommend that USAID/Kenya require that all changes to partner-reported results be documented and communicated, as appropriate.”*

**Management Comments:** The mission agrees with the recommendation. The Office of Population and Health will develop and disseminate to all partners a new communiqué, Results Management Guidelines, describing how to make changes, and procedures for communicating the changes to partner reported results in KePMS. Secondly, the mission will work with KePMS system developer to explore possibilities of including functionality for notifying the mission every time partners update their results. The target date for completion of this action is November 2010.

**Recommendation No. 4:** *“We recommend that USAID/Kenya prohibit partners from changing results in Kenya’s Program Monitoring System after a specified date without first requesting written approval.”*

**Management Comments:** The mission agrees with the recommendation. The Results Management Guideline document that is described in response to recommendation No. 3 will communicate to the partners the prohibition. The target date for completion of this action is November 2010.

**Recommendation No. 5:** *“We recommend that USAID/Kenya require implementing partners to indicate that data in quarterly reports are not final and that final reported results may change significantly.”*

**Management Comments:** The mission agrees with the recommendation. The Office of Population and Health will send out an official communication to all partners on the need to adhere to this requirement. In addition, the mission will ensure that this is emphasized and documented in all quarterly review meetings’ minutes. The target date for completion of this action is November 2010.

**Recommendation No. 6:** *“We recommend that USAID/Kenya work with partners to establish a data compilation and filing system that permits users to access support for data reported under the PEPFAR prevention indicators.”*

**Management Comments:** The mission agrees with the recommendation. This is a weakness in partners’ reporting systems. The Office of Population and Health will remind partners of their responsibility to establish a data compilation and filing system that permits users to access supporting documents for data reported under the PEPFAR prevention indicators. In addition, the respective A/COTRs will conduct spot checks on partners during monitoring visits to ensure compliance. The target date for this action is November 2010.

**Recommendation No. 7:** *“We recommend that USAID/Kenya expand monitoring and evaluation support for the Office of Population and Health.”*

**Management Comments:** The mission agrees with the recommendation and will

explore possibilities of increasing M&E support functions through various means. The target date for this action is June 2011.

**Recommendation No. 8:** *“We recommend that USAID/Kenya complete data quality assessments for all of its HIV/AIDS indicators.”*

**Management Comments:** The mission agrees with the recommendation and is currently in the process of designing program descriptions for national monitoring and evaluation programs that could include activities such as DQAs for all HIV/AIDS indicators. The target date for completion of this action is November 2010.

**Recommendation No. 9:** *“We recommend that USAID/Kenya establish a uniform system for collecting, collating, and reporting results for prevention indicators that would facilitate verification and ensure that the same system is followed consistently by all implementing partners.”*

**Management Comments:** The mission agrees with the recommendation. The Office of Population and Health will document the existing system for collecting, collating, and reporting prevention indicators and share this with all prevention partners. The target date for completion of this action is June 2011.

**Recommendation No. 10:** *“We recommend that USAID/Kenya require mission officials to (1) document all key meetings and (2) conduct regular site visits which include data quality testing and suggestions to improve the mission’s monitoring and evaluation of activities.”*

**Management Comments:** The mission agrees with the recommendation. The Chief of the Office of Population and Health will communicate to all AOTRs regarding the need to document all quarterly review meetings with partners. In addition, the mission is in the process of developing an integrated program field monitoring tool that includes limited data quality testing on selected indicators. The mission will explore the possibility of outsourcing DQA services to ensure compliance with USAID data audit requirements. The target date for completion of this action is June 2011.

In addition to USAID/Kenya’ Management Comments above, we have two comments regarding the audit report. These comments are presented below:

**General Issue 1:** On page 5, Tables 2 and 3 refer to “FHI Target” and “PATH Target”.

**Management Comments:** Please note specifically which document(s) was used to produce this information.

**General Issue 2:** On page 10, second paragraph the report reads: “This suggests that they were unaware of changes that may have been made by USAID and/or Macro International after submission of their report.”

**Management Comments:** Neither USAID nor Macro International have access rights to the data entry module in the KePMS. For this reason, USAID and Macro International merely identify data limitations during the data cleaning process, discuss them with the partners and, once finalized, partners are asked to revise the reported results and re-upload. USAID and Macro International do not make changes.

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