



# OFFICE OF INSPECTOR GENERAL

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## AUDIT OF USAID/DEMOCRATIC REPUBLIC OF CONGO'S DISPLACED CHILDREN AND ORPHANS FUND ACTIVITIES

AUDIT REPORT NO. 7-660-10-001-P  
October 8, 2009

DAKAR, SENEGAL



*Office of Inspector General*

October 8, 2009

**MEMORANDUM**

**TO:** Mission Director, USAID/Democratic Republic of Congo, Stephen M. Haykin

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

**SUBJECT:** Audit of USAID/Democratic Republic of Congo's Displaced Children and Orphans Fund Activities (Report No. 7-660-10-001-P)

This memorandum transmits our final report on the subject audit. The report includes one recommendation to assist the mission in its management of program activities. We have considered management's comments on the draft report and have incorporated them into the final report, as appropriate. Those comments have been included in their entirety in appendix II.

Based on management's comments, we consider that a management decision has been reached on recommendation no. 1. 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 want to express my sincere appreciation for the cooperation and courtesy extended to my staff during the audit.

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# SUMMARY OF RESULTS

Since the second half of the 1990s, the Democratic Republic of Congo has experienced war and unrest, which has led to the displacement of an estimated 1.1 million people. Rapid increases in urban populations have contributed to increased poverty, marginalization of the poor, and deterioration of social and legal structures. The activities of the Displaced Children and Orphans Fund (DCOF) are implemented in Kinshasa, Bukavu, and Mbuji Mayi to prevent the abandonment and separation of children. The project promotes reunification of separated children with their families and reintegration into their communities. The project also promotes capacity building to religious leaders, parents, children, community members, and decision makers in order to protect children and ensure their rights. In addition, it promotes advocacy at the local and national levels. This project was awarded \$3,592,445 for the period from September 30, 2006, through September 30, 2009. As of September 30, 2008, the full amount of the award was obligated, and \$2,232,075 was disbursed (see page 2).

We found that as of September 30, 2008, USAID/Democratic Republic of Congo's DCOF activities achieved only 52 percent of planned results. The implementing partner met or exceeded planned results for only 14 of 27 indicators included in its annual plan, with the achievement of 12 indicators greater than 100 percent. According to the implementing partner, lower results for the remaining 13 of 27 indicators were due primarily to unexpected factors, including travel restrictions imposed on program monitoring activities during and after the presidential elections. Although only 52 percent of the planned results were achieved, the audit noted that the program greatly impacted its beneficiaries. In measuring the impact, we considered the reported results, firsthand observation of the program activities, and the views of program recipients and community leaders (see page 4).

In spite of the results achieved to date and the positive impact, the audit noted that USAID/Democratic Republic of Congo did not update its performance management plan to reflect the DCOF program's current activities, owing to staff turnover. Because the performance management plan is a critical tool for planning, managing, and documenting the performance of DCOF activities, updating it could strengthen the management of the DCOF program (see page 6).

This report includes one recommendation to assist USAID/Democratic Republic of Congo in its management of program activities. USAID/Democratic Republic of Congo should update the DCOF's performance management plan in accordance with USAID guidance and develop specific procedures to assign responsibility for regularly updating the document (see page 7).

USAID/Democratic Republic of Congo agreed with the recommendation and proposed completion of planned actions by April 30, 2010 (see page 11).

Management comments have been included in their entirety in appendix II.

# BACKGROUND

Since the second half of the 1990s, the Democratic Republic of Congo has experienced war and unrest, which has led to the displacement of an estimated 1.1 million of its inhabitants. Many inhabitants fled conflict areas for urban centers in the central and southern parts of the country. Rapid increases in urban populations have strained families and communities and contributed to increased poverty, marginalization of the poor, and deterioration of existing social and legal structures to protect children separated from parents or appropriate caregivers.

Since its inception in 1989, USAID's Displaced Children and Orphans Fund (DCOF) has invested more than \$160 million to improve the well-being of vulnerable children, their families, and communities in more than 40 countries in the developing world. USAID's DCOF supports Save the Children United Kingdom's (UK) program for Reducing Abandonment of Children in the Democratic Republic of Congo, working in the three urban centers of Kinshasa, Mbuji Mayi, and Bukavu. The program assists children who have been separated from or abandoned by parents or caregivers and children who have suffered abuse or unjust imprisonment. Save the Children UK works closely with local partners, Community Child Protection Networks (RECOPE), and child support centers with the necessary skills to denounce cases of child abuse and mistreatment.

To achieve its aim, Save the Children UK has the following three main objectives:

- To prevent the separation and abandonment of children and ensure that vulnerable children are protected
- To ensure on the one hand the minimum standards of care for children in temporary centers for separated and abandoned children, and on the other hand a greater number of reunifications of separated children with their families and communities
- To advocate on a large scale at local and national levels and to provide the necessary support so that the administrative and political authorities (ministries) responsible for child protection and promotion can fulfill their proper role and be more involved in prevention of abuse and separation, protection, and family reunification of vulnerable children

To provide funding that will help finance the DCOF, USAID awarded to Save the Children UK \$3.6 million to provide support for Reducing Abandonment of Children in the Democratic Republic of Congo through a cooperative agreement beginning September 30, 2006, and ending September 30, 2009. As of September 30, 2008, the full amount of the award was obligated and \$2,232,075 was disbursed, representing 62 percent of the award.

## **AUDIT OBJECTIVES**

In accordance with its fiscal year 2009 audit plan, the Regional Inspector General/Dakar performed this audit to answer the following audit question:

- Are USAID/Democratic Republic of Congo's Displaced Children and Orphans Fund activities achieving planned results, and what has been the impact?

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

# AUDIT FINDINGS

## **Are USAID/Democratic Republic of Congo's Displaced Children and Orphans Fund activities achieving planned results, and what has been the impact?**

As of September 30, 2008, USAID/Democratic Republic of Congo's Displaced Children and Orphans Fund (DCOF) activities had achieved only 52 percent of their planned results. The implementing partner met or exceeded planned results for only 14 of 27 indicators included in its annual plan. However, the program positively impacted its beneficiaries. The audit did not measure the program's impact solely on the reported results, but also considered firsthand observation of the program activities, as well as the views of program recipients and other child protection community participants, including religious leaders, parents, children, and decision makers.

The review of actual to planned results for 14 of 27 indicators showed achievement levels of 85 percent or more. Achievement of 12 indicators across the three program objectives was greater than 100 percent. For example, 556 children released from prisons benefited from social or psychological support, exceeding the target of 374 children by 149 percent.

The results for the remaining 13 of the 27 indicators fell below target. According to the implementing partner, lower results for the remaining 13 indicators were due primarily to unexpected factors, including travel restrictions imposed on program monitoring activities during and after the presidential elections. The community mobilization field officer from the Kinshasa branch stated that other factors contributing to the less-than-expected result were the late start of the activity in Kinshasa and the interruption of activity in Kinshasa and Mbuji Mayi for close to 6 months. Part of the reason for the interruption was to negotiate the cost charged by theatre groups providing sensitization through the media and other communication sources. Another indicator measuring the number of family reunifications fell under target at 67 percent because of a number of factors, most notably the drastic socioeconomic conditions of households, as parents or guardians find it difficult to provide for their children. With the lack of means to rehabilitate the children when they return to their homes, they encounter the same conditions that turned them out to the streets in the first place.

As indicated previously, although results for only 14 of the 27 indicators were above the 85 percent achievement level, the audit concluded that the program's goals were being met. During site visits, the audit team observed activities firsthand and talked with program recipients and community leaders involved in DCOF activities. The team found evidence that the program activities made a positive impact in the targeted communities. For example, magistrates indicated that there has been improvement in the processing of children cases in all three implementation sites. In the past, no distinction was made between incarcerated children and adults, but the effective weekly tours of jails made by magistrates have contributed to resolving the situation of detained children. Also, there have been significant improvements in the knowledge of children's rights. The behavior

of community leaders, including parents, has changed, leading to the closure of several exorcism churches.

The DCOF program activities focused on three program areas: legal protection, reunification, and community mobilization. Achievements in these three program areas are discussed below.

- **Legal Protection:** The lack of basic rights for children in the Democratic Republic of Congo often meant that children in conflict with the law would be treated as adults and detained in jail for weeks without access to justice. In 2008, the program partners conducted 1,471 visits to local jails in Kinshasa, Bukavu, and Mbuji Mayi. These visits resulted in the release of 556 children who were wrongfully detained and the referral to juvenile court magistrates of 634 children detained for having committed a crime. All 634 children referred to juvenile court magistrates benefited from legal assistance. These prison visits are among the program's spotlights. They resolved the problems of children who have been detained, sometimes wrongfully, and far beyond the time limit. Social workers and magistrates noted remarkable improvement in the processing of children's cases by the arresting officers, as well as in the denunciation of abuses, which are increasingly made by children themselves. Victims of child abuse are now registered and referred to hospitals, and their families are supported by government-appointed lawyers to bring their cases to justice. This support is provided by the legal institution CODE,<sup>1</sup> a coalition of nongovernmental organizations that signed a protocol with Save the Children UK. In addition to the major improvement in handling children's cases, social workers and magistrates noted a better collaboration between the various government agencies dealing with child protection issues. It is worth noting that the implementing partner greatly contributed to the adoption of a child protection law by the Senate. However, the law is awaiting signature by the President of the Democratic Republic of Congo.
- **Reunification Portfolio:** Save the Children UK has proven what many believed impossible: that children accused of sorcery and children who come from divided and poor families can be reunited with their families. Despite the difficulties imposed by deteriorating socioeconomic conditions, 683 children were reunited with their families in 2008 through the DCOF program. Save the Children UK engaged local nongovernmental organizations to conduct verifications of children to assess whether the reunifications were lasting. Follow-ups performed 6 months after the reunifications revealed that about 95 percent of the children remained in the care of their biological parents or guardians. Community leaders indicated that the sheer fact of bringing one child home from the streets is a huge accomplishment, considering that these reunifications were based on informal consent with no payment or compensation to family members.
- **Mobilization Portfolio:** As of the end of fiscal year 2008, to reduce the causes of child abandonment, Save the Children UK supported 28 subpartners to coordinate sensitization actions through the media, popular theatre performances, and parent and religious leader discussion sessions to reduce the

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<sup>1</sup> CODE (Coalition des ONG des Droits de l'Enfant) is a legal institution that gives abused children and their families improved access to legal support.



causes of child abandonment. The subpartners sensitized 35,556 participants, including parents, religious leaders, and children, through group meetings. An estimated 7,750,000 people also were sensitized through media campaigns aimed at the general population in Bukavu and Mbuji Mayi. As a result, there has been noticeable progress in people's knowledge of children's rights. Community members indicated that churches that used to conduct exorcisms of children accused of witchcraft have now closed following sensitization actions from some pastors.

Notwithstanding the results achieved to date and the positive impact, the audit identified an area in which improvement could be made to strengthen the management of the program. This is discussed in the following section.

## **Performance Management Plan Was Not Updated**

Summary: USAID guidance requires missions to update performance management plans regularly with new performance information as programs develop and evolve. Contrary to USAID guidance, the performance management plan for USAID/Democratic Republic of Congo's DCOF activities had not been updated to reflect some of the program's current activities. According to the mission, it had not updated the plan because of multiple changes in the contracting officer's technical representative during the 2 years of the project. Without an updated plan, USAID/Democratic Republic of Congo lacks a critical tool for planning, managing, and documenting the performance of its program activities.

Automated Directives System (ADS) 203.3.3 states that operating units must prepare a complete performance management plan for each strategic objective within 1 year of approval of the strategic objective. It also notes that a performance management plan is a "tool used by an Operating Unit and Strategic Objective Team to plan and manage the process of assessing and reporting progress towards achieving a Strategic Objective." The performance management plan must provide performance indicators that include baseline levels and targets to be achieved. ADS 203.3.4.6 states that usually, as part of the operating unit's annual portfolio review process, the operating units should update these plans regularly with new performance information as programs develop and evolve.

The performance management plan for USAID/Democratic Republic of Congo's DCOF activities was included in the grant agreement and approved in September 2006. However, it had not been updated since then and did not reflect some of the program's current activities, including the three operational plan indicators reported annually to Washington. Although the mission did not maintain a current performance management plan, the mission did require the implementing partner to update its performance management plan and annual plan to report on the current activities.

According to the mission staff, the performance management plan was not updated in part because of staff turnover. USAID/Democratic Republic of Congo changed the contracting officer's technical representative for the DCOF activities four times during the 2 years of the project. These changes led to a lack of continuity in the program's

management. Also, because the mission required the implementing partner to update its performance management plan, it did not think it was necessary to update its own performance management plan.

Without an updated performance management plan, however, USAID/Democratic Republic of Congo lacks a critical tool for planning, managing, and documenting the performance of its program activities. Therefore, this audit makes the following recommendation:

*Recommendation No. 1: We recommend that USAID/Democratic Republic of Congo update the Displaced Children and Orphans Fund's performance management plan in accordance with USAID guidance and develop specific procedures to assign responsibility for regularly updating the document.*

# EVALUATION OF MANAGEMENT COMMENTS

In its response to the draft report, USAID/Democratic Republic of Congo concurred with the recommendation and proposed to complete remedial actions by April 30, 2010. Accordingly, a management decision has been reached on the 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 audit objective was to determine whether USAID's Displaced Children and Orphans Fund (DCOF) activities in the Democratic Republic of Congo are achieving their intended results, and what has been the program's impact.

We selected the annual work plans for fiscal years (FYs) 2007 and 2008 and evaluated progress in all planned activities from October 1, 2006, through September 30, 2008. In planning and performing the audit, we assessed management controls related to the program's development, implementation, and management review of performance measures and indicators. Specifically, we obtained and reviewed the mission's (1) operation plan, (2) performance management plan, (3) annual work plans, (4) FYs 2007 and 2008 Federal Managers' Financial Integrity Act assessments, (5) data quality assessments, and (6) quarterly reports for FYs 2007 and 2008.

We also reviewed the performance indicators for program activities, as well as the performance data collected and reported under these indicators. We conducted the audit at USAID/Democratic Republic of Congo and at various implementing partners' locations in Kinshasa from November 7 to December 5, 2008.

## Methodology

To determine whether USAID/Democratic Republic of Congo's DCOF activities were achieving their planned results, the audit team first met with and interviewed USAID/Democratic Republic of Congo mission personnel in charge of the program to gain an understanding of the program. We reviewed relevant documentation such as the cooperative agreements, performance management plan, field trip reports, and the implementing partner's quarterly reports and work plans. To assess the level of monitoring being carried out and progress toward achieving outputs, we interviewed mission officials and implementing partners responsible for DCOF project implementation and monitoring.

To form a conclusion about whether USAID/Democratic Republic of Congo's DCOF activities were achieving planned outputs, we first compared the planned work outlined in the implementing partner's cooperative agreement and initial performance management plan with the work plans to ensure consistency. We then reviewed the work accomplished as reported in the partner's quarterly reports and compared actual accomplishments with the specific outputs as defined in the agreements and approved work plans. This comparison entailed examining supporting records and the partner's progress reports for evidence that the activity had in fact achieved its intended results.

In addition, we performed site visits to the implementing partner and its activities' site locations in Kinshasa to verify reported data. Owing to travel and flight restrictions, we did not conduct site visits in Bukavu and Mbuji Mayi. However, we conducted telephone interviews with the field managers at these two locations and reviewed support documentation for randomly selected data on which they reported.

The audit team also reviewed the mission's compliance with requirements to document program performance. The compliance requirements included the Automated Directives System chapters 202, 203, and 303 and other applicable policies, procedures, and management controls. We then evaluated the mission's compliance with the relevant program management controls and policies.

To ascertain the impact of the results achieved, we relied on the testimony of USAID/Democratic Republic of Congo officials, implementing partners, and beneficiaries. We also reviewed the mission's and implementing partners' reported data. We observed activities firsthand and discussed them with program recipients and community leaders during our site visits.

In assessing the program's progress toward its overall objectives, we established a materiality threshold of 85 percent. If the program's work plan adequately reflected the overall program goals and the contractor had achieved at least 85 percent of its planned outputs during the audit period, the program was judged to be making acceptable progress toward its overall objectives.

# MANAGEMENT COMMENTS



## MEMORANDUM

September 28, 2009

TO: Regional Inspector General, USAID/Senegal

FROM: Stephen Haykin, USAID/DRC Mission Director /s/

SUBJECT: Audit of USAID/DRC's Displaced Children and Orphan's Fund Activities

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USAID/DRC appreciates the rigor and attention given to examining its cooperative agreement with Save the Children-UK, funded by the Displaced Children's and Orphans Fund (DCOF) through Audit AUDIT REPORT NO. 7-660-09-XXX-P dated August 28, 2009. Currently, this cooperative agreement is DCOF's primary assistance program in the DRC.

USAID/DRC concurs with the audit reports' findings about the impact of this program, and the challenges related to child protection in the DRC context. Despite Save the Children-UK falling short on 13 of 27 indicators in its workplan, USAID/DRC concurs that these indicators fell short primarily due to external factors, and that the program is nevertheless achieving its overall goal and intended impact.

USAID/DRC also agrees with the audit report's recommendation to revise a Performance Management Plan (PMP) for this program. Indeed, USAID/DRC intends to put in place an institutional support contract for monitoring and evaluation services early in FY 2010. Through this contract, the Mission will revise and develop PMPs for all Mission Assistance Objectives, which will be updated semi-annually during Mission Portfolio Reviews. The Mission PMP for the cooperative agreement with Save the Children-UK will also be revised, and the Agreement Officer's Technical Representative (AOTR) for this agreement will update the PMP on a semi-annual basis. It is important to note that the PMP included in the original award document is Save the Children-UK's monitoring and evaluation plan. Save the Children-UK revised its plan over the life of the project to reflect current realities on the ground. USAID/DRC will meet in October 2009 with Save the Children-UK to finalize a revised PMP. The Mission's internal PMP will be revised by April 30, 2010 and aligned with Save the Children-UK's PMP for this cooperative agreement.

Since the time of this audit, USAID/DRC has issued a two-year cost extension to this cooperative agreement with Save the Children-UK, in the amount of \$3,000,000 of DCOF funding. USAID/DRC's Agreement Officer Technical Representative (AOTR) has a meeting planned with Save the Children-UK program management staff to review the annual workplan and set of indicators to ensure that data collection and reporting are streamlined in accordance with the PMP.

USAID/DRC appreciates the auditor's holistic approach to program evaluation, in which the auditor used both quantitative and qualitative data to measure whether the program is achieving its intended goals and impact. The rigor and objectivity with which the auditor conducted the evaluation was appreciated by both Save the Children-UK and USAID/DRC staff.

Since the time of this audit, the AOTR has conducted project monitoring visits in both Kinshasa and Bukavu. The USAID/DRC AOTR intends early in FY 2010 to conduct project monitoring visits in Mbuji-Mayi, in collaboration with Washington-based DCOF staff.

**U.S. Agency for International Development**  
**Office of Inspector General**  
1300 Pennsylvania Ave., NW  
Washington, DC 20523  
Tel: (202) 712-1150  
Fax: (202) 216-3047  
[www.usaid.gov/oig](http://www.usaid.gov/oig)