



# OFFICE OF INSPECTOR GENERAL

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## AUDIT OF USAID'S HIV/AIDS ACTIVITIES IN COTE D'IVOIRE

AUDIT REPORT NO. 7-681-12-004-P  
MARCH 6, 2012

DAKAR, SENEGAL



*Office of Inspector General*

March 6, 2012

**MEMORANDUM**

**TO:** USAID/West Africa Acting Mission Director, Lisa Franchett

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

**SUBJECT:** Audit of USAID's HIV/AIDS Activities in Côte d'Ivoire  
(Report No. 7-681-12-004-P)

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

The report includes six recommendations. On the basis of actions taken by the mission and supporting documentation provided, we determined that final action has been taken on Recommendations 1 and 2 and that management decisions have been reached on Recommendations 3, 4, 5, and 6.

Please provide the Audit Performance and Compliance Division in the USAID Office of the Chief Financial Officer with the necessary documentation to achieve final action.

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

# CONTENTS

- Summary of Results** ..... 1
- Audit Findings**..... 4
  - In-Country Staff Lacked Management Authority ..... 4
  - Reported Results Were Not Always Verifiable..... 5
  - Partner Did Not Clearly Document Beneficiaries' Eligibility ..... 8
- Evaluation of Management Comments** ..... 10
- Appendix I—Scope and Methodology** ..... 11
- Appendix II—Management Comments** ..... 13

**Abbreviations**

The following abbreviations appear in this report:

- ADS            Automated Directives System
- AOTR        agreement officer's technical representative
- AVSI        Associazione Volontari per Servizi Internazionale
- COTR        contracting officer's technical representative
- FY            fiscal year
- OVC        orphans and vulnerable children
- PEPFAR     President's Emergency Plan for AIDS Relief
- PNOEV      Programme National de prise en charge des Orphelins et Enfants Vulnérables

# SUMMARY OF RESULTS

According to the United Nations, Côte d'Ivoire has the highest national HIV prevalence in West Africa, estimated at 3.9 percent.<sup>1</sup> This prevalence translates to 450,000 people in Côte d'Ivoire infected with HIV/AIDS, and 440,000 orphans under the age of 17 affected by the disease.

USAID does not have a bilateral mission in Côte d'Ivoire, but supports a small staff managing activities under the President's Emergency Plan for AIDS Relief (PEPFAR).<sup>2</sup> At the time of the audit, six USAID personnel were in Côte d'Ivoire administering day-to-day program activities. These included one senior country program coordinator, two project managers, one budget analyst, one program manager, and an operations specialist. In addition, at the request of the office of the U. S. Global AIDS Coordinator (OGAC), USAID funds the OGAC position of the PEPFAR country coordinator (who has no USAID authorities or responsibilities). The USAID/West Africa mission provides finance, contracting, and other critical support services for the agreements it has awarded.

In fiscal year (FY) 2010, USAID obligated \$49 million and disbursed \$47 million for its HIV/AIDS program activities in Côte d'Ivoire. During this period, the mission worked to implement these activities through agreements with several partners. USAID's Regional Inspector General in Dakar selected for audit three HIV/AIDS agreements designed to help orphans and other vulnerable children (OVC) (Table 1). For FY 2010, USAID/West Africa obligated \$4.9 million and disbursed \$3.8 million for these three agreements, implemented by AVSI (Associazione Volontari per Servizi Internazionale, an Italian nongovernmental organization), Save the Children, and PATH.

**Table 1. Audited Activities**

<b>Implementing Partner</b>	<b>Program</b>	<b>Agreement Amount and Dates</b>
AVSI	Implements activities that have been developed directly and consistently with the National OVC Program (PNOEV) of the Ministry of the Family, Women and Social Affairs. AVSI provides services to HIV/AIDS orphans and other vulnerable children by working with community-based organizations.	\$9.5 million Nov. 22, 2010– Oct. 31, 2014
Save the Children	Provides care and support to OVC and builds the capacities of local subpartners and government entities. Key activities include strengthening the national OVC program by building the operational capacities of the government, building the capacities of local subpartners to provide quality care and support for OVC and their families, supporting quality education for OVC, and reducing vulnerability to HIV/AIDS among OVC and their families and communities.	\$11 million Sept. 1, 2008– Oct. 31, 2014

<sup>1</sup> Joint United Nations Programme on HIV/AIDS, "Côte d'Ivoire Country Situation 2009," [http://www.unaids.org/ctrysa/AFRCIV\\_en.pdf](http://www.unaids.org/ctrysa/AFRCIV_en.pdf), accessed on January 11, 2012.

<sup>2</sup> PEPFAR received funding for fiscal years 2004 through 2008 from the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003, Public Law 108-25. The act authorized \$15 billion to be appropriated over those 5 years to combat the three diseases. The 2008 act reauthorizing PEPFAR (Public Law 110-293) authorized an additional \$48 billion to carry out activities for fiscal years 2009 through 2013.

Implementing Partner	Program	Agreement Amount and Dates
PATH	Implements the Infant and Young Child Feeding Program. The goals of the program include (1) providing support for changes in national nutrition policy, guidelines, and programs, (2) strengthening the capacity of service providers, (3) increasing nutritional care and support for OVC (0–5 years) and HIV-positive pregnant and lactating women, and (4) gathering information for improving program implementation and practices.	\$46 million worldwide agreement Sept. 22, 2006– March 19, 2012

The objective of the audit was to determine whether USAID/West Africa’s activities to support OVC were providing care and support to these children. The audit team found that, while the beneficiaries visited felt that the program has had a positive impact, evidence was lacking to support the results reported by program officials and to determine whether the activities were achieving their goals.

Although program managers are in routine contact with the implementing partners and monitor their activities, program managers are not allowed to advise the implementing partners on contractual or budgetary changes because the program managers have not been designated as activity managers. The authority of these managers is limited even though they have all received the required COTR training.

Specifically for AVSI’s program, the audit determined that results reported for FY 2010 were not verifiable because of problems with AVSI’s reporting database and poor record-keeping procedures. We were unable to verify any of the five indicators selected for testing during this audit. For example, although AVSI reported assisting 12,843 OVC and their families in FY 2010, we were unable to verify these results. The audit determined that AVSI did not always clearly document the HIV/AIDS-related vulnerability and eligibility of OVC.

Similarly, the audit determined that results reported by Save the Children for FY 2010 were not verifiable because of poor record-keeping procedures. For example, although Save the Children reported assisting 9,665 OVC and their families in FY 2010, we were unable to verify this result, because the supporting documentation was not available from five of the nine subpartners implementing program activities.

PATH primarily assisted the national government’s program by providing training to national and regional health officials at hospitals and social centers. Additionally, PATH conducted in-service training for 272 health-care workers.

Specifically, the audit disclosed the following weaknesses:

- In-country staff lacked management authority needed to run the program (page 4).
- Results reported by AVSI and Save the Children were not always verifiable (page 5).
- AVSI did not clearly document beneficiaries’ eligibility (page 8).

To address the weaknesses noted above and in detail later, the report recommends that USAID/West Africa:

1. Determine whether in-country managers of USAID's President's Emergency Plan for AIDS Relief activities in Côte d'Ivoire should be designated as activity managers through fiscal year 2012 and clearly define their roles and responsibilities accordingly (page 5).
2. Analyze the capabilities of current and incoming personnel in Côte d'Ivoire and grant them an effective and appropriate level of authority for the day-to-day management of activities under the President's Emergency Plan for AIDS Relief, taking into account their unique operating environment (page 5).
3. In conjunction with Associazione Volontari per Servizi Internazionale and Save the Children, develop and implement procedures for verifying reported data with source documentation, documenting key assumptions and calculations, and maintaining documentation to support results and other program data reported to USAID (page 8).
4. Perform and document a data quality assessment of reported data of Associazione Volontari per Servizi Internazionale and Save the Children activities to ensure compliance with USAID guidelines and document results of the assessment (page 8).
5. Require Save the Children to conduct and document training for its subpartners on monitoring and evaluation and the use of the data collection tools established by the Programme National de prise en charge des Orphelins et Enfants Vulnérables (page 8).
6. Develop and implement procedures that require Associazione Volontari per Servizi Internazionale to (1) use the President's Emergency Plan for AIDS Relief guidelines to verify the eligibility of all orphans and vulnerable children who receive assistance as part of the program and (2) document and maintain a record of each orphan and vulnerable child's eligibility at the centers where the children receive assistance from the program (page 9).

Detailed findings appear in the following sections. The audit scope and methodology are described in Appendix I. Appendix II presents the full text of management comments; our evaluation of management comments is on page 10.

# AUDIT FINDINGS

## **In-Country Staff Lacked Management Authority**

In its Automated Directives System (ADS), USAID has several requirements related to the management of USAID-funded contracts and agreements. ADS 303.3.14 requires that an agreement officer's technical representative (AOTR) be designated for any signed agreement, and permits the designation of an alternate AOTR as warranted. Further, ADS 202.3.4.3.a states that project management may designate a core team member as an activity manager, whose role is specified in ADS 202.3.4.3.b (Example 5):

In some cases, a project may encompass multiple countries and be funded by USAID/Washington or from a regional platform, where the contracting officer's technical representative (COTR) is also based. USAID may then designate Activity Managers in each country to provide appropriate oversight and management of the project at the country-level.

This section of ADS also states that there is considerable flexibility in structuring key roles among core members of a development objective team, and it is important for all members to clearly understand the particular role they are assigned. Moreover, ADS 202.3.4.5 requires that "USAID Missions/Offices that manage DO [Development Objective] teams . . . take appropriate and sufficient steps to ensure that these teams have the capacity to function effectively."

The USAID PEPFAR program in Côte d'Ivoire is large—the FY 2012 budget is anticipated to be more than \$53 million with 14 activities—and operates in a complex environment. USAID closely collaborates with the Centers for Disease Control and Prevention on PEPFAR activities, all of which are overseen by a PEPFAR coordinator who reports directly to the Ambassador. There is no USAID mission in Côte d'Ivoire; hence, there is no contracting authority in-country. Contracting and financial oversight are provided by COTRs and AOTRs in the regional USAID/West Africa office in Accra, Ghana, and for worldwide programs in Washington, D.C. All contractual and financial transactions must be administered by officials in these locations, and no one in Côte d'Ivoire has authority to change contracts, agreements, or work plans or to make budgetary decisions without approval from abroad. These restrictions have posed problems for the program as described below.

At the time of the audit, six USAID personnel were in Côte d'Ivoire administering day-to-day program activities. These included one senior country program coordinator, two project managers, one budget analyst, one program manager, and an operations specialist. In addition, at the request of OGAC, USAID funds the OGAC position of the PEPFAR country coordinator (who has no USAID authorities or responsibilities). These personnel rely heavily on USAID/West Africa for administrative matters such as filling staffing vacancies; this reliance has caused unnecessary delays and difficulties for program implementation.

USAID's PEPFAR program in Côte d'Ivoire is approved for 18 positions, yet filling these vacancies has been difficult not only because of the recent civil unrest in the country, but also because USAID/West Africa must approve most personnel decisions. Although the managers in Côte d'Ivoire are acutely aware of their needs and know locals available to fill the open positions, the in-country managers have little input into the final decisions. The office has tried

to fill 13 of the 18 approved positions for 2 years with USAID/West Africa's oversight but has been unsuccessful partly because of staffing constraints at USAID/West Africa: the Côte d'Ivoire office is one of 18 in the region that receive administrative services from USAID/West Africa.

Furthermore, although the program managers are in routine contact with the implementing partners and monitor the activities of the implementing partners, they are not allowed to advise the implementing partners on contractual or budgetary changes because the program managers have not been designated as activity managers. The authority of these managers is limited even though they have all received the required COTR training.

Because designated COTR/AOTRs seldom, if ever, conduct monitoring and evaluation visits to Côte d'Ivoire, there are many opportunities for miscommunication and confusion. For example, AOTRs often communicate directly with the implementing partners or via the implementing partners' home offices, sometimes bypassing the in-country managers completely—especially regarding financial decisions. This form of communication removes what is often considered a key component in project management control from the local managers.

In explaining its slowness to fill vacancies in Côte d'Ivoire, USAID/West Africa cited a lack of adequate staffing to provide sufficient contract and support services to USAID field offices and at the same time implement new Agency-wide initiatives related to contracting and procurement. Also, the program staff have not been provided with the necessary authority because this is how things have been operating in Côte d'Ivoire, and the regional mission has never realized the need to change procedures.

The USAID PEPFAR team in Côte d'Ivoire already faces numerous challenges overseeing multiple activities and managing a large annual program budget without authority over the implementation of their program. Unless they are granted greater authority, they may not be able to carry out the program in the most effective and efficient manner, and the program's overall goals may not be achieved.

Therefore, we make the following recommendations.

***Recommendation 1.*** We recommend that USAID/West Africa determine whether in-country managers of USAID's President's Emergency Plan for AIDS Relief activities in Côte d'Ivoire should be designated as activity managers through fiscal year 2012 and clearly define their roles and responsibilities accordingly.

***Recommendation 2.*** We recommend that USAID/West Africa analyze the capabilities of current and incoming personnel in Côte d'Ivoire and grant them an effective and appropriate level of authority for the day-to-day management of activities under the President's Emergency Plan for AIDS Relief, taking into account their unique operating environment.

## **Reported Results Were Not Always Verifiable**

To measure performance effectively and make informed management decisions, missions must ensure that quality data are collected and made available. USAID provides its development 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 or 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, "Data Quality," performance data should meet data quality standards for validity, integrity, precision, reliability, and timeliness, and missions should ensure that data used are of sufficiently high quality to support the appropriate level of management decisions.

The auditors attempted to verify the following five selected indicators for FY 2010:

1. *Number of eligible clients (adults and children) who received food or other nutrition services*
2. *Number of eligible adults and children provided with protection and legal aid services*
3. *Number of eligible adults and children provided with psychological, social, or spiritual support*
4. *Number of eligible children provided with health-care referral*
5. *Number of eligible children provided with education or vocational training*

However, we discovered several instances in which results reported by AVSI and Save the Children were inaccurate or not verifiable.

**AVSI.** We were unable to verify the results for all five indicators listed because documentation was disorganized. Furthermore, AVSI uses a database to compile the results reported, but the data in it are maintained on a cumulative basis, making it difficult to reconcile with the quarterly or yearly results reported to USAID. AVSI officials admitted to us that it would be impossible to verify the results for the five indicators listed because documentation was not maintained for that purpose. In addition, USAID had not conducted a comprehensive data quality assessment for these indicators. Although AVSI has been reporting results to USAID since 2008 and recognizes the limitations in the database for providing relevant information, AVSI has not addressed this issue.

AVSI officials informed us that only one indicator could be verified: *Number of eligible adults and children provided with a minimum of one care service*. We attempted to verify this indicator but discovered the following problems:

- AVSI reported that 450 beneficiaries were assisted during the second quarter of FY 2010 by its subpartner, Tends-Moi La Main, but documentation provided to the audit team supported assistance to only 204 beneficiaries (less than 50 percent of the reported result).
- AVSI reported that 450 beneficiaries were assisted during the second quarter of FY 2010 by the Koumassi social center but was unable to provide any documentation to support this result.
- AVSI reported that 593 beneficiaries were assisted during the second period of FY 2010 by the social center in Yopougon, but documentation provided to us supported assistance to only 309 beneficiaries. At the same social center for the fourth quarter of FY 2010, AVSI reported that 585 beneficiaries were assisted, but documentation provided supported assistance to only 445 beneficiaries.
- AVSI reported that 500 beneficiaries were assisted during the fourth quarter of FY 2010 in Bouaké, but documentation provided showed that 509 beneficiaries were assisted.

**Save the Children.** In several instances, results reported by this implementing partner were not verifiable. We attempted to verify the results reported by subpartners for the indicator *Number of eligible adults and children provided with a minimum of one care service*. For this indicator, Save the Children reported 520 for the fourth quarter of 2010 and a cumulative total of 9,665 as of September 30, 2010. Of the number 520, we attempted to verify 372 (from selected subpartners); however, we were unable to verify this amount, as shown in Table 2.

**Table 2. Results Reported and Results Verified (Audited)**

Subpartner's Name	District	Results Reported	Results Verified
CIP/CAMES	Guiglo	37	0
AMEPOUH	Bloléquin	69	0
DROIT A L'EDUCATION ET AU DEVELOPPEMENT	Toulépleu	47	0
NOUTOUS	Danané	34	0
AFRIQUE-ESPOIR	Bangolo	108	0
PREVENTION SANS TABOU	Duékoué	77	77
<b>Total</b>		<b>372</b>	<b>77</b>

According to Save the Children officials, data maintained in the areas of Bloléquin, Toulépleu, and Guiglo were destroyed during political unrest following the disputed presidential election in November 2010. In the areas of Danané and Bangolo, the results reported by the partners could not be verified because the registers supporting the data were not all readily available. Some of the available registers did not contain dates, which would allow proper allocation to appropriate reporting periods. Save the Children officials informed us that in April 2011 they began using a new database into which all their subpartners enter data collected from the activity/intervention sheets maintained at the community level. In those areas where the registers were not available, we attempted to verify the most recent data reported by the partners in FY 2011. However, we could not verify the figures reported for FY 2011 because none of the subpartners maintained a copy of their database as of September 30, 2011. Only in the area of Duékoué did we receive all supporting registers; there we were able to validate the results reported by the subpartner.

The problems described above indicated that the implementing partners and USAID did not perform adequate data validation or have adequate internal controls to ensure proper collection and reporting of results. Additionally the data collection tools employed by AVSI were inadequate to meet the data quality standards demanded by USAID in the management of its projects. USAID should implement, in coordination with AVSI, internal controls including a database capable of collecting and retaining data, and periodic validation of the integrity of the collected data through spot checks. The problems with Save the Children's reported data were exacerbated by the fact that subpartners' staff members operating at the community level were not comfortable using the complex data collection tools developed at the national level by PNOEV. In addition, Save the Children did not develop a comprehensive approach to monitoring activities implemented by its subpartners. For example, Save the Children officials informed us that they had not developed checklists for site visits or any tools to validate the data received from the sites. Also, Save the Children did not have any specific site visit reports.

Periodic verification of reported results helps ensure that consistent and reliable data are collected for reporting, management decision making, and resource allocation. Without reliable performance information, programming decisions may not always be sound. Therefore, this audit makes the following recommendations.

**Recommendation 3.** *We recommend that USAID/West Africa, in conjunction with Associazione Volontari per Servizi Internazionale and Save the Children, develop and implement procedures for verifying reported data with source documentation, documenting key assumptions and calculations, and maintaining documentation to support results and other program data reported to USAID.*

**Recommendation 4.** *We recommend that USAID/West Africa perform and document a data quality assessment of data reported for Associazione Volontari per Servizi Internazionale and Save the Children activities to ensure compliance with USAID guidelines and document results of the assessment.*

**Recommendation 5.** *We recommend that USAID/West Africa require Save the Children to conduct and document training for its subpartners on monitoring and evaluation and the use of the data collection tools established by the Programme National de prise en charge des Orphelins et Enfants Vulnérables.*

## **Partner Did Not Clearly Document Beneficiaries' Eligibility**

The Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Reauthorization Act of 2008, which reauthorized appropriations for PEPFAR, states that “children who have lost a parent to HIV/AIDS, who are otherwise directly affected by the disease, or who live in areas of high HIV prevalence may be vulnerable to the disease or its socioeconomic effects.” According to program officials, this statement constitutes the definition of OVC for the program.

In FY 2010, AVSI reportedly reached 12,843 OVC and their family members (program beneficiaries). However, during visits to AVSI program sites, auditors could not verify the eligibility of recipients because the centers providing services did not maintain records documenting how or why beneficiaries had been admitted to the program.

At the first OVC site visited, the Yopougon social center in Abidjan, only one of 17 OVC records selected for eligibility verification contained documentation showing that the recipient met eligibility criteria established by PEPFAR. The remaining 16 records indicated only that recipients were either HIV-negative or their status was unknown. As a result, we were unable to determine why the children were accepted to AVSI's PEPFAR-funded program.

At the second OVC site in Bouaké, we were unable to verify four of five OVC records selected for review because program officials did not have the files readily available.

Additionally, AVSI and its subpartners follow different rules for eligibility. For example, AVSI does not require verification of HIV/AIDS status for acceptance to its program, but AIPS, a subpartner, requires all OVC and their family members to provide evidence of direct impact of HIV/AIDS. AIPS also requires OVC and their family members to undergo testing and

counseling prior to acceptance to the program. However, according to those working for AVSI, it has no clear process for verifying the HIV/AIDS status of program beneficiaries or their families. Personnel usually determine the beneficiaries' HIV/AIDS status merely by noting their physical appearance or asking them about their status, but do not require any evidence of HIV/AIDS status or of the impact of the disease on their lives.

As a result, the program may have assisted beneficiaries who were not eligible for the program. AVSI officials at the Yopougon office stated that a major challenge of the program is that resources are too limited to meet the level of demand in the community. This challenge is acknowledged by the PEPFAR 2012 Technical Considerations Report, which states: "The vast numbers of children who are potential beneficiaries for USG [U.S. Government] assistance far outstrip resources available—a keen reminder of the need to assist country partners to identify and to target resources to those who are most in need of additional support." To ensure the eligibility of future participants in OVC programming, we make the following recommendation.

***Recommendation 6.*** *We recommend that USAID/West Africa develop and implement procedures that require Associazione Volontari per Servizi Internazionale to (1) use the President's Emergency Plan for AIDS Relief guidelines to verify the eligibility of all orphans and vulnerable children who receive assistance as part of the program and (2) document and maintain a record of each orphan and vulnerable child's eligibility at the centers where the orphans and vulnerable children receive assistance from the program.*

# EVALUATION OF MANAGEMENT COMMENTS

USAID agreed with all six recommendations in the draft report. Having reviewed the actions taken by the mission and the supporting documentation provided, we have determined that final action has been taken on Recommendations 1 and 2 and that management decisions have been reached on Recommendations 3, 4, 5, and 6. Our evaluation of management comments is shown below.

**Recommendation 1.** The mission agreed with this recommendation and has designated all program management personnel as activity managers until August/September 2012, when the new PEPFAR country manager is to arrive in Côte d'Ivoire. The roles for AOTR/COTR and activity managers as defined by the contracting office were included in management's response. This action constitutes final action on Recommendation 1.

**Recommendation 2.** The mission agreed with this recommendation and has initiated steps to ensure that all members of the PEPFAR team in Côte d'Ivoire are provided with the level of support needed until the arrival of the incoming USAID country manager in September 2012. This action constitutes final action on Recommendation 2.

**Recommendation 3.** The mission agreed with this recommendation, which it believes will help strengthen the program in Côte d'Ivoire. The mission suggested changes to some language in the findings section; however, because the mission provided no documentation to support its proposed changes, we did not incorporate them. The mission indicated a final action date of October 31, 2012. We assume these actions will include developing and implementing procedures for verifying reported data with source documentation, documenting key assumptions and calculations, and maintaining documentation to support results and other data reported to USAID. Accordingly, a management decision has been reached on Recommendation 3.

**Recommendation 4.** The mission agreed with this recommendation and intends to conduct a data quality assessment by July 31, 2012, which will be submitted to the Audit Performance and Compliance Division for final action. Accordingly, a management decision has been reached on Recommendation 4.

**Recommendation 5.** The mission agreed with this recommendation and plans to complete training for its subpartners on monitoring and evaluation and the use of data collection tools by July 31, 2012. Accordingly, a management decision has been reached on Recommendation 5.

**Recommendation 6.** The mission agreed with this recommendation and plans to develop and implement procedures that require Associazione Volontari per Servizi Internazionale to (1) use the President's Emergency Plan for AIDS Relief guidelines to verify the eligibility of all orphans and vulnerable children who receive assistance as part of the program and (2) document and maintain a record of each orphan and vulnerable child's eligibility at the centers where the children receive assistance from the program by July 31, 2012. Accordingly, a management decision has been reached on Recommendation 6.

# SCOPE AND METHODOLOGY

## Scope

The Regional Inspector General/Dakar conducted this 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 the audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions in accordance with our audit objective, which was to determine whether USAID/West Africa's activities to support OVC were achieving their main goal of providing care and support to these children.

In planning and performing the audit, the audit team focused on FY 2010 activities and evaluated their achievements. Specifically, we reviewed and evaluated the following:

- FY 2010 country operational plan
- Program work plans
- Program agreements
- USAID and partner reports related to the programs audited
- Financial reports and supporting documentation

We interviewed key USAID personnel, implementing partner staff, and beneficiaries. We conducted the audit at the PEPFAR office in Abidjan and at the activity sites of implementing partners in four of Côte d'Ivoire's 19 regions. Audit fieldwork for this audit was performed from November 2 to 18, 2011, in Abidjan and other cities and covered HIV/AIDS activities related to OVC that took place in FY 2010. The implementing partners selected for this audit were AVSI, Save the Children, and PATH.

For FY 2010, USAID's obligations and disbursements for the HIV/AIDS activities in Côte d'Ivoire totaled \$49 million and \$47 million, respectively. For FY 2010, USAID obligated \$4.9 million and disbursed \$3.8 million for the three audited agreements in Côte d'Ivoire.

## Methodology

To answer the audit objective, we reviewed activities implemented by the three projects. We also reviewed available agreements, progress reports, and work plans as well as PEPFAR indicators reported by USAID/West Africa for its HIV/AIDS activities in Côte d'Ivoire in FY 2010 for these implementing partners. Specifically, we reviewed the following indicators:

- *Number of eligible clients (adults and children) who received food or other nutrition services*
- *Number of eligible adults and children provided with protection and legal aid services*
- *Number of eligible adults and children provided with psychological, social, or spiritual support*

- *Number of eligible children provided with health-care referral*
- *Number of eligible children provided with education or vocational training*

We also met with the PEPFAR team in Côte d'Ivoire to gain an understanding of its activities and reviewed available agreements, progress reports, and implementing partner work plans. We reviewed applicable laws and regulations and USAID policies and procedures pertaining to USAID/West Africa's PEPFAR OVC program, including ADS guidance and the 2003 and 2008 acts discussed on page 1 that authorize funding for PEPFAR. During site visits, we observed activities in progress and interviewed personnel from implementing partners, service providers, and beneficiaries to obtain their feedback.

Site visits were conducted in four regions where OVC activities were being implemented: (1) Région des Lagunes, (2) Région des Dix-Huit Montagnes, (3) Région du Moyen Cavally, and (4) Région du Vallée Bandama. The sites visited were in unrestricted areas of these regions. Because this testing was based on a judgmental—not a statistical—sample of programs and sites, the results and overall conclusions related to this analysis were limited to the items tested and could not be projected to the entire audit universe. However, we believe that our work provides a reasonable basis for our conclusions.

# MANAGEMENT COMMENTS



## Memorandum

To: Gerard Custer, Regional Inspector General/Dakar

From: Yves Kore, Regional Office of Acquisition and Assistance USAID/West Africa

Thru: Lisa Franchett, Acting Mission Director, USAID/West Africa

Date: January 27, 2012

Subject: Mission Response to the Draft Regional Inspector General's Audit Report No. 7-681-12-00X-P on USAID/West Africa HIV/AIDS (PEPFAR) Activities in Côte d'Ivoire

This memo transmits USAID/West Africa's response to and comments on the Draft Audit Report No. 7-681-12-00X-P of 19 December 2012 on USAID/West Africa HIV/AIDS Activities in Côte d'Ivoire. We generally concur with all six recommendations in the Draft Report but offer several comments and suggest that the overall audit conclusion be reformulated to more accurately reflect the sum of findings in the field (see "USAID/WA General Comments and Clarifications" below).

USAID/West Africa (WA) extends its appreciation to the Regional Inspector General (RIG)/Dakar for its scheduled audit of its HIV/AIDS activities in Côte d'Ivoire. RIG's presence in Abidjan for several weeks again sent a clear message to USAID and other USG PEPFAR CI implementing partners (IPs) that they will be held accountable for the management and effective use of USG funds. We appreciate the specific observations and recommendations in the report that go toward strengthening USAID's management of its activities.

USAID/WA and its on-site staff take this opportunity to reiterate its recommendation that future audits of this program be joint USAID-CDC audits. The highly integrated bi-agency management structure of the program makes it impossible to tease out and attribute agency-specific outputs and impact among the approximately 45 awards sponsored by the two agencies. Moreover, continual unilateral audits by USAID of its PEPFAR partners do not produce the intended potential impact on the integrated program. A coordinated audit that treats all implementing partners equally would send a strong message of a single USG team applying the same principles for improved program impact.

Below please find our responses to the specific findings and recommendations in the audit report, preceded by a few general comments and clarifications.

### **USAID/WA General Comments and Clarifications:**

**General Comment A.** Regarding the overall audit finding: We note that one of the three audited partners (IYCN/PATH) had only positive audit findings and that for the other two partners; the auditors saw considerable evidence of activities that are strengthening local sub partner social centers/platforms, and OVC families. Based on this, we believe that a more accurate overall audit finding would combine the auditors' initially formulated preliminary finding with their later revised finding, i.e.: **“The audit team found that the program is at least partially achieving its goals and has had a positive impact on the beneficiaries visited, but the team was unable to obtain sufficient evidence to support the results reported by the mission to determine whether the mission is fully achieving its goals.”**

**General Comment B.** The report makes no distinction between USAID/WA and USAID/W (field support) projects. With field support projects (the bulk of the USAID/PEPFAR CI portfolio), there has been little programmatic (as opposed to financial) input or oversight from Washington, with COTR/AOTRs generally relying on and supporting the in-country staff as activity managers. If the USAID/WA Regional Health Office has overall management responsibility for the entire USAID/PEPFAR CI portfolio (including field support), it will be important to clearly define roles, responsibilities, and operating procedures for managing both field support and Accra-managed mechanisms.

**General Comment C.** Page 1, Para 3, and Page 4, Para 5: Staffing: The report does not accurately describe USAID/PEPFAR staffing. At the time of the audit, the USAID staff included 1 senior country program coordinator, two project managers, 1 budget analyst (who was in the U.S. in training), and, as contractors, 1 program manager and 1 operations specialist. In addition, at the request of OGAC, USAID funds the OGAC position of the PEPFAR country coordinator (who has no USAID authorities or responsibilities).

**General Comment D.** Page 2, Table: The cited AVSI agreement is AVSI's new Cooperative Agreement managed by USAID/West Africa, not the central agreement under which the audited activities were performed. Also, the program description for AVSI does not describe AVSI's work very well. It would be better to use the same description as is provided for Save the Children. Finally, we wonder whether it would make sense to specify the amount of funds obligated for IYCN/ PATH Cote d'Ivoire instead of – or in addition to – listing the amount of the worldwide agreement.

**General Comment E.** Page 4, last paragraph, and Page 5, first paragraph: “However, because of the lack of authority granted to these 5 individuals. ...” The most important point to make in this regard is that it is essential to have an experienced USAID direct hire to head the program in-country and to liaise with USAID/W and USAID/WA officials. Same paragraph: “Confusion regarding authorities. ...” Everyone is clear that no one currently in Cote d'Ivoire has authority over program matters under the current scenario of having AOTRs in Accra. This could be addressed by appointing the USAID direct-hire country program coordinator/director as AOTR for the Accra awards, with the program managers named as activity managers to support the AOTR.

**Responses to the Specific Audit Recommendations:****Recommendation 1:**

*We recommend that USAID/West Africa COTRs/AOTRs determine whether USAID Côte d'Ivoire PEPFAR program managers should be designated as "USAID Activity Managers" for programs continuing through the FY 2012 COP and if so, clearly define their roles and responsibilities accordingly.*

**We agree with the recommendation.**

Until the arrival of a USAID PEPFAR Country Manager in Abidjan, the USAID Regional Health Director will assume the management role of the Cote d'Ivoire team. As of now, all program manager personnel hired by USAID are considered Activity Managers. This arrangement is expected to last until August / September 2012 when the new PEPFAR Country Manager arrives. At that time, the Country Manager will determine the AOR/COR and Activity Manager Division as appropriate. The roles for AOR/COR and Activity Managers are defined by the Contract Office and is captured in the following chart:

<b>Activity Manager</b>	<b>Agreement/Contracting Representative(AOR)/COR</b>	<b>Officer's</b>
<b>Activity Manager</b>	Agreement/Contracting Representative(AOR)/COR	Officer's
<b>Member of Development Objective team</b>	Member of Development Objective team	
<b>Designated by the Team leader</b>	Designated by the AO/CO in writing	
<b>Assists AOR carrying out administration of award</b>	Performs tasks designated to them in administering a specific contract/grant or CA	
<b>Responsible for achieving results</b>	Responsible for grant or contract progress	
<b>Resolves issues &amp; problems with SOT/Office</b>	Resolves issues/problems with the AO/CO	
<b>Involved in planning/ achieving/ monitoring at activity level</b>	Involved in planning /achieving /Monitoring at award level	

**Recommendation 2:**

*We recommend that USAID/West Africa analyze current and anticipated personnel capabilities in Côte d'Ivoire and determine and implement an effective and appropriate level of autonomy for the day-to-day management of the USAID PEPFAR activities in Côte d'Ivoire that takes advantage of the unique operating environment of the Côte d'Ivoire PEPFAR team.*

### **We agree with the recommendation.**

Until the arrival of the incoming USAID Country Manager, Brian Howard serves as the USAID Focal Point, who is responsible for overseeing the overall USAID portion of PEPFAR Cote d'Ivoire, contributes to the PEPFAR Country Operation Plan process, and liaises with USAID West Africa closely. The amount of autonomy is limited by the fact that Mr. Howard is an institutional contractor, and other USAID management staff are too junior still. Therefore USAID West Africa will continue to play a significant management and mentorship role vis-à-vis the Cote d'Ivoire team. Operationally, this means that the entire Cote d'Ivoire team would go to Accra to do a 3-day USAID Orientation (1/22-1/25/12) to learn more about the USAID system. At the same time, the USAID West Africa Regional Health Director and Regional HIV/AIDS Advisor will be traveling frequently to Cote d'Ivoire, at a minimum of monthly visit, to work closely with not just the USAID staff, but also the larger PEPFAR team and implementing partners.

### **Recommendation 3**

*We recommend that USAID/West Africa, in conjunction with AVSI and Save the Children, develop and implement procedures for verifying reported data with source documentation, documenting key assumptions and calculations, and maintaining documentation to support results and other data reported to USAID.*

**Management Response:** We agree with the recommendation, which we believe will help strengthen our program, but we would like to make the following comments.

Page 7, Para 1: *“AVSI officials admitted to us that it would be impossible to verify the results for the five indicators listed because documentation was not properly maintained and the database did not produce useful information for that purpose.”* To accurately describe what happened, and avoid suggesting (inaccurately) that AVSI was knowingly failing to comply with M&E requirements, it would be better to say, *“It became apparent to both the audit team and AVSI officials during our work sessions that it would be impossible to verify ...”*

The report states: *“Although AVSI has been reporting results to USAID for three years ... and recognizes the limitations in the database for providing relevant information, AVSI has not addressed this issue.”* For the sake of completeness and fairness, we would note that while AVSI Cote d'Ivoire indeed used the (inadequate) database designed under its Washington-managed mother award in East Africa, AVSI Cote d'Ivoire had already included an overhaul of its database in the first-year work plan of its USAID/West Africa-managed Cooperative Agreement

Page 7, Paragraphs 4-7: Regarding cited numbers comparing AVSI reports to source documentation: While the overall point about inadequate documentation is valid, the cited numbers are misleading and might suggest to some readers that AVSI was over reporting. In fact the various numbers of beneficiaries reported by AVSI and sub partners were not **“during the second quarter”** (as stated in the audit report) but rather (as instructed by the PEPFAR CI Strategic Information Branch) **as of the end of the second quarter**, i.e. during quarters 1 and 2 combined. The auditors' attempts to align those multi-quarter numbers with source documents for a single quarter were thus attempts to compare apples and oranges. (Admittedly, the failure of AVSI and USAID/PEPFAR staff to clarify this before the auditors undertook the comparison

underscores the main point that M&E practices were insufficiently clear, transparent, and documented. But that does not obviate the irrelevancy of the comparison.)

Pages 7-8, Table 1 and the discussion following it: For Danane and Bangolo, “results verified” are listed as 0, with the explanation that “results reported by the partners could not be verified because the registers supporting the data reported were not all readily available.” We do not disagree but would note, for clarification, that in fact the registers that were readily available would have easily permitted verification of considerably more than 0 results. The problem was that sifting through numerous registers to count up the **unduplicated** “number of eligible adults and children provided with a minimum of one care service” would have required a painstaking, time-consuming exercise (an exercise that local NGO sub partners had to do manually every three months, until Save the Children introduced its new database). Given limited time and the possibility that incomplete or unclear registers might prevent a complete analysis/comparison anyway, the auditors understandably chose not to undertake this exercise. The point is that registers that were readily available did allow verification that children were receiving services; they did not allow, with a reasonable investment of the auditors’ time and effort, to match precise reported numbers to source documents.

Actions to address these recommendations, while already under way, will require time to complete and should be informed by results of the RDQA discussed below under Recommendation 4.

**Target Date:** October 31, 2012. **Action:** AOTR for AVSI and Save the Children, with support of USAID Abidjan.

#### **Recommendation 4**

*We recommend that USAID/West Africa perform a data quality assessment of reported data of AVSI and Save the Children activities to ensure compliance with USAID guidelines and document results of the assessment.*

**Management Response:** We agree with this recommendation and would welcome guidance regarding its implementation. A DQA conducted by the AOTR in October 2011 for the AVSI program is a good foundation for AVSI to improve the functioning of its M&E system, especially at the management unit level, and is complementary to the RIG’s work. In addition, even before the current audit was announced, the PEPFAR Cote d’Ivoire (USAID and CDC) team had envisioned its first routine data quality assessment of OVC partners. This is now being planned for April 2012, to include M&E systems as well as selected indicators and to include selected Save the Children and AVSI sites. It will be repeated and extended to other indicators and sites as part of a plan for routine data monitoring. We believe this approach, complementing ongoing capacity building and coaching, will serve to strengthen our program more effectively than a one-time, external DQA of Save the Children and AVSI.

**Target Date:** July 31, 2012. **Action:** AOTR for AVSI and Save the Children, with support of USAID Abidjan.

#### **Recommendation 5.**

*We recommend that USAID/West Africa require Save the Children*

*to conduct training for its sub-partners on monitoring and evaluation and the use of the data collection tools established by the PNOEV.*

**Management Response:** We agree with this recommendation but would like to note that Save the Children has provided extensive M&E training of sub partners and community caregivers, before and during as well as since the audited period (training 168 people in Year 1 of its award, 148 in Year 2, and 204 in Year 3). The need for further M&E training, a significant investment, underscores the very real tension between working with potentially sustainable local resources (local NGOs and community caregivers) and demands for relatively complex data. This is an ongoing challenge for Save the Children and most other OVC partners.

**Target Date:** July 31, 2012. **Action:** AOTR for Save the Children, with support of USAID Abidjan.

### **Recommendation 6:**

*We recommend that USAID/West Africa develop and implement procedures that require AVSI to (1) use the President’s Emergency Plan for AIDS Relief guidelines to verify the eligibility of all OVC who receive assistance as part of the program and (2) document and maintain each OVC’s eligibility at the centers where the OVCs receive assistance from the program.*

**Management Response:** We agree with the recommendation regarding documentation of OVC selection criteria. But the auditors’ discussion of “eligibility” seems to suggest that current selection practices are almost haphazard and ignore an assumed (or wished for) “either eligible or ineligible” checklist tied to HIV status. This is inaccurate and fails to do justice to the complexity of the challenge and to efforts that AVSI and USAID/PEPFAR have made to serve the most vulnerable children within the PEPFAR guidance.

Page 9, Para 2: “... *the centers did not maintain records documenting how or why beneficiaries had been admitted to the program*”: AVSI documents the vulnerabilities (including HIV-related vulnerabilities) of every child who is considered for inclusion in the program, using a standard data collection tool. Both children with HIV in the family and children without known HIV in the family but considered vulnerable to HIV are included in the program. What is inadequately documented is AVSI’s criteria for selecting one child over another and how this choice relates specifically to an HIV-related vulnerability.

Page 9, Para 3: “... *only one of the 17 OVC records selected for eligibility verification was clearly documented with justification for meeting the OVC criteria established by PEPFAR. For the remaining 16, evidence of their vulnerability was not clearly documented, only indicating that they were either HIV negative or their status was unknown.*” Again, the child’s vulnerabilities are documented; the specifically HIV-related vulnerability to be reduced through inclusion in the program is not adequately documented. HIV status is not the only relevant criterion, nor should it be. As seen in the PEPFAR legislation cited in the audit report, PEPFAR’s definition of OVC (i.e. of “eligibility”) is quite broad, leaving considerable discretion to country teams to work within their specific contexts, as well as within the evolving international understanding of vulnerable children and best intervention practices. HIV in the family, while clearly an important consideration, is not a necessary or required part of eligibility. In the relatively high-prevalence zones where AVSI works, an out-of-school child sleeping in the marketplace would probably be “vulnerable to the disease” and thus “eligible,” even without known HIV in the family. The

auditors' own somewhat confusing use of "eligible" and "most eligible" suggests the complexities of selecting the most vulnerable children, within PEPFAR criteria, as beneficiaries.

This is a struggle for many OVC partners, especially in a country without other (non-HIV) interventions for children. The USAID/PEPFAR team's main practical solution has been to insist that partners identify OVC through HIV-related "entryways" (PMTCT, HIV testing, HIV care facilities, local PLWHA associations, etc.), as opposed to going into the community looking for vulnerable children. The USAID/PEPFAR team had previously noted (as documented in semi-annual partner performance reviews) that AVSI's inclusion criteria were insufficiently clearly tied to specific HIV-related vulnerabilities, having evolved from AVSI's institutional priorities (not specific to HIV) and prior work in higher-HIV-prevalence eastern Africa. The current RIG recommendation will help us to continue to advance in the right direction, but not through a simple "positive-or-negative" eligibility check.

**Target Date:** July 31, 2012. **Action:** AOTR for AVSI, with support of USAID Abidjan.

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