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**OFFICE OF INSPECTOR GENERAL**

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**AUDIT OF SELECTED  
PARTNERS IMPLEMENTING  
USAID/NAMIBIA'S  
PRESIDENT'S EMERGENCY  
PLAN FOR AIDS RELIEF**

AUDIT REPORT NO. 4-673-08-005-P  
July 31, 2008

PRETORIA, SOUTH AFRICA



**USAID**  
FROM THE AMERICAN PEOPLE

*Office of Inspector General*

July 31, 2008

**MEMORANDUM**

**TO:** Acting USAID/Namibia Director, Debra Mosel

**FROM:** Acting Regional Inspector General, Matthew Rathgeber /s/

**SUBJECT:** Audit of Selected Partners Implementing USAID/Namibia's President's Emergency Plan for AIDS Relief (Report No. 4-673-08-005-P)

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

The report includes five recommendations to strengthen USAID/Namibia's monitoring of activities implementing the President's Emergency Plan for AIDS Relief. In response to the draft report, the mission concurred with all five recommendations. Management decisions have been made for recommendation nos. 1, 2, 3, and 4 and final action has been taken on recommendation no. 5. Please provide USAID's Audit, Performance, and Compliance Division (M/CFO/APC) with the necessary documentation demonstrating that final action has been taken on recommendation nos. 1, 2, 3, and 4.

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

The Regional Inspector General/Pretoria conducted this audit to determine whether selected partners under USAID/Namibia's President's Emergency Plan for AIDS Relief (PEPFAR) program were achieving intended results and to determine the program's impact. PEPFAR provides assistance for combating HIV/AIDS in 15 focus countries and elsewhere, with global targets for prevention, treatment, and care. Namibia is a focus country, and in fiscal year 2007 it received \$24.8 million to carry out PEPFAR activities. (See pages 2–3.)

The audit found that both of the two selected partners audited had achieved the majority of their targets for key indicators. In addition, the audit also noted that mission staff maintained regular contact with the partners, was well versed on their activities, and was knowledgeable of the issues that those partners were facing. The mission was aware when problems arose and when problems were identified, it took decisive and swift action to address them.

An important component of this audit was to assess the selected partners' monitoring of subpartner activities. The selected PEPFAR partners had properly monitored the activities of their subpartners, including making regular site visits to view subpartners' operations, receiving regular programmatic and financial reports from the subpartners, and assessing the strengths/weaknesses of the subpartners. (See page 4.)

The audit also found that although the mission did not specifically track the impact of individual partners' activities, the PEPFAR-funded activities of the selected partners have had a positive impact on the communities served. (See pages 4–5.)

This audit identified several areas where USAID/Namibia's monitoring of its PEPFAR program could be strengthened. Recommended actions include (1) developing a performance management plan incorporating PEPFAR activities, (2) completing its recruiting to fill identified vacancies, (3) performing a risk assessment of partners, (4) developing a plan to periodically validate its partners' data, and (5) completing site visit reports and an associated checklist. (See pages 6 and 8.)

In response to the draft audit report, the mission agreed with all of the report's recommendations. Management decisions have been reached for recommendation nos. 1, 2, 3, and 4, and final action has been taken on recommendation no. 5. Management comments are included in their entirety in appendix II.

# BACKGROUND

In 2003, President George W. Bush signed into law the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act. The act, commonly referred to as the President's Emergency Plan for AIDS Relief (PEPFAR), is a 5-year, \$15 billion approach to combat the global HIV/AIDS pandemic—the largest international health initiative in history committed by one nation to a single disease. Included in the PEPFAR strategy are goals to support treatment for 2 million HIV-infected people, prevent 7 million new HIV infections, and provide palliative care to 10 million people infected or affected by HIV/AIDS in 15 focus countries.<sup>1</sup> On May 30, 2007, the President announced his intention to provide additional funding above the initial \$15 billion commitment. Subsequently, the U.S. Congress has proposed \$50 billion in additional funding over the next 5 years to fight HIV/AIDS.<sup>2</sup>

The first case of HIV/AIDS in Namibia was reported in 1986. Since then the epidemic has grown to infect an estimated 230,000 Namibians. Today, HIV/AIDS is the primary cause of death and hospitalization in Namibia. AIDS-related deaths account for 50 percent of deaths among individuals aged 15–49 and AIDS-related hospitalizations account for more than 75 percent of all hospitalizations in public sector hospitals. In addition, HIV/AIDS is exacerbating shortages of skilled workers such as teachers and nurses, reducing productivity, and impeding economic growth.

In early 2001, USAID/Namibia began its involvement with HIV/AIDS program activities. Namibia was designated as a PEPFAR focus country in 2004. Through PEPFAR, USAID/Namibia is assisting Namibia with the prevention of HIV/AIDS through interventions such as voluntary counseling and testing, prevention of mother-to-child transmission, treatment, and care and support of orphans and vulnerable children as well as people living with HIV/AIDS. This assistance is being carried out through a network of municipalities and townships in high-prevalence regions along major transport corridors. Among the mission's primary partners are nongovernmental organizations, faith-based organizations, government-supported hospitals, and health care facilities. At the national level, the mission works with the ministries of Health and Social Services, Women Affairs and Child Welfare, Basic Education, and Sports and Culture and other governmental entities.

In fiscal year 2007, \$24.8 million was allocated for PEPFAR activities in Namibia.

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<sup>1</sup> The 15 focus countries consist of 12 countries in Africa (Botswana, Côte d'Ivoire, Ethiopia, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, and Zambia) and 3 other countries (Guyana, Haiti, and Vietnam).

<sup>2</sup> This \$50 billion will be in addition to the original 5-year, \$15 billion commitment.



Photograph of a home-based care volunteer receiving HIV/AIDS treatment medication from a hospital that receives PEPFAR funding. This volunteer works for a USAID PEPFAR-funded partner. (Photograph taken in Oshikuku, Namibia, in March 2008 by a RIG/Pretoria auditor.)

## AUDIT OBJECTIVE

This audit was conducted by the Regional Inspector General/Pretoria to answer the following question:

- Are selected partners under USAID/Namibia's PEPFAR program achieving intended results and what has been the impact?

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

# AUDIT FINDINGS

The selected partners have achieved key intended results in implementing the PEPFAR program. In addition, although the mission did not specifically track the impact of individual partners' activities, evidence collected during the audit indicated that the PEPFAR-funded activities of the selected partners have had a positive impact on the communities served.

## Activity-Level Results

In fiscal year 2007, USAID/Namibia reported on 33 performance indicators for its PEPFAR program. Of these 33 indicators, the mission identified 9 as key indicators of performance. The activities of the mission partners selected for this audit contributed to all nine key indicators. One of the partners had achieved two of its three key indicators, and the other had achieved six of its eight key indicators.

Although the mission indicated that it lacked sufficient staffing to properly monitor its activities (this will be discussed later in this report), it was able to stay in regular contact with its partners and was well versed on their activities and the issues that they were facing. The mission was also proactive in addressing problems when they arose. For instance, USAID/Namibia had one partner's chief of party removed because of poor performance and had taken legal action to address another partner's performance problems.

An important component of this audit was to assess the selected PEPFAR partners monitoring of their subpartners' activities. The audit found that the selected PEPFAR partners had properly monitored the activities of their subpartners. This monitoring included making regular site visits to subpartners' operations, receiving regular programmatic and financial reports from the subpartners, and assessing the strengths/weaknesses of the subpartners. In one instance, a poor-performing subpartner was put on an improvement plan by the partner to correct identified weaknesses.

## Higher-Level Results

According to the mission, the U.S. Government—including USAID—and its partners in Namibia achieved the PEPFAR country targets for the number of people provided with care and/or treatment by July 2006. Although no system is available at this time to address the impact achieved by the selected USAID/Namibia partners, the following examples demonstrate some of the impact of their activities.

- One partner reported that prevalence rates at four of its hospitals included in the 2006 National HIV Sentinel Survey showed either a stabilization or decrease in HIV/AIDS prevalence rates. According to a mission official, this appears to be a nationwide trend. Previously, the prevalence rate had been increasing.
- One partner reported on the effectiveness of its prevention of mother-to-child transmission activities. It reported that of 387 infants tested for HIV/AIDS at 6 weeks of age, 27 (6.9 percent) were HIV positive. According to a mission official,

- the international average range of HIV/AIDS transmission is 25 to 30 percent in the absence of any intervention to prevent mother-to-child transmission.
- One hospital receiving PEPFAR assistance reported that the number of beds occupied by HIV/AIDS patients had decreased, as well as reporting improved health for the HIV/AIDS patients receiving treatment at the hospital.

Notwithstanding these accomplishments, USAID/Namibia could strengthen the overall monitoring of its PEPFAR activities. These areas are discussed below.

## **Performance Management Plan Needed for PEPFAR Activities**

Summary: A performance management plan has not been prepared for the mission's PEPFAR activities as required by USAID's Automated Directives System (ADS) 203. This is because mission officials relied on guidance that they received in 2005 from USAID/Washington, which specified that PEPFAR activities were not required to have a performance management plan. However, the mission was not aware of a December 1, 2006, Action Memorandum approved by USAID's Administrator, which recognized the importance of developing performance management plans and reiterated the importance of maintaining comprehensive performance management systems. Without a performance management plan addressing PEPFAR activities, the mission did not have assurance that it had been maintaining the elements that are essential to the operation of a credible and useful performance-based management system.

USAID's ADS section 203.3.3 states that operating units must complete performance management plans for each strategic objective. A performance management plan is described as 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." ADS 203.3.3.1 notes that performance management plans shall identify the performance indicators that will be tracked; specify the source, method of collection, and schedule of collection for all required data; and assign responsibility for collection to a specific office, team, or individual. Finally, ADS 203.3.4.6 provides for the regular updating of performance management plans as programs develop and evolve.

The mission did not have a performance management plan addressing its PEPFAR activities. According to mission officials, they did not have a performance management plan because the guidance that they received from USAID/Washington in 2005 specified that PEPFAR activities were not required to have a performance management plan. USAID/Namibia's Mission Order No. 7.7,<sup>3</sup> effective October 31, 2005, notes that the mission reports on activities funded under PEPFAR according to the indicators, processes, and timeframe established by the Office of the Global AIDS Coordinator. The mission order also notes that "due to those existing requirements, activities funded under the Emergency Plan will not be included in the Mission's Performance Monitoring Plan...." Until this audit, the mission indicated that it was not aware of a December 1, 2006, Action Memorandum approved by USAID's Administrator that reiterated the requirement to develop performance management plans, and the importance of maintaining comprehensive performance management plan systems.

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<sup>3</sup> USAID/Namibia Framework and Procedures for Monitoring and Evaluation Programmatic Performance.



Without an updated performance management plan, USAID/Namibia has lacked a critical tool for planning and managing the PEPFAR program. Moreover, without a performance management plan that addresses its PEPFAR activities, the mission lacks sufficient assurance that it is maintaining controls essential to the operation of a credible and useful performance-based management system. As a result, RIG/Pretoria makes the following recommendation:

*Recommendation No. 1: We recommend that USAID/Namibia develop a performance management plan that incorporates its President's Emergency Plan for AIDS Relief activities.*

## **Site Visit Monitoring and Data Verification Should Be Strengthened**

Summary: Neither field site visits nor the verification of partner data have been regular monitoring tools used by the mission for its PEPFAR activities during fiscal year 2007. This is contrary to USAID guidance and/or mission requirements. Although a mission staff member said that staff had planned to check reported data against source documents, other competing priorities resulted in their not having time to perform this testing. Moreover, according to a mission official, the lack of site visits resulted because the mission lacked sufficient staff. The lack of site visits and data verification has contributed to data problems identified during this audit.

USAID's results-oriented management approach relies on its managers considering performance information when making their decisions. Sound decisions require accurate, current, and reliable information, and the benefits of USAID's results-oriented approach depend substantially on the quality of the performance information available.<sup>4</sup> USAID/Namibia's Mission Order No. 7.7 states that activity managers and cognizant technical officers are responsible for ensuring that data that are reported to management fulfill quality standards such as validity, integrity, precision, reliability, and timeliness. It also identifies several means for obtaining this assurance, including—but not limited to—conducting site visits, observing primary data collection activities, and conducting independent data collection to cross-check partner-supplied or secondary data.

The mission has not been verifying its partners' reported PEPFAR data against supporting source documentation.<sup>5</sup> A mission staff member had responsibilities that included, monitoring partners' quarterly reports and evaluating reported program information for all 20 PEPFAR partners. This staff member said that he evaluated all indicator data reported by PEPFAR partners and challenged the data when necessary.<sup>6</sup> The audit found evidence that the mission had indeed challenged some data reported by its partners. However, this staff member also indicated that although he had planned to

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<sup>4</sup> USAID's *Guidelines for Indicator and Data Quality* (TIPS No. 12)

<sup>5</sup> USAID/Namibia did perform a data quality assessment of selected PEPFAR indicators in December 2005.

<sup>6</sup> According to the mission, it has taken efforts to improve its data quality. In part, these include (1) providing monitoring and evaluation workshops for partners, and (2) determining minimum standards of service.

perform field data testing to verify reported data against source documents, he did not have time to perform this testing due to other competing priorities.

Such field testing could have identified data quality problems. For example, some of the issues identified by tests of data quality included the following:

- Total number of individuals trained to provide HIV-related palliative care (excluding tuberculosis (TB)/HIV): The partner reported 610 individuals trained by its subpartner in fiscal year 2007. However, subpartner documentation could only verify that 535 individuals had been trained.
- Number of orphans and vulnerable children served by orphans and vulnerable children programs: The same partner from the prior example reported 2,439 individuals served; source documentation supported only 2,185 individuals. Subpartner officials acknowledged that they may have reported activities to their partner that had been funded by other donors.
- Total number of individuals provided with HIV-related palliative care (excluding TB/HIV): The subpartner reported 1,407 individuals to its partner for the month of June 2007. Supporting documentation for this indicator showed 1,080 individuals provided with care. In addition, the subpartner said that its reporting on this indicator included individuals with TB.

Opportunities to verify data have also been limited because of the paucity of field site visits performed by mission staff. Field visits, when carried out, were often made to escort high-level Washington visitors, and did not provide the opportunity for data verification. As a result, mission staff relied primarily on other measures such as monitoring via e-mail or telephone, attendance at partners' meetings, and review of partner progress reports.

According to a mission official, this lack of field site visits was a consequence of insufficient staffing of the mission's PEPFAR program. At the time of this audit, the mission had identified eight vacant PEPFAR positions to be filled and mission officials indicated that they were working with USAID/Washington and USAID/Southern Africa to obtain approval and initiate recruitment for these positions.

Finally, the mission's PEPFAR team is testing a draft site visit report and checklist, which includes a section on assessing data quality. According to a mission official, they planned to incorporate this site visit report and checklist as part of their PEPFAR monitoring activities.

Data validation is an important activity that helps provide assurance that the data reported by the mission meets USAID's data quality standards. Given the mission's limited PEPFAR staff, it might be difficult for the mission to validate all of the necessary data reported by its partners. However, the use of a risk-based site visit plan would allow the mission to utilize its scarce resources more efficiently. As a result, we make the following recommendations:

*Recommendation No. 2: We recommend that USAID/Namibia complete its recruiting to fill the vacancies for its President's Emergency Plan for AIDS Relief program.*

*Recommendation No. 3: We recommend that USAID/Namibia perform a risk assessment of its President's Emergency Plan for AIDS Relief partners to determine the frequency and focus of site visits to be made to those partners.*

*Recommendation No. 4: We recommend that USAID/Namibia develop a plan for its staff to periodically validate its President's Emergency Plan for AIDS Relief partners' data during site visits.*

*Recommendation No. 5: We recommend that USAID/Namibia finalize its site visit report and checklist and require its use by mission staff when conducting site visits.*

# EVALUATION OF MANAGEMENT COMMENTS

In response to the draft report, USAID/Namibia concurred with all five of the recommendations identified to strengthen its management of monitoring the activities implementing the President's Emergency Plan for AIDS Relief (PEPFAR). The mission's comments and an evaluation of those comments are summarized below.

Recommendation no. 1 recommends that the mission develop a performance management plan that incorporates its PEPFAR activities. To avoid duplication of effort, the mission has proposed incorporating the Emergency Plan Annual Report/Country Operational Plan as an annex to its performance management plan and has set a target date of December 2008 for completing this action. The mission will require that its monitoring and evaluation advisor, in conjunction with cognizant technical officers and activity managers, regularly monitor all PEPFAR indicators. Therefore, a management decision has been reached for this recommendation.

Recommendation no. 2 recommends that the mission complete its recruiting to fill the vacancies for its PEPFAR program. In response to this recommendation, USAID/Namibia provided its action plan to complete its recruiting process by June 2009. Therefore, a management decision has been reached for this recommendation.

Recommendation no. 3 recommends that the mission perform a risk assessment of its PEPFAR partners to determine the frequency and focus of site visits to be made to those partners. To address this recommendation, the mission will work with its regional HIV/AIDS program monitoring and evaluation advisor and the knowledge management advisor to develop a system for conducting partner risk assessments and develop a monitoring plan. The mission has established a target date of March 2009 for completing the risk assessments. Based on the response, a management decision has been reached for this recommendation.

Recommendation no. 4 recommends that the mission develop a plan for its staff to periodically validate its PEPFAR partners' data during site visits. The mission is working to complete a schedule of site visits to validate partner data by the end of November 2008. In addition, the mission will provide training to partners to strengthen their monitoring and evaluation systems. Therefore, a management decision has been reached for this recommendation.

Recommendation no. 5 recommends that the mission finalize its site visit report and checklist and require its use by mission staff when conducting site visits. USAID/Namibia has provided a copy of its proposed standard site checklist, which includes steps to validate partner data. Based on the action taken by the mission, final action has been taken on this recommendation.

# SCOPE AND METHODOLOGY

## Scope

The Office of Inspector General 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, which was to determine if selected partners under USAID/Namibia's PEPFAR program were achieving intended results and what the impact of its program has been. Fieldwork was conducted from February 19 through March 11, 2008, in Onandjokwe, Oshakati, Oshikuku, Rehoboth, and Windhoek, Namibia.

In conducting this audit we assessed the effectiveness of internal control related to the President's Emergency Plan for AIDS Relief (PEPFAR). We identified pertinent controls such as (1) the mission's documentation related to managing and monitoring the program, (2) its partners' reporting, (3) establishment and maintenance of site visit information, and (4) the mission's annual self-assessment of internal control in accordance with the Federal Managers' Financial Integrity Act. In addition, we tested some aspects of internal control that selected partners maintained for their PEPFAR activities.

The scope of this audit included USAID/Namibia's PEPFAR activities carried out during fiscal year 2007, which were funded at \$24.8 million. We interviewed and reviewed documentation for two partners and for each, selected two of their subpartners for testing. These partners represented about 40 percent of the funding for PEPFAR activities carried out during fiscal year 2007.

## Methodology

To answer the audit objective, we met with officials from USAID/Namibia, selected partners, and selected subpartners. We reviewed pertinent PEPFAR documents from the mission and the selected partners, including trip reports, quarterly reports, and annual partner reports. These reports helped us determine the levels of monitoring being performed. We also reviewed documents to ascertain the impact of the PEPFAR activities in the operational plan.

During site visits to selected partners and their subpartners, we reviewed the documents and records that the mission and its partners used to maintain accountability over the PEPFAR program. We also tested the quality of data reported to USAID/Namibia by its partners for key performance indicators. In this effort, we selected key indicators in concert with the mission and cooperating sponsors. We compared their reported data to supporting documentation. We also observed operations at various partner and subpartner sites. In part, these visits included testing data reported to USAID/Namibia for key indicators and observing program operations. The nature of this audit did not lend itself to materiality thresholds; thus, none were developed.

# MANAGEMENT COMMENTS

USAID Namibia  
ACTION MEMORANDUM

DATE : July 17, 2008

TO : Nathan S. Lokos, Regional Inspector General/Pretoria

FROM : Debra Mosel, Acting Mission Director /s/

SUBJECT : Management comments – Audit of USAID/Namibia’s progress in implementing the President’s Emergency Plan for Aids Relief (PEPFAR). Report number 4-674-06-xxx-P

The USAID/Namibia Mission would like to thank the Regional Inspector General’s Office for their work on this audit and for their recognition of the Mission’s achievements in its implementation of the President’s Emergency Plan for AIDS Relief (PEPFAR). While the report acknowledges the progress made meeting the output goals of the PEPFAR-funded projects, the Mission appreciates the recommendations designed to strengthen the program monitoring and evaluation of this complex and unique multi-agency program.

USAID/Namibia has reviewed the subject audit report. The following is our management response and comments:

***Recommendation No. 1: We recommend that USAID/Namibia develop a performance management plan that incorporates its President’s Emergency Plan for AIDS Relief activities.***

## **Management Response to Recommendation #1:**

USAID/Namibia agrees with the need to develop a performance management plan that also reflects Presidential Emergency Plan activities. However, the Mission is concerned about avoiding wasteful duplication of effort, and using valuable staff time in ways that are not cost-effective. After careful reflection and research, it is clear that all indicators for PEPFAR that would be reported in the performance management plan (PMP) are already covered under the Emergency Plan’s Annual Report and Country Operational Plan (COP). These documents are updated on an annual basis and allow the Mission to plan and manage the PEPFAR program.

Therefore, rather than update the Mission’s PMP document itself to reflect PEPFAR activities (a significant duplication of efforts) USAID/Namibia believes that the same outcome can be achieved most cost effectively by treating the Annual Report/COP as an annex to the Mission’s PMP, and using the Annual Report/COP to fully monitor performance of PEPFAR activities. The incorporation of the PEPFAR Annual Report/COP for USAID/Activities as an annex to the Mission’s PMP will be completed by the end of December, 2008. This will avoid duplication of effort since under this

approach we will not have to repeat the same information and processes in both documents.

The USAID/Namibia Mission would also like to add that the only resources received by the Mission for health are in the areas of TB and HIV/AIDS. Both of these programmatic areas are currently reporting on results attained through different systems. The Mission uses a Country Operational Plan (COP), a Country Operational Plan System database (COPRS) and a Semi-Annual and Annual Report for PEPFAR funded activities. The Mission also uses an Operational Plan (OP), Annual Report, and the Foreign Assistance Cooperation and Tracking Systems (FACTS) database for Child Survival and Health funded TB activities. Given the ongoing responsibility for ensuring cost-effective management of both programs, USAID/Namibia believes that the overall goal for this recommendation (responsible and accurate performance monitoring) can be accomplished by ensuring that the annex to the Mission's PMP contains the updated Annual Reports, COP, and OP.

To implement the recommendation, the Mission's Monitoring and Evaluation (M&E) Advisor is tasked to ensure that all indicators for PEPFAR and TB activities will be regularly monitored in conjunction with USAID/Namibia's Cognizant Technical Officers and Activity Managers.

Based on the action taken above to address the recommendation, the Mission requests that this finding be closed upon issuance of the final report.

***Recommendation No. 2: We recommend that USAID/Namibia complete its recruiting to fill the vacancies for its President's Emergency Plan for AIDS Relief program.***

#### **Management Response to Recommendation #2:**

USAID/Namibia agrees with this recommendation and is in the process of completing recruitment of four Personal Service Contract (PSC)/Third Country National (TCN) positions for a: 1) Senior Technical Advisor in HIV/AIDS Prevention; 2) a Senior Technical Advisor in HIV/AIDS Care and Nutrition; 3) a Treatment Advisor and Manager of Clinical Services; and 4) a Systems Strengthening and Capacity Development Advisor. The recruitment process is underway and we anticipate extending offers and filling all positions by December 2008. Additionally, two TCN/Locally Employed Staff (LES) positions will also be recruited for a: 1) Counseling and Testing Specialist and a 2) TB/HIV Specialist by June 2009. USAID/Namibia is also negotiating with the Global Health Fellowship Program to have a Monitoring and Evaluation intern support the USAID M&E Advisor for a period of six months starting in January 2009. The USAID/Namibia Mission has also requested support from USAID/Washington to place a junior officer (JOPA) and/or new entry professional (NEP) in the Mission and support program management of the Mission's portfolio.

Given the ongoing responsibility for ensuring adequate staff and resources to manage a \$50 million/year program, USAID/Namibia believes that this recommendation can be accomplished as proposed.

To implement this recommendation, the Mission's Deputy Director for the Office of HIV/AIDS is tasked to ensure that all recruitment actions are complete in coordination with USAID/Namibia and USAID/Southern Africa's Executive Office Teams.

Based on the action taken above to address the recommendation, the Mission requests that this finding be closed upon issuance of the final report.

***Recommendation No. 3: We recommend that USAID/Namibia perform a risk assessment of its President's Emergency Plan for AIDS Relief partners to determine the frequency and focus of site visits to be made to those partners.***

### **Management Response to Recommendation #3:**

USAID/Namibia concurs with this recommendation. USAID/Namibia's Monitoring and Evaluation Advisor has supported the HIV/AIDS Team to institute procedures for reviewing quarterly reports, verifying partners' financial data, performing annual portfolio reviews of partners, instituting measures to routinely monitor quality of data and rectify double counting, and provide timely feedback and following up on corrective actions. The HIV/AIDS Team has been following standardized procedures to assess the relative "risk" of partners and determine the frequency and nature of site visits through basic measures that include:

- 1) The M&E Advisor sending out instructions, templates, and guidance to partners to complete narrative and data-based quarterly, semi-annual, and annual reports;
- 2) The Activity Manager/CTO coordinating interagency partner portfolio reviews on an annual basis to identify any significant weaknesses in programmatic implementation;
- 3) The Activity Manager/CTO and M&E Advisor coordinating to provide written feedback on quarterly reports to partners within 10 working days and putting in partner communication files;
- 4) The Activity Manager/CTO scheduling partner meetings within 10 days after sending feedback to discuss reports based on the findings identified in the quarterly report and feedback memos;
- 5) The Activity Manager/CTO identifying those partners that cannot adequately address questions raised during routine quarterly report feedback/discussion sessions and flagging a follow-up time frame for periodic site-visits to resolve any outstanding issues;
- 6) The Activity Manager/CTO's identifying site visits to be conducted, in coordination with the M&E Advisor, Program Officer, and/or Financial Analyst pending risk areas identified.
- 7) The Administrative Assistant maintaining the final site visit calendar for the entire HIV/AIDS Team and documenting intended focal areas for site visits.

In addition to these already existing procedures, in September 2008, the HIV/AIDS Team will work closely with the Regional HIV/AIDS Program Monitoring and Evaluation Advisor and the Knowledge Management Advisor to develop a system for conducting partner risk assessments, and to develop a monitoring plan.

To implement this recommendation, the Mission's Director for the Office of HIV/AIDS is tasked to ensure that all Activity Manager/CTOs perform routine risk assessments of partners through careful analysis of quarterly reports, annual portfolio reviews, and financial reports. Any partners deemed by the Activity Manager/CTO as posing a



significant risk, or identified through the independent risk assessment as problematic will be visited and corrective action taken.

Based on the action taken above to address the recommendation, the Mission requests this finding be closed upon issuance of the final report.

***Recommendation No. 4: We recommend that USAID/Namibia develop a plan for its staff to periodically validate its President's Emergency Plan for AIDS Relief partners' data during site visits.***

#### **Management Response to Recommendation #4:**

The USAID/Namibia Mission concurs with this recommendation and is already taking steps to address the issue. The M&E Advisor, in collaboration with the Regional HIV/AIDS Program Monitoring and Evaluation Advisor, the Regional Knowledge Management Advisor, the Program Development Specialist, the Global Health Fellowship Program Intern, and relevant CTO/Activity Managers will prepare a schedule of site visits to validate partners' data by the end of November 2008.

In order to facilitate the process of properly validating data, workshops will be held with partners to strengthen their monitoring and evaluation systems and to ensure that there is a common understanding of program-level indicators by February 2009.

The M&E Advisor will adapt for local use three tools provided by OGAC (the Monitoring and Evaluation Systems Strengthening Tool; the Data Quality Audit Tool; and the PEPFAR Data Quality Assurance Tool for Program level indicators) by September 2008. Each CTO/Activity Manager will subsequently pilot test the tool(s) during site visits to perform data quality validation. An internal training for the HIV/AIDS Team will be held by October 2008. This will be followed up by a schedule and site visits to key partners before August 2009 to actually verify partner data in the field.

During the site visits, the quality of reported program-level data for key indicators will be assessed by starting at the source document and ensuring that the data is correctly captured, aggregated, and transmitted to the next levels. Based on the findings, a data validation report will be prepared with corrective actions identified. Partners will report back on the implementation of corrective actions in their quarterly reports.

Oversight and supervision to ensure that site visits include data quality validation and are performed consistently and accurately will be provided by the M&E Advisor in documented trip reports.

Additionally, a contractor will be hired to perform independent program and data quality audits on selected high risk partners in FY09. USAID/Namibia recognizes the importance of being able to assess the validity and quality of partner data and will embark on this independent data quality assessment (DQA) exercise. The objective of the independent DQA will be to ascertain whether or not the data reported by PEPFAR partners meets minimum standards of data quality. In each DQA, partner data will be analyzed for its validity, reliability, integrity, precision and timeliness in line with ADS 303. In addition, each partner's data management system will be assessed to determine the ability of the organization to keep an audit trail that demonstrates the presence of valid, verifiable and relevant evidence.

Based on the action taken above to address the recommendation, the Mission requests that this finding be closed upon issuance of the final report.

**Recommendation No. 5: We recommend that USAID/Namibia finalize its site visit report and checklist and require its use by mission staff when conducting site visits.**

**Management Response to Recommendation #5:**

USAID/Namibia concurs with this recommendation. USAID/Namibia's Program Development Officer and Monitoring and Evaluation Advisor have developed standard guidelines and a checklist for all activity managers and CTOs to use to document the findings of their site visits. A copy of the proposed standard site sheet check list is provided in Annex 1. The tool is already being tested by CTOs/Activity Managers and will be finalized by August 2008 for use by the entire HIV/AIDS Team.

Based on the action taken above to address the recommendation, the Mission requests that this finding be closed upon issuance of the final report.

**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)