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OFFICE OF INSPECTOR GENERAL

**AUDIT OF USAID/TANZANIA'S
IMPLEMENTATION OF THE
PRESIDENT'S MALARIA
INITIATIVE**

AUDIT REPORT NO. 4-621-07-005-P
May 14, 2007

PRETORIA, SOUTH AFRICA



Office of Inspector General

May 14, 2007

MEMORANDUM

TO: USAID/Tanzania, Mission Director, Pamela White

FROM: Regional Inspector General/Pretoria, Nathan S. Lokos /s/

SUBJECT: Audit of USAID/Tanzania's Implementation of the President's Malaria Initiative (Report No. 4-621-07-005-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/Tanzania's implementation of the President's Malaria Initiative. In response to the draft report, the Mission concurred with all five recommendations. Therefore, management decisions have been reached on all five recommendations. Please provide the Office of Audit, Performance, and Compliance Division (M/CFO/APC) with the necessary documentation demonstrating that final action has been taken on these recommendations.

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 USAID/Tanzania activities under President's Malaria Initiative (PMI) were achieving planned results. (See page 3.)

For results at the activity level, USAID/Tanzania met their planned targets for two of the three selected activities in fiscal year (FY) 2006. The two achieved targets involved the procurement of insecticide-treated bednets, which were distributed to the local population, and the indoor spraying of pesticides in Zanzibar to kill mosquitoes in targeted houses. The third selected activity, which did not achieve its planned target was for indoor spraying to be conducted in one district on the mainland of Tanzania. This activity was not carried out due to the need to wait on Government of Tanzania approvals. (See page 4.)

At higher levels, the audit found that the Mission's PMI activities, working in concert with other donors and the Zanzibar Malaria Control Program, were contributing to the successful results achieved in Zanzibar, where significant reductions in malaria cases have been noted. (See page 5.)

As the PMI program expands its effort toward the mainland, the attainment of success similar to that experienced on Zanzibar will be a more difficult proposition, since the mainland population is larger and the challenges more complex. (See page 5.) This report contains five recommendations to assist USAID/Tanzania in strengthening its management of PMI activities. Specifically it addresses the need to (1) develop a performance management plan, (2) perform a data quality assessment, (3) validate partners' data during site visits, (4) develop a tracking system for monitoring partners' outputs, and (5) enter into a written agreement with the Centers for Disease Control and Prevention for monitoring and evaluation activities. (See pages 6-12.)

USAID/Tanzania concurred with the recommendations mentioned above and has provided its planned actions to address those recommendations. The Mission's comments are included in their entirety in Appendix II.

BACKGROUND

On June 30, 2005, President Bush launched the President's Malaria Initiative (PMI) with a goal to reduce malaria deaths by 50 percent in 15 target countries in Africa by reaching 85 percent of the most vulnerable people (pregnant women and children under age five) through prevention and treatment activities. PMI is a five-year, \$1.2 billion program. In 2006, PMI activities began in Angola, Tanzania, and Uganda with four countries added in 2007 and the addition of eight more countries planned for 2008. USAID is responsible for leading PMI and is assisted in this implementation effort by the U.S. Centers for Disease Control and Prevention and others, including host country governments, international partners, nongovernmental organizations, faith-based and community groups, and the private sector. From the onset of PMI, the USAID/Tanzania has actively involved various stakeholders in designing the program to address the unmet needs of Tanzania as well as complement resources from the host government, the Global Fund to Fight AIDS, Tuberculosis, and Malaria, and other donors.

PMI's key program areas for the prevention and treatment of malaria are listed below. These program areas are integral components of USAID/Tanzania's PMI strategy.

- Indoor residual spraying – Insecticide is sprayed on the interior walls of houses to interrupt malaria transmission by killing mosquitoes.
- Insecticide-treated mosquito nets – Insecticide treated bednets are made available to targeted populations.
- Artemisinin-based combination therapy drugs – PMI purchases these drugs which are the most effective and fast-acting drugs available for the treatment of malaria. PMI also establishes the support system for distributing these drugs and training health care workers on their use.
- Intermittent preventive treatment – Pregnant women are treated with two doses of sulfadoxine-pyrimethamine to provide protection from maternal anemia and low birthweight. Under PMI this medicine is provided and health care workers are trained.

The United Republic of Tanzania (Tanzania) is composed of the mainland and the islands of Zanzibar (Unguja, Pemba, and several islets) that are located nearby in the Indian Ocean. Both the mainland and Zanzibar maintain independent Ministries of Health. Ninety-three percent of the population is considered at risk for malaria. It is estimated that annually there are between 14-19 million cases of malaria in the country due to people living in areas where malaria is transmitted. Malaria is the single most prevalent cause of morbidity and mortality in adults and children under age five. Eleven percent of children die before they reach age five.

In fiscal year (FY) 2006, \$11.5 million was allocated for PMI activities in Tanzania, of which \$3.6 million was in the form of bilateral assistance and \$7.9 million was from field support.¹ For FY 2007, \$27 million has been allocated for PMI activities in Tanzania of which \$20.3 million will be provided through bilateral assistance. This audit examined activities carried out during FY 2006.



Photo of USAID-funded indoor residual spraying being conducted. (Photograph taken in Unguja, which is part of Zanzibar, by RIG/Pretoria auditor in February 2007.)

AUDIT OBJECTIVE

The Regional Inspector General (RIG)/Pretoria conducted this audit at USAID/Tanzania as part of the Office of Inspector General's annual audit plan to answer the following question:

- Are selected USAID/Tanzania activities under the President's Malaria Initiative achieving planned results?

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

¹ Field support refers to transfer of USAID/Tanzania funds to USAID/Washington in which a central USAID bureau undertakes the lead (e.g., cognizant technical officer designation) in managing a contract or task order, but works in close collaboration with the Mission to ensure successful implementation.

AUDIT FINDINGS

USAID/Tanzania's implementation of the President's Malaria Initiative (PMI) has achieved results at the activity level by achieving targets for two of three selected activities. Moreover, at a higher level, the Mission's PMI activities have contributed to the reduction of malaria cases in Zanzibar. These results are discussed in more detail below.

Activity-Level Results

Two of the three selected PMI activities implemented by USAID/Tanzania achieved their planned targets in FY 2006. One of the selected activities, which achieved its target was for indoor residual spraying (IRS) of houses in Zanzibar, where the goal was to spray 70 percent of the targeted houses. IRS was completed on September 9, 2006, signifying the end of a two-month spraying campaign. The spraying campaign included several activities such as: training of sprayers; obtaining vehicles; procuring of insecticide, spray equipment, and protective clothing; and conducting community awareness campaigns. The Mission reported that over 96 percent of targeted houses were sprayed during this campaign.^{2 3}

The second selected activity that achieved its planned target was for the procurement of 130,000 insecticide treated bednets (achieving 100 percent of the target). These bednets were purchased with PMI funds and provided to the Zanzibar Malaria Control Program. According to a Zanzibar Malaria Control Program Official, they distributed all of the bednets in Zanzibar to pregnant women and children under age five.⁴ A USAID official noted that the Mission had focused its initial PMI efforts upon Zanzibar in order to demonstrate successful and quick-impact results.

The third selected activity, which did not achieve its planned target, was for indoor residual spraying in the mainland district of Muleba. Although slated to begin during FY 2006, this activity could not be carried out due to the time required to collaborate with the Mainland Malaria Control Program. This delay resulted from awaiting both the Government of Tanzania's approval of a pesticide for spraying and the Government's completion of an environmental assessment. Spraying in Muleba is expected to begin before June 2007, according to the Mission. This report does not contain any additional findings or recommendations to address the IRS target not achieved on the mainland, because the circumstances were beyond the Mission's control.

² IRS was conducted on the islands of Unguja and Pemba. On Unguja, homes in Stone Town were not sprayed because malaria carrying mosquitoes are not found in that part of the island.

³ USAID/Tanzania reported that 96% of the targeted houses were sprayed. While the audit was not able to confirm that precisely 96% were sprayed, we are confident that the goal of spraying 70% of targeted houses was exceeded. This is discussed in Appendix III.

⁴ The procurement of bednets was to supplement a bednet distribution campaign that also included bednets purchased through the Global Fund to Fight AIDS, Tuberculosis, and Malaria. This led to the distribution of bednets to almost every pregnant woman and child under age five on the islands.

Higher-level Results

The malaria prevention and treatment activities that have been funded by PMI, working in concert with other donors and the Zanzibar Malaria Control Program, are contributing to the successful results achieved in Zanzibar. According to USAID/Tanzania, in the months following its involvement with the bednet distribution campaign in Zanzibar, selected health facilities reported an impressive 86 percent reduction in laboratory-confirmed malaria cases in Zanzibar compared with the same period in 2005. In addition, according to a Zanzibar Malaria Control Program official, recent test results show that only about one percent of the population subjected to testing in Zanzibar was confirmed to have malaria—a vast improvement compared to FY 2005 when the prevalence rate of the malaria parasite was about 25-30 percent of the population tested. This official attributed the PMI activities as being an important part of the success experienced in Zanzibar. According to a medical doctor managing one Zanzibar regional hospital, the number of confirmed malaria cases was declining, ranging from 669 in 2005, to 117 in 2006, and to 12 in January 2007. He attributed the downward trend to a combination of different activities, including the distribution of insecticide treated mosquito nets and IRS, in which USAID was heavily involved.

Notwithstanding the accomplishments to date in Zanzibar, the attainment of success in the mainland will be much more difficult. The population on the mainland is much larger and the challenges that will be encountered are more complex. The audit has identified several areas to strengthen USAID/Tanzania's management of PMI activities, which—if implemented—should help mitigate some of the challenges that will be encountered as the Mission continues to implement and expand program activities. These include (1) developing a performance management plan, (2) performing a data quality assessment, (3) validating partners' data periodically during site visits, (4) developing a tracking system to help monitor partners' outputs, and (5) entering into a written agreement with the Centers for Disease Control and Prevention for monitoring and evaluation activities.



Photo of USAID-funded activity of a water sample being taken at a former sewage pond to identify the presence of larvae for the type of mosquito that carries malaria. When larvae are identified, pesticide is applied to the body of water. (Photograph taken by RIG/Auditor in Dar es Salaam, Tanzania in February 2007.)

Performance Management Plan Needs to Include PMI

Summary: The performance management plan (PMP) for the Mission's Strategic Objective 11 (SO11) was never updated to reflect the Mission's PMI program, contrary to USAID guidance. According to the Mission, it had not updated its PMP due to a directive from USAID's Administrator requesting that Missions not revise their monitoring plans until they were provided guidance. However the Mission was not aware that on December 1, 2006, an Action Memo was approved by USAID's Administrator which recognized the requirement that USAID's operating units develop PMPs and reiterated the importance of maintaining comprehensive PMP systems. Without a PMP that addressed PMI 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 Automated Directives System (ADS) states that operating units must prepare PMPs.⁵ A PMP is defined as a "management tool used by an operating unit and strategic objective team to plan and manage the process of assessing and reporting progress towards achieving a strategic objective." The ADS also notes that PMPs 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

⁵ ADS 203.3.3

collection to a specific office, team or individual. Finally, the ADS provides for the updating of PMPs.⁶ Specifically, it states that “usually as part of the Operating Unit’s Annual Portfolio Review process, Operating Units should update PMPs regularly with new performance information as programs develop and evolve.”

USAID/Tanzania’s SO11 team, which is responsible for the Mission’s PMI activities, developed its current PMP in 2005. However, the SO11 team did not update the PMP following the subsequent addition of PMI to its portfolio. As a result, the current PMP contains outdated intermediate results and does not reflect PMI activities.

According to a Mission official, USAID/Tanzania recognized the importance of having an updated PMP. This official stated that the Mission had not updated its PMP due to a directive from USAID’s Administrator requesting that Missions not revise their monitoring plans until they were provided further guidance. However, unbeknownst to the Mission, on December 1, 2006, an Action Memo was approved by USAID’s Administrator which recognized the requirement that USAID’s operating units develop PMPs and reiterated the importance of maintaining comprehensive PMP systems.⁷

Without an updated PMP, USAID/Tanzania has been without a critical tool for planning, managing, and documenting data collection for the PMI program. The absence of a PMP that specifically addresses PMI activities results in the Mission not having all the elements that are essential to the operation of a credible and useful performance-based management system.

We are making the following recommendation to address this situation:

Recommendation No. 1: We recommend that USAID/Tanzania develop a performance management plan that reflects activities being carried out under the President’s Malaria Initiative and complies with the December 1, 2006 Action Memorandum signed by the Administrator.

Data Quality Assessment Needed for PMI Data

Summary: A data quality assessment (DQA) has not been performed for the Mission’s PMI program as required by ADS 203. This is because the Mission had planned to include upcoming survey results as part of a DQA. The Mission noted that various ongoing activities integrated the assessment of partners’ data quality. However, until a DQA is performed the Mission does not have reasonable assurance that PMI data quality meets validity, timeliness, and reliability standards, the lack of which could negatively affect decision making.

⁶ ADS 203.3.4.6

⁷ Although this action memo was issued in December 2006, it appears that the existence of this memo was not known by USAID’s Africa Bureau until late March 2007. It was then distributed to several USAID Africa Bureau missions.

USAID's ADS recognizes the importance of data quality standards in managing for results and ensuring credible reporting.⁸ As part of this effort, this guidance goes on to say that "[d]ata reported to USAID/Washington for Government Performance and Results Act (GPRA) reporting purposes or for reporting externally on Agency performance must have had a data quality assessment at some time within the three years before submission...Operating Units may choose to conduct data quality assessments more frequently if needed."

USAID/Tanzania has not performed a DQA for the PMI data that is being reported. While the Mission was planning to conduct a DQA for all PMI indicators, it wanted to include data in the assessment that will be collected from two major surveys that are scheduled to be completed during 2007. This survey data will also be important in helping evaluate PMI activities.

Mission officials recognized the importance of having a DQA performed and noted that their ongoing activities integrate the assessment of partners' data quality. For instance, according to the Mission, the program's Senior Advisor monitors PMI data quality and analyzes it from various sources. In addition, recently instituted monthly partners' meeting and quarterly partners' reporting provide the opportunity to analyze the quality of data.

Nevertheless, a results-orientated management approach relies on USAID/Washington and field managers using performance information to make decisions. Quality performance indicators and data help (1) ensure that USAID program and budget decisions are as well-informed as possible, (2) support efficient use of USAID resources, and (3) address the information needs of USAID's internal and external users, including senior management, Office of Management and Budget, and the Congress. However, sound decisions require valid, current, and reliable information. The benefits of this results-orientated approach depend substantially on the quality of the performance information available. In not performing a data quality assessment of PMI data, the Mission does not have reasonable assurance that its data meet quality, validity, timeliness, and reliability standards—the lack of which could negatively affect decision making.

To ensure that future data quality meets the required standards, we are making the following recommendation:

Recommendation No. 2: We recommend that USAID/Tanzania perform a data quality assessment for its President's Malaria Initiative indicators.

⁸ ADS 203.3.5.1

Site Visits Need to Include Validation of Partner Data

Summary: Guidance provided by the Office of Management and Budget (OMB) and ADS 202.3.6 address the importance of monitoring data quality. In addition, SO11's current PMP addressed the importance of carrying out the validation of partner data during site visits. Yet data validation had not occurred during PMI site visits, because the Mission had assumed that their PMI partners had performed such verification. As a result, the Mission is not taking proactive measures during site visits to ensure the quality of data that is being collected and reported by partners.

The Office of Management and Budget's *Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by Federal Agencies* states that agencies are directed to develop information resources management procedures for reviewing and substantiating the quality of information before it is disseminated. In addition according to ADS 202.3.6, monitoring the quality and timeliness of outputs produced by implementing partners is a major task of cognizant technical officers, because outputs are critical to achieving results. Delay in the completion of outputs, or the identification of problems in output quality, provides an early warning that results may not be achieved as planned. Further, SO11's current PMP addressed the importance of carrying out the validation of partner data during site visits.

While site visit reports were prepared by the Mission's staff to document their monitoring of PMI activities, those reports did not mention validation of partner data. A Mission official acknowledged that the Mission had not done any data validation activities during site visits and had assumed that their PMI partners had performed this activity.

By not performing periodic data validation during site visits the Mission is not taking necessary proactive measures to determine the quality of PMI data being collected and reported by their partners. In order to strengthen the Mission's monitoring efforts we are making the following recommendation:

Recommendation No. 3: We recommend that USAID/Tanzania develop and implement a plan to periodically validate the President's Malaria Initiative partners' data during site visits.

Tracking System Needed For Outputs and Milestones

Summary: According to the ADS, an important aspect of managing for results is to monitor the quality and timeliness of outputs produced by implementing partners. However, the Mission did not have information readily available regarding the status of all partners' activities to determine the status of all outputs and their associated milestones. According to the Mission it had not received any guidance on how the PMI tracking system should be developed and monitored. However, existing USAID guidance states that performance information should be available when needed to make management decisions and suggests that it be available quarterly. The Mission noted that draft guidance had only recently been received that addressed the development of a

timeline for data collection and the reporting of PMI program indicators. Not having a tracking system in place to monitor outputs and milestones reduced the Mission's assurance that the implementing partners met the required output quality and timeliness standards.

As stated previously in this report, the ADS states that monitoring the quality and timeliness of outputs produced by implementing partners is a major task of cognizant technical officers and strategic objective teams. Appropriately, the team members of SO11 used a variety of sources to monitor PMI activities including (1) written quarterly reports, (2) a recently instituted monthly partners' meeting, (3) written monthly status reports voluntarily provided by partners, (4) site visits, and (5) telephone and email communications. Yet, in spite of this, the Mission did not have information readily available on the status of all partners' outputs and their associated milestones.

According to a Mission official, the Mission had not received any PMI direction on how a tracking system should be developed and monitored. However, USAID's *Performance Management Tool Kit: A Guide to Developing and Implementing Performance Management Plans*, specifies that:

[p]erformance information should be available when it is needed to make management decisions. The necessary timeliness of the data really depends upon the nature of the decision to be made though experience suggests that information for managing activities should be available on a quarterly basis.

The Mission noted that it had recently received draft instructions regarding the development of a timeline for data collection and the reporting of program indicators for the purpose of reporting PMI progress.

The absence of an information system to readily track the status of all partners' outputs and the associated milestones reduced the Mission's assurance that the implementing partners met the required quantitative, qualitative and timeliness standards. Although the Mission has only been engaged with the PMI program since FY 2006, the development of a tracking system at this time to help monitor outputs and milestones is critical in managing for PMI program results.

To improve the Mission's ability to monitor the PMI program and to keep implementing partners accountable for agreed-upon outputs and associated milestones, we are making the following recommendation:

Recommendation No.4: We recommend that USAID/Tanzania develop and implement a tracking system that includes specific output and milestone data for its President's Malaria Initiative partners.

USAID Needs to Resolve Monitoring and Evaluation Issues with Centers for Disease Control

Summary: An agreement reached between USAID and CDC designates monitoring and evaluation (M&E) responsibilities to CDC. To date, planned M&E activities in Tanzania have not been developed by CDC. This occurred because the assigned CDC staff member could not devote sufficient time to PMI due to other job responsibilities. In addition, there was also a lack of understanding between USAID and CDC on what type of M&E activity was needed. Without a M&E system in place, it will be difficult to determine the impact that PMI activities are having upon malaria prevention and treatment in Tanzania and to properly manage the program.

USAID guidance recognizes that effective monitoring and evaluation are important elements of a successful program. For example, ADS 303.2(f) states that the USAID cognizant technical officer (CTO) is responsible for monitoring and evaluating a recipient and its performance during the award to facilitate the achievement of program objectives. Similarly, *PMI General Guidance* provides for the M&E of PMI efforts to be carried out at the national level.⁹ This guidance states that monitoring of PMI will focus on program outputs reported by national malaria control programs, local governments, contractors, and grantees carrying out specific activities with quality control being conducted by USAID and CDC. The guidance also notes that data collection and reporting will complement national M&E plans and efforts by the national malaria control program in each country. For evaluation, the guidance states that the “evaluation of PMI will be based on the impact on mortality and morbidity for children under age five-years and indicators that correspond to the targets for coverage with specific interventions.”

While USAID guidance normally places responsibility for monitoring and evaluation on the CTO, a USAID/Tanzania official stated that a 632(b) agreement signed between USAID and CDC gave CDC the responsibility for developing M&E for the PMI activities being carried out in Tanzania. Nonetheless, as of the time of our audit, the CDC had not designed and implemented a comprehensive monitoring and evaluation system for PMI. During FY 2006, the CDC did provide important advisory and consultative services. However, because the PMI monitoring and evaluation responsibilities were added to the cognizant CDC staff member’s existing workload, that person did not have the time to develop the planned M&E activities, according to a Mission official.¹⁰ In addition, the Mission indicated that the lack of progress in M&E to date was also attributable to a perceived lack of understanding between CDC/Tanzania and USAID/Tanzania regarding USAID’s requirements for M&E at the activity level, and CDC’s requirements for overall PMI program M&E.

The absence of a comprehensive M&E system will make it difficult for either USAID or the CDC to substantiate the impact that PMI activities are having upon malaria in Tanzania. Moreover, a sound M&E program will be critical in providing the necessary

⁹ The *PMI General Guidance* was updated on January 22, 2007.

¹⁰ In its response to this report, the Mission also indicated that the CDC’s efforts had also been hampered by the fact that funding for local M&E activities, including developing a comprehensive M&E plan, have not been available to CDC nor its in-country partners (See Appendix II).

data to assist the Mission and other major stakeholders to make sound decisions about malaria prevention and treatment. Such careful management is essential if PMI goals are to be achieved.

While the Mission believed that the planned March 2007 arrival of a CDC staff person dedicated to PMI work would be helpful in addressing this problem, we believe that the overall M&E situation must also be addressed. Accordingly, we are making the following recommendation.

Recommendation No. 5: We recommend that USAID/Tanzania agree in writing with the Centers for Disease Control and Prevention regarding required deliverables and associated milestones for monitoring and evaluation activities for the President's Malaria Initiative in Tanzania.

EVALUATION OF MANAGEMENT COMMENTS

In its response to our draft report, USAID/Tanzania concurred with all five recommendations. The Mission described the actions taken and planned to be taken to address our concerns. The Mission's comments and our evaluation of those comments are summarized below.

In response to Recommendation No. 1, concerning the development of a performance management plan (PMP), the Mission concurred and indicated that it was already updating its PMP to include PMI activities. Based on the Mission's response, we consider that a management decision has been reached on this recommendation.

For Recommendation No. 2, regarding the performance of a data quality assessment, USAID/Tanzania concurred and indicated that data quality assessments would be performed on each individual indicator being reported to USAID/Washington. A management decision has been reached on Recommendation No. 2.

Recommendation No. 3 recommended that the Mission develop and implement a plan to periodically validate PMI partners' data during site visits. The Mission concurred with this recommendation and noted that the PMP would include a plan and schedule for regular validation of each PMI indicator. Consequently, a management decision has been reached for Recommendation No. 3.

Regarding Recommendation No. 4, the Mission concurred and indicated that it is developing a tracking system that will include specific outputs and milestones for each of its PMI partners. A management decision had been reached on Recommendation No. 4.

Recommendation No. 5 recommended that USAID/Tanzania and the CDC agree in writing concerning required deliverables and associated milestones for PMI monitoring and evaluation activities. The Mission concurred and indicated that a written agreement summarizing these and other issues would be signed by USAID/Tanzania, USAID/Washington and the CDC. Accordingly a management decision has been reached on this recommendation.

Mission comments are included in their entirety in Appendix II.

SCOPE AND METHODOLOGY

Scope

The Regional Inspector General/Pretoria conducted this audit in accordance with generally accepted government auditing standards. Fieldwork was conducted from January 24, 2007, through February 23, 2007, in Dar es Salaam and Zanzibar, Tanzania.

The objective of this audit was to determine whether selected USAID/Tanzania activities under the President's Malaria Initiative (PMI) were achieving planned results. In conducting this audit we assessed the effectiveness of internal control related to the PMI program. We identified pertinent controls such as (1) the Mission's documentation related to managing and monitoring the program, (2) the partners' reporting of program status, (3) conducting site visits to ensure funds were being spent in accordance with agreement terms and applicable laws and regulations, (4) establishing and maintaining site visit documentation, and (5) the Mission's annual self-assessment of internal control in accordance with the Federal Managers Financial Integrity Act for fiscal year 2006. In addition, we also tested some aspects of internal control that selected partners had for their PMI commodities.

The scope of this audit included USAID/Tanzania's PMI activities carried out during fiscal year 2006. The planned activities were selected from the universe of PMI funded activities being carried out in Tanzania. In fiscal year 2006, \$11.5 million was budgeted.

Methodology

To answer the audit objective, we met with USAID/Tanzania Mission staff in the Health and Population Strategic Objective team, and reviewed pertinent planning documents, country action plan, and reporting documents on fiscal year accomplishments. The audit covered all fiscal year 2006 PMI activities with particular attention given to those partners who received the largest fiscal year 2006 allocations—in this case the partners who were involved with indoor residual spraying and the distribution of bednet vouchers. For selected activities we, in conjunction with the Mission, identified those activities which were deemed most important for fiscal year 2006.¹¹ Because PMI targets were not included in the Mission's performance management plan, targets for the activities were identified from different sources such as work plans, scope of work, and partner documents.

We interviewed Mission and partner officials responsible for PMI monitoring and implementation. We reviewed their pertinent documents which included but were not limited to trip reports and quarterly reports which helped determine the levels of

¹¹ One important PMI activity not included as a selected result for this audit was the expansion of the Tanzania National Voucher Scheme, intended to distribute discount coupons (vouchers) so that bednets can be purchased from private retailers at a significant discount. The associated results for this activity were not included because the partner did not receive funding until mid-June 2006, which delayed planned rollouts for planned infant and equity vouchers.

monitoring being carried out and if progress towards outputs had been achieved. In addition, site visits were carried out to observe operations at various locations where PMI activities were being implemented. In part, these visits included testing data found in progress reports/annual reports and observing program operations. We tested output data which included comparing the reported information to supporting documentation such as field supervisor log books and databases. In addition, in assessing the Mission's indoor residual spraying (IRS) activity, we compared the results reported to the official IRS database to those independently collected by one of the Mission's partners.

MANAGEMENT COMMENTS



DATE: May 14, 2007

REPLY TO

ATTN OF: Pamela White, Mission Director /s/

SUBJECT: Mission Comments on Audit of USAID/Tanzania's Implementation of the President's Malaria Initiative (Report No. 4-621-07-XXX-P)

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

REF: AUDIT REPORT NO. 4-621-07-XXX-P, dated April 5, 2007

This memorandum transmits the Mission Comments on the subject Audit of the President's Malaria Initiative (PMI) in Tanzania. The Mission feels that the five recommendations are fair and balanced and has already taken steps to close each. We agree with each and appreciate the guidance to make the PMI even more successful in controlling malaria in Tanzania. Stated below is our plan to close each recommendation.

As the PMI is a collaboration between the Centers for Disease Control and Prevention (CDC), and USAID/Washington PMI Technical Committee, the Mission has shared the draft report with both organizations and has incorporated their comments with ours.

Plan for Corrective Actions with Target Completion Dates

Recommendation No. 1: We recommend that USAID/Tanzania develop a performance management plan that reflects activities being carried out under the President's Malaria Initiative and complies with the December 1, 2006 Action Memorandum signed by the Administrator.

Mission Response: Mission concurs. Mission has received the December 1, 2006 Action Memorandum signed by the Administrator and the Health and Population Office of USAID Tanzania is already working on updating the Performance Monitoring Plan (PMP) which will include the PMI activities. The PMP will be drafted by June 1, 2007 and will be submitted to the Strategic Planning and Program Support Office for approval, as well as to USAID/Washington and the CDC.

The PMP will be approved by August 30, 2007 and forwarded to the Regional Inspector General/Pretoria to close this recommendation.

Recommendation No. 2: We recommend that USAID/Tanzania perform a data quality assessment for its President's Malaria Initiative indicators.

Mission Response: Mission concurs. The PMP will include all PMI indicators being reported to USAID/Washington. Data Quality Assessments will be conducted on each individual indicator by the appropriate Cognizant Technical Officer or Activity Manager according to the schedule in the PMP.

All DQAs shall be completed by September 30, 2007, and forwarded to the Regional Inspector General/Pretoria to close this recommendation.

Recommendation No. 3: We recommend that USAID/Tanzania develop and implement a plan to periodically validate the President's Malaria Initiative partners' data during site visits.

Mission Response: Mission concurs. The PMP will include a plan and schedule for regular validation of each of the PMI indicators.

The PMP will be approved by August 30, 2007 and forwarded to the Regional Inspector General/Pretoria to close this recommendation.

Recommendation No. 4: We recommend that USAID/Tanzania develop and implement a tracking system that includes specific output and milestone data for its President's Malaria Initiative partners.

Mission Response: Mission concurs. USAID/Tanzania is developing a tracking system to include specific outputs and milestone data for each of its PMI Partners.

The tracking system will be finalized by June 1, 2007, and will be forwarded to the Regional Inspector General/Pretoria to close this recommendation.

Recommendation No. 5: We recommend that USAID/Tanzania agree in writing with the Centers for Disease Control and Prevention regarding required deliverables and associated milestones for monitoring and evaluation activities for the President's Malaria Initiative in Tanzania.

Mission Response: Mission concurs. It is important to note that monitoring and evaluation for the PMI is a joint responsibility of USAID and CDC. USAID and CDC collaborate closely on M&E technical and implementation issues at both the headquarters and country level. PMI has refined its indicators and M&E strategy since inception. Funding for local M&E activities, including developing a comprehensive M&E plan, have not been available to CDC nor its in-country partners. Although the FY 2006 Country Action Plan awarded funds to CDC to convene M&E planning exercises with

the National Malaria Control Program, Zanzibar Malaria Control Program and other partners, this critical first step has been impossible to undertake until CDC, USAID/Tanzania and USAID/Washington agree on how to spend these resources awarded to the Ministries of Health and Social Welfare.

USAID/Tanzania is working with the CDC and USAID/Washington to resolve the issues with monitoring and evaluation, through reaching an agreement permitting the funding of the cooperative agreements authorized in the FY 2006 Country Action Plan. The FY 2007 Malaria Operation Plan is being revised to transfer the administration of several M&E activities to USAID, but retaining the technical assistance of the CDC in their management. The FY 2007 MOP already provides specifics of the responsibilities of the CDC under the Inter Agency Agreement.

These agreements will be summarized in a document that will be signed by USAID/Tanzania, USAID/Washington and the CDC by August 31, 2007, and will be forwarded to the Regional Inspector General/Pretoria to close this recommendation.

Reported Activities as of September 30, 2006

Activity Description	Planned FY 2006 Target	Reported FY 2006 Target	Target Achieved Per Audit
Procure insecticide treated nets for distribution - Zanzibar	130,000	130,000	100%
Indoor residual spraying of homes - Zanzibar	70%	96%*	100%
Indoor residual spraying of homes – mainland (Muleba district)	70%	0%	0%

*While we were not able to verify that 96% of all targeted houses in Zanzibar were sprayed, we did conclude that the target of 70% had been met.

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