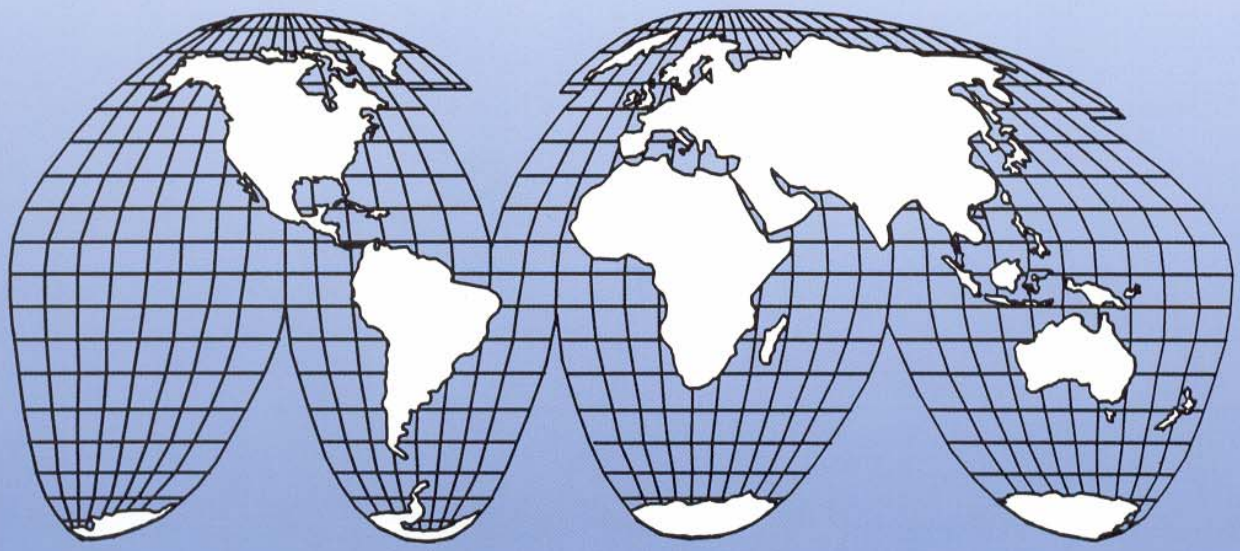
USAID

OFFICE OF INSPECTOR GENERAL

Audit of USAID/Guinea's Monitoring and Reporting of Its Health Program

7-675-04-005-P

June 17, 2004



Dakar, Senegal

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June 17, 2004

MEMORANDUM

FOR: USAID/Guinea Director, Annette Adams

FROM: RIG/Dakar, Lee Jewell III /s/

SUBJECT: Audit of USAID/Guinea's Monitoring and Reporting of Its Health Program (Report No. 7-675-04-005-P)

This memorandum is our final report on the subject audit. In finalizing this report, we considered management's comments on our draft report and have included them in Appendix II.

This report contains two recommendations. Based on appropriate action taken by the Mission, management decisions have been reached on both recommendations. The first recommendation is considered closed upon the issuance of the final report. However, recommendation number two will be considered closed only after the Mission has informed us that, as it proposes, it has pre-tested its action plans during the site visits and then finalized them based on the results by July 2004.

I appreciate the cooperation and courtesies extended to the members of our audit team during this audit.

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Summary of Results

The objective of this audit was to determine whether USAID/Guinea monitors the performance of its health program in a manner to ensure that intended results are achieved. We determined that even though the USAID/Guinea staff had made efforts to monitor the health program, the Mission still needed to improve management oversight of the health program activities. (See pages 6 and 7.)

USAID/Guinea staff communicated regularly with the staff of the implementing partners and made regular visits to the implementing partners' offices and activities. In addition, the indicator sheets created by the Mission were very detailed, allowing a reader to determine the unit of measure, description, source, targets, actual results, and other comments for each indicator. (See page 7.)

While these monitoring activities were significant and provided the health team with information for general program oversight, improvements are needed to ensure proper management oversight of the health program activities. The first problem noted was the inefficient and ineffective operations of the project-supported government health centers due to a lack of monitoring on the part of the implementing partner. To address this finding, we recommend that (1) the Mission develop procedures for monitoring visits by the implementing partner (visits which would include the use of a checklist to standardize these visits) and (2) the implementing partners submit quarterly monitoring reports to the Mission. (See pages 8 to 12.)

The second problem we identified was the reporting of inaccurate and inconsistent data by the partners. This occurred because the Mission was not consistently checking the reported results. We recommend that the Mission develop procedures for verifying data during monitoring visits to the partners. (See pages 12 to 14.)

Background

According to a survey jointly sponsored by several major international organizations, Guinea's health statistics are among the worst in the world, with infant, child and maternal mortality rates at unacceptably high levels, a weak health infrastructure, and a burgeoning HIV/AIDS crisis.

In FY 2003, the major components of USAID/Guinea's health program included activities to:

1. improve maternal and child health;

2. prevent the spread of HIV/AIDS; and

3. improve reproductive health services.

In FY 2004, the Mission expects to continue in the above activities. In maternal and child health, it will focus on institutionalizing integrated management of childhood illnesses and on carrying out a Demographic and Health Survey. The survey will provide data to assess the 1997-2005 Country Strategic Plan and serve as a baseline for a follow-on strategy. To prevent the spread of HIV/AIDS, the Mission is prioritizing those areas hardest hit by the epidemic and will continue using multi-sector approaches and grants to non-governmental organizations, who will target as many geographic areas and segments of the population as possible. Finally, the Mission will continue work to improve access to, and the quality of, reproductive health services and to work with the Ministry of Health nationally to ensure a sustainable system for contraceptive procurement.

To conduct its health program, USAID/Guinea funds several implementing partners. The two principal ones are Management Sciences for Health (MSH) and Population Services International (PSI). MSH's principal activities involve working with the Government of Guinea (GOG) health centers to improve access to, and the quality of, health center services. PSI's activities focus on maternal and child health, as well as on family planning and HIV/AIDS prevention through the social marketing of contraceptives and oral rehydrating salts. The GOG's cooperation with these partners is a key element to achieving the desired USAID/Guinea's health program goals.

Total funding for the three major components of USAID/Guinea's health program for fiscal year 2003 was $6,910,000. The amount is expected to be near the same level ($6,659,000) in fiscal year 2004.

Audit Objective

In accordance with its fiscal year 2004 audit plan, the Regional Inspector General, Dakar, performed this audit to answer the following audit objective:

Does USAID/Guinea monitor the performance of its health program to ensure that intended results are achieved?

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

Audit Findings

Does USAID/Guinea monitor the performance of its health program to ensure that the intended results are achieved?

Even though the USAID/Guinea staff made efforts to monitor the health program, the Mission still needed to improve management oversight of the health program activities. Mission staff have made many efforts to monitor program activities, including performing some site visits and communicating with the program's implementing partners. However, there were still problems due to the monitoring of the program, including inefficient health center operations and inaccuracy of reported data.

USAID/Guinea staff indicated that they communicated regularly with the staff of the implementing partners, and the partners agreed that such communication took place. The Cognizant Technical Officers (CTOs) – comprising of a public health specialist and two reproductive health specialists – and the health team leader made regular visits to the implementing partners' offices and the sites where activities are implemented. These site visits were well documented with specific details of the trip, and any problems noted during the trip were identified. Trip reports were kept on a shared computer drive and were readily available for review. During a trip made by the health team leader in October of 2003, he noted several problems that this audit identified as well and made specific recommendations to the implementing partner.

In addition, the Mission and its partners funded surveys to measure the impact of its health interventions in the country. The indicator sheets created by the Mission were very detailed, allowing a reader to determine the unit of measure, description, source, targets, actual results, and other comments for each indicator.

The efforts described above helped keep the health program on track towards achieving its intended results. Significant gains were made: During 2003, according to survey reports, the vaccination coverage for DPT3 (diphtheria, pertussis, and tetanus) and measles increased from 45.8 percent to 64.9 percent and 61.6 percent to 72.1 percent, respectively. The Mission also scaled up successful nutrition interventions by expanding efforts to increase Vitamin A distribution and decrease anemia among women and children. Another success, unrelated to monitoring efforts, was in the HIV/AIDS prevention area. As a proxy to measuring the impact of HIV/AIDS prevention campaign, the Mission reported and was confirmed by PRISM's (Pour Renforcer les Interventions en Santé reproductive et MST/SIDA – the social marketing arm of Management Sciences for Health) Enquete Ménage 2003 Indicator Table that the percentage of men reporting condom use

during their last sexual intercourse with a non-regular partner was 57.8%. This figure exceeded the Mission's target of 32% for fiscal year 2003. However, with more comprehensive monitoring of health activities, further gains could be realized.

Photo taken March 23, 2004, outside Missamana Health Center, in Upper Guinea. The Health Center is one of many to which USAID implementing partner Management Sciences for Health provides medical supplies, training, and equipment. Shown (l–r) are Neil Woodruff, USAID/Guinea Health Team Leader; Tenin Diawara and Keita Siaka, Health Center Technicians; Dr. Dem, MSH; and Zac Bao, RIG/Dakar Auditor.

While the monitoring activities were significant and provided the health team with information for general program oversight, improvements were still needed to ensure proper management oversight of the health program activities. These included developing procedures for monitoring at the partner level and checking reported results of the partners.

Monitoring By Management Sciences for Health Needs Improvement

Health centers were not operating as efficiently and effectively as possible due to inadequate monitoring on the part of the implementing partner. The cooperating agreement between Management Sciences for Health (MSH) and USAID/Guinea stated that the effectiveness and efficiency of the program implementation was the responsibility of

MSH. As a result of the inefficient operations at the health centers, the implementing partner was not meeting its full potential in addressing the global health issues of Guinea.

A major part of the MSH activities entailed working with the Government of Guinea health centers in the Upper Guinea region of the country to improve access to, and the quality of, health center services. Because of the difficulty and time required to make site visits the audit only conducted two site visits at the Missamana Health Center and the Koumban Health Center, both in the Kankan region of Upper Guinea. However, these health centers were considered typical and during our visits we identified numerous problems in the operations of the health centers that could have been addressed by better monitoring:

- missing and unused project equipment;
- mixing of expired and unexpired stock inventories;
- stocks not issued on a first-to-expire-first-out basis;
- stock cards not matching inventories; and
- safety concerns.

Maternity Kit Usage - MSH reported that all health centers in the intervention zone of Upper Guinea had received a maternity kit that included a delivery kit, dressing kit, measuring tape, sphygmomanometer (an instrument for measuring the pressure of the blood in an artery), fetal stethoscope, salter balance (for measuring newborns), kidney basin, speculum, sterilizer drum (a specially constructed metallic drum that keeps surgical and other hospital instruments free from living germs or microorganisms), and gloves. During a site visit to the Missamana Health Center, the kit could not be located. The director of the center was absent, but two other center staff members stated that they had no recollection of receiving the kit. A MSH official examined the health center and was unable to find any of the items mentioned in the kit. However, the following day at MSH headquarters, delivery of the maternity kit for the center was found to be documented by a delivery receipt signed by the director of the center. In the Koumban Health Center, the maternity kit was identified and appeared to be in use except for the drum sterilizer, which was still in its original packaging.

Poor Stock Control - Another problem at the health centers was the mixing of expired and unexpired stock. In Missamana, of the 500 packages of Ovrettes (an oral contraceptive), 400 were expired but still kept together with the unexpired packages. Lofemenal, another oral

contraceptive, had the same problem; 100 packages of the 300 in stock were out of date but not separated. In addition, 19 units of Depo-Provera (an injected contraceptive) had expired in November 2003 but again had not been separated.

We also found that in the stock rooms of both health centers the order of use for the medicine had not been followed as required. Although the oldest, non-expired medicine should be distributed first, the newer stock of Depo-Provera at Missamana was distributed before other stock that was to expire in the following month. The same problem was found in Koumban: Depo-Provera set to expire in August 2004 was distributed instead of the box dated June 2004.

Inaccurate Stock Cards - Stock cards that did not agree with actual quantities was noted in both Missamana and Koumban. In Missamana, the stock cards did not match actual quantities for penicillin and erythromycin. Seven boxes of syringes on top of the shelves were not included in the inventory. In Koumban, the director was writing on the stock cards to update the information during the review of the inventory and was advised by the auditors that the update should have been done earlier; not while a site visit was being performed.

Safety Concerns - The final problem noted with the health centers relates to safety concerns. When leaving the Missamana health center, the auditor noticed a used needle on the ground, as well as possibly hazardous trash from the medicines.

MSH Responsibilities - In accordance with the cooperative agreement dated December 20, 2002, MSH works with Government of Guinea health centers in the identified intervention zone of Upper Guinea. While the Government of Guinea is responsible for the overall management of the health centers, MSH is responsible for the oversight and monitoring of their activities. MSH is trying to expand the accessibility of services, improve the quality of services, and apply effective tools for improving quality and management. The goal of the program is to develop the local capacity and the sustainability of local institutions through fully integrating the health centers in family planning, sexually transmitted infection (STI) prevention and care, prenatal care, child survival/Integrated Management of Childhood Illness, safe motherhood, and basic HIV/AIDS services. The health centers should have fully trained staff benefiting from improved monitoring and should have basic medical equipment, management tools, and information, education and communication materials. The health centers should operate through an improved essential drug and commodity management system and have local capacity to better manage and maintain the infrastructure and large equipment needs. The

cooperative agreement states that MSH will have overall responsibility for effective and timely program implementation to achieve and report on intermediate results and meet the targets set for the performance indicators.

The centers were operating inefficiently and ineffectively because monitoring by MSH was inadequate. The Monitoring and Evaluation Specialist at MSH stated that monitoring visits were to be performed for each health center in the intervention zone once per quarter. MSH management, including the Monitoring and Evaluation Specialist, acknowledged that monitoring during 2003 was inadequate. Both the USAID health team leader and the USAID CTO for MSH were aware that monitoring by the implementing partner was a problem, and they had addressed the issue with MSH. In October 2003, the USAID health team leader made a written recommendation to MSH to develop a new plan for strengthening the current monitoring of health centers. In a memorandum on December 1, 2003, MSH responded to the recommendation, stating that they fully understood and agreed that priority be given to strengthening monitoring. However, based on observations during fieldwork, monitoring continued to be inadequate.

In discussions with the MSH personnel, we found that monitoring was lacking in the past because MSH personnel preferred to perform monitoring visits in conjunction with the Government of Guinea Direction Préfectorale de la Santé Publique (DPS), the governmental organization responsible for oversight and monitoring of the health centers. However, MSH and DPS were unable to coordinate the timing of monitoring visits resulting in the visits not being conducted. MSH management stated that monitoring visits were better performed in conjunction with the DPS as MSH did not want the DPS to think it had taken over this role, so it did not perform site visits alone. Nevertheless, even if DPS was not properly supervising the centers, MSH still had the obligation to supervise its own projects.

As a result of the centers operating ineffectively and inefficiently, the MSH program was not meeting its full potential to address the global health issues of Guinea, specifically within the intervention zone.

Therefore, to address this inadequate monitoring, we make the following recommendation.

> **Recommendation No. 1: We recommend that USAID/Guinea implement procedures requiring monitoring to be performed by the implementing partner, Management Sciences for Health, in conjunction with, when possible, the Government of Guinea. As part of these procedures, the Mission must**

require the implementing partner to report to the Mission regarding the monitoring visits in the quarterly reports.

Reported Data Needs To Be Reliable and Valid

Selected reported results at the partner level were unreliable and invalid even though USAID guidance stresses the importance of valid, timely, precise and reliable results reporting information in order to properly measure results. The problems with the data occurred because the Mission's health team did not systematically check source documents of reported results. Consequently, the Mission may have been under- or over-reporting results to USAID/Washington.

During visits to the two key implementing partners for the health program, MSH and Population Services International (PSI), we found that results reported to USAID/Guinea were unreliable and invalid. Although some of the discrepancies were immaterial, when taken as a whole they were significant.

Reliability of Data – On average, MSH was missing more than five monthly reports from each of the 19 health centers in the Kankan region for fiscal year (FY) 2003. This is almost 50% of required reporting missing. For the various reports that were received, data discrepancies existed. For example, Koumban health center management was reporting only on family planning (FP) activities at the center even though they should have been reporting on community activities as well. PRISM did not have any copies of the center's FP reports. The center used the Rapport Mensuel Des Centres De Santé (RMDCDS) as its reporting on the center's FP activities. When we examined copies of the RMDCDS, we found that 3 out of the 12 months (25%) for 2003 did not complete the FP section. We were not able to see any documentation supporting the information included in the RMDCDS. We were informed at Koumban that the FP information is included on RMDCDS report for the clinic. The community FP information is included on the Rapport Mensuel Du Superviseur SBC. No combination is made or reported. However, at the other center in Missamana, we had been told they combined the FP information for the center and the community in the RMDCDS report. Thus, there was no consistent reporting between centers.

In addition, the form of MSH's reported information differed from the target. The number of religious leaders trained for HIV/AIDS awareness is given as a cumulative target per the implementation plan, but MSH reported the number trained for the period. MSH also reported the

number of districts with health communities in the intervention zone whereas the implementation plan target is based on the number of prefectures with health communities (districts make up a prefecture). Because the reported information was not consistent with the targets, it was difficult to determine if the Mission was meeting its targets.

The data reported by PSI was also found to have weaknesses. Data from July was inappropriately included in the August - September 2003 report. Furthermore, there were discrepancies within the report itself. The couple of years protection calculation was reported at 17,234 in the narrative section of the report, but in Appendix I of the same report, the calculation was shown as 17,397. The number of sales outlets for condoms was reported at 10,113 in the narrative section, but at 10,089 in Appendix IV.

Another problem at PSI was the inconsistent record keeping among PSI employees. PSI reported to USAID/Guinea via email the sales of re-hydration salts for FY 2002 at 2,698,544, but Appendix II of the quarterly report (a chart) showed 2,698,691 in sales. When a report for the sales database was generated at PSI headquarters, the sales number had yet a different amount of 2,698,640. This brought into question the reliability of any of these numbers.

Validity of Data - As with the reliability of data, the validity of the data reported by both implementing partners was a problem. At MSH headquarters, source documents for the four selected project indicators, two of which were reported in the Mission's Annual Report, did not agree with reported results. The number of religious leaders trained for HIV/AIDS awareness was underreported by 20 (217 reported instead of the 237 trained or 8.4% less) and was also underreported in the Mission's Annual Report. The percentage of health centers integrated in STI treatment services was reported in the USAID Annual Report at 66 percent, but the calculation based on source documents was 64.2 percent. Immaterial but nevertheless exacerbating the inaccuracy of reporting, the number of health communities in districts was off by 1 out of 143 and, more significantly, the number of community agents trained in safe motherhood should have been reported at 19 agents instead of 32 in MSH's Year End 2003 report.

Validity was also a problem with PSI-reported information. The indicator of new wholesalers for the period was reported as four—even though documentation provided showed only one new wholesaler.

USAID's Automated Directives System (ADS) guidance stresses the importance of valid and reliable results reporting information in order to properly measure results. According to ADS 203.3.5.1, data quality

standards include validity, integrity, precision, reliability, and timeliness. Valid data should be clearly and adequately represented in the intended result. Data should also be reliable—reflecting stable and consistent data collection processes and analysis methods over time. According to ADS 203.3.8.1, the annual report is the Agency's principal tool for assessing program performance on an annual basis and for communicating the information to higher management levels. In addition, the General Accounting Office's Standards for Internal Controls in the Federal Government state that all transactions and significant events need to be clearly documented and that the documentation should be readily available for examination.

Unreliable and invalid data existed at the partner level because the Mission staff did not consistently review and verify results reported by the partners.

Because the reported information was unreliable and invalid, the Mission may have under- or over-reported to USAID/Washington in the annual report. In addition, the Mission may have used incorrect information to make programmatic decisions. In order to address this issue, we are making the following recommendation.

Recommendation No. 2: We recommend that USAID/Guinea develop procedures to ensure that reported results are verified by source documentation during monitoring visits to implementing partner offices and sites.

Management Comments and Our Evaluation

In response to the draft report, USAID/Guinea agreed with all of the findings and recommendations in the draft audit report. Based on appropriate action taken by the Mission, management decisions have been reached on both recommendations. The first recommendation is considered closed upon the issuance of the final report. However, recommendation number two will be considered closed only after the Mission has informed us that, as it proposes, it has pre-tested its action plans during the site visits and then finalized them based on the results by July 2004.

Recommendation No. 1 proposes that the Mission implement procedures requiring monitoring to be performed by the implementing partner, Management Sciences for Health, in conjunction with, when possible, the Government of Guinea. As part of these procedures, the Mission must require the implementing partner to report to the Mission regarding the monitoring visits in the quarterly reports. The Mission concurred

with this recommendation and has already required MSH to submit a continuation application for approval by USAID prior to receipt of any additional funding. As part of its continuation application that was submitted on May 10, 2004, MSH incorporated into its proposed work plan a ten point strategy for improving monitoring of the performance of health centers. Additionally, the Mission's Acquisition and Assistance Specialist formally responded to the MSH proposal on May 26, 2004 with six additional recommendations for further strengthening the monitoring of the health centers by MSH which the latter agreed to incorporate into their revised work plan resubmitted to USAID on or around June 1. MSH has also agreed to include specific status updates on implementation of the health center monitoring plan in its quarterly reports to USAID. These measures will become part of MSH's cooperative agreement, and MSH will be contractually bound to them. The Mission believes, and we agree, that when the renewal of the cooperative agreement has been negotiated and finalized (expected in June, 2004), Recommendation # 1 will have been satisfied.

Recommendation No. 2 states that the Mission develop procedures to ensure that reported results are verified by checking source documentation during monitoring visits to implementing partner offices and sites. The Mission has indicated that it will develop a "Record of Site Visit" form in consultation with the USAID/Guinea Program Office that describes procedures to ensure that reported results are verified by source documentation during monitoring visits to implementing partner officers and sites. This form will be based on one developed by USAID/Benin in response to a similar audit recommendation. The form will be pre-tested during the next few site visits and then finalized based on the results. Mission expects that this action will be completed by July, 2004 and that this will, we agree, satisfy Recommendation #2.

The Mission, while acknowledging and regretting the discovery by the auditors of discrepancies in reported data for the indicators selected, nevertheless considers all the discrepancies to be relatively minor. Mission does not believe those errors would lead the Mission to make poor programmatic decisions or report significantly erroneous results to USAID/W. We believe however that the frequency of the errors, which could have been prevented had the procedures we now recommend been used, renders them potentially significant. We therefore made our recommendation as a preventive measure.

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Scope and Methodology

Scope

The Regional Inspector General, Dakar, conducted this audit in accordance with generally accepted government auditing standards. The purpose of the audit was to determine whether USAID/Guinea monitors the performance of its health program in a manner that ensures intended results are achieved. The audit was conducted at USAID/Guinea in Conakry from March 16 to April 2, 2004. Site visits were also made to the offices of two implementing partners (IP): Management Sciences for Health and Population Services International, the former located in Kankan and the latter located in Conakry, with a satellite office in Kankan.

While visiting the IP offices in Conakry and Kankan, we also visited two Government of Guinea (GOG) health centers in Missamana and Koumban in the Kankan Region of Upper Guinea, where we observed health program activities and talked with the centers' technical personnel. Additionally, we visited the region's health administrative offices in Kankan, the Direction Préfectorale de la Santé Publique, where we discussed with GOG health officials our experience at the health centers and other health program monitoring issues.

The audit scope focused on examining the procedures used by the Mission and the selected implementing partners (IPs) to monitor health program activities. This included reviewing reports prepared by the Mission and partners, reviewing and tracking indictors back to a variety of source documents, and visiting partner offices and field sites to review documentation and observe activities. It also included reviewing the Mission's achievement of its reported results and assessing the data quality of selected performance data for fiscal year (FY) 2003. We also assessed the management controls of the program as evidenced by 1) records of health team's contact with the implementing partners as well as the health team members' monitoring trip reports; and 2) health team's review of implementing partners' quarterly progress reports. Additionally, we used USAID guidance, including the Automated Directives System, mission reports, and other internal policies and procedures as the basis to assess how well Mission management was monitoring activities, assessing the indicators used, evaluating the impact of its health activities against intended targets, learning from the results and providing timely feedback for corrective action or modification of focus to its partners. Finally, we reviewed the latest Federal Managers

Financial Integrity Act certification submitted by the Mission for any material control weaknesses relating to the health program.

Methodology

While conducting fieldwork, we performed limited tests of compliance with USAID procedures regarding results reporting and program monitoring at the Mission level. To verify the accuracy of performance indicator data reported to USAID/Washington in the FY 2004 Annual Report (for activities conducted in FY 2003), we traced the data back to documentation provided by the IPs to the Mission. We traced the partners' data back to their supporting documentation for selected results, indicators both included in the Mission's Annual Report as well as indicators not included in the Annual Report, to determine the accuracy of reported data. Our verification included examining source documents such as sign-in sheets for trainings held and electronic and manual records.

We also interviewed responsible personnel at the USAID Mission in Guinea and at the two selected implementing partners' offices, as well as Government of Guinea's Ministry of Health officials at field sites, concerning program activities, monitoring efforts and data accuracy issues.

In assessing the accuracy of the data, we used a threshold of one percent for transcription accuracy and five percent for computation accuracy.

Management Comments

United State Agency for International Development

USAID/Guinea
Conakry

Memorandum

DATE: May 26, 2004

FOR: RIG/Dakar, Lee Jewell III

FROM: USAID/Guinea Acting Director, David Atteberry /s/

SUBJECT: Mission comments on Report No. 7-675-04-00X-P (Audit of USAID/Guinea's Monitoring and Reporting of its Health Program)

I. Introduction:

This memorandum contains USAID/Guinea's comments on the subject draft report received on May 3, 2004. It is divided into two sections: (I.) Audit Recommendations and Corrective Actions by USAID/Guinea and (II.) Comments on the audit report narrative.

I would like to thank the RIG for the useful feedback provided to the Mission and for the thoroughness of their work, which included an extended field trip to our major health project area. The Report will help us improve monitoring and reporting not only of our health program but also throughout the Mission.

II. Audit Recommendations and Corrective Actions by USAID/Guinea

The Mission agrees with the recommendations of the auditors and proposes the following steps to implement them:

A) Recommendation #1 – USAID/Guinea has already required MSH to submit a continuation application in May, 2004, for approval by USAID prior to receipt of any additional funding. As part of its continuation application that was submitted on May 10, 2004, MSH incorporated into its

proposed work plan a ten point strategy for improving monitoring of the performance of health centers. USAID/Guinea through its Acquisition and Assistance Specialist formally responded to the MSH proposal on May 26, 2004 with six additional recommendations for further strengthening the monitoring of the health centers by MSH. The USAID recommendations included one to create a check list that would be used by MSH, in addition to the official checklist currently being used by the Ministry of Health during its supervision visits of health lists. USAID specifically requested MSH to create a check list that would require supervisors to describe discoveries made during visits and steps taken to resolve problems, rather than a simple yes/no checklist. MSH has reviewed all of the USAID suggestions and indicated that they viewed the recommendations favorably and would incorporate them into their revised work plan that will be resubmitted to USAID about June 1. MSH has also agreed to include specific status updates on implementation of the health center monitoring plan in its quarterly reports to USAID. These measures will become part of MSH's cooperative agreement, and MSH will be contractually bound to them. We anticipate that the Cooperative Agreement Amendment for the PRISM project will be signed by the USAID Regional Contracting Officer in June, following completion of negotiation of the health center monitoring plan and other issues. We believe that once this agreement is signed in June, 2004, that USAID will have required the implementing partner (MSH) to implement procedures requiring the monitoring of health centers and reporting of progress to USAID. We believe that when the renewal of the cooperative agreement has been negotiated and finalized (expected in June, 2004) that Recommendation # 1 will have been met.

B) Recommendation #2 – The USAID/Guinea Health Team will develop a "Record of Site Visit" form in consultation with the USAID/Guinea Program Office that describes procedures to ensure that reported results are verified by source documentation during monitoring visits to implementing partner officers and sites. This form will be based on one developed by USAID/Benin in response to a similar audit recommendation. The form will be pre-tested during the next few site visits and then finalized based on the results. We expect that this action will be completed by July, 2004 and that this will satisfy Recommendation #2.

III. Comments on the Audit Report Narrative

A) Comments on monitoring by the implementing partner, MSH

Over the course of the PRISM project, monitoring has been a chronic problem as it has been for other health projects being implemented in Guinea. USAID has continually addressed monitoring with MSH during the course of the project through regular strategy and planning meetings, during site visits by USAID staff, and during the project midterm evaluation that was conducted by an outside contractor for USAID in March 2001. During the midterm evaluation, the evaluators recommended that MSH staff curtail independent monitoring visits to health centers, which had previously been the practice, and conduct joint supervisions with MOH staff. The Audit Report narrative states on Page 11 that MSH personnel "*preferred* to perform monitoring visits in conjunction with the Government," while MSH was responding to an official recommendation from an external evaluation commissioned by USAID.

In December 2002, USAID signed a follow-on agreement with MSH in which it anticipated that monitoring and supervision would continue to pose problems and specifically included a provision

in the new agreement that required MSH to submit a continuation application after 16 months of implementation, in order to continue to receive funding. MSH's performance, particularly in the area of monitoring, would be assessed after that time and official contractual steps would be taken to make improvements as necessary. As mentioned in the corrective actions above, MSH has proposed and USAID/Guinea has approved concrete strategies, which MSH is contractually responsible for, that should improve overall monitoring of health centers.

USAID and MSH have made significant progress in improving the quality of certain services at health centers in Upper Guinea as verified through an external quantitative health facility survey financed by USAID and a household survey contracted by MSH that were both conducted in October 2003. The health facility survey compared results over time (with results of a similar survey conducted in FY 2001) and with conditions found in other "non-PRISM" regions of the country. Results of these surveys indicate unequivocally that the great majority of health centers in the PRISM project area of Upper Guinea significantly surpassed health centers in other regions of the country that were surveyed as controls, in the areas of quality of services provided, accuracy of counseling provided and availability of resources.

B. Comments on Findings Related to Reported Data

We acknowledge and regret the slight discrepancies that the auditors found while verifying reported data for each of the indicators they selected. We find all of the noted discrepancies to be relatively minor and of a small enough magnitude that they would not lead the Mission to make poor programmatic decisions or report significantly erroneous results to USAID/W. We do acknowledge the discrepancies in data reporting that may have resulted from carelessness.

The Mission's Health Team consistently verifies source documentation and notes weaknesses (in the areas of reliability and validity) of reported data in its data quality assessments, which are on file. ADS and Annual Report Guidance indicates that data quality should be verified every three years for data used in the Annual Report.

C. Minor Corrections

The following are minor corrections:

Page 5 - In the background section, gains made in FY 2002 are listed. Should this be 2003?

Page 7 - The mission **and its partners** funded surveys to **measure the impact of its interventions** not to "determine the actual statistics of the country." We, however, will be conducting a DHS in FY 2004 to obtain nationwide statistics in a variety of areas.

Page 8 - In the caption under the picture the second person from the right is Dr. Dem (not Dr. Dieng).

Page 12 – In the fourth full paragraph, the report cites oral rehydration salts sales data for FY 2002. Should this be FY 2003?

IV. Conclusion

Once again USAID/Guinea extends its appreciation to the RIG and its auditing team for their professional job and their many suggestions. We are prepared to respond to any questions you have or provide any additional clarification you wish concerning our comments.