GAO
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Highlights

Highlights of GAO-09-666, a report to congressional committees

Why GAO Did This Study

The President's Emergency Plan for AIDS Relief (PEPFAR), first authorized in 2003 at $15 billion for 5 years, was reauthorized in 2008 at $48 billion through 2013. PEPFAR supports HIV/AIDS prevention, treatment, and care services, primarily in Africa as well as in Asia and the Caribbean. The Office of the U.S. Global AIDS Coordinator (OGAC) leads implementation of PEPFAR. The Department of Health and Human Services' Centers for Disease Control and Prevention (CDC) and the U.S. Agency for International Development (USAID) are among PEPFAR's primary implementing agencies. In this report, responding to a legislative directive, GAO examined practices used in (1) selecting organizations to implement PEPFAR activities and (2) overseeing these organizations' PEPFAR activities. GAO interviewed agency and implementing organization officials; reviewed key agency guidance; analyzed PEPFAR awards for fiscal years 2007 and 2008; and observed PEPFAR activities in Namibia, South Africa, and Zambia.

What GAO Recommends

GAO recommends that the Secretary of State direct OGAC to take several steps to improve specific processes for selecting PEPFAR implementing partners and strengthen oversight of PEPFAR partners. The Department of State generally acknowledged GAO's recommendations, noting several areas where it has begun to take the recommended steps.

View GAO-09-666 or key components.
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PRESIDENT'S EMERGENCY PLAN FOR AIDS RELIEF

Partner Selection and Oversight Follow Accepted Practices but Would Benefit from Enhanced Planning and Accountability

What GAO Found

The selection of PEPFAR partner organizations to implement HIV/AIDS prevention, treatment, and care services generally follows accepted practices. GAO's review of PEPFAR guidance on annual interagency planning for program activities, including selection of implementing partners, found that the guidance calls for strategic assessments of overall program needs. GAO also found that the interagency plans for PEPFAR activities in Namibia, South Africa, and Zambia for fiscal year 2008 included such assessments, and CDC officials reported using these annual plans in planning their selection of PEPFAR implementing partners. However, the PEPFAR guidance that GAO reviewed does not call for the involvement of agency assistance and acquisition officials—officials with primary responsibility for making awards to implementing partners—although these officials possess expertise necessary to ensure that the selection process contributes to meeting program needs. Moreover, these officials were not involved in preparing the interagency PEPFAR plans for fiscal years 2008 and 2009. Further, although PEPFAR guidance on preparing the interagency plans is OGAC's key tool for coordinating the implementing agencies' partner selection processes, this guidance has not been integrated with the agencies' guidance. In making awards, CDC and USAID generally engaged in competitive selection processes, such as issuing solicitations and convening review panels, to select candidate organization proposals with the best approach for meeting program needs. In addition, CDC and USAID evaluated candidate organizations' technical, management, and financial capacities to ensure that candidates had the systems and resources needed to meet program needs.

CDC and USAID have established a number of practices to oversee the activities of their PEPFAR implementing partners. For the awards that GAO reviewed, CDC and USAID required programmatic and financial reporting, reviewed implementing partners' expenditure data against their work plans, and documented site visits with checklists and reports. In addition, CDC and USAID provided technical assistance to improve implementing partners' capacities. However, several weaknesses have limited CDC's and USAID's ability to oversee partners' and subpartners' PEPFAR activities and thus ensure accountability for PEPFAR funds. First, according to OGAC data, about 29 percent of CDC and 7 percent of USAID direct-hire positions—including those with oversight responsibility—remained unfilled early in fiscal year 2009. Second, PEPFAR and agency award reporting time frames are not synchronized, exacerbating agencies' reporting burden and reducing time for oversight, including time for site visits. Third, GAO's assessments of 15 implementing partners' internal controls showed that one implementing partner and six subpartners were constrained in their ability to account for the use of PEPFAR funds, because they did not consistently carry out established policies and procedures. Fourth, CDC procedures for collecting audits and ensuring resolution of audit findings are unclear, limiting CDC's ability to help strengthen identified implementing partner weaknesses.