

AIDSTAR-Two Project Trip Report – Lilongwe, Malawi May 6-10, 2013

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5 key words:

Malawi
Risk Management
Fraud Prevention
CSO Leadership
USG Rules and Regulations

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Process for completing trip report

1. This **trip report** must be completed by the traveler and distributed to the supervisor, relevant activity manager (Yadira for field support), and AdCo within 5 business days of the traveler's return to their home office.
2. The traveler will schedule a **debriefing** with their activity manager and, if appropriate, the project team within 10 business days of their return to their home office. This meeting will highlight content for the trip report. If the traveler is an activity manager, they will meet with the relevant members of the project team. The appropriate activity manager can serve as a resource to determine who else should be present at the debriefing.
3. Trip reports and addenda should be saved by the AdCo with the relevant TDY documents in sub-project eRoom.
4. Completion of the trip report and scheduling debriefings is the responsibility of the traveler.
5. The traveler must have the report **reviewed and approved by the activity manager**, who will submit to the COTR.
6. When the entire template is completed, email the report along with all relevant documents to the relevant Activity Manager and AdCo. AdCo will determine if trip report and which documents should be sent to **Institutional Memory and will update trip report submission logs**.
7. Save this report using the following naming protocol: sub-project name_ traveler's name_ destination_program year_departure month (i.e. Honduras-Bautista- Honduras -2009-6).

1. Scope of Work:

Destination and Client(s)/ Partner(s)	Lilongwe, Malawi AIDSTAR-Two/Malawi & USAID/Malawi
Traveler(s) Name, Role	Mike Hammes, Director for Finance and Administration, AIDSTAR-Two
Date of travel on Trip	5/6-5/10, 2013
Purpose of trip	The primary purpose of the trip was to prepare and deliver workshops on US Government Rules and Regulations (one day) and Risk Management and Fraud Prevention (two-days). In addition, the trip provided an opportunity to meet with AIDSTAR-Two Malawi staff to discuss budgetary and financial issues related to the upcoming close-out of the USAID Malawi activity.
Objectives/Activities/ Deliverables	<ul style="list-style-type: none">• Co-facilitate workshops for executive leadership of 14 local Civil Society Organizations (CSOs) with whom AIDSTAR-Two is working in order to provide them with a foundational understanding of USG rules and regulations, as well as how to identify, prevent, and address incidents of fraud within their organizations.• Conduct a review of the current AIDSTAR-Two/Malawi program year budget in order to reflect pending activities and anticipate spending between May-Sept. 2013 in order to plan for project close-out.
Background/Context, if appropriate.	<p>The AIDSTAR-Two Malawi CSO Capacity Building Project was launched in October 2011 as an initiative to strengthen the technical and managerial capacity of local CSOs in order to enhance the quality and effectiveness of their response to HIV/AIDS in Malawi. The project works with 14 local CSOs providing a range of HIV/AIDS services and/or working in the areas of HIV/AIDS advocacy, and seeks to strengthen their organizational capacity in leadership, management, governance, advocacy, and monitoring and evaluation.</p> <p>In May 2012, AIDSTAR-Two delivered a two-day workshop on financial management for executive leadership of the 14 CSOs in order to improve their understanding of the role of Executive Leadership in Financial Management. This workshop provided participants with a framework for developing and improving their organization's financial and administrative functions, and also provided a very short session on USG rules and regulations. As the CSOs have taken steps to further develop their financial and administrative capacity, executive leadership identified the need to better understand USG rules and regulations, and particularly how the USG regulatory framework speaks to strong financial and administrative systems. CSO leadership has also identified fraud as a significant potential risk to the financial integrity of their organizations, and as such wanted to have a better understanding of how to prevent, detect and mitigate fraud within their organizations by utilizing a firmer understanding of risk management concepts as they can be applied to fraud prevention. While the workshop one year ago touched on these issues, the CSOs wished to receive a deeper understanding in these areas, and requested AIDSTAR-Two to arrange a follow-up training on these issues.</p>

2. Major Trip Accomplishments: Should include the major programmatic goals realized, relevant metrics, and stories of impact from the trip.

- Delivered a one-day workshop on USG Rules and Regulations and two-day workshop on Risk Management and Fraud Prevention for executive leadership of 14 CSOs. The specific objectives of these workshops included:
 1. Providing CSO Leadership with an overview of the USG regulatory framework as it applies to not-for-profit organizations;
 2. Helping CSOs apply an understanding of USG cost principles, financial management requirements, and agreement requirements to their own operations in order to improve their future ability to comply with the USG requirements;
 3. Provide the OMB circulars and copies of other USG regulations as a reference for the CSOs;
 4. Provide CSOs with a strong understanding of risk management concepts, and how they can apply risk management concepts within their own organizations;
 5. Provide CSO Leadership with a better understanding of how risk management tools and techniques can be used to minimize potential incidents of fraud within their organizations;
 6. Equip CSOs with the ability to complete a risk register for their organizations based on tools that was introduced and utilized during the workshop;
 7. Equip CSOs to develop an action plan to address risks identified within their organizations.

The Rules & Regulations workshop provided an overview of the USG regulatory framework, including the differences between grants/cooperative agreements vs. contracts and the specific rules that apply to each. In addition, the workshop guided the participants through the USG cost principles, and discussed various cost items that could be relevant to the CSOs. AIDSTAR-Two also invited Mr. Mark Misomali from USAID/Malawi to present on the financial management of USG awards and rules related to Source/Nationality. Other topics covered included audit requirements for non-U.S. organizations, and the mandatory standard provisions that the CSOs will be subject to as USG recipients. While quite a bit of information was presented to the CSOs, the presenters left ample time for questions and answers, and used a couple of case studies to illustrate the rules.

The Risk Management and Fraud Prevention workshop started with an overview of fraud risk management, including discussions related to the prevalence and typical causes of fraud, as well as an overview of risk management concepts in order to provide the participants with a foundational base for understanding how fraud happens in an organization and how risk management can be used to mitigate the risk of fraud as well as other risks within an organization. Subsequently, interactive group sessions were conducted to demystify the concept of risk by providing practical examples of the sources of risk exposure in an organization, as well as an overview of the risk management cycle as used to address fraud on an ongoing basis. The first day of the Risk Management and Fraud Prevention workshop was concluded with a thorough presentation on internal controls and how they are related to risk management and fraud prevention.

Day 2 of the workshop was devoted introducing a risk register tool to the participants that they could use as an easily adaptable mechanism for analyzing risk within their own organizations. The tool provided a means for mapping risks according to their frequency, impact and likelihood of occurrence, and the facilitators walked through a number of case examples to illustrate through group discussion how the tool works in practice. Subsequently, a group discussion was held to brainstorm the various types of risks that are prevalent in Malawi, and then participants worked on their own to apply the risks that their individual CSOs face to the risk register. Participants were then able to share their views on how they would map and assess the various risks relevant to their organizations. At the conclusion of the workshop, Leonard Nkosi, the AS-2 Malawi Project Director, led a discussion on how the CSOs could apply the concepts and tools learned during the training in developing an Action Plan to identify and map risks in their organizations, and develop internal controls and risk management practices to contain

these risks.
<ul style="list-style-type: none"> Met with the AIDSTAR-Two/Malawi Project Director and Senior Accountant to discuss the current state of the Malawi budget and planned to develop projections to anticipate expenses through the remaining life of the project. Mike Hammes also had discussions with the Malawi Country Operations Management Unit Director regarding close-out issues, including asset disposition, record-keeping, and other close-out issues.

3. Next steps: Key actions to continue and/or complete work from trip.

Description of task	Responsible staff	Due date
Work with CSOs to guide them in developing and finalizing Action Plans related to implementation of risk management practices within their organizations.	Shalisa Mzungu and Leonard Nkosi	Ongoing through 8/31/13
Finalize projections and budget planning related to project close-out.	Alyson Clark, Leonard Nkosi, Shalisa Mzungu, Mike Hammes	5/31/13
Continued follow-up on close-out activities.	Alyson Clark, Leonard Nkosi, Shalisa Mzungu, Mike Hammes, Robert Komakech	Ongoing through October 2013

4. Contacts: List key individuals contacted during your trip, including the contacts' organization, all contact information, and brief notes on interactions with the person.

Name	Title and Institution	Contact Information	Notes
Leonard Nkosi	Project Director, AIDSTAR-Two/Malawi	(265) 1 756 111 lnkosi@msh.org	
Shalisa Mzungu	Senior Accountant, MSH/Malawi	(265) 1 756 111 smzungu@msh.org	
Mark Misomali	USAID/Malawi		

5. Description of Relevant Documents / Addendums: Give the document's file name, a brief description of the relevant document's value to other staff, as well as the document's location in eRooms or the MSH network. Examples could include finalized products and/or formal presentations, TraiNet Participant List, Participant Contact sheet, and Meeting/Workshop Participant Evaluation form are examples of relevant documents.

File name	Description of file	Location of file