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# USAID'S STRENGTHENING PUBLIC FINANCIAL MANAGEMENT IN LATIN AMERICA AND THE CARIBBEAN (PFM-LAC)

## Performance Management Plan

*September 30, 2013*

*Final Submission*

Contract Number : AID-OAA-I-12-0036/AID-OAA-TO-13-00030

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# Strengthening Public Financial Management in Latin America and the Caribbean

## Performance Management Plan

### Final Submission

**Program Name:** USAID Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC)

**Sponsoring USAID Office:** USAID/LAC/RSD/BBEG

**Contract Number:** AID-OAA-I-12-00036/AID-OAA-TO-13-00030

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The views expressed in this publication do not necessarily reflect the views of USAID or the United States Government.

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# List of Acronyms and Abbreviations

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Acronym	Definition
ADS	USAID's Automated Directives System
BBEG	Broad Based Economic Growth team
CoP	Chief of Party
COR	Contracting Officer's Representative
LAC	Latin America and the Caribbean or USAID's Bureau for Latin America and the Caribbean
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PFM-LAC	Strengthening Public Financial Management in Latin America and the Caribbean
PFMRAF	Public Financial Management Risk Assessment Framework
PMP	Performance Management Plan
RSD	Office of Regional Sustainable Development

# I. Overview

This Performance Management Plan (PMP) accompanies the Year One Work Plan for USAID's Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC) project. The PMP is designed to generate data and analyses to be used by USAID | LAC/RSD/BBEG (Bureau for Latin America and the Caribbean, Office of Regional Sustainable Development, Broad-Based Economic Growth team) and PFM-LAC leadership in overseeing and managing execution of project activities, determining stakeholder response to these activities, modifying or realigning activities to address any needed changes, and preparing information that can be used to inform stakeholders on PFM-LAC activity outputs and project results.

The PMP:

- Explains how USAID and the PFM-LAC project team will: a) monitor project activities and performance indicators to determine whether the project is on track to achieve intended results; and b) evaluate project progress to assess implementation strategies, provide lessons learned, and estimate the impact of project interventions;
- Includes all indicators that must be reported to USAID on a regular basis;
- Includes a description of complementary data to be collected by the PFM-LAC project team, which will be available, but not typically reported, to USAID on a regular basis;
- Includes any PMP requirements that the PFM-LAC team must meet;
- Establishes a process for alerting the project team and USAID of any problems in implementation and provides a basis for making any needed project adjustments; and
- Serves as a communication tool so that PFM-LAC staff and USAID can clearly understand the goals and targets that the PFM-LAC project is responsible for achieving.

The PMP includes:

- A summary of the project goals and logic;
- A definition of the project expected beneficiaries;
- Indicators to measure progress against expected activity outputs, intermediate results, and results drawn from the project goals and logic, and with corresponding definitions, baseline values, targets, data sources, and methodology for data collection;
- General guidance for data collection, reporting, and data quality reviews;
- A brief description of other components of the PMP, such as assumptions and risks; and
- Requirements for the implementation of the PMP, including PFM-LAC team responsibilities.

USAID and the PFM-LAC team may make adjustments to the PMP as needed, provided modifications are consistent with the requirements set forth below. This PMP is a binding document that serves as a guide for program implementation and management. It will help USAID, the PFM-LAC team, and other stakeholders track the progress being made towards the achievement of results.

## 1.1. Project Goal

The goal of PFM-LAC is to improve public financial management in the Latin America and Caribbean (LAC) region. The term "public financial management" or "PFM" includes the systems and mechanisms through which countries mobilize public revenues and budget, execute, and monitor the expenditures. The following are expected results of PFM-LAC<sup>1</sup>:

- Increased attention and resources devoted to PFM issues by USAID missions, host governments, and other actors in the LAC region as a result of the task order;
- Adoption and use by USAID missions, host governments, and/or other actors in at least four LAC countries of tools and approaches developed under the task order;
- Measurable improvements in tax administration or revenue collection at the national and/or subnational levels in at least two targeted countries that can be attributed to the task order; and
- Measurable improvements in budget or public expenditure practices at the national, sub-national, and/or line ministry level in at least two targeted countries that can be attributed to the task order.

More effective PFM in LAC is critical to USAID's policy approach, which is synthesized in the Presidential Policy Directive on Global Development of September 2010: "The purpose of development is creating the conditions where our assistance is no longer needed."

## 1.2. Project Beneficiaries

The beneficiaries of PFM-LAC include:

- USAID headquarters and mission staff; and
- Staff of host governments;

Other beneficiaries that may be directly impacted by specific project activities include PFM practitioners in multilateral donor organizations or host country non-governmental organizations and academic institutions. Where appropriate, these are identified in the specific activities below.

## 1.3. Project Logic and Activities

The project has four components as follows:

- *Technical analysis, assessments, and knowledge management*: Assess and diagnose issues related to PFM and develop tools, techniques, guidance notes, diagnostics, and similar products to allow USAID missions, host countries, and related actors to plan, design, implement, monitor, and evaluate PFM activities;
- *Seminars, workshops, and training*: Organize, manage, and participate in seminars, workshops, and trainings on PFM topics;
- *Field-based capacity building and technical assistance*: Provide such assistance in the area of PFM to missions, host country governments, and other relevant actors; and

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<sup>1</sup> The related problem analysis is detailed clearly in the PFM-LAC contract and not presented here.

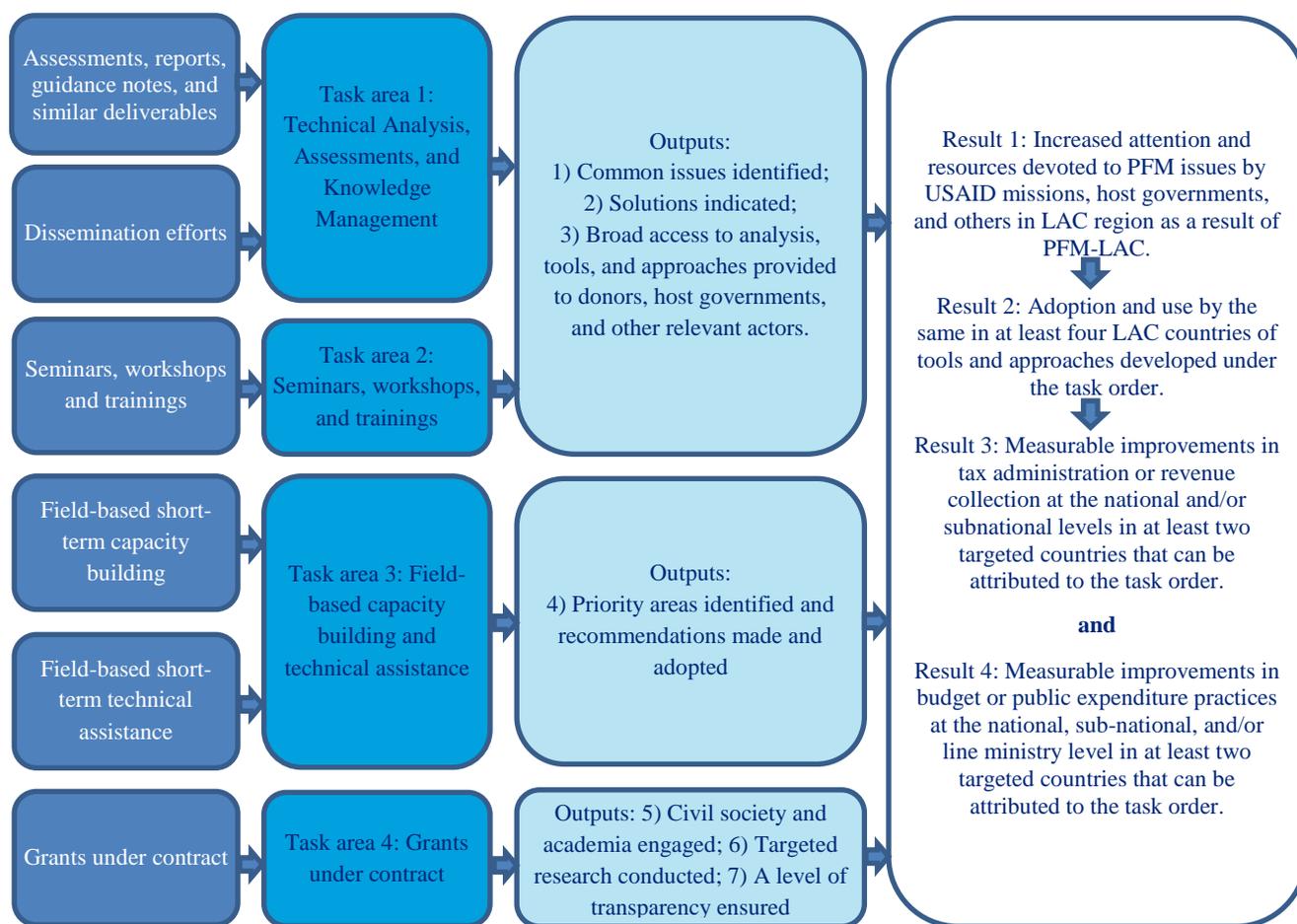
- *Grants under contract*: Execute or administer grants on behalf of USAID with a focus on local organizations and PFM issues.

Each component is expected to impact one or more of the expected results.

The PFM-LAC project is designed to allow USAID and the PFM-LAC team a level of flexibility in selecting and executing activities. Individual activities may be suggested by the PFM-LAC team or proposed by USAID's PFM-LAC Contracting Officer's Representative (COR), often in consultation with USAID missions. The Year One Work Plan and this PMP will continue to evolve, particularly as conversations with interested missions continue to progress.

The following is the PFM-LAC project high-level causal framework.

**Figure 1. PFM-LAC causal framework**



## 1.4. Assumptions and Risks

PFM-LAC assumptions and risks are presented below. These are similar, as both are conditions outside of the direct control of the PFM-LAC team and could affect the progress of the project towards achieving project goals. They are presented separately, however, to differentiate between those factors on which the project logic builds (assumptions) and other external factors (risks).

### *Assumptions*

- The project's focus on dissemination to "other actors," as defined in section 1.2 above, depends on selected activities.
- There is no significant restructuring / closing of USAID missions.
- There are no significant changes to projected USAID funding.
- There is sufficient demand and space for USAID interventions related to PFM given the work of multilateral and other donors.
- Host governments demonstrate political will to adopt improved PFM practices.

### *Risks*

- Worsening security, poverty, and/or economic outlook in the LAC region may shift USAID mission, other donor, and host government focus and interest level in PFM.
- U.S. Government sequestration actions or shifting priorities may reduce USAID funding for PFM in the LAC region.

## II. PMP Administration

### 2.1. Responsibilities

Deliverables under PFM-LAC, including this PMP, are the responsibility of the PFM-LAC Chief of Party (CoP), John Uggen. The CoP will ensure that this PMP, its future updates, and monitoring and evaluation and related reporting as detailed below are submitted to USAID in a timely manner. The CoP is also responsible for alerting the USAID COR of deviations from performance targets and may propose changes to activity design to the COR.

The responsibility for data collection and the timely update of the PMP to accommodate new activities and performance information lies with the PFM-LAC PMP administrator, Anton Kamenov.

Activity managers, designated by the CoP with concurrence from the PFM-LAC COR, who are intimately familiar with the day-to-day progress of respective project activities, will assist the CoP and the PMP administrator in collecting and analyzing performance data and may propose activity design changes to the CoP.

### 2.2. Contractual Requirements

The following are contractual requirements with respect to this PMP.

- The PMP, designed in consultation with the COR, is to accompany each annual work plan and track progress against components;
- The PMP is to be reviewed and validated annually, and revised as appropriate;
- Performance indicators will need to be established for all activities under the contract, along with the identification of data sources used to establish baseline and target values for each indicator;
- PMP indicators should take gender into account as appropriate; and
- Indicators will track lower-level outputs, but must also be appropriate to track and measure the expected results.

The following indicators are identified in the contract for the life of the contract.

- At least 20 desk-based and/or field-based assessments.
- At least five seminars/workshops/trainings.
- At least 12 short-term technical assistance assignments in the LAC region.

Integrating gender considerations into PFM-LAC is required as per USAID's Automated Directives System (ADS) 201.3.9.3<sup>2</sup>, including the collection and evaluation of sex disaggregated data, the relationship between men and women within sectors studied, and the differences in roles, responsibilities, and status of women and men. Gender analysis should identify root causes of existing gender inequalities or obstacles to female empowerment in that context so that USAID can proactively address them. Because males and females are not homogenous groups, gender analysis should also disaggregate by income, region, caste, race, ethnicity, age, disability, and other relevant social characteristics.

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<sup>2</sup> [www.usaid.gov/policy/ads/200/201.pdf](http://www.usaid.gov/policy/ads/200/201.pdf)

## 2.3. Processes

It is expected that the Year One Work Plan and this PMP will continue to evolve. Individual activities may be suggested by the PFM-LAC team or proposed by USAID's PFM-LAC COR, often in consultation with USAID missions. Performance management tasks under PFM-LAC therefore include:

- Updating the PMP to accommodate new activities;
- Undertaking sound procedures for collecting timely performance data;
- Continuously monitoring the implementation of activities;
- Evaluating project performance; and
- Proposing changes to activities or project design as a result of the analyses.

### *Updates to the PMP*

When new activities are identified and included in the project Year One Work Plan:

- The PMP administrator will work with the CoP to include data collection and monitoring tasks in the activity scope of work. For example, the scope of work for a workshop may include a post-workshop evaluation survey; and
- The PMP administrator will brief the activity manager and teams on the requirements of this PMP and will work with activity managers to validate the performance measures specific to the activity for data availability and measurement soundness.

To the extent that there are changes to this PMP, including the PMP's indicator tracking table, the PMP administrator must seek the concurrence of the PFM-LAC COR, clearly identifying the changes.

### *Monitoring*

Monitoring shall be defined as the continuous and systematic collection of data on specified indicators to gauge progress toward expected project results and the achievement of activity outputs along the way. Indicators are used to assess likely progress toward the expected results throughout the implementation period.

### **Indicators**

The project logic permits the following levels of indicators as follows.

- *Output (activity) indicators:* These indicators are linked directly to project activities and describe the quantity of services or products provided to project beneficiaries directly during activity implementation;
- *Intermediate result (technical area) indicators:* These indicators measure the intermediate impact of activities and are directly related to the project logic. A number of these indicators are required by contract; and
- *Expected result indicators:* These indicators measure progress against expected results, namely the increased attention, resources, and use of tools for PFM by USAID missions, host governments, and other actors and measurable improvements in revenue generation and expenditure management. According to the project logic, and depending on project activities, each of the technical areas (components) of the

project may contribute to each of the expected project results. Therefore, this PMP does not group all output and intermediate result indicators under a specific expected result.

Different indicators are needed to track project performance. Baseline and target values, data sources, the units of measurement, the frequency of data collection, and the methodology for data collection are specified separately for each indicator. Information on the choice of specific indicators is provided in section III.

This PMP does not include process indicators. *Process indicators* measure progress toward the completion of project activities and ascertain that the work is proceeding on time, on budget, and within scope. It is common practice to use PMP monitoring to measure quality and impacts and use mid-project and end of project evaluations to assess performance against scope, budgets, and timelines. Evaluations are discussed below.

It should be noted that the expected results of PFM-LAC, as presented in the contract and above, define three result levels. Increased attention and resources devoted to PFM (result 1) may lead to increased use of PFM tools (result 2), and to improved revenue and expenditure management (results 3 and 4). There is a natural progression from activity outputs to expected results.

Activity 1.7 of the PFM-LAC Year One Work Plan is a study to assess the feasibility of a PFM community of practice to be launched by the project. This PMP should be updated if a community of practice can be implemented. The activities of a community of practice could be used to measure stakeholder engagement.

A number of similar activities in the indicator tracking table below use similar indicators. It is thus possible to aggregate results by technical area (component) during reporting according to this PMP.

### **Data sources and methodology**

Data sources may include USAID or third-party documents (e.g., Public Financial Management Risk Assessment Framework (PFMRAF) or Public Expenditure and Financial Accountability (PEFA) assessments), surveys of USAID or host government staff, and informal interviews of USAID or host government staff by PFM-LAC team members. To the extent that PMP efforts require the time and commitment of USAID or host government counterparts, the PFM-LAC COR will be notified and the project team will ensure proper advance coordination with USAID missions. To the extent that PMP efforts require the time and commitment of PFM-LAC staff, these will be recorded in staff / activity scopes of work.

Since basic data may be available as a result of desk research or direct engagement with USAID missions or counterparts on specific activities, all PFM-LAC team members and partners will be made aware of the indicators relevant to their specific areas at the start of activities and relevant information will be included in the PMP. They will also be tasked with actively looking for other, potentially more useful or relevant indicators as they work on their assignments. Activity managers, working with the PMP administrator, will be tasked with updating PMP indicators as events take place.

### **Data quality**

PFM-LAC should seek to ensure that PMP indicators meet the following standards as listed in USAID TIPS 12: Data Quality Standards:

- *Validity:* Data are valid to the extent that they clearly, directly, and adequately represent the result to be measured. Measurement errors, unrepresentative sampling, and simple transcription errors may adversely affect data validity. Data should be periodically tested to ensure that no error creates significant bias.
- *Reliability:* Data should reflect stable and consistent data collection processes and analysis methods over time. Project managers and M&E staff should be confident that progress toward performance targets reflects real changes rather than variations in data collection methods. Reliability can be affected by questionable validity as well as by changes in data collection processes.
- *Timeliness:* Data should be available with enough frequency and should be sufficiently current to inform management decision-making. Effective management decisions depend upon regular collection of up-to-date performance information.
- *Precision:* Data should be sufficiently accurate to present a fair picture of performance and enable project managers to make confident decisions. The expected change being measured should be greater than the margin of error. Measurement error results primarily from weakness in design of a data collection instrument, inadequate controls for bias in responses or reporting, or inadequately trained or supervised enumerators.
- *Integrity:* Data that are collected, analyzed, and reported should have mechanisms in place to reduce the possibility that data are subject to erroneous or intentional alteration.

### **Monitoring activities**

Day-to-day monitoring of activities will be achieved through management actions, including frequent briefings with individual staff, weekly staff meetings, debriefings of staff during and at the end of their missions, review of staff and advisor inputs to regular reports, and appraisal of work products and exchanges with USAID mission or host government staff. Specifically:

- The PMP administrator will communicate with the activity team regularly (bi-weekly) on data collection progress;
- The activity manager will brief the PMP administrator at the end of activities.

Specific issues that will be addressed include:

- The quality of technical assistance proffered by each advisor;
- How specific tasks are undertaken relative to approved work plans;
- How advisors are adapting to changing conditions;
- The quality and timeliness of implementation data provided by both the PFM-LAC team and assistance recipients; and
- How recipients are responding to PFM-LAC assistance.

Analysis of the differences between targets and reported indicator values will initially look at statistical factors that may contribute to differences, including reporting or data entry errors, misclassifications, or timing issues. Once statistical issues are addressed, and if significant gaps between targets and reported values remain, the project team will reexamine those project activities that link to specific outputs and/or results in order to evaluate how these have been implemented and determine if there is a need to either change the task or reconsider the scope of the desired result. The PFM-LAC team will advise USAID of findings and recommendations (e.g., if

changes in implementation are needed, new approaches are called for, etc.) and work with USAID on possible modifications to the PFM-LAC PMP and Year One Work Plan.

Indicators describe the likely progress towards goals. Achieving indicator targets should not be equated with achieving PFM-LAC goals (nor does falling short in achieving targets necessarily mean falling short in reaching these goals). The task of this PMP is to assess likely PFM-LAC results in each component area, report on findings, and discuss implications for achieving PFM-LAC goals and/or the specifics of project implementation. PMP analyses will address the issue ‘what was the impact of activity X on result Y,’ and findings will be incorporated into recommendations for changes in anticipated results or specific activities.

### **Reporting Performance against the PMP**

The PFM-LAC CoP and PMP administrator will report performance against the PMP to the COR:

- Informally, at regular in-person or telephone progress meetings with the COR, as specified in the Year One Work Plan;
- Within regular (quarterly) project reports, as specified in the contract; and
- Informally, at other times that the CoP or COR deem necessary (e.g., at the completion of project activities).

The following are indicative topics:

- Status of implementation of activities planned during the period and explanations in cases of deviation from the plans;
- Challenges that might affect implementation and proposed measures to address the challenges;
- Significant PMP activities that will take place or have taken place;
- Procurements and results of any PMP studies; and
- Analysis of PMP data.

### **Evaluation**

Evaluation is essential in any project, as monitoring – essential for program management – is not sufficient for assessing ultimate results. Evaluations assess the project’s rationale, relevance, effectiveness, efficiency, merits, sustainability, and impact on the targeted beneficiaries. To the extent possible, evaluations should answer the following questions:

- Were the goals and outcomes achieved? Why or why not?
- What were the results of project interventions – intended and unintended, positive or negative?
- Was the project cost effective, analyzed through comparisons to original estimates and assessment of differences?
- Are there differences in impact of the program, by gender, age, and/or income (if it is feasible to disaggregate impact at this level)?
- What are the lessons learned, and are they applicable to other similar projects?

Throughout the life of the PFM-LAC project, evaluations can address processes, performance, and/or impacts – for both *improving* project implementation through ‘adaptive management’ and *proving* results for accountability and future project design. As shown below, there are different types of evaluations:

- *Process evaluations* that measure: 1) whether activities were completed; 2) whether deliverables are within scope; 3) deviations from approved budgets; and 4) deviations from agreed timelines. Since the monitoring component of this PMP does not define process indicators to measure adherence to scope, budgets, and timelines, these factors should be analyzed during evaluations.
- *Performance evaluations* that start with descriptive questions, such as: what the objectives of a particular project were; what the project has achieved; how the project has been implemented; how the project is perceived and valued; where the expected results are occurring and sustainable; and other questions that are pertinent to project implementation, management, and operational decision making.
- *Impact evaluations* that measure the impacts attributable to a defined intervention. Impact evaluations require a credible and rigorously defined counterfactual, which estimates what would have happened to the beneficiaries absent the project. Estimated impacts, when contrasted with total related costs, provide an assessment of the intervention’s cost effectiveness.

Evaluations often examine variances between the indicator targets and actual data and, should indicators fall short of targets or give conflicting signals as to direction, provide an explanation for the discrepancy and suggest adjustments, as necessary, to project scope, directions, activities, timetable, and/or targets. To meet these goals, which go well beyond simple recording and reporting of data, the evaluation process frequently involves delving further into underlying causes.

For the larger training activities, the project’s performance monitoring will include collection of participant information (including gender), evaluations during the event, participant assessment, and possible follow-up interviews. With regard to grants, monitoring activities may also include providing guidelines and orientation to grantees on defining targets, collecting performance information, and reporting on their performance.

It is anticipated that stakeholder surveys will be an important and cost-effective tool in determining broad impacts. However, depending on the quality and timing of available data, other tools/techniques to determine the counterfactual for comparison with actual realizations will also be considered, such as time series analysis, use of regressions, employing difference-in-difference methodologies, and combined methods.

The timing and types of evaluations related to the PFM-LAC project will be at the discretion of USAID. In the event that USAID chooses to procure separate and independent mid-term and final evaluation(s), the PFM-LAC project team will support the evaluation team with all necessary documentation, data, relevant contacts, and other required information at its disposal. In addition, the PFM-LAC team, under COR direction, may undertake evaluations or special studies. Evaluation results will be used by USAID and the PFM-LAC team to understand the real changes caused by the project, to identify further research questions, and to assist in the prioritization of activities.

## **2.4. Data Storage and Access**

Indicator values will be stored in Microsoft Access and reported according to the indicator table in section III of this PMP. Supporting data, such as survey responses and source documents may be stored in other common

formats as needed, such as Microsoft Word, Microsoft Excel, PDF, or other. These documents will be placed in the PFM-LAC's online document retention repository, which currently resides in SharePoint. Access to these documents will be provided to the PFM-LAC key personnel (CoP, senior fiscal expert), the PMP administrator, and activity managers. An updated PMP indicator table and updates to this PMP will be provided to the COR annually. Other documents will be retained and delivered to the COR when requested.

# III. Indicator Tracking Table

## 3.1. Choice of Indicators

Indicators were selected based on a number of factors: the requirements of the contract, the scope of each activity, Deloitte’s use of related indicators in similar contexts, leading practices adapted to the LAC context, and an assessment of achievability and data reliability.

A number of factors were of particular importance in choosing indicators for expected results 3 and 4 – measurable improvements in tax administration and revenue collection at the national and/or subnational level in at least two targeted countries that can be attributed to PFM-LAC and measurable improvements in budget or public expenditure practices at the national, subnational, and/or ministry level in at least two targeted countries that can be attributed to PFM-LAC.

- In revenue generation, improvements ultimately imply higher revenue collections, a more efficient tax administration / lower cost of collections, or and/or lower cost of compliance for taxpayers. In budgeting and expenditure management, improvements imply more credible, predictable, and transparent budget and related processes. There are a number of accepted measures and assessment frameworks for analyzing these areas, including USAID's Collecting Taxes database, the World Bank's Doing Business survey, and PEFA. Data from these sources will be used to measure and analyze progress towards expected results 3 and 4. Similar indicators may be developed by the PFM-LAC team<sup>3</sup>, upon agreement with the COR, to measure targeted improvements attributed to the PFM-LAC project activities.
- The aforementioned accepted measures, however, have delays in information reporting and may have gaps, since data may not be available for all targeted countries. In addition, these measures track larger-scale improvements, which may be difficult to attribute entirely to work under the PFM-LAC project. The PFM-LAC project is designed to achieve sustained, but targeted improvements, not all of which may be reflected in USAID's Collecting Taxes database or PEFA. Short-term technical assistance may produce recommendations and improvements in a narrow PFM area, such as a better medium-term expenditure framework, assistance to a selected line ministry with the government's financial system, an improved taxpayer registry, or a change in the chart of account for better expenditure reporting. Intermediate result indicators have been added to expected results 3 and 4 to ensure more timely information. Additional indicators may be developed as Year One Work Plan activities are further refined or as new activities are approved.
- With respect to improvements in the aforementioned accepted measures, it is important to validate that such improvements can be directly attributed to PFM-LAC activities. External sources, such as reports from other donors, can be used to do so. These sources can also be used to validate that PFM-LAC recommendations and interventions actually contribute positively (i.e., are actual improvements).
- PFM-LAC activity design will benefit from tracking improvements separately and consistently across a number of PFM areas and countries. To produce a manageable dataset, the disaggregation of result 3 and 4 indicators is limited to: 1) countries with USAID missions, where impacts are likely to be larger; and 2) PFM areas where missions and other donors have shown interest at the time of creating this PMP,

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<sup>3</sup> Indicator quality (integrity) considerations that may arise are addressed in section IV.

although these areas and this PMP are subject to amendment as discussions with missions and other donors continue to progress.

### **3.2. Indicator Tracking Table**

Indicators for PFM-LAC Year One Work Plan activities are presented in the following table. Additional detail on each indicator is included in the performance indicator reference sheets in section IV of this PMP.

Figure 2. Indicator tracking table

Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC)								
Indicators and Target Values								
Indicator	Data source	Frequency	Baseline	Year 1	Year 2	Year 3	Year 4	Level / Units / Disaggregation <sup>4</sup>
<b>Expected results</b>								
<b>Expected result 1: Increased attention and resources devoted to PFM issues by USAID missions, host governments, and other actors in the LAC region as a result of the task order.</b>								
ER1.1. Cumulative monetary value of new technical and direct assistance on PFM by USAID missions / other donors	Short USAID mission or donor staff phone discussion / interview	Annual	--	\$0	\$0.5 mill	\$2 mill	\$4 mill	Result indicator. Dollar amount. Disaggregated by technical assistance with or without gender component, by type of donor (USAID vs. multilateral), LAC region, target counterpart.
ER1.2. Cumulative number of USAID missions funding PFM work	Short USAID mission or donor staff phone discussion / interview; project team	Quarterly	0	5	6	7	8	Result indicator. Number of missions. Disaggregated by LAC region and target counterpart
ER1.3. Number of external contributions and requests for research, notes, or guidance	COR and project team	Ongoing; reported quarterly	--	4	8	15	15	Intermediate result indicator. Number of requests via e-mail or other. Not disaggregated
ER1.4. Community of practice participation	<i>Depends on feasibility study in activity 1.7. Potential to</i>	Quarterly	--	TBD	TBD	TBD	TBD	<i>Depends on feasibility study in activity 1.7</i>

<sup>4</sup> Additional detail (e.g., methodology and limitation) is provided in section IV.

## Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC)

### Indicators and Target Values

Indicator	Data source	Frequency	Baseline	Year 1	Year 2	Year 3	Year 4	Level / Units / Disaggregation <sup>4</sup>
	<i>include number of threads in online forums, questions, etc.</i>							
<b>Expected result 2: Adoption and use by USAID missions, host governments, and/or other actors in at least four LAC countries of tools and approaches developed under the task order.</b>								
ER2.1. Cumulative number of tools and approaches adopted by USAID missions, host governments, and other actors	Project team and Short USAID mission or donor staff phone interview / discussion	Annual	--	0	1	2	4	Result indicator. Number of tools. Disaggregated by region and user (USAID, government, or other).
ER2.2. Perceived value of tools and approaches	Short USAID mission or donor staff phone interview / discussion	Annual	--	70%	70%	70%	70%	Result indicator. Percent of positive responses. Disaggregated by gender, stakeholder
<b>Expected result 3: Measurable improvements in tax administration or revenue collection at the national and/or subnational levels in at least two targeted countries that can be attributed to the task order.</b>								
<i>Indicator ER3.2, as described in section IV, is illustrative. As activities are further refined, ER3.2 may be modified and additional indicators may be developed to measure targeted improvements that can be directly attributed to PFM-LAC activities.</i>								
ER3.1. Cumulative number of PFM-LAC recommendations adopted, related to revenue generation	Discussions with USAID missions and other actors and documents external to PFM-LAC	Annual	--	4	8	12	16	Intermediate result indicator. Number of recommendations. Disaggregated by PFM area and presented by country
ER3.2. Cumulative number of target LAC countries with	USAID's collecting taxes database; World	Annual	--	0	1	2	3	Result indicator. Number of countries. Presented separately for each indicator

## Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC)

### Indicators and Target Values

Indicator	Data source	Frequency	Baseline	Year 1	Year 2	Year 3	Year 4	Level / Units / Disaggregation <sup>4</sup>
improvement in at least one revenue generation indicator from the set of: revenue productivity and cost of collection indicators in USAID's Collecting Taxes database, Ease of Paying Taxes indicators in the World Bank's Doing Business survey, sub-dimensions of the maturity model described in <i>Detailed Guidelines for Improved Tax Administration in Latin America and the Caribbean</i> , or similar indicators covering either national and /or subnational levels of government	Bank's Doing Business survey; project team							and country.
<b>Expected result 4: Measurable improvements in budget or public expenditure practices at the national, sub-national, and/or line ministry level in at least two targeted countries that can be attributed to the task order.</b>								
<i>Indicator ER4.2, as described in section IV, is illustrative. As activities are further refined, ER4.2 may be modified and additional indicators may be developed to measure targeted improvements that can be directly attributed to PFM-LAC activities.</i>								
ER4.1. Cumulative number of PFM-LAC recommendations adopted, related to expenditure / budget planning, execution, monitoring, and evaluation	Discussions with USAID missions and other actors and documents external to PFM-LAC	Annual	--	4	8	12	16	Intermediate result indicator. Number of recommendations. Disaggregated by PFM area and presented by country.

## Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC)

### Indicators and Target Values

Indicator	Data source	Frequency	Baseline	Year 1	Year 2	Year 3	Year 4	Level / Units / Disaggregation <sup>4</sup>
ER4.2. Cumulative number of target LAC countries with improvement in at least one expenditure management / budget indicator from the set of: PEFA, Open Budget Survey reports, or similar indicators covering either national and /or subnational levels of government	PEFA assessments; Open Budget Survey reports; project team	Annual	--	0	1	2	3	Result indicator. Number of countries. Presented separately for each indicator and country.
<b>Task areas</b>								
<b>Task Area 1: Technical Analysis, Assessments, and Knowledge Management</b>								
<b>Assessments, reports, guidance notes, and similar deliverables</b>								
Example activities in the Year One work plan to be measured with the following indicators include activity 1.1 ("LAC Regional PFMRAF Meta-Analysis") and activity 1.2 ("LAC Revenue Briefs – Refresh") and proposed country specific studies (Peru, Paraguay, Honduras).								
TA1.1. Cumulative number of assessments, reports, guidance notes, and similar deliverables produced	Project team	Ongoing; reported quarterly	--	4	8	12	16	Output indicator. Number. Disaggregated by LAC region, reports with gender content or not, high level topic
TA1.2. Perceived value of reports	Survey of recipients.	Activity completion; reported quarterly	--	70%	Ongoing monitoring of report usage through selected surveys			Intermediate result indicator. Percent of respondents reporting "satisfied" with report content. Disaggregated by gender
<b>Dissemination efforts</b>								

## Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC)

### Indicators and Target Values

Indicator	Data source	Frequency	Baseline	Year 1	Year 2	Year 3	Year 4	Level / Units / Disaggregation <sup>4</sup>
Example activities in the Year One work plan to be measured with the following indicators include activity 1.9 ("Regional PFM Newsletter") as well as dissemination activities pursuant to the preparation of report, such as a webinar for activity 1.1 ("LAC Regional PFMRAF Meta-Analysis").								
TA1.3. Average number of persons the reports reached	COR and project team	Activity completion; reported quarterly	0	30	TBD	TBD	TBD	Output indicator. Number of persons. Disaggregated by gender.
<p><i>Illustrative indicators: These indicators will depend on the implementation of the community of practice.</i></p> <ul style="list-style-type: none"> <li>• <i>Number of subscribers to regional PFM newsletter; and</i></li> <li>• <i>Number of threads in community of practice forum.</i></li> </ul>								
Task Area 2: Seminars, Workshops, and Trainings								
TA2.1. Cumulative number of workshops and trainings	Project team	Quarterly	--	2	4	6	8	Output indicator. Number of events. Not disaggregated
TA2.2. Number of person hours at workshop or seminar	Project team	Activity completion; reported quarterly	--	500	500	500	500	Output indicator. Person hours. Disaggregated by gender.
TA2.3. Workshop first reaction	Participant survey	Activity completion; reported quarterly	--	70%	70%	70%	70%	Intermediate result indicator. Percent satisfaction. Disaggregated by gender, topic, organization type.
TA2.4. Workshop follow-up reaction	Participant survey	3-6 months after activity; reported quarterly	--	30%	60%	TBD	TBD	Intermediate result indicator. Percent positive. Disaggregated by gender, topic, organization type
TA2.5. Cumulative hours of gender oriented training	Project team	Activity completion; reported	0	2	4	6	8	Output indicator. Number of instructor hours. Not

## Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC)

### Indicators and Target Values

Indicator	Data source	Frequency	Baseline	Year 1	Year 2	Year 3	Year 4	Level / Units / Disaggregation <sup>4</sup>
		quarterly						disaggregated
<b>Task Area 3: Field Based Capacity Building and Technical Assistance</b>								
TA3.1. Cumulative number of short-term capacity building or technical assistance activities	Project reports	Ongoing; reported quarterly	0	3	6	9	12	Output indicator. Number of activities. Not disaggregated.
<b>Capacity building</b>								
Example activities in the Year One work plan to be measured with the following indicators include activity 3.3 ("USAID/Peru – Sub-National PFM Analysis – Phase II") and 3.4 ("USAID/Paraguay – PFM Desk Assessment – Phase II").								
TA3.2. Number of person hours in training	Project team	Activity completion; reported quarterly	--	80	80	80	80	Output indicator. Person hours. Disaggregated by gender, topic.
TA3.3. Post-training assessment	Exit survey – topic dependent	Activity completion; reported quarterly	--	20%	20%	20%	20%	Intermediate result indicator. Percentage point improvement over baseline. Disaggregated by topic.
<b>Short-term technical assistance</b>								
Example activities in the Year One work plan to be measured with the following indicators include activity 2.1 ("PFM Sub-Regional Workshop on Tax Administration") and 2.2 ("Washington D.C. Fiscal Roundtable and Dissemination Event").								
TA3.4. Cumulative number of short-term technical assistance person hours	Project financials	Activity completion; reported, quarterly	0	1,500	3,000	4,500	6,000	Output indicator. Person-hours. Disaggregated by field vs. desk assistance.
<b>Task Area 4: Grants under Contract</b>								
TA4.1. Cumulative value of grants disbursed	Project reports	Quarterly	\$0	\$100,000	\$400,000	\$700,000	\$1 mill	Output indicator. Dollars. Disaggregated by LAC

## Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC)

### Indicators and Target Values

Indicator	Data source	Frequency	Baseline	Year 1	Year 2	Year 3	Year 4	Level / Units / Disaggregation <sup>4</sup>
								region, topic.
TA4.2. Percent of milestones met	Project reports	Quarterly	--	80%	90%	100%	100%	Intermediate result indicator. Percent of milestones. Disaggregated by financial vs. other.

## IV. Performance Indicator Reference Sheets

### 4.1. Expected Result Indicators

#### *Indicator ER1.1*

<b>Precise definition</b>	<p>Cumulative monetary value of new technical and direct assistance on PFM by USAID missions / other donors</p> <ul style="list-style-type: none"> <li>• Technical assistance includes all types of assistance (e.g., technical advisors, capacity building, or procurement). Direct assistance includes any direct transfer to the central or other government level or to non-governmental institutions (including grants).</li> <li>• If a single funding instrument is used for both PFM and non-PFM issues, an estimate of the value of the PFM component should be obtained and only this value should be included.</li> <li>• Funding may be planned, but not yet provided. The implementation of a program may not yet be underway. Only the value of activities planned for the current or next PFM-LAC year will be included to ensure a more realistic measure.</li> <li>• If funding spans more than one year, amounts will be divided equally across years.</li> <li>• Funding for PFM activities in existence prior to the PFM-LAC project will not be included, unless it can be shown that PFM-LAC contributed to any additional funding for these activities. In this case, only the additional amount of funding will be included.</li> </ul>
<b>Unit of measure</b>	Dollars
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• LAC region: Central America (e.g., El Salvador, Guatemala, Honduras), South America (e.g., Colombia, Paraguay, Peru), the Caribbean (e.g., the Dominican Republic, Haiti, Jamaica).</li> <li>• Funding for programs / projects / activities with or without gender content.</li> <li>• Targeted counterpart: 1) national government; 2) sub-national government; or 3) other (e.g., non-governmental institution).</li> <li>• Type of donor: USAID vs. multilateral.</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	This is a result indicator under Expected Result 1. It measures the actual resources devoted to PMF issues by donors in the LAC region.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	USAID mission and other donor staff phone interviews. The information should be validated against USAID mission forecasts and similar information from other donors. This second type of information, although publically available, is not the primary source of data, as not all procurement actions are always included (e.g.,

	procurement under indefinite quantity contracts is usually not included).
<b>Frequency and timing</b>	Annual
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> An issue is attributing indicator values to PFM-LAC work. During the phone interviews with mission or donor staff, the interviewer should discuss the contribution of PFM-LAC to mission or donor decisions.</p> <p><i>Reliability:</i> The process for data collection is consistent over time, except for issues listed under "precision" below. There are no reliability issues.</p> <p><i>Precision:</i> The following are precision issues: 1) the indicator includes planned funding that is subject to change; 2) the funding may be for several purposes in addition to PFM, in which case the PFM-LAC team, during discussions with donors, will separate the value of PFM components; 3) the funding may be planned for more than one year, in which case the PFM-LAC team will disaggregate the values of funding to each year.</p> <p><i>Integrity:</i> There are no issues of integrity.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions. There can be, however, large swings in indicator values from a change in a single funding action. The PFM-LAC team should request from interviewees, during the interview, that the team be notified of any large changes.</p>
<b>Data limitations and actions to address them</b>	Donors may be unwilling to disclose amounts, in which case the indicator can be changed to simply count the number of new programs. The number of new programs is a standard foreign assistance indicator. To allow for this potential change, the number of new programs with PFM components will be counted during data collection.
<b>Data analysis issues</b>	Technical assistance or other funding will not necessarily be provided to all LAC regions mentioned above under PFM-LAC. This does not imply a need to change the implementation of the PFM-LAC project. The demand for assistance by host governments, their political will to implement change, and similar factors should be considered when analyzing this indicator.
<b>Data use</b>	The data should be summarized in annual totals.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

## Indicator ER1.2

<b>Precise definition</b>	Cumulative number of USAID missions funding PFM work. A mission will be included if: 1) it is funding PFM efforts as defined in indicator ER1.1; or 2) it is collaborating with the PFM-LAC team under the task order on activities related to the host country. If more than one activity is undertaken by a mission, this mission will be counted only once. "Cumulative" means that a mission will continue to be counted after the specific PFM related effort, including effort under the PFM-LAC project, is complete.
<b>Unit of measure</b>	Number of missions
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• LAC region: Central America (e.g., El Salvador, Guatemala, Honduras), South America (e.g., Colombia, Paraguay, Peru), the Caribbean (e.g., the Dominican Republic, Haiti, Jamaica).</li> <li>• Targeted counterpart: 1) national government; 2) sub-national government; or 3) other (e.g., non-governmental institution).</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	This is a result indicator under Expected Result 1. It complements ER1.1 and is an indication of the spread of funding measured under ER1.1.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	USAID mission and other donor staff phone interviews; project team
<b>Frequency and timing</b>	Quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> An issue is attributing indicator values to PFM-LAC work. During discussions with mission staff, the interviewer should discuss the contribution of PFM-LAC to mission decisions.</p> <p><i>Reliability:</i> The process for data collection is consistent over time. There are no reliability issues.</p> <p><i>Precision:</i> As with ER1.1, an issue of precision is the fact that the indicator includes planned funding that is subject to change.</p> <p><i>Integrity:</i> There are no issues of integrity.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no data limitations.
<b>Data analysis issues</b>	There are no data analysis issues.

<b>Data use</b>	A list of missions and a total count should be provided.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III. It should be noted that there are 14 USAID missions in LAC at present.

### Indicator ER1.3

<b>Precise definition</b>	Number of external contributions and requests for research, notes, or guidance. Requests can be received in any form, including e-mail, phone conversations, or other forms. Requests can come to the PFM-LAC Team, other implementer personnel, the COR, or other USAID staff. Repeated requests (even with some modification) will not be counted. This indicator is not cumulative. The counts of requests and contributions will be combined in a single number.
<b>Unit of measure</b>	Number of requests and contributions.
<b>Data disaggregation</b>	This indicator will be disaggregated by contributions and requests.
<b>Rationale</b>	This is an outcome indicator for Task Area 1. It provides an indication of the level of interest in PFM among practitioners.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	The PMP administrator will address this during regular PFM-LAC team meetings.
<b>Frequency and timing</b>	Ongoing; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> Issues may arise with single requests across multiple areas and with contributions that may be too limited. In the first case, requests will be considered distinct if corresponding distinct activities can reasonably be designed. In the second case, only contributions that are informative if presented alone will be considered.</p> <p><i>Integrity:</i> The type of requests should be described and accumulated to ensure integrity.</p> <p><i>Frequency:</i> The data is current. It can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be summarized and presented as an overall total, disaggregated as above.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.



#### Indicator ER1.4

<b>Precise definition</b>	<p>Community of practice participation.</p> <p><i>Through activity 1.7 of the Year One Work Plan, the PFM-LAC team will analyze the feasibility of establishing a community of practice for PFM actors in LAC. A community of practice is an aggregation of persons (typically virtual) with similar profession or interest, usually for the purposes of sharing knowledge. Pending the results of the feasibility study of activity 1.7, the PFM-LAC team may be able to assist with the creation of a community of practice – through establishing of an online platform for discussion, virtual collaboration, other options for dissemination of information, or other activities. A number of indicators can be created to measure the level of activity / participation of PFM practitioners in this community of practice. An illustrative indicator is:</i></p> <ul style="list-style-type: none"> <li>• <i>Cumulative number of threads in the community of practice's online discussion forum.</i></li> </ul> <p><i>This section of the PMP will be updated at the completion of activity 1.7.</i></p>
<b>Unit of measure</b>	
<b>Data disaggregation</b>	
<b>Rationale</b>	
<b>Responsible individual</b>	
<b>Data source</b>	
<b>Frequency and timing</b>	
<b>Budget implications</b>	
<b>Method of data acquisition</b>	
<b>Data quality assessment procedure</b>	
<b>Data limitations and actions to address them</b>	
<b>Data analysis issues</b>	
<b>Data use</b>	
<b>Baseline and targets</b>	

### Indicator ER2.1

<b>Precise definition</b>	<p>Cumulative number of tools and approaches adopted and used by USAID missions, host governments, and other actors.</p> <p>This indicator is similar to TA1.1. However, while TA1.1 discusses all documents produced by Task Area 1 of the PFM-LAC project, the set of documents included here will be narrower and aligned more directly with Expected Result 2.</p> <ul style="list-style-type: none"> <li>• A tool or approach is a leading practice paper, a model for analysis, a guidance note, or any other document that allows USAID missions or host government officials to perform current state analysis, define or prioritize interventions, undertake interventions, or monitor or evaluate interventions. Such a document will contain a theoretical model, phases / stages / priority areas, or quantitative or qualitative techniques.</li> <li>• A detailed definition of what constitutes a distinct report, tool, or approach is included in TA1.1. It is likely that all PFM-LAC reports will contain some methodology or recommendations to perform the tasks above. However, unlike TA1.1, to the extent that a report merely presents a current state analysis of PFM in LAC, it may not contain the elements listed above. Such a report cannot be "adopted" as defined below and hence will not be included.</li> <li>• A report will be considered "adopted", if it impacts (or if its impact is planned and forthcoming) project design or day-to-day work of USAID missions, host governments, or other actors (donors, non-governmental institutions, other actors).</li> </ul>
<b>Unit of measure</b>	Number of tools / approaches
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• LAC region: Central America (e.g., El Salvador, Guatemala, Honduras), South America (e.g., Colombia, Paraguay, Peru), the Caribbean (e.g., the Dominican Republic, Haiti, Jamaica).</li> <li>• User: 1) USAID; 2) host government; or 3) other (e.g., non-governmental institution, other donor).</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	This indicator directly measures Expected Result 2.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	USAID mission staff and other actor phone interviews.
<b>Frequency and timing</b>	Annual, likely at the end of the project's fiscal year
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.

<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time. There are no reliability issues.</p> <p><i>Precision:</i> An issue is the precise definition of "tools." A single report may contain more than one tool or approach as defined above. The PMP administrator will work with activity managers to define the tools developed under each activity before collecting indicator data.</p> <p><i>Integrity:</i> There are no issues of integrity.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	<p>There are no data limitations.</p>
<b>Data analysis issues</b>	<p>There is a possibility of delay in adoption. Care should be taken in analyzing data in the first two years of the PFM-LAC project.</p>
<b>Data use</b>	<p>A detailed list of users and tools and a total count should be provided.</p>
<b>Baseline and targets</b>	<p>The baseline and targets are presented in the indicator tracking table in section III.</p>

## Indicator ER2.2

<b>Precise definition</b>	<p>Perceived value of tools and approaches.</p> <p>This indicator is similar to TA1.2. However, while TA1.2 discusses all documents produced by Task Area 1 of the PFM-LAC project, the set of documents included here will be narrower and aligned with Expected Result 2.</p> <ul style="list-style-type: none"> <li>• Tools and approaches will be as defined in ER2.1.</li> <li>• Scores will be computed by tool / approach, but reported overall and disaggregated as described below.</li> <li>• The survey to collect information will have three questions: 1) whether the respondent plans to read the respective report; 2) whether the respondent will use the report; and 3) whether the respondent will recommend the report to colleagues.</li> <li>• Questions will have multiple choice answers: 1) Yes; 2) Maybe; 3) No. These will be scored with 2, 1, and 0 respectively. To the extent that the respondent does not plan to read the report, the answer to the remaining questions should be "No." The percent score for a person will be computed as the sum of scores divided by the maximum score of 2 on every question. The average percent for the report will be the average percent scores of respondents.</li> <li>• An anonymous survey is preferred (or the data analyzed will be stripped of personal information).</li> </ul>
<b>Unit of measure</b>	Percent
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• Interviewee institution: 1) USAID; 2) host government; or 3) other (e.g., non-governmental institution, other donor).</li> <li>• Interviewee gender.</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	This indicator complements ER2.1 and provides additional information on the potential future adoption of tools and approaches.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	USAID mission staff and other actor phone interviews.
<b>Frequency and timing</b>	Annual
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> Since this is a "perceived" value indicator, there are face validity issues. However, this indicator will be partly validated by indicator ER2.1 since the three separate questions posed aim at similar information.</p> <p><i>Reliability:</i> The process for data collection is consistent over time. There are no</p>

	<p>reliability issues.</p> <p><i>Precision:</i> As with the previous indicator, an issue is the precise definition of "tools." A single report may contain more than one tool or approach as defined above. The PMP administrator will work with activity managers to define the tools developed under each activity before collecting indicator data.</p> <p><i>Integrity:</i> There are no issues of integrity.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no data limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	The data will be summarized. Individual responses will not be presented
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator ER3.1

<b>Precise definition</b>	<p>Cumulative number of PFM-LAC recommendations adopted, related to revenue generation</p> <ul style="list-style-type: none"> <li>• Distinct recommendations will be identified as listed in PFM-LAC reports, guidance notes, and similar documents.</li> <li>• The PFM "revenue generation" areas are broadly defined below.</li> <li>• Whether or not a recommendation is "adopted" is defined as in E2.1. This should be validated through discussions with missions and other actors, where possible, and against other data sources and documents, such as USAID's collecting taxes database, CIAT data and reports, and IMF mission reports.</li> </ul>
<b>Unit of measure</b>	Number of recommendations
<b>Data disaggregation</b>	<p>This indicator will be collected across:</p> <ul style="list-style-type: none"> <li>• PFM areas. PFM areas related to revenue generation include: 1) tax policy (e.g., laws, regulations, and instructions); 2) tax administration (e.g., practices, processes, and organizational structures); 3) business enabling environment (e.g., simplification of forms, payments, and other legal provisions or processes); and 4) other.</li> <li>• Recommendations as a result of field work vs. recommendations as a result of desk studies. This type of disaggregation will assist with analyzing progress within Task Area 3.</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	<p>In revenue generation, there are three common measures of improvement as described in indicator ER3.2: increases in revenue collections / productivity, decreases in the cost of collection, and decreases in taxpayer cost of compliance. These are long-term indicators. ER3.1 complements ER3.2, but attempts to collect information more quickly and allows finer precision (minor changes to tax forms may improve taxpayer experience, but may not result in visible changes in revenue collections or cost of collection). Also, ER3.1 can be more directly attributed to the PFM-LAC project.</p>
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	USAID mission staff and other actor phone interviews.
<b>Frequency and timing</b>	Annual, likely at the end of the project's fiscal year
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time. There are no reliability issues.</p>

	<p><i>Precision:</i> There are no issues of precision.</p> <p><i>Integrity:</i> There is a potential to disaggregate recommendations in reports to achieve a higher number of total and adopted recommendations. The PFM-LAC team will discuss the need to convert this indicator to "percent of recommendations adopted."</p> <p><i>Frequency:</i> A delay in adoption of at least one year is to be expected. First and second year values may be less indicative of progress.</p>
<b>Data limitations and actions to address them</b>	There are no data limitations.
<b>Data analysis issues</b>	Care should be taken to acknowledge that circumstances (economic, social, or political) may change, making recommendations less relevant or less palatable.
<b>Data use</b>	The data will be presented summarized.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

## Indicator ER3.2

<b>Precise definition</b>	<p>Cumulative number of target LAC countries with improvement in at least one revenue generation indicator from the set of: revenue productivity and cost of collection indicators in USAID's Collecting Taxes database, Ease of Paying Taxes indicators in the World Bank's Doing Business survey, sub-dimensions of the maturity model described in <i>Detailed Guidelines for Improved Tax Administration in Latin America and the Caribbean</i>, or similar indicators covering either national and /or subnational levels of government.</p> <ul style="list-style-type: none"> <li>• This indicator is limited to target LAC countries to reduce its impact on the PFM-LAC budget. Target LAC countries are the countries with USAID missions, to which the PFM-LAC project will provide technical assistance or capacity building according to the Year One Work Plan: the Dominican Republic, Honduras, Jamaica, Paraguay, and Peru (note: this list is subject to change as discussions with missions progress).</li> <li>• An example sub-dimension ("Registration information") of the maturity model described in <i>Detailed Guidelines for Improved Tax Administration in Latin America and the Caribbean</i> is as follows. <ul style="list-style-type: none"> <li>○ Maturity level: Unaware. Limited registration information is recorded. Information for third-party data matching (e.g., business registry numbers) or information needed for good planning (e.g., expected turnover) is not included.</li> <li>○ Maturity level: Unreliable. Some basic registration information is recorded (e.g., taxpayer name, contact, responsible parties, etc.); however, information for third-party data matching (e.g., business registry numbers) or information needed for good planning (e.g., expected turnover) is not included.</li> <li>○ Maturity level: Formalized. Almost all registration information is recorded, including information for third-party data matching (e.g., business registry numbers). However, information needed for good planning is not available (e.g., expected turnover).</li> <li>○ Maturity level: Timely and accurate. All necessary basic taxpayer information is recorded, including information that allows third-party data matching (e.g., business registry numbers) and information that allows for good planning (e.g., expected turnover).</li> </ul> </li> <li>• Additional indicators and similar rankings may be developed by the project, to allow the tracking of narrower improvements that can be attributed directly to the PFM-LAC activities. Integrity considerations in designing these are addressed below.</li> </ul>
<b>Unit of measure</b>	Number of countries
<b>Data disaggregation</b>	This indicator will be presented separately for each indicator with improvement and country.
<b>Rationale</b>	This is a direct measure of Expected Result 3. These datasets were selected as they cover all sub-areas of revenue generation (i.e., revenue collections, cost of collections, business enabling environment) with respect to the core revenue instruments (taxes).
<b>Responsible</b>	PMP administrator

<b>individual</b>	
<b>Data source</b>	USAID's Collecting Taxes database ( <a href="http://egateg.usaid.gov/collecting-taxes">http://egateg.usaid.gov/collecting-taxes</a> ), the World Bank's Doing Business in a More Transparent World database ( <a href="http://www.doingbusiness.org">http://www.doingbusiness.org</a> ), and project team.
<b>Frequency and timing</b>	Annual. USAID's Collecting Taxes database is typically updated in the second quarter of each calendar year. World Bank data is updated on an ongoing, ad hoc basis.
<b>Budget implications</b>	It is possible that updates to USAID's Collecting Taxes database will lapse during Year One of the PFM-LAC project. In this case, similar data can be collected from IMF's Government Finance Statistics database, but this is a more time-consuming exercise. Collecting these data may take up to three days of LOE per year (vs. less than one day otherwise) and a subscription to the IMF's database can cost up to \$500 per year.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> It will not always be possible to attribute improvements in indicators to the work of the PFM-LAC project. The PFM-LAC team will discuss data internally and with the COR as needed.</p> <p><i>Reliability:</i> The process for data collection is consistent over time. There are no reliability issues.</p> <p><i>Precision:</i> There are no issues of precision.</p> <p><i>Integrity:</i> Integrity issues arise, if the definition of this indicator is subject to change by the PFM-LAC team. To mitigate these, the PFM-LAC team will: 1) ensure that any newly defined maturity scales span the full maturity spectrum (from basic to leading practice); and 2) discuss new indicators with the COR as per the requirements for PMP updates specified in section II.2.3.</p> <p><i>Frequency:</i> A delay in adoption of at least one year is to be expected. First and second year values may be less indicative of progress.</p>
<b>Data limitations and actions to address them</b>	There are no data limitations.
<b>Data analysis issues</b>	Indicator values may change due to other circumstances (e.g., economy) and data should be adjusted, to the extent possible, to create a counterfactual that reflects these circumstances.
<b>Data use</b>	The data will be presented separately for each indicator with improvement and country.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator ER4.1

<b>Precise definition</b>	<p>Cumulative number of PFM-LAC recommendations adopted, related to expenditure / budget planning, execution, monitoring, and evaluation</p> <ul style="list-style-type: none"> <li>• Distinct recommendations will be identified as listed in PFM-LAC reports, guidance notes, and similar documents.</li> <li>• The PFM "expenditure / budgeting" areas are broadly defined below.</li> <li>• Whether or not a recommendation is "adopted" is defined as in E2.1. This should be validated through discussions with missions and other actors, where possible, and against other data sources and documents, such as PEFA assessments and IMF mission reports.</li> </ul>
<b>Unit of measure</b>	Number of recommendations
<b>Data disaggregation</b>	This indicator will be collected across PFM areas. PFM areas related to expenditure / budgeting include: 1) budget planning and preparation; 2) budget execution; 3) accounting / cash management / controls; 4) internal control; and 5) other.
<b>Rationale</b>	This indicator complements ER4.2, but attempts to collect information more quickly and allows finer precision (minor changes to the medium-term expenditure framework format may improve discussions by legislature, but may not result in visible changes in PEFA scores). This indicator can also be more directly attributed to the PFM-LAC project.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	USAID mission staff and other actor phone interviews.
<b>Frequency and timing</b>	Annual, likely at the end of the project's fiscal year
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time. There are no reliability issues.</p> <p><i>Precision:</i> There are no issues of precision.</p> <p><i>Integrity:</i> There is a potential to disaggregate recommendations in reports to achieve a higher number of total and adopted recommendations. The PFM-LAC team will discuss the need to convert this indicator to "percent of recommendations adopted."</p> <p><i>Frequency:</i> A delay in adoption of at least one year is to be expected. First and second year values may be less indicative of progress.</p>
<b>Data limitations and actions to</b>	There are no data limitations.

<b>address them</b>	
<b>Data analysis issues</b>	Care should be taken to acknowledge that circumstances (economic, social, or political) may change, making recommendations less relevant or less palatable.
<b>Data use</b>	The data will be presented summarized.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

## Indicator ER4.2

<p><b>Precise definition</b></p>	<p>Cumulative number of target LAC countries with improvement in at least one expenditure management / budget indicator from the set of: PEFA, Open Budget Survey reports, or similar indicators covering either national and /or subnational levels of government.</p> <ul style="list-style-type: none"> <li>• This indicator is limited to target LAC countries to reduce its impact on the PFM-LAC budget. Target LAC countries are the countries with USAID missions, to which the PFM-LAC project will provide technical assistance or capacity building according to the Year One Work Plan: the Dominican Republic, Honduras, Jamaica, Paraguay, and Peru (note: this list is subject to change as discussions with missions progress).</li> <li>• An example PEFA indicator ("Quality and timeliness of budget reports") is as follows. <ul style="list-style-type: none"> <li>○ Score A. (i) Classification of data allows direct comparison to the original budget. Information includes all items of budget estimates. Expenditure is covered at both commitment and payment stages; (ii) Reports are prepared quarterly or more frequently, and issued within 4 weeks of end of period; (iii) There are no material concerns regarding data accuracy</li> <li>○ Score B. (i) Classification allows comparison to budget but only with some aggregation. Expenditure is covered at both commitment and payment stages; (ii) Reports are prepared quarterly, and issued within 6 weeks of end of quarter; (iii) There are some concerns about accuracy, but data issues are generally highlighted in the reports and do not compromise overall consistency/ usefulness.</li> <li>○ Score C. (i) Comparison to budget is possible only for main administrative headings. Expenditure is captured either at commitment or at payment stage (not both); (ii) Reports are prepared quarterly (possibly excluding first quarter), and issued within 8 weeks of end of quarter; (iii) There are some concerns about the accuracy of information, which may not always be highlighted in the reports, but this does not fundamentally undermine their basic usefulness.</li> <li>○ Score D. (i) Comparison to the budget may not be possible across all main administrative headings; (ii) Quarterly reports are either not prepared or often issued with more than 8 weeks delay; (iii) Data is too inaccurate to be of any real use.</li> </ul> </li> <li>• Additional indicators and similar rankings may be developed by the project, to allow the tracking of narrower improvements that can be attributed directly to the PFM-LAC activities. Integrity considerations in designing these are addressed below.</li> </ul>
<p><b>Unit of measure</b></p>	<p>Number of countries</p>
<p><b>Data disaggregation</b></p>	<p>This indicator will be presented separately for each indicator with improvement and country.</p>
<p><b>Rationale</b></p>	<p>This is a direct measure of Expected Result 4. These datasets were selected as they cover the expenditure / budgeting sub-areas of PFM sufficiently and are, perhaps, the single widely available datasets for these areas.</p>

<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	PEFA assessments ( <a href="http://www.pefa.org">http://www.pefa.org</a> and own government sites), the Open Budget Survey reports ( <a href="http://internationalbudget.org">http://internationalbudget.org</a> ), and project team.
<b>Frequency and timing</b>	Annual. Both datasets are updated on an ongoing, ad hoc basis.
<b>Budget implications</b>	Data sources are large. An estimated 2 days of LOE per country are needed.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> It will not always be possible to attribute improvements in indicators to the work of the PFM-LAC project. The PFM-LAC team will discuss data internally and with the COR as needed.</p> <p><i>Reliability:</i> The process for data collection is consistent over time. There are no reliability issues.</p> <p><i>Precision:</i> There are no issues of precision.</p> <p><i>Integrity:</i> Integrity issues arise, if the definition of this indicator is subject to change by the PFM-LAC team. To mitigate these, the PFM-LAC team will: 1) ensure that any newly defined indicators or rankings span the full spectrum from basic to leading practice; and 2) discuss new indicators with the COR as per the requirements for PMP updates specified in section II.2.3.</p> <p><i>Frequency:</i> A delay in adoption of at least one year is to be expected. First and second year values may be less indicative of progress.</p>
<b>Data limitations and actions to address them</b>	There are no data limitations.
<b>Data analysis issues</b>	Indicator values may change due to other circumstances (e.g., economy) and data should be adjusted, to the extent possible, to create a counterfactual that reflects these circumstances.
<b>Data use</b>	The data will be presented separately for each indicator with improvement and country.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

## 4.2. Task Area Output and Intermediate Result Indicators

### Indicator TA1.1

<b>Precise definition</b>	<p>Cumulative number of distinct assessments, reports, guidance notes, and similar deliverables produced by the PFM-LAC Team.</p> <ul style="list-style-type: none"> <li>• This indicator will measure all types of reports produced by the PFM-LAC project. Note that indicator ER2.1 defines "tools" or "approaches" as leading practice paper, a model for analysis, a guidance note, or any other document that allows USAID missions or host government officials to perform current state analysis, define or prioritize interventions, undertake interventions, or monitor or evaluate interventions. A tool or an approach is a document that contains a theoretical model, phases / stages / priority areas, or quantitative or qualitative techniques. The documents discussed in ER2.1 are a subset of the documents discussed here.</li> <li>• Two documents will be considered distinct if they are produced under distinct activities of the work plan (or additional activities during the year) requiring separate COR activity approvals (excluding activity modifications).</li> <li>• Two documents will not be considered distinct if they cover the same topic, but separate countries / geographical areas.</li> <li>• A document will be included in this indicator if it: 1) analyzes the current state of PFM affairs in LAC; 2) provides recommendations on PFM in LAC or elsewhere; 3) describes leading practices for PFM in LAC or elsewhere; 4) describes priority interventions in PFM in LAC or elsewhere; 5) provides a template for a PFM related document to be used by USAID missions, host governments, other donors, or other PFM practitioners; or 6) is a tool that allows USAID missions, host governments, other donors, or other PFM practitioners to develop any of the documents described in (1) through (5).</li> <li>• Only documents that have been delivered and formally accepted by COR will be included.</li> </ul>
<b>Unit of measure</b>	<p>Number of distinct documents</p>
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• LAC region: Central America (e.g., El Salvador, Guatemala, Honduras), South America (e.g., Colombia, Paraguay, Peru), the Caribbean (e.g., the Dominican Republic, Haiti, Jamaica).</li> <li>• Documents with or without gender content.</li> <li>• High-level topic: 1) revenue policy; 2) revenue administration; 3) budget planning and preparation; 4) budget execution; 5) public sector accounting / cash management / controls.</li> <li>• Target counterpart: 1) national government; 2) sub-national government; or 3) other.</li> </ul> <p>These levels of disaggregation are independent of each other. Each document will be placed in only one area for each of the disaggregation types above.</p>

<b>Rationale</b>	This is an output indicator for Task Area 1. This is a cost-effective indicator that will provide an indication, through the proposed disaggregation, of the topical areas and geographic regions covered by PFM-LAC during the course of the project.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	The PFM-LAC knowledge management repository (SharePoint) will contain copies of delivered documents.
<b>Frequency and timing</b>	Ongoing; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> Note that this indicator measures quantity of output, but not quality. Quality is addressed with indicator TA1.2. This indicator is directly attributed to PFM-LAC. Potential error may appear only to the extent that there are errors in the indicator definition above. The definition will be revised, if needed, with COR concurrence as data are collected.</p> <p><i>Reliability:</i> The process for data collection is consistent over time. There are no reliability issues.</p> <p><i>Precision:</i> This is a sufficient level of precision. Further precision is possible with further disaggregation, but there are difficulties in assigning documents to very specific categories.</p> <p><i>Integrity:</i> Data cannot be easily manipulated.</p> <p><i>Frequency:</i> The data is current. It can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	A potential issue is disaggregation. Not all PFM or geographical areas must always be covered by technical analysis, and the demand for analysis by USAID missions, host governments, and other practitioners should be considered when analyzing this indicator.
<b>Data use</b>	There is a limited quantity of simple data and the data should be presented in a detailed / disaggregated table over time.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

## Indicator TA1.2

<b>Precise definition</b>	<p>Perceived value of documents, measured as the percent of positive responses out of total responses in a survey questionnaire.</p> <ul style="list-style-type: none"> <li>• Scores will be computed by document, but reported overall and disaggregated as described below. The definition of "document" is provided in indicator TA1.1.</li> <li>• The survey target respondents will be those, to whom the report was disseminated. This can be verified with the USAID mission. The survey should be updated periodically to incorporate additional readers (i.e., it may take time for respondents to read the report).</li> <li>• The survey will be collected through a quick phone interview or online (e.g., SurveyMonkey).</li> <li>• The survey will have three questions, similar to those posed in ER2.2: 1) whether the respondent plans to read the report; 2) whether the respondent will use the report; and 3) whether the respondent will recommend the report to colleagues. To the extent that the respondent does not plan to read the report, the answer to the remaining questions should be negative.</li> <li>• Questions will have multiple choice answers: 1) Yes; 2) Maybe; 3) No. These will be scored with 2, 1, and 0 respectively. The percent score for a person will be computed as the sum of scores divided by the maximum score of 2 on every question. The average percent for the report will be the average percent scores of respondents.</li> <li>• An anonymous survey is preferred (or personal identifying information will be stripped during data analysis).</li> </ul>
<b>Unit of measure</b>	Percent
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• LAC region: Central America (e.g., El Salvador, Guatemala, Honduras), South America (e.g., Colombia, Paraguay, Peru), the Caribbean (e.g., the Dominican Republic, Haiti, Jamaica).</li> <li>• Documents with or without gender content.</li> <li>• High-level topic. The following are topics of interest: 1) revenue policy; 2) revenue administration; 3) budget planning and preparation; 4) budget execution; 5) public sector accounting / cash management / controls. Each document will be placed in one area only.</li> <li>• High-level stakeholder targeted in the content: 1) national government; 2) sub-national government; or 3) other.</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	<p>This is an outcome indicator for Task Area 1. Since report readers are closer to the needs of LAC, this indicator will provide an indication, through the proposed disaggregation, of the usefulness of topical areas and geographic regions covered by PFM-LAC during the course of the project.</p>
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	Survey as described above.

<b>Frequency and timing</b>	After activity completion. Activity managers will verify with individual missions that sufficient time has passed to allow maximum respondents to the survey. Reported quarterly.
<b>Budget implications</b>	It is expected that a survey of 10 respondents could take up to one day of LOE. Since approximately 10 reports are expected in the first year of PFM-LAC and there will be approximately 5-10 readers of each report, this indicator may result in up to 10 days of LOE per year. The amount of time used for this indicator will be monitored to gauge budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> Since this is a "perceived" value indicator, there are issues of face validity – not all experts will agree that this indicator truly measures the value of reports. However, most should agree that this indicator is a useful measure of the potential future use and usefulness of reports. In addition, indicator TA2.2 and ER2.1 will assist in validating this indicator. This indicator can be directly attributed to PFM-LAC work. The inherent sampling error (to the extent that survey respondents are a sample of the reader population) should be examined. In some cases, documents may have very few (e.g., one or two readers). In these cases, data should still be collected, but consideration should be given to whether values for these documents should be aggregated.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The delay between document production and data collection is minimal. The data can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no data limitations.
<b>Data analysis issues</b>	Face validity is a potential issue as discussed above.
<b>Data use</b>	Data should be summarized and presented as an overall total for each report or each area of disaggregation. Individual responses should not be presented.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator TA1.3

<b>Precise definition</b>	<p>Average number of persons the reports reached.</p> <ul style="list-style-type: none"> <li>• Report should be defined as in TA1.1.</li> <li>• To the extent that there are a number of recipients in a single institution, individuals will be counted.</li> <li>• Only individuals that receive the report as a result of PFM-LAC team or COR effort will be counted.</li> <li>• The average is an average of recipients across reports.</li> </ul>
<b>Unit of measure</b>	Number of persons.
<b>Data disaggregation</b>	This indicator will be disaggregated by the gender of recipients.
<b>Rationale</b>	This is an output indicator for Task Area 1. It provides an indication of the level of dissemination effort employed by PFM-LAC. In addition, since the PFM-LAC project aims at broad based knowledge dissemination, it will be important to track the average number of persons the reports reach.
<b>Responsible individual</b>	Activity manager
<b>Data source</b>	The activity manager will contact staff and other persons (e.g., COR).
<b>Frequency and timing</b>	Activity completion. At a minimum, two weeks after the completion of each report. Reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data is current. It can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be summarized and presented as an overall total for each report and in total, disaggregated as above.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator TA2.1

<b>Precise definition</b>	Number of workshops and trainings. Separate deliveries of the same workshop will be counted.
<b>Unit of measure</b>	Number of workshops and trainings.
<b>Data disaggregation</b>	This indicator will not be disaggregated.
<b>Rationale</b>	This is an output indicator for Task Area 2. Combined with other indicators (e.g., number of person hours), this indicator will provide insight into the span of reach of Task Area 2.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	PFM-LAC Team and project reports.
<b>Frequency and timing</b>	Activity completion; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data is current. It can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be summarized and presented as an overall total.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

## Indicator TA2.2

<b>Precise definition</b>	<p>Number of person hours at workshop or seminar.</p> <ul style="list-style-type: none"> <li>• This indicator accumulates the number of participant hours in workshops and seminars organized by PFM-LAC. For example, if a two-hour event has 20 participants, the total number of participant hours is 40.</li> <li>• Relevant events include workshops for the purposes of capacity building and training, but do not include work meetings or events where PFM-LAC presents its previous work or the purpose of which is to advance work.</li> <li>• This indicator and indicator TA3.2 are similar. However, an attempt will be made to distinguish between one-time broad-participant events that usually combine learning with dissemination, the exchange of ideas, and the demonstration and application of techniques (workshops and seminars) and capacity building as part of a field technical assistance effort as measured by TA3.2. The purpose of separating the two indicators is to distinguish between efforts that are most likely to raise awareness broadly (TA2.2) and efforts that are most likely to motivate change (TA3.2). Hours will only be counted towards TA2.2 or TA3.2, but not both. In general, capacity building as part of a larger activity that includes the development and delivery of tools, processes, manuals and similar deliverables with the goal of introducing a change in the operations of an institution (mission, ministry, or other) should be counted towards TA3.2. On-the-job training will be counted towards TA3.2. Webinars and similar events, the purpose of which may be only dissemination, will be counted towards TA2.2.</li> </ul>
<b>Unit of measure</b>	Number of person hours as defined above.
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• Participant gender.</li> <li>• High-level topic. The following are topics of interest: 1) revenue policy; 2) revenue administration; 3) budget planning and preparation; 4) budget execution; 5) public sector accounting / cash management / controls. Each workshop or other training event will be placed in one area only.</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	This is an output indicator for Task Area 2. The purpose of this indicator is to measure attendance – the actual reach of PFM-LAC workshops and seminars.
<b>Responsible individual</b>	Event organizer (activity manager)
<b>Data source</b>	To avoid signup sheets, the logistical support person at the event will be tasked with counting (or another PFM-LAC team member, if logistical support is not present).
<b>Frequency and timing</b>	Activity completion; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.

<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> Numbers should be verified against invitation lists.</p> <p><i>Frequency:</i> The data is current. It can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be summarized and presented as an overall total for each event and in total, disaggregated as above.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator TA2.3

<b>Precise definition</b>	Trainee first reaction from workshop or training event. This indicator will be measured through training exit surveys, where multiple choice questions will be scored and the percent value for this indicator will be computed as percent of the maximum possible score. Survey questions may be similar to those of indicator TA1.2 or larger surveys can be used, such as those for training under the recent Leadership for Public Financial Management project. The total indicator will be computed as the weighted average of individual event scores, weighted by the number of person hours of attendance computed in indicator TA2.2.
<b>Unit of measure</b>	Percent as defined above.
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• Participant gender.</li> <li>• High-level topic. The following are topics of interest: 1) revenue policy; 2) revenue administration; 3) budget planning and preparation; 4) budget execution; 5) public sector accounting / cash management / controls. Each workshop or training event will be placed in one area only.</li> <li>• Organization type. The following are organizational types of interest: 1) USAID missions; 2) host governments; 3) other donors; and 4) others.</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	This is an outcome indicator for Task Area 2. The purpose of this indicator is to measure the perceived gain of PFM-LAC capacity building events.
<b>Responsible individual</b>	Event organizer (activity manager)
<b>Data source</b>	Event exit surveys. To the extent that one event spans several days, only one exit survey will be used.
<b>Frequency and timing</b>	Activity completion; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> Since this is a "perceived" value indicator, there are issues of face validity – the opinion of training recipients does not necessarily measure the value of training. However, this is a useful measure of satisfaction. In addition, indicator TA2.4 will assist in validating this indicator.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations</b>	There are no limitations.

<b>and actions to address them</b>	
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be summarized and presented as an overall total for each event and in total, disaggregated as above.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

#### Indicator TA2.4

<b>Precise definition</b>	<p>Workshop follow-up reaction.</p> <ul style="list-style-type: none"> <li>• Typical questions differ from those that may be posed under TA2.3 and should include: 1) whether the respondent has used knowledge or tools obtained during the workshop; and 2) whether the respondent has used knowledge or tools obtained during the workshop. The total indicator will be computed as the weighted average of individual event scores, weighted by the number of person hours of attendance computed in indicator TA2.2.</li> <li>• Questions will have multiple choice answers: 1) Yes; 2) Maybe; 3) No. These will be scored with 2, 1, and 0 respectively. The percent score for a person will be computed as the sum of scores divided by the maximum score of 2 on every question. The average percent for the report will be the average percent scores of respondents.</li> <li>• An anonymous survey is preferred (or the data analyzed will be stripped of personal information).</li> </ul>
<b>Unit of measure</b>	Percent as defined above.
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• Participant gender.</li> <li>• High-level topic. The following are topics of interest: 1) revenue policy; 2) revenue administration; 3) budget planning and preparation; 4) budget execution; 5) public sector accounting / cash management / controls. Each workshop or training event will be placed in one area only.</li> <li>• Organization type. The following are organizational types of interest: 1) USAID missions; 2) host governments; 3) other donors; and 4) others.</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	This is an outcome indicator for Task Area 2. The purpose of this indicator, unlike the purpose of TA2.3, is to measure the perceived gain of PFM-LAC capacity building events, the resulting motivation for change, and actual change.
<b>Responsible individual</b>	Event organizer (activity manager)
<b>Data source</b>	Post workshop surveys.
<b>Frequency and timing</b>	3-6 months after activity completion; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p>

	<p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> There is a delay of 3-6 months from the workshop to obtain the data, but this delay is necessary to appropriate account for change. The data are still timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be summarized and presented as an overall total for each event and in total, disaggregated as above.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator TA2.5

<b>Precise definition</b>	Cumulative number of instructor hours spent on training on gender, leadership, and equity.
<b>Unit of measure</b>	Number of instructor hours.
<b>Data disaggregation</b>	This indicator will not be disaggregated.
<b>Rationale</b>	This is an output indicator for Task Area 2. It complements the remaining indicators for this task area and aims to ensure that sufficient attention is devoted to gender under PFM-LAC.
<b>Responsible individual</b>	Event organizer (activity manager)
<b>Data source</b>	Project team.
<b>Frequency and timing</b>	Activity completion; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data are current and timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be summarized and presented as an overall total.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator TA3.1

<b>Precise definition</b>	Cumulative number of short-term capacity building or technical assistance activities. Short-term technical assistance activities will be continuous. To the extent that technical assistance is intermittent, each field trip will be counted separately.
<b>Unit of measure</b>	Number of activities.
<b>Data disaggregation</b>	This indicator will not be disaggregated.
<b>Rationale</b>	This is an output indicator for Task Area 3. Its purpose is to measure the span of reach of Task Area 3.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	PFM-LAC regular team meetings.
<b>Frequency and timing</b>	Ongoing; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be presented as an overall total.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator TA3.2

<b>Precise definition</b>	Number of person hours in training. This indicator accumulates the number of person hours in field-based training events organized by PFM-LAC. For example, if a two-hour event has 5 participants, the total number of participant hours is 10. To the extent that hours are counted towards indicator TA2.2, they will not be counted here. Detail on the difference between TA2.2 and TA3.2 is provided in the description of TA2.2.
<b>Unit of measure</b>	Number of person hours.
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• Participant gender.</li> <li>• High-level topic. The following are topics of interest: 1) revenue policy; 2) revenue administration; 3) budget planning and preparation; 4) budget execution; 5) public sector accounting / cash management. Each training will be placed in one area only.</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	This is an output indicator for Task Area 3. Its purpose is to measure the span of reach of Task Area 3.
<b>Responsible individual</b>	Event organizer (activity manager)
<b>Data source</b>	Project team or signup sheets.
<b>Frequency and timing</b>	Activity completion; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be presented as an overall total.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.



### Indicator TA3.3

<b>Precise definition</b>	<p>Post-training assessment.</p> <ul style="list-style-type: none"> <li>• A post-training assessment is a short questionnaire with two questions per topic that address: 1) the familiarity with terms, tools, topics; and 2) the usefulness of terms, tools, topics in day-to-day activities. Each question should be multiple-choice with three possible answers: "Yes", "Maybe", and "No". The survey is scored as percent of maximum score.</li> <li>• This indicator measures percentage point improvement. The indicator values are differences between pre-training scores (baseline) and post-training scores. The proposed targets reflect an assumption of short-term technical assistance.</li> <li>• This indicator and indicators TA2.3 and TA2.4 should not be used for the same training events to avoid overburdening participants with surveys.</li> <li>• Since this survey gauges actual knowledge, it should be anonymous. To avoid having to match baseline survey responses to post-training responses, this indicator is not disaggregated by gender or other participant characteristics.</li> </ul>
<b>Unit of measure</b>	Percentage points.
<b>Data disaggregation</b>	<p>This indicator will be collected across the following:</p> <ul style="list-style-type: none"> <li>• High-level topic. The following are topics of interest: 1) revenue policy; 2) revenue administration; 3) budget planning and preparation; 4) budget execution; 5) public sector accounting / cash management / controls. Each training will be placed in one area only.</li> </ul>
<b>Rationale</b>	This is an outcome indicator for Task Area 3. Its purpose is to measure knowledge gained.
<b>Responsible individual</b>	Event organizer (activity manager)
<b>Data source</b>	Survey as described above
<b>Frequency and timing</b>	Activity completion; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations</b>	There are no limitations.

<b>and actions to address them</b>	
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be presented as an overall total.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator TA3.4

<b>Precise definition</b>	Cumulative number of short-term technical assistance person hours. This indicator accumulates the amount of LOE for PFM-LAC technical assistance advisors.
<b>Unit of measure</b>	Person hours.
<b>Data disaggregation</b>	This indicator will be presented separately for field work and desk work as well as capacity building and other technical assistance.
<b>Rationale</b>	This is an output indicator for Task Area 3. Its purpose is to simply complement and provide a basis for validating other indicators, such as reports produced, or recommendations adopted.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	Project financials
<b>Frequency and timing</b>	Activity completion; reported quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be presented as an overall total.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator TA4.1

<b>Precise definition</b>	Cumulative value of grants disbursed.
<b>Unit of measure</b>	Dollar amount.
<b>Data disaggregation</b>	<p>This indicator will be presented separately for:</p> <ul style="list-style-type: none"> <li>• LAC region: Central America (e.g., El Salvador, Guatemala, Honduras), South America (e.g., Colombia, Paraguay, Peru), the Caribbean (e.g., the Dominican Republic, Haiti, Jamaica).</li> <li>• High-level topic. The following are topics of interest: 1) revenue policy; 2) revenue administration; 3) budget planning and preparation; 4) budget execution; 5) public sector accounting / cash management / controls. Each grant will be placed in one area only.</li> </ul> <p>These levels of disaggregation are independent of each other.</p>
<b>Rationale</b>	This is an output indicator for Task Area 3. It complements indicator TA4.2.
<b>Responsible individual</b>	PMP administrator
<b>Data source</b>	Project financials
<b>Frequency and timing</b>	Quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be presented as an overall total.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.

### Indicator TA4.2

<b>Precise definition</b>	Percent milestones met. This indicator assumes that grants will be disbursed according to set deliverable and financial reporting milestones. Both should be included. This indicator is computed as the number of milestones met over the total number of milestones.
<b>Unit of measure</b>	Dollar amount.
<b>Data disaggregation</b>	This indicator will be presented separately for financial milestones and deliverable milestones.
<b>Rationale</b>	This is an intermediate result indicator for Task Area 3. It indicates whether grants have the potential to produce the desired results.
<b>Responsible individual</b>	PMP administrator / Grant administrator
<b>Data source</b>	Project reports
<b>Frequency and timing</b>	Quarterly
<b>Budget implications</b>	There are no significant budget implications.
<b>Method of data acquisition</b>	The PFM-LAC team will report the data to USAID.
<b>Data quality assessment procedure</b>	<p><i>Validity:</i> There are no validity issues.</p> <p><i>Reliability:</i> The process for data collection is consistent over time.</p> <p><i>Precision:</i> This is a sufficient level of precision.</p> <p><i>Integrity:</i> There are no integrity issues.</p> <p><i>Frequency:</i> The data is current and can be provided upon request, which is timely to influence management decisions.</p>
<b>Data limitations and actions to address them</b>	There are no limitations.
<b>Data analysis issues</b>	There are no data analysis issues.
<b>Data use</b>	Data should be presented as an overall total.
<b>Baseline and targets</b>	The baseline and targets are presented in the indicator tracking table in section III.