Quarterly Report

Appendix 2: Measure Specific Performance

FY15 Q1 October – December 2014

February 19, 2015

PFSCM's Quality Management System has been certified to ISO 9001:2008 Quality Management System Standard by UL DQS Inc.
Ref registration # 10012936.

Goal One: Access

SCMS Vision

Transforming health care delivery by ensuring that quality medicines reach people living with or affected by HIV and AIDS

SCMS Mission

We strengthen or establish secure, reliable, cost-effective and sustainable supply chains to meet the care and treatment needs of people living with or affected by HIV and AIDS. In collaboration with in-country and international partners we will:

- Deploy innovative solutions to assist programs to enhance their supply chain capacity
- Ensure accurate supply chain information is collected, shared and used
- Provide quality, best value, health care products to those who need them

Access
Provide quality HIV/AIDS commodities efficiently and effectively

- **Security** Manage a secure supply chain
  - 1. Product Loss
- **Reliability** Deliver the right product to the right place at the right time
  - 2. On-time Delivery
  - 3.Stock-Outs
  - 4. PQ Turn-around Time
  - 5. Forecast Accuracy
- **Quality Products** Ensure products delivered are appropriate for their intended use and meet all required standards
  - 6. Sampling Processes
- **Strengthen Reach** Improve capacity to reach all patient populations requiring HIV/AIDS related products and services
  - 7.Planned, Unplanned, Emergency Orders

Strengthen Systems
Strengthen supply chains to increase access to quality HIV/AIDS commodities

- **Capacity & Capability** Enhance capability and capacity of supply chain systems to meet defined standards
  - 8. Country Ownership of Supply Chain Processes
  - 9. Competency
  - 10. Supply Chain Maturity Assessment
- **Performance** Enable performance improvement against agreed benchmarks in execution of supply chain services
  - 11. Supply Chain System Performance (SCMS-Supported)
  - 12. Supply Chain Performance Assessment

Leadership & Partnership
Collaborate with key constituencies to strengthen health supply chains and encourage the adoption of best practices

- **Collaboration** Collaborate with stakeholders to improve global response to emerging supply chain challenges
  - 13. Coordinated Procurement
  - 14. Number of CPP Country-at-Risk Schedule submissions per year
- **Knowledge Exchange** Promote exchange of ideas to encourage adoption of best practices and innovations
  - 15. Number of journal articles published
  - 16. Number of formal, public presentations to key constituencies

Operational Excellence:
Operate an organization that provides best value supply chain and system strengthening services

- **Cost Effective** Control the cost of internal SCMS operations and the in-country, regional, and global solutions we implement
  - 17. Cost Effective
  - 18. Pricing
  - 19. Freight
- **Best Value** Offer the best procurement and technical assistance experience for SCMS customers
  - 20. Client Satisfaction
- **Continuous Improvement** Operate effective and efficient internal business processes
  - 21. Operational Performance Management
  - 22. Core Systems Uptime

Strategic Objective 1.1: Security
Measure 1.1.1 Product Loss: Shipping & Storage

Measure Definition	Measure Owner	Target	LoP	FY15 Q1	Trend
The sum value of losses (damage, theft, diversion) from shipments controlled by SCMS as a percentage of total value delivered	Chris Larson	≤3%	0.15%	0.00%	↓

Context

The value of product loss in the shipping and warehousing elements of the SCMS supply chain was very low in the FY15 Q1 period, with just $824 lost out of a value delivered exceeding $103M.

Performance

Quarter	Product Loss	Value Delivered	Product Loss
FY13 Q2	$7,330.89	$72,471,205.86	0.01%
FY13 Q3	$252,439.00	$74,274,345.48	0.34%
FY13 Q4	$281.18	$85,916,578.47	0.00%
FY14 Q1	$72,356.79	$90,649,700.00	0.08%
FY14 Q2	$45,325.03	$96,660,883.00	0.00%
FY14 Q3	$114,081.06	$110,395,769.00	0.10%
FY14 Q4	$2,133.01	$99,447,947.00	0.00%
FY15 Q1	$823.89	$103,064,077.00	0.00%

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Strategic Objective 1.2: Reliability
Measure 1.2.1 Recipient Stockout Rates (SCMS Accountable)

Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
The total number of SCMS related stock-outs of ARVs or Test Kits on the core product list reported by SCMS clients.	Chris Larson	**<12 per year**	0	0	0	**=**

Context

There were no confirmed stockouts of core ARV drugs or HIV Rapid test kits reported by SCMS clients during the period. We seek to avoid stockouts by working with countries to generate supply plans and forecasts for commodities, thereby planning the procurements better.

We also work closely with countries to monitor the ongoing supply situations in countries relative to the larger supply plans and requirements beyond what SCMS is buying for a country

Performance

Quarter	Number of Stockouts
Q2	0
Q3	0
Q4	0
Q1	0

NB: SCMS related stock-outs are defined as a stock-out due to a breakdown in the SCMS delivery process, resulting in a deviation from the planned delivery schedule. Stock outs may occur in SCMS supported countries but will not be reported for this metric. These stock outs of products outside the scope of the indicator or stock outs not caused by SCMS.

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Stock levels drop below required level	Medium	High	Mitigate	Emergency orders, Quarterly updates of SPs to monitor stock levels	Chris Larson, Robert Burn

Strategic Objective 1.2: Reliability
Measure 1.2.2a On-Time Delivery: Core Products

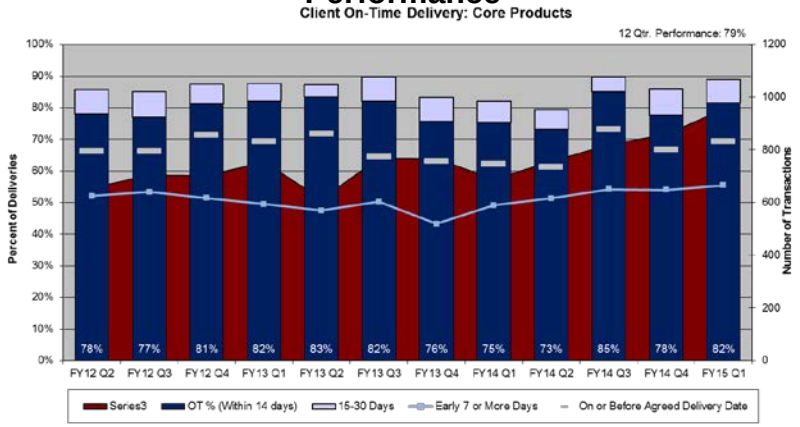
Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
Percentage of orders delivered no more than 14 days after the PQ projected delivery date.	Steve Patras	**Core: 80%** ARV, LAB, DRUG, HIV Test Kit, VMMC Kits	78%	82%	82%	↑

Overall: 82% COTD in Q1 (Oct: 81%, Nov: 81% and Dec: 83% respectively)

Lab: 82% COTD - MZ and ET resolved some challenges with local suppliers resulting in both countries rebounding to their normally high OTD levels. In Dec MZ rose 18% points to over 95% and ET rose 10% points to 91% OTD. Other countries with improved performance this period: Zambia, Cote D'Ivoire, Nigeria.

ARV: 77% COTD - Although VOTD Mylan is improving, it is still impacting COTD.
Drug: 79% COTD:
VMMC: 91% COTD - This is an improvement from the previous quarter due to shipments well planned from new warehouses in Singapore and South Africa.
HIV RTK: 95% COTD - Four consecutive quarters over 90%.

Performance



Note: (i) Core includes ARV, HIV Test, VMMC, Drug, Lab. Non-Core includes FP, Test, OTH, ACT and ANTM.

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
POD delays in RW	Escalate to country team management	Peter Smith	03/30/2014
Mylan VOTD	Continuous intense discussions, quarterly reports, monthly discussions, Mylan hired additional staff and will quote more realistic lead times	Nikola, Natasha	Continuous

Risk & Mitigation

Risk	Probability	Impact	Respons Option	Mitigation Action	Owner
Vendors have issues with Lopinavir/Ritonavir and Atazanavir/Ritonavir, impacting COTD. Root cause is challenge with Ritonavir APIs.	High	High	Mitigate	Mylan claims improvement plan to increase capacity from April for A/R. Abbvie (major for L/R) has increased lead times to 12-20 wks, so currently cautious with demand fulfillment to serve all clients	Chris Larson, John Vivalo

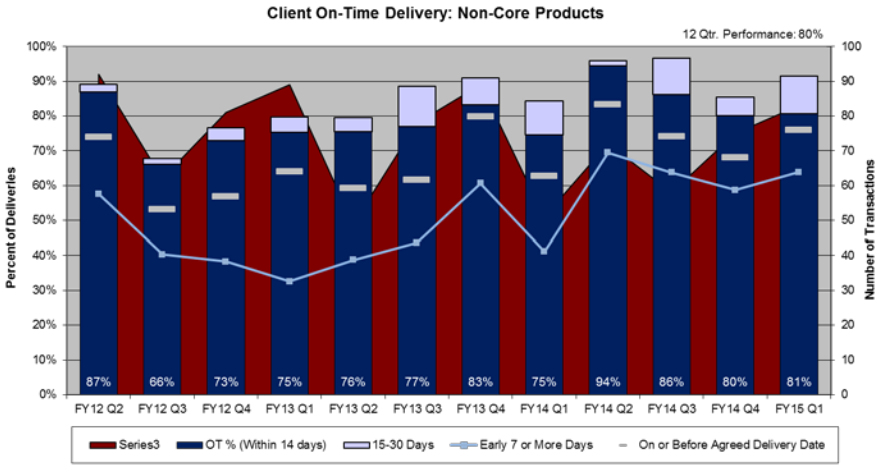
Strategic Objective 1.2: Reliability
Measure 1.2.2b On-Time Delivery: Non-Core Products

Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
Percentage of orders delivered no more than 14 days after the PQ projected delivery date.	Peter Smith	**Non-Core: 70%** ORDT, MRDT, ANTM, ACT, FP, OTH	80%	81%	81%	↑

Context

Continued strong performance in OTD for non-core products.

Performance



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Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

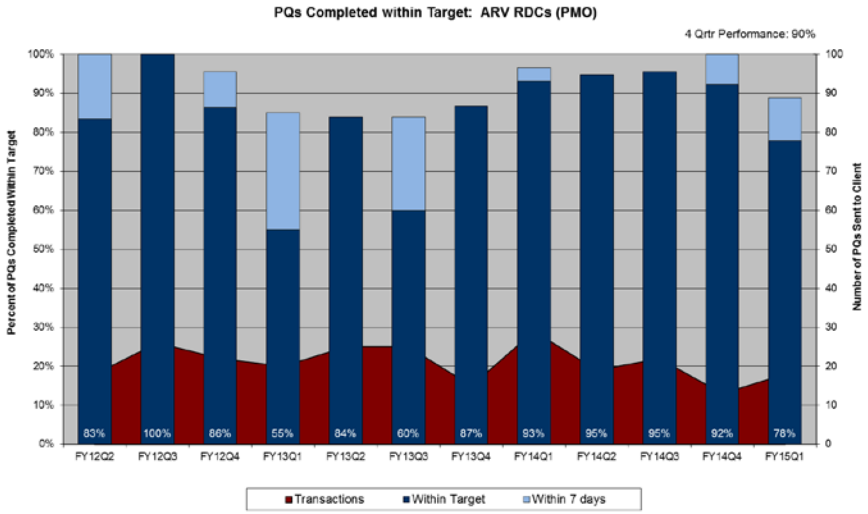
Strategic Objective 1.2: Reliability
Measure 1.2.3a On-Time PQ Turnaround: PMO ARV (via RDC)

Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
Average number of days between client initially contacting SCMS for a price request (PR) and SCMS sending a price quote (PQ) to the client, broken out by 5 milestones/"steps" in the process.	Chris Larson	**70%**	92%	78%	78%	↓

Context

Four out of 19 PQ's were late for the quarter, translating into a 15% drop from the previous quarter. While this was a significant drop, the drop can be explained due to one reoccurring issue, clients requesting changes. The four late PQ's were two for Rwanda, one for Botswana and one for Guyana. All four of these were received and processed timely, however upon submitting to the clients, there were requested changes due to a variety of issues such as quantity changes, product changes, and address changes. The internal processing milestones were all completed on time.

Performance



Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Client induced changes	While the performance appears to have slipped, the type of changes requested were necessary to ensure timely order fulfillment. There are no specific corrective actions to take.		

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Strategic Objective 1.2: Reliability
Measure 1.2.3b On-Time PQ Turnaround: HIV Test Kits

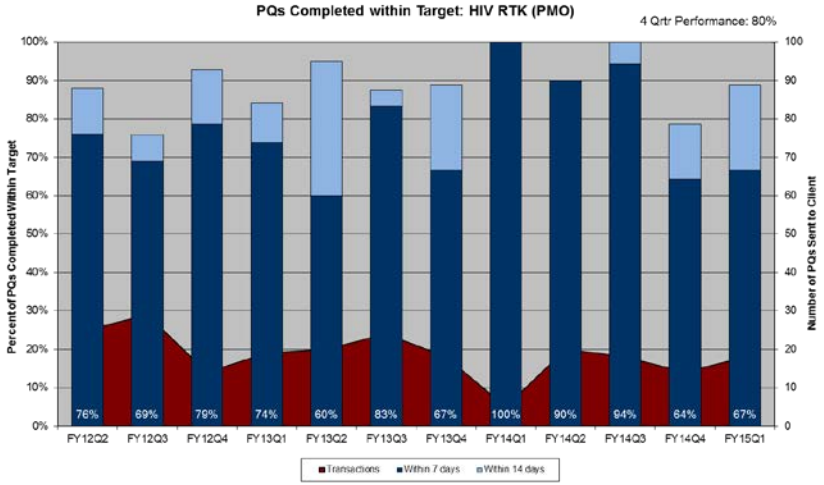
Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
Average number of days between client initially contacting SCMS for a price request (PR) and SCMS sending a price quote (PQ) to the client, broken out by 5 milestones/"steps" in the process.	Laura Thomas	**85%**	64%	67%	67%	↑

Context

Challenges with NFO orders that take longer to process due to: increased time to process Freight Estimate, increased time for internal approval, increased time to secure funding, increased time to send to the client for approval (sometimes all client PQ's are gathered together and sent to the client at once for signature. LAB PQ's have 42 days to process, so if we wait until those are done, then HRDT will surely be late), etc. This has been occurring for a long time and despite our efforts, NFO orders have a difficult time meeting the 14 day turnaround time. Most are completed within 7 days of the target, so we are close to the target.

SCMS FO countries are almost always turned around within the 14 day target range.

Performance



Note: The target PQ turnaround time for HIV test kits is 21 days,

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Non-Field Office Client PQs	Work with NFO team to see how we can speed up the process, if possible.	Laura Thomas	April 2015

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

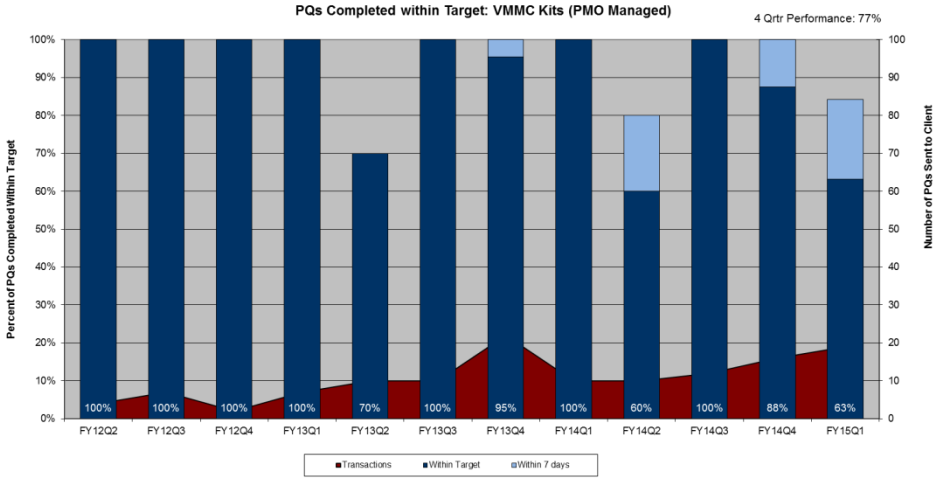
Strategic Objective 1.2: Reliability
Measure 1.2.3c On-Time PQ Turnaround: VMMC Kits

Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
Average number of days between client initially contacting SCMS for a price request (PR) and SCMS sending a price quote (PQ) to the client, broken out by 5 milestones/"steps" in the process.	Juan Jaramillo	**80%**	88%	63%	63%	↓

Context

The performance during the quarter was reduced to 63%. The delays were in a total of seven transactions (7/19). Six of the seven had active price requests in CRM system when information was not complete or needed verification (with either billing codes or quantities requested). The additional transaction required a sole source justification that delayed the PQ process.

Performance



Note: The target PQ turnaround time for VMMC is 42 days.

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Price Requests remained active in the CRM system when information was not complete or needed verification	The VMMC team will request procurement teams in country to only enter price requests that have complete information and verified data needs.	Juan Jaramillo	March 30, 2015

Risk & Mitigation

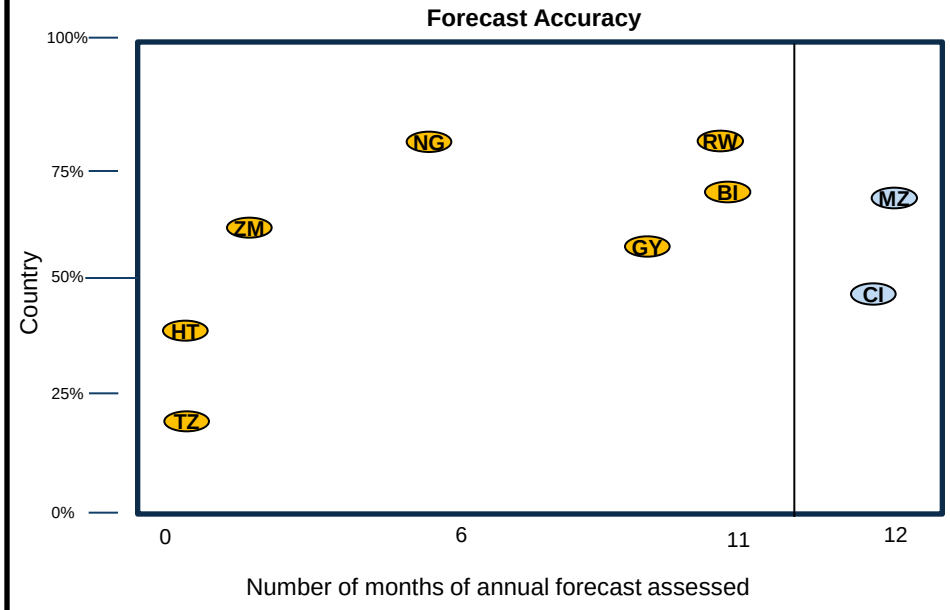
Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Strategic Objective 1.2: Reliability
Measure 1.2.4 Forecast Accuracy

Measure Definition	Measure Owner	Target	Performance		Trend
			FY14Q4	FY15Q1	
Variance between forecasted and reported consumption/issues data for a set of tracer ARVs and HIV RTKs	Robert Burn/ Alan Pringle	70%	68%	60%	

Context

- Reminder: calculation reflects only completed annual forecasts in the aggregate performance.
- Tracer list includes 3 adults and 3 pediatric commodities.
- MZ: 12 month performance is above interim target and is improved over last year.
  - Improved quality of consumption data from SIMAM to inform the forecasts
  - Increased compliance to ARV STG at treatments due to improved divulgation of STGs
- CI: 12 month performance of 46% below interim target
  - Slower uptake of pediatric treatment than assumed led to less accurate forecasted consumption
  - Viral load scale-up did not occur as planned thus actual use of 3rd line ARVs was well below forecast.
- SCMS is currently reviewing the efficacy of this measure and whether the current formula gives an accurate reflection of forecast accuracy.
- Currently, RTKs have been excluded from this measure and will be included in subsequent quarters.



Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Growth in patients is often lower than forecasted, especially for Peds, resulting in lower forecast accuracy	Issue communication to field offices reinforcing WI Step #4 to monitor consumption during quarterly supply plan updates and rigorously test assumptions on program growth	Robert Burn	3/2015

Risk & Mitigation

Risk	Probability	Impact	Response Option	MitigationAction	Owner
Future changes in program implementation to address 90-90-90 strategy and WHO's planned review of its current guidelines (2015) will likely impact the validity of current forecast assumptions	High	High	Mitigate	Initiate conversations with MOH counterparts to address 90-90-90 scale up and anticipated WHO regimen transitions by June 30, 2015	Robert Burn

Strategic Objective 1.3: Quality Products
Measure 1.3.1 Pharmaceutical Product Sampling – Actual Pulled vs. Flagged

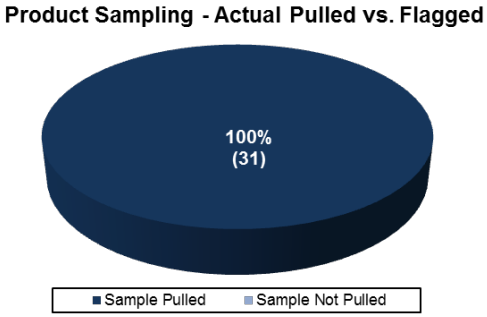
Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
The number of pharma POs with samples pulled for testing as a percentage of the total number required to pull according to the Pharmaceutical Product Sampling and Testing Policy.	Chryste Best	**88%**	100%	100%	100%	=

Context

24 ARVs flagged:
18 from JSI South Africa (Pharmacy Direct)
3 from Ghana
1 from Haiti
1 from Vietnam

7 Drugs Flagged:
3 from Burundi
2 from Liberia
1 from Swaziland
1 from Ivory Coast

Performance



Product Type	Flagged	Collected	In Transit	Unable to Collect
ARV	24	24	-	-
DRUG	7	7	-	-

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Impact	Probability	Mitigation Action	Owner
None.				

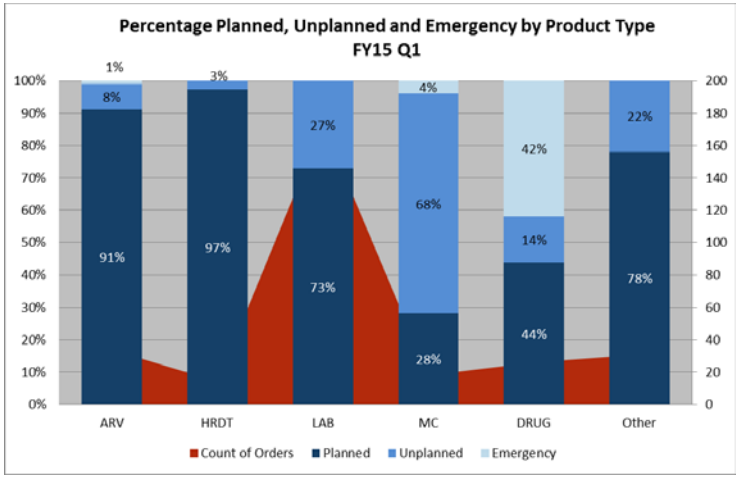
Strategic Objective 1.4 Strengthen Reach
Measure 1.4.1 Planned, Unplanned and Emergency Orders

Measure Definition	Measure Owner	Target		FY14 Q4	FY15 Q1	FY15
Percentage of SCMS orders that are planned, unplanned & emergency Orders	Chris Larson	**N/A**	**Planned**	77%	79.6%	79.6%
			Unplanned	19%	17.9%	17.9%
			Emergency	3%	2.5%	2.5%

Context

- The percentage of planed orders in the period increased to nearly 80%. This was led by ARV orders and HRDT orders that were placed on plan at a rate of 91% and 97% respectively.
- Lab orders were planned 73% of the time during the period, but LAB orders were also the largest component of the unplanned orders during the period making up 34% of unplanned orders overall. Botswana and Tanzania made up the majority of the unplanned orders.
- MC commodities also made up a large portion of the unplanned orders during the period with unplanned orders coming from Tanzania, Zimbabwe, Namibia and Ethiopia.

Performance



Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Unplanned MC orders can not be fulfilled per requested date	Medium	Potential commodity shortages	Mitigate	Continue working with countries to improve MC commodity planning	Juan Jaramillo

Goal Two: Strengthen Systems

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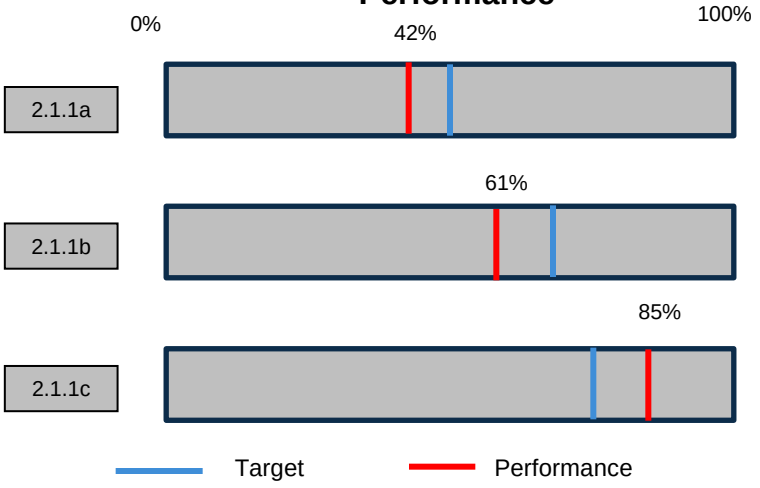
Strategic Objective 2.1: Capacity and Capability
Measure 2.1.1 Country Ownership

Measure Definition	Measure Owner	Target	FY14 Q4	FY15	Trend
2.1.1a-Number of SCMS-supported countries with approved national supply chain strategic plans	Caroline Healey	**50%**	42%*	N/A	
2.1.1b-Level of country counterpart ownership FASP		**75%**	61%	N/A	
2.1.1c-% of supply chain functions documented in SOPs		**80%**	85%	N/A	

Context

Country ownership is a annual measure and a status update will be provided in Q2.

Performance



Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline

Risk & Mitigation

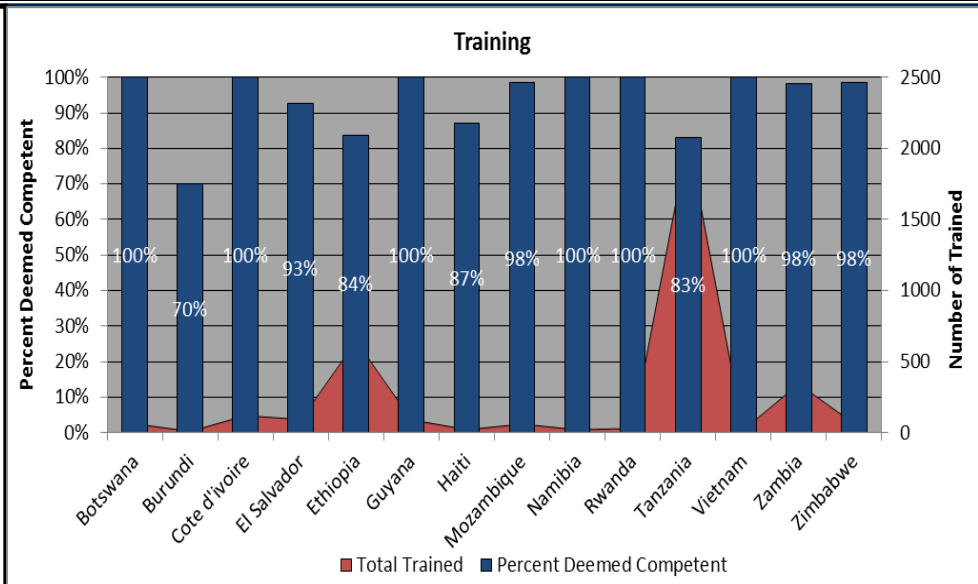
Risk	Probability	Impact	Response Option	Mitigation Action	Owner

Strategic Objective 2.2: Performance Measure 2.1.2 Training & Competency

Measure Definition	Measure Owner	Target	Performance		Trend
			FY14 Q4	FY15Q1	
2.1.2 Competency-Percent of non-SCMS staff trained and deemed competent in supply chain functions	Cheryl Mayo	**80%**	85%	87%	↑

Context

- Competency levels have improved in Q1
- FY15 Q1: 3660 people trained, FY14 Q4: 4550 people trained
  - PST: 311
  - IST: 1062
  - TOT: 102
  - OJT: 2185
- ET and TZ presented the highest number of people trained
- ET improvement due to successful execution of CAPAs through pre-training orientation and standardized competency testing
- TZ trainings included 28 staff in the use of cycle counting with Epicor 9
- BW TOT/OJT competency increased from 81% in FY14Q4 to 100% in FY15Q1 including 3 Peace Corps volunteers



Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Namibia reported issue of lack of sufficient time to conduct practical/oral assessments of SOP trainees	Future trainings will include sufficient time to assess understanding /competency of all trainees including those that cannot take written tests	Olya Duzey	3/2015

Risks & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Staff retention remains a challenge, requiring new people to be trained and is a risk supply chain performance in interim	High	High	Mitigate	Institutionalize training programs and TOT to build host government ownership and capacity. Leverage HRCD TWG to share experiences and produce guidance by FY15 Q3.	Cheryl Mayo

Strategic Objective 2.2: Performance
Measure 2.2.1 Supply Chain Performance (SCMS Supported)

Measure Definition	Measure Owner	Target	FY14Q4	FY15Q1	Trend
2.2.1a Facility Reporting Rates	Alan Pringle	**80%**	79%	81%	↑
2.2.1b Expiry		**1%**	0.26%	0.36%	↑
2.2.1c On-time Delivery		**75%**	87%	91%	↑
2.2.1d In-Country Facility Stockout Rates		**5%**	6%	8%	↑
2.2.1e Order Fill Rate		**80%**	80%	74%	↓

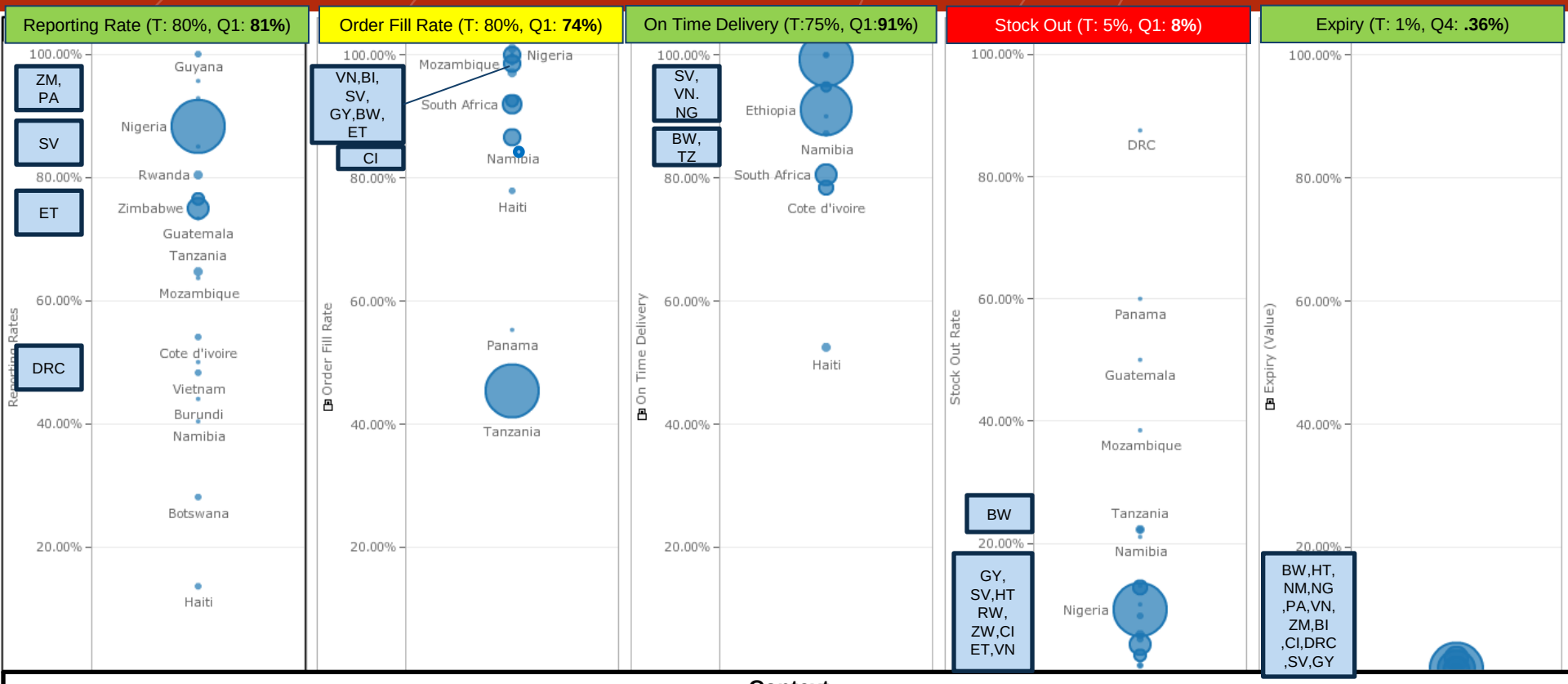
Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Continued challenges to LMIS reporting systems	1. Examine TZ and commercial models to gain best practices and apply to updating CI reporting cycle with delivery cycle 2. System redesign will address misalignment of reporting and delivery schedules	Alan Pringle and Clinton de Souza	6/2015 6/2015
Stock outs caused due to facility management and LMIS analysis challenges	1. DRC: Review FO procedures and train staff 2. NG: Working with state LMCU to identify poor performing facilities for targeted mentoring and capacity building	Alan Pringle Alan Pringle	3/2015 3/2015

Risks & Preventative Actions

Risk	Prob.	Impact	Response Option	Mitigation Action	Owner
Organization and management challenges of CMS in ZM and TZ, and the BW outsourced contractor, has resulted in declining performance that could significantly impact inbound and outbound shipments	Medium	High	Mitigate	Create risk profile and recommendations for country actions	Alan Pringle and Diane Reynolds
Expiring stock not considered early enough to allow lead times for restock	Medium	Medium	Mitigate	Issue guidance note to FO with expiry management guidance	Robert Burn

Strategic Objective 2.2: Performance
Measure 2.2.1 Supply Chain Performance (SCMS Supported)



Context

- Strong Expiry management (all below 2%). Improvements in Reporting Rates and On Time Delivery, but Order Fulfillment and Stock outs are below target.
- RR: Greater burden of reporting related to increased commodity volume and facilities supported in countries. Overall data availability remains high at 91%, with timeliness and completeness above target for the first time due to targeted follow-up to late facilities. NG cluster meetings still effective in spite of strikes and civil conflict. RW performance-based pay contributed to 5% increase. Misalignment between delivery and reporting schedules in CI and HT. ET challenges in transitioning data collection responsibility to LDPs. BW: Demotivation of lower level facilities due to late delivery of lab commodities by 3PL.
- OF: Despite 13 of 15 countries reporting at least 78% fulfillment, TZ score of 45% drops project below target due to overestimation of ARV demand by DAR Zone, highlighting process verification error. Procurement challenges in PA resulting in low performance.
- OTD: Performance improved to 91%. NG and NM increased service providers and training. CI emergency deliveries disrupted normal operations. HT delays due to lack of final month data in distribution cycle. Late award of SA tenders impacted vendors ability to deliver products; late PODs delay vendor payment.
- SO: 9 of 18 countries reported larger number of stock outs than last quarter, resulting in overall performance dip. NG PMTCT facilities had Determine expiries causing stock outs, as well as strikes by health workers. ZW increased pediatric ART uptake (older teenagers taking peds ARV) and inadequate supply of chase buffer based on usage ratio. TZ picking and packing inefficiency at MSD and insufficient distribution fleet caused stock outs. DRC: Shipment delayed due to miscommunication by FO with RDC caused IP stock outs. MZ: Temporary CMS stock out could have been avoided by redistribution at central level.

Strategic Objective 2.2: Performance
Measure 2.2.2 Supply Chain Assessment: KPI Score

Measure Definition	Measure Owner	Target	Country	FY14 Q4	Country	FY15 Q1	Trend
2.2.2 Results of the Supply Chain Assessment KPI tool, illustrating performance of in-country supply chains	Diane Reynolds	**60%**	Eritrea	NA	NA	NA	N/A

Context

Nigeria:
Assessment started October 2014, report due in FY15Q2.

Mozambique:
Assessment started November 2014, report due in FY15Q2.

Performance

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Strategic Objective 2.1: Capacity and Capability
Measure 2.1.3 Supply Chain Assessment: CMM Score

Measure Definition	Measure Owner	Target	Country	FY14 Q4	Country	FY15 Q1	Trend
2.1.3 Results of the Supply Chain Assessment CMM tool, illustrating capability maturity of in-country supply chains	Diane Reynolds	**60%**	Eritrea	**54.8%**	NA	NA	N/A

Context

Nigeria:
Assessment started October 2014, report due in FY15Q2.

Mozambique:
Assessment started November 2014, report due in FY15Q2.

Performance

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Goal Three: Leadership & Partnership

SCMS Vision

Transforming health care delivery by ensuring that quality medicines reach people living with or affected by HIV and AIDS

SCMS Mission

We strengthen or establish secure, reliable, cost-effective and sustainable supply chains to meet the care and treatment needs of people living with or affected by HIV and AIDS. In collaboration with in-country and international partners we will:

- Deploy innovative solutions to assist programs to enhance their supply chain capacity
- Ensure accurate supply chain information is collected, shared and used
- Provide quality, best-value, health care products to those who need them

Access
Provide quality HIV/AIDS commodities efficiently and effectively

- **Security** Manage a secure supply chain
  - 1. Product Loss
- **Reliability** Deliver the right product to the right place at the right time
  - 2. On-time Delivery
  - 3.Stock-Outs
  - 4. PQ Turn-around Time
  - 5. Forecast Accuracy
- **Quality Products** Ensure products delivered are appropriate for their intended use and meet all required standards
  - 6. Sampling Processes
- **Strengthen Reach** Improve capacity to reach all patient populations requiring HIV/AIDS related products and services
  - 7.Planned, Unplanned, Emergency Orders

Strengthen Systems
Strengthen supply chains to increase access to quality HIV/AIDS commodities

- **Capacity & Capability** Enhance capability and capacity of supply chain systems to meet defined standards
  - 8. Country Ownership of Supply Chain Processes
  - 9. Competency
  - 10. Supply Chain Maturity Assessment
- **Performance** Enable performance improvement against agreed benchmarks in execution of supply chain services
  - 11. Supply Chai System Performance (SCMS-Supported)
  - 12. Supply Chai Performance Assessment

Leadership & Partnership
Collaborate with key constituencies to strengthen health supply chains and encourage the adoption of best practices

- **Collaboration** Collaborate with stakeholders to improve global response to emerging supply chain challenges
  - 13. Coordinated Procurement
  - 14. Number of CPP Country-at-Risk Schedule submissions per year
- **Knowledge Exchange** Promote exchange of ideas to encourage adoption of best practices and innovations
  - 15. Number of journal articles published
  - 16. Number of formal, public presentations to key constituencies

Operational Excellence:
Operate an organization that provides best value supply chain and system strengthening services

- **Cost Effective** Control the cost of internal SCMS operations and the in-country, regional, and global solutions we implement
  - 7. Cost Effective
  - 8. Pricing
  - 9. Freight
- **Best Value** Offer the best procurement and technical assistance experience for SCMS customers
  - 20. Client Satisfaction
- **Continuous Improvement** Operate effective and efficient internal business processes
  - 21. Operational Performance Management
  - 22. Core Systems Uptime

Strategic Objective 3.1: Collaboration
Measure 3.1.1 Coordinated Procurement Mechanism

Measure Definition	Measure Owner	Target	Performance		Trend
			FY14Q4	FY15	
Percentage of SCMS-supported countries with coordinated procurement plans	Caroline Healey	**80%**	92%	N/A	

Context

Coordinated procurement mechanism is an annual measure and will be reported on in Q4.

Country	ARVs	Test Kit
Botswana		
Burundi		
Cote d'Ivoire		
DRC	Not in scope	Not in scope
El Salvador	Not in scope	Not in scope
Ethiopia*	Not in scope	Not in scope
Guatemala	Not in scope	Not in scope
Guyana		
Haiti		
Mozambique		
Namibia		
Nigeria		
Panama		
Rwanda		
South Africa	Not in scope	Not in scope
Tanzania		
Vietnam*	Not in scope	Not in scope
Zambia		
Zimbabwe		

Issues	Corrective Actions	Owner	Deadline

Risk	Prob.	Impact	Response	Mitigation Action	Owner

Strategic Objective 3.1 Collaboration: Measure 3.1.2 Number of CPP Country-at-Risk Schedule submissions per year

Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
Number of CPP country-at-risk schedule submissions per year	Dominique Zwinkels	4	1	2	2	↑

Context

- Two bi-monthly CPP Steering Committee/Technical Working Group meetings were held in FY15 Q1; October 1 and November 21, 2014. Two revised Countries At Risk Schedules were submitted to CPP members.
- The annual in-person meeting in Geneva was held on October 1st, 2014. All at-risk countries were discussed. Bi-monthly country risk analysis reports were submitted by: Angola, Cameroon, Ethiopia, Swaziland, Tanzania, and Zimbabwe.
- At the November 21 meeting, four countries identified for review were discussed: countries affected by the Ebola epidemic (Guinea Conakry (Yellow zone), Sierra Leone (Green zone), Liberia (Green zone), and the DRC (Red zone). Discussion focused on medium-term risks of inadequate funding and/or PSM challenges.

Performance

Country	Number of Submissions According to Schedule
Angola	1
Cameroon	1
DRC	1
Ethiopia	1
Guinea Conakry	1
Liberia	1
Sierra Leone	1
Swaziland	1
Tanzania	1
Zimbabwe	1

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Challenges with collecting data on ARV/RTK funding and stock availability	Created the bi-monthly country risk analysis reports to help inform meetings and provide information on the imminent risks to the supply chain	Dominique Zwinkels	Continuous
Challenges with data collection in West and Central Africa	Engaging SIAPS to assist with data collection	Dominique Zwinkels	Continuous

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
External (Steering Committee decisions)	Medium	Medium	Accept	New meeting format	Dominique Zwinkels
External (Countries/CPP members providing data and information)	Medium	Medium	Mitigate	Ongoing consultative process of CPP value	Dominique Zwinkels

Strategic Objective 3.2 Knowledge Exchange
Measure 3.2.1 Publishing

Measure Definition	Measure Owner	Target	FY14	FY15 (to date)	Trend
Number of journal articles published	Samantha Salcedo	**6**	**9**	**3**	↑

Context

In FY15 Q1 three articles were published.

1) Published in December 2014 in the Journal of Pharmaceutical Policy and Practice. "Proceedings of the 2nd People that Deliver (2nd PtD) Global Conference on Human Resources in Supply Chain Management (Building blocks for enhancing personnel performance: activities, best practices and lessons learned from Ethiopia)" By: Daniel Taddesse, Suzanne Hoza, Tesfaye Seifu, and Logan Cochrane. Link to article: http://www.joppp.org/supplements/7/S1
2) Published in December 2014 in the Global Health Science and Practice journal "Strategies to Reduce Risks in ARV supply chains in the Developing World". By: Chris Larson and Robert Burn. Link to article: http://www.ghspjournal.org/content/2/4/395.full.html
3) Published in October 2014 as a UNAIDS supplement (supplement of Antiviral Therapy entitled Ensuring Access to Generic Anti-retroviral Drugs in Low- and Middle-income Countries) "Ensuring Access to Generic Anti-retroviral Drugs in Middle- and Low-income Countries: factors influencing production, regulation and provision to people living with HIV in middle- and low-income countries." By: David Jamieson. Link to article: http://www.intmedpress.com/journals/avt/abstract.cfm?id=2903&pid=88

- Given the white papers, etc that we have in the pipeline we feel confident that we can reach our target for the year.

Performance

Title	Publisher
"Proceedings of the 2nd People that Deliver (2nd PtD) Global Conference on Human Resources in Supply Chain Management (Building blocks for enhancing personnel performance: activities, best practices and lessons learned from Ethiopia)	Journal of Pharmaceutical Policy and Practice
Strategies to Reduce Risks in ARV supply chains in the Developing World	Global Health: Science and Practice
Ensuring Access to Generic Anti-retroviral Drugs in Middle- and Low-income Countries: factors influencing production, regulation and provision to people living with HIV in middle- and low-income countries	UNAIDS supplement International Medical Press

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Strategic Objective 3.2 Knowledge Exchange
Measure 3.2.2 Presentations

Measure Definition	Measure Owner	Target	FY14	FY15 (to date)	Trend
Number of presentations to key constituencies	Samantha Salcedo	**20**	**20**	**14**	↑

Context

On track. 14 presentations made during the time period.

Performance

#	Audience or Event
2	African Society for Laboratory Medicine (ASLM) International Conference
4	7th Global Health Supply Chain Summit
4	2nd PtD Human Resources for Supply Chain Management Conference
1	UNICEF/WHO/UNFPA meeting, SCMS African Supply Options
2	CHAI Meeting
1	WHO/UNAIDS Technical Working Group Meeting

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Goal Four: Operational Excellence

SCMS Vision

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SCMS Mission

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- Deploy innovative solutions to assist programs to enhance their supply chain capacity
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- Provide quality, best-value, health care products to those who need them

Access
Provide quality HIV/AIDS commodities efficiently and effectively

- **Security** Manage a secure supply chain
  - 1. Product Loss
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  - 3.Stock-Outs
  - 4. PQ Turn-around Time
  - 5. Forecast Accuracy
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  - 6. Sampling Processes
- **Strengthen Reach** Improve capacity to reach all patient populations requiring HIV/AIDS related products and services
  - 7.Planned, Unplanned, Emergency Orders

Strengthen Systems
Strengthen supply chains to increase access to quality HIV/AIDS commodities

- **Capacity & Capability** Enhance capability and capacity of supply chain systems to meet defined standards
  - 8. Country Ownership of Supply Chain Processes
  - 9. Competency
  - 10. Supply Chain Maturity Assessment
- **Performance** Enable performance improvement against agreed benchmarks in execution of supply chain services
  - 11. Supply Chain System Performance (SCMS-Supported)
  - 12. Supply Chain Performance Assessment

Leadership & Partnership
Collaborate with key constituencies to strengthen health supply chains and encourage the adoption of best practices

- **Collaboration** Collaborate with stakeholders to improve global response to emerging supply chain challenges
  - 13. Coordinated Procurement
  - 14. Number of CPP Country-at-Risk Schedule submissions per year
- **Knowledge Exchange** Promote exchange of ideas to encourage adoption of best practices and innovations
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Operational Excellence:
Operate an organization that provides best value supply chain and system strengthening services

- **Cost Effective** Control the cost of internal SCMS operations and the in-country, regional, and global solutions we implement
  - 17. Cost Effective
  - 18. Pricing
  - 19. Freight
- **Best Value** Offer the best procurement and technical assistance experience for SCMS customers
  - 20. Client Satisfaction
- **Continuous Improvement** Operate effective and efficient internal business processes
  - 21. Operational Performance Management
  - 22. Core Systems Uptime

Strategic Objective 4.1 Cost Effective
Measure 4.1.1a Cost Effective: RDC Expiry & BRC Reporting

Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
4.1.1a Expiry RDC Stock	Chris Larson	**4.1.1a ≤ 3%**	0.15%	0.42%	0.42%	↓
4.1.1a BRC Reporting Rate	Delphine Johnson	**4.1.1b 4**	Annual Measure	Annual Measure	Annual Measure	

Context

1. Stock loss due to expiry:

The value of product loss to expiry was overstated in the period due to a financial write off of the value of a CD3/CD4 Cytometer. This item showed on SCMS books as a stock item even though it was long ago delivered in Kenya to the local programs. Can not charge Kenya budget anymore. Without this financial adjustment, actual loss was $51,091. The largest component of this actual expiry the was loss of Stavudine containing pediatric FDCs ($27K).

2. BRC reporting rate:

- Although RDC costs decreased in Q1, BRC has slightly increased from 5.30% to 5.33% at quarter close.
- Preliminary January 2015 data shows decrease in BRC to 5.15%.

Performance

	Expiry Value	Expiry Percentage
FY14Q2	$63,373.66	0.07%
FY14Q3	$427,773.12	0.39%
FY14Q4	$148,162.05	0.15%
FY15Q1	$436,566.62	0.42%

	BRC Reporting
FY14 Q2	3 months
FY14 Q3	3 months
FY14 Q4	3 months
FY15 Q1	3 months

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
PO not transacted correctly, DDS was arranged as stock order	Need to confirm all local program orders for countries where an RDC is situated – all will be NFO orders	Chris Larson	Current

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Strategic Objective 4.1 Cost Effective
Measure 4.1.1b Cost Effective: Surcharge

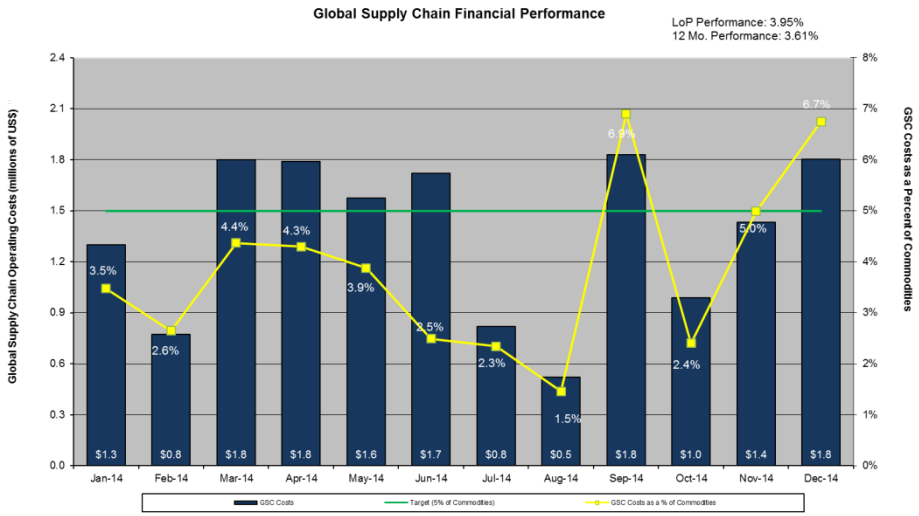
Measure Definition	Measure Owner	Target	LOP Performance
4.1.1b Surcharge	Delphine Johnson	**4.1.1c ≤ 5%**	3.95%

Context

4.1.1b <u>LOP Surcharge</u>:

- The pool (operating) costs over the past quarter totaled an average of $1.4m per month. This is compared to the $1.06m monthly average last quarter.
- The monthly average base (total commodity procurements) for the quarter is $32.2m. This is compared to $32.4m last quarter.
- The monthly average surcharge for FY15 Q1 was 4.37%. This represents an increase from FY14 Q4.

Performance



Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Surcharge does not remain within target due to low volume of sales or un-proportionate operating costs.	Medium	High	Mitigate	Increase volume of commodity sales and/or decrease operating costs.	Delphine Johnson

Strategic Objective 4.1 Cost Effective
Measure 4.1.1c Cost Effective: ACF

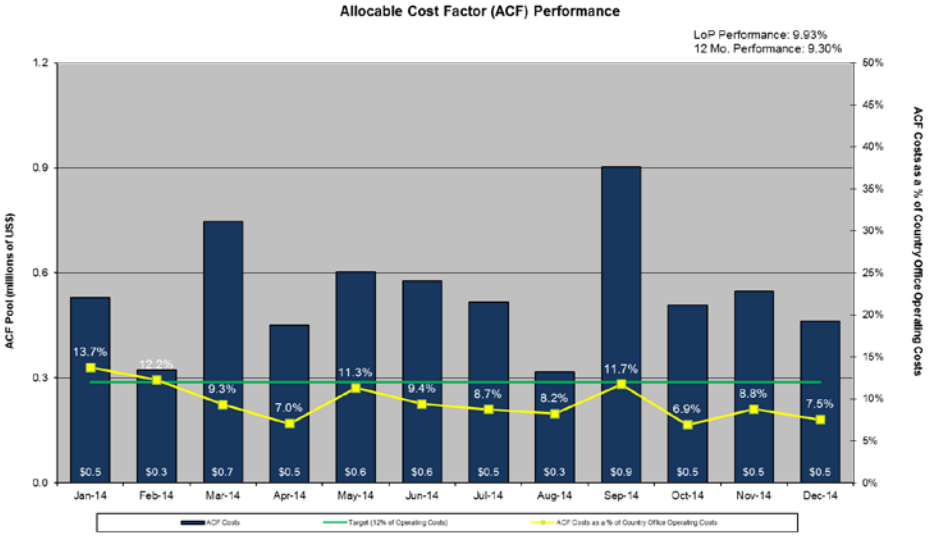
Measure Definition	Measure Owner	Target	LOP Performance
4.1.1c ACF	Delphine Johnson	**4.1.1d ≤ 12%**	9.93%

Context

4.1.1c <u>LOP ACF</u>

- The pool (operating) costs for the past quarter equal a monthly average of $506k, a decrease from $579k last quarter.
- The monthly average base (total field operating costs) for the quarter is $6.6m, compared to $5.8m last quarter.
- The monthly average ACF for FY15 Q1 was 7.68% compared to 9.93% last quarter.

Performance



Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

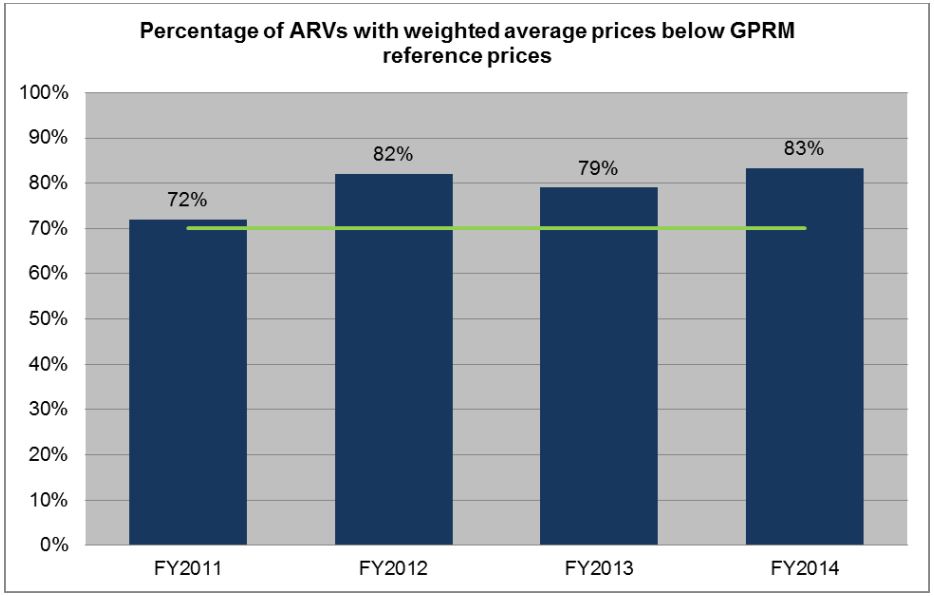
Risk	Probability	Impact	Response Option	Mitigation Action	Owner
ACF does not remain within target due to lower than expected country budgets or higher operating costs.	Medium	High	Mitigate	Maintain country activities per extension budget or decrease operating costs.	Delphine Johnson

Strategic Objective: 4.1 Cost Effective
Measure: 4.1.2 ARV Price Comparison: SCMS vs. GPRM

Measure Definition	Measure Owner	Target	FY14	FY15	Trend
This measure compares SCMS ARV price to those in the GPRM	TBD	**70%**	82%	TBD (FY15 Q4)	↑

Context

Performance



Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

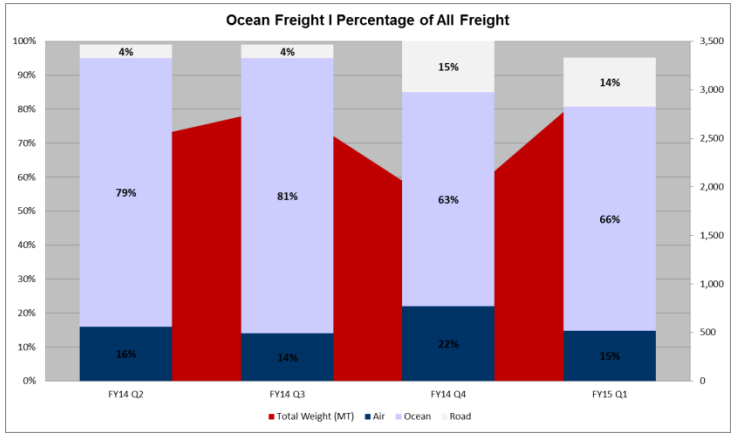
Strategic Objective 4.1: Cost Effective
Measure 4.1.3 Ocean Freight: Percentage of All Freight

Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
Tonnage of international deliveries shipped by ocean as a percentage of all international freight	Gary Carle	**≥50%**	63%	66%	66%	↑

Context

- F15Q1 overall ocean volumes delivered remained above plan and remained consistent with the previous quarter. We look for ocean volumes to increase in the next quarter.
- Ocean volumes delivered this quarter were impacted by deliveries that were still in transit as well as several shipments where delivery was delayed due to lack of warehouse space in Ethiopia and Zambia.
- Ocean volumes were also impacted by the seasonal "Red Zone" as sailings were pushed into January to avoid arrival during the Holiday period.
- We will continue to closely monitor compliance of supply plans and emergency orders which can negatively impact this metric.

Performance



**Note: Small volumes of freight moved by shipper agent truck are not visible on the graph*

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
Shortages of warehouse space at high ocean volume destinations such as Ethiopia and Zambia have negatively skewed ocean tonnage even though containers are in Addis Ababa and available for delivery. Additionally, are currently on the water	ET & Zambia FO teams are working with PFSA and MSL to arrange delivery space on an ongoing basis	Ethiopia and Zambia Field Offices	F15Q1/Ongoing

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
Lack of supply planning and emergency orders can limit the use of ocean Freight.	Medium	High	Mitigate	Monitor supply plans against actual orders to see if lack of compliance resulted in use of premium air transportation. Continue to work with SCMS Field Office Staffs to improve coordination of Ocean deliveries to ET and ZM	F&L, Demand Planning and ET, ZM Field Office Staffs.

Strategic Objective 4.2: Best Value
Measure 4.2.1 Client Satisfaction: Products Ordered/Received and Technica Assistance

Measure Definition	Measure Owner	Target	FY14 Q3-Q4	FY15 Q1-Q2	Trend
Rating is based on client response to "Overall Satisfaction" on Products Ordered/Products Received and Technical Assistance client survey.	GSC: Gordon Comstock	**85%**	TBD	TBD	
	TA: Diane Reynolds	**85%**	TBD	TBD	

Context

SCMS is examining methodology and researching outside entities to assist in executing future customer satisfaction surveys.

Performance

Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Strategic Objective 4.3 Continuous Improvement
Measure 4.3.1a Operational Performance Management

Measure Definition	Measure Owner	Target	FY14	FY15	Trend
4.3.1a Annual Partner Operational Review	Delphine Johnson	**100%**	**100%**		**=**

Context

- In Q1, the Finance Unit worked on following up on action items from the FY 14 reviews. These are currently still in progress. The Finance Unit plans to conduct the FY 15 Annual Partner Reviews in Q4.

Performance

Annual Partner Operational Review			
Partner	Review Complete	CAPA Complete	Follow Up Complete
Imperial	Completed	In process	In process
Manoff	Completed	In process	In process
Voxiva	Completed	In process	In process
I+ Solutions	Completed	In process	In process
Crown Agents	Completed	In process	In process
3i	Completed	In process	In process

Issues & Corrective Actions

Issues	Corrective Actions	Owners	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					

Strategic Objective 4.3 Continuous Improvement
Measure 4.3.1b Operational Performance Management

Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
4.3.1b % of TA trips processed on-time	Diane Reynolds	80%	69%	58%	58%	↓

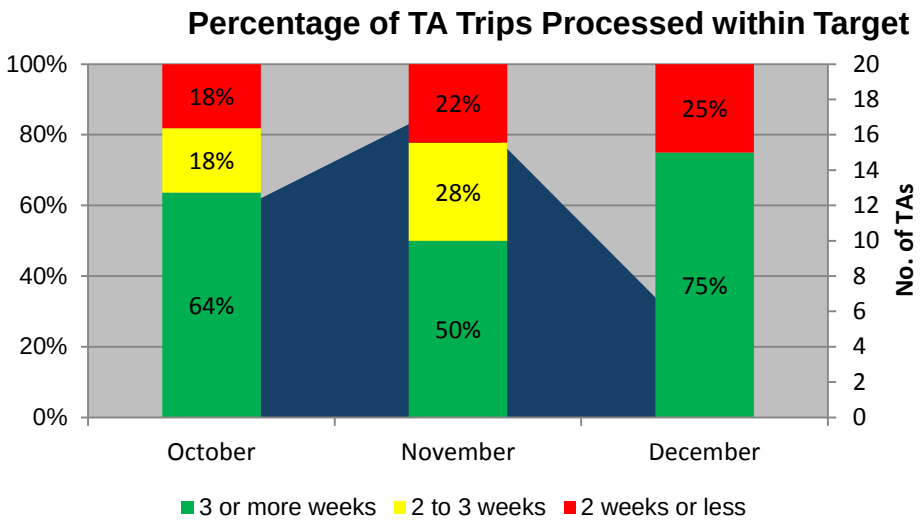
Context

Improvement within Q1 can be seen as the number of trips processed on time increases from 64% in October to 75% in December.

Acceptable Delay (AD)/ Unacceptable Delay (UD) and Client delay codes are also monitored to understand performance:

- Only one of the delays was for an "unacceptable" reason, or insufficient planning.
- All were due to ad hoc or delays related to clients. Specifically, 2 were due to human resourcing assignment challenges, 1 was for an extension to a current TDY, 1 was for an ad hoc COR request, 2 were for an ad hoc Mission request, and 2 were for concurrence delays. No one country had more than 2 late travel requests.

Performance



Issues & Corrective Actions

Issues	Corrective Actions	Owners	Deadline
Overall on-time processing of travel requests has improved slightly, however, still under the target of 80% of TAs processed on-time.	Meet with management to determine appropriate actions to address ETJ causes.	Diane Reynolds	Q2FY15

Risk & Mitigation

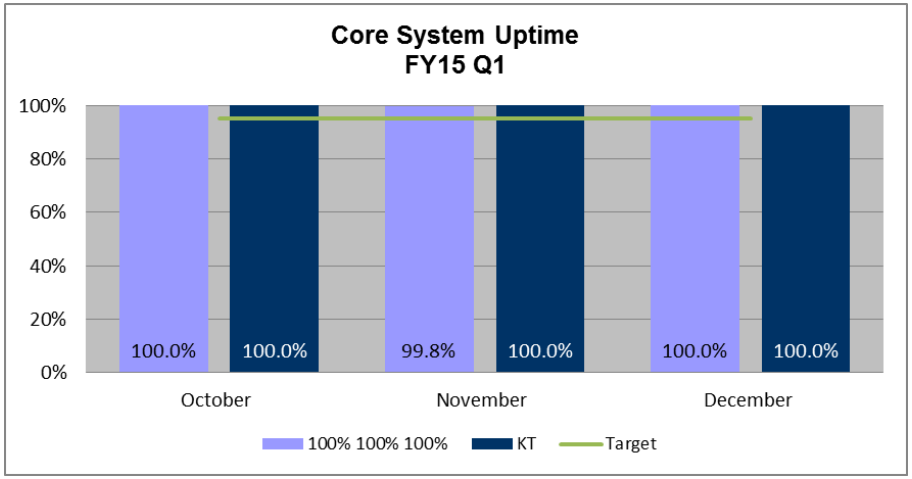
Risk	Probability	Impact	Response Option	Mitigation Action	Owner
USAID tolerance for ETJs with acceptable delays is not well understood.	Medium	Medium	Mitigate	Proposal for revising definitions followed by a COR team meeting.	Diane Reynolds

Strategic Objective 4.3: Continuous Improvement
Measure 4.3.2 Core Systems Uptime: Potential vs Actual

Measure Definition	Measure Owner	Target	FY14 Q4	FY15 Q1	FY15	Trend
% of time that KT & Orion are alive during stated support hours	Srihari Chelluri	**Orion: ≥95%**	99.9%	100.0%	100.0%	↑
		KT: ≥95%	100.0%	100.0%	100.0%	

Context

Performance



Issues & Corrective Actions

Issues	Corrective Actions	Owner	Deadline
None.			

Risk & Mitigation

Risk	Probability	Impact	Response Option	Mitigation Action	Owner
None.					