

LMG Honduras Quarterly Report: July – September 2015

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HONDURAS

QUARTERLY REPORT FOR
JULY-SEPTEMBER 2015

Submitted October 7, 2015

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Abbreviations

AIDS	Acquired Immune Deficiency Syndrome
AIDSTAR Plus	AIDS Support and Technical Assistance Resources Plus Project
AJEM	Youth in Motion Association (Asociación Juventud en Movimiento, in Spanish)
CASM	Mennonite Social Action Committee (Comisión de Acción Social Menonita, in Spanish)
CSW	Commercial Sex Worker
DEI	Revenue Executive Board (Dirección Ejecutiva de Ingresos in Spanish)
DGD	Department for Decentralized Management (Departamento de Gestión Descentralizada, in Spanish)
ECOSALUD	Ecology and Health (Ecología y Salud, in Spanish)
ECVC	Central American Survey on Sexual Behavior Monitoring and Prevalence of HIV and Sexually Transmitted Infections (Encuesta Centroamericana de Vigilancia de Comportamiento Sexual y Prevalencia de VIH e Infecciones de Transmisión Sexual, in Spanish)
EDECOPO	Excellence Against Poverty Team (Equipo de Excelencia Contra la Pobreza, in Spanish)
FSW	Female Sex Worker
FOROSIDA	National AIDS Forum (Foro Nacional de Sida, in Spanish)
GHI	Global Health Initiative
GOH	Government of Honduras
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
HUMAC	Humans in Action (Humanos en Acción, in Spanish)
LINKAGES	Linkages Across the Continuum of HIV Services for Key Populations Affected by HIV Project
LLM	The Breastfeeding League (La Liga de la Lactancia Materna, in Spanish)
LMG	Leadership, Management, and Governance Project
MOH	Ministry of Health (also known as SESAL or Secretaría de Salud, in Spanish)

MSH	Management Sciences for Health
MSM	Men who have Sex with Men
NGO	Non-Governmental Organization
PAHO	Pan American Health Organization
PEPFAR	United States President's Emergency Plan for AIDS Relief
PMP	Performance Monitoring Plan
PRODIM	Developmental Programs for Women and Children (Programas para el Desarrollo de la Infancia y la Mujer, in Spanish)
PY	Project Year
RFP	Request for Proposals
RSD	Regional Health Offices of the MOH (Regiones Sanitarias Departamentales, in Spanish)
SIMS	Site Improvement Monitoring System
STI	Sexually Transmitted Infections
TSC	Tribunal of Accounts (Tribunal Superior de Cuentas, in Spanish)
TW	Transgender Women
UAFCE	Unit for the Administration of External Cooperation Funds (Unidad Administradora de Fondos de Cooperación Externa, in Spanish)
ULAT II	Local Technical Assistance Unit for Health II Project (Unidad Local de Asistencia Técnica, in Spanish)
USAID	United States Agency for International Development
UECF	Unit for Extension of Coverage and Financing (Unidad de Extensión de Cobertura y Financiamiento, in Spanish)
UGD	Unit for Decentralized Management (Unidad de Gestión Descentralizada, in Spanish)

I. Executive Summary

This report describes the main achievements for the Leadership, Management & Governance (LMG) program in Honduras for the July to September 2015 period. This report serves to update the United States Agency for International Development (USAID) Mission in Honduras on project accomplishments and inform of any outstanding issues during this period.

During this quarter, activities have been aimed at strengthening coordination with the new Unit for the Administration of External Cooperation Funds (UAFCE) authorities, providing them with technical assistance on processes related to the implementation of USAID implementation letters, NGO-related processes, and accountability. The Unit for Decentralized Management (UGD) has continued receiving assistance in activities related to technical audits and analysis of indicators from the United States President's Emergency Plan for AIDS Relief (PEPFAR); and health regions have received assistance in the strengthening of their processes for monitoring the management agreements with non-governmental organizations (NGOs).

NGOs have been strengthened through training to new staff certified as counselors and technical staff that conduct rapid testing of human immunodeficiency virus (HIV); and technical assistance to NGOs continues to be centered on their achievement of results and outputs.

Activities reported during this period are based on the revised Project Year (PY) 3 work plan that was re-submitted to USAID in July 2015.

The major accomplishments of the LMG Honduras program from July to September 2015 are:

- Developed a working session with the health regions to socialize the technical audit guidelines and the piloting of tools.
- Provided reinforcement to management control technical staff in the technical guidelines used for monitoring agreements with NGOs contracted by the Ministry of Health (MOH).
- Provided technical assistance in technical closings to the health regions of Atlántida, Colón, Cortés and the Tegucigalpa metropolitan area.
- Provided technical assistance to two NGOs to be contracted by the MOH with national funds in the drafting of their technical proposals.
- Together with UGD, coordinated a training workshop for MOH-certified counselors for them to provide pre- and post-testing counseling services.
- Conducted a strengthening session to the National AIDS Forum (FOROSIDA)/Humans in Action (HUMAC) technical team.
- Provided technical assistance to Mennonite Social Action Committee (CASM) Colón, Ecology and Health (ECOSALUD), CASM Cortés, and FOROSIDA/HUMAC in their monthly technical closings.
- In coordination with UGD, the National HIV Laboratory, and regional labs, developed two workshops to provide rapid HIV testing training to technical staff from the NGOs.

- Conducted an Excel course for coordinators and managers of the eight NGO projects with MOH contracts.
- Developed a management skills workshop with staff of NGOs and the UAFCE.
- Coordinated with, and provided technical assistance to, UAFCE to conduct the workshop for NGO personnel on public and non-public institutions administrative guidelines, Revenue Executive Board's (DEI) new invoicing system, weaknesses found in liquidations of the NGOs' funds, and transparency and accountability.
- In coordination with the Superior Tribunal of Accounts (TSC, in Spanish), developed a workshop for UAFCE personnel on relationships with NGOs, TSC audits, DEI's new invoicing system, and transparency and accountability.
- In coordination with the TSC, developed a workshop for UAFCE employees on the code of ethics for public employees.

II. Program Context and Expected Results

National Context:

Honduras is located in Central America and is divided into 18 administrative departments. The population of Honduras is 8,045,990 people (2010), of which 3,965,430 (49.28%) are men and 4,080,560 are women (50.71%). The population under 18 years of age represents 48.7% of the country's population.

The country continues to experience a difficult structural economic crisis that affects the national health system, particularly the MOH.

It is estimated that approximately 65% of the population lives under the poverty line, 22.1% in relative poverty and 42.4% in extreme poverty.

According to the United Nations Development's Human Development Report 2008/2009, published on December 18, 2008, Honduras ranks fifth among the countries with the lowest Human Development Index (HDI) in the Americas. In 2007, the HDI was calculated to be 0.7, ranking 117 out of 179 globally.

Honduras' urban population is 4,128,652 (51.31%) and rural population is 3,917,338 (48.68%). Life expectancy is 73.6 years, with 77.2 years for women and 70.1 years for men.

Honduras has one of the highest population growth rates in Latin America, calculated to be 2.3% between 2005 to 2010. The department with the highest population is Cortés with 1,529,826 inhabitants or 19% of the national population, followed by Francisco Morazán with 1,406,769 or 18% of the national population. 37% of Honduras populated in is concentrated in the two most important cities in these two departments, San Pedro Sula and Tegucigalpa. The household survey held in May 2009 captured an illiteracy rate of 16.2%. The lowest illiteracy rate is for the 15 to 18 year old population with 5.1%, the national average of schooling is 7.2 years.

Project Context:

The Government of Honduras' Response to HIV/AIDS

Over the past decade, the Government of Honduras (GOH) has taken various steps to respond to the HIV epidemic. The current HIV/AIDS National Strategic Plan (PENSIDA III), 2008 – 2012, prioritizes scale-up of prevention efforts for men who have sex with men (MSM), Garifuna, sex workers and pregnant women. The Sula Valley, North Coast, and the Tegucigalpa metropolitan area are identified as important geographical focus areas due to their higher prevalence rates, and special emphasis is given to HIV diagnosis and treatment and to monitoring and evaluation of the PENSIDA III efforts. The GOH has started the process of drafting PENSIDA IV, written under the umbrella of the National HIV Strategy that was completed in March 2011. The National HIV Strategy formulates a strategic vision for comprehensive HIV and AIDS promotion, prevention, care and support services within the National Health Sector Reform framework, under which the MOH has separated the stewardship and service delivery functions. Also within this framework, two new units were established to manage the decentralization of health services: the aforementioned UAFCE (formerly the Unit for Extension of Coverage and Financing (UECF in Spanish) and UGD (formerly the Department for Decentralized Management (DGD in Spanish)).

The National HIV Strategy outlines 14 key activities designed to provide greater access to a basic package of HIV services at the individual, family, and community levels. The strategy includes the definition and operationalization of a basic package of services according to the life cycle and type of services (promotion, prevention, treatment, care and support); reorganization of Sexually Transmitted Infections (STI) / Human Immunodeficiency Virus (HIV) / Acquired Immune Deficiency Syndrome (AIDS) (STI/HIV/AIDS) service provision structure; and the definition of a new management model for results-based service provision.

Additionally, the second Central American Survey on Sexual Behavior Monitoring and Prevalence of HIV and Sexually Transmitted Infections (ECVC, in Spanish) in key populations in Honduras was completed in 2012. The first survey was conducted in 2006. The objectives were to determine the prevalence of HIV and STIs, the risk behaviors in female sex workers (FSWs), MSM, and transgender women (TW), the Garifuna, and risk behaviors and STIs in people with HIV, as well as to estimate the size of the population of FSWs and MSM in Tegucigalpa and San Pedro Sula. The results presented in the report will serve as an important source of information for the project and collaborating partners.

US Government Assistance in Honduras

USAID's HIV and AIDS programs in Honduras are implemented as part of the United States President's Emergency Plan for AIDS Relief (PEPFAR) in line with the strategic priorities outlined under the Central American Regional HIV/AIDS Partnership Framework, 2009 – 2013. Activities also directly contribute to the Honduras Global Health Initiative (GHI) Strategy, 2011 – 2015. The overarching GHI country goal in Honduras is to "Improve the health status of underserved and vulnerable populations". In collaboration with the MOH, other United States Government agencies/departments and private sector partners, the HIV-related component of the GHI strategy contributes to the achievement of "Priority Area 1: Increased access to quality essential services for underserved and vulnerable populations", and "Priority Area 2: Improved stewardship and responsiveness of the health system".

As part of its health portfolio, USAID improves the quality of, and access to, HIV/AIDS care and treatment services through both civil society organizations and the MOH. In close collaboration with the GOH since 1993, USAID has supported HIV/AIDS prevention activities for key populations through financial and technical support to local NGOs. Since 2005, this support has included a range of capacity building initiatives with community health workers from promoting healthy behaviors, to rapid testing of HIV for vulnerable populations.

Expected Results

All project activities from this quarter contribute to achieve the following two Expected Results of the LMG Honduras program:

- 1) Organizational capacity developed within the MOH to establish and carry out effective funding mechanisms, management and stewardship of HIV prevention services provided by local non-governmental organizations (NGOs) and other non-public institutions; and
- 2) Organizational capacity developed within local NGOs and other non-public institutions to support the implementation of evidence-based, quality HIV prevention services for key and priority populations in compliance with the new MOH funding mechanisms.

III. Intermediate Program Results and Activities

This section of the quarterly report serves to inform USAID/Honduras of the results achieved from July-September, 2015, and to report on specific activities. Results are presented in relation to activities listed according to the project year 3 (PY3) work plan.

Expected Result 1: Organizational capacity developed within the MOH to establish and carry out effective funding mechanisms, management and stewardship of HIV prevention services provided by NGOs and other non-public institutions.

Activity 1.1: Strengthen the processes and capacities of the MOH (UAFCE, UGD and the Regional Health Offices (RSD in Spanish) to bid and contract NGOs and other non-public institutions in accordance with the approved Guidelines to Contract Public and Non-public Institutions.

This activity will continue next quarter with UAFCE and UGD to initiate the process for bidding and contracting of NGOs for 2016.

Activity 1.2: Strengthen the processes and capacities of the MOH (UAFCE) on accountability and transparency in the management of the agreements signed by the MOH and the NGOs and other non-public institutions.

A workshop was held for UAFCE staff on relationships with NGOs, TSC audits, DEI's new invoicing system, and transparency and accountability; 16 UAFCE staff members attended. This workshop was co-facilitated by the TSC Supervisor, who explained the audit process for USAID funds, TSC requirements for performing field work, and how to prepare an accountability report for the TSC. He also addressed transparency, accountability, dealing with fraud, how to respond to recommendations, and findings, and how to follow up on the internal control recommendations provided by the TSC resulting from the auditing of USAID funds at UAFCE. A post-test was given at the end of the workshop which 14 people passed.

UAFCE also received support to review the findings and recommendations made by the TSC regarding the costs audit for 2014, receiving assistance and suggestions to respond to and close some of those findings.

A workshop was held on the code of ethics for public employees, which was coordinated by the TSC and attended by 80 UAFCE staff members.

A management skills workshop was also provided to five participants from UAFCE: the general procurement coordinator, monitoring and evaluation coordinator, the assistant general coordinator, the project financial officer, and the assistant financial coordinator for USAID.

Activity 1.3: Strengthen the processes and capacities of the MOH (UGD) to perform technical audits of the agreements signed by the MOH and the NGOs and other non-public institutions.

A session was conducted to socialize the technical audit guidelines and the piloting of the audit tools, which was attended by 11 people (10 women and 1 man): nine management control technical staff from the health regions in Cortés, Atlántida, Colón, and the San Pedro Sula and Tegucigalpa metropolitan areas; the UGD technical staff person; and a representative from the National HIV Laboratory. The post-test was given to only the nine management control technical staff, of which eight passed.

This workshop served to socialize the guidelines and to make changes to the tools to be used in the audits as per the input provided by the management control technical staff.

The tour to perform the field audits was scheduled, which will involve the management control technical staff.

This quarter, USAID and UGD approved the technical audit guidelines; UGD was assisted to conduct the desk audits; and the UGD technical staff person received assistance to conduct the field audits performed of the NGOs, as well as the desk audits.

Activity 1.4: Strengthen the processes and capacities of the MOH (Sub-secretariat of Networks including the RSD), to monitor the agreements with the NGOs and other non-public institutions.

Reinforcement was provided to the UGD technical staff person and the nine management control technical staff from the health regions in Cortés, Atlántida, Colón, and the San Pedro Sula and Tegucigalpa metropolitan areas on the technical guidelines used to monitor MOH-NGO agreements. During this session they revisited the weaknesses identified in the NGOs' technical closings involving the drafting of monthly progress reports.

Management control technical staff from the Tegucigalpa metropolitan area, Cortés, and Atlántida regions received assistance in technical closings with NGOs. Monthly progress reports and monitoring formats were reviewed after the technical closing, prior to submission to UGD.

Technical assistance was provided to the Networks Directorate for the preparation of the technical amendment. Technical assistance was provided to UGD on their presentation at the monthly coordination meetings with UAFCE and USAID, as well as for preparing their quarterly technical report.

Activity 1.5: Strengthen the management capacities of MOH (UAFCE and Sub Secretariat of Networks including UGD and RSD).

This activity was completed earlier in the year.

Activity 1.6: Strengthen the financial and administrative processes of the MOH to manage the USAID HIV implementation letters.

Technical assistance was provided to the General Networks Directorate for an amendment to UAFCE's operating plan, which will be submitted to USAID for approval.

A workshop was held for UAFCE on USAID guidelines for requesting advances, submitting funds liquidations, and making changes to reported expenses and to the annual operating plan approved by USAID. This workshop was attended by 10 UAFCE staff that work with USAID funds, the financial coordinator, the assistant financial coordinator, UAFCE's general accountant, and the internal control officer. A post-test was given to nine participants; one was not evaluated because she did not complete the workshop.

Training and support is currently being provided to the new HIV-USAID financial officer hired by UAFCE. He has received the guidelines for funds requests, liquidations, quarterly expense reports, and is undergoing orientation related to managing the USAID implementation letters, as he had not received orientation from UAFCE in this regard.

UAFCE received support in preparing the presentation for the workshop on strengthening administrative guidelines for public and non-public institutions. The workshop was planned at UAFCE's request because of the weaknesses found in liquidations submitted by the NGOs.

Expected Result 2: Organizational capacity developed within local NGOs and other non-public institutions to support the implementation of evidence based quality HIV prevention services for key and priority populations in compliance with the new MOH funding mechanisms.

Activity 2.1: Strengthen NGOs and other non-public institutions' technical capacity to develop technical proposals during negotiation with MOH.

At the request of the Unit for Decentralized Management, technical assistance was provided to the two NGOs to be contracted by the MOH with national funds to work in the island of Roatán, which consisted in support on the development of their technical proposals, annual plans and monitoring and evaluation plans. These NGOs are: Save Honduras, which will be working with female sex workers; and the Excellence Against Poverty Team (EDECOPO), which will be working with MSM.

Activity 2.2: Strengthen NGOs and other non-public institutions' capacity to improve the quality of HIV prevention services they provide to key and priority populations.

Technical assistance was provided to eight projects in the review of their monthly reports and monitoring and evaluation formats, prior to their submission to their regional liaisons. A session was held with HUMAC to review their means of verification, which was done before the technical closing and preparation of the monthly progress report.

A strengthening session was conducted with the HUMAC technical team aimed at strengthening the educators' knowledge to enable them to share basic messages with technical teams during their educational activities. The issues addressed were: sexually transmitted infections, peer education, condom negotiation, risky behaviors and healthy behaviors, and preparing the behavior change communication reports. They received ongoing technical support, both virtual and face-to-face, on preparing training plans for the various educational sessions they will be developing with leaders and mentors.

One of the weaknesses identified in the NGOs is that they do not have enough technical personnel trained in risk-based HIV counseling and in rapid HIV testing. Strengthening this area was considered to enable them to meet the future demands of the targeted and prioritized populations. To this end, a process was proposed to assess the overall skills, profile, and attitudes of NGO technical staff in order to find best profiles for working in pre- and post-rapid HIV testing (finger prick) counseling areas; they would later receive further training to become counselors and rapid HIV testing technical staff. A total of 19 people were evaluated: 3 technical staff from CASM Cortes, 4 technical staff from the Breastfeeding League (LLM), 3 technical staff from FOROSIDA/HUMAC, 5 technical staff from ECOSALUD, and 4 technical staff from CASM Colón. Fifteen were selected who stood out because of their ability to lead groups; decision-making skills; desire for acquiring further technical know-how and

engaging in new experiences; communication skills; assurance and confidence in project implementation; and ability to act decisively.

Efforts were conducted in coordination with the UGD to carry out this training process and have these NGO technical staff certified by the MOH to provide pre- and post-testing counseling and later become rapid HIV testing technical staff. A risk-based HIV counseling workshop was arranged for this purpose, attended by 17 people (11 women, 6 men), 14 of which were from NGOs funded by USAID through the MOH; three technical staff implementing nationally-funded projects were also included at UGD's request. Of the 17 participants, 16 were certified to provide HIV counseling services: 13 technical staff belong to NGOs that have agreements with the MOH (3 from CASM Cortés, 3 from CASM Iriona, 1 from ECOSALUD, 3 from the Breastfeeding League, and 3 from FOROSIDA/HUMAC) and 3 technical staff were from NGOs implementing nationally-funded projects. Only one participant (from ECOSALUD) failed to get certified.

Two rapid HIV testing training workshops were held, which planned in coordination with the laboratory. One workshop was provided by the Cortés health region and attended by seven technical staff (3 from CASM Cortés, 3 from the Breastfeeding League, and 1 from Save Honduras). The other was provided by the Atlántida and Colón health regions and attended by 10 technical staff (3 from CASM Iriona; 1 from ECOSALUD; 4 from FOROSIDA/HUMAC (which was given an extra spot because one of its technical staff is already a counselor); and 2 who represented health establishments). The workshops were held in health establishments and included both theoretical and practical content. Sixteen technical staff were certified, with only one (belonging to one of the health establishments) failing to get certified.

The supportive supervision process is underway for the rapid HIV testing service with risk-based counseling, which has involved visits to these NGO rapid testing services. Fifteen counselors were evaluated (5 from the Developmental Programs for Women and Children (PRODIM), 3 from ECOSALUD, 3 from the Youth in Motion Association (AJEM), 2 from CASM Cortés, 1 from the Breastfeeding League, and 1 from FOROSIDA/HUMAC). The level of compliance with standards, procedures, and counseling and HIV testing guidelines set forth in guides and protocols were verified.

Given that all the NGOs' technical proposals included production of educational materials, the LMG project has reviewed the text of these materials and hired a graphic designer to design the brochures on STIs, HIV, correct condom use, adherence, promotion of rapid HIV testing, invitations to HIV testing; the banner to promote the rapid HIV testing service; and cards for social networks. All is in the process of being produced, reviewed and/or approved.

Terms of reference have been developed for the recruitment of consultants to carry out a workshop focused on capacity building for expanding the coverage of the rapid HIV testing service. The terms of reference were approved and published to seek institutions or consultants who have the know-how and expertise in this area. Talks were had with at least 4 institutions and/or consultants to develop this workshop; some did not fulfill expectations in terms of what was expected, and at least two institutions claimed to be unavailable because of previous commitments.

An understanding has been established with a group of consultants and the consultant contracts are in process. They have submitted an initial proposal, conversations have been held to clear any doubts, and it has been agreed that they will hold the workshop in November and develop the guides.

Activity 2.3: Strengthen NGOs and other non-public institutions in their technical capacity to implement the agreements in compliance with MOH requirements.

Technical assistance was provided to ECOSALUD for USAID's first visit to implement the Site Improvement Monitoring System (SIMS) tool; to PRODIM for the second visit to implement the SIMS tool; and review of progress with completing their improvement plans.

A five-day basic, intermediate, and advanced Excel course was provided for NGO administrators and coordinators involved in the eight projects. Fifteen people attended (10 women and 5 men), and all passed the post-test.

Activity 2.4: Strengthen NGOs and other non-public institutions on their financial management capacity to comply with MOH standards.

A workshop was held at UAFCE's request to enhance the NGOs' knowledge regarding funds liquidation guidelines and correct any weaknesses found therein. Specifically, the workshop addressed the administrative guidelines for the public and non-public institutions, DEI's new invoicing system, weaknesses found in the funds liquidations of NGOs, and transparency and accountability. Twenty-six people attended the workshop from the NGOs, of which 23 passed the post-test.

NGOs were visited to provide follow-up and financial technical assistance for the preparation of their monthly liquidations and to support them in their response to the corrections requested by UAFCE.

Activity 2.5: Strengthen NGOs and other non-public institutions capacities in transparency, accountability and management.

A two-day management skills workshop was held and attended by coordinators, administrators, and director of the Breastfeeding League. Sixteen people attended and all were evaluated at the end of the course. In view of the NGOs' time constraints, this workshop was combined with the workshop noted under activity 2.4 above, while at the same time providing ongoing monitoring to internal NGO practices for improvement in both areas.

Activity 2.6: Strengthen NGOs and other non-public institutions capacity on prevention of gender-based violence related to HIV.

During this period, all NGOs continued implementing training plans with their target populations. FOROSIDA/HUMAC received support in the preparation of the gender-related training plans they will be implementing with their target population.

As part of the reinforcement to the gender area, USAID invited all NGO technical teams to a sexual diversity and gender workshop, which was attended by 34 people (16 men and 18 women). They discussed certain terms such as sex, gender, and sexual orientation, and held a discussion forum where representatives of institutions working on sexual diversity made a presentation on the various forms of discrimination in the country that are affecting them through the country's legislation and the Church, and spoke of the work they do in favor of their rights.

No cases of violence referred by NGOs have been reported during this period.

IV. Monitoring and Evaluation

The Performance Monitoring Plan (PMP) for this fiscal year presents a series of indicators for the project objective and expected results 1 and 2; see Annex I for an updated PMP report.

During this period, LMG provided technical support and follow up the action plans for 2 NGOs, implementing recommendations resulted from application of SIMS tools by USAID on December 2014.

V. Outstanding Issues, Constraints, Delays and Actions Taken

During this period, the new UAFCE senior team was completed with the addition of Mr. Leonardo Martinez as the Finance Coordinator. USAID, LMG and UAFCE efforts in the first half of this quarter were to resolve the delinquency status into which UAFCE had fallen due to its failure to liquidate past advances from USAID, obtain new funds to continue activities and to address findings from the 2014 audit carried out by the TSC.

The delinquency status meant that no funds were available to NGOs or regions to carry out project activities through the first half of the quarter. Funds were finally received by UAFCE at the end of July and put into the hands of the NGOs in early to mid-August. This resulted in the need to reduce certain project activities such as the number of field financial audits from two to one. The resolution of the delinquency status was also fraught with a series of missteps by UAFCE that resulted in multiple returns of documents from USAID to UAFCE for correction. This led ultimately to a decision by UAFCE to change the team working with USAID, which put an additional and unplanned burden on LMG's staff to train and orient the new team. This also, unfortunately, further solidified in the mind of some USAID officials that there were serious organizational deficits in UAFCE.

An activity put into the revised work plan for this last quarter was to assist UAFCE in developing its Organizational and Functional Manual. This was another activity which suffered delay. In this case, UAFCE determined to wait for a Canadian develop assistance financed organizational diagnosis. This diagnosis was not completed and in UAFCE's hands until the end of the quarter, and to date, the results have not been shared despite expectations that they would be.

Another delay was in the identification of the organization or consultant that could carry out the Extension of Coverage strategy design and training. It was hoped that this consultancy would begin at

the end of July but now will begin at the end of September and be completed in December rather than September. The difficulty in this case was identifying an organization that could provide the services. None of the three organizations originally identified were able to provide the services, additional organizations and individual consultants were identified and eventually a group associated with the Public Health Institute of Mexico was identified but their commitments were such that they are unable to begin work until the end of September. Nevertheless, the contracting process has been initiated and efforts are underway. Key documents have been shared with the team.

Also during this quarter, given the difficulties the project has faced in identifying and retaining a Project Director, Management Sciences for Health (MSH) communicated to USAID that it would not be able to continue the project during the coming fiscal year. USAID and MSH agreed on a four-month transitional plan which was submitted to USAID for approval on September 24.

VI. Financial Report

Period July'15-September'15	
Pipeline at the beginning of period	\$ 410,534.44
New funds Obligation	\$ 438,600.00
Expenses during the reported period + Accruals	\$ 280,814.26
Pipeline at the end of the period	\$ 568,320.18
Estimated expense burn rate for next period (Oct'15-Dec'15)	\$ 394,317.07
Estimated quarters of pipeline	1.44

* Note that this report is a projection of the quarterly balance, as MSH has not yet closed the quarter that ends September 30, 2015.

VII. Lessons Learned

The NGOs contracted by the MOH through USAID funds showed notable resilience and adaptability in finding ways to continue to provide services during the period of over two months that they didn't have access to funding from the MOH. These are small NGOs which were able to survive on credit motivated by a profound commitment to their communities.

Despite years of institutional capacity development, a relatively brief period of weak leadership in UAFCE led to a potential undoing of years' worth of work in that it has put in risk the continuation of USAID financing. The current UAFCE leadership appears to be quite capable and committed, but the unit must progress in strengthening the areas noted by USAID to continue its USAID financing.

Related to this is the question of how to institutionalize and make sustainable institutional development activities. UAFCE leadership met several times with LMG and ULAT at the end of the quarter to identify possible areas for technical assistance from the projects for institutional strengthening. At the time of the report, the discussions were ongoing.

VIII. Coordination with Other Actors

MSH coordinated with both AIDSTAR Plus and the LINKAGES projects during the quarter. MSH and LINKAGES agreed to cost share certain services to keep them operating during the transition between AIDSTAR Plus and LINKAGES.

LMG and ULAT had three different meetings with UAFCE in the pursuit of supporting them in their institutional development efforts.

LMG met with and has elicited the Support of ICONTEC, which is an organization based in Honduras which certifies in ISO 9001 which is the International Standards Organization's certification of Quality Management.

IX. Gender Component

NGO referral plans for gender-based violence were reviewed during the gender-based violence prevention workshop, leading to the conclusion that they have encountered difficulties in some health departments and institutions because these are not as expeditious or receptive as they need to be, which might be because of lack of personnel, lack of trust and, in some cases, lack of technical will and sensitivity toward the cases.

Reviewing and receiving a refresher on the importance of referral plans was valuable because some NGOs had a chance to reflect and retrieve some half-forgotten tasks; for others this was a new experience which required a major effort to finally recognize the importance of successfully fulfilling that which has been entrusted.

From this quarter on, all eight projects will start implementing their training plans through educational sessions aimed at leaders and mentors.

X. Summary of Key Conclusions

During this quarter, the effects of falling into delinquent status in terms of USAID financial management affected the credibility of UAFCE to manage USAID funds. LMG supported UAFCE in its efforts to correct the errors, which were generated by the recent past administrations. Despite this challenge, the work plan continued to be pursued and executed with little delay in activities.

Annex I. LMG Honduras Project Performance Monitoring Plan (PMP)

LMG Honduras Project Goal:								
Provide technical assistance to the Ministry of Health (MOH) and local NGOs and other non-public institutions in organizational capacity building to provide HIV/AIDS education and prevention services to key and priority populations.								
No.	Indicators	Goal Oct 1, 2014 – Sept. 30, 2015		Goal reached October 1, 2014 – September 30, 2015		Average reached	Source (s)	Frequency
P.11.1.D	Number of individuals who received Testing and Counseling (T&C) services for HIV and received their test results.	Male:		Male:	6,336	94%	NGO reports	Annual
		Female:		Female:	8,288			
		(<15 years):		(<15 years):	8			
		(15 + years):	15,555	(15 + years):	14,616			
		Positive:		Positive:				
		Negative:		Negative:				
		MSM:	3,067	MSM:	2,049			
		CSW:	5,526	CSW:	3,123			
		Garifunas:	6,962	Garifunas:	7,876			
		Other indirect groups:		Other indirect groups:	1,576			
		Individuals:	15,555	Individuals:	14,624			
		Couples:		Couples:				
TOTAL:	15,555	TOTAL:	14,624					
P.8.3.D	Number of key populations reached with individual and/or small group level HIV preventive interventions that are based on evidence and/or meet the minimum standards required	Male:		Male:		140%	NGO reports	Annual
		Female:		Female:				
		MSM:	1,592	MSM:	1,508			
		CSW:	2,712	CSW:	4,513			
		TOTAL:	4,304	TOTAL:	6,021			

P.8.1.D	Number and percentage of each priority population who completed a standardized HIV prevention intervention including the specified minimum components during the reporting period	Male :	1,860	Male :	4,093	194%	NGO reports	Annual
		Female	3,031	Female	5,425			
		(<15 years):		(<15 years):				
		(15 + years):		(15 + years):				
		Garifunas :		Garifunas :				
		Other indirect groups:		Other indirect groups:				
		TOTAL	4,891	TOTAL	9,518			

LMG Honduras Project Goal:

Provide technical assistance to the Ministry of Health (MOH) and local NGOs and other non-public institutions in organizational capacity building to provide HIV/AIDS education and prevention services to key and priority populations.

Result I: Organizational capacity developed within the MOH to establish and carry out effective funding mechanisms, management and stewardship of HIV prevention services provided by local non-governmental organizations (NGOs) and other non-public institutions.

No.	Indicators	Baseline		Source (s)	Goal Oct. 1, 2014 - Sept. 30, 2015	Frequency	Goal reached April 1 ¹ – September 30, 2015
		Value	Year				
1.	Proportion of NGOs and other non-public institutions contracts managed in compliance with MOH policies, protocols, and guidance for contracting, as measured through the following areas in the past 12 months:		2014	UAFCE reports	100%	Annual	61%
	○ Bidding process based on results undergone timely	100%			100%		100%
	○ Monthly financial reviews based on results	100%			100%		84%
	○ Semi-annual results-focused technical audits	100%			100%		0%
1.1.	Proportion of technical and financial proposals based on results that have been reviewed and negotiated by the MOH in the past 6 months as part of the competitive bidding process.			UAFCE reports	10	Annual	80% ²
1.2.	Percent of NGOs and other non-public institutions with approved contracts that have undergone monthly financial reviews by the MOH within the past 3 months.			UAFCE reports	8	Monthly	75% ³
1.3.	Percent of NGOs and other non-public institutions with approved contracts that have undergone semi-annual results-focused technical audits by the MOH within the past 6 months.			UGD reports	8	Annual	50% ⁴

¹ Data collection on indicators 1 and 2 began after the 2015 round of contracts were signed with the MOH in March 2015.

² Corresponds to 8 proposals reviewed and negotiated by the MOH.

³ Only 6 NGOs liquidated.

⁴ Corresponds to 4 projects; the others will be realized in October.

LMG Honduras Project Goal:

Provide technical assistance to the Ministry of Health (MOH) and local NGOs and other non-public institutions in organizational capacity building to provide HIV/AIDS education and prevention services to key and priority populations.

Result I: Organizational capacity developed within the MOH to establish and carry out effective funding mechanisms, management and stewardship of HIV prevention services provided by local non-governmental organizations (NGOs) and other non-public institutions.

No.	Indicators	Baseline		Source (s)	Goal Oct. 1, 2014 - Sept. 30, 2015	Frequency	Goal reached April 1 ¹ – September 30, 2015
		Value	Year				
1.4.	Percent of financial advance requests and liquidations received from contracted NGOs and other non-public institutions in the past three months that have been reviewed and processed by the MOH.			UAFCE Report	8	Monthly	100% ⁵

⁵ Updated through the end of August 2015.

LMG Honduras Project Goal:

Provide technical assistance to the Ministry of Health (MOH) and local NGOs in organizational capacity building to provide HIV/AIDS education and prevention services to key populations.

Result 2: Organizational capacity developed within local NGOs to support the implementation of evidence-based, quality HIV prevention services for key populations in compliance with the new MOH funding mechanisms.

No.	Indicators	Baseline		Sources (s)	Goal Oct. 1, 2014 – Sept. 30, 2015	Frequencies	Goal reached April 1 st – September. 30, 2015
		Value	Year				
2.	Proportion of NGOs and other non-public institutions that comply with financial and technical regulations, measured by:		2014	NGOs' and other non-public institutions Management projects reports		Annual	64%
	oPercentage of funds executed quarterly by the NGOs and other non-public institutions (financial regulation)				100%		50%
	oPercentage of the NGOs and other non-public institutions project targets achieved quarterly (technical regulation)				100%		74%
2.1.	Percentage of funds executed quarterly by contracted NGOs and other non-public institutions			UAFCE Report		Monthly	50%
2.2.	Percentage of the NGOs and other non-public institutions project targets achieved in the past 3 months.			UGD Report		Monthly	74%