



## OFFICE OF INSPECTOR GENERAL

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# AUDIT OF USAID/SOUTHERN AFRICA'S REGIONAL HIV/AIDS PROGRAM IN SWAZILAND

AUDIT REPORT NO. 4-645-12-004-P  
DECEMBER 7, 2011

PRETORIA, SOUTH AFRICA



*Office of Inspector General*

December 7, 2011

**MEMORANDUM**

**TO:** USAID/Southern Africa, Mission Director, Jeff Borns

**FROM:** Regional Inspector General/Pretoria, Christine M. Byrne /s/

**SUBJECT:** Audit of USAID/Southern Africa's Regional HIV/AIDS Program in Swaziland (Report Number 4-645-12-004-P)

This memorandum transmits our final report on the subject audit. We have considered management's comments on the draft report and have incorporated them as appropriate. They have been included in their entirety in Appendix II.

The report includes three recommendations to strengthen USAID/Southern Africa's Regional HIV/AIDS Program in Swaziland. Based on management's comments on the draft report, management decisions have been reached on all three recommendations, with final action taken on Recommendation 2. Please provide the Office of Audit Performance and Compliance Division with the necessary documentation to achieve final action on Recommendations 1 and 3.

I want to express my sincere appreciation for the cooperation and courtesy extended to my staff during the audit.

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**Abbreviations**

The following abbreviations appear in this report:

AB	Abstinence/Be Faithful
ADS	Automated Directives System
CDC	Centers for Disease Control and Prevention
FLAS	Family Life Association of Swaziland
FY	fiscal year
JSI	John Snow Inc.
MOH	Ministry of Health
OGAC	Office of the U.S. Global AIDS Coordinator
PEPFAR	President’s Emergency Plan for AIDS Relief
RHAP	Regional HIV/AIDS Program
SWANNEPHA	Swaziland National Network of People Living with HIV and AIDS

# SUMMARY OF RESULTS

The Kingdom of Swaziland, slightly smaller than the state of New Jersey, is a landlocked absolute monarchy situated in eastern South Africa. Swaziland faces the enormous burden of having the highest HIV/AIDS prevalence rate in the world, estimated at about 26 percent in 2009,<sup>1</sup> while being in the midst of a fiscal emergency made worse by the global financial crisis. AIDS organizations are struggling to survive Swaziland’s growing financial predicament, with one of the oldest and largest organizations—Swaziland AIDS Support Organization, whose programs reach six out of ten Swazis needing such services—on the brink of closure.<sup>2</sup> As a result, Swaziland is reliant on foreign aid, receiving about \$26.6 million in HIV/AIDS funding from the U.S. Government alone in fiscal year (FY) 2010.

The primary drivers of HIV/AIDS in Swaziland are behavioral norms that increase the risk of infection, such as sexual activity between older men and younger girls and multiple concurrent sexual relationships. These behavioral norms are reflected in a lack of laws to protect women and children against abuse. Addressing these behavioral norms has been a challenge, as U.S. officials admit that they lack leverage to foster such changes in Swaziland.

The U.S. Government’s approach to mitigating the impact of HIV/AIDS in Swaziland is described in its partnership framework agreement with the Government of the Kingdom of Swaziland, and in the partnership framework implementation plan that details its implementation. This plan contains five pillars: (1) Decentralization of Care and Treatment, (2) Prevention of Sexual Transmission, (3) Male Circumcision, (4) Impact Mitigation, and (5) Human and Institutional Capacity Building. USAID activities in Swaziland address pillars 2 through 5. In addition, USAID activities address the crosscutting areas of gender and strategic information. USAID/Southern Africa, through its Regional HIV/AIDS Program (RHAP) Office, is one of several U.S. Government agencies that support HIV/AIDS activities in Swaziland. This audit reviewed three of RHAP’s activities in Swaziland, as shown in Table 1.

**Table 1. RHAP Activities in Swaziland**

<b>Activity</b>	<b>Implementer</b>	<b>Obligations as of December 31, 2010 (\$ millions)</b>
Community REACH	Pact	10.084
Human and Institutional Capacity Building	Southern African Human Capacity Development Coalition [the Coalition], (Led by IntraHealth)	4.345
Enhancing Strategic Information	John Snow Inc. (JSI)	0.736

The objective of the audit was to determine whether USAID/Southern Africa’s regional HIV/AIDS program was achieving its main goal of mitigating the impact of the epidemic in Swaziland. As detailed in Tables 2 and 3, the audit found that USAID/Southern Africa’s HIV/AIDS activities partially achieved their goals.

<sup>1</sup> Joint United Nations Programme on HIV/AIDS, *UNAIDS report on the global AIDS epidemic 2010*.  
<sup>2</sup> PLUS News global, “Swaziland: AIDS Organizations Need a Lifejacket.”

**Table 2. Summary of Audit Results**

Partnership Framework Pillars	Did RHAP's Activities Achieve Their Goals?
Sexual Prevention	Yes. Pact promoted effective social and behavior change through its outreach activities and distribution of condoms, exceeding targets for seven of eight sexual prevention indicators.
Male Circumcision	Yes. Pact subgrantee, Family Life Association of Swaziland (FLAS), performed 3,666 male circumcisions in FY 2010, exceeding its target.
Impact Mitigation	Mixed. Pact reportedly provided support care services to 9,427 individuals, exceeding its target of 4,097 individuals. In addition, it reported providing clinical care services to 9,381 HIV-positive children and adults, which was 89 percent of its target for FY 2010. However, as indicated in Table 3, one impact mitigation indicator is not reliable and one is potentially underreported.
Human and Institutional Capacity Building	No. The Coalition prematurely terminated its activities, left several activities uncompleted, and did not provide support for reported results (page 7).

**Table 3. Results of Indicator Testing (audited)**

Indicator	Pillar	Reported Results	Target
Number of the targeted population reached with individual and/or small group-level preventative interventions that are primarily focused on abstinence and/or being faithful, and are based on evidence and/or meet the minimum standards required	Sexual Prevention	55,696	52,286
Number of individuals who received testing and counseling services for HIV and received their test results	Sexual Prevention	12,287	10,200
Number of males circumcised as part of the minimum package of male circumcision for HIV prevention services	Male Circumcision	3,666	3,534
Number of HIV-positive adults and children receiving a minimum of one clinical service	Impact Mitigation	9,381*	10,559
Number of individuals who were provided with a minimum of one support care service	Impact Mitigation	9,427†	4,097

\* The reported result for this indicator is not reliable.

† The reported result for this indicator is potentially underreported.

Regarding USAID activities that address the crosscutting areas of gender and strategic information, the audit found the following problems:

**Gender.** RHAP in Swaziland did not have a strategy to address the gender-focused goals of the President's Emergency Plan for AIDS Relief (PEPFAR). However, to incorporate gender, USAID focuses on (1) economic strengthening, specifically economic strengthening of vulnerable women, and (2) changing norms at a community level. Norms that USAID is trying to change include the practice of child marriage and the trend for pregnant teenagers to stop attending school.

**Strategic Information.** JSI's activities lacked adequate indicators to measure their overall performance. JSI reported results for only one indicator in FY 2010: the number of local organizations provided with technical assistance for strategic information activities. Although JSI did meet its target of providing technical assistance for strategic information to four local organizations in FY 2010, this indicator represents only a small portion of JSI's activities in Swaziland. JSI's activities in Swaziland ended in May 2011, and the mission is working on developing clear performance requirements with its new local partner.

The audit disclosed the following problems:

- Partners did not support all program results (page 4).
- USAID lacked a transition plan for workers with PEPFAR-supported salaries (page 6).
- One partner did not fulfill performance requirements (page 7).
- The mission lacked a gender strategy (page 8).
- The mission did not set clear performance requirements and measures for JSI (page 9).

To strengthen USAID/Southern Africa's regional HIV/AIDS program in Swaziland, the audit makes the following recommendations:

1. USAID/Southern Africa should conduct training sessions for implementing partners and subgrantee staff on documenting HIV/AIDS interventions, maintaining records to support reported results, and meeting data quality requirements (page 6).
2. USAID/Southern Africa should work with the PEPFAR office in Swaziland to gather data on all salaries supported by USAID in Swaziland in order to develop and implement a plan for the absorption by Swaziland of the supported workers (page 7).
3. USAID/Southern Africa should develop and implement a gender strategy to address systematically gender-related goals in PEPFAR through the mission's HIV/AIDS programming in Swaziland (page 9).

Detailed findings appear in the following section, and the scope and methodology appear in Appendix I. Management comments are in Appendix II, and our evaluation of management comments is included on page 12.

# AUDIT FINDINGS

## Partners Did Not Support All Program Results

USAID's Automated Directives System (ADS) Chapter 203, "Assessing and Learning," states that reliable data reflect stable and consistent collection and analytical methods so that USAID managers can be confident that progress toward performance targets reflects real changes rather than variations in methodology.<sup>3</sup> Moreover, to the greatest extent possible, data should meet the five data quality standards of validity, reliability, precision, integrity, and timeliness to be useful in managing for results and credible for reporting. In conjunction with this guidance, the Government Accountability Office's *Standards for Internal Control in the Federal Government* requires that all transactions and significant events be clearly documented, with documentation readily available.<sup>4</sup> Despite these requirements, the audit found several problems with data management.

**Reported Results From Pact Subgrantees Were Unreliable.** The audit found the following data quality problems with some reported results from several Pact subgrantees:

- Cabrini Ministries reported 1,259 support care interventions for FY 2010, of which 502 (40 percent) were from a "family day" event in which Cabrini Ministries was one of many partners providing support care services, including testing for HIV and tuberculosis, breast cancer screening, and cooking demonstrations. Cabrini Ministries stated that the 502 interventions represented an estimated portion of all those in attendance who received support care services from Cabrini Ministries. In addition, Cabrini Ministries stated that its results for support care were underreported because the organization was not able to properly document support care interventions. The risk of underreporting was further supported by Pact's data verification of Cabrini Ministries' results for FY 2010, in which Pact reduced the results reported for support care by about 17 percent because of lack of supporting documentation.
- FLAS, the largest recipient of grants from Pact, had an inadequate reporting system. Although FLAS provided auditors with supporting documentation for the number of male circumcisions performed in FY 2010, its record-keeping and reporting systems were not able to account accurately for Abstinence/Be Faithful (AB) interventions and HIV counseling and testing. Specifically:
  - Although FLAS reported 6,338 AB interventions for FY 2010, supporting documentation indicated that it performed 7,504 AB interventions in FY 2010, a difference of about 18 percent.
  - FLAS reported that it counseled and tested 2,284 individuals for HIV in FY 2010; however, supporting documentation indicated that FLAS counseled and tested 3,403 individuals in FY 2010.

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<sup>3</sup> ADS 203.3.5.1.d.

<sup>4</sup> *Standards for Internal Control in the Federal Government*, November 1999 (GAO/AIMD-00-21.3.1).

- Swaziland National Network of People Living with HIV & AIDS (SWANNEPHA) was not able to provide supporting documentation for clinical care. SWANNEPHA reported that 6,676 individuals received at least one clinical service in FY 2010, specifically a one-on-one session with a medical doctor prior to receiving antiretroviral therapy. SWANNEPHA provided site reports that tallied the number of individuals receiving clinical care services, but could not provide source data that supported the site reports because confidentiality issues prevented access to patient records. Pact noted that patients receive three sessions before commencing antiretroviral therapy—two one-on-one sessions and one group session—and so even though Pact has attempted to adjust numbers to account for patients receiving multiple sessions, patients may have been double-counted. Without access to patient records, the audit could not determine whether the proper adjustments were made and thus whether the site reports, and SWANNEPHA's reported results, were accurate.

The primary causes for the data reporting deficiencies at FLAS were inadequate record-keeping and reporting systems caused by poor data organization and reconciliation procedures. For example, FLAS did not use supporting schedules that reconciled its reported results with source documentation. Consequently, auditors worked with FLAS to reconstruct its record-keeping system in order to substantiate its results. According to a Pact official, Pact also found similar problems with data organization during its monitoring of FLAS in October 2010. Pact then directed FLAS to recompile data for FY 2010 AB interventions. Pact explained that the new support schedule supported 7,504 AB interventions (versus 6,338 reported) because FLAS was still compiling data when it reported results to Pact. Thus, the 6,338 reported AB interventions represented a partial compilation that FLAS had completed by the date it was required to report results to Pact. Although RHAP performed a data quality assessment for Pact in November 2010,<sup>5</sup> auditors observed similar challenges with other Pact subgrantees, specifically with not having data organized in such a way that auditors could trace source documentation to reported results.

In addition, lack of supporting documentation and government restrictions contributed to data reporting deficiencies at Cabrini Ministries and SWANNEPHA. As noted above, Cabrini Ministries officials stated that results for support care interventions were underreported because of lack of documentation, resulting in Pact reducing Cabrini Ministries' support care results by 17 percent. At SWANNEPHA, auditors could not verify reported results for clinical care interventions with source data because the Government of the Kingdom of Swaziland restricts access to patient data. Moreover, data reported by SWANNEPHA for clinical care interventions were at increased risk for double counting because, as noted above, patients come in for multiple clinical care sessions. In fact, SWANNEPHA originally reported more than 30,000 clinical care interventions for FY 2010, but this was subsequently reduced to fewer than 7,000 because of the risk of double counting. However, even adjusting the result for double counting, there is no way to verify the reported result without access to source documentation.

**Reported Results From the Southern Africa Human Capacity Development Coalition Were Unsupported.** The Coalition's progress report for FY 2010 presented mixed results, as follows:

- Number of new graduates (past 12 months) from accredited, U.S. Government-supported, preservice education programs or institutions that enter the public health-care workforce in Swaziland during the reporting period: 0 versus a target of 15.

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<sup>5</sup> The data quality assessment included one subgrantee, the Swaziland Action Group Against Abuse.

- Number of health-care workers who successfully completed an in-service training in the delivery of a minimum of one of the services:
  - Strategic Information: 61 versus a target of 80 (76 percent of target).
  - Health systems strengthening/human resources for health: 165 versus a target of 140 (18 percent over target).
- Number of regulatory framework documents for regulatory councils finalized and disseminated: 4 versus a target of 4 (met 100 percent).

The Coalition did not provide the proper data to support the numbers reported and noted above. First, Coalition managers attempted to provide the supporting data when auditors visited the Coalition's offices in Pretoria, but the managers were unable to do so. The Coalition's managers then promised to provide the data later after they sorted out and reorganized their records, which at the time (December 2010) were being prepared for shipment to headquarters in North Carolina. To date, despite repeated correspondence and reminders to IntraHealth, the auditors have not received the proper supporting data from the Coalition.

Therefore, because of a lack of supporting documentation and insufficient record-keeping and reporting systems, USAID/Southern Africa does not have assurance that reported data accurately reflect HIV/AIDS program activities in Swaziland. As a result, managers may not have accurate data with which to make programming decisions, thereby risking the overall success of efforts to reduce the impact of HIV/AIDS in Swaziland. To address this issue, this audit makes the following recommendation.

***Recommendation 1.*** *We recommend that USAID/Southern Africa conduct training sessions for implementing partners and subgrantee staff on documenting HIV/AIDS interventions, maintaining records to support reported results, and meeting data quality requirements.*

## **USAID Lacked a Transition Plan for Workers With PEPFAR-Supported Salaries**

USAID's *Guidance on the Definition and Use of the Global Health and Child Survival Account*<sup>6</sup> allows the use of HIV/AIDS funds to pay health-care workers' salaries for activities essential to HIV/AIDS program goals. Salaries for both government and private workers are included. However, the guidance clearly states that salary payments should be temporary and that countries should develop a transition plan to ensure that contract staff can eventually be absorbed through sustainable long-term approaches using non-U.S. Government resources.

Because it is in extreme financial distress, the Government of the Kingdom of Swaziland relies on donors to support government health-care workers' salaries. A January 2011 report by the International Monetary Fund noted that Swaziland faces a fiscal crisis, driven by reductions in

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<sup>6</sup> Revision date: March 12, 2009. Global Health and Child Survival Account funds support health area activities that contribute to the improvement of health of people in developing countries by expanding health services, strengthening health systems, and addressing global issues and special concerns such as HIV/AIDS and other infectious diseases.

revenue from the Southern African Customs Union<sup>7</sup> and by some of the highest public sector wages—as a percentage of gross domestic product—in sub-Saharan Africa. To address these fiscal concerns, Swaziland cut public sector wages by up to 10 percent. However, even with the cuts, press reports note that the fiscal crisis has led to drug shortages in hospitals and delays in paying state grants to AIDS orphans and the elderly. Further, Swaziland is in the process of applying for International Monetary Fund-backed loans to pay for day-to-day expenses.

USAID is supporting salaries for public sector health-care workers in Swaziland, including three positions in the Swaziland Ministry of Health (MOH). However, there is no plan for shifting the salaries that the U.S. Government supports to the payroll of the Government of the Kingdom of Swaziland or a civil society organization because USAID does not have reliable information to do so, such as the number of health-care workers supported and their respective salaries. The USAID country director noted that Swaziland is a “limited-presence country” (there is no resident USAID mission in Swaziland) and USAID is not required under PEPFAR to report the salaries related to HIV/AIDS activities. However, the PEPFAR coordinator in Swaziland is reportedly planning to meet with partners to gather this information and create a plan for having Swaziland absorb the workers whose salaries the U.S. Government supports.

Without reliable information on the salaries that USAID is supporting in Swaziland and a transition plan for workers with PEPFAR-supported salaries, there is a risk that health services currently provided by USAID will be discontinued if U.S. Government funding is reduced. Furthermore, the absence of an effective transition plan hinders the sustainability of USAID’s efforts in building public sector health-care capacity. Accordingly, this audit makes the following recommendation.

***Recommendation 2.*** *We recommend that USAID/Southern Africa work with the Swaziland office of the President’s Emergency Plan for AIDS Relief to gather data on all salaries supported by USAID in Swaziland in order to develop and implement a plan for the absorption by Swaziland of the supported workers.*

## **One Partner Did Not Fulfill Performance Requirements**

In October 2006, the Coalition’s cooperative agreement was extended from February 1, 2009, to January 31, 2011. During the extension period, achievement was expected on the following key program objectives: (1) an improved Human Resource Information System, (2) strengthened leadership and management skills within the MOH at the facility level, and (3) strengthened pre-service education to develop the knowledge and skills of the faculty to teach HIV/AIDS and improve quality of training.

Stating that it had used all its resources, the Coalition terminated its activities in Swaziland on December 17, 2010, instead of January 31, 2011, as specified in its cooperative agreement with USAID. The Coalition fell short of meeting program objectives before terminating its activities in Swaziland. A USAID official stated that the Human Resource Information System developed by the Coalition was well under way, but how the system would feed into another MOH human resource system was unclear. In addition, the Coalition did not work side-by-side with the MOH

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<sup>7</sup> The Southern African Customs Union—consisting of Botswana, Lesotho, Namibia, South Africa, and Swaziland—raises revenue by levying a tariff on all goods imported into the Union from the rest of the world and an excise tax on goods produced within the Union. Revenue is then shared among member countries.

to develop the system to ensure that the information technology department and key MOH personnel had a clear understanding of the system.

According to a USAID official, one of the Coalition's deliverables was to develop training on the Human Resource Information System for the MOH using information from PEPFAR partners. However, training only took place for two high-level MOH officials who do not use the system on a daily basis. Lower-level staff were not trained. MOH human resource managers are working around the system to get the reports they need.

USAID officials recognize the constraints of dealing with a government partner in achieving timely results; however, they feel that the Coalition mismanaged and underutilized its subpartners and did not manage its pipeline well. USAID officials also had concerns over the Coalition's poor handling of technical assistance recruitment and work planning, and noted that IntraHealth tended to take the lead more than was intended in the spirit of the formation of the Coalition." For example, according to a USAID official, the Institute of Development Management was a subpartner that might have added value and been a more appropriate partner to assess skill levels within MOH, but this was ultimately handled directly by Coalition staff. USAID officials in Swaziland engaged in discussions with the Coalition about the importance of this activity and the possible benefits of bringing in the Institute of Development Management to provide technical expertise.

All indications from budget scenarios pointed to additional costs if the mission tried to prevent early termination. The RHAP Office started discussions of closeout plans and exit strategies in August 2010 to make sure all activities were completed to the satisfaction of all parties. USAID's interaction with the Coalition centered on negotiating proper closure, rather than preventing early termination; however, when it was apparent that activities would finish early, USAID insisted that the Coalition call a meeting with the MOH and other key partners to notify them and to start planning for the transition.

As a result, the USAID development objective of building the human capacity for health services in Swaziland was only partially achieved in the performance period anticipated in the agreement; this left Swaziland's human capital for health services without the level of improvement intended. U.S. Government funds were used inefficiently and ineffectively, especially in light of the large number of uncompleted activities proposed to be phased into a new program that will require new funding. Because the Coalition is no longer an implementing partner, we make no recommendation for this issue.

## **Mission Lacked a Gender Strategy**

The Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Reauthorization Act of 2008 (the Lantos-Hyde Act, Public Law 110–293) revised requirements for the President's comprehensive 5-year strategy (and related report) to combat HIV/AIDS globally.<sup>8</sup> Consequently, gender considerations have moved to the forefront of the HIV/AIDS response. As part of this response, the Office of the U.S. Global AIDS Coordinator (OGAC) developed the PEPFAR Gender Framework. The framework called for more rigorous strategic planning and monitoring of gender programming, including an explicit

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<sup>8</sup> The Lantos-Hyde Act amends the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (Public Law 108–25).

focus on preventing and responding to gender-based violence. As the U.S. Global AIDS Coordinator stated, “Gender-based violence, in particular, directly promotes the spread of HIV/AIDS by limiting women’s ability to negotiate sexual practices, disclose HIV status, and access medical services and counseling due to fear of GBV [gender-based violence].”

Despite the attention given to gender considerations by both Congress and OGAC, USAID’s HIV/AIDS program in Swaziland lacks a strategy to address PEPFAR’s gender-focused goals. Although OGAC supported a trip in August 2008 to determine the need for gender-based programming, the consultants examined gender issues only within segments of the HIV/AIDS prevention program, and no overall gender strategy resulted. Another reason that a gender strategy has not yet been developed and implemented is that the staff person currently responsible for HIV/AIDS gender issues is new and will not be able to perform those functions until the office has formalized her roles and responsibilities and has hired additional staff, which the office was engaged in doing.

According to USAID officials, gender issues are a particular challenge in Swaziland because of the country’s male-dominated society. However, these officials noted that gender is generally considered in HIV/AIDS programming. For example, USAID is trying to increase male involvement in prevention of mother-to-child transmission.

Operating without a strategy makes it difficult to ensure that gender issues are addressed, that no gaps exist in gender programming, and that U.S. Government-funded activities align with PEPFAR goals. For example, a study of more than 20,000 schoolchildren aged 13–15 years in Namibia, Swaziland, Uganda, Zambia, and Zimbabwe found that 23 percent reported having experienced sexual violence (were physically forced to have sexual intercourse) at some point in their lives. In a national survey in Swaziland that examined the prevalence and circumstances of sexual violence against girls, some 33 percent of respondents reported experiencing an incident of sexual violence before they reached 18 years of age. In addition, gender-based violence, which includes both sexual and physical violence, is a barrier to accessing HIV/AIDS counseling and testing, clinical care, and prevention of mother-to-child transmission services.<sup>9</sup> Because a gender strategy is not in place, one of the key drivers of the HIV epidemic in Swaziland—gender and sexual violence—may not be adequately addressed. As a result, this audit makes the following recommendation.

***Recommendation 3.*** *We recommend that USAID/Southern Africa develop and implement a gender strategy to address systematically the gender-related goals in the President’s Emergency Plan for AIDS Relief through the mission’s HIV/AIDS programming in Swaziland.*

## **Mission Did Not Set Clear Performance Requirements and Measures for John Snow Inc.**

Managing for results is a key USAID tenet toward achieving its development objectives. To this end, ADS 203.3.2.2b states that USAID missions should use performance information to assess progress in achieving results and to make management decisions on improving performance. Performance indicators are vital tools in providing this information. As a result, ADS 203.3.4.2g

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<sup>9</sup> World Health Organization/London School of Hygiene and Tropical Medicine, *Preventing intimate partner and sexual violence against women: taking action and generating evidence*, Geneva, 2010.

states that missions should use as many performance indicators as necessary and cost-effective for results management and reporting purposes.

The JSI contract with USAID covers HIV/AIDS programs in Lesotho, South Africa, and Swaziland. There are three primary tasks for Swaziland: (1) building capacity for enhanced use of strategic information, (2) improving data quality, and (3) supporting the U.S. Government team in Swaziland to develop a PEPFAR-specific database to collect appropriate planning and reporting data. Activities under these three primary tasks were intended to improve data collection, analysis, and presentation to promote better use of data in health planning, policy making, and program implementation.

Despite the breadth of these tasks and USAID guidance on performance indicators, JSI reported results for only one indicator in FY 2010: the number of local organizations provided with technical assistance for strategic information activities. Although JSI did meet its target of providing technical assistance for strategic information to four local organizations in FY 2010, this indicator represents only a small portion of JSI's activities in Swaziland. A JSI official described the goals of the project as being three-pronged:

1. Build monitoring and evaluating capacity to report credible information, as well as creating an "analytical culture" within the MOH.
2. Have the MOH produce health data that are credible and of good quality.
3. Have the MOH use those data in planning and budgeting, program growth, and policy.

The auditors also met with MOH officials and reviewed deliverables developed in conjunction with MOH that reflect additional activities performed by JSI:

- A documented Routine Data Quality Assessment Standard Operational Procedure
- Health Sector Monitoring and Evaluating Framework and Work Plan
- Data Quality Assessment Draft Report

JSI reported results for only one indicator because the Centers for Disease Control and Prevention (CDC) official who managed the JSI contract in Swaziland told JSI that only one indicator was required to be reported to OGAC. As a result, the ability to measure the overall progress of activities was lost. In addition, since the contract covered three country activities, it was intentionally broad with regard to specific goals or activities to be implemented in each country. Further, because of JSI's perceived success in Swaziland, PEPFAR managers, including the one at USAID, routinely asked JSI to perform additional tasks, all within the vague outlines of JSI's contract with USAID. During fieldwork, RHAP staff stated that the JSI contract could be more focused and effective if a new contract specific to Swaziland and its activities were developed.

Without adequate performance indicators, USAID cannot properly assess whether JSI's intended results are being achieved, and auditors could not determine the progress of JSI activities and their corresponding results in Swaziland. USAID and PEPFAR lack guidance on how to structure and manage interagency relationships and responsibilities for PEPFAR programming. However, JSI's contract in Swaziland ended on May 31, 2011, and a local partner has been engaged to implement strategic information activities. USAID/Southern Africa and the USAID office in Swaziland are working closely with CDC to ensure that work plans with clear, custom indicators and measurable outputs are developed and used by the new local

partner. USAID/Southern Africa, the USAID office in Swaziland, CDC, and the new partner were negotiating the work plan for the current year. As a result of these efforts, the audit makes no recommendation on this issue.

# EVALUATION OF MANAGEMENT COMMENTS

In its comments on the draft report, USAID/Southern Africa agreed with all three recommendations. Management decisions have been reached on those recommendations, with final action taken on Recommendation 2. A detailed evaluation of management comments follows.

**Recommendation 1.** USAID/Southern Africa agreed with the recommendation to conduct training sessions for implementing partners and subgrantee staff on documenting HIV/AIDS interventions, maintaining records to support reported results, and meeting data quality requirements. The mission noted actions taken to implement the recommendation, which include ensuring prime partners carry out data quality assessments for their subgrantees and organizing training and/or mentoring in data quality as required. To support these efforts, a strategic information specialist was hired. According to documentation subsequently provided by the mission, a key milestone is the implementation of accelerated work plans by implementing partners to improve data quality in health facilities, with a particular emphasis on training, supervision, and mentoring of MOH personnel. This implementation is expected to be completed by September 30, 2012. In our opinion, these actions are responsive to the intent of the recommendation, which is to provide a renewed, sustained focus on improving HIV/AIDS data quality in Swaziland. Accordingly, a management decision has been reached on Recommendation 1.

**Recommendation 2.** USAID/Southern Africa agreed to work with the Swaziland PEPFAR office to gather data on all salaries supported by USAID in Swaziland to develop and implement a plan for the absorption by Swaziland of the supported workers. Partners now update a government position matrix twice per year according to the PEPFAR reporting cycle. PEPFAR Swaziland held a meeting with MOH officials to discuss the need for an absorption plan and held a meeting with the Civil Service Commission, resulting in two PEPFAR-funded positions being absorbed. In addition, the Year 1 work plan of the new awardee, the Alliance for East, Central and Southern Africa, includes working with the MOH to develop an absorption plan for PEPFAR positions. Moreover, the mission stated that it would ensure that partners have in place or develop absorption or clear phase-out plans for any government positions funded through USAID. Since (1) the matrix already developed and implemented by the mission is collecting supported-salary data and (2) the mission has developed and started implementing an absorption plan, we consider that final action has been taken on Recommendation 2.

**Recommendation 3.** USAID/Southern Africa agreed to develop and implement a gender strategy to address systematically the gender-related goals in the President's Emergency Plan for AIDS Relief through the mission's HIV/AIDS programming in Swaziland. The mission will develop a gender strategy by September 2012. As a result, a management decision has been reached on Recommendation 3.

# SCOPE AND METHODOLOGY

## Scope

The Regional Inspector General/Pretoria conducted this performance audit in accordance with generally accepted government auditing standards.<sup>10</sup> Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions in accordance with our audit objective. We believe that the evidence obtained provides that reasonable basis. The purpose of this audit was to determine whether USAID/Southern Africa's RHAP was achieving its main goal of mitigating the impact of the epidemic in Swaziland.

The scope of the audit covered reported results for FY 2010. The Regional Inspector General/Pretoria performed this audit at USAID/Southern Africa in Pretoria, South Africa and at the PEPFAR office in Mbabane, Swaziland, from December 13, 2010, to April 28, 2011. We visited the Southern Africa Human Capacity Development Coalition's office in Pretoria, South Africa. In Swaziland, we met with officials from Pact Inc. to discuss Community REACH program and from John Snow Inc. to discuss the Enhancing Strategic Information Project. We visited six subgrantees of the Community REACH program:

- Cabrini Ministries
- Swaziland Action Group Against Abuse
- Save the Children Swaziland
- Nhlango AIDS Training Information and Counseling Centre
- FLAS
- SWANNEPHA

In planning and performing the audit, we assessed USAID/Southern Africa's internal controls as they pertained to RHAP activities in Swaziland. Specifically, we obtained an understanding of and evaluated the organizational structure of both RHAP and the USAID presence in Swaziland, USAID/Southern Africa's acquisition and assistance processes, monitoring and evaluation procedures, and reporting processes. We also assessed management controls related to management review, proper execution of transactions and events, and review of performance measures and indicators. Specifically, we studied and reviewed the following:

- Implementing partners' agreements.
- Implementing partners' semiannual and annual reports.
- Implementing partners' supporting data for the indicators listed in Table 3.
- Targets and actual performance reports.
- Site visit reports from mission staff and implementing partners.
- Data quality assessments.

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<sup>10</sup> *Government Auditing Standards*, July 2007 Revision (GAO-07-731G).

- PEPFAR Swaziland Country Operational Plan report for FY 2010.
- *Swaziland Partnership Framework on HIV and AIDS 2009–2013*, the *Partnership Framework on HIV and AIDS Implementation Plan 2009–2013*, and the PEPFAR HIV/AIDS Program Performance Management Plan for USAID activities in Swaziland.
- USAID/Southern Africa’s Federal Managers’ Financial Integrity Act<sup>11</sup> certification for FY 2010.

As stated in the report, we could not verify reported results for a clinical care indicator (which is part of the Partnership Framework’s impact mitigation pillar) reported by SWANNEPHA because of restrictions on access to patient records placed by the Government of the Kingdom of Swaziland. This constraint did not affect our ability to answer the audit objective because we obtained sufficient audit evidence by examining indicators reported for the Sexual Prevention and Male Circumcision pillars and conducting interviews and reviewing supporting documentation for the Human Institutional Capacity Building Pillar and crosscutting areas—gender and strategic information.

In addition, we met with beneficiaries of the Enhancing Strategic Information Project in the MOH’s Strategic Information Department.

For the Human and Institutional Capacity Building activities, we met with the Institute of Development Management, a Coalition partner, and beneficiaries in the MOH and at Nazarene College of Nursing in Manzini. We also met with individuals receiving direct salary support from the activities, including the Global Fund Executive Secretariat.

USAID had 14 PEPFAR programs in Swaziland implemented by 12 partners. Ten of the programs were managed by USAID/Washington while USAID/Southern Africa managed the remaining four. Our focus was limited to those four programs. However, one implementing partner of those four programs was UNICEF, a public international organization over which we do not have audit rights. Therefore, we selected the remaining three implementing partners—JSI, the Coalition, and PACT—for our audit universe to examine program activities. As of December 31, 2010, the three implementing partners had a total of \$15.2 million obligated for RHAP activities in Swaziland.

## Methodology

To answer the audit objective, we first identified the program’s main goals and significant program risks. USAID/Southern Africa’s RHAP activities in Swaziland are aligned with the Partnership Framework Agreement between the U.S. Government and the Government of the Kingdom of Swaziland. These activities directly contribute to four of the five pillars outlined in the Partnership Framework Implementation Plan: (1) Decentralization of Care and Treatment (RHAP activities do not contribute to this pillar), (2) Sexual Prevention, (3) Male Circumcision, (4) Impact Mitigation, and (5) Human and Institutional Capacity building. In addition, USAID activities contribute to two crosscutting areas of the implementation plan: (1) gender and (2) strategic information.

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<sup>11</sup> Public Law 97–255, as codified in 31 U.S.C. 1105, 1113, and 3512.

For three pillars—sexual prevention, male circumcision, and impact mitigation—we compared reported results to their respective targets to determine whether goals had been achieved. For human and institutional capacity building, gender, and strategic information, we formed our audit conclusion based on qualitative evidence, as the indicators used to measure results for these activities were not sufficient to form a conclusion.

To verify reported results for indicators used to determine whether goals had been achieved for the sexual prevention, male circumcision, and impact mitigation pillars, we selected representative indicators for each pillar and audited the reported results by tracing what was reported by Pact to source documentation that supported the reported results. We reviewed supporting tables that disaggregated reported results and then judgmentally traced selected portions of the reported results to source documentation. For sexual prevention, we audited reported results for AB interventions and HIV counseling and testing to source documentation. For male circumcision, we reviewed patient files to verify male circumcision operations. For impact mitigation, we reviewed support care and clinical care indicators, tracing reported results to supporting documentation.

For human and institutional capacity development, gender, and strategic information, we used primarily qualitative evidence to determine whether goals were achieved. Specifically, we met with USAID and other U.S. Government officials to discuss project activities. We met with implementing partners and reviewed reports issued by partners. We also met with intended beneficiaries in the Government of the Kingdom of Swaziland and members of civil society to gauge the impact of these activities.

During site visits we also verified that the project sites complied with USAID branding requirements, and observed and ascertained whether local officials and beneficiaries were aware of the source of funding for the projects.

We also reviewed documents as a part of our audit procedures and developing findings with criteria. These documents included the 2010 country operational plan funding for PEPFAR activities in Swaziland; partners' contracts, agreements, and related modifications; and multiple sections of ADS and Federal Acquisition Regulations incorporated in ADS 302, "USAID Direct Contracting."

# MANAGEMENT COMMENTS

November 4, 2011

## MEMORANDUM

TO: Regional Inspector General/Pretoria, Christine M. Byrne

FROM: USAID/Southern Africa, Mission Director, Jeffrey Borns/s/

SUBJECT: Audit of USAID/Southern Africa's Regional HIV/AIDS program in Swaziland (Report Number 4-645-12-XXX-P)

This memorandum transmits the USAID/Southern Africa Comments, dated November 4, 2011, on the Regional Inspector General/Pretoria (RIG) Draft Report on the subject audit. These comments are provided both in hard copy and electronic format (Microsoft Word).

On behalf of USAID/Southern Africa, I wish to express our sincere gratitude to the RIG for conducting the audit and preparing the draft report in order to strengthen USAID/Southern Africa's Regional HIV/AIDS Program in Swaziland.

November 2, 2011

## **USAID/Southern Africa Comments on Audit Report on USAID/Southern Africa's Regional HIV/AIDS Program in Swaziland (Report No. 4-645-12-XXX-P)**

### **1. Audit Finding: Partners Did Not Support All Program Results**

**Audit Recommendation No 1: We recommend that USAID/Southern Africa conduct training sessions for implementing partners and subgrantee staff on documenting HIV/AIDS interventions, maintaining records to support reported results, and meeting data quality requirements.**

**USAID/Southern Africa Comments:** USAID/Southern Africa agrees with audit recommendation Number 1.

The USAID office in Swaziland has initiated steps to implement this recommendation. In February 2011, a Strategic Information (SI) Specialist was hired to support the PEPFAR Swaziland team in the areas of monitoring, evaluation, reporting. The SI Specialist is playing a key role in supporting partners to put in place or improve their systems of program monitoring and reporting. As part of the annual Country Operating Plan (COP) and Annual Program Results reporting (APR) processes, she has worked with each of the major implementing partners (ie. those with country presence) to review results against planned targets, next year targets, and monitoring and evaluation plans. The process is hands on and participatory, involving Activity Managers when feasible.

Beginning in late 2010, the USAID office in Swaziland began conducting data quality assessments (DQA) with USAID partners. DQAs are led by the PEPFAR Swaziland SI Specialist, with participation of Activity Managers and/or USAID Southern Africa staff. A schedule was compiled and each partner now receives at least one DQA per year. All USAID Southern Africa partners have received DQAs in FY2011 with the exception of Futures-ASI, which is planned for Q4. DQAs are an important tool to identify potential data collection, storage and reporting issues. Results reported in semi-annual or annual reports are traced back to source documents and any discrepancies or problems are noted. A report of findings and recommendations is produced for the partner and if issues are identified partners are expected to respond with a plan for rectifying them. Activity managers are responsible for following up implementation of the plan, with support from the SI Specialist, as required.

The USAID office in Swaziland will continue to set annual DQA schedules and ensure that each prime partner receives at least one DQA per year. USAID will ensure that prime partners carry out DQAs for their subgrantees, and organize training and/or mentoring in data quality as required.

### **2. Audit Finding: USAID Lacked a Transition Plan for Workers With PEPFAR-Supported Salaries**

**Audit Recommendation 2: We recommend that USAID/Southern Africa work with the Swaziland office of the President's Emergency Plan for AIDS Relief to gather data on**

**all salaries supported by USAID in Swaziland in order to develop and implement a plan for the absorption by Swaziland of the supported workers.**

**USAID/Southern Africa Comments:** USAID/Southern Africa agrees with audit recommendation Number 2.

The USAID office in Swaziland has worked closely with the PEPFAR Coordinator in Swaziland to develop a process to track and monitor all Government positions that are funded through PEPFAR, including those funded through USAID. Beginning in April 2011, partners now update a Government position matrix twice per year according to the PEPAR reporting cycle (semi-annual and annual reports). This matrix was developed in coordination with the Global Fund funded position survey instrument in order to track and analyze staffing data across and between PEPFAR and Global Fund.

PEPFAR Swaziland held meetings with the Ministry of Health Directorate, Chief Nursing Officer and Deputy Chief Nursing Officer to discuss the need for an absorption plan for PEPFAR funded positions in the Ministry of Health. A meeting was also held the Civil Service Commission which resulted in two PEPFAR funded positions being absorbed.

The Alliance for East, Central and Southern Africa (ECSA) award has a focus on human resource planning. Their Year 1 workplan includes working with the Ministry of Health to develop an absorption plan for PEPFAR positions.

The USAID office in Swaziland recognizes that this is a critical issue and will ensure that partners have in place or develop absorption or clear phase out plans for any Government positions funded through USAID.

**3. Audit Finding: Partner Did Not Fulfill Performance Requirements**

USAID/Southern Africa agrees with this finding.

**4. Audit Finding: Mission Lacked a Gender Strategy**

**Audit Recommendation 3 We recommend that USAID/Southern Africa develop and implement a gender strategy to address systematically the gender-related goals in the President's Emergency Plan for AIDS Relief through the mission's HIV/AIDS programming in Swaziland**

**USAID/Southern Africa Comments:** USAID/Southern Africa agrees with audit recommendation Number 3.

The USAID office in Swaziland will develop a robust gender strategy by September 2012. The strategy will build on the commitment to addressing gender related issues reflected in the US-Swaziland Partnership Framework on HIV/AIDS and Swaziland's Global Health Initiative Strategy. Both documents identify gender as a cross-cutting issue that needs to be mainstreamed in all partner work plans to address gender inequities and gender-related norms and behaviors in prevention, care, and treatment programs. In addition, the USAID office in Swaziland will collaborate with key Government ministries and departments, particularly the Gender Unit under the Deputy Prime Minister's Office and the National Emergency Response Council for HIV/AIDS (NERCHA), to ensure that programs funded under USAID/PEPFAR are supporting implementation of their gender priorities.

The USAID office in Swaziland has begun strengthening their gender activities in several ways. Gender challenge (PEPFAR) funding was secured in 2010 and targeted activities to increase women's economic capacity and address harmful norms and behaviors began in early 2011. The principle combination prevention program is actively mainstreaming gender beginning with an internal mainstreaming process which began in 2011. In July 2011 USAID provided technical support to NERCHA to assess gaps in gender in the national HIV response and a discussion with the Editor's Forum on the role of the media in reporting HIV prevention and gender issues. Several USAID partners worked together to facilitate gender dialogues with peer educators at Swaziland's Reed Dance in August 2011. USAID hosted a gender mainstreaming training for all PEPFAR Swaziland partners in November 2011; a one-day USG only day which included Embassy staff was also supported. The prevention of mother to child transmission (PMTCT) acceleration plan includes activities that will increase male involvement in all aspects of PMTCT.

**Mission Did Not Set Clear Performance Requirements and Measures for John Snow Inc.**

USAID/Southern Africa agrees with this finding.

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