

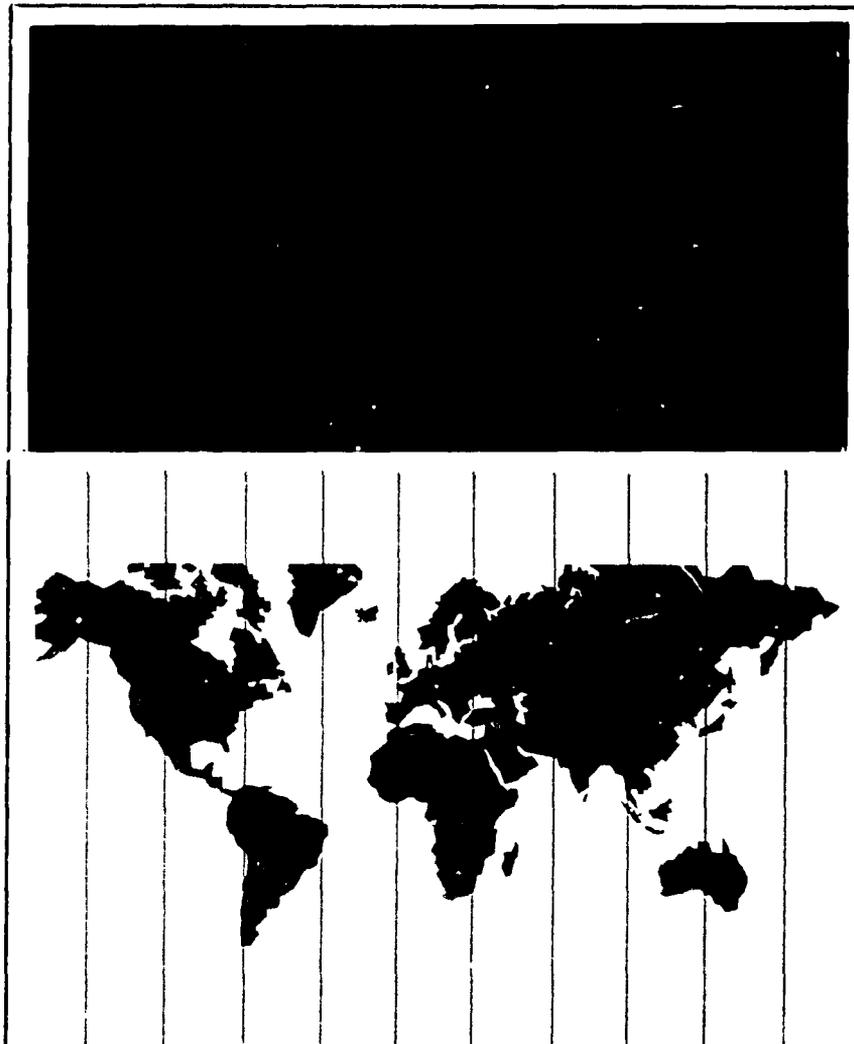
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UNITED STATES
AGENCY FOR INTERNATIONAL DEVELOPMENT

THE
INSPECTOR
GENERAL



Regional Inspector General for Audit
NAIROBI

**USAID/TUNISIA
NUTRITION PLANNING PROJECT
(NO. 664-0284)**

**AUDIT REPORT NO. 3-664-81-14
AUGUST 14, 1981**

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Regional Inspector General for Audit
Nairobi, Kenya

August 14, 1981

TO : Mr. William F. Gelabert
Director, USAID/Tunis

FROM : Ray D. Cramer
Regional Inspector General for Audit/Nairobi

SUBJECT: Memorandum Report on the Tunisia Nutrition Planning
Project (No. 664-0284).
Audit Report No. 3-664-81-14.

We have made a limited audit of the Tunisia Nutrition Planning Project (No. 664-0284). This examination covered the period from inception (June 1977) through physical completion (July 1979), and included pertinent events/transactions prior and subsequent to this period. Our review, which did not include the contractor's financial records, was made to (a) verify compliance with the terms of the project agreement and related implementing documents, (b) identify any unresolved problem areas, and (c) ascertain the effectiveness of USAID/Tunisia monitorship of project activities. We reviewed pertinent project implementation and financial records maintained by USAID/Tunisia and the Government of Tunisia (GOT) National Institute of Nutrition (NIN), and interviewed appropriate officials.

The NIN, which was created in the late 1960s, is under the GOT Ministry of Health. A GOT decree of July 1971 created a scientific council and a technical committee representing other ministries to provide general guidance to the NIN.

The primary work of the NIN included a National Nutrition Survey, a study of Lysine fortification, an epidemiological study of zinc, and operation of the Superior School of Nutrition Sciences. A number of other scientific studies have also been undertaken. AID granted extensive contributions in support of these technical assistance efforts and provided capital investments for the construction and equipping of the NIN prior to the start of this project.

The main objective of this project was to develop a self-sustaining institutional capacity to identify and take effective measures to reduce nutrition problems affecting low-income groups in the Tunisian population. The USAID agreed to finance the services of three long-term consultants to

assist in the creation of a system for the continuing review and evaluation of ongoing nutrition programs. The project major goals were defined as follows:

- To determine the status of Nutrition in Tunisia.
- To carry out an in-depth review of government nutrition programs and policies, and to develop nutrition priorities.
- To introduce, reinforce, or modify food and nutrition programs in relevant agencies of the Tunisian Government and national organizations, with the aim of improving the nutritional status of vulnerable groups.
- To design, introduce, and make effective a national "system" for coordination and programming of nutrition-related programs, engaging all relevant government agencies, national organizations, and wide public understanding and support.

A. T. Kearney, Inc., a management consultant firm located in Washington, D.C., was selected to implement the project. A cost-plus-fixed-fee contract. (No. AID/NE-C-1354 for \$522,581), was signed on May 4, 1977, and the nutrition planning team arrived in Tunisia during June 1977.

Total AID funding through the life of the project amounted to \$539,850 for technical services and procurement of one vehicle. The GOT provided the equivalent of some \$110,000 in cash -- in addition to various in-kind contributions.

The project design and agreement provided for two years of advisory services. The contractor formulated a work plan and a "Critical Path Analysis" based on the cited project goals.

Following the first year of operation and exposure to rigid central planning and bureaucratic difficulties, it was generally believed that additional time was needed for an effective and orderly implementation of project goals. However, because of other AID priorities, the NIN request for funding an extension of one year was not approved. As a result, the original objectives of the project could not be fully achieved.

USAID/Tunisia advised us that, in their opinion, the momentum developed during the project has largely been dissipated. Although there is some understanding of the need for multisectoral nutrition planning within the GOT, this awareness has not been reflected in the long-range planning as yet.

AID is continuing its efforts toward achievement of certain of the objectives of the nutrition planning project through activities to improve health and nutrition education provided by the Ministry of Health (MOH),

the Institute of Child Health and the supplementary feeding program, as well as through agriculture and rural development programs.

On the Tunisian side, the NIN technicians are making use of what they learned from the project advisors. With the annual reports published by the contractor as a baseline, the NIN is currently finalizing its second annual report. The NIN reports represent a contribution of the effort which aims at a regular definition of national nutrition status, a survey of nutrition programs, and a critique of their interrelationship with other nutrition related development activities in Tunisia.

Our review of USAID/Tunisia financial records showed that adequate controls over project funds were established. Two exceptions were noted:

- There has been no report to show the disposition of an outstanding advance to the NIN (TD6,335.883 = \$15,085) two years after the project completion date. The USAID was provided with detailed information obtained during our review, and at the conclusion of our audit was taking appropriate action jointly with NIN to close out the advance.
- There is no evidence of action taken to resolve questionable transactions under the contracts. On January 25, 1978, USAID/Tunisia completed a financial review of vouchers 1 to 5 submitted for reimbursement by the Contractor (Kearney Inc.). The review disclosed ten questionable transactions including: (a) difference between basic salary approved and that claimed for reimbursement, (b) insurance for shipment of HHE and lack of information on weight shipped, and (c) rest stop during questionable indirect route.

During our current audit, we found no evidence of action taken by the contractor or the AID/W contracting officer to resolve the issues raised by USAID/T. We believe that Mission records should include appropriate documentation to substantiate the disposition of the questionable items.

RECOMMENDATION NO. 1

USAID/Tunisia determine whether action has been taken by the AID/W Contracting Officer in response to their inquiry of 1/25/78, and take appropriate steps to document the disposition of the issues.

Furthermore, our review of randomly selected transactions showed additional items totaling \$783 (mostly for meals and drinks) which are not allowable under the terms of the contract. As this amount represents much less than

the contract overrun of \$8,672 absorbed by the Contractor, we are not taking exception to the amount identified in our selective review.

Our review also showed that project evaluations have not been made as required: (a) three Contractor Performance Evaluation Reports (U-1423/1) which became due during the continuance of the project have not been submitted, and (b) a final Project Evaluation Summary (PES) to compare final achievements with the originally stated objectives has not been made.

Since performing the above evaluations at this late date may not be practical, we suggested that the project files should be annotated to reflect the Mission's review of the objectives achieved and the effectiveness of the project.

CC: Deputy Administrator
AA/NE (5)
AA/LEG
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NE/NENA
PPC/E
DS/DIU (4)