

PD-AAx-751

Evaluation Report

The Brazilian Association  
of  
Family Planning Agencies

ABEPF

Family Planning Management Training Project

March 1988

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## PREFACE

This paper is the final product of a request by AID/Brasília that the Family Planning Management Project (FPMT) carry out a management evaluation of ABEPF, the Brazilian Association of Family Planning Agencies. The impetus for the request lay in AID's internal evaluation and reexamination of its population program in Brazil. This evaluation of July and August of 1987, together with major policy decisions in Washington is resulting in a phase down of population funds in Brazil. ABEPF has been a major recipient of AID funds since ABEPF's inception. The Mission's assignment for MSH was to assess the management and role of ABEPF and to make recommendations to AID in light of the anticipated phase down of population funds.

FPMT selected an evaluation team consisting of Darryl N. Pedersen, Daniel Gross and Sonia Bloomfield Ramagen to carry out the field work. Their field work was conducted between December 1 and 18, 1987. Preliminary recommendations were made to and accepted by the Mission and FPMT at that time. Those recommendations were presented to ABEPF's new board of directors on January 15, 1988. The report that follows is the report of that team with revisions made by FPMT in light of the increasing emphasis of the Mission on sustainability.

ABEPF, as a responsible institution with a vital role in the family planning sector in Brazil, is concerned with the sustainability of the institution, particularly in light of reduced funding from international donors. Sustainability here means far more than financial capacity to support its activities. Sustainability refers "to the ongoing dynamic process of continuing the valued results of development activities."\* It encompasses the following institutional factors:

- 1.) increasing self-financing
- 2.) an ongoing internal capacity for generating impact as well as delivering benefits
- 3.) continuing institutional fulfillment of useful service within changing economic, social, and political realities.

Recent research and experience indicates that sustainability is dependent upon three conditions:

- 1.) public policy incentives which reinforce long term results.
- 2.) assistance which develops the institutional capacity for sustaining the valued results of funded activities
- 3.) management systems which effectively set priorities and adapt activities.

ABEPF as an institution must be and is concerned about being responsive to and taking advantage of the three conditions identified above. This report should assist ABEPF to that end. It recommends the board become more active in lobbying (public policy). It includes recommendations for structuring assistance to ABEPF which will include institutional development as well as project implementation. It will be followed by FPMT management training and technical assistance activities for effective and efficient management systems.

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March 1988

\*Increasing the Sustainability of Development Assistance Efforts: Lessons Learned and Implications for Donor Agencies," AID/Washington, October, 1987.

## INTRODUCTION

The development of the private family planning movement in Brazil has mirrored the evolution of family planning in the country. That context now appears to be changing. Prevalence of contraceptive use is up, and the Government of Brazil is now openly committed to the provision of family planning services.

Increasingly, family planning services and products are provided by the private sector: pharmacies, private physicians, and private hospitals, and, to a lesser extent, through government programs. Some of this progress may be attributable to the leadership of the various A.I.D.-supported PVOs. While family planning PVOs in Brazil may have paved the way for this success, recent progress involving individual providers and the commercial sector raises new and interrelated questions:

*Is there still a role to be played by Brazil's family planning PVOs?*

*Is there still a role to be played by A.I.D. in support of Brazil's family planning PVOs?*

*If so, can continued U.S. assistance be justified in the light of shrinking resources?*

The purpose of the study was to answer those questions with regard to one family planning PVO in Brazil: The Brazilian Association of Private Family Planning Entities (ABEPF). This report is the result of the study.

The study was conducted between December 1 and 18, 1987 by Darryl N. Pedersen, The Development Group; Daniel Gross, PhD; and Sonia Bloomfield Ramagem. The methodology included a functional, financial and management analysis of ABEPF, and an examination of the relevance of ABEPF's role within the larger family planning context in Brazil. The study concentrated on ABEPF as an institution; the projects administered by ABEPF with international funding were not the subject of this study.

Procedures included interviews with the entire ABEPF staff, current officers, and a number of affiliates. The study team also interviewed representatives of donor organizations and reviewed documents covering the history and functioning of ABEPF, its finances, previous evaluations, etc. The opinions expressed in this report, however, are those of the authors, and they are responsible for the accuracy of its content.

By design, this was a descriptive study that focused on a single institution. Although the study team held ABEPF to high standards, there is no basis in this report for comparing ABEPF to other family planning organizations in Brazil. Comparative data were not available to the study team, and the reader is therefore cautioned against making comparisons on the basis of this report, or in the absence of comparable data on other organizations.

The evaluation was undertaken with a view towards recommending how ABEPF might operate differently in the future. It is an outgrowth of A.I.D.'s internal evaluation of its population assistance program in Brazil undertaken in July and August of 1987. For a number of reasons it was not possible to include ABEPF in the evaluation at that time. This report, therefore, is a supplement to the earlier evaluation.

Briefly, our answers to the three questions raised earlier are noted here and amplified in the Section III.

1. Yes, ABEPF does have an important role to play, perhaps now more than ever.
2. Yes, ABEPF would benefit from continued A.I.D. support.
3. Yes, continued U.S. population assistance is justified.

These positive answers must be moderated by one important proviso: that ABEPF's board of directors, not the staff, assume a stronger leadership role in Brazil as the representative voice of the private sector on family planning issues. The team concluded that while ABEPF is in a unique position to assume that role, so far it has not done so. While the staff has met its responsibilities, the membership, through its elected representatives on the board, has not.

The report is divided into four sections. The first section, The Family Planning Environment in Brazil, includes a summary of the preliminary results of 1986 Demographic and Health Survey (DEPES-BEMFAM, 1986) and a description of the current GOB policy on family planning.

The second section, The Brazilian Association of Private Family Planning Entities, describes ABEPF at the end of 1987. It also examines ABEPF's financial position, and the services provided by ABEPF in support of its members. It draws an important distinction between the staff and the elected officers, and examines the roles and responsibilities of each. The first two sections comprise the findings of the study team.

The third section, Evaluation Results, discusses and draws conclusions from the findings presented in Sections I and II. It focuses on the need to expand the role of the officers, and on ABEPF's ability to become self-sustaining.

The fourth section, Recommendations, sets forth a number of recommendations for ABEPF, and also for A.I.D. and A.I.D.-funded intermediaries to guide them in their support to ABEPF in the future.

The preliminary presentation of these recommendations to ABEPF and A.I.D. in January 1988 was timed to coincide with the installation of a new set of elected officers. Since many of study team's major recommendations concern the responsibilities of the officers, the new officers had the opportunity to consider the recommendations at their first meeting.

## SECTION I.

### THE FAMILY PLANNING ENVIRONMENT IN BRAZIL

This section of the report summarizes the major changes in the Brazilian environment that may affect ABEPF's role in the future as well as the role of other individuals and groups committed to the expansion of safe and effective methods of family planning. Two factors stand out: the increased prevalence in contraceptive use, and the government's declared commitment to integrate family planning services into its maternal and child health programs.

#### CONTRACEPTIVE PREVALENCE IN BRAZIL

All those interested in family planning in Brazil will find cause for both encouragement and concern in the findings of the recent Demographic and Health Survey [DEPES-BEMFAM, 1986]. The survey reveals a considerable increase in the use of contraceptives in Brazil since the last similar survey was undertaken in 1979. Nearly two thirds (65.3%) of all women in union, aged 15-44 years, were practicing contraception at the time of the survey (Table 1). In the highly developed South, the prevalence rate was over 70 percent, an increase of 11 percentage points when compared with earlier studies (1979 to 1982). In the underdeveloped Northeast, the prevalence rate has reached 53 percent, a dramatic increase of 43 percentage points since 1979.

The total fertility rate (TFR) has also declined. Preliminary estimates indicate a national TFR of 3.1 at the time of the survey: 2.7 in urban areas and 4.3 in rural areas. Yet, infant mortality rates remain high: 71 per 1000 live births nationwide, 124 per 1000 in the Northeast. And although abortion is illegal, it has been estimated that for each child born, there is one abortion: 3 million in 1986.

Table 1

Women 15-44 Years  
Currently Married or in Union

Birth Control Methods Used  
Percent Distribution

METHOD	TOTAL	All Users	Temp. Methods
USING BIRTH CONTROL	65.3%	100%	100%
Female Sterilization	27.2%	41.7%	n/a
Male Sterilization	.8%	1.2%	n/a
Pills	25.0%	38.3%	67.0%
Withdrawal	5.0%	7.7%	13.4%
Natural Methods	4.3%	6.6%	11.5%
Condoms	1.6%	2.5%	4.3%
IUDs	.9%	1.4%	2.4%
Vaginal methods	.5%	.8%	1.3%
NOT USING	34.7%		
Currently pregnant	10.0%		
Others	24.7%		
TOTAL	100%		

Source: DEPES-BEMFAM, 1986

The survey also revealed that one-third of all hospital births are delivered by caesarean section; 65 percent of all female sterilizations are carried out in conjunction with caesarean section delivery.

The survey reaffirmed the importance of private physicians, private hospitals, and pharmacies as the primary source of contraceptive supplies and services. Over ninety percent of all pill users obtain pills from pharmacies. Private physicians and private hospitals provide 42.7 percent of voluntary surgical contraceptive services; government programs (INAMPS) provide 43.5 percent.

Table 1 shows an excessive reliance on two methods: sterilization and pills. Female sterilization accounted for 41.7 percent of all users, male sterilization for 1.2 percent, and oral contraceptives for 38.3 percent.

With 81.2 percent of the methods comprising sterilization or oral contraceptives, the method mix is less than ideal. Among the users of temporary methods only, pills account for 67 percent of the users, followed by natural methods (24.9 percent), condoms (4.3 percent), IUDs (2.4) and vaginal methods (1.3 percent).

Contraceptive users lack information on their proper use. A study undertaken among low-income users of pills in Rio de Janeiro showed that 21 percent did not know what to do when forgetting to take the pill for one day; 92 percent after forgetting for 2 days (CPAMIC, 1982).

#### GOVERNMENT POLICY ON FAMILY PLANNING

The family planning context in Brazil is also changing as a result of new government policies that, for the first time, acknowledge the government's role as a provider of family planning services. The government has long acknowledged a family's right to freely determine the number and spacing of its children. Only recently has it really begun to ensure that family planning is offered as part of its own integrated maternal and child health programs. Nevertheless, it has yet to establish a coherent and active program to address population and related women's health issues.

In 1984, the Ministry of Health did announce a nationwide Integrated Women's Health Program (PAISM) that would include family planning services. In 1986, the Ministry of Social Welfare was the first to actually include family planning, as part of the PAISM program, in the Social Security System. This signaled the government's first real intention to implement a family planning policy. Until now, however, very little has been done.

In 1987, the Ministry of Health also issued guidelines regarding the provision of family planning services. Some of these guidelines are of real concern, particularly those requiring (1) that new users be seen by a physician, and (2) that the physician perform a pelvic exam before any contraceptive can be provided. Since there is no medical basis for these requirements, and since they apply to service providers in the private sector as well, these guidelines constitute an impediment to extending quality, low-cost services to the neediest segments of the population.

It should also be pointed out that in 1978, then President Joao Figueredo, in a speech before the Brazilian congress, declared his government's commitment to providing family planning services. This was a milestone in the history of family planning in Brazil. Nothing happened, however, and the prevalence actually fell for a brief period thereafter.

## SECTION II.

### THE BRAZILIAN ASSOCIATION OF FAMILY PLANNING AGENCIES (ABEPF)

The previous section looked at the status of family planning in Brazil today and the changes in the context which may affect the way family planning institutions operate in the future. This section looks at ABEPF and ABEPF's place within that context. It also reports the study team's findings with respect to several specific questions that were asked.

ABEPF is one of three major private family planning institutions in Brazil, together with Sociedade Civil Bem Estar Familiar no Brasil (BEMFAM) and Centro de Pesquisas e Assistencia Integrada a Mulher e a Crianca (CPAIME). Two important characteristics distinguish ABEPF from the others:

ABEPF is not a service delivery organization; it is an association of 148 private family planning institutions that, themselves, provide services. CPAIME is a member of ABEPF; BEMFAM is not.

ABEPF is the only organization in Brazil established to represent the views of more than one group on issues affecting family planning, namely the perspective of its 148 private sector affiliates.

#### HISTORY AND OBJECTIVES

ABEPF was founded in 1981 at the urging of Dr. Helio Aguinaga, Director of CPAIME and a pioneer in the field of family planning in Brazil. For its first two years, ABEPF operated out of offices located at CPAIME.

ABEPF began with 34 affiliates. The number grew to 87 by the end of 1983 when ABEPF acquired its own offices and hired a staff. Denise das Chagas Leite became ABEPF's first general coordinator; she has served in this key role up to the present. Dr. Elsimar Coutinho was elected President, replacing Dr. Aguinaga, ABEPF's first President, and served in that position during two consecutive two-year terms.

By the end of 1987, ABEPF had 148 affiliates (entidades associadas) and 311 individual members (socios reconhecidos). Individuals must belong to an affiliate to be eligible for membership. Dr. Aguinaga has been re-elected President and will take office, along with a new set of officers, in January, 1988.

The objectives of ABEPF have remained essentially unchanged since its inception:

#### Objectives of ABEPF

1. Strengthen the affiliates' programs at a national level, representing or assisting them in ethical, legal and other questions within the institution's area of action;
2. Hold congresses, meetings, workshops, seminars, symposia, courses, lectures, and other activities on topics related to its objectives;
3. Provide support and technical assistance to affiliates in the educational and informational aspects of family planning as well as in delivery of clinical and surgical services;
4. Provide scholarships and study research grants to individual members as long as they retain their connection to an affiliate;
5. Secure funds at a national level for the development and provision of technical assistance in family planning;
6. Promote the acceptance and the application of social-medical care in family planning in Brazil, assisting appropriate governmental agencies upon request;
7. Represent affiliates in international organizations related to the area of social-medical care in family planning in keeping with the norms in effect in the country;
8. Promote and sponsor research in the area of family planning.

#### STRUCTURE

ABEPF is a private, not-for-profit organization (association) consisting of a membership, officers elected by the membership (a board and several standing committees), and a staff (salaried employees). It is important to keep these categories separate since the team detected considerable confusion about them among the people interviewed during the course of this study.

## The Bylaws

ABEPF's formal structure, as established in the revised bylaws (adopted in December, 1986), is quite elaborate. For all their complexity, the bylaws are vague on a number of issues. They create a highly centralized organization centered around an elected President (Table 2 and Fig. 1). However, the bylaws are mute concerning the staff and its structure. They do not allocate responsibility for hiring or supervising the staff, nor do they provide for removal of officers. All the officers and councils are elected simultaneously every two years, resulting in little or no continuity between successive administrations unless officers happen to be reelected or reappointed.

Until 1987, each individual member had one vote in the general assembly which meets once each year. Under the new bylaws, individual members no longer vote in elections; rather, each affiliate designates one person to cast its sole vote. This change reduced the influence of the larger organizations who, under the previous bylaws, could outvote the smaller groups. The effect of this on the actual operations of the Association, if any has yet to be seen.

## The Board of Directors (Diretoria)

The principal governing body established by the bylaws is the *diretoria*, headed by a President elected by the membership for a two-year term. Most of the *diretoria* is appointed by the President (Table 2). The *diretoria* meets quarterly, or more frequently as required. The bylaws also provide for an elected "Deliberative Council" whose membership does not overlap with the *diretoria*. The Deliberative Council meets only once every two years even though it is supposed to approve an annual activity plan. The affiliates also elect a "Fiscal Council" that reviews the balance sheet twice yearly and is supposed to approve ABEPF's annual budget submitted by the President. These elected councils are scarcely able to exercise more than a watchdog function.

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Table 2

ABEPF  
Composition of Diretoria  
1987  
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<u>OFFICER</u>	<u>ELECTED/APPOINTED</u>
President	E
First Vice-President	E
Second Vice-President	E
First Secretary	A
Second Secretary	A
General Treasurer	A
First Treasurer	A
Second Treasurer	A

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The Affiliates

ABEPF's 148 affiliates are primarily private family planning institutions, some organized for profit, others not-for-profit. The affiliates also include small clinics, university departments and semi-public agencies. The largest family planning PVO in Brazil, BEMFAM, is not an affiliate. (Table 3 shows the growth in the number of ABEPF affiliates since it was founded in 1981.)

Nearly all ABEPF affiliates provide low-cost or no-cost family planning services to low-income people, some on a fee-for-service basis. Services are usually provided in conjunction with other medical services including gynecological and pediatric care, psychiatric services, and other medical care. The proportion of low-income clients served by each affiliate varies greatly.

In 1987, 48 affiliates received partial subsidies from ABEPF for clinical or surgical contraceptive services. In no case is any affiliate dependent on ABEPF as the sole source of funds. Many of the larger ABEPF affiliates, however, do receive sizable project support from international donors, particularly A.I.D.

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Table 3

ABEPF  
Growth in Number of ABEPF Affiliates  
1981 - 1987

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	YEARS						
	1981	1982	1983	1984	1985	1986	1987
TOTAL							
AFFILIATES	34	74	87	123	138	143	148

Source: ABEPF

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While ABEPF has a membership committee and formal criteria for membership, we are unaware of any organization that has been denied eligibility for membership. We also have no indication of how many additional institutions that might appropriately belong to ABEPF are not associated. All regions of Brazil are represented among the affiliates (Table 4).

Table 4

ABEPF  
Distribution of Affiliates and Individual Members  
by Region  
(1985)

Size	NE	South	SE	N & West	TOTAL
1	27	18	28	11	84
2	5	9	6	4	24
3	1	1	5	0	7
4	2	0	2	2	4
5	0	2	0	0	4
6	0	2	2	0	4
7	0	0	0	0	0
8	2	0	1	0	3
9	0	0	0	0	0
10-24	0	1	0	0	1
25+	2	0	2	0	4
Agency Total	39	33	46	17	135
INDIV. MEM	91	62	92	23	268

Source: Compiled from ABEPF 1986 Annual Report (1985 data)

The privileges of affiliate membership include eligibility for funding for service delivery or for training activities. For individual members privileges include eligibility to attend training courses and the annual meeting. Clinic supplies and Information, Education & Communication (IE&C) materials are also available at reduced cost to affiliates and individual members.

One of the most important responsibilities that ABEPF assumes is that of providing norms of good practice for its affiliates. These norms deal mainly with medical practice, record-keeping, and ethics to set guidelines for the practice of family planning. ABEPF has a general set of norms that applies to all situations; it holds that family planning is a right that should be available to all people regardless of economic status. ABEPF promotes family planning as a means for families to improve the quality of life, not in connection with population control or other political or social goals. ABEPF opposes clinical practices that may be coercive. In its educational materials, ABEPF stresses voluntary, informed consent in the selection and use of contraceptive methods. ABEPF's posters all prominently display the slogan, "We inform, you decide."

The norms were published in 1986. The Clinical Family Planning Manual provides extensive detail on the protocol for receiving clients, performing medical examinations and surgical procedures, and maintaining client records. It explains various contraceptive methods and gives instruction for administering each method.

ABEPF also takes positions on important biomedical matters on behalf of its affiliates, such as what kind of practitioners should provide specific services. ABEPF supports the "delegation of functions," i.e., allowing appropriately trained personnel to provide family planning information and dispense certain contraceptives to clients. Given the government's new set of guidelines, this stance may become a source of contention between ABEPF and the government because it may appear to reduce the role of physicians.

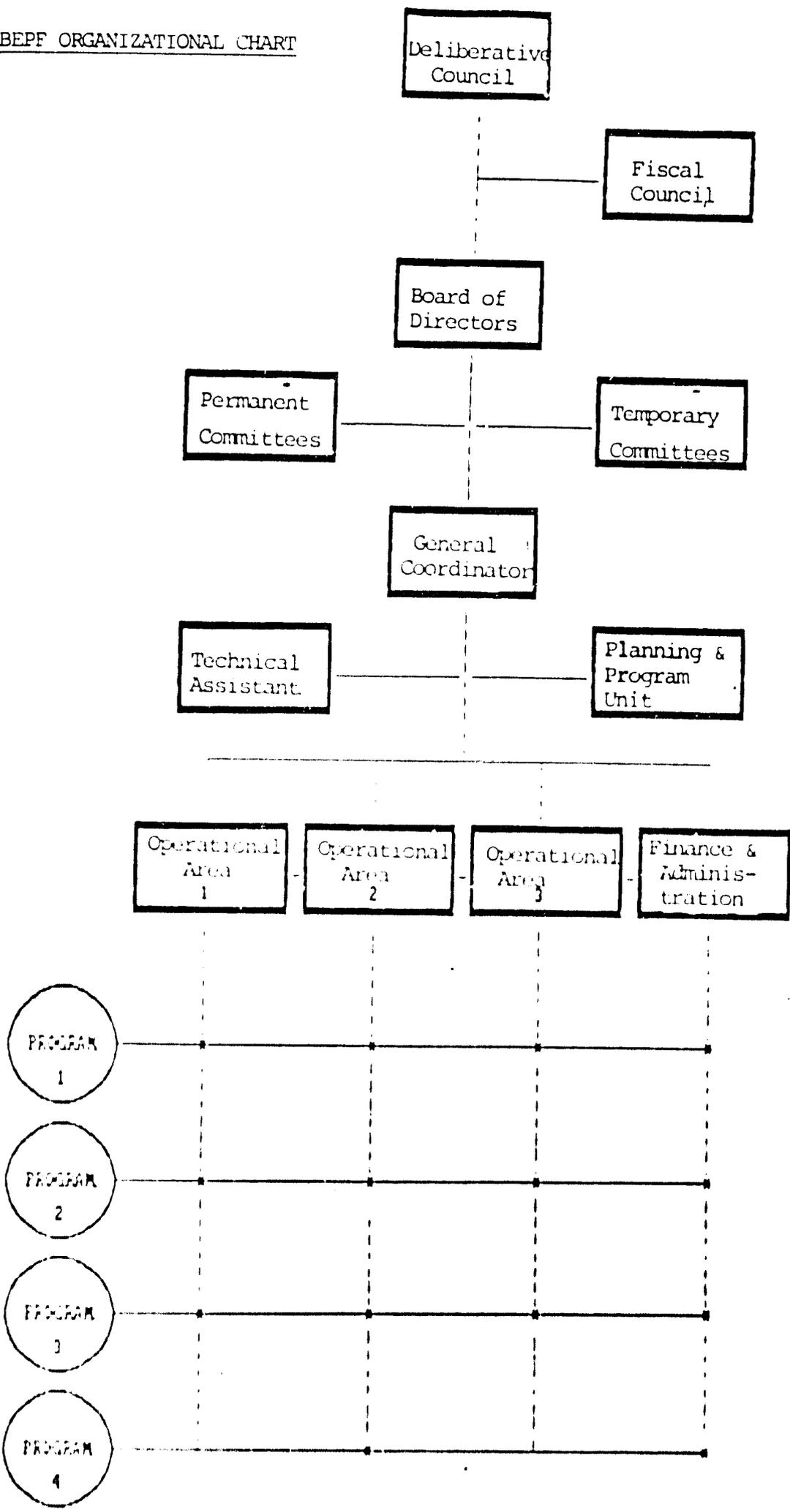
### The Staff

At the end of 1987, ABEPF had 28 staff on the payroll. Two positions were vacant: a Chief of Finance and a Chief of Planning and Programming. The senior staff consists of an administrative chief, a financial manager, and several project managers and supervisors. The senior staff report directly to the General Coordinator. Of the 28 employees, 14 were directly associated with one or more of ABEPF's internationally funded programs.

The internal structure of ABEPF staff is horizontal and flat. Moreover, in the absence of active ABEPF officers, the staff has had to assume many of the responsibilities normally associated with officers in organizations like ABEPF. The combined effect of this situation has been a high concentration of responsibility at the staff level, particularly on the General Coordinator. As a consequence, so many issues are referred to the General Coordinator that she is frequently unable to respond promptly to requests from affiliates and others.

About half of the staff is involved in the supervision of projects funded by cooperating agencies (CAs) through ABEPF. (Note: Throughout this report the terms cooperating agencies, intermediaries, donors, and international donors are used interchangeably; they refer to any group providing financial or other support with A.I.D. funds.) Staff does not supervise affiliates that do not receive funding through ABEPF. The Association has few other means to detect irregular practices that do not adhere to the ABEPF norms. Nevertheless, by means of site visits, educational forums, publications, and the threat of possible sanctions, ABEPF does exert substantial influence on the affiliates.

ABEPF ORGANIZATIONAL CHART



## ABEPF PROGRAMS AND SERVICES

In the past, ABEPF staff were at the center of most of ABEPF's activities. In 1986 and 1987, ABEPF began to decentralize training activities, letting subcontracts to affiliates to carry out specialized training in various areas of family planning such as counseling, surgical techniques, and IUD insertion. These courses are generally of one week's duration, with an average of 24 hours of instruction. Most people trained in these courses are connected with ABEPF's affiliates. They include professionals and paraprofessionals in nursing, medicine, and other areas. While ABEPF charges registration fees, they do not fully recover the training costs. ABEPF staff provide continuing supervision of these projects in accordance with the donor's requirements.

### Programs

ABEPF also engages in a full range of programs and activities. In 1987, they included:

Surgical Services	Support for Small Projects
Client Flow	Purchase of Materials
Training Activities	AIDS Seminars
9th Annual Meeting	Clinical Services
Production of Material	Progestogen Research
Technical Information Center	Training Division
Social Marketing	Sofia Feldman Training

One of ABEPF's most important events during the year is the annual meeting. Each meeting is organized around a particular topic. Speakers are invited and special workshops and roundtables are organized around this topic. The annual meeting is a major opportunity for members to acquire new knowledge and share valuable information. Therefore, it is an important vehicle for socialization of affiliates to ABEPF norms. Attendance at the annual meeting is high. Each year, ABEPF has secured funding to bring at least one member from each affiliate to the annual meeting. The cost to ABEPF of the trip is more than the annual dues paid by an affiliate.

ABEPF also provides financial support to some of its affiliates to provide family planning services. In 1986, 46 affiliates received such support. With that support, 12 affiliates provided clinical services to 20,500 people; and 34 affiliates provided voluntary surgical contraceptive services to 966 men and 20,786 women. (ABEPF estimates that only about 3 percent of all the services provided by its affiliates is supported with ABEPF funding.)

ABEPF also produces various kinds of materials for use by professionals in family planning. In its Cadernos series, ABEPF has produced the following titles:

Manual of Norms, Routines and Procedures in Clinical Family Planning (1986)

Fund-raising Manual (1986)

Manual for Utilization of Informational and Educational Materials in Family Planning (1987).

Other materials include pedagogical materials such as posters, flip-charts, and pamphlets on family planning, contraception, and human anatomy for use in family planning centers (in both classroom and small-group settings). All materials are professionally written and illustrated and published in an attractive form. The authors of the material have carried out field research on opinions and attitudes among the groups targeted by this literature. Each item is written and reviewed by a committee including ABEPF staff members, members from ABEPF's affiliates, and invited consultants. Most of it is sold to affiliates and non-affiliates and the organization is able to earn money after expenses on this material.

In 1986, ABEPF created a Center for Technical Information (CIT) that operates as a central bibliographic service, publishing a circular on the latest research and information on family planning in the world literature, recent library acquisitions, and "clippings", brief summaries of articles on family planning appearing in the Brazilian press. In 1986, ABEPF began publishing a family planning newsletter that was circulated to affiliates and other interested parties. It was well presented and attractive, but unfortunately was published only three times before it was discontinued for lack of funds. It carried news of affiliates, research results, new techniques, and some political news.

ABEPF also sponsors research activities on social aspects of family planning, on financial aspects of family-planning practice, and on clinical issues. In 1986, ABEPF commissioned studies on contraception and use of family planning services, on alternative modes of charging clients for services, the consequences for self-sufficiency, and on different anesthesia techniques. ABEPF does not have a staff member with research expertise, however, so they are dependent on outside skills to conduct the research and to analyze the results.

## FUNDING AND FINANCE

Since its foundation, ABEPF's primary source of income has been USAID Cooperating Agencies (CAs). Other income derives from annual dues paid by affiliates, donations, sales of materials (contraceptives and literature), registration fees for training courses, and investment income. Currently, annual membership dues are set at 20 "OTN's" (Treasury Obligation Notes) per affiliate, about US\$190, plus one OTN for each individual member.

In 1987, ABEPF reported a total income of Cz\$32,922,010 (Table 5) for the year. Of that total, Cz\$28,150,070 (85.5 percent) was in the form of grants or contracts from eight international organizations - mostly A.I.D intermediaries. Most of this income was in the form of restricted funds that could only be used in support of one or more of the programs listed in Table 6.

ABEPF itself generated Cz\$4,771,940 (14.5 percent) of the total income for the year. If ABEPF were an external donor, and ranked among the other donors in terms of the size of its contribution to ABEPF, it would have been the fourth largest contributor in 1987.

Table 5

ABEPF  
Sources of Income  
1987  
In Cz\$

GRANTS FROM OUTSIDE AGENCIES:		
DIRECT COSTS	\$26,181,160	79.5%
INDIRECT COSTS	1,968,910	6.0%
SUBTOTAL	28,150,070	85.5%
INCOME GENERATED BY ABEPF:		
DUES FROM AFFILIATES	401,450	2.4%
DONATIONS	347,610	1.6%
SALES OF MATERIAL	1,208,480	3.7%
REGISTRATION FEES	226,390	0.6%
INCOME FROM INVESTMENTS	810,780	2.5%
COST RECOVERY	1,175,230	3.6%
SUBTOTAL	4,771,940	14.5%
TOTAL INCOME	32,922,010	100.0%

**Notes:** (1) The figures used throughout this report were based on ABEPF's as yet unaudited financial statements. (2) In keeping with generally accepted accounting principles for nonprofit organizations, ABEPF assigns no monetary value to donated services or other types of "in-kind" contributions. Consequently, they are not recorded or reported as income on ABEPF's financial statements. (3) To convert the Cruzado figures in this report to U.S. dollars, use the median exchange rate for 1987, Cz\$38.78 = US\$1.00.

ABEPF's operating expenses in 1987 were Cz\$32,291,230 (Table 6), equal to 98.1 percent of its total income for the year. (For all practical purposes, there were no expenses that could be amortized in future periods). Of that total, Cz\$3,537,900 underwrote core, administrative expenses, and Cz\$28,753,330 underwrote the direct costs of the various programs. ABEPF's excess income over expenses in 1987 was Cz\$630,780.

Table 6

ABEPF  
Direct Costs and Overhead  
Contributions of Donors Compared to ABEPF  
1987

<u>Programs</u>	Donors	ABEPF*	Total
Surgical Services	11,158,540		
Clinical Services	4,863,920		
Production of Materials	1,716,840		
Progestogen Research	58,570		
Technical Information Ctr.	826,520		
Training Division	3,303,220		
Social Marketing	20,130		
Sofia Feldman Training	226,240		
Support for Small Projects	0		
Purchase of Materials	87,230		
Client Flow	427,960		
Training Activities	50,930		
AIDS Seminar	234,060		
9th Annual Meeting	3,207,000		
Subtotal	26,181,160	2,572,170	28,753,330
<u>Administration</u>	1,968,910	1,568,990	3,537,900
Rate	7.5%	61.0%	12.3%
<b>TOTAL</b>	<b>28,150,070</b>	<b>4,141,160</b>	<b>32,291,230</b>

\*Note: The distribution of ABEPF funds among the various programs was not available and appears therefore as a subtotal above.

It is noteworthy that ABEPF does not fully recover the administrative costs associated with the projects it administers on behalf of the international donors. Table 6 shows that in 1987, the total administrative cost was about Cz\$3.5 million, of which ABEPF recovered less than \$2 million. Although the global administrative cost rate was 12.3 percent (base: total direct costs), donors contributed, on average, only 7.5 percent. ("On average" because indeed several contributed more than their fair share; others contributed less, and some, among them the largest, contributed nothing.)

ABEPF, on the other hand, contributed at the rate of 61.5 percent of the total direct costs associated with its own contribution to the various programs. By any measure, ABEPF covered a disproportionately large share of the administrative burden; in effect, it subsidized the international donors.

About half of ABEPF's payroll is funded by CAs (Table 7). In most cases, the CA supports a percentage of the salary of a given position. For example, the position of ABEPF's administrative and financial officer is supported 25% by FPIA, 35% by AVSC and 40% by ABEPF from general funds. Table 7 presents the aggregate of all support based on the percentage of each position covered by a given source.

Table 7

ABEPF  
Source of Staff Salaries  
1987

SOURCE OF FUNDS	FPIA	AVSC	BR-24	CIT	ABEPF	TOTAL
TOTAL	8.45	3.85	1	1	13.7	28
	30%	14%	3.5%	3.5%	49%	100%
	percentage of total filled positions					

Based on the percentage of time for each filled position covered by the indicated source.

Source: ABEPF

## **INTERNAL MANAGEMENT**

In addition to the activities undertaken in support of its members, ABEPF has installed a number of management systems in the central office for strategic planning, project design, implementation and evaluation, and personnel management. The strategic planning process consists of five steps:

- Analysis of the External Environment**
  - Presentation and Economic Scenario Scenarios
  - Analysis of Similar Organizations
  - Risks, Opportunities, Constraints
  
- Analysis of the Internal Environment of ABEPF**
  - General Diagnosis
  - Strengths and Weaknesses
  - Strategic Capacities
  
- Definition of Strategic Areas**
  - ABEPF's Mission
  - Business Transactions
  - Institutional Chlines
  
- Analysis of Trends**
  - Studies of Trends
  - Analysis of Studies
  
- Outlines of Programs of Action**
  - Operational
  - Continenency Plans

The result of this process is the development of a set of programs designed to effect changes in the external environment. Each program is the outgrowth of the identification and analysis of "strategic areas", each corresponding to a need in the external environment, including several of those discussed in Section I. They include a description of the problem, its scope, macro objectives, macro activities, and the assumptions regarding the external environment upon which the strategic area is based.

An internal ABEPF strategy is also developed. It describes changes that ABEPF must undertake internally to better respond to the needs in the external environment. Contingency plans are developed for dealing with these changes based on different sets of assumptions regarding the level of resources that will be available to ABEPF during the period covered by the strategic plan.

To date, the strategic planning process has not included a long range financial planning component. However, ABEPF recognizes the need to include financial analysis and plans in the strategic planning process in order to develop a comprehensive strategic plan.

Linked to the strategic planning process is a modified Management by Objectives (MBO) approach that is used to define and implement the strategic plan into annual workplans and budgets. From the strategic plan the General Coordinator develops an activity plan for the year. Next, a workplan (and budget) is developed for each division by the division head under the guidance of the General Coordinator.

It delineates each area of responsibility, the anticipated results, and activities to be undertaken during the year; it includes a schedule indicating when activities will begin and end, and when the results will occur.

In turn, the division head, together with his/her subordinates, develops a similar plan for each person at the next level down. The process is repeated for every individual at all levels within the organization, except at the support staff level (secretaries, messengers, etc.).

The workplan, together with the mechanisms for monitoring, controlling, and modifying the workplans (based on progress to date), is called the "Plano de Metas." It is reviewed bi-weekly by the person responsible for its implementation; the results are reviewed by the supervisor. Lack of progress that could adversely affect the timely completion of an important objective is communicated to the General Coordinator who, in turn, meets with the staff to discuss corrective actions to be taken. Workplans are modified accordingly.

A complete set of job descriptions has also been developed for the staff along with a salary (grade and step) classification system. The job descriptions are keyed to the annual workplans and employee performance evaluations are undertaken periodically against the workplan.

In tandem with the systems ABEPF staff has developed to plan, implement and monitor ABEPF's various programs, a financial management system has also been developed and installed, which relies upon the services of an outside consultant. It is used for internal management purposes, provides information for monitoring and planning purposes, and generates reports meeting ABEPF's external financial reporting requirements.

## SPECIAL ISSUES

Up to this point, we have been concerned with presenting an objective view of ABEPF as we see it. We were also asked to look closely at staff salaries (too high or too low?), to comment on the appropriateness of ABEPF as a funding intermediary, and to examine ABEPF from the viewpoint of the membership. The remainder of this section addresses these special issues.

### Employee Compensation

A study of ABEPF's staff salaries was conducted by an outside consultant in November, 1987. The study compared ABEPF salaries to the average salary paid for comparable positions ("Mercado") by seven similar organizations in Brazil: BEMFAM, FINEPE, BNDES, Fundacao Oswaldo Cruz, CAPEMI, CEAG and ABRESCO. (The results are summarized in Table 8.)

Table 8

ABEPF  
ABEPF Salaries Compared  
to Similar Organizations in Brazil  
December, 1987  
In Cz\$

Position	ABEPF	Mercado	ABEPF/Mercado
Executive Director	98,926	142,434	69.5%
Chief of Finance	72,191	72,191	100.0%
Coord. Special Proj.	71,109	71,109	100.0%
Admin. Chief of Finance	42,261	108,856	38.8%
Research Coord.	39,116	67,242	58.2%
Ch. of Plan. Unit	39,116	107,687	36.3%
Project Supervisor	28,056	47,822	58.7%
Librarian	26,574	50,268	52.9%
Administrative Chief	26,574	69,186	38.4%
Financial Assistant	21,072	41,543	50.7%
Bilingual Secretary	18,053	27,466	65.7%
Programmer	18,053	43,844	41.2%
Secretary	13,176	22,971	57.4%
Administrative Assistant	12,663	25,573	49.5%
Accounting Clerk	10,124	21,001	48.2%
Office Clerk	8,730	12,538	69.6%
Handyman	6,059	9,037	67.0%
Average	32,462	55,339	58.9%

The data show that most ABEPF salaries fall well below the average salaries paid by similar organizations for comparable positions. If ABEPF were to raise its salaries in accordance with the results of the study, its monthly payroll would increase by Cz\$622,640, about 30 percent (salaries and fringe benefits, December, 1987).

ABEPF's relatively high rate of staff turnover, 30 percent in 1987, can probably be attributed to low salaries. It was not surprising to find that most of the turnover took place at lower grade levels, though the largest discrepancy in salaries between ABEPF employees and employees at the other organizations studied was at higher grade levels.

When asked what motivated ABEPF personnel at higher grade levels to work at less than competitive market salaries, respondents cited the following reasons:

1. The style of openness and shared responsibility in decision making within ABEPF;
2. The leadership and dedication of ABEPF's General Coordinator, Denise das Chagas Leite; and
3. Job satisfaction and opportunities for professional growth within the organization.

#### ABEPF as a Funding Intermediary

Since 1983, ABEPF has acted as a funding intermediary on behalf of several cooperating agencies. Is this a proper role for ABEPF?

The donor representatives interviewed by the study team pointed out that if they had to administer these funds directly themselves, the total cost of these programs to A.I.D. would be significantly higher; most intermediaries simply do not have enough staff to administer large numbers of programs. To increase the size of their staffs, and the ancillary expenses that would accompany such an increase would reduce the amount of pass-through funds available to subgrantees to fund the service delivery programs.

Among the positive benefits, the ability to partially fund some of its affiliates (no affiliate is dependent on ABEPF for all of its funding) is one of the attractions of affiliate membership. It has also permitted ABEPF to decentralize some of its activities by allowing some of the membership, many of whom have considerable expertise in their own right, to undertake activities at the local level.

ABEPP is strengthened by having strong affiliates; it does not have to assemble all the expertise in the central office. Finally, the existence of strong affiliates provides leverage to ABEPP in its attempts to improve the quality and expand the accessibility of the services in accordance with ABEPP norms.

Since ABEPP itself is not a service delivery organization, no conflict of interest arises between itself and the affiliates for funds. This is another advantage. On the other hand, since the resources available to ABEPP for distribution to affiliates under these arrangements with cooperating agencies are scarce, it causes competition among the affiliates and, particularly among those affiliates that are not funded, fosters suspicions about the fairness of the award process, and nurtures allegations of favoritism. (A more complete discussion of the this subject is presented below, in the Affiliates' Viewpoint section.)

On the negative side, in practice, intermediary funding has not always benefited ABEPP. As pointed out elsewhere, ABEPP has not fully recovered the administrative costs associated with its role as an intermediary. It has actually drained ABEPP's scarce unrestricted funds that could have been used for better purposes. Furthermore, in an attempt to grow as an organization, ABEPP has undertaken some activities that have not contributed directly to its mission. However, that is a judgment call that ABEPP should be free to make, provided such activities are not contrary to ABEPP's mission.

It should be pointed out that little or none of these funds is unrestricted. Some funding carries administrative fees (overhead), but a surprising number of agencies pass money through ABEPP without paying the full cost of administering the funds, even though these agencies require elaborate accounting and reporting. Some CAs have a policy of paying no overhead at all. As noted above, this practice forces ABEPP to allocate some of its scarce unrestricted resources to overhead, rather than to more productive areas that might strengthen ABEPP as an institution or enhance its sustainability.

### The Affiliates' Viewpoint

Since ABEPP is an association formed around affiliates and concerned primarily with serving them, it is appropriate to provide an indication of the viewpoint of the affiliates themselves. As part of this study, we held in-depth discussions with about ten ABEPP affiliates, which are mainly larger, more influential ones. This was by no means a representative sample, but it did provide a useful view of the considerable range of opinions concerning ABEPP's activities and performance.

At one extreme, we found affiliates who felt that an oversized and overpaid staff at ABEPF was appropriating the lion's share of all funds for use in the Rio de Janeiro headquarters. Some critics stated that ABEPF had 40 staff members earning handsome salaries in a luxurious headquarters owned by ABEPF in Rio de Janeiro. We also encountered people who claimed that a large percent of ABEPF's income was absorbed by overhead and that only a small percent was actually disbursed to affiliates.

What are the facts? What percentage of the resources ABEPF receives are retained by the central office? As noted elsewhere, the truth is that ABEPF has 28 staff members, earning salaries significantly below comparable salaries at similar organizations, and working in a rather drab rented house in the Botafogo section of Rio.

In 1987, 10.7 percent of the budget was retained by the central office for central office use (Table 11), in effect, ABEPF's administrative expenses for the year; 87.3 percent of the resources went to affiliate organizations or individual members. The remaining 2.0 percent was excess revenues over expenses for the year.

Looking closely at the 87.3 percent that went to affiliates or individual members, the study team found that 60.8 percent was in the form of direct cash transfers (Table 10). Of that, 34 percent went to affiliates and 66 percent to individual members. The remaining 39.2 percent (other benefits), was "retained" by the central office, but not for its own use. It was used to underwrite the expenses associated with (1) the distribution of materials and equipment to affiliates, and (2) the supervisory and technical assistance visits to the affiliate institutions that received direct cash transfers from ABEPF in the form of subgrants or subcontracts to do training or provide family planning services.

How were the direct cash transfers distributed among ABEPF's 148 affiliates?

Of a total of 148 affiliates, 48 received institutional funding for surgical and clinical services; 16 received funds for both programs. Of the same 48 affiliates, 8 received a total of 14 subcontracts to hold training courses. Ninety-two of the 148 affiliates participated, on average, in four training programs during 1987. Also, a total of 35 affiliates received 65 supervision or technical assistance visits during the year (Source: ABEPF 1986 Annual Report).

It should also be pointed out the proportion of cash transfers to other benefits could not have been distributed differently without violating the contractual agreements between ABEPF and the donors of those funds since at least 90 percent was in the form of donor-restricted funds.

In any event, the study team found that the allegations do not stand up to the facts: the central office does not retain an unwarranted portion of ABEPF's income.

Another area of concern among several affiliates dealt with the fairness of the process through which affiliates are selected to receive funds. (See discussion regarding ABEPF as a funding intermediary above.) What is the process? Is it fair?

Background: A substantial number of affiliates have received funding through ABEPF (Table 9). Under some programs, affiliates receive contraceptive materials and educational literature, and occasionally equipment in addition to payments for delivering services to a specified number of clients. This funding has been important for some affiliates because it has permitted them to expand operations, hire new staff, improve facilities, develop a training component, and augment their client base. For these reasons, such funds are avidly sought after. Some ABEPF officers believe that these funds are a powerful attraction to affiliates who join in the hopes of being eligible to receive them.

Table 9

ABEPF  
Affiliates Funded through ABEPF  
1987

	1981	1982	1983	1984	1985	1986	1987
DIRECT PAYMENTS FOR PROGRAM SERVICES	n.a.	n.a.	n.a.	45	49	52	48
TRAINING SERVICES	n.a.	n.a.	n.a.	45	18	89	90
RESEARCH PROGRAM	n.a.	n.a.	n.a.	n.a.	6	6	0
TOTAL RECEIVING BENEFITS*	n.a.	n.a.	n.a.	59	62	90	90
TOTAL AFFILIATES	34	74	87	123	138	143	148
% RECEIVING BENEFITS				48%	45%	63%	61%

\* Note: These are not a simple sum, because some affiliates receive funding for more than one kind of service.

Selection of affiliates to receive funding is made by two committees (respectively for surgical and clinical programs), whose members are chosen by the *diretoria*. Affiliates interested and eligible for funding are identified from their responses to a questionnaire that is sent out annually. The selection committee first establishes criteria for selection, then assigns an order of priority to the affiliates actually eligible to receive funds. The criteria are not announced publicly before selection. This procedure leaves the committee open to accusations of bias and manipulation.

The study team concluded that a certain amount of suspicion regarding the fairness of the selection process is inevitable. On the other hand, suspicions could be reduced through a more open award process. In particular, we would urge ABEPF to circulate the selection criteria before the application process begins. We would not urge ABEPF, however, to adopt a selection process that removes all room for bringing professional judgment to bear.

After eligible affiliates have been identified and ranked by priority, ABEPF staff go down the list in rank order, giving the affiliates notice of eligibility (a step known as *viabilizacao*). The affiliate then fills out a new set of forms that are revised by ABEPF staff, then formalized in a proposal that is submitted to the external funding source. ABEPF sets up a series of site visits by staff, working closely with the supervisor of each project, informing him or her of the terms and conditions of the award, and showing how to keep records, file reports, etc. Only at this point can funds begin to flow.

Ideally, each recipient receives three supervision visits a year, but this rarely happens. However, ABEPF maintains a voluminous correspondence with each recipient. For each program, ABEPF writes a handbook explaining the accounting and reporting procedures to be followed as well as medical and ethical norms and procedures. The staff also receives and compiles data from each affiliate receiving funds, using them to prepare reports for the CAs. The staff must rebudget each project to account for inflation and for changes in currency exchange rates, because the contracts with many CAs do not provide for automatic adjustments. Frequently, the result is lengthy delays in disbursements of funds. This process is labor-intensive and requires much staff time.

For various reasons, largely beyond ABEPF's control, funds are frequently held up and disbursements to recipients are delayed. These delays are due simply to slowness by CAs in processing and releasing funds. Whatever the cause, the affiliates tend to view the delays as additional evidence that the ABEPF central office is retaining funds for its own purposes.

Another line of criticism held that ABEPF had accumulated too much control over the funding process as an intermediary. According to this view, ABEPF, in league with the CAs, designs projects that leave little flexibility or bargaining power to the hands of the affiliates. These critics feel that ABEPF has reduced many affiliates to a dependent state, treating them as beneficiaries more than as members. Nevertheless, these same critics recognize that many smaller agencies, especially small clinics run by a single M.D. or two, are able to greatly improve the quality of service with only training, educational literature, and supervision provided by ABEPF. They gain a new vision of the family planning field, one that is otherwise constricted by their narrow medical training.

Still other affiliates voiced the opinion that ABEPF was the target of much unfair criticism, resulting from the competition for resources administered by ABEPF. These members felt that, in general, the staff was doing a good job with limited resources under sometimes difficult conditions. Many people, even harsh critics of ABEPF, had high praise for the coordinator, Denise das Chagas Leite. Most of these persons had no severe criticisms of the organization, and felt that the harshest critics were generally people who felt wronged in the distribution of resources.

A number of affiliates also reported frustration over apparent confusion within the staff with regard to whom is empowered to make decisions. Calls to the General Coordinator were often referred to subordinates who are not authorized to make decisions. Whether this is simply the result of internal confusion or actually a reflection of inadequate delegation of authority, the frustration is real.

The data suggest that most of the negative allegations made about ABEPF's use of resources are without foundation. Nevertheless, we feel that the prevalence of such complaints is itself a cause for concern. It suggests, at least, that there is a communication gap between the staff and the membership, a gap that should be filled by ABEPF's elected officers. In general, these attitudes were not extraordinary in the anecdotal context in which they were voiced. They may also be a reflection of the fact that, in ABEPF's brief history, the staff has had to both build an institution and administer ABEPF's day-to-day activities.

Internally, the study team found ABEPF well managed by its highly motivated and dedicated staff. The accomplishments of its brief history are a tribute to ABEPF as an organization and to the able leadership of its General Coordinator.

### SECTION III.

#### EVALUATION RESULTS

This section discusses, and draws conclusions from the findings presented in Sections I and II.

IN SUMMARY: Given the high level of contraceptive prevalence in Brazil; given the low quality of services that have accompanied the rapid increase in contraceptive prevalence; given the government's unfulfilled promise to undertake its own massive family planning service delivery efforts; given the emergence of counter-productive government regulations affecting family planning service delivery efforts; given the dominant position of the private sector as the largest provider of family planning services in Brazil; and given ABEPF's unique position as the only representative spokesman for the private family planning sector; the team concluded that if ABEPF didn't exist, it would have to be invented.

The role to be played by the private family planning sector within this evolving context is perhaps more challenging now than ever. What is that challenge? And is ABEPF prepared to meet it?

The challenge before the private family planning movement in Brazil, now in a time of decreasing donor support, is the sustainability of its programs. The goal is to ensure that high quality, low-cost services are available throughout the system, public and private, and that such services are accessible to all segments of the population, but particularly to those segments characterized by high levels of unmet need.

Quality implies a mix of safe and effective methods that is more appropriate to the age structure. It also means informed consent and increased user effectiveness through better information and education regarding correct contraceptive use.

Accessibility means extending products and services to all segments of the population, but particularly to low income segments living in the Northeast, in the fast-growing frontier areas of the Northwest, in urban areas throughout Brazil, and to that vast segment of the population that is entering reproductive age.

The particular challenge before ABEPF is to more fully assert itself as the representative voice of private, family planning service delivery providers to influence groups, both public and private, in order to expand quality, low-cost services to those segments of the population most in need.

The study team concluded that, at the staff level, ABEPF has the management ability that will be required to meet the challenge. However, the membership, through its elected officers, must assume a stronger leadership role.

If ABEPF is to endure it must take the necessary steps to become sustainable, which includes increasing its level of self-sufficiency. At the same time, it is incumbent upon A.I.D. to leave, as a legacy of its many years and many millions of dollars of population assistance, a strong, representative, organized private sector leadership to influence the course of family planning events in the future.

This section explores these conclusions with respect to (1) changes in the role of the board that the study team believes will be necessary for ABEPF to respond to the challenges it faces, and (2) sustainability.

#### THE ROLE OF ABEPF'S ELECTED OFFICERS

The Board of Directors is the core of any private voluntary organization. It is the link between the organization and the community around it. Legally, PVOs are the creatures of the community. In recognition of the social benefits PVOs provide, governments extend certain privileges to PVOs not enjoyed by individuals or other legal entities. The Board of Directors is the steward of those privileges, accountable to the community for the efficient and effective use of the resources with which the organization has been entrusted.

The ABEPF Board, like the boards of other PVOs, has two sets of responsibilities: those normally associated with any PVO, and those which are an outgrowth of ABEPF's distinctive characteristics. Our discussion begins with the latter.

#### Board Responsibilities Unique to ABEPF

ABEPF is the only family planning institution in Brazil that represents the views of a broad, community based, private professional membership. ABEPF exists to represent those views to international donors, and also to promote those views within Brazil.

This gives considerable weight to ABEPF. The study team concluded that the major change needed in ABEPF is for the officers to more aggressively pursue the role of spokesman for the family planning movement, a role they must assume if ABEPF is to become the influential and positive force that the family planning movement needs. By and large, however, these responsibilities have gone unattended. In the final analysis, the staff, no matter how competent, cannot fill the void left by the officers.

### Promulgating Family Planning Service Delivery Norms

Perhaps the major function of ABEPF is to promote the adoption and implementation of service delivery norms that ensure that safe, effective, high quality family planning services are provided to the Brazilian population. ABEPF has developed and published a set of such norms. They should be promulgated for use by all service delivery providers not only by ABEPF affiliates. This includes federal, state, and municipal government agencies, and other service delivery providers, public and private, for-profit and not-for-profit.

### In Government and Government-Regulated Programs

Lobbying the government should be central to ABEPF's mission to improve the quality of, and expand access to safe and effective family planning products and services. A professional lobbyist unit should be established within ABEPF (and located in Brasilia), or a professional lobbyist organization in Brasilia should be contracted to provide those services on ABEPF's behalf. It would alert ABEPF officers to impending legislation and regulations affecting family planning and help ABEPF to formulate and implement strategies for influencing the outcome.

Until now, ABEPF has had no organized effort in this area. The study team considers such an undertaking to be central to the officers' new, expanded role.

### Among Non-Affiliates

Since most family planning services in Brazil are provided by the private sector, ABEPF should also exert influence in the private sector beyond its own affiliates. This includes private physicians, private hospitals, pharmacies and other providers of health care services and products. ABEPF norms should become the recognized symbol of excellence and of quality family planning service delivery in Brazil, regardless of whether an organization is an ABEPF affiliate or not.

ABEPF's efforts to affect family planning practices among non-affiliates have been very limited. ABEPF affiliates set an example, but they need to be more vocal in promulgating norms. It is nice to imagine that by offering high quality services ABEPF affiliates will create a competitive environment in which clients will insist on the same level of quality from other service providers. Realistically, however, a more aggressive approach will be required if ABEPF is to achieve such leadership.

The Board should meet this challenge by establishing a formal program for promulgating ABEPF norms among non-affiliates. Such a program would require efforts at both national and local levels. Affiliates would undertake local efforts, while ABEPF, through its board members, would pursue activities at the national level. A starting point might be a collaborative effort between ABEPF and the Brazilian Association of Obstetrics and Gynecology, to promulgate norms among their members. The board might also collaborate with the major pharmaceutical houses or major drug distributors to help educate pharmacists who sell pills directly to the public. At the local level, affiliates could organize seminars and distribute information in their communities, and as well as work with the medical staffs of local INAMPS facilities.

ABEPF can also affect family planning practice through training, or simple information and education sessions for non-affiliates. Unfortunately, current policy presents a dilemma with regard to training non-affiliates. In an effort to attract and retain members by offering exclusive benefits, ABEPF restricts participation in its training courses to staff members of affiliate institutions, thereby excluding non-members from participation. This could be overcome by offering substantial discounts to members while charging the full price to non-members. Recently, the Ministry of Health negotiated an agreement to train physicians in IUD insertion techniques in Colombia. ABEPF, either directly or through its affiliates, could easily have provided this training.

Wider distribution of ABEPF publications, particularly ABEPF's IE&C materials, should be considered. ABEPF does make its publications available to non-affiliates; some have been utilized in recent months by federal and state government health agencies in their own training programs. The Ministry of Health's integrated family planning and maternal-child health program (PAISM) would benefit from the use of ABEPF materials.

Massive distribution of ABEPF's excellent series of pocket sized, method specific pamphlets to pharmacies and other over-the-counter distributors of temporary methods could go a long way towards improving the user effectiveness of those methods. They would also make distributors aware of the contraindications associated with some of the methods.

## Among Members

Finally, ABEPF should ensure that its own affiliates are in compliance with the ABEPF norms. Ideally, as a service to its members, ABEPF would certify compliance, to provide technical assistance and training when they are not. As a practical matter, however, ABEPF can not certify all of its affiliates. Some members will have to be self-certifying. Whatever member classification scheme ABEPF develops should distinguish between those affiliates who are self-certified and those who are certified by ABEPF.

A wall plaque attesting to the fact that the affiliate adheres to ABEPF norms could be designed by ABEPF and distributed to affiliates for display in their facilities as a symbol of excellence and quality service delivery.

## Member Relations

ABEPF is a special type of PVO. It is an association. Good communication between and among the members is therefore vital to fulfilling ABEPF's mission. This is another major responsibility of the Board that the study team concluded needs strengthening.

Concerns have grown among many members (and outsiders as well) with regard to (1) ABEPF's financial affairs and (2) the criteria used to allocate resources among the membership. These doubts divert the membership's attention from ABEPF's pursuit of its mission. The study team found these suspicions to be largely unfounded. They could be alleviated, however, through reinstatement of the ABEPF newsletter, through greater financial disclosure, and through prior disclosure of the criteria for allocating resources among members. In summary, better and more frequent communication with members is essential to more effective performance of ABEPF's public role.

### Reinstatement of the ABEPF Newsletter

The newsletter was published and distributed with support from one of the international donors. When that support ended, so did the publication. (ABEPF's unrestricted funds had, by that time, been exhausted.) ABEPF should find a way to resume publication of the newsletter.

### Publication of the Criteria for Allocating Resources

Member relations could also be improved through a more open process of competition for grants. Perhaps the greatest disadvantage of the present system lies in the competition and suspicions set up in the ranks of ABEPF affiliates. The selection process engenders competition among affiliates for scarce funds.

The current system for selecting recipients and making awards to affiliates is cumbersome and tends to create conflict and controversy. As we pointed out earlier, the selection committee is appointed by the president, and the same committee draws up criteria and determines which affiliates will have a high priority for funding. If the committee were more broadly reflective of the membership, it would probably enjoy greater legitimacy. Also the setting of criteria should be separated from actual selection of the subgrantees as a separate task carried out by a different committee. The criteria should be made public before selection begins.

### Normal Responsibilities of any PVO Board

We now turn from the discussion of the Board's unique responsibilities to a discussion of the normal responsibilities of the elected officers of a PVO. First and foremost, it should be pointed out that the boards of private, not-for-profit voluntary organizations serve essentially the same purpose as the boards of other private organizations: to ensure that the agency operates within the framework established by the organization's bylaws. The major responsibilities that are common to all private, not-for-profit voluntary organizations are discussed below in the context of ABEPF. (Board responsibilities not discussed here include hiring and firing the general coordinator, approval of capital expenditures, and personnel.)

## Trusteeship

The single most important responsibility of a PVO board is trusteeship. In private organizations, this implies safeguarding the organization's assets in the interest of the stockholders. In a PVO it implies safeguarding the organization's assets in the interest of the community it serves. These assets may have been entrusted to the organization with restrictions placed on their use (as is the case with most of the funds ABEPF receives from donors), in which case the board is accountable to the donor for their safeguarding. Resources entrusted to the organization that are free of restrictions (such as most of the income generated by ABEPF itself), must be accounted for to the community (in the case of ABEPF, the membership) to ensure their proper safeguarding and use. In either case, the responsibility resides with the ABEPF board - the elected representatives of the membership - not the staff.

Of prime importance, as trustees, the Board is responsible for guiding the sustainable development of ABEPF. In the short term this means ensuring that ABEPF has sufficient resources with which to undertake its many activities. Over the long term this means ensuring that the impact of funded activities continues and that the institution continues fulfilling a useful service to the community.

Again, this is not a responsibility of the staff, nor the responsibility of the various contributors to ABEPF. If adequate support is not forthcoming, it calls into question the very existence of the organization which, without community support, may no longer fill a need. If adequate support is available, but the board is negligent in mobilizing or managing it, ABEPF may not have adequate resources with which to operate.

## Legal Accountability

Board members are not only morally responsible for safeguarding the assets with which the organization has been entrusted, in the eyes of the law they are legally accountable as well. Few ABEPF board members are aware of the legal responsibilities they hold as individuals. However, as with other private organizations, when losses occur, the board is accountable and cannot claim ignorance of what took place or unawareness of the potential implications of its actions or inaction.

### Policy Determination

Board members are elected by the membership to represent the membership's views with regard to a variety of issues facing family planning in Brazil, the membership and the communities they serve, and ABEPF itself. The primary responsibility of the staff is to implement decisions of the board. Without clearly articulated policies regarding the types of services to provide and the means for financing them, the organization is adrift.

### Determination of Goals and Objectives

In ABEPF, as with other private voluntary organizations the board has responsibility for establishing organizational goals and objectives within the framework of its mission and sustainable organizational development. A goal must be translated into specific programs with specific objectives and separate budgets for each program. ABEPF staff is skilled in this process. The Board, however, must become more involved in determining the overall organizational goals and objectives of ABEPF.

### Program Development

When programs are developed, the board is responsible for approving those programs to ensure that they are in keeping with ABEPF's mission goals and objectives. Since board approval authorizes the staff to proceed to undertake the program, the Board must also approve the program budget to ensure that the necessary resources to undertake the program are available or will be forthcoming.

### Evaluation of Results

While the board need not become involved in the day-to-day minutiae of the organization, it must see that adequate control is exercised. Control mechanisms assist the Board in ensuring that the resources entrusted to ABEPF are used efficiently and that progress towards meeting ABEPF's objectives is proceeding in a timely fashion.

## FINANCIAL SELF-SUFFICIENCY

In light of the prospect of reduced funding from international donors, particularly A.I.D., the study team analyzed ABEPF's financial statements with a view towards determining ABEPF's potential for becoming financially self-sufficient. As discussed in the Preface, increasing institutional capacity for self-financing is one of three components of sustainability.

As noted earlier, ABEPF generated Cz\$4,771,940 in unrestricted funds in 1987 (Table 10). The study team concluded that while ABEPF has made substantial progress in its ability to generate unrestricted income, its ability to use those funds to become self-sustaining is being seriously undermined. While it is incumbent upon ABEPF to expand its successful income generating efforts, it must begin to invest that income in unrestricted assets that contribute to its long term self-sustainability.

Table 10

ABEPF  
Source of Funds  
1987  
In Cz\$

Sources of Funds		
<u>Funds Related to Projects</u>	28,150,070	85.5%
<u>Funds Unrelated to Projects</u>		
Annual Dues	801,450	
Donations	547,610	
Sale of Materials	1,208,480	
Registration Fees for Courses	228,390	
Interest and Dividends	810,780	
Cost Recovery	1,175,230	
Subtotal	4,771,940	14.5%
TOTAL	32,922,010	100.0%

As a first step the Board should make its unrestricted funds available for investment. More funds would be available for self-financing purposes if ABEPF ceased obligating its unrestricted funds to underwrite annual operating expenses. This was not the case in 1987 when Cz\$1,568,990 were used to underwrite shortfalls in the recovery of the administrative costs associated with the various internationally funded programs, in effect subsidizing the donors. In the future, donors should be required to pay their full share of the administrative expenses allocable to the projects they fund.

Table 11

ABEPF  
Application of Funds  
1987

Benefits to Affiliates

Direct Cash Transfers

Affiliates	5,938,240	34.0%
Members	11,531,030	66.0%
Subtotal Direct Transfers	17,469,270	60.8%
Other Benefits	11,284,060	39.2%
Total Benefits Paid to Affiliates	28,753,330	87.3%

Central Office Expenses

Salaries and Benefits	2,043,880	57.8%
Contracted Services	763,450	21.6%
Office Maintenance	673,250	19.0%
Equipment and Construction	57,320	1.6%
Total Central Office Expenses	3,537,900	10.7%

Surplus 630,780 1.9%

TOTAL 32,922,010 100.0%

ABEPF should resist the temptation to supplement externally funded programs using its own unrestricted funds, until it reaches a position of greater security and economic strength.

To illustrate the effects of these changes in terms of ABEPF's self-sustainability, if ABEPF continued to generate unrestricted income at the 1987 level (Cz\$4,771,940 per year), and if that income were properly invested, all else being equal, within a year, ABEPF would be in a position to continue operations for 54 days without additional external sources of funds. In fact, at the end of 1987, the excess of revenues over expenses would have allowed ABEPF to operate for only seven days. After 6.7 years of generating unrestricted income at the 1987 rate, ABEPF would have accumulated sufficient resources to operate for a full year without external income.

Of course, all else is not equal. But the point is the same: ABEPF does have the potential for becoming increasingly self-financing. Its services and products are valued, as evidenced by the income generated in 1987, and it has become a mature, on-going concern.

To realize that potential, ABEPF should incorporate a section on long term financial planning in its strategic plan.

#### Diversification of Revenue

Diversification in sources of restricted funds is essential for ABEPF's long term financial health; the Association is now excessively reliant on A.I.D. for income, making it vulnerable to fluctuations in funding from that source.

ABEPF could tap federal funds in various ways. As the government becomes more involved in family planning, ABEPF could help to plan and orient these activities by providing consulting services, training, technical assistance, literature and other educational materials to government agencies involved in family planning.

It is also possible for ABEPF to secure a direct subvention from the Ministry of Health or INAMPS; this is quite normal in the Brazilian context, although it would rely on ABEPF's having considerably more political importance than it now enjoys.

State and municipal health programs can also use ABEPF as a source of advice, technical assistance, training, and literature and educational materials. Presently, many state and local governments offer more opportunities than the federal government since the latter will probably change hands in 1988, depending on the outcome of the constitutional convention now in session.

ABEPF might also approach international organizations other than A.I.D. and its CAs for funding. Various international health organizations, including UNESCO, PAHO and others, have programs in family planning and may be a source of funds. ABEPF could mount training and educational programs for other countries in Latin America. Development agencies in Canada, France, and the Federal Republic of Germany, may also be approached for funding of family planning activities.

ABEPF could also approach Brazilian corporations (or domestic subsidiaries of multinational corporations) for funds. Three avenues could be explored in this regard: (a) ABEPF could seek donations from firms as part of their corporate charitable giving programs; (b) ABEPF could set up and supervise family planning programs within the employee health programs maintained by companies; (c) ABEPF could make agreements with companies in the pharmaceutical area to help test market products and otherwise assist in product development.

A marketing plan should be developed so that ABEPF can more aggressively and profitably market its products and services, not only to members, but to other organizations and individuals as well.

#### Costs and Pricing

To better manage its unrestricted income generating activities, ABEPF should undertake a cost analysis of the various products and services it offers to better determine the prices that should be charged. (As pointed out earlier, the financial support provided by many A.I.D. intermediaries is actually less than the cost to ABEPF to provide those services.) Cost analyses will provide ABEPF with a way to determine which products and services are most profitable, which should be eliminated from its product service line, which should be expanded, and which can be produced in a more cost effective manner.

While the evaluation was not directed towards ways of containing costs, it would be useful for ABEPF to consider alternative means of adapting to possible cuts in funding levels by international donors.

## SECTION IV:

### RECOMMENDATIONS

The recommendations in this section were formulated by the study team as an outgrowth of the analysis of the findings in the previous section. Separate sets of recommendations are presented for ABEPF, for A.I.D., and for the cooperating agencies. Since there are so many, we have attempted to summarize below what we believe to be the most important recommendations for each group.

#### **ABEPF: SUMMARY**

The membership of ABEPF, directly and through its elected representatives, should assume an expanded role in the organization, not in the day-to-day operations of ABEPF, but by promulgating norms for quality family planning services among all service providers in Brazil, public and private, by providing family planning information to government decision makers on a timely basis, and by influencing legislation and government rules and regulations affecting family planning service delivery.

#### **COOPERATING AGENCIES: SUMMARY**

All contracts and grant agreements with ABEPF should include provisions for strengthening ABEPF as a viable, self-sustaining institution. As a minimum, all contracts and subgrant agreements should be written and executed to ensure that ABEPF does not subsidize a donor by using unrestricted income ABEPF has generated.

#### **A.I.D: SUMMARY**

A.I.D. should support ABEPF's efforts to become the leading representative voice of the private sector on issues related to the provision of safe and effective family planning services in Brazil, to ensure the provision of quality services among those most in need. To fulfill this role, ABEPF will require additional A.I.D. support directed towards strengthening ABEPF as a viable, self-sustaining institution. To that end, a lead institution should be assigned the responsibility of strengthening ABEPF as an institution, that is, independent of any single project, and all A.I.D. intermediaries (CAs) working with ABEPF should be required to implement the recommendations addressed to them in this report.

## ABEPF Recommendations

These recommendations are presented for the consideration of ABEPF's officers and staff. Specific recommendations for the officers and staff are complemented by recommendations regarding external relations, relations with the membership, finance and sustainability, and ABEPF's formal structure. Several can be implemented without additional support; many, however, will require additional or continued support.

The study team recognizes that several recommendations are already under consideration by ABEPF; they appear below to reinforce the thinking that has already gone into those matters.

### Officers

1. *ABEPF's officers (the board and standing committees) should become more involved in the development of the institution. While they should not become involved in day-to-day operations, they should be involved in planning and oversight of operations; in finding new sources of unrestricted funds; and in increasing the amount of unrestricted funds available for ABEPF's discretionary use.*
2. *ABEPF's officers should actively promulgate ABEPF's norms concerning the provision of safe and effective, quality family planning services, not only among ABEPF's affiliates, but among government agencies, and all other public and private, for-profit and not-for-profit service delivery providers in Brazil.*
3. *The ABEPF board needs more complete information about its roles and responsibilities. A manual should be prepared for new board members providing a single source of information on the objectives and activities of ABEPF; on the relationship between the board, the various committees of the board, the membership, and the staff; and on the roles and responsibilities of each board and committee member. A special orientation session should be held just before the first board meeting for all new board members.*

### Staff

4. ABEPF should *undertake a personnel reorganization*,
  - a.) *streamlining staff positions as necessary and appropriate in light of funding cutbacks*
  - b.) *inserting another management level, between the General Coordinator and the division heads.*The new level would be staffed, when funds permit, by a Program Director and a Director of Administration and Finance. Further within the financial constraints discussed previously, ABEPF should consider hiring a senior staff member responsible for member relations and for securing fund raising expertise. The new level will allow more effective delegation of responsibilities and greater responsiveness to members' needs.
5. ABEPF should *expand the network of external local consultants* who have management and technical skills relevant to the needs of the board, the members, and the staff.
6. ABEPF should *pay competitive salaries* to attract and retain a competent staff.

### External Relations

7. ABEPF officers should also *provide timely information* on family planning matters to legislators and other decision makers responsible for legislation, regulations and guidelines affecting family planning.
8. ABEPF's officers should also seek to *influence government legislation, etc.*, by becoming an effective lobbyist group representing ABEPF's positions on such matters. ABEPF should prepare itself to influence decisions in local, state, and federal governments in both legislative and executive branches. ABEPF should consider using the services of a professional lobbyist to learn how to operate as an effective lobbying group.
9. ABEPF should *reach out to other agencies* that have similar concerns and interests but may be unable or unwilling to become a member. ABEPF's officers should seek an understanding with the leadership of those organizations so they can discuss other ways of working together to advance the cause of family planning in Brazil.
10. In the same vein, ABEPF should also *develop ties to other professional associations* such as medical and nursing associations for mutually beneficial purposes.

### Member Relations

11. ABEPF should differentiate among its members in such a way as to *provide a level of service appropriate to each institution*. Some institutions will require basic training services, assistance in developing proposals, and close supervision. Others will be benefited by other services and as training centers providing courses and internships under ABEPF's coordination.
12. ABEPF should *improve communication with its membership*. Resuming publication of a newsletter should be a high priority. ABEPF should also hold a special orientation session for new affiliates at the annual meeting. The new Director for Member Relations should make frequent contacts with members and fellow staff members as necessary. The Association needs to be more open to disclosing its financial affairs to its membership. Members should be aware of what ABEPF spends money on and have access to more detailed financial data in the annual report.
13. ABEPF should publish the *eligibility requirements and selection criteria* for all funded programs open to members in advance of the deadline for applications.

### Finance and Sustainability

14. ABEPF should not accept grants or contracts that make no direct contribution to its mission, *unless they contribute to the Association's ability to become self-sustaining in some significant way*. In no event should ABEPF accept grants or contracts that are inconsistent with its mission, or that do not cover all of ABEPF's costs associated with the grant or contract, including administrative expenses. To that end, ABEPF should *require that all grants and contracts include reasonable amounts to cover the administrative costs* associated with these grants and contracts. ABEPF should also negotiate grants and contracts that include components that directly contribute to institutional development and sustainability for the Association and/or the members.

15. ABEPF should *diversify its resource base* to reduce its high dependency on a single source of (generally restricted) funds. This should entail outreach to governmental agencies at federal, state and local levels, other international assistance organizations, corporate donors within Brazil and family planning entities to which ABEPF can provide services. To this end, the Association needs the services of a professional fund-raiser to serve as a Director of Development.
16. ABEPF should *market its services* to private companies and HMO's to assist them in setting up family planning services.
17. ABEPF should *conduct a cost and market analysis of the products and services* they provide. With this analysis done, ABEPF should develop a price structure for its products and services including literature, contraceptives, educational services, training, technical assistance, and consulting. The aim should be to maximize sales and income. The price structure should provide discounts to member organizations.
18. ABEPF should *provide consultant services* to members wishing to apply for funding for any purpose related to family planning. ABEPF should charge fees for these services based on the market value of such services.

#### Formal Structure

19. The ABEPF *bylaws should be changed* to make the organization more flexible and responsive as follows:
  - a) A board of directors should be elected at large by the membership. The terms of the board should be staggered so that no more than half the directors are elected at any one election.
  - b) There should be the following standing committees of the board: (1) Executive Committee (2) Finance and Administration, (3) Membership and Accreditation, (4) Norms, (5) Ethics and Professional Conduct.
  - c) The bylaws should provide for board review of senior appointments to the staff.
  - d) A Nominating Committee should be established.

### Cooperating Agency Recommendations

The term cooperating agency refers to all groups that receive A.I.D. population assistance funds to support family planning efforts outside the United States.

1. Cooperating agencies should refrain from writing contracts that do not contribute in some way to the institutional development of ABEPF and its affiliates.
2. Cooperating agencies should gather comparable data that will allow them to determine the most efficient modes of distributing resources in support of family planning in Brazil either directly, or through intermediaries such as ABEPF. Currently, no data are available for comparing the cost effectiveness of the different modes of disbursing assistance for family planning.
3. ABEPF and some of its affiliates waste a great deal of resources fulfilling the widely varying accounting requirements of different cooperating agencies. Cooperating agencies should standardize their accounting requirements so that a single, unified annual audit could be conducted that would satisfy the requirements of all the donors.
4. Cooperating agencies should prepare grant agreements that do not require modifications as a result of predictable changes in currency exchange rates.
5. Grants and contracts should include provisions for administrative overhead for the grantee and the rate should apply equally to all donors.
6. Cooperating agencies should take steps to ensure timely payment on contractual obligations.
7. Cooperating agencies should include an institutional development objective in each subgrant or contract they enter into with ABEPF.

### A.I.D. Recommendations

1. Support for a representative leadership role within the private family planning movement in Brazil should be continued and aimed at influencing public policy towards improving the quality and accessibility of services offered by all providers, public and private.
2. A.I.D. (and the cooperating agencies) should draw on a broader base of family planning expertise and leadership in Brazil in the preparation of their own strategies and plans for addressing population and family planning issues
3. A.I.D. should support management and strategic planning seminars involving substantial participation by ABEPP's officers.
4. A.I.D. should require cooperating agencies operating in Brazil to adopt common financial reporting requirements.
5. A.I.D. should use its leverage with the cooperating agencies and beneficiaries to ensure the adoption of the recommendations made above.
6. A lead cooperating agency should be assigned responsibility for coordinating the activities of the other cooperating agencies. Its role would be limited to providing support and to coordinating the support of the other cooperating agencies in family planning as regards institutional strengthening and sustainability. This agency would be responsible to the A.I.D. representative in Brazil.