

PD-ABC-724

mm 71402

**AUDIT OF A.I.D.'S PARTICIPANT
TRAINING PROGRAM IN GHANA**

**Audit Report No. 7-641-91-10
May 30, 1991**

A.I.D. needs to improve its monitoring of the participant training program in Ghana. Specifically, the Office of the A.I.D. Representative, Ghana (OAR/Ghana), should: maintain complete records, establish an automated monitoring system and participate in screening and selecting candidates nominated for training from Ghana's public sector. Also, OAR/Ghana should improve its follow-up on returned trainees and evaluate the participant training program periodically.

UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
OFFICE OF THE REGIONAL INSPECTOR GENERAL FOR WEST AFRICA

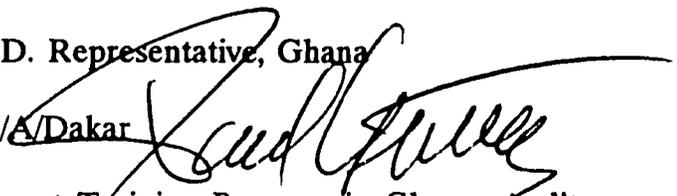
UNITED STATES ADDRESS
RIG/DAKAR
AGENCY FOR INTERNATIONAL
DEVELOPMENT
WASHINGTON, D.C. 20523

INTERNATIONAL ADDRESS
RIG/DAKAR
C/o AMERICAN EMBASSY
B.P. 49 DAKAR SENEGAL
WEST AFRICA

May 30, 1991

MEMORANDUM

TO : Joseph B. Goodwin, A.I.D. Representative, Ghana

FROM : Paul E. Armstrong, RIG/A/Dakar 

SUBJECT : Audit of A.I.D.'s Participant Training Program in Ghana, Audit Report No. 7-641-91-10

Enclosed are five copies of our audit report on A.I.D.'s Participant Training Program in Ghana, Report No. 7-641-91-10.

We have reviewed your comments on the draft report and included them in Appendix IV of this report. Please respond to this report within 30 days, indicating any actions planned or already taken to implement the recommendations.

I appreciate the cooperation and courtesies extended to my staff during the audit.

EXECUTIVE SUMMARY

The Office of the A.I.D. Representative, Ghana (OAR/Ghana) sponsors participant training in the U.S. and other countries to develop the skills of Ghanaian private and public sector officials. Since October 1, 1987, OAR/Ghana sponsored 200 short-term and 15 long-term trainees under four regionally- and centrally-funded programs and one bilateral project. Obligations and expenditures for training components under these programs and projects totalled approximately \$2.2 and \$1.6 million, respectively (Exhibit 1).

Between January 15 and March 29, 1991, we audited A.I.D.'s participant training program in Ghana in accordance with generally accepted government auditing standards and found that OAR/Ghana:

- did not maintain complete records and did not establish a centralized and up-to-date database system on the trainees (pages 3 and 4);
- generally complied with A.I.D. procedures to screen and select private sector candidates for training, but did not follow those guidelines for public sector candidates (page 6);
- monitored trainees sponsored under regionally-funded programs, but not those under bilaterally- and centrally-funded projects (page 8); and
- did not follow-up on trainees after their return to Ghana and evaluate the participant training program periodically (page 9).

The report contains 5 recommendations. It also presents our assessment of internal controls (page 13) and reports on OAR/Ghana's compliance with applicable laws, regulations and contractual obligations (page 16).

Office of the Inspector General

Office of the Inspector General

May 30, 1991

Table of Contents

	<u>Page</u>
EXECUTIVE SUMMARY	i
INTRODUCTION	1
Background	1
Audit Objectives	1
REPORT OF AUDIT FINDINGS	3
Did OAR/Ghana Maintain Complete Records And Establish A Centralized And Up-to-date Database System on Participant Trainees?	3
Participant records were not complete.	3
A centralized and up-to-date database system needs to be established.	4
Did OAR/Ghana Follow A.I.D. Handbook Procedures To Ensure Proper Screening And Selection Of Candidates Sponsored For Training?	6
Increased participation by OAR/Ghana in the screening and selection process is needed.	6
Did OAR/Ghana Monitor Trainees To Ensure Satisfactory Progress And Timely Completion Of Training?	8
Improved monitoring of trainees sponsored under centrally-and bilaterally-funded projects is needed.	8

Table of Contents (continued)

	<u>Page</u>
Did OAR/Ghana Follow-up On The Trainees And Periodically Evaluate The Participant Training Program?	9
Follow-up and evaluation of participant training program need to be performed.	9
MANAGEMENT COMMENTS AND OUR EVALUATION	11
A.I.D.'S PARTICIPANT TRAINING PROGRAM IN GHANA Summary Of Activities From October 1, 1987 Through September 30, 1990	Exhibit I
	<u>Appendix</u>
REPORT ON INTERNAL CONTROLS	I
REPORT ON COMPLIANCE	II
SCOPE AND METHODOLOGY	III
OAR/GHANA'S COMMENTS	IV

INTRODUCTION

Background

A.I.D. sponsors participant training in order to develop the managerial and technical skills of eligible private and public sector officials in recipient countries. Participant training consists of short- and long-term training programs in the United States or other countries where comparable training can be obtained at a lower cost.

Between October 1, 1987 and September 30, 1990, the Office of the A.I.D. Representative, Ghana (OAR/Ghana) sponsored 200 short-term and 15 long-term trainees under four regionally- and centrally-funded programs and one bilateral project. The Mission's records showed that training obligations and expenditures totaled approximately \$2.2 and \$1.6 million, respectively. Detailed information is summarized in Exhibit 1.

A.I.D. guidelines require missions to designate an official to oversee the participant training programs. This officer may be assisted by one or more training specialists. A training office may also be established when warranted by the size of the program.

In conformity with these guidelines, OAR/Ghana has established a training office staffed by two specialists under the Human Resources Development Officer (HRDO) to oversee the Mission's participant training program.

Audit Objectives

The Office of the Regional Inspector General for Audit, Dakar, audited OAR/Ghana's participant training program to answer the following audit objectives.

Did OAR/Ghana:

1. maintain complete records and establish a centralized and up-to-date database system on participant trainees?
2. follow A.I.D. Handbook procedures to ensure proper screening and selection of candidates sponsored for training?
3. monitor trainees to ensure satisfactory progress and timely completion of training?

4. follow-up on the trainees and periodically evaluate the participant training program?

In answering these audit objectives, we tested whether OAR/Ghana (1) followed applicable internal control procedures and (2) complied with applicable sections of the grant agreements and A.I.D. procedures. Our tests were sufficient to provide reasonable, but not absolute, assurance of detecting abuse or illegal acts that could effect the audit objectives. However, because of limited time and resources, we did not continue testing when we found that, for the items tested, OAR/Ghana followed A.I.D. procedures and complied with legal requirements. Therefore, we limited our conclusions concerning these positive findings to the items actually tested. But when we found problem areas, we performed additional work to:

- conclusively determine whether OAR/Ghana was following a procedure or complying with a legal requirement;
- identify the cause and effect of the problems; and
- make recommendations to correct the condition and cause of the problems.

Appendix III contains a discussion of the scope and methodology of this audit.

REPORT OF AUDIT FINDINGS

Did OAR/Ghana Maintain Complete Records And Establish A Centralized And Up-To-Date Database System On Participant Trainees?

OAR/Ghana did not maintain complete records and did not establish a centralized and up-to-date database system on the trainees as required by A.I.D. guidelines. Although some of the required documents such as medical certificates and bio-data forms were maintained, many others such as Project Implementation Orders (PIO/Ps) and Academic Enrollment and Term Reports (AETRs) were often missing. Also, participant trainee listings were not always complete or updated. These deficiencies are discussed below in detail.

Participant Records Were Not Complete

OAR/Ghana's participant training records did not include many of the documents required by A.I.D. guidelines. The reason for not maintaining complete records was that the Mission's training office was not aware of many of its responsibilities. As a result, OAR/Ghana's ability to monitor and follow-up on participants to assure that training funds are being efficiently and effectively spent was seriously impaired.

Recommendation No. 1: We recommend that the A.I.D. Representative, Ghana, issue a Mission Order, which should define the duties and responsibilities of the Mission's training office, and specify what documents and information are to be maintained in the trainee files.

A.I.D. Handbook 10, Chapter 3, requires training offices to maintain and update pertinent information concerning participant trainees. At a minimum, trainee records should include:

- Project Implementation Orders (PIO/Ps), authorizing training expenditures;
- Academic Enrollment and Term Reports (AETRs) on the trainee's performance;

- end-of-course evaluations;
- certificates of completion of training; and.
- signed conditions-of-training forms, specifying principal terms and conditions of A.I.D.-sponsored training.

A review of records relating to a sample of thirty long- and short-term trainees showed that most of the above information were not maintained. For example, for 15 long-term trainees in the sample, there were no PIO/Ps for seven and no AETRs for ten. Moreover, all attempts to locate end-of-course evaluations, certificates of completion and conditions-of-training forms proved negative for all thirty trainees.

The principal cause of the above deficiencies was that the training office was not fully cognizant of A.I.D. procedures and Mission's oversight responsibilities which resulted in inadequate and incomplete trainee records. For example, the training office was not aware of the requirements to obtain certificates of completion of training and signed conditions-of-training forms from the trainees.

Incomplete records could seriously impair OAR/Ghana's ability to monitor and follow-up participants to assure that training funds are being spent effectively. For example, funding errors could result when amending a PIO/P for which the original cannot be located. Unsatisfactory performance could go unnoticed if AETRs are not current, particularly for long-term trainees. End-of-course evaluations are essential for determining adequacy of course material or suggesting improvements. Signed conditions-of-training forms ensure that trainees recognize their responsibilities to return to Ghana without delay upon completion of training and utilize their skills in designated positions for prescribed periods. This document also facilitates action by the Mission in case of noncompliance.

In our opinion, a Mission Order, specifying what documents are to be maintained in the trainee files would be of considerable assistance. The Mission Order should also reiterate the training office's responsibilities and standardize operating procedures in accordance with A.I.D. guidelines.

A Centralized And Up-To-Date Database System Needs To Be Established

A.I.D. guidelines require missions to maintain an automated Participant Training Management System (PTMS) to monitor trainees. OAR/Ghana did not establish such a system because of lack of trained personnel to use the PTMS software. As a result, the Mission could not carry out its monitoring, follow-up, reporting and evaluating responsibilities effectively.

Recommendation No. 2: We recommend that the A.I.D. Representative, Ghana, require the Mission's training office to:

2.1 train personnel to operate the Participant Training Management System; and

2.2 input the necessary data in the system and update it periodically.

A.I.D Handbook 10, Chapter 3, requires missions to maintain an automated system to monitor participant trainees. Specifically, PTMS enables missions to plan a training program through life-of-project, monitor its implementation, and produce trainee reports and returned participant directories.

Such a system was not established. Instead, the following ineffective and incomplete manual records were maintained:

- For the 113 participants sponsored under the Human Resources Development Assistance (HRDA) grant, the Mission maintained a list which included participant's name, job title, training period, length of training and name of employer. However, this list was not always updated to include amendments to the PIO/Ps and did not indicate when the participant returned from training. Also for all 22 participants under the Energy Training Program (ETP), the list did not indicate when the participant returned from training.
- No list was maintained for the African Manpower Development Project (AMDP) although Mission's records showed that 100 participants were trained since inception of the program in March 1983.
- No list was maintained for the African Graduate Fellowship program (AFGRAD). The training specialist initially stated that there were nine participants in long-term training although the audit disclosed 15.
- No list was maintained for participants trained under the Contraceptive Supplies Project although Mission's records showed that 40 were trained since inception of the project in December 1984.

Evidently, the current system is incomplete, ineffective and therefore unreliable. An automated system is far superior to a manual one for monitoring, follow-up, reporting and evaluation purposes. Although OAR/Ghana had installed the PTMS, it lacks trained personnel to operate the system. Consequently, the Mission is unable to carry out its monitoring, follow-up, reporting and evaluating responsibilities efficiently and effectively.

Did OAR/Ghana Follow A.I.D. Handbook Procedures To Ensure Proper Screening and Selection of Candidates Sponsored For Training?

While OAR/Ghana complied with A.I.D. procedures to screen and select private sector candidates for training, the Mission did not follow these procedures for the public sector candidates nominated by the Government of Ghana (GOG).

For private sector candidates, the Mission participated in the selection process. An OAR/Ghana official was on the selection committees along with GOG officials and representatives from Ghana's private sector to screen and select candidates in accordance with criteria developed and agreed upon by all parties.

However, for the public sector candidates, the Mission did not participate in the screening and selection process. Also, it did not ensure that the quotas for private and public sector candidates sponsored for training as established by the grant agreements were fulfilled, resulting in a disproportionately large number of public sector trainees and therefore, an imbalance in the overall training objectives.

Increased Participation By OAR/Ghana In The Screening And Selection Process Is Needed

A.I.D. guidelines require missions to actively participate in selecting candidates for training. Also, the grant agreements for the various projects specify that there is to be an appropriate mix of trainees from Ghana's public and private sectors to maximize training objectives. OAR/Ghana did not comply with these guidelines because of a shortage of personnel to perform this oversight function. Consequently, OAR/Ghana cannot ensure that the screening/selection process was conducted properly, or that the overall training objectives were accomplished.

Recommendation No. 3: We recommend that the A.I.D. Representative, Ghana:

- 3.1 negotiate with the Government of Ghana to include an official from the Mission's training office on all selection committees to screen candidates for participant training; and**
- 3.2 include in the Mission Order developed for the training office, a section on the screening and selection of trainees which are consistent with A.I.D. guidelines and training objectives of applicable grant agreements.**

A.I.D. Handbook 10, Chapter 4, states that A.I.D. missions, working with host country and private sector counterparts, should agree on selection criteria which are in accordance with A.I.D. guidelines and meet the requirements of the country and the project. The

selection process should also ensure that patronage, seniority or political connections do not replace merit or identified development needs of the host country. Further, the Handbook states that selection committees are most effective for reviewing and selecting nominees when they include mission, host country and private sector officials.

For trainee candidates nominated from the public sector, OAR/Ghana did not participate in the selection process. Instead, the GOG unilaterally selected the candidates and OAR/Ghana approved GOG's action without fulfilling its responsibilities to determine the propriety of the selection process.

According to OAR/Ghana officials, acute shortage of personnel prevented its active participation in the selection of candidates nominated by the GOG. The Mission's training officer commenced his duties as recently as April 1990. Previously, his function was performed by the Program Development Officer who was one of only three U.S. officials at OAR/Ghana and was therefore burdened by numerous tasks. Moreover, prior to the recruitment of a training specialist in February 1991, the training office was staffed by only one full-time employee. Recruitment of another employee is planned by mid-1991. Increased staffing should considerably strengthen the Mission's capacity to participate more actively in the trainee selection process.

OAR/Ghana's participation in selecting trainees is needed to ensure that candidates have necessary skills, the training program is suited to the candidate's background and the selection process is based solely on merit.

Also, improved review of the candidates is needed to ensure that overall training quotas are fulfilled. For example, under the Human Resources Development Assistance Program, 50 percent of the candidates were to be selected from the public sector and the remaining from the private sector. However, 80 percent of those selected were from the public sector. As a result of this imbalance, a disproportionately large number of public sector candidates were trained and the overall training objectives were not fully accomplished.

Did OAR/Ghana Monitor Trainees To Ensure Satisfactory Progress and Timely Completion of Training?

Participants trained under the regionally-funded Human Resources Development Assistance and African Manpower Development Project grants were being monitored by the Mission's training office in accordance with A.I.D. guidelines. The training office appropriately monitored the participant trainees to ensure satisfactory progress, timely completion and subsequent return of the trainees to Ghana.

However, for participants trained under the centrally-funded African Graduate Fellowship Program (AFGRAD) and the bilaterally-funded Contraceptive Supplies Project, the training office did not exercise its monitoring responsibilities. Consequently, the Mission was unable to determine whether the training funds for those grants accomplished the intended objectives.

Improved Monitoring of Trainees Sponsored Under Centrally- And Bilaterally-Funded Projects is Needed

A.I.D. guidelines state that the training office is to oversee and monitor all A.I.D.-sponsored participants. OAR/Ghana did not monitor trainees sponsored under bilaterally- and centrally-funded projects because it was not aware of this requirement. As a result, the Mission is unable to determine whether trainees sponsored under these projects made satisfactory progress and completed their training timely.

Recommendation No. 4: We recommend that the A.I.D. Representative, Ghana, include in the Mission Order developed for the training office, a section on monitoring trainees for all A.I.D. programs in Ghana.

A.I.D. Handbook 10, Chapters 3 and 26, state that the mission's training office is to oversee and monitor all A.I.D.-sponsored participants, whether bilaterally-, regionally-, or centrally-funded. However, the training officer was not aware of his responsibility to monitor trainees sponsored under bilaterally- and centrally-funded projects and, therefore, did not monitor participants from the centrally-funded AFGRAD program and the bilaterally-funded Contraceptive Supplies Project. Consequently, he did not know the correct number of long-term participants in the AFGRAD program. Whereas the audit showed that there were 15 participants, this official stated that there were nine.

Given the history of AFGRAD in Ghana, Mission's failure to monitor trainees under this program could have serious consequences. In 1984, AFGRAD was temporarily suspended because of a high non-returnee rate of long-term trainees and was subsequently reinstated during 1989.

Unless OAR/Ghana significantly improves its monitoring duties, there can be no assurance whether this program will accomplish its training objectives, especially when the trainees

are scheduled to return to Ghana and begin utilizing their skills in designated positions for prescribed periods of time. Guidance on monitoring of OAR/Ghana's training programs, such as a Mission Order, would considerably facilitate the training office in fulfilling its responsibilities.

Did OAR/Ghana Follow-Up On The Trainees And Periodically Evaluate The Participant Training Program?

OAR/Ghana did not follow-up on participants nor evaluate the participant training program to ensure that training costs were effectively spent. For example, follow-up procedures required by A.I.D. guidelines such as obtaining completed questionnaires from returning participants and maintaining regular contacts with those participants were not performed.

In addition, OAR/Ghana did not perform any evaluation of the participant training program as required by A.I.D. guidelines to determine its operational effectiveness and program impact. A detailed discussion follows.

Follow-up And Evaluation Of Participant Training Program Need To Be Performed

A.I.D. guidelines require missions to follow-up on returning participants and evaluate training programs periodically. OAR/Ghana did not fulfill these responsibilities because of staffing constraints. As a result, there is no assurance whether the training costs are being effectively spent.

Recommendation No. 5: We recommend that the A.I.D. Representative, Ghana, include in the Mission Order developed for the Mission's training office, guidelines on follow-up and evaluation. Among other things, the guidelines should require the training office to:

- 5.1 obtain completed questionnaires from and maintain regular contacts with returning participants;**
- 5.2 conduct periodic evaluations of operational effectiveness and the impact of the Mission's participant training program; and**
- 5.3 complete the Follow-up Activities Report annually by each year-end.**

A.I.D. Handbook 10, Chapters 34 and 35, require missions to obtain completed questionnaires from and maintain regular contacts with returning participants, update information concerning the trainees, compile statistics and maintain other pertinent information on returned participants for impact and evaluation purposes. Further, these guidelines require the missions to periodically evaluate both the operational effectiveness

and the impact of the mission's participant training program on the host country's human resources, institutional and overall development strategy.

OAR/Ghana did not perform any of the above functions other than telephone calls to participants shortly after their return from training. Mission officials stated that, in the past, heavy workload and staffing constraints prevented full compliance. However, with the recent addition of a full-time training specialist in February 1991 and the planned recruitment of another employee during this year, the Mission's training office should have the personnel to perform these tasks.

The effect of not following-up on participants and not periodically evaluating the participant training program is that OAR/Ghana cannot determine whether the training skills are being utilized by trainees upon returning to Ghana and whether the training costs were effectively spent. Furthermore, some potentially valuable contacts with and feedbacks from influential trainee alumni in Ghana's private and public sectors are lost.

Moreover, A.I.D. guidelines require Missions to submit to the A.I.D. Office of International Training, Washington (OIT/W) a Returned Participants Follow-up Activities Report each year-end. This report contains information such as the number of returned participants and non-returnees. The OAR/Ghana training officer stated that he did not prepare such a report because he was unaware of this requirement.

By the end of 1991, OAR/Ghana's training office should have adequate personnel to effectively fulfill its duties and responsibilities. The Mission Order, as recommended, should enable the training office to ensure full compliance with A.I.D. guidelines and enhance the effectiveness of Ghana's participant training program.

MANAGEMENT COMMENTS AND OUR EVALUATION

OAR/Ghana generally agreed with RIG/A/Dakar's draft audit report findings and recommendations and has already initiated actions to implement the recommendations (see Appendix IV for comments from OAR/Ghana). When all recommendations are fully implemented, OAR/Ghana will have established sound controls to effectively implement, monitor, follow-up and evaluate the participant training programs in Ghana.

A.I.D.'S PARTICIPANT TRAINING PROGRAM IN GHANA**Summary Of Activities From October 1, 1987 Through September 30, 1990**

<u>Type of Program</u>	<u>Title (Note 1)</u>	<u>Number of Trainees</u>		<u>Obligations</u>	<u>Expenditures</u>
		<u>Short Term</u>	<u>Long Term</u>	<u>\$</u>	<u>\$</u>
Regional	Human Resources Development Assistance Program (HRDA)	113	-	1,455,600	928,419
Regional	African Manpower Development Project (AMDP)	16	-	157,750	157,750
Central	African Graduate Fellowship Program (AFGRAD)	9	15	(Note 2)	(Note 2)
Central	Energy Training Program (ETP)	22	-	358,000	358,000
Bilateral	Contraceptive Supplies Project	<u>40</u>	-	<u>250,000</u>	<u>107,000</u>
Total		<u>200</u>	<u>15</u>	<u>\$2,221,350</u>	<u>\$1,551,169</u>

Note 1

- HRDA was initiated in 1988 to develop managerial and technical skills of Africans through short term training.
- AMDP was implemented from July 1982 to September 1990. Its training objectives are similar to HRDA.
- AFGRAD is administered by a U.S. private voluntary organization, the African American Institute. It is a cooperative effort between A.I.D., participating governments and U.S. educational institutions offering graduate level long-term training to selected Africans to prepare them for high level positions in their governments and universities.
- ETP is designed to increase managerial and technical skills for selected Africans in the energy sector.
- The Contraceptive Supplies Project was initiated in December 1984 to increase the use of safe, effective and appropriate contraceptive methods by the Ghanaian population. A short-term training program was designed to develop a private sector contraceptive social marketing activity in Ghana's wholesale and retail sectors.

Note 2

- Financial data relating to AFGRAD were not available at OAR/Ghana.

**REPORT ON
INTERNAL CONTROLS**

This section provides a summary of our assessment of OAR/Ghana's internal controls applicable to the audit objectives.

Scope

We conducted our audit in accordance with generally accepted government auditing standards, which require we (1) assess the applicable internal controls when necessary to satisfy the audit objectives and (2) report on the controls assessed, the scope of our work, and any significant weaknesses found during the audit. We limited our assessment to those controls applicable to the four audit objectives and therefore do not provide assurance on OAR/Ghana's overall internal control structure. We classified significant internal control policies and procedures applicable to each audit objective by categories. For each category, we obtained an understanding of the design of relevant policies and procedures, determined whether they are in operation and then assessed the control risk. We have reported these categories as well as any significant weaknesses for each audit objective.

Background

Under the Federal Managers' Financial Integrity Act and the Office of Management and Budget's implementing policies, A.I.D.'s management is responsible for establishing and maintaining adequate internal controls. The General Accounting Office has issued "Standards for Internal Controls in the Federal Government" to be used by agencies in establishing and maintaining internal controls. The objectives of internal controls and procedures for Federal foreign assistance are to provide management with reasonable, but not absolute, assurance that resource use is consistent with laws, regulations, and policies; resources are safeguarded against waste, loss, and misuse; and reliable data is obtained, maintained, and fairly disclosed in reports. Because of inherent limitations in any internal control structure, errors or irregularities may occur and not be detected. Predicting whether a system will work in the future is risky because (1) changes in conditions may require additional procedures or (2) the effectiveness of the design and operation of policies and procedures may deteriorate.

Conclusions for Audit Objective One

This objective concerns the maintenance of complete trainee records and a centralized and up-to-date database system. In planning and performing our audit, we considered the applicable internal control policies and procedures cited in A.I.D. Handbook 10.

We have classified the relevant policies and procedures into two categories: the trainee processing system and the tracking system.

We noted two significant weaknesses:

- For the majority of the participant trainees, OAR/Ghana did not: maintain funding documents (for long-term trainees), require periodic reports on academic progress, obtain end-of-course evaluations, require certificates of completion, and obtain signed conditions of training forms.
- OAR/Ghana did not maintain a centralized and up-to-date database system to monitor participants.

Conclusions for Audit Objective Two

The second audit objective relates to screening and selection of candidates sponsored for training. In planning and performing our audit, we considered the applicable internal control policies and procedures cited in A.I.D. Handbook 10. We have classified the relevant policies and procedures into one category: the selection process.

We noted one significant weakness: OAR/Ghana did not participate in the screening and selection process of public sector candidates nominated by the GOG for training.

Conclusions for Audit Objective Three

This objective concerns the monitoring of trainees. In planning and performing our audit, we considered the applicable internal control policies and procedures cited in A.I.D. Handbook 10. We have classified the relevant policies and procedures into one category: the monitoring process.

We noted one significant weakness: OAR/Ghana did not monitor A.I.D.-sponsored participants from Ghana under centrally- and bilaterally-funded projects.

Conclusions for Audit Objective Four

This objective relates to OAR/Ghana's compliance with follow-up and evaluation requirements to ensure that returned participants utilize their training skills and that training costs were effectively spent. In planning and performing our audit, we considered the applicable internal control policies and procedures cited in A.I.D. Handbook 10. We have classified the relevant policies and procedures into two categories: the follow-up process and the evaluation process.

We noted two significant weaknesses. OAR/Ghana did not:

- establish a follow-up system to ensure that the participants utilized their training skills upon returning to Ghana.
 - perform any evaluation of its participant training program to ensure that training costs were effectively spent.
-
-

**REPORT ON
COMPLIANCE**

This section summarizes our conclusions on OAR/Ghana's compliance with applicable laws and regulations.

Scope

We conducted our audit in accordance with generally accepted government auditing standards, which require that we (1) assess compliance with applicable requirements of laws and regulations when necessary to satisfy the audit objectives (which includes designing the audit to provide reasonable assurance of detecting abuse or illegal acts that could significantly affect the audit objectives) and (2) report all significant instances of noncompliance and abuse and all indications or instances of illegal acts that could result in criminal prosecution that were found during or in connection with the audit.

We tested OAR/Ghana's compliance with applicable sections of the grant agreements under which participant training was conducted (see Exhibit I for listing of such programs). Our objective was not to provide an opinion on OAR/Ghana's overall compliance with all provisions of those agreements.

Background

Noncompliance is a failure to follow requirements, or a violation of prohibitions, contained in statutes, regulations, contracts, grants and binding policies and procedures governing an organization's conduct. Noncompliance constitutes an illegal act when there is a failure to follow requirements of laws or implementing regulations, including intentional and unintentional noncompliance and criminal acts. Not following internal control policies and procedures in the A.I.D. Handbooks generally does not fit into this definition of noncompliance and is included in our report on internal controls. Abuse is distinguished from noncompliance in that abusive conditions may not directly violate laws or regulations. Abusive activities may be within the letter of the laws and regulations but violate either their spirit or the more general standards of impartial and ethical behavior. Compliance with the grants is the overall responsibility of OAR/Ghana's management.

Conclusion

The results of our audit showed that OAR/Ghana did not adequately monitor the selection of GOG nominated candidates to ensure adherence to the applicable provisions in the grant agreements. Otherwise, the Mission generally complied with the applicable laws, regulations and agreements.

**SCOPE AND
METHODOLOGY**

Scope

We audited A.I.D.'s participant training program in Ghana in accordance with generally accepted auditing standards. We conducted the audit from January 15 through March 29, 1991 and reviewed the systems and procedures relating to A.I.D.-financed inputs for all projects with active participant training components between October 1, 1987 and September 30, 1990. We conducted our field work at the OAR/Ghana office in Accra, Ghana, and the Accra office of the African American Institute (A.A.I.) - a U.S. private voluntary organization responsible for administering the AFGRAD program.

Methodology

The methodology for each audit objective follows.

Audit Objective One

To accomplish the first audit objective, we determined if the Mission had established a centralized and up-to-date information system on participant trainees. We examined the training office's records used as an information base for the participants and reviewed the Mission's financial and project implementation reports to ascertain the completeness and accuracy of the information system.

We judgementally selected a sample of 30 participants from a population of 215 who were trained between October 1987 and September 1990. We then examined the training file of the selected participants to determine whether these were complete and accurate. For files that were not complete and accurate, we confirmed this with cognizant officials.

Audit Objective Two

We interviewed officials in the training office to determine how the candidates sponsored for training are selected and screened. We reviewed relevant documentation in the trainees' files to ascertain the selection process. We then compared the Mission's selection methods to applicable A.I.D. policies and procedures. We also assessed Mission and GOG compliance with applicable project grant agreements concerning the selection and screening of candidates.

Audit Objective Three

As part of our review of trainee files (see methodology under audit objective one), we determined if the training office maintained up-to-date information on the progress of the participants. When such information was not available, we interviewed officials in the training office to inquire why current information was not being maintained. For the 15 participants currently in long-term training under the AFGRAD program, we interviewed an A.A.I. official in Ghana to determine the progress of the participants and to determine the extent of coordination between A.A.I. and OAR/Ghana.

Audit Objective Four

We interviewed officials in the Mission's training and project offices and reviewed available documentation to determine the nature and extent of follow-up on participants and overall evaluation of the participant training program. Also, we compared OAR/Ghana's follow-up and evaluation procedures to applicable A.I.D. policies and procedures.

ACTION: RIG INFO: EXEC

APPENDIX IV

VZCZCDK0511
 PP RUEHDK
 DE RUEHAR #3003/01 1351558
 ZNR UUUUU ZZH
 P 151556Z MAY 90
 FM AMEMBASSY ACCRA
 TO RUEHDK/AMEMBASSY DAKAR PRIORITY 4601
 INFO RUEHC/SECSTATE WASHDC 5963
 BT
 UNCLAS SECTION 01 OF 03 ACCRA 03003

LOC: 240 853
 15 MAY 91 1559
 CN: 40577
 CHRG: RIG
 DIST: RIG

AIDAC

DAKAR FOR MR. PAUL ARMSTRONG, RIG/A
 AID/W FOR OIT

E.O. 12356: N/A
 SUBJECT: AUDIT OF A.I.D.'S PARTICIPANT TRAINING PROGRAM
 IN GHANA, AUDIT REPORT NO. 7-641-91-XX

REF: ACCRA 1174

IN RESPONSE TO SUBJECT AUDIT RECOMMENDATIONS, MISSION
 COMMENTS AND PLAN OF ACTION ARE PRESENTED BELOW:

1. RECOMMENDATION NO. 1:

(A) MISSION TRAINING POLICY AND PARTICIPANT TRAINING
 PROCEDURES:

AS PER PARA 1 OF REFTTEL, MISSION TRAINING POLICY AND
 PARTICIPANT TRAINING PROCEDURES HAVE BEEN FINALIZED.
 LAST MONTH A DRAFT COPY WAS TRANSMITTED TO RIG OFFICE
 IN DAKAR. WE WILL FORWARD A FINAL COPY FOR YOUR
 INFORMATION AND RECORD AS SOON AS MISSION CLEARANCE AND
 APPROVAL PROCESS IS COMPLETED. OUR TARGET DATE TO
 COMPLETE THIS CYCLE IS JUNE 30, 1991.

(B) PARTICIPANT TRAINEE RECORDS:

A LISTING OF MISSING DOCUMENTS FROM PARTICIPANT-TRAINEE
 FILES SUCH AS PIO/P, ACADEMIC ENROLLMENT AND TERM
 REPORTS (AETRS) END-OF-COURSE EVALUATIONS, SIGNED
 CONDITIONS OF TRAINING FORMS ETC WAS COMPLETED IN APRIL
 1991 AND THE FILES ARE NOW BEING REORGANIZED AND
 UPDATED TO INCLUDE ALL DOCUMENTS AND INFORMATION
 REQUIRED BY A.I.D. REGULATIONS CONTAINED IN HANDBOOK
 10. SO FAR RECORDS OF 120 PARTICIPANT TRAINEE FILES
 HAVE BEEN COMPLETED. THE REMAINING FILES WILL BE
 COMPLETED BY JULY 15, 1991. VERIFICATION TO THAT
 EFFECT WILL FOLLOW SEPTTEL.

2. RECOMMENDATION NO. 2

(A) ESTABLISHMENT, INSTALLATION AND OPERATION OF
UP-TO-DATE DATA-BASE (PTMS):

REF PARA 2 OF PAGE 7 OF SUBJECT AUDIT REPORT, MISSION WISHES TO CLARIFY THAT AN AUTOMATED PTMS HAS BEEN INSTALLED BUT DUE TO TECHNICAL DIFFICULTIES AND SUPPORT STAFF CHANGES IT IS NOT OPERATIONAL. MISSION'S EFFORT AT RESOLVING THESE TECHNICAL DIFFICULTIES THEREBY MAKING THE PTMS FULLY OPERATIONAL BY MARCH 31, 1992 ARE CONTAINED IN OUR RESPONSE IN REFTEL (PARA 5) WHICH STILL REMAINS VALID.

3. RECOMMENDATION NO.3

MISSION REPRESENTATION/PARTICIPATION IN SCREENING OF
CANDIDATES SPONSORED FOR TRAINING:

MISSION IS NEGOTIATING WITH GOG/MFEP TO FORMULATE AN ACTIVE SELECTION COMMITTEE FOR PUBLIC SECTOR TRAINING WHERE MISSION WILL BE REPRESENTED BY HRDO OR HIS PROXY. MISSION PLANS TO SIGN A HRDA GRANT AGREEMENT/LIMITED SCOPE AGREEMENT (LSA) WITH GOG/MFEP SOME TIME IN JUNE. THE QUESTION OF MISSION REPRESENTATION WILL BE PART OF THIS AGREEMENT. WHEN THESE NEW ARRANGEMENTS ARE FINALIZED, WE WILL FORWARD RELEVANT INFORMATION FOR YOUR RECORDS BY JULY 15, 1991. MISSION ACTIVELY PARTICIPATES IN THE SELECTION PROCESS OF PRIVATE SECTOR TRAINEES (REFTEL PARA 6).

4. WITH REFERENCE TO AUDIT RECOMMENDATIONS 4 AND 5 RELATED TO MONITORING PERIODIC EVALUATION AND FOLLOW-UP. MISSION HAS ALREADY DEVELOPED AND PUT IN USE THE FOLLOWING DOCUMENTS TO FOLLOW-UP AND MONITOR ALL AID-SPONSORED PARTICIPANT TRAINING ACTIVITIES:
- I. PRE-DEPARTURE QUESTIONNAIRE
 - II. POST-TRAINING QUESTIONNAIRE ADMINISTERED AT THE
- TIME OF BRIEFING IMMEDIATELY AFTER PARTICIPANTS
- RETURN (WITHIN FIRST 30 DAYS)
 - III. POST TRAINING QUESTIONNAIRE I (TO BE ADMINISTERED
- ONE YEAR AFTER RETURN FROM TRAINING)
 - IV. POST TRAINING QUESTIONNAIRE (TO BE ADMINISTERED
- AFTER TWO YEARS ON THE JOB)

V. YEAR-END ACTIVITIES REPORT FORM (TO BE COMPLETED
- BY THE MISSION TRAINING OFFICE)

MISSION WILL STORE THE DATA GENERATED FROM THESE QUESTIONNAIRES AND PURSUE FOLLOW-UP CONTACTS WITH RETURNED PARTICIPANTS AND DATA WILL BE ENTERED INTO PTMS SO THAT THE TRAINING OFFICE CAN ANALYZE TO DETERMINE THE EFFECTIVENESS OF THE TRAINING PROGRAM AND SKILL UTILIZATION BY THE PARTICIPANT TRAINEES.

5. IN ORDER TO BE IN FULL COMPLIANCE OF THE SUBJECT AUDIT RECOMMENDATIONS AND STREAMLINING OUR OPERATIONS, MISSION HAS PUT IN PLACE THE FOLLOWING ACTION PLAN FOR 1991/1992.

DESCRIPTION OF ACTIVITY -----	ACTION BY -----	DEADLINE -----
1. GET FINAL DRAFT OF MISSION POLICY ON PARTICIPANT TRAINING PROCEDURES READY FOR A.I.D. REPRESENTATIVE FINAL APPROVAL.	J.K. ENUSON (PROGRAM ASSISTANT)	6/30/91
2. PREPARE COMPLETE PRE-DEPARTURE ORIENTATION PACKAGES FOR ALL PARTICIPANTS.	E.K. DARKOH (TRAINING OFFICER)	6/15/91
3. REORGANIZE AND UPDATE ALL PARTICIPANT-TRAINEE FILES TO INCLUDE ALL THE MISSING DOCUMENTS AS REQUIRED BY AID H/B NO. 10.	E.K. DARKOH	7/15/91
4. INITIATE MISSION REPRESENTATION ON ALL SELECTION COMMITTEES FOR PARTICIPANT TRAINING PROGRAMS (PRIVATE AND PUBLIC).	DR. K.H. KHAN (HRDO)	7/15/91
5. INITIATE AND CONTINUE FOLLOW-UP ACTIVITIES IN ACCORDANCE WITH AID H/B NO. 10.	E.K. DARKOH J.K. ENUSON	ONGOING
6. PREPARE THE ANNUAL FOLLOW-UP ACTIVITIES REPORT IN ACCORDANCE WITH AID H/B NO.10.	J.K. ENUSON E.K. DARKOH	12/31/1991
7. INSTITUTIONALIZE RETURNED PARTICIPANTS' AWARD DAY FOR THE	K.H. KHAN	10/31/1991

PRESENTATION OF
CERTIFICATES BY THE
MISSION DIRECTOR.

8. RECEIVE NECESSARY
TRAINING AND TECHNICAL
ASSISTANCE FROM LABAT-
ANDERSON INC. AND ENTER
ALL THE MISSING DATA
INTO THE PTMS MAKING
IT FULLY OPERATIONAL.

J.K. ENUSON

3/31/1992

9. COMPLETE FOLLOW-
UP INTERVIEWS AND
QUESTIONNAIRE BEFORE
AND AFTER PARTICIPANTS'
TRAINING TO MONITOR
THE PROGRAM'S EFFECT-
IVENESS.

E.K. DARKOH
J.K. ENUSON
DAN GYIMAH

CONTINUOUS
STARTING NOW

10. FACILITATE THE
FORMATION AND
STRENGTHNING OF ALUMNI
ASSOCIATION FOR

E.K. DARKOH
J.K. ENUSON
DAN GYIMAH

12/31/1992

RETURNED PARTICIPANTS. K.H. KHAN

11. PREPARE THE ANNUAL J.K. ENUSON 12/31/1992
FOLLOW-UP ACTIVITIES E.K. DARKOH
REPORT IN ACCORDANCE
WITH AID H/B NO.10.

MISSION SINCERELY APPRECIATES YOUR DEDICATED EFFORTS IN
ASSISTING US IN STREAMLINING AND UPGRADING OUR TRAINING
OFFICE OPERATION IN ACCORDANCE WITH THE REQUIREMENTS OF
AID HANDBOOK NO. 10. THANK YOU. EWING

BT
#3003

NNNN

UNCLASSIFIED

ACCRA 003003/03

Report Distribution

	<u>No. of Copies</u>
Director, OAR/Ghana	5
Ambassador, U.S. Embassy/Ghana	1
AA/PFM	2
PFM/FM	2
PFM/FM/FP	2
AA/AFR	1
AFR/CONT	5
AFR/PD	1
AFR/CCWA	1
AA/XA	2
XA/PR	1
LEG	1
GC	1
PPC/CDIE	3
SAA/S&T	1
IG	1
AIG/A	1
IG/PPO	2
D/AIG/A	1
IG/RM	12
IG/LC	1
IG/PSA	1
AIG/I	1
REDSO/WCA	1
REDSO/WCA/WAAC	1
USAID/Burkina Faso	1
USAID/Cameroon	1
USAID/Cape Verde	1
USAID/Chad	1
USAID/Congo	1
USAID/The Gambia	1
USAID/Guinea	1
USAID/Guinea-Bissau	1
USAID/Mali	1
USAID/Mauritania	1
USAID/Morocco	1
USAID/Niger	1

- 25 -

Report Distribution

	<u>No. of Copies</u>
USAID/Nigeria	1
USAID/Senegal	1
USAID/Togo	1
USAID/Tunisia	1
USAID/Zaire	1
RIG/I/Dakar	1
RIG/A/Cairo	1
RIG/A/Manila	1
RIG/A/Nairobi	1
RIG/A/Singapore	1
RIG/A/Tegucigalpa	1
RIG/A/Washington	1