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U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Area Auditor General/East Africa
Nairobi, Kenya

September 19, 1980

MEMORANDUM FOR: Mr. James E. Williams
Director, USAID/Tanzania

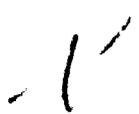
FROM : Ray D. Cramer
Area Auditor General, East Africa

SUBJECT : Memorandum Report on the USAID/Tanzania
Participant Training Program
Audit Report No. 3-621-80-25



As part of a worldwide review of AID's overall participant training activities, we examined USAID/Tanzania's participant training program. Our findings, along with those from five other locations, were published by the Auditor General's Washington office (AAG/Washington) in Report Number 80-57, dated May 15, 1980. This report, however, only incorporated part of the findings and recommendations developed during our field investigation. The remaining findings and recommendations were not included in the May 15th report because of their country specific nature. Accordingly, this memorandum report addresses only issues not covered by Report Number 80-57, and should be considered as an addendum to that report for Tanzania activities.

Between December 3 and 14, 1979, two auditors from AAG/EAFR held discussions with Government of Tanzania (TanGov) and USAID/Tanzania officials, and reviewed their records and files. The purpose of the review was to:

- Determine the extent of accountability and control USAID/Tanzania has over its training activities.
 - Calculate the failure to return rate for AID-funded Tanzanian participants.
 - Evaluate the effectiveness of USAID/Tanzania's participant training program procedures.
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Our review was centered on participants completing training during fiscal year 1978 (October 1, 1977 through September 30, 1978). From the 81 AID-funded Tanzanian participants who completed training in fiscal year 1978, we selected a sample of 44. In addition we reviewed a small sample of AID-funded participants who completed training in fiscal year 1979.

Background

Participant training is a significant aspect of AID's integrated assistance program. Enhancing developing countries capabilities to manage their own development programs is one of the AID participant training program goals. Consequently AID provides training opportunities for foreign nationals in their own countries, the United States, and in other (third) countries. USAID/Tanzania has offered training in all three categories.

As of September 30, 1978, USAID/Tanzania had obligated nearly \$2 million, and sub-obligated almost \$1.7 million for project participant training. Their participant training program involved only grant funds -- neither of the two agricultural sector loans to TanGov were used for training. Since 1955, more than 950 Tanzanians received AID funded training.

At the time of our review, USAID/Tanzania's training activities were coordinated by their Training Office. This office was staffed by three national employees: a training officer, an administrative assistant and a senior secretary. The Training Officer was organizationally responsible to the USAID/Tanzania Program Officer or his designee. Participants were usually selected jointly by the concerned TanGov ministry and AID contractor. Their nominations were then forwarded to USAID/Tanzania for approval and processing. AID regulations provide three alternatives for administering participant training programs. A program can be administered by the USAID, by a cooperating country's government agency, or by a host country accredited local institution. The USAID administered programs can be either handled directly by the Mission or indirectly by a Mission funded contractor.

Staffing

With three full-time people, we believe the USAID/Tanzania Training Office was adequately staffed. However, we observed that their workload included a substantial amount of time-consuming tasks, such as drafting Project Implementation Orders for Participants (PIO/P's) and updating the participant directory. These tasks minimized time available for evaluation and follow-up activities.

A USAID/Tanzania Staff Notice, dated May 1977, required project officers to prepare completed PIO/P drafts for each participant; to include recommended course of study, suggested university and other pertinent background information. However when program office personnel changed, so did USAID/Tanzania operating procedures. Although the staff notice was never rescinded, it was no longer enforced. AID Handbook 10, the Agency's guidelines for participant training, discusses organizational possibilities for managing training programs but is silent on workload distribution. Nevertheless, the Handbook does require other duties which were not being accomplished by the USAID/Tanzania Training Office because of limited staff time.

USAID/Tanzania's response to this finding was as follows:

"We agree with the auditors' recommendation that it would be preferable if project officers drafted PIO/Ps. However, given the fact that most project officers are new and are currently working out the scopes of work for their duties, the Training Office can continue to prepare PIO/Ps with the information given them by the project officers.

The Mission intends to add an additional typist to the Training Office. The new typist will relieve the Training Assistant of having to take overload typing requirements in addition to her regular duties. Further, another typist will enable the Training Officer and the Training Assistant to more equitably divide the substantive aspects of their work."

Although we agree another typist would speed PIO/P processing, it would not reduce the number of hours spent drafting them. A recent AIG/EAFR comprehensive audit report on USAID/Tanzania noted that five project officers interviewed believed they had heavy workloads. Consequently this made it difficult for them to oversee all assigned project activities. Even some of their project field visits had been forestalled because of a lack of time. Nevertheless, we still believe PIO/P's can be written quicker and more accurately by project officers who monitor the projects.

Recommendation No. 1

USAID/Tanzania project officers draft the descriptive parts of Participant Implementation Orders for Participants (PIO/P's).

Besides drafting PIO/P's, Training Office staff time is also used to update the participant directory. The directory is a listing of all AID-funded Tanzanian participants showing, in part, last known address

and employment status. An estimated eight to ten staff weeks will be needed to update the latest directory (from 1955 to 1976) to 1979. According to the Training Officer, the directory is a reference source for USAID and TanGov officials.

AID regulations do not require a continually updated participant directory. USAID's are given the option of (1) having or not having a directory, and (2) updating or not updating the directory. Generally, USAID/Tanzania uses their participant training files to update the directory. However, so few follow-up contacts were made with former participants that the Mission files were dated and inaccurate.

We question the necessity of updating a directory that contains data on returned participants dating back 25 years. In our opinion, emphasis should be given to maintaining accurate information for participants completing training within the past three to five years.

Recommendation No. 2

USAID/Tanzania maintain an accurate directory of participants who completed training within the past five years.

Predeparture Checklist

Prior to a participant's departure, AID requires a number of administrative activities; such as language proficiency and physical examinations, participant call forwards and departure notices, and so on. The larger the USAID's participant training program, the more likely administrative steps will be omitted unless a systematic processing method is used. Training has become an increasingly more significant component of USAID/Tanzania's development program. Between fiscal year 1977 and 1979 the number of USAID/Tanzania participants increased by about 20%. Projections show that during fiscal year 1981 over 100 participants will be processed by the Training Office.

Chapter 21 of AID Handbook 10 recommends using a predeparture checklist to assure each participant's orientation has been completed before leaving the country. USAID/Tanzania has not used the recommended checklist. Although the form is not an AID record keeping requirement, it is a useful management tool. In response to this issue USAID/Tanzania stated:

"The use of the lists will be reinstated immediately. It should be noted, however, that no departing participant has been delayed because of the absence of the checklists."

Since action has already been initiated, we have no recommendation at this time.

Bonding Agreements

The terms of the TanGov bonding agreements appear equitable and reasonable. The TanGov Ministries bond short term participants (less than one year's training) to three years' service, and long term participants for five years. Parastatals generally do not bond short term participants (training of nine months or less), but long term trainees are bonded for three to five years. We do not believe these terms place an undue hardship on participants, and since these agreements bind the employee to service, they tend to minimize retraining.

According to the TanGov Ministries' agreement, participants are only bonded to "government" service, whereas parastatals bind the employee to their particular agency. We did not find excessive "brain-drain" in our review sample caused by Ministerial employees switching Ministries or changing careers. With few exceptions, AID-funded Tanzanian participants generally returned to their employing organizations.

Whether TanGov agencies can enforce their bonding agreements is questionable. Outside of our statistical sample, we found three instances of default. None of the defaulting participants paid penalty fees. In two cases, both involving AID participants, the individuals did not sign bonding agreements before departing for training. The third case involves another donor agency and was pending during our review. This defaulter was given the choice by both current and prior employers to either pay the penalties or return to his former agency. Despite the many loopholes and bureaucratic failures to enforce the agreements, we believe they provide sufficient incentive for most employees to remain on the job.

At the exit conference we recommended that USAID/Tanzania employ the same practice as one of its contractors. Texas A&M University requires a copy of the signed bonding agreement before the participant receives tickets and training allowances. USAID/Tanzania supported this recommendation and responded as follows:

"The Mission will request copies of bonding agreements from the Government of Tanzania for all new participants."

Accordingly, we have no recommendation at this time.

Follow-up and Evaluations

AID Handbook 10, Chapter 36, requires USAID's to follow-up, evaluate and report on AID sponsored participants for three years after their return. USAID's are encouraged to selectively maintain contact for a longer

period. Follow-up activities should strengthen ". . . bonds of friendship and understanding between the United States and cooperating countries by continuing to broaden the returned participants knowledge about the United States, its people, institutions, and culture."

USAID/Tanzania's follow-up activities were minimal. Only one of the 44 participants sampled had been contacted and the training evaluated. In response to this finding USAID/Tanzania agreed to take the following actions:

"During pre-departure orientation departing participants will be informed of the importance of reporting to the Training Office on return from training. Chiefs of Parties can be especially helpful in this by directing participants to call at the Training Office for debriefing and assessment of training and completion of the Participant Data Card.

The Training Office will organize the presentation of certificates of Achievement in April/May 1980 for participants who returned in 1978 and 1979. Over 120 persons will be involved and this will be one way of keeping contact with participants."

Accordingly, we have no recommendation on this matter.

However, as stated in AAG/Washington Report Number 80-57, Handbook 10 does not provide USAID's with sufficient guidance on follow-up activities. The Handbook does not differentiate between the type and length of follow-up necessary for short-term versus long-term participants. Neither does the Handbook require USAID's to determine if former participants are using their learned skills as originally intended. Consequently, AAG/Washington recommended that these two Handbook deficiencies be corrected by AID/Washington.

Handbook 10, Chapter 39 requires evaluations by the trainee of the training program, and USAID's are expected to request individual evaluations from each returned participant. Only one of the 44 sampled USAID/Tanzania returned participants had their training evaluated. We found no evidence that the Training Office had requested the evaluations. We believe evaluations and follow-up activities are vital to determine the benefit of various training opportunities, as well as the impact of different training strategies upon the cooperating country's development. Timely evaluation and follow-up interviews with returned participants could help USAID/Tanzania determine the appropriateness and effectiveness of its current and past participant training endeavors.

USAID/Tanzania's response to this finding was:

"The Mission agrees with the auditors that participants must be evaluated with respect to their training abroad. . . the reorganization of the Training Office will permit the Training Officer to conduct participant evaluations.

In addition to the Training Officer's evaluation, the Mission Evaluation Officer will make special efforts to include evaluations of returned participants during regularly scheduled project evaluations. Further, project officers will be asked to monitor the performance of participants in their respective projects during field trips to project sites."

We agree that USAID/Tanzania should include returned participant evaluations as an integral part of project management. When revised guidance on follow-up activities are issued, in accordance with AAG/Washington's recommendations, we believe these should be incorporated into project management site visit instructions as well. Since this action must await AID/Washington's response to AAG/Washington's recommendation, we have no recommendation at this time.

Placement of Returned Agro-Mechanics

Although USAID/Tanzania has not evaluated returned participants training or maintained contact for three years as required by AID Handbook 10, it has monitored the returned participants' initial assignments. Outside of our universe (fiscal year 1978 returned participants), 13 USAID-funded Tanzanians completed an agro-mechanics training program at Western Illinois University. Upon return in August 1979, only a few were assigned to the Seed Multiplication project which had sponsored the training. By December 14, 1979 only three of these returned participants had reported for duty at the AID-funded seed farms.

The Ministry of Agriculture, Kilimo, nominated and USAID/Tanzania approved the 13 participants for training. When nominated, all of the participants were employed by Kilimo, but few were assigned to USAID/Tanzania funded seed farms. Consequently, when the participants returned from training few were assigned to project farms. Thus USAID/Tanzania spent about \$180,000 for the participants' training without the Tanzanian government having transferred them to AID funded farms. Without transfers the Kilimo project manager was hard-pressed to assign the returned participants to the project farms.

USAID/Tanzania took immediate action to press for resolution. Commodity procurements were being delayed until the returned participants reported for duty. On September 11, 1979, Kilimo committed eight participants to the project and specifically named seven individuals on December 12, 1979.

Since December, USAID/Tanzania has taken further steps to resolve the problem. The fiscal year 1980 project agreement Number 80-5, signed August 28, 1980, states:

"Prior to disbursement of funds under this agreement, or to the issuance of AID documentation pursuant to which disbursement will be made, the Tanzanian Government will, except as the parties may agree in writing, take all reasonable measures to post eight agro-mechanics to the four seed farms in a timely manner and notify USAID of the measures taken."

Since USAID/Tanzania has taken appropriate action, we have no recommendation.

CC: Deputy Administrator
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