

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004



This report was prepared under Mega-Tech, Inc.'s prime agreement with USAID and addresses USAID/South Africa's Strategic Objective No. 5: Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's Strategic Objective 5 partners



Please direct all queries regarding this report to:

Khulisa Management Services
26 Seventh Avenue
Parktown North 2193
SOUTH AFRICA
Tel: +27 (11) 447-6464
Fax: +27 (11) 447-6468
Email: info@khulisa.com

OR

MegaTech/South Africa
General Management and Assistance Agreement Office
Bank Forum Building
Lobby 1, Second Floor
337 Veale Street
New Muckleneuk
0181 Pretoria RSA
Tel. (012) 452-0060
Fax (012) 452-0070
Email megatech@intekom.co.za

Or

Mega-Tech, Inc.
180 South Washington Street, Suite 200
Falls Church, VA 22046
Tel. (703) 534-1629
Fax (703) 534-7208
Email info@mgtech-world.com



Table of Contents

1.	Acronyms.....	4
2.	Executive Summary	5
3.	Background to SO5 Data Quality Check-up.....	6
4.	Methodological Approach.....	7
	4.1. Introduction.....	7
	4.2. Phase I: Work Plan.....	7
	4.3. Phase II: Consultations with Partner Organizations.....	7
	4.4. Phase III: Compilation of Results and Submission of Final Report	8
5.	Systems Findings	9
	5.1. SO5 Performance Management Plan	9
6.	Data Quality Check-up Results	11
	6.1. DQC Results for CCA-ECI	11
	6.1.1. Summary.....	11
	6.1.2. Reported Indicators.....	11
	6.1.3. Detailed Results of Review	11
	6.1.4. Overall Findings and Recommendations	11
	6.2. DQC Results for Deloitte	12
	6.2.1. Summary.....	12
	6.2.2. Reported Indicators.....	12
	6.2.3. Detailed Results of Review	13
	6.2.4. Overall Findings and Recommendations	13
	6.3. DQC Results for SACCOL	13
	6.3.1. Summary.....	13
	6.3.2. Reported Indicators.....	14
	6.3.3. Detailed Results of Review	14
	6.3.4. Overall Findings and Recommendations	15
7.	Conclusions and Recommendations.....	16

Appendices

Appendix A	Work plan
Appendix B	Standardized letters to implementing partners
Appendix C	Self-evaluation tool template
Appendix D	On-site review tool template
Appendix E	Compliance plan tool template
Appendix F	List of persons contacted
Appendix G	CCA-ECI Africa DQC
Appendix H	Deloitte DQC
Appendix I	SACCOL DQC



1. Acronyms

ADS	Automated Directive System
AGOA	African Growth and Opportunity Act
CCA-ECI	Corporate Council on Africa – Ebony Consulting International
CUBIS	Credit Union Banking Information System
DQA	Data Quality Assessment
DQC	Data Quality Check-up
FTEs	Full time equivalents
HD	Historically Disadvantaged
HDE	Historically Disadvantaged Enterprise
HDI	Historically Disadvantaged Individual
PAL	Promoting Agribusiness Linkage
PMP	Performance Monitoring Plan
SAIBL	South African International Business Linkages
SACCOL	Savings and Credit Cooperative League of South Africa (Ltd)
SACCOs	Savings and Credit Cooperatives
SARPP	South Africa Agriculture Restructuring and Privatization Project
SMMEs	Small, Medium and Micro Enterprises
SO5	Strategic Objective Five
SOW	Statement of Work
TAMIS	Technical Administration Management Information System
USAID	United States Agency for International Development



2. Executive Summary

The primary objective of this assignment was to determine how well the new reporting format for SO5 is working, based on the revised Performance Monitoring Plan (PMP), and whether the data is being collected in a consistent manner. A data quality check-up was designed to enable the United States Agency for International Development (USAID) / South Africa to make a valid decision, based on verifiable evidence, as to whether or not the actual reporting is effectively meeting the intent of the revised PMP. The data quality management systems of three implementing partners, namely CCA-ECI, Deloitte and SACCOL were reviewed during the audit by means of a self-evaluation, desktop review and an on-site audit. Where any significant discrepancies were noted, which required managed correction a compliance plan was issued.

The PMP, issued by USAID SO5, has greatly improved since the last data quality audit. Descriptions and definitions given in the plan are, on the whole, easy to interpret and implement. Although the plan serves as an excellent tool for the implementation of the data quality system, it was of concern to note, at audit, that all three partners audited had received plans from USAID SO5 with different up-date dates and with marginally different content. One partner has a plan from USAID SO5 which talks of a 35-hour week whilst others have an updated version with a 40-hour week. This causes an error introduced by USAID SO5 and could influence the precision of the aggregated data. The data sources given in the plan were also noted at audit to not always be an accurate reflection of practice. Errors in the plan related to the known data limitations were also noted. These errors were probably introduced during a copy and paste exercise and are of an editorial nature. This data quality audit demonstrated that other than minor editorial corrections to the plan no changes are either required or warranted. USAID SO5 can aggregate the data from the various partners, as per the quantitative reporting sheet, with confidence and without introducing data errors from the inherent nature of data sources.

At partner level there has, as a whole, been an improvement in data quality management since the previous review and greater reliance can be placed on the data being submitted by the reporting partners. CCA-ECI has implemented a reliable data management system of high integrity and with little inherent measurement error. Although they were issued two compliance plans both were of a minor nature and do not affect the overall validity of their data. In contrast Deloitte has failed to demonstrate any improvement in its data collection or collation processes. In effect the findings of the previous data quality audit have not been addressed at all. Fortunately the volume of data supplied by Deloitte is small and thus the inherent errors that probably exist in it are tempered to some degree by the rest of the SO5 data set. It is patently obvious that Deloitte need to focus their reports on the qualitative data related to their project as this is where greatest value is to be gained from their data. Deloitte was issued with one compliance plan but which is considered significant in nature. Despite being relatively new the SACCOL team has managed to produce quite good data quality results. As was the case with most partners the first time they were audited, issues related to measurement errors and margins of error were raised. The area of concern in SACCOL's system is related to the relationship between their program and the Strategic Objective itself. Despite this they are able to report on some valuable progress in providing access to credit to the historically disadvantaged. SACCOL was issued with a single compliance plan that is minor in nature. All partners need to be encouraged to report the quantitative data in the spreadsheet form issued by USAID. This will enable USAID SO5 to aggregate with fewer errors.

In conclusion USAID SO5 needs to do very little to its PMP in order to improve it. One thing that USAID SO5 must do is to re-issue the **final version** of the plan to all the partners so as to ensure that they are all collecting and collating against the same information. In terms of its partners the risks that were identified in the last data quality audit have, to a large extent, been addressed. The one defaulting partner does require to be brought in line with the remainder in terms of data practices.

As this was a good audit result, the auditor's congratulations are extended to the SO5 team for the improvements in the system and to those partners who embraced and implemented the required changes.



3. Background to SO5 Data Quality Check-up

USAID requires that all program performance data presented in USAID Mission Annual Reports be valid, complete, accurate and consistent with management needs. In support of this requirement, USAID policy requires that a Data Quality Assessment (DQA) be performed when establishing indicators that are to be reported on in Annual Reports. Data quality must be reassessed as needed, but no less than once every three years.

Last year USAID/South Africa's Private Sector Office undertook an extensive DQA of Strategic Objective Five (SO5): 'Increased Market-Driven Employment Opportunities' which was completed in May 2003. Following the DQA a new PMP was designed, tested and approved by USAID/Washington. All implementing partners are now required to use and report in accordance with this plan. The PMP tracks several key components, which include:

- Net change in employment;
- The number and value of sales supported;
- Number of historically disadvantaged enterprises supported (HDEs); and
- The number and value of financial agreements supported.

Reporting for small, medium and micro-scale businesses (SMMEs) and agribusinesses is disaggregated and other subcomponent data (such as the number of women owned businesses) is also collected.

Implementing partners have been using the revised PMP since October 2003, and recently submitted quarterly reports on results utilizing the revised PMP. The USAID/South Africa Private Sector Office now needs to establish whether or not the new reporting format is effective and efficient and whether data is being collected in a consistent and appropriate manner.

Khulisa Management Services (Pty) Ltd was contracted to undertake a data quality check-up (DQC) of the data quality processes and procedures of the following sample of USAID partner organizations:

- CCA-ECI (implementing PAL, SAIBL, AGOA);
- Deloitte (implementing SARPP); and
- SACCOL (Strategic objective partner).



4. Methodological Approach

4.1. Introduction

The primary objective of this assignment, based on the statement of work (SOW), was to assess how well the new reporting format for SO5 is working, based on the revised PMP, and whether the data is being collected in a consistent manner. Thus a DQC was designed to enable USAID/South Africa to make a valid decision, based on verifiable evidence, as to whether or not the actual reporting is effectively meeting the intent of the revised PMP. It was **NOT** the intention that this exercise be a fully-fledged DQA activity but rather an interim review of the state of data quality following the original extensive DQA. In essence this review served as a 'Thermometer of Data Health'.

The primary deliverable for this DQC is this final report, which provides an objective analysis of data quality practices of a sample of the partners supporting SO5. The report also provides insight into whether or not the standard data quality practices of those partners sampled, who were part of the original SO5 DQA, have been improved to limit the risks associated with their data handling. The basis to the methodology employed in this DQC was to ascertain therefore, on a snapshot basis, whether the data quality methodologies of the selected partners enable the achievement of data validity, reliability, timeliness, precision and integrity.

The following source documents were used for this assignment:

- ADS Chapter 203 Requirements for Data Quality Assessment
- ADS Chapter 578 Information Quality Guidelines [09/24/2002]
- Tips: Guidelines for Indicator and Data Quality
- United States General Accounting Office, The Results Act: and Evaluators Guide to "Assessing Agency Performance Plans"
- United States General Accounting Office, "Performance Plans: Selected Approaches for Verification and Validation of Agency Performance Information"
- United States General Accounting Office, Standards for Internal Controls
- The Performance Management Toolkit -- A Guide to Developing and Implementing Performance Plans (Price-Warehouse-Coopers)
- The current SO5 PMP

A three-phase approach was used to perform the DQC as outlined below.

4.2. Phase I: Work Plan

Following a review of the source documents, a detailed work plan that indicated the specific level of effort for each project component, specific tasks and deliverables throughout the duration of the DQA review was constructed and submitted to USAID. The work plan provided the schedule of the relevant field visits to partner organizations and USAID and was based upon collective availability, travel convenience and logistical sense. In addition the plan took cognizance of the collection of relevant data at each respective organization. The work plan was completed within 4 working days of the contract start date (Appendix A).

4.3. Phase II: Consultations with Partner Organizations

Following the completion of the work plan, the field visits and consultations with USAID and its partner organizations were organized and commenced. The elements involved in this component of the project included a desktop review and field analysis for the identified partner organizations. In preparation all partners were sent a standardized letter informing them of the DQC (Appendix B) and the need for them to complete and submit a self-evaluation questionnaire.



The self-evaluation questionnaire (Appendix C) was constructed using both open and closed-ended questions. Four elements were explored in the questionnaire. These were:

- Information pertaining to any previous DQAs;
- Baseline information pertaining to the availability and implementation of the SO5 PMP;
- Detailed information pertaining to the implementation of the PMP with particular emphasis on definitions, desegregation, data collection methodologies, data quality and data storage; and
- An open-ended section was included to allow the respondents to comment on any data quality issues they may have felt were relevant.

The desktop review included the following activities:

- Reviewing previous DQAs and the DQA criteria for good data management practices on the basis of information submitted in response to the self-evaluation tool sent out to each partner organization;
- Providing confirmation of whether any previous non-conformances have been closed out;
- Determining whether the partners have mechanisms for the validation and verification of their data collection and reporting practices;
- Planning the field work on the basis of the desk top review; and
- Preparing the desktop review results for inclusion in the draft report.

The fieldwork component included:

- The logistical arrangements for the three (3) site visits;
- Outlining the scope and purpose of each site visit;
- Following standard on-site audit practice which included but was not limited to: explaining the anticipated roles and responsibilities of the involved parties and the proposed agenda to be followed; providing feedback to the partner on the data management systems, DQC findings, and compliance plan; evaluating submitted evidence with the partner representative; reconciling evidence submitted with the desk top review conducted; ensuring that sufficient evidence was retained by the implementing partners for USAID where proof of practice was required and recording the nature and conformance of evidence received on the DQC.
- A standardized on-site review tool (Appendix D) was used during the on-site visit to record evidence pertaining to the validity, reliability, timeliness, precision, integrity and sources of data.
- Where data quality non-compliances were noted a compliance plan was constructed for the partner using a standardized tool (Appendix E). Discussions were held with the partner concerned aimed at reducing data limitations and improving compliance.

Phase II was completed within 18 working days of the contract start date.

4.4. Phase III: Compilation of Results and Submission of Final Report

After compilation of the results from the field visits, a small portion of the remaining days was dedicated to the planning and structure the final report, specifically focusing efforts upon the executive summary and the performance of the partners. A draft version of the final report, inclusive of all the particular elements and details outlined in the scope of work was discussed and edited through a consultative meeting held with USAID/South Africa, after which the final draft was submitted to USAID/South Africa on the project end date. This was within 25 calendar days of the start of the contract. The list of persons consulted during the project is included in Appendix F.



5. Systems Findings

5.1. SO5 Performance Management Plan

5.1.1. Content and Indicators

The revised PMP now includes the following indicators:

- Indicator 5.0: net change in private sector employment of assisted enterprises
- Intermediate result 5.1: More rapid growth of SMMEs
 - Indicator 5.1.(a): Number of sales
 - Indicator 5.1.(b): Value of sales
 - Indicator 5.1.1.(a): Number of historically disadvantaged (HD) SMMEs assisted
 - Indicator 5.1.2.(a): Number of financial agreements supported
 - Indicator 5.1.2.(b): Value of financial accessed
- Intermediate result 5.2: Increased commercial viability of existing small and medium agribusiness
 - Indicator 5.2.(a): Number of sales
 - Indicator 5.2.(b): Value of sales
 - Indicator 5.2.1.(a): Number of historically disadvantaged small and medium agribusinesses assisted
 - Indicator 5.2.2.(a): Number of financial agreements supported
 - Indicator 5.2.2.(b): Value of financial accessed
- Data Point 1: SMME Entrepreneurs receiving training

In all cases the indicators have been clearly defined within the PMP removing much of the ambiguities that existed in the previous plan. The only difficulties, as noted at audit, which are being encountered by the implementing partners in terms of their understanding the plan, were the following:

- The manipulation required for the calculation of the Full Time Equivalent (FTEs) for seasonal workers still presents difficulties to the partners. This has resulted in some guess work at ground level with partners getting their reporting clients to simply tell them how many part-time and seasonal workers were employed and then estimating the number of FTEs. This would be addressed simply by actually giving the calculation in formulae style for each type of worker, namely full time, part time and seasonal as given below.

1 FTE = 1 Person employed for 40 hours per week

$FTEs \text{ (from part time work)} = \text{number of hours worked per part-time employee per week} / 40$

$FTEs \text{ (from seasonal work)} = \text{total number of hours worked by all seasonal workers for the quarter} / 520$

- Some of the partners are having difficulty establishing which of their data sets to submit. This is because they are not sure whether all or only some of their data is relevant. For example although SACCOL has a total loan book of some R21 million only 5% of this is related to loans to SMMEs or HDEs, the rest is to individual persons (who happen to be mainly historically disadvantaged individuals (HDIs)). Some clarity needs to be given to the individual partners, mainly SACCOL, regarding which components of the total available data to include or exclude. Recommendations in this regard have been made in the section of the report devoted to SACCOL.



5.1.2. Availability and Implementation of PMP

All three of the partners audited as part of this DQC had different final versions of the PMP. The content differences between the various documents were, on the whole negligible, and mainly editorial in nature. However in one case a partner was using a PMP that defined FTEs in terms of a 35-hour work week as apposed to the rest that were using the 40 hour work week calculation. At implementation level however everyone was using a 40-hour work week basis. This is appropriate as the Basic Conditions of Employment Act stipulates that no working week may be more than 45 hours and Schedule 1 of the Act allows for a progressive reduction of the working week to 40 hours.

The PMP is being implemented in varying degrees by the various partners depending on the number of indicators they are reporting on. On the whole it was found that for the indicators being reported on the partners were able to report data, at the indicator level, with a high degree of validity and reliability. The same could not be said of the desegregations. In some cases the data available to the partners precluded them from establishing gender with any degree of reliability. Where applicable the issues related to desegregation have been addressed per partner. From USAID's perspective the lack of some desegregation data does not mean that the data does not exist, merely that it is not extractable. In practical terms USAID SO5 must therefore note that the data reported in the desegregations will usually represent an under-report. The magnitude of the under-report will be significant for partners such as SACCOL but not for CCA-ECI.

5.1.3. Editorial Issues

The version of the PMP submitted to the auditor (prior to the audit dated 7/14/04) has numerous editorial errors that require correction. The most significant of these are the following:

- Data Sources: the implementing partners listed in the PMP are not representative of the data being reported by the partners e.g. Deloitte reports no data under the 'more rapid growth of SMMEs' indicators or on the 'entrepreneurs receiving training' data point.
- Known data Limitations and Significance: Copy and paste errors exist such as a risk related to 'number of sales' being noted as 'rounding errors in terms of financial figures'. The limitation clearly belongs with the 'value of sales' indicator but has been copied across to the 'number of sales' indicator.
- Some sentences have not been completed and some abbreviations are incomplete e.g. SARS.

The editorial glitches do not, in any way, negate the value of the PMP, which is in essence an excellent document.



6. Data Quality Check-up Results

6.1. DQC Results for CCA-ECI

6.1.1. Summary (CCA-ECI)

The main changes experienced by CCA-ECI in the last year relate to the expansion of the PAL program and the need to integrate a new set of clients into their reporting system. They have integrated the large increase in data into their system seamlessly and efficiently. In general the data quality processes and procedures of the organization have improved significantly and are backed by a sound, reliable audit trail. The greatest data quality strengths of the organization are the:

- close-relationship between the consultants and clients;
- depth of supporting documentation for the reported indicators; and
- the TAMIS electronic database.

6.1.2. Reported Indicators (CCA-ECI)

As at the time of the audit CCA-ECI was reporting on all of the SO5 indicators namely:

- Indicator 5.0: net change in private sector employment of assisted enterprises
- Intermediate result 5.1: More rapid growth of SMMEs
 - Indicator 5.1.(a): Number of sales
 - Indicator 5.1.(b): Value of sales
 - Indicator 5.1.1.(a): Number of HD SMMEs assisted
 - Indicator 5.1.2.(a): Number of financial agreements supported
 - Indicator 5.1.2.(b): Value of financial accessed
- Intermediate result 5.2: Increased commercial viability of existing small and medium agribusiness
 - Indicator 5.2.(a): Number of sales
 - Indicator 5.2.(b): Value of sales
 - Indicator 5.2.1.(a): Number of HD small and medium agribusinesses assisted
 - Indicator 5.2.2.(a): Number of financial agreements supported
 - Indicator 5.2.2.(b): Value of financial accessed
- Data Point 1: SMME Entrepreneurs receiving training

6.1.3. Detailed Results of Review (CCA-ECI)

The completed Self-Evaluation, On-site Review and Compliance Plan for CCA-ECI are contained in Appendix G and the significant audit results are summarized in Table 1 below.

Table 1: High-risk areas noted at audit for CCA-ECI

Area of concern	Significant Audit findings
Measurement error	A small degree of error is introduced into the PAL data due to confusion that still exists as to what constitutes a sale at a livestock auction. The actual magnitude of the error is unknown but is probably insignificant. The direction of the error is towards an over-report. A compliance plan in this regard was raised.
Data manipulation	There is no quality control mechanism for the manipulation of primary data in the calculation of FTEs in the PAL project prior to entry into TAMIS. A compliance plan in this regard was raised.

6.1.4. Overall Findings and Recommendations (CCA-ECI)

The overall integrity, reliability and validity of the data produced from the various projects managed by CCA-ECI are of high quality and good reliance can be placed on the data. The following recommendations have been made to CCA-ECI:



- The two compliance plans (Appendix G) issued to CCA-ECI must be completed by the partner and signed off by USAID.
- Access to source data for quality control purposes would be improved by insisting that companies submit the audited annual financial statements to SAIBL. This would enable SAIBL to compare annual turnover to the figures reported by the company to ensure that no over-reporting occurs.
- By including an appropriate clause in the contract with the client SAIBL can assert its rights to view 'source documents' as part of its quality assurance process for managing the reliability of source data.
- In terms of the FTEs SAIBL must ensure that the formulae embedded in TAMIS are reflective of the current PMP from USAID. PAL must update its data manipulation and collection to match that of SAIBL in order to reduce manipulation errors in the field.
- For the purposes of data collection from auctions for the PAL project a transaction should be related to a seller and a buyer not a head of livestock. The current practice reduces the aggregation validity that takes place at USAID level. This will require re-training in the field and a revision of targets so as to more accurately reflect the nature of a transaction.

6.2. DQC Results for Deloitte

6.2.1. Summary (Deloitte)

The nature of the project managed by Deloitte has changed significantly in the last year, with the focus moving from privatization deals to giving assistance with the sale of white-owned farms and land to black equity owners. There has been **no improvement** in the quality of the data management system for this strategic partner since the DQA of 2003. There are still no specific tools for the collection of data, nor any specific system for the monitoring of data quality. Of great concern is the lack of any documentary supporting evidence, which can be used to demonstrate the origin of the numbers given in the reports to USAID. Although the volume of data collected by this partner is small, in comparison to the total data set used by the SO, this data originates from a project of significant political importance to the current South African arena due to its involvement in the transferal of land and equity from white farmers to black farmers. The nature of the project creates some specific difficulties for this partner in terms of data collection. These difficulties include the:

- Long-term nature of the transactions;
- Difficulties with accessing employment data from the farmers prior to the sale of the farm / land / equity;
- Difficulty with sourcing documentary evidence; and
- The complexities of obtaining data related to employment from the new owners following the transaction.

Another area related to data quality that needs to be reviewed is the target against which this partner is reporting. The high numbers for employment creation required of this partner do not take cognizance of the change in the nature of the project. In essence it has not been noted that, for example, the sale of a white-owned farm to new black owners does not create jobs; at best the net change will be zero. It is only when a new enterprise starts that significance positive net change occurs.

6.2.2. Reported Indicators (Deloitte)

As at the time of the audit Deloitte was reporting on the following SO5 indicators:

- Indicator 5.0: net change in private sector employment of assisted enterprises
- Intermediate result 5.2: Increased commercial viability of existing small and medium agribusiness
 - Indicator 5.2.(a): Number of sales
 - Indicator 5.2.(b): Value of sales
 - Indicator 5.2.1.(a): Number of HD small and medium agribusinesses assisted
 - Indicator 5.2.2.(a): Number of financial agreements supported
 - Indicator 5.2.2.(b): Value of financial accessed

The partner is able to report on these indicators but not on the desegregations given in the PMP as the data that is available at the moment does not give access to information such as gender. This could be addressed by revising the data collection methodology.



6.2.3. Detailed Results of Review (Deloitte)

The completed Self-Evaluation, On-site Review and Compliance Plan for Deloitte are contained in Appendix H. The significant audit results are summarized in Table 2 below.

Table 2: High-risk areas noted at audit for Deloitte

Area of concern	Significant Audit findings
Measurement error	Neither the direction nor magnitude of error is known for the data reported by this partner. This is due to the lack of documentary forms of evidence (records) to substantiate the numbers reported. Although the volume of data is small the errors may be significant due to the inherent time lags that occur in generating and / sourcing the data. The risk for an over-report is significant.
Consistency	Due to the lack of any formalized data collection tool, process consistency cannot be demonstrated.
Quality control measures	There is no system for the quality control of data; this is further evidenced by the lack of substantiating records.
Frequency	Time lags occur in this project and thus data is not always reportable in the nearest instant.

6.2.4. Overall Findings and Recommendations (Deloitte)

- The compliance plan (Appendix H) issued to Deloitte at audit, in respect of data collection, must be addressed in the nearest instance and the corrective actions taken by the partner signed off by USAID.
- This partner should collect the base-line data, related to employment, during the first encounter with the potential seller using a specifically designed data collection tool.
- Deloitte must collect and keep copies of the appropriate source documents to serve as an audit trail for the numbers it reports to USAID.
- In the report submitted to USAID, Deloitte must use the template for quantitative data reporting (Spreadsheet) so that USAID is better able to aggregate with accuracy.
- In the report submitted to USAID emphasis should be placed on the narrative as this forms an excellent source of qualitative information on the success of SO5 and which is highly relevant in the current South African political environment. The narrative should therefore differentiate between the relative importances of the strong qualitative data available in this project versus the poor quantitative data available.
- USAID needs to re-consider the employment targets given to Deloitte due to the change in the nature of the project.

6.3. DQC Results for SACCOL

6.3.1. Summary (SACCOL)

The Savings and Cooperative League of South Africa (SACCOL) is the national association for Savings and Credit Cooperatives (SACCOs) and Credit Unions in South Africa and is a relatively new reporting partner for SO5. Despite their newness in the USAID data quality system SACCOL has performed relatively well in the DQC. The main areas of concern are related to the relationship between the primary business activity of SACCOL and its relevance to SO5 and the ability of SACCOL to reduce its measurement and reporting errors.

One of the three primary functions of SACCOL is to provide development services to SACCOs in terms of offering training, advice and technical support. In essence it is the purpose of a SACCO to provide access to credit and savings to that sector of the population traditionally under-served by the formal banking environment. In practice the SACCOs give upwards of 90% of their loans for the purposes of satisfying personal needs such as school fees, groceries, debt consolidation etc and not for enterprise development or business needs. As all loans are given to individuals and not to enterprises this makes the relationship even more tenuous in terms of reporting for SO5. There is no doubt that the strengthening of the SACCOS is providing access to credit facilities to a portion of the population under serviced by the banking fraternity but this



does not imply that SMMEs benefit nor does it imply employment creation. When reviewing the data submitted by SACCOL, USAID must be cognizant of the actual nature of the business and thus must realize that there will be a large discrepancy between the value of the total loan book of SACCOL and that proportion which can be attributed to SMME activity.

6.3.2. Reported Indicators (SACCOL)

As at the time of the audit SACCOL was reporting on the following SO5 indicators:

- Intermediate result 5.1: More rapid growth of SMMEs
 - Indicator 5.1.1(a): Number of HD SMMEs assisted
 - Indicator 5.1.2(a): Number of financial agreements supported
 - Indicator 5.1.2(b): Value of finance accessed

The partner is able to report on these indicators but not on all of the desegregations given in the PMP as the data that is available at the moment does not give access to information such as gender and race. This would not be addressed even with a revision in the data collection methodology.

6.3.3. Detailed Results of Review (SACCOL)

The completed Self-Evaluation, On-site Review and Compliance Plan for SACCOL are contained in Appendix I. The significant audit results are summarized in Table 3 below.

Table 3: High-risk areas noted at audit for SACCOL

Area of concern	Significant Audit findings
Measurement error	<p>There are four (4) significant sources of measurement error within the current SACCOL data. These are:</p> <ol style="list-style-type: none"> 1. SACCOL currently only reports the data obtained from 7 of the 35 SACCOs. This is because the remaining SACCOs do not yet use the electronic reporting system CUBIS. Analysis of the end of year financial reports indicates that the 7 SACCOs reported against contribute between 70 and 80% of the total value of finance accessed. This translates to a potential under-report of 20-30%. 2. Of all the loans made by the SACCOs only 4-6% can be directly attributed to SMME activity or some other form of income-generating activity. The remaining 95% of loans are related to personal financial needs such as school fees, furniture, transport etc and thus do not relate to the intermediate result of 'more rapid growth of SMMEs'. Thus if total number of loans disbursed is included in the quantitative report then a potential 95% un-attributable error, as per the number of agreements and number of HDEs assisted, will occur due to the lack of the SMME component. This has a knock-on effect in terms of value of finance accessed. 3. The SACCOs do not track race-group as part of their normal business practice. However the location and nature of their client base indicates that the vast majority of clients are HDIs (Not HDEs as all loans are to individuals not companies). The potential over-report on HDIs due to the inclusion of non-HDIs is not quantifiable but is probably negligible. 4. An error rate of 5.4% exists for the internal transcription process that takes place when the data submitted by the SACCOs is transcribed onto the SACCOL spreadsheet. The error occurs as the activity takes place manually and no form of internal verification is used. A compliance plan was issued (Appendix I) for the rectification of this non-compliance. Transcription errors may account for a potential 5% over or under-report on all indicators.



Table 3: High-risk areas noted at audit for SACCOL *continued*

Area of concern	Significant Audit findings
Quality control	The quality control of the data collection and collation methodologies is to a large extent informal, despite the presence of ‘inspectors’. In addition no formal definitions, related to the ‘purpose of loan’ categories, have been given to the SACCOs by SACCOL for the data they collect in this regard and thus internal consistency in terms of data collected is at risk. ‘Inspectors’ are not trained in data quality methods and thus cannot verify these practices at the level of the SACCOs. In particular the lack of a specific definition for ‘loan reason’ precludes reliable data collection.

6.3.4. Overall Findings and Recommendations (SACCOL)

The measurement errors that exist in the data submitted to USAID can be relatively simply managed as the source data is of good integrity and is in essence reliable. The following recommendations were made to the partner for the improvement of reported data:

- SACCOL does not currently report on FTEs but is able to do so with good validity as the support offered to the SACCOs is resulting in growth of the micro-financing industry and this in turn is resulting in sustainable employment for the administrative staff of the SACCOs. As this growth can be directly attributed, SACCOL should report on FTEs for SACCO staff. The data can be sourced by SACCOL by including a relevant section in their form: ‘#2001: Monthly Reporting Compliance Requirement’.
- The quantitative data should be reported in the specific format and desegregations given by USAID in the PMP and associated spreadsheet template.
- SACCOL must include an explanatory note to its quantitative data that indicates that during the year only those SACCOs, which use CUBIS, are included in the reported data and that it is not possible to desegregate this data. Six months following the end of its financial year SACCOL is able to establish the exact arithmetic relationship between the number and value of agreements for the total SACCOL loan book versus the group of reporting SACCOs. This information is only of narrative use to USAID as it would require a manipulation of the total number and value of agreements based on an extrapolation from the percentage under-report and, seeing as no valid desegregation can occur, the exercise would be of little value.
- In its quantitative report SACCOL should only include that data, from its reporting SACCOs, which is SMME specific in order to reduce the non-attributable error. It would be prudent to include a narrative which looks at the ratio between the loans given to business-type activities and those given for personal non-business reasons in order to establish whether or not potential SMME growth is occurring. This would enable SACCOL to report on the total loan book and its ability to create financial access to those under serviced by the banking sector.
- The lack of desegregation into HDEs needs to be noted in the narrative to the report and an explanation given as to the potential error that this introduces.
- SACCOL is required to correct the transcription error as per the compliance plan and is to ensure that USAID signs off the corrective action.
- The SACCOs need to be provided with more specific definitions for the fields to be included in the ‘Loan Portfolio Information’ and in particular to the ‘Loan Type’ and ‘Loan Purpose’ components of CUBIS. The failure to do so prevents SACCOL from managing and reducing the non-attributable error.
- A more formalized system of internal quality control of the data and upgrading the skills of the ‘inspectors’ will improve the reliability of data and reduce the measurement errors.



7. Conclusions and Recommendations

The DQC has demonstrated that the revised PMP is a well-constructed valid document with clear definitions that lend themselves to good measurement practices. The indicators are clear and no revision of any of the indicators is warranted. The partners audited, with the exception of one, are essentially practicing data quality methods, which produce valid, complete, accurate and consistent information and which meet the requirements of the SO5 PMP. There are, hence, very few recommendations that need to be made.

7.1. USAID Level

Only minor recommendations are made at USAID level, these are:

- Revise the PMP for the elimination of editorial errors;
- Insert the calculation for FTEs in formulae style into the PMP;
- Update the 'Plan for Data Collection' and 'Data Quality Issues' sections of the PMP;
- Re-issue the **final version** of PMP to **all** implementing partners;
- Follow-up the compliance plans issued to the partners and ensure that action was taken by each partner to close the non-compliances raised;
- Insist that all partners submit their quantitative data in the spreadsheet format issued by USAID as this limits the reporting error; and
- Where indicated re-visit the targets set for the various partners to ensure they remain valid in light of project changes.

7.2. Implementing Partner Level

Only minor recommendations are made at partner level, these are:

- Partners need to confirm the relevance of their various data subsets before including the data in their quantitative reports;
- All partners must submit their quantitative data in the spreadsheet format supplied by USAID SO5;
- The compliance plans, issued to the different partners, must be attended to and then submitted to the SO5 office for signing off as approved; and
- All partners must ensure that they keep appropriate records to serve as an audit trail.

In conclusion this was an audit with a good result, which should re-assure USAID SO5 as to the quality of the data management practices of its implementing partners following the significant revisions of the SO5 PMP in 2003.

Postscript:

The auditor would like to express her thanks to the partners who willingly submitted the self-evaluations, on time, and in full, for the efforts they put into preparing documents for review for the audit, for their availability and willingness to engage and finally for their willingness to take constructive criticism in the interest of improving data quality.

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP
APPENDIX A: WORK PLAN

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

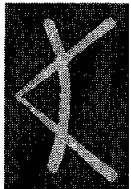
and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004

Khulisa



management
services



This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Key Personnel

Dr. P.A. Richards

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP

WORK PLAN

Submitted to:

USAID/South Africa

Prepared by

Khulisa Management Services (Pty) Ltd

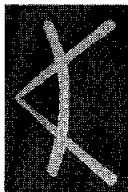
and

Megatech

Solicitation Number 0145-0504-PO-ME12

13 August 2004

Khulisa



management
services



GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

STRATEGIC OBJECTIVE 5 (SO5): DATA QUALITY CHECK-UP (DQC)

WORK PLAN (August 13, 2004)

1. OBJECTIVES AND SCOPE OF THE DQC

The primary purpose of this exercise is to assess how well the new reporting format based on the revised Performance Management Plan (PMP) for SO5 is working, and whether the data is being collected in a consistent manner. It is NOT the intention that this be a fully-fledged DQA activity but rather an interim review of the state of data quality following the original extensive DQA.

2. METHODOLOGY

2.1 DQC Methodology:

The basis to the methodology is to review data quality management at a systemic rather than indicator specific level. Thus partners will be asked to submit their self-evaluation report on the basis of an overview of their data management practices that are common to the projects that they are implementing. The focus of the on-site is to verify the self-analysis by means of a sampling of actual indicator specific data practices and to assist the partners with any data related issues they have raised in their self-evaluations.

Part One: The desktop review includes the following

- reviewing previous DQAs and the DQA criteria for good data management practices on the basis of information submitted in response to the Self-Evaluation Tool sent out to each partner organization;
- providing confirmation of whether any previous non-conformances have been closed out;
- determining whether the partners have mechanisms for the validation and verification of their data collection and reporting practices;
- planning the field work on the basis of the desk top review; and
- preparing the desk top review results for inclusion in the draft report.

Part Two: The fieldwork component includes:

- the logistical arrangements for the three (3) site visits;
- outlining the scope and purpose of each site visit;
- following standard on site audit practice which includes but is not limited to: explaining the anticipated roles and responsibilities of the involved parties and the proposed agenda to be followed; providing feedback to the partner on the check up data, quality review findings and compliance plan; evaluating submitted evidence with the partner representative; reconciling evidence submitted with the desk top review conducted; ensuring that sufficient evidence is retained by the implementing partners for USAID where proof of practice is required and recording the nature and conformance of evidence received on the external interim review.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

2.2 Sampling:

The partners listed in Table 1 will be included in the DQC exercise:

TABLE 1 – PARTNERS SUBJECT TO SO5 DQC

Partner	Project(s)	Representative(s)	Contact No.
CCA-ECI (Corporate Council on Africa - Ebony Consulting International)	<input type="checkbox"/> PAL (Promoting Agricultural Linkages) <input type="checkbox"/> SAIBL (South African International Business Linkages) <input type="checkbox"/> AGOA (African Growth and Opportunity Act) <input type="checkbox"/> SA-TRADE (South African Regional Trade)	ECI: Mr Sonny Tarr CCA: Mr Tim McCoy	Tel 011 802 0015 Fax 011 802 1101 sonny.tarr@eciafrica.com Tel 091 202 835 1115 Fax 091 202 835 1117 TmcCoy@afriacnci.org
Deloitte	<input type="checkbox"/> SARPP (South Africa Agriculture Restructuring and Privatization Project)	Ms Wendy Clements	Tel 011 806 5408 Tel 011 806 5400 Fax 011 806 5465 wcllements@deloitte.co.za
SACCOL (Savings and Credit Cooperative League of South Africa)	<input type="checkbox"/> Strategic Objective Partners	Mr David de Jong	Tel 021 418 7258 Fax 021 418 7263 info@saccol.org.za

2.3 Work Activities:

Given in Table 2 below is a schedule of activities/responsibilities for Dr Richards in chronological order:

TABLE 2 – WORK PLAN CALENDAR FOR SO5 DQC

No.	Date(s)	Timing	Activity
1.	13/08/2004	Milestone	Submission of Work Plan to Mega-Tech
2.	16/08/2004	1 day	Collection and collation of PMPs and previous DQA results
3.	20/08/2004	0.3 day	Sending of Self-Evaluation Tools to partners (plus follow-up to ensure return)
4.	25/08/2004	1 day	Analysis of completed Self-Evaluation results
5.	26/08/2004	0.2 day	Confirmation of logistical arrangements for visits to partners
6.	27/08/2004	1 day	On-site visit to SACCOL and preliminary preparation of partner compliance plan
7.	31/08/2004	1 day	On-site visit to CCA-ECI and preliminary preparation of partner compliance plan

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

No.	Date(s)	Timing	Activity
8.	01/09/2004	1 day	On-site visit to Deloitte and preliminary preparation of partner compliance plan
9.	02-03/09/2004	2 days	Collation and analysis of on-site visit findings
10.	06/09/2004	1 day	Preparation of draft report
11.	08/09/2004	Milestone	Submission of draft report to USAID via Mega-Tech
12.	17/09/2004	0.5 day	Meeting with Mega-Tech and USAID to clarify any issues
13.	01/10/2004	1 day	Final preparation of report
14.	04/10/2004	Milestone	Submission of final report to USAID
Total Days		Ten (10)	

3. REPORT OUTLINE

The report will be constructed using the following divisions and given to USAID, via Mega-Tech, for review and discussion

- Executive Summary
- Background
- Methodology
- Data Quality Check-Up
- Systems Findings
- Recommendations
- Appendices

Following the inclusion of any revisions deemed necessary in order to improve clarity the final report will be submitted to USAID via Mega-Tech.

4. WORKPLAN ATTACHMENTS

- 4.1 Letter to Partner Template
- 4.2 Self-Evaluation Tool Template
- 4.3 On-Site Review Tool Template
- 4.4 Partner Compliance Plan Template

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP
APPENDIX B: STANDARDIZED LETTERS TO IMPEMENTING
PARTNERS

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

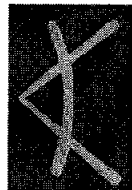
and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004

Khulisa



management
services



This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners

Khulisa Management Services
Dr PA Richards: Director of Compliance
26 7th Avenue
Parktown North
2193
011 447 6464

The Chief of Party

XXXX

XXXX

XXXX

4 October 2004

Re: STRATEGIC OBJECTIVE 5 (SO5): DATA QUALITY CHECK-UP (DQC)

1. Purpose of Exercise

Dr Penelope Anne Richards has been contracted by USAID, via Mega-Tech, to assess how well the new reporting format based on the revised Performance Management Plan (PMP) for SO5 is working, and whether the data is being collected in a consistent manner. As one of the implementing partners you have been selected to participate in this exercise. Please note that it is NOT the intention that this is to be a fully-fledged Data Quality Audit (DQA) but rather an interim review of the state of data quality following the original extensive DQA.

2. Methodology

The basis to the methodology is the review of data quality management at a systemic rather than indicator specific level. To this end two main activities will take place, namely:

- a) *A desktop evaluation:* As partners you are respectfully asked to submit a fully completed self-evaluation report (attached as an MSWord document) to Dr Richards **before close of business on the 20th of August 2004**. Submission must please be by electronic means and not by post or facsimile. Please complete the self-evaluation on the basis of an overview of the data management process that is common to all the projects that you are implementing and not per indicator that you are reporting on. Thus you need only submit one report.
- b) *An on-site visit:* Following receipt of your self-evaluation you will be visited on-site at your business premises on the **XXXX 2004**. The focus of the on-site is to verify the self-analysis by means of a sampling of actual indicator specific data practices and to assist you with any data related issues that you may have raised in your self-evaluations. During the on-site visit you will be assisted with the construction of a compliance plan if the need so arises.

.....continued on next page

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

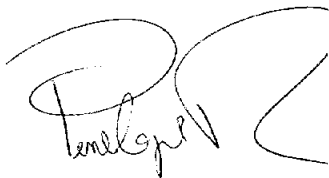
Contract No: 674-C-00-01-10051-0-PO-ME12

.....continued from page 1

Following the on-site visits the results from the exercise for all the partners, who were part of the exercise, will be collated, then analyzed and documented in a draft report for comment by USAID. Partners will have access to those elements of the report, which relate directly to them and shall have the opportunity to comment prior to the final report being submitted to USAID

Should you have any questions regarding the Data Quality Checkup please do not hesitate to contact Dr Richards on prichards@webamil.co.za. You are thanked, in advance, for your willingness to engage in this Data Quality Checkup and we are sure that, as in the past, all parties will gain great benefit from the exercise.

Yours sincerely,



Dr Penelope Anne Richards
Director: Compliance Division

Attachment:
Self-Evaluation Tool Template in MSWord format

Khulisa Management Services
Dr PA Richards: Director of Compliance
26 7th Avenue
Parktown North
2193
011 447 6464

The Chief of Party: Mr Sonny Tarr

CCA-ECI

Facsimile 011 802 1101

sonny.tarr@eciafrica.com

4 October 2004

Re: STRATEGIC OBJECTIVE 5 (SO5): DATA QUALITY CHECK-UP (DQC)

1. Purpose of Exercise

Dr Penelope Anne Richards has been contracted by USAID, via Mega-Tech, to assess how well the new reporting format based on the revised Performance Management Plan (PMP) for SO5 is working, and whether the data is being collected in a consistent manner. As one of the implementing partners you have been selected to participate in this exercise. Please note that it is NOT the intention that this is to be a fully-fledged Data Quality Audit (DQA) but rather an interim review of the state of data quality following the original extensive DQA.

2. Methodology

The basis to the methodology is the review of data quality management at a systemic rather than indicator specific level. To this end two main activities will take place, namely:

- a) *A desktop evaluation:* As partners you are respectfully asked to submit a fully completed self-evaluation report (attached as an MSWord document) to Dr Richards **before close of business on the 24th of August 2004**. Submission must please be by electronic means and not by post or facsimile. Please complete the self-evaluation on the basis of an overview of the data management process that is common to all the projects that you are implementing and not per indicator that you are reporting on. Thus you need only submit one report.
- b) *An on-site visit:* Following receipt of your self-evaluation you will be visited on-site at your business premises on the **31st August 2004**. The focus of the on-site is to verify the self-analysis by means of a sampling of actual indicator specific data practices and to assist you with any data related issues that you may have raised in your self-evaluations. During the on-site visit you will be assisted with the construction of a compliance plan if the need so arises.

.....continued on next page

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

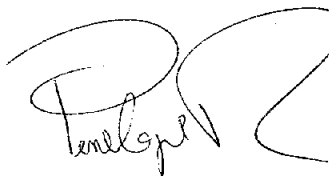
Contract No: 674-C-00-01-10051-0-PO-ME12

.....continued from page 1

Following the on-site visits the results from the exercise for all the partners, who were part of the exercise, will be collated, then analyzed and documented in a draft report for comment by USAID. Partners will have access to those elements of the report, which relate directly to them and shall have the opportunity to comment prior to the final report being submitted to USAID

Should you have any questions regarding the Data Quality Checkup please do not hesitate to contact Dr Richards on prichards@webmail.co.za. You are thanked, in advance, for your willingness to engage in this Data Quality Checkup and we are sure that, as in the past, all parties will gain great benefit from the exercise.

Yours sincerely,



Dr Penelope Anne Richards
Director: Compliance Division

Attachment:

Self-Evaluation Tool Template in MSWord format

Khulisa Management Services
Dr PA Richards: Director of Compliance
26 7th Avenue
Parktown North
2193
011 447 6464

The Chief of Party: Ms Wendy Clements

Deloitte

Facsimile 011 806 5465

wclements@deloitte.co.za

4 October 2004

Re: STRATEGIC OBJECTIVE 5 (SO5): DATA QUALITY CHECK-UP (DQC)

1. Purpose of Exercise

Dr Penelope Anne Richards has been contracted by USAID, via Mega-Tech, to assess how well the new reporting format based on the revised Performance Management Plan (PMP) for SO5 is working, and whether the data is being collected in a consistent manner. As one of the implementing partners you have been selected to participate in this exercise. Please note that it is NOT the intention that this is to be a fully-fledged Data Quality Audit (DQA) but rather an interim review of the state of data quality following the original extensive DQA.

2. Methodology

The basis to the methodology is the review of data quality management at a systemic rather than indicator specific level. To this end two main activities will take place, namely:

- a) *A desktop evaluation:* As partners you are respectfully asked to submit a fully completed self-evaluation report (attached as an MSWord document) to Dr Richards **before close of business on the 24th of August 2004**. Submission must please be by electronic means and not by post or facsimile. Please complete the self-evaluation on the basis of an overview of the data management process that is common to all the projects that you are implementing and not per indicator that you are reporting on. Thus you need only submit one report.
- b) *An on-site visit:* Following receipt of your self-evaluation you will be visited on-site at your business premises on the **1st September 2004**. The focus of the on-site is to verify the self-analysis by means of a sampling of actual indicator specific data practices and to assist you with any data related issues that you may have raised in your self-evaluations. During the on-site visit you will be assisted with the construction of a compliance plan if the need so arises.

.....continued on next page

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

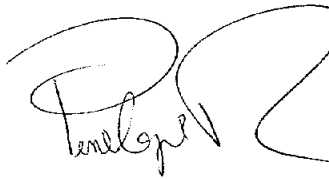
Contract No: 674-C-00-01-10051-0-PO-ME12

.....continued from page 1

Following the on-site visits the results from the exercise for all the partners, who were part of the exercise, will be collated, then analyzed and documented in a draft report for comment by USAID. Partners will have access to those elements of the report, which relate directly to them and shall have the opportunity to comment prior to the final report being submitted to USAID

Should you have any questions regarding the Data Quality Checkup please do not hesitate to contact Dr Richards on prichards@webmail.co.za. You are thanked, in advance, for your willingness to engage in this Data Quality Checkup and we are sure that, as in the past, all parties will gain great benefit from the exercise.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Penelope Anne Richards', with a large, stylized flourish extending to the right.

Dr Penelope Anne Richards
Director: Compliance Division

Attachment:
Self-Evaluation Tool Template in MSWord format

Khulisa Management Services
Dr PA Richards: Director of Compliance
26 7th Avenue
Parktown North
2193
011 447 6464

The Chief of Party: Mr David de Jong

SACCOL

Facsimile 021 418 7258

info@saccol.org.za

4 October 2004

Re: STRATEGIC OBJECTIVE 5 (SO5): DATA QUALITY CHECK-UP (DQC)

1. Purpose of Exercise

Dr Penelope Anne Richards has been contracted by USAID, via Mega-Tech, to assess how well the new reporting format based on the revised Performance Management Plan (PMP) for SO5 is working, and whether the data is being collected in a consistent manner. As one of the implementing partners you have been selected to participate in this exercise. Please note that it is NOT the intention that this is to be a fully-fledged Data Quality Audit (DQA) but rather an interim review of the state of data quality following the original extensive DQA.

2. Methodology

The basis to the methodology is the review of data quality management at a systemic rather than indicator specific level. To this end two main activities will take place, namely:

- a) *A desktop evaluation:* As partners you are respectfully asked to submit a fully completed self-evaluation report (attached as an MSWord document) to Dr Richards **before close of business on the 24th of August 2004**. Submission must please be by electronic means and not by post or facsimile. Please complete the self-evaluation on the basis of an overview of the data management process that is common to all the projects that you are implementing and not per indicator that you are reporting on. Thus you need only submit one report.
- b) *An on-site visit:* Following receipt of your self-evaluation you will be visited on-site at your business premises on the **27th August 2004**. The focus of the on-site is to verify the self-analysis by means of a sampling of actual indicator specific data practices and to assist you with any data related issues that you may have raised in your self-evaluations. During the on-site visit you will be assisted with the construction of a compliance plan if the need so arises.

.....continued on next page

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

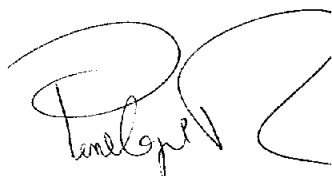
Contract No: 674-C-00-01-10051-0-PO-ME12

.....continued from page 1

Following the on-site visits the results from the exercise for all the partners, who were part of the exercise, will be collated, then analyzed and documented in a draft report for comment by USAID. Partners will have access to those elements of the report, which relate directly to them and shall have the opportunity to comment prior to the final report being submitted to USAID

Should you have any questions regarding the Data Quality Checkup please do not hesitate to contact Dr Richards on prichards@webmail.co.za. You are thanked, in advance, for your willingness to engage in this Data Quality Checkup and we are sure that, as in the past, all parties will gain great benefit from the exercise.

Yours sincerely,



Dr Penelope Anne Richards
Director: Compliance Division

Attachment:

Self-Evaluation Tool Template in MSWord format

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP
APPENDIX C: SELF-EVALUATION TOOL TEMPLATE

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

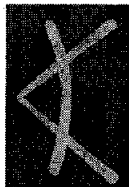
and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004

Khulisa



management
services



This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners

DATA QUALITY AUDIT (CHECK-UP) SELF-EVALUATION TOOL

Solicitation No: 0145-0504-PO-ME12	Review No: of
Auditor: Dr Penelope Anne Richards	Audit Date:
Partner:	Project(s):
Representative:	PMP Ref:

Table One: Previous Data Quality Audits

Criterion	Yes	No	Add any comments you feel are required
Have you being subject to a Data Quality Audit in the past?			
If applicable were any significant areas of non-compliance raised during the audit that related specifically to data practices in your organization?			
If yes, what were they and how have they been addressed?			

Table Two: Performance Monitoring Plan

Criterion	Yes	No	Add any comments you feel are required?
USAID SO5 PMP			
Do you have a copy of the SO5 PMP that was revised in October 2003?			
Have you fully implemented the SO5 PMP for the data collection for which you are responsible?			
If not please state reason.			
Has your organization developed and implemented a data management process that enables you to meet the requirements of the PMP?			
If yes, has this process been documented?			
If yes, has this process been subject to internal review?			
If yes, has this process been subject to external review?			

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three: Evaluation of implementation of SO5 PMP

Criterion	Yes	No	Comments
Definition			
Are the precise definitions as given in the PMP applied consistently in the data collection process?			
If not please state reasons.			
Desegregation			
Is the source data desegregated according to the criteria given in the PMP?			
If not please state reasons.			
Does data manipulation need to take place for desegregation for reporting purposes?			
If yes, please state how manipulation typically takes place.			
Data collection methodology			
Have specific procedures been developed for data collection as per the PMP?			
If not please state reasons.			
Has source data been tested for validity?			
Has source data been tested for reliability?			
Has source data been tested for integrity?			
Have updated performance data sheets been submitted to USAID?			
If not please state reasons.			
Has data been collected at the stated frequency?			
If not please state reasons.			
Has cost of data collection been as per the estimated cost given in the USAID SO5 PMP?			
If not please state reasons.			

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three *continued*: Evaluation of implementation of SO5 PMP

Criterion	Yes	No	Comments
Has any analysis of the data being conducted by your organization?			
If yes, please state what is the typical type of analysis e.g. descriptive statistics, inferential statistics etc			
Data quality issues			
Have any issues arisen that make you think that there may be a problem with data quality?			
If yes, please state what you think the problem is and whether the problem may be of a general nature or of a specific nature.			
Have any of the data limitations that are mentioned in the PMP resulted in higher than expected margins of error?			
If yes please state how this has been addressed and reported.			
Data storage			
Is the source data / primary data still accessible for review?			
If not please state where the source data can be accessed from and how quickly.			

Table Four: General data quality issues

<p>Please raise any general data quality issues, positive or negative, that you think are relevant.</p>
Empty space for user input

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP
APPENDIX D: ON-SITE REVIEW TOOL TEMPLATE

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

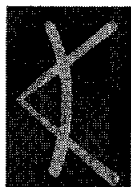
and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004

Khulisa



management
services



This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners

DATA QUALITY AUDIT (CHECK-UP) ON-SITE REVIEW TOOL

Solicitation No: 0145-0504-PO-ME12	Review No: of
Auditor: Dr Penelope Anne Richards	Audit Date:
Partner:	Project:
Representative:	PMP Ref:

Table One: Evaluation of validity

Criterion	Yes	No	Comments
Face Validity			
There is a sound relationship between the activity or program and the data being reported			
Measurement Error			
Data collection methodology is prescribed			
Data collectors are duly trained			
Data collection instruments do not introduce error			
Data collection instruments do not introduce bias			
Data collected cannot be influenced by personal agendas			
Data collected is representative of the whole			
Data set size is statistically relevant			
Transcription Error			
Transcription methodology is prescribed			
Transcription error rates are monitored			
Transcription errors are corrected			
Data Manipulation			
Manipulation methodology is prescribed			
Manipulation is consistently applied			
Manipulation inputs are monitored			
Manipulation outputs are monitored			
Errors in manipulation are corrected			

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Two: Evaluation of reliability

Criterion	Yes	No	Comments
Consistency			
Data collection, collation and manipulation practices are consistent over time			
Quality Control Measures			
Data quality parameters are defined			
Data quality processes are documented			
Data collection is quality controlled			
Data collation is quality controlled			
Data manipulation is quality controlled			
Mechanisms are in place to manage out of control data			
Mechanisms are in place to report on data quality			

Table Three: Evaluation of timeliness

Criterion	Yes	No	Comments
Frequency			
There is an appropriate schedule of data collection			
Currency			
Data is reported in the nearest instant			
Records of the date(s) of data collection are kept			

Table Four: Evaluation of precision

Criterion	Yes	No	Comments
Margin of error			
Margin of error for collection is established			
Margin of error for transcription is established			
Margin of error for manipulation is established			
Error reduction methods are established			
Error reduction efforts are monitored			

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Five: Evaluation of integrity

Criterion	Yes	No	Comments
Ethical principles			
Mechanisms are in place to ensure that data cannot be manipulated for political or personal reasons			
Collected data is tamperproof			
Final reports cannot be further manipulated			
Security mechanisms			
Stored data (hard copy) is secure			
Stored data (electronic copy) is secure			

Table Six: Evaluation of data source types

Criterion	Yes	No	Comments
Source type			
The data source type has been identified			
Data source credibility is established			
Risk management			
Source type associated risks are defined			
Mechanisms are in place to reduce data source type risks			

Table Seven: General comments

General Comments

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP
APPENDIX E: COMPLIANCE PLAN TOOL TEMPLATE

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

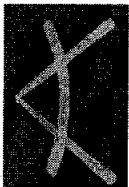
and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004

Khulisa



management
services



This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners

DATA QUALITY AUDIT (CHECK-UP) COMPLIANCE PLAN

Solicitation No: 0145-0504-PO-ME12	Compliance Plan Serial No: of
Auditor: Dr Penelope Anne Richards	Audit Date:
Partner:	Project:
Representative:	PMP Ref:
DETAILS OF NONCONFORMANCE:	
Criterion:	
Evidence:	
Finding:	
RECOMMENDED ACTIONS TO BE TAKEN TO PREVENT RECURRENCE:	
Proposed close out date:	
Signed: _____ (Auditor)	Date: _____
Signed: _____ (Partner, Representative)	Date: _____
ACCEPTANCE OF RECOMMENDATION / COMMENTS:	
Signed: _____ (USAID Representative)	Date: _____

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP
APPENDIX F: LIST OF PERSONS CONTACTED

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

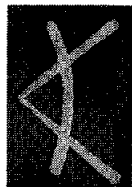
and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004

Khulisa



management
services



This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

USAID South Africa

100 Totius Street
Groenkloof EXT 5
Pretoria, 0027
Room 241

**Ms Joann Feldman Lawrence,
Program Officer**

Program and Project Development Office
(012) 452-2268 (Tel)
(012) 452-2399 (Fax)
(083) 443-6606 (Mobile)
jlawrence@usaid.gov

Mega-Tech, Inc.

Bank Forum Building
Lobby 1, Second Floor
337 Bronkhorst Street
New Muckleneuk
Pretoria, 0181

Ms Barbara De Groot, Chief of Party

(012) 452-0062 (Tel)
(012) 452-0070 (Fax)
(083) 968-0557 (Mobile)
bdegroot@intekom.co.za

Deloitte & Touche Tohmatsu

Emerging Markets
One Woodland Drive
Building 17, Second Floor
Woodmead
Private Bag X6
Gallo Manor
2052

Ms Wendy L. Clements, Chief of Party

(011) 806-5408 (Tel)
(082) 924-5561 (Mobile)
wcllements@deloitte.co.za

Ebony Consulting International (ECI)

Maple Place North, Ground Floor
Momentum Park
145 Western Service Road
Woodmead, 2148
PO Box 409
Woodmead
2144

Mr Sonny Tarr, Project Director

(011) 802-0015 (Tel)
(011) 802-1101 (Fax)
(083) 271-3678 (Mobile)
sonny_tarr@dai.com

**Savings and credit Cooperative League of
South Africa**

Theobult House
Theobult Square
Cape Town

Mr David de Jong; Chief of Party

021 418 7258
021 418 7263
info@saccol.org.za

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP
APPENDIX G: CCA-ECI AFRICA DQC

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

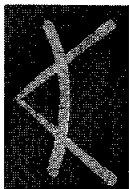
and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004

Khulisa



management
services



This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners

DATA QUALITY AUDIT (CHECK-UP)
SELF-EVALUATION TOOL

Solicitation No: 0145-0504-PO-ME12	Review No: 1 of 3
Auditor: Dr Penelope Anne Richards	Audit Date: 31 st August 2004
Partner: CCA / ECI Africa	Project(s): SAIBL
Representative: Mr GP (Sonny) Tarr	PMP Ref: SO5 October 2003

Table One: Previous Data Quality Audits

Criterion	Yes	No	Add any comments you feel are required
Have you being subject to a Data Quality Audit in the past?	v		
If applicable were any significant areas of non-compliance raised during the audit that related specifically to data practices in your organization?	v		A major non-conformity referred to the client's perception on employment created and transactions attributed to SAIBL efforts.
If yes, what were they and how have they been addressed?			USAID advised that we collect all data and attribution will be done by USAID

Table Two: Performance Monitoring Plan

Criterion	Yes	No	Add any comments you feel are required?
USAID SO5 PMP			
Do you have a copy of the SO5 PMP that was revised in October 2003?	v		
Have you fully implemented the SO5 PMP for the data collection for which you are responsible?	v		
If not please state reason.			
Has your organization developed and implemented a data management process that enables you to meet the requirements of the PMP?	v		
If yes, has this process been documented?	v		
If yes, has this process been subject to internal review?	v		
If yes, has this process been subject to external review?		v	

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three: Evaluation of implementation of SO5 PMP

Criterion	Yes	No	Comments
Definition			
Are the precise definitions as given in the PMP applied consistently in the data collection process?	v		
If not please state reasons.			
Desegregation			
Is the source data desegregated according to the criteria given in the PMP?	v		All records are checked by Consultant for accuracy, prior to entering data on Tamis
If not please state reasons.			
Does data manipulation need to take place for desegregation for reporting purposes?		v	
If yes, please state how manipulation typically takes place.			
Data collection methodology			
Have specific procedures been developed for data collection as per the PMP?	v		Data collection sheets (reporting form) are continuously being improved upon.
If not please state reasons.			
Has source data been tested for validity?	v		} Only signed data collection sheets are accepted for reporting.
Has source data been tested for reliability?	v		
Has source data been tested for integrity?	v		
Have updated performance data sheets been submitted to USAID?	v		
If not please state reasons.			
Has data been collected at the stated frequency?	v		Data is being collected quarterly
If not please state reasons.			
Has cost of data collection been as per the estimated cost given in the USAID SO5 PMP?	v		However if all data collections are to be verified with Clients Financial Records, costs would far exceed USAID estimated costs.
If not please state reasons.			

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three *continued*: Evaluation of implementation of SO5 PMP

Criterion	Yes	No	Comments
Has any analysis of the data being conducted by your organization?	v		Information is analyzed to give details required by the PMP.
If yes, please state what is the typical type of analysis e.g. descriptive statistics, inferential statistics etc			Quarterly data obtained is compared with the previous quarter.
Data quality issues			
Have any issues arisen that make you think that there may be a problem with data quality?		v	But we have introduced a system to prevent double counting where leverage with the Tourism Enterprise Project has taken place.
If yes, please state what you think the problem is and whether the problem may be of a general nature or of a specific nature.			
Have any of the data limitations that are mentioned in the PMP resulted in higher than expected margins of error?	Possible		There could be limitations due to the detail being required.
If yes please state how this has been addressed and reported.			By continuous simplification and improvement of forms.
Data storage			
Is the source data / primary data still accessible for review?	v		
If not please state where the source data can be accessed from and how quickly.			

Table Four: General data quality issues

Please raise any general data quality issues, positive or negative, that you think are relevant.
<p>We are concerned that the DQA revealed a major non-conformity in employment created and transactions achieved by Clients attributed to SAIBL. Any exercise to verify the data collected would incur major costs and be time consuming, as we would have to compare the data with the Clients Financial and Employment records. We believe there is no reason for a Client or Consultant to inflate or deflate figures. A measure of trust exists between client and consultant. However spot checks are done when Consultants visit Clients on a continuous basis.</p> <p>USAID advised that we should collect information on all transactions achieved and net employment created. USAID will in turn do the attribution.</p>

DATA QUALITY AUDIT (CHECK-UP) ON-SITE REVIEW TOOL

Solicitation No: 0145-0504-PO-ME12	Review No: 1 of 3
Auditor: Dr Penelope Anne Richards	Audit Date: 31 st August 2004
Partner: CCA-ECI	Project: SAIBL/PAL
Representative: Mr GP (Sonny) Tarr	PMP Ref: SO5 PMP October 2003

Table One: Evaluation of validity

Criterion	Yes	No	Comments
Face Validity			
There is a sound relationship between the activity or program and the data being reported	✓		There is a high degree of validity between the nature of SAIBL and PAL activities to the data that is being collected. Attribution to funded activities directly is not done but rather the totals supplied by the companies assisted are given. Considering the activities this is valid.
Measurement Error			
Data collection methodology is prescribed	✓		All data that is collected is done on a self-reported basis and thus it is not possible to prescribe data collection methodology at source. Data collection at consultant level is prescribed and forms part of the normal work activities of the consultants.
Data collectors are duly trained	✓		As the clients collect data they are dependant on the training they receive at they beginning of the contracts.
Data collection instruments do not introduce error	✓	✓	Collection instruments are standardized and formulated so that minimal error is introduced. There is concern regarding the definition of a sale for the auctions and is raised as a compliance plan.
Data collection instruments do not introduce bias	✓		Instruments for collection are formulated so that inherent bias is not introduced, as far as is possible, by the nature of the instrument.
Data collected cannot be influenced by personal agendas	✓		Good progress has been made, particularly in PAL, to minimize personal agenda influence on the data.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table One: Evaluation of validity *continued*

Criterion	Yes	No	Comments
Data collected is representative of the whole	✓		As the aim is to collect the whole, representative data is assured and thus statistically relevant and appropriate.
Data set size is statistically relevant	✓		
Transcription Error			
Transcription methodology is prescribed	✓		Standardized transcription practices which are checked at both input and output level.
Transcription error rates are monitored	✓		Although error rates are not formally monitored the practice of transcription is monitored and thus error can be identified. At audit it was demonstrated that error is most likely negligible.
Transcription errors are corrected	✓		Transcription errors when identified are corrected by the data control persons.
Data Manipulation			
Manipulation methodology is prescribed	✓		For SAIBL all manipulation takes place within the confines of the electronic data system TAMIS and is thus contained in the electronic script. For PAL some manipulation takes place at the level of the source data. The method for manipulation in this case is prescribed.
Manipulation is consistently applied		✓	Manipulation in terms of the calculation of FTEs could not be demonstrated at audit for the PAL project as the manipulation takes place prior to the data being submitted and thus consistency is not guaranteed.
Manipulation inputs are monitored	✓	✓	There is some inconsistency in the internal quality control mechanisms for the monitoring of manipulation inputs for the FTEs. This will be addressed by the changing over to the SAIBL system by PAL.
Manipulation outputs are monitored	✓		Routine monitoring of manipulations at the output level.
Errors in manipulation are corrected	✓	✓	Yes, when they are noted, no when they are not. This is an area where the organization can improve its data handling.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Two: Evaluation of reliability

Criterion	Yes	No	Comments
Consistency			
Data collection, collation and manipulation practices are consistent over time	✓		However, the changes to the PMP from USAID have resulted in some changes. Further minor changes will take place but these will not affect validity or reliability of data negatively.
Quality Control Measures			
Data quality parameters are defined	✓		Defined as per the PMP.
Data quality processes are documented		✓	No specific documents other than the USAID PMP are used, but this suffices for the organization's needs. It is of concern that the version of the PMP held by the organization is not the latest being used by USAID.
Data collection is quality controlled	✓		Data is controlled at source by the consultants and the field staff.
Data collation is quality controlled	✓		Collation takes place at a middle management level prior to final data capture.
Data manipulation is quality controlled	✓	✓	Only in so far as formulae which exist within the system of TAMIS. Where formulae are not embedded the quality control of manipulation is not guaranteed. This resulted in some error being noted at audit although the magnitude of the error was negligible.
Mechanisms are in place to manage out of control data	✓	✓	Only when the out of control data is noted is it controlled by the field workers or consultants. No flags exist in the system for the automation of an out of control report. The implementation of such a report would not be cost-effective nor significantly reduce any risk associated with this criterion.
Mechanisms are in place to report on data quality	✓		Normal business processes allow for the reporting of data quality issues.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three: Evaluation of timeliness

Criterion	Yes	No	Comments
Frequency			
There is an appropriate schedule of data collection	✓		Specific data collection schedules exist and are made known to the reporting clients.
Currency			
Data is reported in the nearest instant	✓	✓	Yes for PAL, no for SAIBL where there exists a time lag for the first three quarters but which is caught up in the fourth quarter. This is due to the nature of self-reported data.
Records of the date(s) of data collection are kept	✓		Every data set that is entered into TAMIS is backed by a data record sheet, which is dated.

Table Four: Evaluation of precision

Criterion	Yes	No	Comments
Margin of error			
Margin of error for collection is established	✓	✓	Although not calculated specifically there is an awareness of the nature of collection errors. There is an indication that there might be a minor under-report but that the magnitude of the error is minimal.
Margin of error for transcription is established	✓		Not formally calculated but demonstrated by the return of data sheets and requests for correction. Is of negligible effect.
Margin of error for manipulation is established		✓	This is an area, which requires addressing in the PAL project. The margin of error for the manipulation of data in the creation of the FTEs from Part-time and seasonal Work cannot be measured as the calculation takes place prior to the data being entered into TAMIS. Significant errors may exist which could be greater than the change being measured. A compliance plan is issued in this respect.
Error reduction methods are established	✓	✓	Yes for SAIBL by means of TAMIS, no for PAL in terms of FTEs.
Error reduction efforts are monitored		✓	No formalized monitoring of error reduction efforts takes place at present.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)
Contract No: 674-C-00-01-10051-0-PO-ME12

Table Five: Evaluation of integrity

Criterion	Yes	No	Comments
Ethical principles			
Mechanisms are in place to ensure that data cannot be manipulated for political or personal reasons	✓		There is no incentive scheme which would result in data being manipulated for personal reasons.
Collected data is tamperproof		✓	Due to the self-reported nature and the use of hard copy it is always possible to tamper with submitted data. However there is no indication that this is an issue as no benefit is to be gained by any party for tampering with data.
Final reports cannot be further manipulated	✓	✓	Yes in so far as only the data controller can change data once finally entered
Security mechanisms			
Stored data (hard copy) is secure	✓		Relatively but is dependant on person storing the hard copies.
Stored data (electronic copy) is secure	✓		Yes, normal electronic security system.

Table Six: Evaluation of data source types

Criterion	Yes	No	Comments
Source type			
The data source type has been identified	✓		Primary data on the whole.
Data source credibility is established	✓		Credible although self-reported.
Risk management			
Source type associated risks are defined	✓		Mainly associated with self-reported nature.
Mechanisms are in place to reduce data source type risks	✓		'Spot checks' manage inherent risks.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Seven: General comments

General Comments
<p>1. There has been a significant improvement in general data quality mechanisms from last year to date.</p> <p>2. Access to source data for quality control purposes would be improved by insisting that companies submit the audited annual financial statement to SAIBL. This would enable SAIBL to compare annual turnover to the figures reported by the company to ensure that no over-reporting occurs.</p> <p>3. By including an appropriate clause in the contract with the client SAIBL can assert its rights to view 'source documents' as part of its quality assurance process for managing the reliability of source data. In addition SAIBL could reserve the rights to reclamation of funds expended should it demonstrate that willful over-reporting has taken place.</p> <p>4. In terms of the FTEs SAIBL must ensure that the formulae embedded in TAMIS are reflective of the current PMP from USAID. PAL must update its data manipulation and collection to match that of SAIBL in order to reduce manipulation errors in the field.</p> <p>5. For the purposes of data collection from auctions for the PAL project a transaction should be related to a seller and a buyer not a head of livestock. The current practice reduces the aggregation validity that takes place at USAID level. This will require re-training in the field and a revision of targets so as to more accurately reflect the nature of a transaction.</p>

DATA QUALITY AUDIT (CHECK-UP) COMPLIANCE PLAN

Solicitation No: 0145-0504-PO-ME12	Compliance Plan Serial No: 1 of 2	
Auditor: Dr Penelope Anne Richards	Audit Date: 31 st August 2004	
Partner: CCA-ECI	Project: PAL	
Representative: Mr S Tarr	PMP Ref: SO5 October 2003	
DETAILS OF NONCONFORMANCE:		
Criterion: <i>Consistency of application of definitions can be demonstrated in the data collection process.</i>		
Evidence: <i>The definition of sale for the livestock auction environment is not consistently reflective of the seller-buyer relationship but in some cases is reflective of the heads of livestock sold.</i>		
Finding: <i>The direction of the error is towards an over-report although the magnitude of the error is unknown.</i>		
RECOMMENDED ACTIONS TO BE TAKEN TO PREVENT RECURRENCE:		
<i>It is suggested that PAL sample 10% of the data sheets from the livestock auctions to establish the extent of the error. Training for data collectors in the correct application of the definition is required. If significant error is noted this must be reported in the narrative for the next quarterly report. PAL may need to consider adjusting its targets in this regard to match the change in the application of the definition.</i>		
Proposed close out date: Immediate		
Signed:	(Auditor)	Date:
Signed:	(Partner. Representative)	Date:
ACCEPTANCE OF RECOMMENDATION / COMMENTS:		
Signed:	(USAID Representative)	Date:

DATA QUALITY AUDIT (CHECK-UP) COMPLIANCE PLAN

Solicitation No: 0145-0504-PO-ME12	Compliance Plan Serial No: 2 of 2
Auditor: Dr Penelope Anne Richards	Audit Date: 31 st August 2004
Partner: CCA-ECI	Project: PAL
Representative: Mr S Tarr	PMP Ref: SO5 October 2003
DETAILS OF NONCONFORMANCE:	
<p>Criterion: <i>Data manipulation is quality controlled.</i></p> <p>Evidence: <i>There is no quality control mechanism for the manipulation of primary data in the calculation of FTEs for part time and seasonal work. This is because the manipulation takes place prior to entry in TAMIS and is assumed to be correct.</i></p> <p>Finding: <i>An unknown margin of error, which may well be significant due to the nature of employment in the agricultural sector, is being introduced into the data due to the manipulation to FTEs taking place prior to data entry.</i></p>	
RECOMMENDED ACTIONS TO BE TAKEN TO PREVENT RECCURANCE:	
<p><i>It is suggested that PAL move over to the SABL system for both the data collection and manipulation of data for the establishment of FTEs. An internal audit of current data for accuracy and reliability in terms of FTEs for the part-time and seasonal work is warranted.</i></p>	
Proposed close out date: Immediate	
Signed:	(Auditor)
Signed:	(Partner. Representative)
ACCEPTANCE OF RECOMMENDATION / COMMENTS:	
Signed:	(USAID Representative)

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP
APPENDIX H: DELOITTE DQC

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

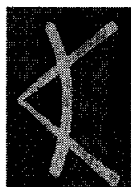
and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004

Khulisa



management
services



This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners

DATA QUALITY AUDIT (CHECK-UP) SELF-EVALUATION TOOL

Solicitation No: 0145-0504-PO-ME12	Review No: 2 of 3
Auditor: Dr Penelope Anne Richards	Audit Date: 01 September 2004
Partner: Deloitte Emerging Markets	Project(s): SARPP
Representative: Ms Wendy Clements	PMP Ref: SO5 October 2004

Table One: Previous Data Quality Audits

Criterion	Yes	No	Add any comments you feel are required
Have you being subject to a Data Quality Audit in the past?	✓		
If applicable were any significant areas of non-compliance raised during the audit that related specifically to data practices in your organization?			<i>Auditor comment: Significant data quality issues were raised but this has not been addressed in the self-evaluation.</i>
If yes, what were they and how have they been addressed?			

Table Two: Performance Monitoring Plan

Criterion	Yes	No	Add any comments you feel are required?
USAID SO5 PMP			
Do you have a copy of the SO5 PMP that was revised in October 2003?	✓		
Have you fully implemented the SO5 PMP for the data collection for which you are responsible?	✓		
If not please state reason.			
Has your organization developed and implemented a data management process that enables you to meet the requirements of the PMP?	✓		
If yes, has this process been documented?		✓	
If yes, has this process been subject to internal review?			<i>Auditor comment: left blank in self-evaluation</i>
If yes, has this process been subject to external review?			<i>Auditor comment: left blank in self-evaluation</i>

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three: Evaluation of implementation of SO5 PMP

Criterion	Yes	No	Comments
Definition			
Are the precise definitions as given in the PMP applied consistently in the data collection process?		✓	
If not please state reasons.			Nature of the project has changed since definitions were developed
Desegregation			
Is the source data desegregated according to the criteria given in the PMP?	✓		
If not please state reasons.			
Does data manipulation need to take place for desegregation for reporting purposes?	✓		
If yes, please state how manipulation typically takes place.			<i>Auditor comment: left blank in self-evaluation</i>
Data collection methodology			
Have specific procedures been developed for data collection as per the PMP?	✓		
If not please state reasons.			
Has source data been tested for validity?	✓		
Has source data been tested for reliability?	✓		
Has source data been tested for integrity?	✓		
Have updated performance data sheets been submitted to USAID?		✓	
If not please state reasons.			Only required at end of fiscal year (Sep 04)
Has data been collected at the stated frequency?	✓		
If not please state reasons.			
Has cost of data collection been as per the estimated cost given in the USAID SO5 PMP?		✓	
If not please state reasons.			Very time consuming, some projects not responsive

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)
Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three *continued*: Evaluation of implementation of SO5 PMP

Criterion	Yes	No	Comments
Has any analysis of the data being conducted by your organization?	✓		
If yes, please state what is the typical type of analysis e.g. descriptive statistics, inferential statistics etc			Trends analysis
Data quality issues			
Have any issues arisen that make you think that there may be a problem with data quality?		✓	
If yes, please state what you think the problem is and whether the problem may be of a general nature or of a specific nature.			
Have any of the data limitations that are mentioned in the PMP resulted in higher than expected margins of error?		✓	
If yes please state how this has been addressed and reported.			
Data storage			
Is the source data / primary data still accessible for review?	✓		
If not please state where the source data can be accessed from and how quickly.			

Table Four: General data quality issues

Please raise any general data quality issues, positive or negative, that you think are relevant.
<p>The definitions were based on a privatization project; we now do primarily commercial agriculture projects so the definitions of market related sustainable job creation are less relevant to what we are doing.</p> <p>My primary clients are the historically disadvantaged, but the data is not collected from them, but from white farmers, financial institutions, etc. who are less responsive to data requests.</p>

DATA QUALITY AUDIT (CHECK-UP) ON-SITE REVIEW TOOL

Solicitation No: 0145-0504-PO-ME12	Review No: 2 of 3
Auditor: Dr Penelope Anne Richards	Audit Date: 1 st September 2004
Partner: Deloitte	Project: SARPP
Representative: Ms Wendy Clements	PMP Ref: SO5 PMP October 2003

Table One: Evaluation of validity

Criterion	Yes	No	Comments
Face Validity			
There is a sound relationship between the activity or program and the data being reported	✓		The nature of the project has changed and now involves the transfer of mainly private land (farming) and equity to black owners (usually workers). There is a high degree of validity between the project and the number and value of transactions but not with employment. In the agri-sector net increases in employment will occur if a new enterprise is started. For sales of existing enterprises at best a zero change occurs. There is always the risk of a negative net change. This means that a revision of employment targets for this partner is warranted. The movement of equity into HDI hands is best reported as a case analysis in the narrative.
Measurement Error			
Data collection methodology is prescribed		✓	There is no specific data collection methodology or specific data collectors. No specific instrument has been designed to collect the required information, particularly with regards employment at the beginning of the interaction. This is raised as a compliance plan.
Data collectors are duly trained		✓	
Data collection instruments do not introduce error	N/A		
Data collection instruments do not introduce bias	N/A		
Data collected cannot be influenced by personal agendas	N/A		
Data collected is representative of the whole	✓		All transactions are included in the data and thus the whole is represented and thus statistically relevant.
Data set size is statistically relevant	✓		

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table One: Evaluation of validity *continued*

Criterion	Yes	No	Comments
Transcription Error			
Transcription methodology is prescribed	✓	✓	As the numbers involved in the project are extremely small there is no need for a specific transcription process. A spreadsheet with the relevant data for all transactions in progress is available and data is transferred from source documents, emails, and conversations into the spreadsheet.
Transcription error rates are monitored	✓	✓	
Transcription errors are corrected	✓	✓	
Data Manipulation			
Manipulation methodology is prescribed	N/A		No manipulation of data takes place. At present even the FTEs are not calculated. This can be improved by sourcing the employment data at the first intervention with the seller and checking the data with the buyer at the time of transfer.
Manipulation is consistently applied	N/A		
Manipulation inputs are monitored	N/A		
Manipulation outputs are monitored	N/A		
Errors in manipulation are corrected	N/A		

Table Two: Evaluation of reliability

Criterion	Yes	No	Comments
Consistency			
Data collection, collation and manipulation practices are consistent over time	✓		Although these are consistent they are not backed by a consistent document-audit trail. This is due to the difficulty of sourcing information and documents from the sellers and buyers.
Quality Control Measures			
Data quality parameters are defined		✓	There has been no specific data quality control measures put in place most likely due to the intimate nature of the project and the small numbers of clients involved. Data collection and collation does require quality control and this can be managed by the implementation of a simple reporting format using a simple standardized template.
Data quality processes are documented		✓	
Data collection is quality controlled		✓	
Data collation is quality controlled		✓	
Data manipulation is quality controlled	N/A		
Mechanisms are in place to manage out of control data		✓	
Mechanisms are in place to report on data quality	✓	✓	As per normal quarterly report.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)
Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three: Evaluation of timeliness

Criterion	Yes	No	Comments
Frequency			
There is an appropriate schedule of data collection		✓	There is no specific schedule for data collection as this is dependant on when the transactions take place. The nature of this project means that some data will only become available long after the initial contact takes place and thus there exist significant lag times.
Currency			
Data is reported in the nearest instant	✓		As and when the data is available.
Records of the date(s) of data collection are kept		✓	Not specifically but a spreadsheet of the reported data and project in progress is kept.

Table Four: Evaluation of precision

Criterion	Yes	No	Comments
Margin of error			
Margin of error for collection is established		✓	Due to the nature of the project it has not been possible to calculate the margins of error. As the numbers of client involved are small and can be backed by copies of loan agreements, transfer documents and other suitable source documents there is no reason for the margins of error to be nil. At present the magnitude of margin of error is unknown.
Margin of error for transcription is established		✓	
Margin of error for manipulation is established		✓	
Error reduction methods are established		✓	
Error reduction efforts are monitored		✓	

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Five: Evaluation of integrity

Criterion	Yes	No	Comments
Ethical principles			
Mechanisms are in place to ensure that data cannot be manipulated for political or personal reasons	✓		The difficulty with this is the fact that much of the data must be sourced from the seller, usually the white farmer. Although nothing is to be gained by reporting false data, nothing is to be gained by reporting the data at all and thus response rates are low and data is difficult to source.
Collected data is tamperproof	✓		Yes, if backed by the copy of a legal document.
Final reports cannot be further manipulated	N/A		No specific collection instrument or report other than the USAID quarterly report.
Security mechanisms			
Stored data (hard copy) is secure	✓		As per the normal office procedures. There is a lack of suitable auditable documents to verify the accuracy of the reported numbers.
Stored data (electronic copy) is secure	✓		As per normal office procedures. No database involved. Security not an issue.

Table Six: Evaluation of data source types

Criterion	Yes	No	Comments
Source type			
The data source type has been identified	✓		Primary data related to actual transfer of equity and land to recipients. Only the employment data is reported as secondary data.
Data source credibility is established	✓		
Risk management			
Source type associated risks are defined	✓		Main risk is associated with willingness of seller to provide data and of buyer to submit data following closure of transaction.
Mechanisms are in place to reduce data source type risks		✓	This can be improved by the implementation of the standardized data collection method.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Seven: General comments

General Comments
<p>1. The targets for net employment created require review as the nature of the industry involved in this project precludes the creation of large numbers of positions. Within the narrative report from Deloitte the successes in terms of retaining employment figures during a transaction needs to be emphasized.</p> <p>2. The audit trail in the form of supporting documentation requires attention, as at present it is not possible at audit to verify the quantitative data. It is important for USAID to recognize that the greatest value of this project is not in the numbers it generates but in its support of the transfer of farmland and equity into the hands of HDIs. This needs emphasis in the narrative to the reports submitted by Deloitte.</p> <p>3. The collection of base-line data for each transaction should occur at the first encounter by means of a standardized tool. This can then be used to ensure that the correct supporting documents are sourced and the changes can be noted at the time of transfer. This simple mechanism will greatly improve the quality control of data.</p>

DATA QUALITY AUDIT (CHECK-UP) COMPLIANCE PLAN

Solicitation No: 0145-0504-PO-ME12	Compliance Plan Serial No: 1 of 1	
Auditor: Dr Penelope Anne Richards	Audit Date: 1 st September 2004	
Partner: Deloitte	Project: SARPP	
Representative: Ms W Clements	PMP Ref: SO5 October 2003	
DETAILS OF NONCONFORMANCE:		
Criterion: <i>Data collection methodology is prescribed and consistently applied.</i>		
Evidence: <i>There is no specific data collection methodology or specific data collectors. No specific instrument has been designed to collect the required information, particularly with regards employment at the beginning of the interaction. There is a lack of supporting documentation to verify the data.</i>		
Finding: <i>The lack of a specific collection instrument or methodology results in difficulty creating a suitable audit trail for the numbers reported.</i>		
RECOMMENDED ACTIONS TO BE TAKEN TO PREVENT RECCURANCE:		
<i>The collection of base-line data for each transaction should occur at the first encounter by means of a standardized tool. This can then be used to ensure that the correct supporting documents are sourced and the changes can be noted at the time of transfer. This simple mechanism will greatly improve the quality control of data.</i>		
Proposed close out date: Immediate		
Signed:	(Auditor)	Date:
Signed:	(Partner, Representative)	Date:
ACCEPTANCE OF RECOMMENDATION / COMMENTS:		
Signed:	(USAID Representative)	Date:

USAID SOUTH AFRICA SO5 DATA QUALITY CHECK-UP
APPENDIX I: SACCOL DQC

Auditor:

Dr. P.A. Richards

Submitted to:

USAID/South Africa

by

Khulisa Management Services (Pty) Ltd

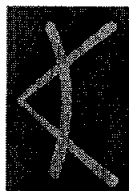
and

Megatech

Solicitation Number 0145-0504-PO-ME12

04 October 2004

Khulisa



management
services



This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners

DATA QUALITY AUDIT (CHECK-UP) SELF-EVALUATION TOOL

Solicitation No: 0145-0504-PO-ME12	Review No: 3 of 3
Auditor: Dr Penelope Anne Richards	Audit Date: 27 th August 2004
Partner: SACCOL	Project(s): Strategic Objective Partner
Representative: Mr D. de Jong	PMP Ref: SO5 October 2003

Table One: Previous Data Quality Audits

Criterion	Yes	No	Add any comments you feel are required
Have you being subject to a Data Quality Audit in the past?		√	
If applicable were any significant areas of non-compliance raised during the audit that related specifically to data practices in your organization?			
If yes, what were they and how have they been addressed?			

Table Two: Performance Monitoring Plan

Criterion	Yes	No	Add any comments you feel are required?
USAID SO5 PMP			
Do you have a copy of the SO5 PMP that was revised in October 2003?	√		
Have you fully implemented the SO5 PMP for the data collection for which you are responsible?		√	
If not please state reason.			There is always room for improvement
Has your organization developed and implemented a data management process that enables you to meet the requirements of the PMP?	√		<ol style="list-style-type: none"> 1. Collate data reports from various computerized SACCOs from loan agreements 2. Input into spreadsheet
If yes, has this process been documented?		√	
If yes, has this process been subject to internal review?	√		
If yes, has this process been subject to external review?	√		

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three: Evaluation of implementation of SO5 PMP

Criterion	Yes	No	Comments
Definition			
Are the precise definitions as given in the PMP applied consistently in the data collection process?		√	
If not please state reasons.			1. SACCO do not track race (HD), as their membership is mostly black 2. Not all loans are for SMME. Have attempted to disaggregate SMME loans from Number of Financial agreements supported.
Desegregation			
Is the source data desegregated according to the criteria given in the PMP?		√	Please refer to point above
If not please state reasons.			
Does data manipulation need to take place for desegregation for reporting purposes?		√	SACCOL is currently reporting on only 7 of its established SACCOs results in an attempt not to extrapolate figures
If yes, please state how manipulation typically takes place.			
Data collection methodology			
Have specific procedures been developed for data collection as per the PMP?		√	
If not please state reasons.			1. There is a report SACCOs are meant to submit but don't. 2. The process then results in us "phoning around"
Has source data been tested for validity?		√	In process
Has source data been tested for reliability?		√	In process
Has source data been tested for integrity?		√	In process
Have updated performance data sheets been submitted to USAID?	√		Submitted with each quarterly report
If not please state reasons.			

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)
Contract No: 674-C-00-01-10051-0-PO-ME12

Table Three continued: Evaluation of implementation of SO5 PMP

Criterion	Yes	No	Comments
Has data been collected at the stated frequency?	√		
If not please state reasons.			
Has cost of data collection been as per the estimated cost given in the USAID SO5 PMP?		√	
If not please state reasons.			Not been calculated
Has any analysis of the data being conducted by your organization?		√	
If yes, please state what is the typical type of analysis e.g. descriptive statistics, inferential statistics etc			
Data quality issues			
Have any issues arisen that make you think that there may be a problem with data quality?	√		
If yes, please state what you think the problem is and whether the problem may be of a general nature or of a specific nature.			From 1 SACCO in particular, extremely high loans for one item The data integrity of the computerized reports is of concern
Have any of the data limitations that are mentioned in the PMP resulted in higher than expected margins of error?			<i>Auditor note: no information supplied</i>
If yes please state how this has been addressed and reported.			
Data storage			
Is the source data / primary data still accessible for review?	√	√	
If not please state where the source data can be accessed from and how quickly.			Data source is located in our various SACCOs and not centralized. A phone call away Consolidated information is kept at SACCOL

Table Four: General data quality issues

Please raise any general data quality issues, positive or negative, that you think are relevant.
<i>Auditor note: Nil issues raised</i>

DATA QUALITY AUDIT (CHECK-UP)
ON-SITE REVIEW TOOL

Solicitation No: 0145-0504-PO-ME12	Review No: 3 of 3
Auditor: Dr Penelope Anne Richards	Audit Date: 27 th August 2004
Partner: SACCOL	Project: Strategic Objective Partner
Representative: Mr David de Jong	PMP Ref: SO5 PMP October 2003

Table One: Evaluation of validity

Criterion	Yes	No	Comments
Face Validity			
There is a sound relationship between the activity or program and the data being reported	✓		The tracking of the number of loans made and their value are the primary functions of the organization thus allowing for a high degree of validity.
Measurement Error			
Data collection methodology is prescribed	✓		Data that is reported to USAID is collected from the CUBIS reports (Credit Union Banking Information System). The minimum data fields are prescribed but the programme allows extra fields in terms of reasons for loan to be inserted by the co-operatives.
Data collectors are duly trained	✓		Data is collected at the co-operatives by the relevant administrators, all of whom are trained to do so. Initially data collection takes place manually so that the underlying principles are understood. Only later, and when the expertise and infrastructure is available does data collection makes use of CUBIS. At present only 7 out of 35 co-operatives are using CUBIS and thus SACCOL is only reporting against these 7.
Data collection instruments do not introduce error		✓	CUBIS does allow for additional fields related to loan reason to be inserted and thus some duplication errors are introduced. These duplication errors do not produce double counting errors but do result in the need for manual review and aggregation being needed.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Criterion	Yes	No	Comments
Data collection instruments do not introduce bias		✓	As there is no internal PMP for operation of CUBIS data collectors can interpret and define the various loan reasons differently from each other.
Data collected cannot be influenced by personal agendas	✓		All data is subject to external financial audit. No profit is to be gained from misrepresentation.
Data collected is representative of the whole		✓	Only data from 7 of 35 co-operatives is reported and although this represents 70–80% of the total book value it does mean that the sample is only representative of the most active elements within the league. The non-representative nature of the sample does not affect the value of data for the indicators reported on.
Data set size is statistically relevant	✓		Represents at least 70% of whole. Extrapolation to whole possible at the end of each financial year although this would significantly affect reliability.
Transcription Error			
Transcription methodology is prescribed	✓		Although not formally documented the organization uses a standardized method each quarter for the transcription of data from the 7 submitted CUBIS reports into the SACCOL data Excel spreadsheet.
Transcription error rates are monitored		✓	No monitoring of transcription error rates has taken place and the rate was calculated to be 5.4% at audit. The rate of transcription error is unacceptable due to ease with which it can be corrected.
Transcription errors are corrected		✓	As at the time of audit no transcription errors had been corrected. The use of a simple internal check will eliminate the errors noted.
Data Manipulation			
Manipulation methodology is prescribed	N/A	N/A	No extrapolation or statistical manipulation takes place. Data is reported as is following simple arithmetic aggregation of totals from the 7 reporting co-operatives.
Manipulation is consistently applied			
Manipulation inputs are monitored			
Manipulation outputs are monitored			
Errors in manipulation are corrected			

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Two: Evaluation of reliability

Criterion	Yes	No	Comments
Consistency			
Data collection, collation and manipulation practices are consistent over time	✓		Standardized collection and collation practices due to the use of CUBIS. Additional reporting requirements change marginally over time to reflect better understanding of donor requirements.
Quality Control Measures			
Data quality parameters are defined		✓	Data quality parameters are not defined.
Data quality processes are documented		✓	Data quality processes are not documented.
Data collection is quality controlled	✓		Collection of data is being quality controlled by means of inspections carried out by a team of regional inspectors. What the actual level of skills of these inspectors is with regards understanding quality was not demonstrated at audit.
Data collation is quality controlled		✓	Collation not quality assured as demonstrated by transcription errors picked up and calculated at audit.
Data manipulation is quality controlled	N/A	N/A	No data manipulation takes place
Mechanisms are in place to manage out of control data	✓		There are mechanisms to identify data that is out of the ordinary.
Mechanisms are in place to report on data quality		✓	Not noted at audit.

Table Three: Evaluation of timeliness

Criterion	Yes	No	Comments
Frequency			
There is an appropriate schedule of data collection	✓		Data forms collected monthly from the co-operatives. CUBIS data submitted quarterly from the 7 reporting co-operatives in accordance with the MFRC reporting requirements.
Currency			
Data is reported in the nearest instant	✓		As per MFRC requirements.
Records of the date(s) of data collection are kept	✓		Dates included in CUBIS report.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Table Four: Evaluation of precision

Criterion	Yes	No	Comments
Margin of error			
Margin of error for collection is established	✓		The measure of error of data collection is known as the total loan disbursements for all the co-operatives together are established at the end of each financial year. As only 7 of the 35 co-operatives are used in the report it is possible to calculate error from the percentage difference between the 7 reported and the 35 total at the end of the fiscal year. The margin of error is approximately 25% under-reporting.
Margin of error for transcription is established		✓	This was only established at audit and was noted to be 5.4%.
Margin of error for manipulation is established	N/A	N/A	No manipulations take place.
Error reduction methods are established	✓	✓	Error reduction and reduction monitoring takes place in so far as the inspectorate evaluates the data at source. Transcription error has no current reduction methodology or evaluation methodology.
Error reduction efforts are monitored	✓	✓	

Table Five: Evaluation of integrity

Criterion	Yes	No	Comments
Ethical principles			
Mechanisms are in place to ensure that data cannot be manipulated for political or personal reasons	✓		As the CUBIS software is banking software it is tamperproof in that once the entry is made it becomes a permanent record, which cannot be changed or tampered with.
Collected data is tamperproof	✓		
Final reports cannot be further manipulated	✓		
Security mechanisms			
Stored data (hard copy) is secure	✓		All original contracts and personal files are kept at the co-operatives. These are only as secure as the administration is good at the co-operative. The inspectors do evaluate the security of documentation on site.

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)

Contract No: 674-C-00-01-10051-0-PO-ME12

Criterion	Yes	No	Comments
Stored data (electronic copy) is secure	✓		As per the nature of CUBIS. An electronic backup is to be taken off-site from the co-operatives each day by a designated staff member so that in the event of a data disaster due recovery can be made.

Table Six: Evaluation of data source types

Criterion	Yes	No	Comments
Source type			
The data source type has been identified	✓		Highly reliable primary source of data in form of the signed loan agreements and cheque payouts against approved credit amount.
Data source credibility is established	✓		Credibility established by means of third party financial audit each year-end.
Risk management			
Source type associated risks are defined	N/A	N/A	No source risks due to primary data nature. All data sources traceable if required and kept as part of GAAP requirements.
Mechanisms are in place to reduce data source type risks			

Table Seven: General comments

General Comments	
1.	The organization does not report FTEs but can do so as the support of the co-operatives is allowing them to grow and this is resulting in increased sustainable employment for the administration staff of the co-operatives. This growth is directly attributable and thus can be reported.
2.	SACCOL must only report the data, which can specifically be shown at audit to be related to the SMMEs and not that which is related to personal debt management. In the narrative report the relationship between the Total Loan book and that, which is attributable to SMME activity, should be discussed so that the development of the SMME sector can be assessed.
3.	As only 7 of the 35 co-operative's data is included in the quarterly reports, the total annual figure, if taken as an aggregate of the quarters will demonstrate upwards of a 25% under-report. This can be noted in the narrative but cannot be aggregated quantitatively due to the absence of supporting and valid CUBIS evidence.
4.	Internal quality control mechanisms related to improving understanding of definitions related to loan purpose, as well as to transcription errors require attention.

DATA QUALITY AUDIT (CHECK-UP) COMPLIANCE PLAN

Solicitation No: 0145-0504-PO-ME12	Compliance Plan Serial No: 1 of 1
Auditor: Dr Penelope Anne Richards	Audit Date: 27 th August 2004
Partner: SACCOL	Project: Strategic Objective Partner
Representative: Mr D. de Jong	PMP Ref: SO5 October 2003
<p>DETAILS OF NONCONFORMANCE:</p> <p>Criterion: <i>Transcription errors are monitored and corrected.</i></p> <p>Evidence: <i>Transcription error from the submitted CUBIS reports to the data collation Excel spreadsheet was unknown until time of audit during which it was calculated to be 5.4%.</i></p> <p>Finding: <i>Although within the total acceptable range, knowing that this partner already has a potential 25% under-reporting figure, the additional 5.4% under-report transcription error increases this to over 30%. The transcription error can be corrected simply without cost implications.</i></p>	
<p>RECOMMENDED ACTIONS TO BE TAKEN TO PREVENT RECCURANCE:</p> <p><i>A simple internal check of the 7 CUBIS reports against a printout of the Excel spreadsheet will reduce this error to 0%. A separate person to that who collates the speadsheet should carry this out.</i></p>	
Proposed close out date: Immediate	
Signed: <i>Mr de Jong (Not signed, electronic copy)</i> (Auditor)	Date: 27/08/2004
Signed: <i>Dr Richards (Not signed, electronic copy)</i> (Partner. Representative)	Date: 27/08/2004
<p>ACCEPTANCE OF RECOMMENDATION / COMMENTS:</p> 	
Signed: (USAID Representative)	Date:

GENERAL MANAGEMENT ASSISTANCE CONTRACT (GMAC)
Contract No: 674-C-00-01-10051-0-PO-ME12

This report was prepared under Mega-Tech, Inc.'s prime agreement with
USAID and addresses USAID/South Africa's Strategic Objective No. 5:
Data quality check-up of the data quality assessment processes and procedures of USAID/South Africa's
Strategic Objective 5 partners