



CDC's Country Management and Support Initiative

Report Summary for December 2011 Country Management and Support Visit to Ethiopia

Background

As the U.S. science-based public health and disease prevention agency, the Centers for Disease Control and Prevention (CDC) plays an important role in implementing the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) under the direction of the Department of State Office of the U.S. Global AIDS Coordinator. CDC uses its technical expertise in public health science and long-standing relationships with Ministries of Health across the globe to work side-by-side with countries to build strong national programs and sustainable public health systems that can respond effectively to the global HIV/AIDS epidemic. All CDC global HIV/AIDS PEPFAR-related activities are implemented by the Division of Global HIV/AIDS (DGHA) in CDC's Center for Global Health.

CDC's Commitment to Accountability

CDC/DGHA launched the Country Management and Support (CMS) initiative in 2011 to identify any challenges resulting from the rapid scale-up of complex PEPFAR/CDC programming as part of CDC's commitment to transparency and accountability. This initiative serves as a basis for ongoing, monitored quality improvement of CDC/DGHA's programs and operations through internal programmatic and financial oversight. CMS is a proactive response on the part of CDC to ensure that CDC/DGHA is supporting the Presidential Initiatives, Department of State, and Office of the U.S. Global AIDS Coordinator. The CMS strategy is designed to assess CDC/DGHA's accountability in the following key areas:

- **Intramural Resources:** Ensuring proper management and stewardship of financial resources, property, and human resources within CDC's overseas offices
- **Extramural Funding:** Ensuring responsible and accurate management of financial and other resources external to CDC's overseas offices
- **Public Health Impact:** Ensuring the delivery of consistently high quality interventions and technical assistance that positively impact the populations the program serves

Ethiopia Country Management and Support Visit

CDC/DGHA conducted a CMS visit to the CDC country office in Ethiopia from December 12-16, 2011. The principal objectives of this CMS visit were to:

- Perform a CDC/DGHA headquarters assessment of internal controls in the field to ensure the highest level of accountability
- Provide clear feedback and support to the country office to improve current internal controls
- Refine, systematize, and modify CMS methodologies, processes, and associated tools for full implementation of the CMS across all CDC/DGHA-supported programs in the field

CDC/DGHA headquarters (CDC/HQ) in Atlanta, Georgia assembled an intra-agency multidisciplinary team of ten subject matter experts in the following areas to perform the CMS assessment: country management and operations, program budget and extramural management, procurements and grants, financial management, science, and key technical program areas (e.g., strategic information).

CMS Methodology

The CMS team conducted a five-day visit to the CDC/DGHA office in Ethiopia (CDC/Ethiopia), which included reviews of financial documents, administrative and technical site visits with grantees, one-on-one meetings with staff, data quality spot checks, and reviews of internal financial controls at CDC and grantee offices. Assessment tools and checklists were developed by CMS leadership in consultation with subject matter experts at CDC/HQ. This methodology was designed to provide a “point in time” synopsis of CDC/Ethiopia’s operations.

Scope

CMS visits are designed to provide an overview of CDC/DGHA country programs and identify best practices and areas for improvement. These visits should not be considered comprehensive and are not intended to replace Inspector General audits. The scope of this CMS visit focused only on the CDC/DGHA portfolio of global HIV/AIDS activities implemented through PEPFAR.

Program Background

CDC/DGHA began supporting Ethiopia in 2001 with the opening of the CDC/Ethiopia office. CDC/Ethiopia engages with local grantees to provide technical expertise and support to scale-up country-owned programs in blood safety, male circumcision, behavioral change communications, prevention of mother-to-child transmission (PMTCT), TB/HIV, pediatric and adult antiretroviral treatment, laboratory infrastructure, and strategic information.

Summary of Key Findings & Recommendations

Program Administration and Technical Oversight

Country Operations. Overall, staff morale was high due to strong leadership in CDC/Ethiopia, but high inflation and knowledge of considerably higher grantee salaries created a nearly universal dissatisfaction with compensation among locally employed staff. CDC/Ethiopia’s standard operating procedure for staff development and training is comprehensive and understood by staff.

Technical Program Areas. CDC/Ethiopia has strong and effective relationships with grantees and stakeholders, particularly with the Ministry of Health. Co-location with the Ethiopian Health and Nutrition Research Institute has strengthened collaboration in the areas of surveillance and laboratory. Staff from CDC/Ethiopia actively participate in the national HIV technical workgroups which contribute to the development of national strategy and guidelines. PEPFAR/Ethiopia recently completed a portfolio realignment which will allow U.S. government agencies to more efficiently and effectively support Ethiopia’s national AIDS response, through better alignment with the agencies’ comparative technical and institutional strengths.

Science Office. Responsibilities for scientific activities and functions are shared among senior technical staff. CDC’s Procurement and Grants Office and DGHA’s Program Budget and Extramural Management Branch forms are used to guide and document technical and human subjects review of funding opportunity announcements, new awards, and continuation applications. CDC/Ethiopia technical staff have completed the required scientific ethics training. Technical staff work closely with the Partner Management Group to track restrictions and work with CDC-funded grantees to comply with recommended actions to lift restrictions. CDC/Ethiopia staff did not report major challenges with scientific processes and functions either in-country or at CDC/HQ.

Program Management

Procurement and Grants. CDC's Procurement and Grants Office staff visited six grantees during the course of the Ethiopia CMS visit. The state of internal controls varied considerably among the grantees with some having very strong systems in place to properly account for U.S. Government funds and others needing improvement. Two of the six grantees visited did not have documentation of recent audits by an independent public accountant.

Recommendations:

- CDC/HQ Grants Management Specialist should send electronic copies and website information for 45 CFR Part 74 as reference material for each grantee
- CDC's Procurement and Grants Office should follow-up with grantees to obtain the necessary audits

Program Budget and Extramural Management. In general, CDC/Ethiopia is managing the budget and extramural funding well. CDC/Ethiopia's budget system and budget reports exceed expectations. Budget reports provide a cumulative summary of previous fiscal years in addition to the current fiscal year. Although CDC/Ethiopia manually tracks all property in Excel, they need to ensure that appropriate staff have access to and are working toward updating and resolving outstanding issues in the Property Management Information System. CDC/Ethiopia has a cooperative agreement management system in place including a grants action tracking database and standard operating procedures for many grants management actions. Growth in the partner management group from one to three staff has allowed CDC/Ethiopia to recently move from a reactive to a proactive model of support. Grantees feel supported by CDC/Ethiopia as well as CDC/HQ, and comment that staff are very engaged, knowledgeable, and accessible.

Financial Management

Based on CDC's Financial Management Office's (FMO) limited review, CDC internal controls appear to be adequate. Locally employed budget and financial staff members were very knowledgeable of both Department of State and CDC/Ethiopia procedures and are committed to ensuring that procedures are in place and followed. The process for managing petty cash operations at the CDC field office aligns with Department of State established procedures. Petty cash funds are being reconciled on a regular basis, and the CDC Deputy Director performs routine and unannounced cash counts. CDC/Ethiopia has also established routine procedures for unliquidated obligations and open advances; however, additional follow-up is needed with Embassy Financial Management Staff to ensure appropriate actions are being taken to clear these transactions.

Recommendation:

- CDC/Ethiopia should continue to routinely review unliquidated obligations and open advances and follow-up with Embassy FMO staff to ensure appropriate action to clear transactions in a timely manner

Next Steps

The CMS team shared their key findings and recommendations with the CDC/Ethiopia office and CDC/HQ. The team also developed a scorecard for internal management use, which is populated with all of the issues identified during the visit, recommendations, due dates, and primary point of contact for each issue.