



# CDC's Country Monitoring and Accountability System II

## Country Monitoring and Accountability System Visit to Malawi – January 28-February 1, 2013 Summary of Key Findings and Recommendations

### Introduction

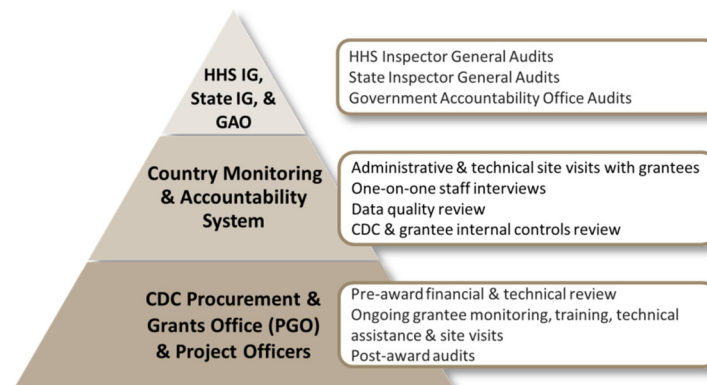
As the U.S. science-based public health and disease prevention agency, the Centers for Disease Control and Prevention (CDC) plays an important role in implementing the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) under the direction of the Department of State's (DOS) Office of the U.S. Global AIDS Coordinator (OGAC). CDC uses its technical expertise in public health science and long-standing relationships with Ministries of Health (MOH) 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. CDC global HIV/AIDS PEPFAR-related activities are implemented by the Division of Global HIV/AIDS (DGHA) in CDC's Center for Global Health. PEPFAR activities represent the largest portfolio of global health activities at CDC.

### CDC's Country Monitoring and Accountability System

CDC/DGHA launched the Country Monitoring and Accountability System (CMAS) in 2011 to identify challenges resulting from the rapid scale-up of complex CDC/PEPFAR programming as a part of CDC's commitment to transparency and accountability. This initiative serves as a basis for ongoing, monitored quality improvement of DGHA's programs and operations through internal programmatic and financial oversight. CMAS is a proactive response on the part of CDC to: 1) ensure accountability for global programs and proper stewardship of U.S. government resources by promoting explicit performance standards and defining expectations for bringing all components of program accountability up to the highest standards; 2) ensure DGHA is supporting DOS, OGAC, and the Presidential Initiatives; 3) serve as a basis for ongoing, monitored quality improvement; and 4) effectively prepare CDC for future oversight audits, congressional inquiries, and special data calls.

### CDC Commitment to Accountability

*Ensures optimal public health impact and fiscal responsibility*



*CDC also maintains a Global Management Council chaired by CDC's Chief of Staff which meets regularly to address cross-cutting issues related to the management and oversight of CDC's global programs.*

The CMAS strategy was designed to systematically assess CDC's accountability and proper stewardship of U.S. government resources and provide feedback on key business and program operations 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

The first round of CMAS visits (formally known as Country Management and Support visits - CMS I) took place between February 2011 and March 2012 and assessed 35 country offices. A second round of CMAS visits (CMAS II) evaluated 30 country offices and one pilot. A few CMAS II visits were cancelled due to political unrest. CMAS II assessments occurred between June 2012 and June 2014 and increasingly emphasized supportive technical assistance to ensure continual quality improvement. In addition to the focus on CDC's PEPFAR program activities, CDC's Office of the Chief Financial Officer reviewed financial transactions for CDC's other global health programs.

### Scope

CMAS II visits were designed to provide an overview of CDC country programs and identify good practices and areas for improvement. While the scope of these visits was primarily focused on CDC/DGHA's activities implemented through PEPFAR, other CDC global health programs were assessed in countries where they have a significant presence. Financial management activities were assessed for all CDC programs in-country. CMAS II visits were not considered comprehensive, nor were they intended to replace Inspector General audits.

### Objectives

DGHA conducted a CMAS II visit to Malawi from January 28-February 1, 2013. The principal objectives of this visit were to:

- Perform a CDC headquarters assessment of internal controls in the field to ensure the highest level of accountability;
- Review intramural and extramural resource management to ensure financial stewardship of U.S. government funds;
- Generate a multidisciplinary snapshot of how CDC country offices are performing regarding programmatic effectiveness in the areas of AIDS-Free Generation Strategy, site visits, and data driven programs to ensure DGHA is achieving the greatest public health impact; and
- Provide clear feedback and technical assistance to the country office to improve current internal controls.

### Methodology

CDC headquarters in Atlanta assembled a multidisciplinary team of nine CDC subject matter experts in the following areas to perform the CMAS II assessment: financial management, program budget and extramural

resources, grants management, country management and operations, and key technical program areas.

The CMAS II team conducted a five-day visit to the CDC/DGHA office in Malawi (CDC/Malawi). Following the core CMAS II visit, CDC's Procurement and Grants Office provided additional technical assistance in grants management. Team members reviewed financial and administrative documents at CDC/Malawi and grantee offices and conducted administrative and technical grantee site visits, one-on-one meetings with staff, and data quality spot checks. Subject matter experts developed assessment tools and checklists at CDC headquarters in consultation with CDC field staff representatives. A standardized assessment instrument gauged performance using a four-level capability maturation scoring scale. Team members provided additional recommendations for quality improvement and noted good practices observed during the visit that will be shared across DGHA country programs. This methodology provides a "point-in-time" synopsis of CDC/Malawi's operations.

## Background on Country Program

CDC has been working in Malawi since 2001. PEPFAR is the U.S. government's principal development investment in Malawi and the largest health program. PEPFAR is committed to supporting Malawi's public and non-public sectors to bring treatment services to the community level; strengthen HIV prevention programs; scale-up voluntary medical male circumcision; mitigate the impact of HIV on children; and build the capacity of public health institutions. With PEPFAR support, approximately 65% of the eligible population (at CD4 count threshold of 350) are now receiving antiretroviral therapy, and 75% of pregnant women attending antenatal care sites are receiving services for prevention of mother-to-child transmission.

## Summary of Key Findings and Recommendations

### Accountability for Intramural Resources

#### Country Operations and Human Resource Management

##### Major Achievements

During the course of the week, the CMAS II team interviewed all 24 locally employed and U.S. direct hire staff. Overall, job satisfaction was quite high. The staff commended CDC/Malawi leadership for technical expertise, dedication, inclusiveness, and approachability. In both interviews and the online survey, respondents recognized efforts to groom locally employed staff for career advancement. At the time of the CMAS II assessment, there were four direct hire locally employed staff that could perform inherently governmental duties and two who supervised U.S. direct hires.

CDC/Malawi consolidated the CDC Center for Global Health's "Guide to Global Operations" and country-specific procedures into a comprehensive manual for both technical and administrative operations. In addition to the official personnel files maintained at the U.S. Embassy by DOS, CDC/Malawi established its own comprehensive electronic personnel files that are kept up to date and are properly protected. In the past year, phone tree exercises, security and occupational safety, and health inspections were carried out.

### Major Challenges

Many staff indicated that they struggle with how to prioritize heavy workloads, competing demands, and short deadlines. Under these conditions, staff found it challenging to maintain a healthy balance between work and family life. The majority of staff felt that the organizational structure (characterized by a somewhat “flat” organogram) does not facilitate teamwork or collaboration across closely related disciplines. As a result, some staff report that they are unable to take full advantage of their colleagues’ rich knowledge and expertise.

Almost all Personal Services Agreements for locally employed staff of CDC/Malawi were between the employee and DOS. While the U.S. Embassy’s Human Resource staff ensured that new Personal Services Agreements were executed between the employee and CDC/Malawi, they were understaffed and unable to update older agreements.

### Recommendations

- Incorporate prioritization of tasks into the agenda of standing one-on-one meetings between supervisors and their direct reports.
- Secure the assistance of a facilitator with organizational design expertise to perform a review. An outside facilitator can lessen the burden of such an exercise on internal staff and can provide a neutral perspective on improvements that could facilitate collaboration and coordination across teams.
- Identify a CDC/Malawi staff member who could assist the U.S. Embassy’s Human Resource Office with revising the Personal Services Agreements for CDC staff.

### Financial Resource Management

#### Major Achievements

Through interviews and document review, the CMAS II team found that locally employed budget and financial staff members are very knowledgeable of both Department of State and CDC/Malawi procedures. They demonstrated commitment to ensuring adequate procedures are in place and followed.

The U.S. Embassy’s Financial Management Officer and General Services Officer expressed that CDC leadership was held responsible for ensuring that all transactions are consistent with applicable policies, authorities, and regulations. CDC/Malawi leadership also received training on various agency authorities and tried to remain abreast of current legislation. U.S. Embassy staff noted that they have strong working relationships with CDC/Malawi.

CDC/Malawi should be commended for having developed a very robust and comprehensive operations manual which thoroughly details CDC/Malawi’s management and operations policies and procedures. Additionally, CMAS II team members found that CDC/Malawi’s implementation of Citibank international debit cards for travel advances, which reduced both reliance on cash and the risk to CDC/Malawi employees associated with carrying relatively large amounts of cash, is a best practice.

At the time of the CMAS II assessment, CDC/Malawi maintained a medium-sized PEPFAR budget (approximately \$21 million annually). CDC/Malawi's budget team was extremely capable and provided the requested (plus additional) budget tracking documentation. The budget team's major strengths included conducting weekly meetings with the CDC/Malawi Deputy Director to discuss all current activities and issues; utilizing budget spreadsheets that contain all necessary in-country and CDC headquarters requirements; and reconciling budget spreadsheets with U.S. Embassy and CDC headquarters financial reports on a daily basis. The latter was made possible because the CDC/Malawi team has access to both U.S. Embassy and CDC headquarters financial systems. Communications with the U.S. Embassy's Financial Management Office occurred almost daily to rectify any outstanding issues or unliquidated obligations.

CDC/Malawi's property management staff were extremely capable and knowledgeable. CMAS II team members found that they efficiently and accurately track all property. The office performed inventory more frequently than is required by CDC headquarters. The CMAS II team was able to locate and account for all property randomly inventoried during the visit.

### Major Challenges

Reviews of selected transactions revealed several instances where incorrect sub-object class codes were assigned to transactions. During interviews with CDC/Malawi staff, it was noted that this has been a recurring issue with transactions that are initiated at the U.S. Embassy.

CDC/Malawi had established routine procedures to review unliquidated obligations and payroll/travel advances. At the time of the review, CDC/Malawi had a large number of unliquidated obligations. Continued review of unliquidated obligations is necessary to reduce those that are not valid, particularly those that are aged (more than two years old).

Budget staff also lacked a standard operating procedure for daily budget activities. A standard operating procedure should be developed to ensure continuity of work in the event of staff turnover. CDC/Malawi should continue to work with CDC headquarters to resolve a few minor outstanding property issues.

### Recommendations

- Work with the U.S. Embassy's Financial Management Office staff to give special attention to assigning appropriate budget object class codes to ensure proper recording of financial transactions.
- Continue to routinely monitor and review unliquidated obligations, and follow up with the U.S. Embassy's Financial Management Office staff to ensure appropriate action to clear transactions in a timely manner.
- Create standard operating procedures for daily budget activities to include, at a minimum, the following areas: 1) location of important documents on the shared drive; 2) tracking of projections, commitments and obligations; 3) financial reports use and how to transfer data to tracking mechanisms; 4) unliquidated obligations reconciliation; 5) processing of procurement actions; and 6) preparation of country operation plan management and operation figures.

## Accountability for Extramural Resources

### Grantee Management

#### Major Achievements

CDC/Malawi currently manages 13 DGHA cooperative agreements. For cooperative agreement management, CDC/Malawi proactively provides an orientation to new partners and existing grantees. This includes the basic grants management information and U.S. government rules and regulations. In addition, Cooperative Agreement Specialists complete site visits and a financial capability assessment report for each cooperative agreement. Grantees noted that communication between CDC/Malawi staff and the grantees is proactive, clear, and frequent. Specifically, grantees provided positive feedback about the oversight and technical assistance received from the Cooperative Agreement Specialist. CDC/Malawi's technical operations manual contains detailed and updated cooperative agreement information for staff. Furthermore, an electronic system is utilized to ensure staff trainings and certifications are current.

#### Major Challenges

The cooperative agreement management staff lacks standard operating procedures to track all award actions. Furthermore, existing tracking systems are not consistently updated. Cooperative agreement files are difficult to locate on the shared drive due to inconsistent naming of documents. Hard copy files contain more than one Funding Opportunity Announcement in a binder.

#### Recommendations

- Create a standard operating procedure for award tracking. The tracking system should be updated on a regular basis. In addition, hard copy files should be separated by Funding Opportunity Announcements, and electronic documents should have standardized naming structure.

### Grantee Compliance

#### Major Achievements

The CMAS II team conducted site visits with five grantees. All grantees visited were providing adequate oversight in the areas of audits, cash advances, facilities, procurement, property, timekeeping, and travel. Based on the site visits, the CMAS II team identified the following notable practices in the area of partner compliance:

- Internet based biometric time keeping system,
- Integrated Financial Management Information System,
- Electronic touchscreen system fixed asset register,
- Historical purchase record maintained,
- Data used for all procurements and budget estimates, and
- Payment for hotel accommodations made directly to the hotel and not to the traveler.

### Major Challenges

The CMAS II team noted one compliance challenge for all grantees that the team visited. Documentation of grantee site visits in the official award file kept by CDC's Procurement and Grants Office were incomplete.

### Recommendations

- Provide previous and all future grantee site visit reports to CDC's Procurement and Grants Office to include in the official grantee award file.

### Accountability for Public Health Impact

#### Major Achievements

CMAS II team members found that CDC/Malawi built strong partnerships with the MOH and local partners. Funding indigenous partners was consistent with CDC's approach to country ownership. Capacity building, both organizational and technical, was a major emphasis of CDC/Malawi's program. Grantees noted frequent, open, and effective communication with CDC/Malawi.

Regarding public health impact, appropriate investments were going toward prevention of mother-to-child transmission and treatment, and at the time of the assessment, CDC/Malawi and PEPFAR estimated their direct contribution to these program areas. CDC/Malawi outputs appeared to be on track to meet PEPFAR World AIDS Day targets. CDC/Malawi also resolved the issue of MOH test kit shortage for partners.

Grantees evaluated during the CMAS II visit had data quality assurance and assessment strategies and routinely assessed data quality of program results. The MOH Quarterly Integrated HIV Program Report is a best practice. CDC/Malawi ensured that Funding Opportunity Announcements and cooperative agreements include measurable outcomes and that grantees report on achievements. CMAS II team members found that CDC/Malawi monitors PEPFAR targets and results as they relate to the cooperative agreements and ensures they are up to date and reported in the Data for Partner Monitoring system. One stakeholder noted that, "CDC plays a key role in providing the evidence base for strategic programming."

CDC/Malawi included comprehensive information on the CDC's Science Office procedures and requirements in its Technical Operations Manual. The Associate Director for Science had a very well-organized electronic storage system for protocols, CDC's Science Office approvals, publications, and funding restriction tracking, which was located on the shared drive.

#### Major Challenges

Multiple competing priorities were observed such as addressing evident public health needs and country HIV priorities (PEPFAR and World AIDS Day vision). CDC/Malawi did not have an evaluation plan or system to document and report monitoring and evaluation activities at the time of the CMAS II review. Grantees noted that they needed Next Generation Indicator training to standardize understanding and data collection of PEPFAR indicators.



The staff member designated to fulfill the CDC's Science Office functions, in addition to other duties, had not received human subjects training. Although many staff completed the CDC required human subjects training and received Scientific Ethics Verification numbers, compliance was not yet 100%.

### Recommendations

- Closely monitor prevention of mother-to-child transmission of HIV and treatment program to achieve World AIDS Day targets.
- Develop an evaluation plan to routinely monitor progress made on planning, implementation, analysis, and use of evaluation (resources available as needed).
- Provide Next Generation Indicator training for all U.S. government grantees to standardize understanding and data collection of indicators.
- Develop relevant and standard custom indicators for measuring achievements across partners.
- Moving forward, submit evaluation reports to CDC's Science Office and post online.
- Arrange Science Office training for CDC/Malawi staff member(s) assigned to fulfill Science Office duties.
- Provide clearer guidance around which technical staff needs to complete Scientific Ethics Verification and Dual-Use Research trainings.
- Based on Associate Director for Science workload demand, consider whether a full-time Associate Director for Science position is needed. Assign Science Office administrative support duties to an administrative assistant or other appropriate staff to support Science Office functions.

### Next Steps

The CMAS II team shared their key findings and recommendations with the CDC/Malawi office and CDC headquarters. The team also developed a scorecard for internal management use. The scorecard lists all of the issues identified during the visit, recommendations and due dates for their implementation, and primary point of contact for each issue. CDC headquarters will work with the CDC country office to create a plan and timeline to address and correct issues.