



OFFICE OF INSPECTOR GENERAL

AUDIT OF USAID/HAITI'S PUBLIC LAW 480 TITLE II PROGRAMS

AUDIT REPORT NO. 1-521-12-004-P
July 20, 2012

SAN SALVADOR, EL SALVADOR



Office of Inspector General

July 20, 2012

MEMORANDUM

TO: USAID/Haiti Mission Director, Carleene Dei
USAID/Office of Food for Peace Director, Dina Esposito

FROM: Regional Inspector General/San Salvador, Jon Chasson /s/

SUBJECT: Audit of USAID/Haiti's Public Law 480 Title II Programs
(Report No. 1-521-12-004-P)

This memorandum transmits our final report on the subject audit. In finalizing the audit report, we considered your comments on the draft report and have included those comments in their entirety in Appendix II of this report.

The final report includes 10 recommendations to help the mission improve various aspects of the Public Law 480 Title II Program. Based on your written comments in response to the draft report, management decisions have been reached on Recommendations 3 and 7. Please provide the Audit Performance and Compliance Division of USAID's Office of the Chief Financial Officer with evidence of final action to close the open recommendations.

A management decision was not reached on Recommendations 1, 2, 4, 5, 6, 8, 9, and 10. Please provide written notice within 30 days of any action planned or taken to implement these recommendations.

I want to express my appreciation for the cooperation and courtesies extended to us during this audit.

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Abbreviations

The following abbreviations appear in this report:

ADS	Automated Directives System
BCC	behavior change communication
CRS	Catholic Relief Services
FANTA	Food and Nutrition Technical Assistance
FFP	Food for Peace
FY	fiscal year
IFRP	International Food Relief Partnership
ITSH	internal transport, shipping, and handling
LMMS	Last Mile Mobile Solution
MCHN	maternal and child health and nutrition
MYAP	multiyear assistance program
P.L.	Public Law
PM2A	Preventing Malnutrition in Children Under 2 Approach
RIG	Regional Inspector General
TOPS	technical and operational performance support
WINNER	Watershed Initiative for National Natural Environmental Resources

SUMMARY OF RESULTS

The Food for Peace Act (Agricultural Trade Development and Assistance Act of 1954), also known as Public Law 480 (P.L. 480) or Food for Peace (FFP) is the U.S. Government's principal mechanism for implementing its international food assistance initiatives. The intent of this legislation, which has been modified many times, is to reduce hunger and malnutrition and assure that people everywhere have enough food at all times for healthy, productive lives.

Haiti's P.L. 480 Title II¹ nonemergency program is directed by USAID's Office of Food for Peace in Washington, D.C.; the daily activities are managed and monitored by the USAID/Haiti activity manager. USAID/Haiti's Title II multiyear assistance programs (MYAPs) focus on agricultural productivity, maternal and child health and nutrition (MCHN), natural resource management, education, safety net support, and early warning systems. The main goal of the program is to reduce food insecurity² and increase the resiliency of vulnerable and extremely vulnerable rural households. MYAPs are awarded through cooperative agreements (versus contracts), and therefore USAID's control is limited to choosing the cooperating sponsors who respond with the best overall proposals, which may or may not include the full range of possible interventions to assist beneficiaries.

USAID/Haiti's Title II programs operate through agreements USAID has with three cooperating sponsors.

- *Catholic Relief Services (CRS)*. Award from February 2008 to September 2012 for total estimated program costs, including cost share, of \$61.7 million.
- *World Vision*. Award from February 2008 to September 2012 for total estimated program costs, including cost share, of \$91.5 million.
- *ACDI/VOCA*. Award from February 2008 to February 2013 for total estimated program costs, including cost share, of \$37.4 million.

As of January 2012, total program obligations and expenditures were \$53,886,541 and \$46,370,608, respectively. (The Scope and Methodology on page 19 for further explanation of program funding mechanisms).

The objective of the audit was to determine whether the P.L. 480 Title II program in Haiti is reducing food insecurity and increasing the resiliency of vulnerable and extremely vulnerable rural households.

¹ The P.L. 480 food aid program is comprised of three titles. Each title has different objectives and provides agricultural assistance to countries at different levels of economic development. Titles II and III are administered by the Agency for International Development. Title II provides for the donation of U.S. agricultural commodities by the U.S. government to meet humanitarian food needs in foreign countries.

² According to the World Health Organization, "Food security is built on three pillars: food availability: sufficient quantities of food available on a consistent basis; food access: having sufficient resources to obtain appropriate foods for a nutritious diet; and food use: appropriate use based on knowledge of basic nutrition and care, as well as adequate water and sanitation." (<http://www.who.int/trade/glossary/story028/en/>)

This audit determined that USAID/Haiti's implementation of P.L. 480 Title II nonemergency assistance generally has improved conditions for targeted beneficiaries and reportedly reduced the number of underweight, stunted children younger than 5 years old. Site visits and beneficiary interviews indicate that positive impacts include awareness and implementation of improved agricultural practices, increased crop yields, improved hygiene and sanitation practices, access to credit via savings groups, and increased breast-feeding. However, we could not determine whether the effects will last well into the future.

The audit found that the mission was generally doing a good job managing the program. For instance, USAID/Haiti staff made frequent field visits to the cooperating sponsors' activity locations. USAID/Haiti staff and the cooperating sponsors also met frequently to discuss problems and share successful methodologies. The cooperating sponsors were flexible in learning from one another, sharing and adopting each other's best practices. Additionally, a thorough, independent midterm evaluation of the program was conducted in fiscal year (FY) 2010.

Since many program locations were extremely remote, the cooperating sponsors encountered challenges while implementing program activities. In addition, this particular program faced more than the usual share of hardships, including severe flooding and four hurricanes in FY 2008, the devastating earthquake of January 2010, a cholera outbreak in October 2010, and upheaval around the time of the elections in 2009 and 2010.

Although the program achieved many successes despite the challenging environment, the audit identified the following areas for improvement:

- Integration of key activities was uneven and poorly tracked, and their impact could not be determined (page 4).
- FFP and USAID/Haiti did not identify best practices for mothers' clubs (page 6).
- The recommended approach for preventing malnutrition was not implemented fully (page 8).
- Cooperating sponsors were using indicators that were excessive, duplicative, and not coordinated across the program (page 9).
- Haiti's Title II program overlapped with other USAID-funded programs (page 11).
- FFP did not optimize the use of Title II data management tools designed for the program (page 13).

To help FFP and USAID/Haiti improve the efficiency and effectiveness of its P.L. 480 program, the Regional Inspector General (RIG)/San Salvador makes the following recommendations:

1. Establish and implement a plan for the design, tracking, correlation, and analysis of maternal and child health and nutrition and livelihood integration for the fiscal year 2013 multiyear assistance program (page 5).
2. Establish and implement a plan for the design, tracking, correlation, and analysis of the effectiveness and efficiency of mothers' clubs for the fiscal year 2013 multiyear assistance program (page 7).

3. Develop and implement a plan to evaluate the cost-effectiveness and efficiency of the various mothers' clubs that cooperating sponsors have implemented (page 8).
4. Develop a cost estimate for implementing the first 1,000 days approach for the next multiyear assistance program to make sure potential cooperating sponsors incorporate sufficient resources in their budgets and demonstrate the capacity to implement the methodology fully (page 9).
5. Include validation of implementation of the first 1,000 days approach in the monitoring plan for the next multiyear assistance program (page 9).
6. Obtain expert food security technical assistance in developing the fiscal year 2013 multiyear assistance program performance indicator tracking tables to determine the most important indicators to track, minimize inclusion of less significant ones, be sure that cooperating sponsors use consistent terminology for similar indicators, and incorporate information that is beneficial for research on food security assistance in the program indicators (page 11).
7. Examine ongoing and proposed activities in Mirebalais to avoid duplicating efforts (page 13).
8. Strengthen policies and procedures to confirm that programs that receive International Food Relief Partnership grants are not duplicating Title II programs (page 13).
9. Implement a plan to create a central repository for data management tools developed by Title II partners (page 15).
10. Retain the ACDI/VOCA tool for potential inclusion in the repository for data management tools (page 15).

Detailed findings follow. The audit scope and methodology are described in Appendix I. Our evaluation of FFP/Washington and USAID/Haiti's management comments will appear on page 15, and the mission's comments will appear in Appendix II.

AUDIT FINDINGS

Integration of Key Activities Was Uneven, Poorly Tracked, and Impact Could Not Be Determined

Automated Directives System (ADS) 201.3.8³ states that USAID missions should devise foreign assistance programs and activities to have the greatest possible development impact. Furthermore, this impact should be sustainable. USAID defines this concept in *Strategy for Sustainable Development* as one that will permanently enhance the capacity of a society to improve its quality of life.

According to USAID's 2009 Title II technical guidance,⁴ the MCHN component should be linked consistently with the agricultural and livelihoods components of the program. Additionally, increased agricultural production and improved livelihoods activities may result in the food ration component becoming less essential, because some families are better able to support and feed their families.

The program's 2010 midterm evaluation noted the lack of integration between the livelihood and MCHN components, and it recommended linking the two in the future. CRS and ACDI/VOCA both made efforts to address the recommendation. CRS increased integration of home gardens and savings groups in its mothers' clubs, which were small groups of beneficiary mothers (or mothers of beneficiary children) gathered to discuss program materials. ACDI/VOCA amended its program approach to increase integration with the MCHN component when possible and began integrating home gardens and promoting alternative nonagricultural livelihood opportunities.

However, despite the technical guidance and the evaluation's recommendation, USAID/Haiti's integration of the livelihood and MCHN components was inconsistent, and the tracking of the links was weak to nonexistent.

- ACDI/VOCA was limited in its integration approach because it offers the two components in only 5 of 10 communes in the target area (Haiti's Ministry of Agriculture discouraged food distribution in the agroecologically favored areas in ACDI/VOCA's region). Even when ACDI/VOCA offered both in a target commune, they were not always integrated.
- World Vision also amended its program description after the evaluation, stating, "A major effort will be made to continue linking agriculture production and livelihood enhancement activities with MCHN activities." However, the auditors did not find evidence to support implementation of this strategy during field visits, and World Vision explained it is only offering integrated MCHN and livelihood components in 8 of the 16 communes because of resource limitations.

³ ADS 201.3.8 was revised on January 17, 2012. The citations in this report refer to the previous version of ADS, in effect during the period covered by the audit.

⁴ *TRM-01: Preventing Malnutrition in Children Under 2 Approach (PM2A): A Food-Assisted Approach*. Produced by the Academy for Educational Development for USAID, Washington, D.C., October 2009.

In addition to the varying levels of integration among the three cooperating sponsors, none had originally developed indicators to measure the level of integration of the two components (e.g., how many beneficiaries are receiving both types of assistance).

After the midterm evaluation, CRS started tracking this information in 2011; however, it tracked integration of livelihoods with mothers' clubs rather than with MCHN beneficiaries, and only half of the MCHN beneficiaries were in the clubs in FY 2011. In addition, the definition for this indicator does not succinctly define livelihoods assistance. CRS officials said it was bringing in a consultant to improve how it gathers and reports data.

ACDI/VOCA started tracking MCHN and livelihoods integration in 2011. However, the data are internal and not part of its performance reporting to USAID. In addition, ACDI/VOCA officials said the data are not very accurate because the information comes from beneficiaries who are reluctant to report that they benefit from both programs because they fear of losing services or eligibility. World Vision has not developed an indicator for or tracked MCHN beneficiaries receiving livelihood assistance.

Since the 2008 Title II guidance the cooperating sponsors used in designing their programs did not specify integrating MCHN and livelihoods activities, cooperating sponsors did not develop indicators to track integration. The guidance provided in 2009 encouraging integration was not adopted fully into the program.

Without accurate tracking, USAID cannot determine whether integrating the two components has had a better, more sustainable impact for beneficiaries than just the MCHN interventions do on their own. USAID/Haiti cannot determine the value these activities provide. FFP has contracted two separate entities, FANTA⁵ (now FANTA-2) and TOPS (technical and operational performance support),⁶ to analyze Title II data. According to FANTA-2 officials, these data have been weak or lacking historically, and they are needed throughout Title II programs. Having this information would help USAID make informed decisions about any future adjustments to the program.

The 2012 Country Specific Information for Haiti contains guidance for integrating livelihood activities with MCHN households for the next MYAP. This requirement was added to promote more women-focused livelihood integration, although the decision was not based on any evidence that this approach has provided a more positive impact. USAID/Haiti officials said there was no practical way to measure the impact of integration efforts of the current MYAP. However, the next P.L. 480 program could help assess whether interventions of livelihood activities can have a significant and potentially sustainable impact on reducing food insecurity for MCHN beneficiaries. Based on this we make the following recommendation.

Recommendation 1. *We recommend that Food for Peace and USAID/Haiti establish and implement a plan for the design, tracking, correlation, and analysis of maternal and child health and nutrition and livelihood integration for the fiscal year 2013 multiyear assistance program*

⁵ The Food and Nutrition Technical Assistance II Project (FANTA-2) provides technical support to USAID and its partners to improve nutrition and food security policies, strategies, and programs.

⁶ FFP's contract "Technical and Operational Performance Support - Program for FFP Grantees," or TOPS, is designed to capture best practices for improved methodologies in Title II food aid commodity programs.

Food for Peace and USAID/Haiti Did Not Identify Best Practices for Mothers' Clubs

According to ADS 200.3.2.2, USAID seeks to identify its customers and to secure their participation in order to better target projects and to focus the Agency's efforts and resources on the most productive tasks. In addition, ADS 201.3.8⁷ states that USAID missions should devise foreign assistance programs and activities to have the greatest possible impact on development.

Behavior change communication (BCC) is an approach that Title II cooperating sponsors use to reduce malnutrition and disease. Mothers' clubs are one of the primary vehicles the three cooperating sponsors use to convey BCC to Title II beneficiaries, and this is done through training on breast-feeding, child feeding practices, treatment of diarrhea, nutrition, immunization, family planning, and hygiene. BCC can have a critical impact on the survival of young children; for instance, ADS 212 states that among all preventive health and nutrition interventions, improved breast-feeding has the greatest potential to reduce mortality for children younger than 5—by up to 13 percent.⁸

The audit found evidence that BCC is succeeding in Haiti. However, while the cooperating sponsors are using similar information and presentation, they are not all using the same mothers' club models for disseminating information. According to a TOPS representative, the most efficient, effective model is the "care group" model. This model uses a paid staff health promoter to train and support groups of mothers twice per month, with each group made up of 10 to 15 volunteers selected by the community. These women, called "leader mothers," are then responsible for teaching what they have learned to ten households. The multiplier effect of this method is that 100 to 150 women are trained for every staff health promoter.

The audit found that only one of the cooperating sponsors, ACDI/VOCA, was using the care group model. ACDI/VOCA started out with the traditional mothers' club but switched to the care group model in 2010 in response to the midterm evaluation's recommendation that the model should be considered. World Vision and CRS were using traditional mothers' clubs. World Vision organizes its clubs based on age (clubs of women whose children are younger than 2) or physiological status (pregnant or lactating women, mothers of malnourished children). CRS was working to duplicate this model.

CRS's model limits the membership of the mothers' clubs to mothers selected by the community volunteers. During site visits, the audit team interviewed several mothers who wanted to be in a club but had not been selected. The midterm evaluation's team had similar observations; when they asked a group of women why they were not in a club, the response was "We have not been invited to do so," or "We have not been authorized to do so." The women noted that mothers in the clubs had a great advantage because of what they learned about caring for their children. The evaluation further stated that the community volunteers need to be involved, but as trainers under the care group model.

⁷ ADS 200.3.2.2 and 201.3.8 were revised on January 17, 2012. The citations in this report refer to the previous version of ADS in effect during the period covered by the audit."

⁸ G. Jones et al., "How many child deaths can we prevent this year?" *Lancet*, July 5, 2003, 65-71.

The audit also supports the results of a study referenced by TOPS showing that the care group model is the more cost-effective method for reaching wide audiences. For instance, while World Vision succeeded in reaching more than 90 percent of its target population with BCC, it was less efficient than ACDI/VOCA. Only 9 mothers on average were trained in mothers' clubs versus 100 trained in ACDI/VOCA's mother care groups. In addition, World Vision's clubs had a ratio of 50 percent paid personnel supporting its clubs compared with ACDI/VOCA's ratio of 10 percent (as in the chart below). By using the traditional mothers' clubs (using fewer resources than World Vision), CRS reached at least 600 more mothers than ACDI/VOCA did. However, CRS started out with almost half of its mothers' clubs carried over from its previous Title II program, and ACDI/VOCA didn't start using the care group model until FY 2011.

Mothers' Clubs Summary (Unaudited)

Element	World Vision	ACDI/VOCA	CRS
Number of mothers' clubs	1,950	38	253
Number of mothers receiving BCC messages	17,500	3,800	4,405
Mothers trained per club	9	100	17
Percent of coverage in target location	Greater than 90	34	Not tracked
Number of paid people assisting clubs	299	40	16
Number of unpaid volunteers assisting clubs	300	380	190
Total people assisting clubs	599	420	206
Percent volunteers	50	90	92
Percent paid personnel	50	10	8

Sources: World Vision, ACDI/VOCA, and CRS.

Thus, World Vision reached a large number of beneficiaries, but was not as cost-effective as ACDI/VOCA. While CRS was more cost-effective, it reached fewer mothers than would have been possible had it used the care group model (and potentially reduced the incidence of child mortality and stunting by a greater percentage). The data suggest that incorporation of this methodology could have increased the BCC received by program beneficiaries at less cost if all the sponsors had adopted the care group model when MYAP began.

The cooperating sponsors used mothers' clubs as the main vehicle for disseminating BCC to beneficiaries. The next MYAP also requires effective use of BCC interventions for improving nutrition, hygiene, and health practices, however, leaving implementation methodology to the potential awardees to propose. Although USAID/Haiti officials say the care group model is good, they do not want to recommend one model over another without further validation; however, there is no way to validate the model during this MYAP because that is not part of FFP's programming. The MYAPs are awarded through cooperative agreements that permit cooperating sponsors to adopt their own activity models. FFP will participate in validating activity models only if a cooperating sponsor suggests it. Therefore, the Title II program is not geared to make sure that the greatest possible development impact is achieved.

To improve the implementation of Title II activities related to mothers' clubs, we make the following recommendations.

Recommendation 2. We recommend that Food for Peace and USAID/Haiti establish and implement a plan for the design, tracking, correlation with impact, and analysis of the effectiveness and efficiency of mothers' clubs for the fiscal year 2013 multiyear assistance program.

Recommendation 3. We recommend that Food for Peace develop and implement a plan to evaluate the cost-effectiveness and efficiency of the various mothers' club models being implemented by Title II cooperating sponsors.

Recommended Approach for Prevention of Malnutrition Was Not Implemented Fully

USAID's best practice for preventing malnutrition is the "Preventing Malnutrition in Children Under 2 Approach" (PM2A). PM2A is a food-assisted approach that targets a package of health and nutrition interventions to all pregnant women, mothers of children younger than 23 months old, and children younger than 2 in food-insecure program areas. Because they are the most nutritionally-vulnerable members of the population, the program targets everyone in these groups to protect children from malnutrition and its long-term consequences.⁹ PM2A differs from the traditional recuperative approach, which targets children younger than 5 once they have become malnourished.⁹

USAID's support for PM2A is based on a 2002-2006 study of a Title II program in Haiti that found the preventive approach was more effective in reducing the prevalence of stunted, underweight children and overall malnutrition than the recuperative approach.¹⁰ In addition, the study showed that PM2A was cost-effective because it had lower direct program costs per beneficiary month¹¹ than the recuperative approach (\$15 versus \$21).

Although all three cooperating sponsors' cooperative agreements stated that they would implement the fundamentals of PM2A, World Vision was the only one to do so from the start. The other two sponsors embraced the approach later.

- ACIDI/VOCA did not incorporate PM2A into its activities initially; instead, it awarded the health component to a partner, Management Sciences for Health, which did not use PM2A. ACIDI/VOCA found that the partnership was not working and subsequently terminated the agreement. ACIDI/VOCA then clarified and submitted the new health strategy to USAID and in FY 2010 began full-scale implementation of PM2A.
- CRS chose to pilot PM2A model slowly because of (1) resource constraints, (2) lack of storage capacity and staff at the commodity distribution centers, and (3) a desire to implement gradually to be sure the model was working.

⁹ *Preventing Malnutrition in Children Under 2 Approach (PM2A): A Food-Assisted Approach.*

¹⁰ Purnima Menon and Marie T. Ruel, *Prevention Is Better than Cure, Final Report of the Evaluation: Prevention or Cure? Comparing Preventive and Recuperative Approaches to Targeting Maternal and Child Health and Nutrition Programs in Rural Haiti.* Academy of Educational Development, Washington, DC, July 31, 2007.

¹¹ Beneficiary month means that each child or pregnant or lactating woman is counted once for each month he or she is in the program.

The partial implementation occurred because USAID did not embrace PM2A from the start or make sure it was implemented fully, although all three cooperating sponsors had included it in their proposals and the 2009 technical guidance promoted it.

CRS reported the pilot approach for implementing PM2A in its 2009 “Pipeline and Resource Estimate Proposal,”¹² but did not specify in this document—or any subsequent reporting—where and to what extent it was implementing PM2A. The Title II activity manager in Haiti thought that CRS had implemented PM2A at least to some degree in most of the target areas. However, as of December 2011, CRS had implemented the program in just half of them. In addition, as mentioned above, CRS lacked sufficient resources for implementing PM2A and continues to implement it only partially. Had the method been fully embraced and rapidly implemented by both ACDI/VOCA and CRS, malnutrition would likely have further decreased in their target locations.

FFP’s announcement for the next Title II program in Haiti states that development partners should use PM2A, which is renamed the “first 1,000 days approach.”¹³ To ensure that the next MYAP fully implements this approach, we make the following recommendations.

Recommendation 4. *We recommend that Food for Peace and USAID/Haiti develop a cost estimate for implementing the first 1,000 days approach for the next multiyear assistance program to make sure potential cooperating sponsors incorporate sufficient resources in their budgets that demonstrate the capacity to fully implement the approach.*

Recommendation 5. *We recommend that USAID/Haiti include validation of implementation of the first 1,000 days approach in the monitoring plan for the next multiyear assistance program.*

Cooperating Partners Used Indicators That Were Excessive, Duplicative, and Not Coordinated Across the Program

According to ADS 200.6, performance indicators are used to observe progress and measure actual results compared with expected results. Performance indicators help answer how or whether a USAID mission/office is progressing toward its objective. ADS 203.3.4.2 states that, among other things, good performance indicators should be:

- Objective, or unambiguous about what is being measured and precisely defined in the performance management plan.
- Useful for management at the relevant level of decision making.
- Adequate or including only as many indicators as are necessary and cost-effective for results management and reporting purposes.

¹² The pipeline and resource estimate proposal describes an awardee’s food aid resource needs and activities for a food aid program over the course of the upcoming implementation year.

¹³ The country specific information for Haiti for fiscal year 2012 notes that the first 1,000 days approach was previously referred to as “Preventing Malnutrition in Children Under Two Approach” (PM2A).

Additionally, ADS 203.3.3.2 states that only information that is directly useful for performance management should be collected and reported. More information is not necessarily better because it markedly increases the management burden and cost to collect and analyze.

The cooperating sponsors' indicators did not comply fully with ADS standards. Although ADS states that a minimum number of indicators should be chosen, World Vision is tracking 73 indicators, CRS is tracking 63, and ACDI/VOCA is tracking 47. Mission officials and cooperating sponsors agreed that they were tracking too many indicators, for which all three sponsors said there is a large monitoring and reporting burden. In addition, some indicators were duplicative or irrelevant.

The 2010 evaluation recommended reducing the number of output indicators that each cooperating sponsor was required to track and increasing the number of outcome and impact indicators. The evaluation further stated that FFP and USAID require indicators that are similar, but different enough to require separate tracking and reporting, and that tracking all the data required is very costly. The evaluation suggested other indicators that were not being tracked but should be. FANTA-2 also reported that the cooperating sponsors were not always tracking information that would help evaluate the Title II program. For instance, tracking the beneficiaries who receive both MCHN and livelihood benefits could help FANTA-2 assess the impact of integrating these activities.

In addition, it is difficult to evaluate the overall program progress and results because the indicators vary among the cooperating sponsors. While there are differences in the sponsors' approaches, there are also many similarities that would lend themselves to more standardized reporting. For instance, all three have a custom indicator to report the number of beneficiaries receiving food rations, an important data point for several programmatic reasons. However, these cannot be summarized because each indicator defines beneficiaries differently: World Vision includes four types of beneficiaries, CRS counts women receiving health services, and ACDI/VOCA counts the number of pregnant and lactating mothers receiving food rations.¹⁴

World Vision. World Vision did not address the duplicative indicators mentioned in the evaluation, and they remain in the indicator tracking tables. In addition, World Vision added 16 new indicators in 2011 (none of which were recommended by the evaluation team), continues to include indicators in its annual report for which no achievements have been reported, and removed 3 from the tracking tables without explanation to USAID.

CRS. CRS also did not address the duplicative indicators mentioned in the evaluation, and they remain in the tracking tables. CRS has yet to report on "number of people with increased economic benefits derived from sustainable natural resource management and conservation as a result of USG assistance," which CRS officials said was never formalized and put into the monitoring and evaluation system. The mission never agreed on a methodology for measurement, and therefore the indicator was not included in the baseline. CRS agreed that the information for the indicator would be collected for the final evaluation.

ACDI/VOCA. ACDI/VOCA was the only cooperating sponsor that addressed the evaluation's indicator comments directly. Of the three cooperating sponsors, it is reporting on the fewest

¹⁴ An additional example is the indicator for the number of savings groups, which each sponsor defines differently. ACDI/VOCA is measuring "number established"; CRS, "number assisted"; and World Vision, "number trained and monitored."

indicators: 47. In its written comments on the evaluation, ACDI/VOCA agreed that there were too many indicators. In the MYAP amendment, ACDI/VOCA proposed dropping seven and adding three that were similar to the indicators recommended by the evaluation.

The reason so many indicators are included in the MYAPs is that USAID requires Title II cooperating sponsors to report on the mission's indicators and FFP's indicators. In addition, the sponsors develop their own indicators for program management purposes. Mission staff members said their hands are tied to a certain extent because there are many stakeholders all requiring their own specific information.

The FFP indicator guidance is issued piecemeal in three separate bulletins. The latest guidance updates only impact indicators; the FFP staff is waiting for on the revision of the mission's indicators before updating annual monitoring indicators.

Because each cooperating sponsor has its unique approach for implementing the program, USAID believes that it is only natural that indicators will vary among the sponsors. However, the evaluation stated that all three of the Haitian MYAPs have almost the same set of indicators in common, but they are sometimes worded differently in each organization's indicator performance tracking tables. Even though USAID and the cooperating sponsors met at the start of the MYAP to discuss the indicators, they were not successful in creating one set for all. Had USAID provided guidance in the solicitation to use a set of common indicators—with the same wording in all three MYAPs—it could have made better comparisons. Like the evaluation's team, we had difficulty reconciling and comparing data in the indicator performance tracking tables.

In addition, the evaluation stated, "Data are being tracked to meet the quarterly needs of the indicator performance tracking tables, without sufficient analysis of data gathered at regional sites on outcomes and impacts at the local level on the most vulnerable—which is what the FFP program is all about." The sponsors are collecting and tracking additional data but not reporting them in the indicator performance tracking tables because of the already substantial reporting burden. In some cases, the data were more useful than the data reported in the tracking tables. Without this type of information, USAID and the larger FFP program do not know the true impact of the MYAPs. Staff from both FANTA-2 and TOPS told the audit team that there is insufficient data to evaluate certain components. Unless the most critical information is captured and reported by the cooperating sponsors in the formal reporting channels, the data will not contribute to the better understanding or improvement of Title II programs.

Therefore we make the following recommendation.

Recommendation 6. *We recommend that Food for Peace and USAID/Haiti obtain expert food security technical assistance in the development of the fiscal year 2013 multiyear assistance program indicator performance tracking tables to (1) determine the most important indicators to track, (2) minimize inclusion of less significant indicators, (3) provide consistent terminology for similar indicators used by cooperating sponsors, and (4) fully incorporate information beneficial for research on food security assistance in the program indicators.*

Haiti Title II Program Overlapped With Other USAID-Funded Programs

The careful coordination of foreign assistance is imperative if U.S. taxpayer funds are to be spent effectively and efficiently. To this end, ADS 200.3.5.2 states that missions should seek to use other development organizations' resources and nonassistance tools to magnify results and deploy resources strategically, while avoiding duplicating efforts.

The audit found evidence of duplicating efforts with other USAID-funded programs in two Title II regions in Haiti.

World Vision and Watershed Initiative for National Natural Environmental Resources (WINNER). During field visits to World Vision sites in Mirebalais, where World Vision has been operating since 2008, several beneficiaries reported receiving assistance from the Title II and USAID's Watershed Initiative for National Natural Environmental Resources (WINNER) programs. The purpose of WINNER, which began in June 2009, is to increase agricultural productivity, improve watershed stability, and strengthen agricultural markets. To this end, WINNER assists mango farmers in Mirebalais. World Vision supports mango production in the same area and with the same beneficiaries.

In November and December 2011, the audit team discussed the overlap with World Vision and the mission. In response, USAID/Haiti Title II staff members said they previously informed the mission staff overseeing WINNER about the potential overlap and were told that WINNER would be pulling out of the area and therefore any possible overlap would only occur for a short time. However, USAID subsequently decided to continue WINNER activities in Mirebalais.

At the end of February 2012, because the audit team called attention to this problem, officials from World Vision, WINNER, and the mission met to discuss activities in Mirebalais. WINNER and World Vision officials assured the mission that there wasn't duplication because World Vision addresses commercial activities and WINNER addresses production. Nevertheless, mission officials acknowledged that they needed to examine both implementers more closely, and they intended to follow up on the problem, particularly since a third implementer will be working in Mirebalais under the FFP initiative.

ACDI/VOCA and Batey Relief Alliance. ACDI/VOCA informed the audit team that efforts were duplicated in its region with the Batey Relief Alliance program. Batey operates in the Dominican Republic and is funded by the FFP office in Washington through the International Food Relief Partnership (IFRP). Batey's area of operation extends to villages along Haiti's southeastern border. Like ACDI/VOCA, Batey operates to reduce food insecurity and malnutrition, and it is distributing food within the same communes and to the same target population as ACDI/VOCA.

In an October 2010 letter, Batey notified ACDI/VOCA that it would begin operating in ACDI/VOCA's region and asked whether ACDI/VOCA would be interested in collaborating. In early 2011 ACDI/VOCA informed the mission of the potential duplication of effort, and according to ACDI/VOCA, the mission subsequently confirmed the program overlap. In December 2011 the audit team also raised the problem with the mission. Officials there acknowledged the duplication and said they had communicated this to Washington but never received a response.

In February 2012 USAID/Haiti staff communicated directly with the Batey manager, who agreed to stop distributing food by the end of the month and not resume pending further discussion with USAID and ACDI/VOCA. According to USAID/Haiti, this discussion was planned for April 2012.

The main reason Batey overlapped with Title II is that IFRP largely relies on grant applicants to be aware of other donors in a country or region to avoid potential overlap issues. However,

IFRP staff members said Title II applicants and/or their local partners might not be aware of their proposed activities overlapping with other implementer activities carried out for other USAID programs. The wording of the criterion in the IFRP grant applications (“awareness of other donor activity in the same district/region/country”) could be interpreted in several different ways and may need to be clarified.

The missions also review IFRP grant applications, but in this instance, USAID/Haiti did not identify the potential overlap as a problem. IFRP staff said that at the time the mission was dealing with the aftermath of the January 2010 earthquake and focused on urgent relief efforts.

The overlap between WINNER and Title II occurred because of a lack of communication. World Vision officials said they did not meet regularly with WINNER staff. The FFP officer said that although interaction between the two implementers’ staffs takes place in the field, the information is not communicated to headquarters in Port-au-Prince. Because the audit team called attention to these problems, the mission asked to meet with WINNER and World Vision.

Duplicating efforts results in some beneficiaries receiving similar benefits and reducing the pool of resources to provide to potential beneficiaries. In Mirebalais, there is not sufficient evidence that these services are complementary rather than duplicative. In ACDI/VOCA’s region, the Batey program is occurring in the same communes as Title II food distribution efforts. The needs in the region are great, and there is a range of other activities that Batey could be undertaking instead. Therefore we make the following recommendations.

***Recommendation 7.** We recommend that USAID/Haiti examine ongoing and proposed activities in Mirebalais to avoid duplication of effort.*

***Recommendation 8.** We recommend that Food for Peace Washington strengthen its policies and procedures to make sure International Food Relief Partnership grantees’ programs are not duplicating Title II programs.*

Food for Peace Did Not Optimize Its Use of Title II Data Management Tools

Efficiency and effectiveness must be optimized in order for USAID to maximize the impact of scarce development resources. OMB Circular A-11 2006, Section 26, Part 26.1, states that becoming more effective and efficient will help the government make better use of taxpayers’ dollars and in some cases also operate with fewer resources.

According to ADS 318.3.1.5, assistance awards to U.S. small businesses and nonprofits should include a provision that allows the recipient to take title to inventions, subject to certain rights and restrictions, including providing the government with a nonexclusive, nontransferable, irrevocable, paid-up license to use or authorize others to use the invention throughout the world.

Title II programs entail a large amount of data collection. For instance, in FY 2011 World Vision reported providing food rations to 166,734 beneficiaries in Haiti. In addition, Title II data have become more complex as the program evolved into a mixture of assistance activities involving direct distribution of food rations; health, nutrition, and hygiene training; health services; and agricultural and nonagricultural livelihoods assistance. Effectively managing the data from program activities has become a daunting task.

Title II cooperating sponsors are developing their own data management systems to perform the same or similar functions. According to TOPS staff, collecting data is a challenge for cooperating sponsors worldwide. Some are trying to use mobile technology for surveillance and reporting but in an ad hoc manner.

In their search for Title II best practices, TOPS staff members are working to identify the various tools the FFP community is using to track beneficiaries. TOPS identified two data management systems in use: World Vision's Last Mile Mobile Solution (LMMS) and Save the Children's Mother and Child Aid (McAID). LMMS is not being developed with USAID funding and is therefore proprietary to World Vision. The Agency did fund the development of McAid, therefore permitting USAID full access to the technology.

Following a TOPS-sponsored Title II conference attended by cooperating sponsors where LMMS and McAID were presented, participants suggested that these data management systems could be provided to other Title II sponsors to avoid "reinventing the wheel" and for improving the effectiveness and efficiency of collecting and processing data. It was suggested also that a central organization could support development of a data collection and processing system using a mobile platform so that it can be standardized and used by multiple organizations.

Making these systems available would greatly contribute to improving effectiveness and efficiency of the program worldwide since some cooperating sponsors are still collecting data by hand (writing information down in logs to be transcribed into an electronic format later). This method has many potential drawbacks, including delays in registering beneficiaries, duplication of beneficiaries, absenteeism, and difficulty in determining how many interventions a particular household or beneficiary is receiving.

In Haiti, the audit found that ACDI/VOCA was the only cooperating sponsor using an automated data entry system. While World Vision developed the LMMS tool, it had not been adapted to use in the Haiti MYAP. ACDI/VOCA considered LMMs but found it cost-prohibitive. Instead, ACDI/VOCA developed its own mobile application for a smartphone system, which it used to collect information on beneficiary registration and food distribution, among other things. It was developed using free, open-source material and with federal funding.

USAID/Haiti acknowledged that the ACDI/VOCA's data entry system "was proven to be useful in helping avoid double counting the number of beneficiaries through recording the names of farmers who are involved in various components."

TOPS staff members, however, were not aware of ACDI/VOCA's system and said the LMMS and McAID systems are robust tools, even though they are expensive to implement and require specialized staff. An application like ACDI/VOCA's (which is not as robust as the other systems, but does at least automate beneficiary registration) could be one cost-effective option.

Title II cooperating sponsors worldwide are developing their own tools to perform the same or similar functions partly because FFP does not maintain a repository data management tool or fund the development of data tracking and monitoring tools. According to FFP staff, a Title II information-sharing repository did exist under a previous contract; however, there is no funding to continue maintaining the old repository or create a new one.

Effectiveness and efficiency of the Title II data collection and processing are not being optimized. U.S. Government resources are spent on various collection systems but are not

disseminated to the Title II community. In the absence of a central repository, it is a challenge to determine what tools have been developed and could be used by the various Title II cooperating sponsors, particularly new ones. Lack of a better data collection tool (automated versus handwritten) increases the risk of not reporting accurate, consistent, and reliable data for management to use when making decisions and allocating resources. FANTA-2 staff described data gaps that could be addressed by improved data collection tools. Therefore we make the following recommendations.

Recommendation 9. *We recommend that Food for Peace develop a plan to create a central repository for data management tools developed by Title II partners.*

Recommendation 10. *We recommend that Food for Peace and USAID/Haiti retain the ACDI/VOCA tool for potential inclusion in the repository for data management tools.*

EVALUATION OF MANAGEMENT COMMENTS

In its response to the draft audit report, the Office of Food for Peace and USAID/Haiti concurred with five recommendations and did not concur with the remaining five. Management decisions were reached on two recommendations.

Summarized below are the comments and the audit team's evaluation.

Recommendation 1. FFP and USAID/Haiti do not agree with the recommendation to establish and implement a plan for the design, tracking, correlation, and analysis of MCHN and nutrition and livelihood integration for the FY 2013 MYAP. FFP and USAID/Haiti officials said they do not believe the recommendation is appropriate because it relates to future Title II multiyear development programs that have not been designed or awarded at this time.

The recommendation is intended for implementation in the next MYAP because it will have the greatest impact there. The request for application for the next Title II program for Haiti was issued January 18, 2012, with proposals due by April 19, 2012. The request indicated an anticipated start date of July or August 2012. Therefore, the next MYAP is scheduled to begin in FY 2012 and not FY 2013. The FY 2012 guidance established the integration of livelihood and MCHN activities as a priority objective, and therefore the recommendation is both valid and timely for the new MYAP. ADS Chapter 595, "Audit Management Program," states that a reasonable effort must be made to complete corrective action on audit recommendations within 1 year of a management decision. This should be sufficient time for implementing the recommendation whether the MYAP is awarded in FY 2012 or 2013. Furthermore, the recommendation is consistent with USAID's policy of achieving maximum development impact by applying analytical rigor and incorporating continuous learning for adaptive management based on risks and opportunities. A management decision has not been reached for this recommendation.

Recommendation 2. USAID/Haiti does not agree with the recommendation to establish and implement a plan for the design, tracking, correlation with impact, and analysis of the effectiveness and efficiency of mothers' clubs for the FY 2013 MYAP. USAID/Haiti officials said they do not believe the recommendation is appropriate because it relates to future Title II multiyear development programs that have not been designed or awarded at this time.

We reiterate the importance of establishing such a plan at the design phase of the next MYAP. ADS Chapter 595, "Audit Management Program," states that a reasonable effort must be made to complete corrective action on audit recommendations within 1 year of a management decision. This should be sufficient time for implementing the recommendation whether the MYAP is awarded in FY 2012 or 2013. Furthermore, the recommendation is consistent with USAID's policy of achieving maximum development impact by applying analytical rigor and incorporating continuous learning for adaptive management based on risks and opportunities. A management decision has not been reached for this recommendation.

Recommendation 3. USAID/Haiti agreed to add the evaluation of the cost-effectiveness and efficiency of the various mothers' club models being implemented by Title II cooperating

sponsors into the statement of work for the final evaluation of the current Title II program, which should conclude on December 31, 2012. Based on the mission's proposed actions and time frames for completion, a management decision has been reached.

Recommendation 4. FFP and USAID/Haiti do not agree with the recommendation to develop a cost estimate for implementing the first 1,000 days approach to make sure potential cooperating sponsors incorporate sufficient resources in their budgets. FFP states that the cost of such an activity depends on variables that are specific to each potential partner. Additionally USAID/Haiti does not believe this recommendation is appropriate because it relates to future Title II multiyear development programs that have not been designed or awarded at this time.

ADS 200.3.5.4 points out that inputs are necessary to achieve the outputs identified, and, as such, a complete identification of inputs is essential to preparing the budget estimate required before a project can be approved. After several years of implementing the first 1,000 days approach, FFP should be able to develop an estimate of the costs associated with implementing this approach to at least roughly evaluate partner proposed expenditures and determine whether they are reasonable. FFP issued a request for application for a 5-year Title II program in Haiti that includes a requirement for the first 1,000 days approach. At least one current MYAP partner identified resource constraints as a factor in not being able to fully implement the approach. ADS Chapter 595, "Audit Management Program," states that a reasonable effort must be made to complete corrective action on audit recommendations within 1 year of a management decision. This should be sufficient time for implementing the recommendation whether the MYAP is awarded in FY 2012 or 2013. A management decision has not been reached for this recommendation.

Recommendation 5. While USAID/Haiti agrees to include in its monitoring a question related to validating whether activities related to the first 1,000 day approach are being implemented, if appropriate, it disagrees with the recommendation because it relates to future Title II multiyear development programs that have not been designed or awarded at this time.

The recommendation is related to the future Title II program because it will have a greater impact to a program just starting than to one just ending. The request for application for the Title II program in Haiti was issued January 18, 2012, and proposals were due April 19, 2012, with an anticipated start date of July or August 2012. The request for application stipulates the use of the first 1,000 days, which appears in a list of USAID/Haiti and FFP's priority objectives. Developing a plan for monitoring the implementation of the first 1,000 days is a timely measure during the design phase of the program. ADS Chapter 595, "Audit Management Program," states that a reasonable effort must be made to complete corrective action on audit recommendations within 1 year of a management decision. This should be sufficient time for implementing the recommendation whether the MYAP is awarded in FY 2012 or 2013. Furthermore, the recommendation is consistent with USAID policy for applying analytical rigor and incorporating continuous learning for adaptive management based on risks and opportunities. A management decision has not been reached for this recommendation.

Recommendation 6. USAID/Haiti does not agree with the recommendation to obtain expert food security technical assistance in the development of the FY 2013 MYAP indicator performance tracking tables. Mission officials said it is standard practice to use technical assistance efforts from FFP's contractor FANTA III for monitoring and indicator workshops. However, USAID/Haiti asserts that the recommendation is not appropriate because it relates to future Title II multiyear development programs that have not been designed or awarded at this time.

The planning phase of the next MYAP is an appropriate time for USAID/Haiti to incorporate the recommended steps into the FANTA III workshop in order to make sure they are covered. ADS Chapter 595, "Audit Management Program," states that a reasonable effort must be made to complete corrective action on audit recommendations within 1 year of a management decision. This should be sufficient time for implementing the recommendation whether the MYAP is awarded in FY 2012 or 2013. Furthermore, the recommendation is consistent with USAID's policy of achieving maximum development impact by applying analytical rigor and incorporating continuous learning for adaptive management based on risks and opportunities. A management decision has not been reached for this recommendation.

Recommendation 7. USAID/Haiti agreed with our recommendation to examine ongoing or proposed activities in Mirebalais to avoid duplicating efforts. A USAID official said they have taken action by holding regular meetings for all organizations that work on U.S. government-funded programs and have produced a tracking tool to coordinate and avoid duplicating activities. Based on the completed actions identified by the mission, a management decision has been reached.

Recommendation 8. FFP agreed to incorporate revised grant requirement language in its annual IFRP program request for applications to strengthen instructions for preventing duplication of efforts. Because a proposed date for completion was not provided, a management decision has not been reached.

Recommendation 9. FFP officials said they already addressed the recommendation to create a central repository for data management tools developed by Title II partners by developing a plan and through initial guidance contained in FFP Information Bulletin (FFPIB) 11-02. However, this document states, "In this FFPIB, FFP describes the general approach to use in preparing and submitting baseline/final evaluation datasets." The document does not discuss submitting data management tools developed by Title II implementers. Therefore, the FFP's reported action is not responsive to the recommendation. For this reason, a management decision has not been reached.

Recommendation 10. FFP officials said they recommended to the institutional contractor that it include the ACDI/VOCA tool in its revision of promising tools for data management. Further, the contractor has contacted ACDI/VOCA about the tool. However, because a proposed date for completion of these actions has not been provided, a management decision has not been reached.

SCOPE AND METHODOLOGY

Scope

RIG/San Salvador conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our audit findings and conclusions in accordance with our audit objectives. We believe that the evidence obtained provides that reasonable basis.

The objective of the audit was to determine whether USAID's P.L. 480 Title II program in Haiti is reducing food insecurity and increasing the resiliency of vulnerable and extremely vulnerable rural households. In addition, the Inspector General Act of 1978, as amended, requires auditors to promote economy, efficiency, and effectiveness in the administration of USAID programs and to prevent and detect fraud and abuse in such programs and operations.

In planning and performing the audit, we assessed the mission's controls related to its P.L. 480 Title II program. The management controls identified included review of USAID/Haiti's August 2011 operational plan, the mission's FY 2010 annual self-assessment of management controls (which the mission is required to perform to comply with the Federal Managers' Financial Integrity Act of 1982), the mission data quality assessments, site visit reports by the mission staff, review of AOTR¹⁵ files, and portfolio reviews.

RIG/San Salvador conducted the audit in various locations in central, south, and southeast Haiti. Field visits were made November 7 to November 18, 2011, and December 5 to December 16, 2011.

USAID/Haiti's P.L. 480 Title II MYAP is funded under three main conduits: internal transport, shipping and handling (ITSH), which funds in-country costs directly associated with moving food aid to storage and distribution sites and for storing and distributing the food; PL 480 Title II Section 202(e) which funds program materials, tools and equipment, administrative costs, management, and personnel costs; and monetization,¹⁶ in which funds derived from the sale of commodities are used to cover costs not permitted for use under ITSH or P.L. 480 Title II, Section 202(e). The bulk of the program costs, however, are food commodities and shipping costs to the host country, which are paid directly by USAID. Commodities are granted to the cooperating sponsors. Monetization proceeds are derived from the sale of a portion of these commodities. Our audit focused on MYAP activities performed under three cooperative agreements with CRS, World Vision, and ACDI/VOCA.

¹⁵ On January 1, 2012, USAID changed the term "AOTR" to "AOR" (agreement officer's representative) to align with changes in the Federal Acquisition Regulation. Because audit fieldwork occurred before the change, this report uses AOTR.

¹⁶ Monetization in Haiti was halted in FY 2010 for the remainder of the MYAP because it was not suitable.

Program Totals Through FY 2011 (Unaudited, in \$)

Fund Source	ACDI/VOCA	CRS	World Vision
ITSH	5,265,389	8,640,025	11,084,191
202(e)	12,133,029	6,706,431	11,326,220
Commodities	11,730,500	23,033,400	32,463,700
Carryover Commodities	-	3,028,500	925,600
Ocean Freight	4,156,600	8,258,000	10,930,500
Carryover Monetization	-	1,500,000	361,955
Cost Share¹⁷	26,363	543,000	9,229,249

Program Expenditures as of January 2012 (Unaudited, in \$)

	ACDI/VOCA	CRS	World Vision
ITSH	3,669,591	6,898,399	9,672,167
202(e)	9,322,588	6,337,569	10,470,294
Total	12,992,179	13,235,968	20,142,461
Monetization¹⁸	10,383,938	6,763,559	14,597,097

Program Obligations as of January 2012 (Unaudited, in \$)

	ACDI/VOCA	CRS	World Vision
ITSH	5,265,389	7,769,212	11,084,191
202(e)	11,919,529	6,522,000	11,326,220
Total	17,184,918	14,291,212	22,410,411

The audit covered the P.L. 480 Title II activities implemented from February 12, 2008, through December 16, 2011. The audit scope was focused primarily on the areas of agricultural and health because these two areas comprised 82 percent of the FY 2011 program budget. The audit did not focus on commodities because the Office of Inspector General issued a report on this aspect of the program in December 2009.¹⁹ The audit also did not focus on early warning systems, a small program component, or education and safety net support, which were implemented only by CRS.

Methodology

To answer the audit objective and to determine whether USAID/Haiti appropriately managed the program activities, we met with key USAID/Haiti personnel and cooperating sponsor officials to document their roles and responsibilities in implementing the P.L. 480 Title II activities in Haiti.

The auditors interviewed USAID/FFP Washington staff, USAID/Haiti staff, including the activity manager and supporting program staff, USAID/Haiti health staff, and staff from the three cooperating sponsors. In addition, we interviewed staff from two USAID/FFP contractors, FANTA and TOPS.

To gain an understanding of the program, the audit team reviewed USAID/Haiti's activity approval document for increased food security, the program's midterm evaluation, cooperative agreements, and associated modifications, USAID's issue letters relating to the award

¹⁷ Cost-share data is the total for the program.

¹⁸ FFP technically does not monetize proceeds; therefore this monetization proceeds are not included in the program obligations.

¹⁹ "Audit of USAID/Haiti's P.L. 480 Title II Programs" (Report No. 1-521-10-002-P).

proposals, site visit reports, operating plans, and portfolio reviews.

We also reviewed the three cooperating sponsors' documentation, including their proposals, pipeline and resource estimate proposals, periodic progress reports, and various documents that support program activities.

We reviewed applicable policies, regulations, and guidelines pertaining to USAID/Haiti's implementation of the program, including ADS, the Code of Federal Regulations, and USAID/FFP guidance on P.L. 480 Title II programs such as the P.L. 480 handbook, Title II Guidelines FY 2008, technical references, FFP information bulletins, country specific information, and FFP requests for application.

We conducted field visits in the program target areas of the three cooperating sponsors. Because we did not have a well-defined list of the numerous small activities and anticipated difficulty reaching remote locations, the auditors indicated type of activity to review, and the cooperating sponsors selected the site locations where these activities could be observed. In all, the team visited 51 separate activities over 10 days out of approximately 8,234 activities.

MANAGEMENT COMMENTS



June 13, 2012

MEMORANDUM

TO: Van Nguyen, Acting Regional Inspector General/San Salvador

FROM: Dina Esposito /s/, Director, USAID/Office of Food for Peace
Carleene Dei, Mission Director /s/, USAID/Haiti

SUBJECT: Management Responses to RIG/San Salvador Draft Report on Audit of USAID's Food for Peace Activities in Haiti (Report No. 1-521-12-004-P)

On May 15, 2012, the USAID Office of Food for Peace (USAID/FFP) in Washington and USAID/Haiti received the draft report on the subject audit containing six findings and ten recommendations. The purpose of this memorandum is to respond to these recommendations.

In providing responses to the audit recommendations, FFP and USAID/Haiti underscore that there are limitations on USG involvement because USAID/FFP awards are cooperative agreements. There are also limitations on the level of programmatic changes that USAID can realistically ask ACDI/VOCA, CRS and WV to implement as awards with these implementing partners are expected to end in September 2012 (or February 2013 for ACDI/VOCA).

Recommendation 1: We recommend that Food for Peace and USAID/Haiti establish a plan for the design, tracking, correlation and analysis of maternal and child health and nutrition and livelihood integration for the FY 2013 multiyear assistance program.

FFP and USAID/Haiti do not concur with this recommendation. We do not believe that this recommendation is appropriate as it relates to future Title II multiyear development programs that have not been designed or awarded at this time. It is therefore impossible to discuss the design and tracking of activities that have yet to be identified. It is further impossible to establish the tracking of a recommendation that relates to future, to date, inexistent programs.

We therefore request that RIG/San Salvador close Recommendation 1 prior to the issuance of the RIG report.

Recommendation 2: We recommend that Food for Peace and USAID/Haiti establish a plan for the design, tracking, correlation and analysis of the effectiveness and efficiency of mother support groups for the FY 2013 multiyear assistance program.

USAID/Haiti does not concur with this recommendation and does not believe that this recommendation is appropriate as it relates to future Title II multiyear development programs that have not been designed or awarded at this time. It is therefore impossible to discuss the design and tracking and analysis of the effectiveness of an activity that has not yet been proposed. It is further, impossible to establish the tracking of a recommendation that relates to future, to date, nonexistent programs. Based on this, we request that RIG/San Salvador close Recommendation 2 prior to the issuance of the RIG report.

Recommendation 3: We recommend that Food for Peace develop a plan to evaluate the cost effectiveness and efficiency of the various mother support group models being implemented by the Title II cooperating sponsors.

USAID/Haiti concurs with this recommendation and will add this recommendation's issue to the scope of work (SOW) for the final and joint evaluation of the current Title II multiyear programs of ACIDI/VOCA, CRS and WV. We will provide the specific question that will be included in the SOW by July 15, 2012, and we expect the evaluation results by December 15, 2012.

Recommendation 4: We recommend that Food for Peace and USAID/Haiti develop a cost estimate for implementing the first 1,000 days approach for the next multiyear assistance program to ensure potential cooperating sponsors incorporate sufficient resources in their budget and demonstrate the capacity to fully implement the First 1,000 Days methodology.

FFP and USAID/Haiti do not concur with this recommendation. The Country Specific Information and FFP Guidance provide the relevant information to potential partners regarding the MCHN sector, including the first 1,000 Days methodology. Given that awards are cooperative agreements, there are limitations in the involvement of the USG in the programs. Further, the cost of such an activity is very dependent on variables that are specific to each potential partner. In addition, USAID/Haiti does not believe that this recommendation is appropriate because it relates to future Title II multiyear development programs that have not been designed or awarded at this time. It is further impossible to establish the tracking of such a recommendation as it relates to future, to date, nonexistent programs. Based on these clarifications we request that RIG/San Salvador close Recommendation 4 prior to the issuance of the RIG report.

Recommendation 5: We recommend that USAID/Haiti include validation of the implementation of the First 1,000 Days approach in the monitoring plan for the next multiyear assistance program.

USAID/Haiti agrees to include in its monitoring a question related to validating whether or not activities related to the first 1,000 day approach are being implemented if this is deemed appropriate. When FFP reviews applications for new programs part of the review includes examining whether the applicant is proposing appropriate activities for the first 1000 days approach and whether the outcome and monitoring indicators are appropriate. However, USAID/Haiti does not concur with this recommendation because it relates to future Title II multiyear development programs that have not been designed or awarded at this time. It is further, impossible to establish the tracking of such a recommendation as it relates to future, to date, nonexistent programs. Based on this clarification, we request that RIG/San Salvador close Recommendation 5 prior to the issuance of the RIG report.

Recommendation 6: We recommend that Food for Peace and USAID/Haiti seek expert food security technical assistance in the development of the FY 2013 multiyear assistance program indicator performance tracking tables in order to (1) determine the most important indicators to track; (2) minimize inclusion of less significant indicator; and (3) provide consistent terminology for similar indicators across cooperating sponsor, and (4) fully incorporate information beneficial for food security assistance research in the program indicators.

Food for Peace contracts technical assistance expertise through FANTA III; USAID/Haiti may (and does) use FANTA III expertise because of the current FFP contract. It is standard practice (since 2009) for all new multiyear program implementers to participate in a Monitoring and Indicator workshop, facilitated by FANTA III in the country where the programs will be implemented. In general multiyear programs are very complex and as they are usually cross-cutting, their activities are implemented across pillars, which require indicators for each pillar. In Haiti's program, the Title II program cuts across three of the four USG Mission pillars. USAID/Haiti does not concur with this recommendation because it is not appropriate as it relates to future Title II multiyear development programs that have not been designed or awarded at this time. It is therefore, impossible to establish the tracking of such a recommendation because it relates to future, to date, nonexistent programs. Based on these clarifications, we request that RIG/San Salvador close Recommendation 6 prior to the issuance of the RIG report.

Recommendation 7: We recommend that USAID/Haiti examine any on-going or proposed activities in Mirebalais to avoid duplication of effort.

USAID/Haiti concurs with this recommendation and has initiated a regular meeting between all of the organizations (and USAID offices) that work in the area on U.S. Government funded programs. They have produced a tracking tool to inform all awardees about who is doing what, where, and will continue to coordinate to avoid duplication. This has already taken place and we therefore conclude that the recommendation should be closed.

Recommendation 8: We recommend that Food for Peace Washington strengthen their policies and procedures to ensure International Food Relief Partnership recipient programs are not duplicating Title II programs.

FFP plans to incorporate revised grant application requirement language into its annual IFRP Request for Applications (RFA) regarding the duplication of other donor activities. The language will revise and strengthen the current RFA instructions for grant applicants to address their awareness of other donors (both Title II and otherwise) in their proposed country/region of activities with a prerequisite to describe coordination with donors and/or Missions. The new RFA language will also remain as a scoring component for all IFRP grant applications. Please note that the IFRP grant program is also funded with Title II, and this includes the commodities. However, IFRP activities usually target institutionalized beneficiaries with meals cooked on-site. We therefore request that this recommendation be closed.

Recommendation 9: We recommend that Food for Peace develop a plan to create a central repository for data management developed by Title II partners.

FFP has already begun to develop such a plan and initial guidance is contained in a Food for Peace Information Bulletin 11-02, here:

http://transition.usaid.gov/our_work/humanitarian_assistance/ffp/ffpib.08.12.11.pdf

We therefore request that this recommendation be closed.

Recommendation 10: We recommend that Food for Peace and USAID/Haiti ensure that the ACIDI/VOCA tool is retained for potential inclusion in the repository for data management tools.

Food for Peace has recommended to its institutional contractor which works under the name Technical and Operational Performance Support (TOPS) that it include the ACIDI/VOCA tool in its revision of promising tools for data management. They are in contact with ACIDI/VOCA about this tool. We therefore request that this recommendation be closed.

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