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Office of Inspector General  
United States Department of State

AUD-SI-20-17

Office of Audits

February 2020

# **Audit of the Department of State's Coordination and Oversight of the U.S. President's Emergency Plan for AIDS Relief**

SECURITY AND INTELLIGENCE DIVISION

UNCLASSIFIED



# HIGHLIGHTS

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## What OIG Audited

The United States Leadership Against Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS), Tuberculosis, and Malaria Act of 2003 launched the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) to combat HIV/AIDS. Since PEPFAR's inception, the U.S. Government has committed more than \$80 billion to combat HIV/AIDS in more than 50 countries. The Department of State's Office of the U.S. Global AIDS Coordinator and Health Diplomacy (OGAC) is responsible for leading the U.S. Government's international HIV/AIDS efforts. At overseas missions, the PEPFAR Country Coordinator is the top OGAC employee in the country. This individual's responsibilities include coordinating and facilitating the interagency approach to PEPFAR.

The Office of Inspector General (OIG) conducted this audit to determine whether PEPFAR Country Coordinators at selected overseas missions effectively coordinated with interagency partners and whether OGAC has overseen selected missions' performance toward achieving PEPFAR goals. OIG performed fieldwork for this audit in Washington, DC, and overseas at Missions Kenya, Malawi, Tanzania, and Uganda.

## What OIG Recommends

OIG made four recommendations to address the deficiencies noted with the development of Country Operational Plans (COP). On the basis of OGAC's response to a draft of this report, OIG considers two recommendations closed and two recommendations resolved, pending further action. A synopsis of OGAC's response to the recommendations offered and OIG's reply follow each recommendation in the Audit Results section of this report. OGAC's response to a draft of this report is reprinted in its entirety in Appendix C.

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OFFICE OF AUDITS

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### What OIG Found

OIG found that PEPFAR Country Coordinators at the four missions audited effectively coordinated with interagency partners to reach consensus on their respective COPs. However, OIG found that a majority of those whom OIG interviewed on PEPFAR country teams had concerns regarding the COP development process. Furthermore, OIG identified a lack of effective communication regarding the COP development process. Overall, across the four missions, PEPFAR country teams expressed concerns regarding performance targets, OGAC-developed COP preparation tools, and the timeline to develop the COP. Furthermore, across the four missions, PEPFAR country teams consistently expressed the belief that their input was not considered during the COP development process, especially regarding the attainability of performance targets and changes to the COP preparation tools. OGAC leadership, however, stated that performance targets were developed on the basis of country needs and that it has, in fact, sought and considered feedback regarding the tools. These conditions occurred, in part, because OGAC leadership has not effectively applied the Department of State's leadership and management principles, especially regarding the expectation to encourage open dialogue to express differences of opinion. The lack of effective communication may affect PEPFAR program implementation efforts.

Lastly, OIG found that OGAC established a process to oversee PEPFAR program implementation via its PEPFAR Oversight and Accountability Response Team, which conducts quarterly consultation calls with overseas missions. By implementing these consultation calls, which include an analysis of results by key performance indicators, OGAC has established monitoring and evaluation activities that foster accountability and promote the effective use of resources toward epidemic control and the attainment of PEPFAR goals.

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## OBJECTIVE

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The Office of Inspector General (OIG) conducted this audit to determine whether the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) Country Coordinators at selected overseas missions effectively coordinated with interagency partners and whether the Office of the U.S. Global AIDS Coordinator and Health Diplomacy (OGAC) has overseen selected missions' performance toward achieving PEPFAR goals.

## BACKGROUND

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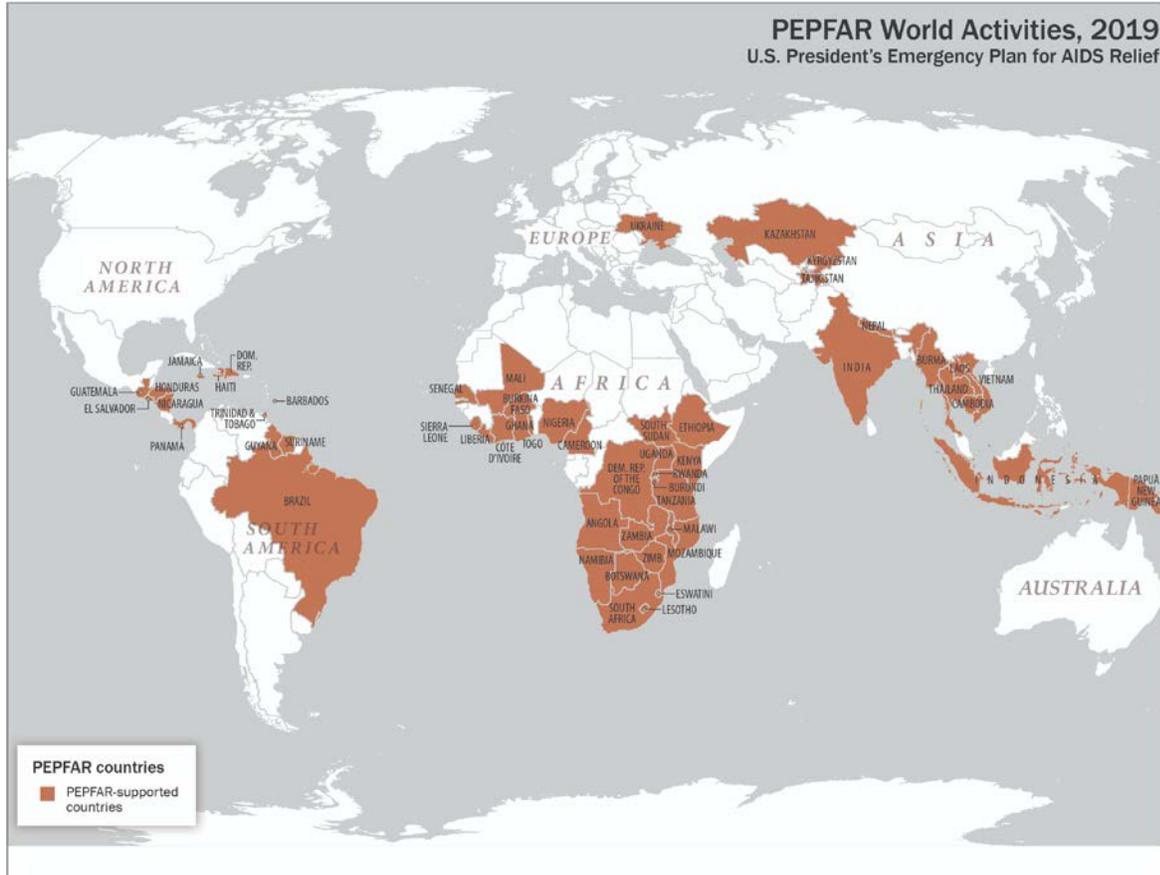
The United States Leadership Against Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS), Tuberculosis, and Malaria Act of 2003<sup>1</sup> launched PEPFAR to combat HIV/AIDS. The Act provided \$15 billion in foreign assistance over 5 years for the prevention, treatment, and control of HIV/AIDS, which includes providing antiretroviral therapy (ART) and male circumcisions. Since PEPFAR's inception, the U.S. Government has committed more than \$80 billion to combat HIV/AIDS in more than 50 countries. As described in an independent review<sup>2</sup> by the Kaiser Family Foundation, PEPFAR is viewed as one of the most significant and successful global health initiatives and is credited with saving millions of lives. Figure 1 depicts the countries that received PEPFAR assistance in 2019.

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<sup>1</sup> Pub. L. No. 108-25 (codified as amended at 22 U.S. Code § 7601 et seq.).

<sup>2</sup> "U.S. President's Emergency Plan for AIDS Relief (PEPFAR)," *Kaiser Family Foundation*, November 25, 2019, <https://www.kff.org/global-health-policy/fact-sheet/the-u-s-presidents-emergency-plan-for/>.

Figure 1: PEPFAR Countries



Source: "Where We Work – PEPFAR," <https://www.state.gov/where-we-work-pepfar/>.

### ***Office of the U.S. Global AIDS Coordinator and Health Diplomacy***

OGAC is led by the U.S. Global AIDS Coordinator and Special Representative for Global Health Diplomacy (Global AIDS Coordinator), who is appointed by the U.S. President and confirmed by the Senate. The Global AIDS Coordinator is responsible for leading the U.S. Government's international HIV/AIDS efforts. Specifically, the Global AIDS Coordinator oversees and directs all PEPFAR resources and activities and sends to each PEPFAR country an annual planning letter that includes preliminary funding amounts, recommended PEPFAR performance targets linked to those funds, congressional earmark requirements, and any overarching issues specific to the country, such as the need to increase prevention efforts for specific age groups or populations. OGAC Chairs report directly to the Global AIDS Coordinator and review program performance for multiple countries and monitor progress toward achieving PEPFAR goals. The OGAC Chairs are supported by PEPFAR Program Managers who delve more deeply into a specific country's performance, including implementing partners' performance.

### ***PEPFAR Country Coordinators***

At overseas missions where PEPFAR assistance is provided, the PEPFAR Country Coordinator is the senior OGAC employee in the country. This individual's responsibilities include (1) coordinating the interagency approach to PEPFAR; (2) facilitating discussions with the

interagency team regarding PEPFAR projects to be initiated, dropped, or curtailed; (3) engaging with the interagency team in long-range planning in connection with prospective changes in U.S. Government funding, policies, and programs; and (4) coordinating the development of the Country Operational Plan (COP), which is the annual strategic plan for U.S. Government-funded global HIV/AIDS activities. The Country Coordinator also manages the mission's PEPFAR Coordination Office, which can include a Deputy Country Coordinator (depending on the size of the mission's PEPFAR program), a Strategic Information Advisor, and technical program area advisors who work on particular topics (such as communications or issues specific to adolescent girls and young women).

### ***PEPFAR-Implementing Federal Departments and Agencies***

As a U.S. Government effort, PEPFAR is implemented by several Federal departments and agencies. The primary interagency partners are:

- The **Department of State (Department)**, through its embassies, engages in policy discussions with host governments and implements diplomatic initiatives and community-based HIV/AIDS programs (e.g., the PEPFAR Small Grants Program at embassies funds local projects that are developed with community involvement and in coordination with local non-governmental organizations).
- The **U.S. Agency for International Development (USAID)** works with governments, non-governmental organizations, and the private sector to provide training, technical assistance, and commodities (including pharmaceuticals) to prevent and reduce the transmission of HIV/AIDS and to provide treatment and care to people living with HIV/AIDS.
- The **Department of Health and Human Services, Centers for Disease Control and Prevention (CDC)**, works with local Ministries of Health to help deliver prevention, care, and treatment to countries affected by HIV. CDC works with partners to scale up the use of ART, strengthen the ability of governments to provide sustainable HIV services, and deliver prevention tools to individuals at high risk for HIV infection.
- The **Department of Defense** supports HIV/AIDS prevention, treatment, and care as well as program and policy development in host government militaries and civilian communities.
- The **Peace Corps** provides capacity development support to non-governmental, community-based, and faith-based organizations, with emphasis on ensuring that community-initiated projects and programs provide holistic support to people living with and affected by HIV/AIDS.
- The **Department of Commerce** fosters public-private partnerships and makes presentations in industry/trade advisory committee meetings on how the private sector can contribute to global HIV/AIDS interventions.
- The **Department of the Treasury** interacts with host governments to discuss the economic and fiscal challenges of the HIV/AIDS epidemic and deploys technical assistance advisors to work with partner finance ministries.
- The **Department of Labor** implements workplace-targeted projects that focus on prevention and reduction of HIV/AIDS-related stigma and discrimination.

A combination of these interagency partners, the PEPFAR Coordination Office, the Chief of Mission, and the Deputy Chief of Mission comprise the PEPFAR country team of a mission.

### ***PEPFAR Implementing Partners***

PEPFAR is implemented overseas by partners, including host government agencies, private contractors, nongovernmental organizations, universities, and faith-based organizations. Implementing partners' work includes HIV testing services, male circumcision services, and cervical cancer screening services. Implementing partners are funded by interagency partners via a variety of mechanisms, such as cooperative agreements, grants, and contracts.<sup>3</sup> Interagency partners are responsible for overseeing implementing partners' PEPFAR projects.

### ***PEPFAR Country Operational Plans***

A mission's COP documents U.S. Government annual investments in PEPFAR linked to specific results (i.e., targets) and is the basis for the approval of annual funding. The COP development process, which takes approximately 3 months, starts when OGAC posts COP guidance on the PEPFAR website.<sup>4</sup> The COP guidance outlines the COP development process timeline and required elements; the approach to program planning, including program requirements; planning steps; budget guidance; U.S. Government management and operations requirements; and technical guidance. In addition, the Global AIDS Coordinator issues a planning letter to each chief of mission that contains country-specific preliminary funding levels, program expectations and priorities based on prior performance as well as targets for PEPFAR performance indicators, such as "Current on ART"<sup>5</sup> and "Voluntary Medical Male Circumcisions"<sup>6</sup> (VMMC).

As part of the COP development process, PEPFAR country teams are required to hold an in-country strategic planning retreat with local stakeholders, including the host government and implementing partners, to analyze new data, discuss prior performance, and reach consensus—i.e., general agreement—on the new COP's direction. For example, PEPFAR country teams can reach consensus on interagency funding levels; the program areas on which interagency partners will focus, such as prevention or care and treatment efforts; and the geographic regions where interagency partners focus.

Once the PEPFAR country team develops the COP, OGAC leadership<sup>7</sup> holds in-person COP planning meetings with PEPFAR country teams, host government leadership, community and civil society representatives, multilateral stakeholders, and implementing partners to review policies, program activities, and progress toward epidemic control. Following the in-person COP

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<sup>3</sup> OGAC delegates authority for PEPFAR funds implementation to interagency partners via a Memorandum of Understanding that includes funding amounts.

<sup>4</sup> COP guidance is usually posted in January.

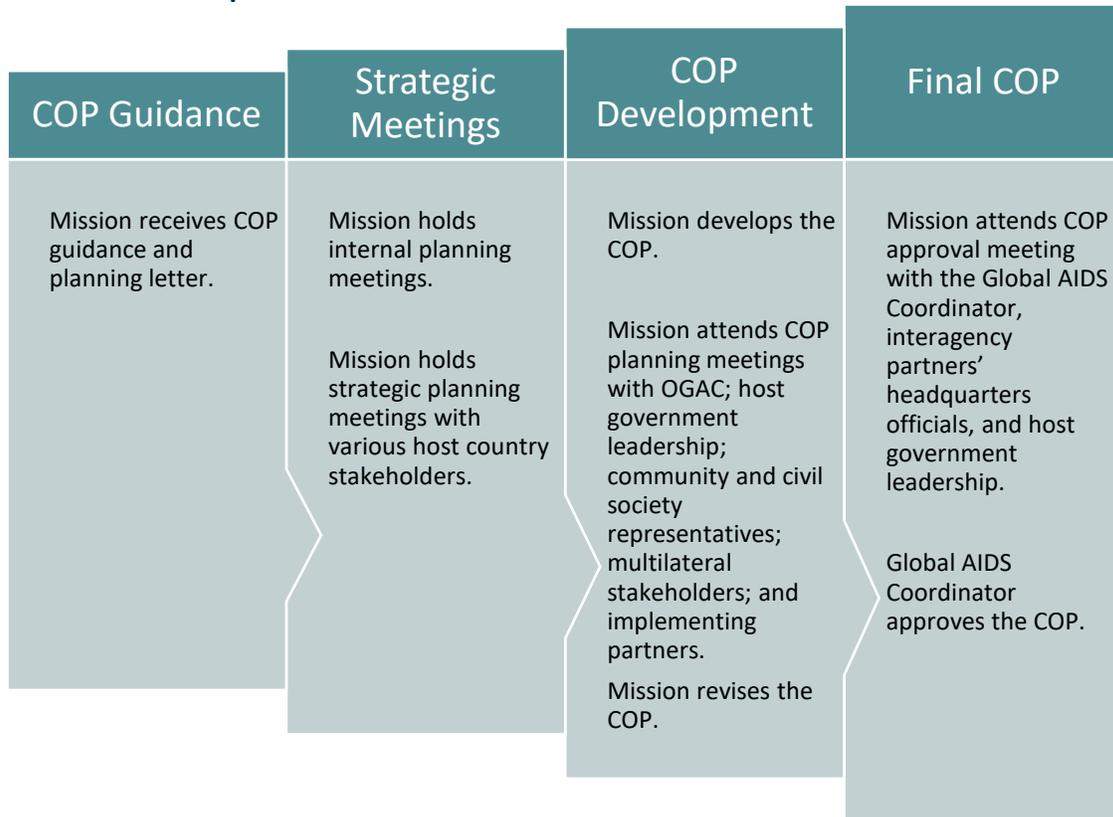
<sup>5</sup> This indicator represents the number of adults and children currently receiving ART.

<sup>6</sup> This indicator represents the number of males circumcised as part of the VMMC for HIV prevention program.

<sup>7</sup> Throughout the report, OGAC leadership refers to officials at OGAC headquarters and includes the Global AIDS Coordinator, Chairs, and PEPFAR Program Managers.

planning meetings, PEPFAR country teams refine and submit their COPs for approval by the Global AIDS Coordinator, who holds COP approval meetings with PEPFAR country team members, interagency partners’ headquarters officials, and host government leadership. Once the Global AIDS Coordinator approves the COP, funding is released and PEPFAR country teams can implement the COP in the upcoming fiscal year. Figure 2 shows the general COP development process.

**Figure 2: COP Development Process**



Source: OIG-generated using Mission Malawi’s PEPFAR Coordination Office COP development schedule.

## AUDIT RESULTS

### **Finding A: Country Coordinators Effectively Coordinated With Interagency Partners**

PEPFAR Country Coordinators are responsible for coordinating and facilitating the interagency approach to PEPFAR. OIG found that PEPFAR Country Coordinators at the four missions audited (Mission Kenya, Mission Malawi, Mission Tanzania, and Mission Uganda) effectively coordinated with PEPFAR country team members, including interagency partners. Coordination efforts were effective because the PEPFAR Country Coordinators regularly facilitated discussions with PEPFAR country team members and operated within established governance structures. Although the PEPFAR governance structures varied by mission, all included PEPFAR

country team members at varying levels across the different interagency partners.<sup>8</sup> PEPFAR interagency partner officials at the four missions audited stated that Country Coordinators held regular meetings throughout the year. For example, at Mission Kenya, the Country Coordinator facilitated weekly meetings with the PEPFAR Strategic Planning Group. At Mission Malawi, PEPFAR interagency partner officials reported that the Country Coordinator facilitated weekly meetings with the PEPFAR Management Team. At Mission Tanzania, PEPFAR interagency partner officials reported that the Country Coordinator facilitated weekly meetings with the PEPFAR Steering Committee. At Mission Uganda, the Country Coordinator facilitated monthly meetings with the PEPFAR Executive Council.

During the COP development process, Country Coordinators at the four missions stated that they increased the frequency of meetings to almost daily. OIG observed several of these meetings. For example, at Mission Uganda, OIG observed (1) a COP planning meeting with the Funding Allocation to Strategy Tool<sup>9</sup> team in which interagency representatives and PEPFAR Coordination Office staff members discussed budget allocations and the progress made to date in developing the tool, (2) a COP planning meeting with the Interagency Technical Team in which interagency representatives and PEPFAR Coordination Office staff members discussed efforts to develop the COP Strategic Direction Summary<sup>10</sup> and updated the COP deliverables calendar, and (3) a COP planning meeting with the Executive Council and the Interagency Technical Team in which PEPFAR country team members discussed the upcoming in-person COP planning meeting with OGAC and other stakeholders. At Mission Tanzania, OIG observed two meetings. First, OIG observed a Program Oversight and Accountability Team meeting in which data issues, the timeline for interagency partners to review data, and target setting were discussed. Second, OIG observed a PEPFAR Steering Committee meeting in which interagency leadership, PEPFAR Coordination Office staff members, and Cluster Technical Group leads discussed updates on COP development and their efforts to adjust the Datapack tool<sup>11</sup> at OGAC's request before submitting the COP to OGAC leadership.

OIG found that, as a result of the PEPFAR Country Coordinators' coordination efforts and the established governance structures, the PEPFAR country teams at Mission Kenya, Mission Malawi, Mission Tanzania, and Mission Uganda reached in-country consensus when developing their COPs.<sup>12</sup> According to OGAC's COP guidance, PEPFAR country teams, at the start of COP planning, "are expected to . . . analyze data, discuss options, and reach consensus on a

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<sup>8</sup> PEPFAR governance structure names varied throughout the missions (e.g., PEPFAR Strategic Planning Group, PEPFAR Steering Committee, PEPFAR Management Team, Interagency Technical Team, and Cluster Technical Groups), but all performed similar functions in the COP development process.

<sup>9</sup> The Funding Allocation to Strategy Tool is used to align the budget to the country's strategic direction.

<sup>10</sup> The Strategic Direction Summary is part of the COP and describes the strategy for the coming year, focusing on strategy changes as well as the monitoring framework that will be used to measure progress.

<sup>11</sup> The Datapack tool is a Microsoft Excel spreadsheet intended to assist PEPFAR country teams in setting COP performance targets at the sub-national and implementing mechanism levels.

<sup>12</sup> In addition to using meetings and their governance structures, Mission Malawi and Mission Tanzania PEPFAR country teams also used performance data to reach consensus on which agencies would lead upcoming programming.

proposed COP . . . direction.” In cases in which lower level teams and groups did not initially reach consensus or were faced with contentious decisions, issues were elevated to interagency leadership and, if needed, the chief of mission. For example, in Uganda, four interagency partners<sup>13</sup> were funding Orphans and Vulnerable Children programs in different regions throughout the country. As Uganda approached epidemic control, the Chief of Mission decided that the program should be managed by a single agency. USAID and CDC, the largest of the four interagency partners, could not agree which agency would solely manage the program. Therefore, the Country Coordinator drafted a memorandum that presented the agencies’ cases for managing the program to the Chief of Mission, who determined that USAID would manage the program.

Overall, across the four missions, a majority of PEPFAR country team members that OIG interviewed had positive views about reaching in-country consensus on planned COP direction and told OIG that they had good working level relationships and that the teams worked well and employed different strategies to resolve disputes. PEPFAR country team members consistently stated that, even when teams had heated debates, they eventually reached consensus. By engaging via their governance structures and the regular meetings organized by the Country Coordinators, PEPFAR interagency partners ensured that they effectively interacted and collaborated to make preliminary decisions on future PEPFAR programming.

## **Finding B: PEPFAR Country Teams Expressed Concerns Regarding the COP Development Process and the Lack of Effective Communication With OGAC**

OIG found that a majority of those OIG interviewed on PEPFAR country teams had concerns regarding the COP development process, and OIG identified a lack of effective communication pertaining to this process. Overall, across the four missions, PEPFAR country teams expressed concerns regarding performance targets, OGAC-provided COP preparation tools, and the timeline to develop the COP. Of 229 statements made about the COP development process by PEPFAR country team members across the 4 missions audited, 183 (80 percent) were negative.<sup>14</sup> Furthermore, across the four missions, PEPFAR country teams consistently expressed the belief that their input was not considered during the COP development process, especially regarding the attainability of performance targets and changes to the OGAC-developed COP preparation tools. Specifically, a majority of those OIG interviewed on PEPFAR country teams do not believe that OGAC leadership encourages open dialogue to obtain information about differences in opinion regarding performance targets, nor do they believe shortcomings reported to OGAC leadership about the COP preparation tools have been acknowledged and addressed. OGAC leadership, however, stated that performance targets were developed on the basis of country needs and that it has, in fact, sought and considered feedback regarding the tools. These conditions occurred, in part, because OGAC leadership has not effectively applied Department leadership and management principles<sup>15</sup> and GAO’s

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<sup>13</sup> The four interagency partners were USAID, CDC, the Peace Corps, and the Department of Defense.

<sup>14</sup> See Appendix A for additional information on the interviews conducted by OIG.

<sup>15</sup> 3 FAM 1214, “Leadership and Management Principles for Department Employees.”

*Standards for Internal Control in the Federal Government.*<sup>16</sup> As a result, OIG found that morale has been adversely affected. Moreover, the lack of effective communication may affect PEPFAR program implementation efforts.

### ***Establishing PEPFAR Performance Targets***

Overall, across the four missions, a majority of PEPFAR country team members that OIG interviewed stated that they had concerns regarding COP performance targets and the lack of dialogue with OGAC regarding those targets. Of 59 statements regarding targets, 48 (81 percent) were negative. They described performance targets prescribed by OGAC as unrealistic, ambitious, high, and not achievable. For example, PEPFAR country team members stated:

- “In the last 2 years, there has been no negotiation with the country. OGAC has set the targets using . . . estimates. It is ‘take it or leave it.’ The targets have not been negotiable. [We] have hardly achieved the targets because they are unrealistic.”
- “[We] are rarely successful in getting targets changed. We will lay out the reasons why they are unrealistic. Last year, . . . [we] did some calculations on how unrealistic some targets were, and OGAC refused to budge on them. Ultimately, . . . [we] did not meet the targets.”
- “On a scale, 7 out of 10 are achievable. Some indicators are not. For COP 2018, they have very high targets in some regions for test positive.<sup>17</sup> The targets are quite ambitious. We are pushing partners, but deep down we know they’re not achievable.”
- “For the treatment team, one area where we have really struggled is achieving the targets for HIV test positive. The target was too high, but the issue is really understanding why we are not achieving. Is it only that partners are not implementing the right way or is it our estimates? This conversation is always shut down.”
- “There are actually very few attempts at consensus building during COP development. Mostly, and increasingly, it’s just [OGAC] telling country teams what they must do and even what targets they must set for themselves. It is very much a one-way communication transmission . . . In COP 2019, for instance, they set our overall target for number of people on ART, but it was actually greater than the number of people living with HIV. Their target also assumed that we would not lose even one person from the people on ART from the year before. This is a ridiculous assumption. We know that we lose about 10 percent of people on ART every year, through death, people opting out of treatment, etc. Such unrealistic targets are simply not achievable. Yet, OGAC does not listen to feedback.”
- “Targets are prescribed to us. [We have] less room for flexibility. Because of this, [we] don’t understand where some of the numbers come from. Targets need to be realistic for what is on the ground. OGAC has reasons for the numbers, but they are not reasonable.”

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<sup>16</sup> Government Accountability Office, *Standards for Internal Control in the Federal Government* (GAO-14-704G, September 2014).

<sup>17</sup> See footnote 17 for the “HIV Tested Positive” indicator description.

On the basis of these and similar statements, OIG reviewed the targets of four performance indicators<sup>18</sup> set forth in Mission Kenya's, Mission Malawi's, Mission Tanzania's, and Mission Uganda's 2017 COPs (see Appendix B for details). OIG pulled results data for these performance indicators and found that none of the four missions achieved the targets established for three of the four performance indicators, including "HIV Tested Positive."<sup>19</sup> PEPFAR country team members from two missions stated that they did not achieve the "HIV Tested Positive" target because the target was too high. OIG cannot independently conclude that the targets were not achieved because they were unrealistic. However, this information aligns with the overall statements made by PEPFAR country team members interviewed for this audit.

The Department's *Leadership and Management Principles for Department Employees* requires all Department employees to plan strategically by developing and promoting "attainable, shared short- and long-term goals with stakeholders for your project, program, team, or organization."<sup>20</sup> In addition, these principles require all employees to "seek consensus and unified effort by anticipating, preventing and discouraging counter-productive confrontation."<sup>21</sup> Furthermore, employees are required to communicate and manage conflict: "Be approachable and listen actively"<sup>22</sup> and "encourage an atmosphere of open dialogue and trust."<sup>23</sup>

OIG discussed the issues raised by PEPFAR country team members about the performance targets with OGAC leadership. OGAC leadership officials stated that its criterion for setting PEPFAR performance targets is the determination of a country's need, using Joint United Nations Programme on HIV/AIDS data.<sup>24</sup> Furthermore, an OGAC leadership official stated, "In years past, [we] spent a lot of time haggling over targets for very little changes. Not productive." More generally, according to OGAC, when interagency partners sign the COP approval memorandum,<sup>25</sup> they are certifying to OGAC that they agree with the funding and performance targets set forth in the COP. Furthermore, the Global AIDS Coordinator stated that PEPFAR country team members at Mission Kenya, Mission Malawi, Mission Tanzania, and

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<sup>18</sup> OIG reviewed the targets for the following performance indicators: 1) "HIV Tested Positive," which represents the number of individuals who received HIV Testing Services and received their test results positive; 2) "Current on ART," which represents the number of adults and children currently receiving antiretroviral therapy; 3) "Retained on ART at 12 Months," which represents the percentage of adults and children known to be on treatment 12 months after initiation of antiretroviral therapy; and 4) "VMMC," which represents the number of males circumcised as part of the VMMC for HIV Prevention program.

<sup>19</sup> In addition, no mission met the targets for the "Retained on ART at 12 Months" and "Current on ART" performance indicators. Two of the four missions did not meet the targets for "Voluntary Male Medical Circumcision."

<sup>20</sup> 3 FAM 1214(b)(2).

<sup>21</sup> Id.

<sup>22</sup> 3 FAM 1214(b)(4).

<sup>23</sup> 3 FAM 1214(b)(9).

<sup>24</sup> The Joint United Nations Programme on HIV/AIDS generates strategic information and analysis that increases understanding of the AIDS epidemic state and progress made at the local, national, regional, and global levels.

<sup>25</sup> The COP approval memorandum outlines the annual funding summary, targets expected to be achieved, congressional budgetary requirements, and expectations on monitoring and partner engagement during the COP year.

Mission Uganda did not express concerns about the targets during the COP development process. The Global AIDS Coordinator also stated that country teams could reject the targets and the funding tied to those targets. However, according to one PEPFAR country team member, in practice, this was not allowed during the 2017 COP development process. Specifically, OGAC leadership proposed additional funding to the PEPFAR country team if it increased its performance targets. The PEPFAR country team did not think the increased targets were “feasible,” and they were “prepared to walk away” from the additional funding. However, according to the PEPFAR country team member, OGAC leadership eventually informed them that the mission would receive increased funding along with the increased targets. As a result, the PEPFAR country team “ended up with targets much higher than [they] thought [were] feasible.”

OIG determined that the lack of consensus on PEPFAR performance targets was due, at least in part, to OGAC leadership not effectively applying Department leadership and management principles. Specifically, in these instances, OGAC leadership did not effectively work with its PEPFAR stakeholders to seek a consensus and a unified effort on the establishment of PEPFAR performance targets. In addition, OGAC leadership did not effectively encourage an atmosphere of open dialogue and trust. Of 68 statements regarding OGAC’s leadership, 49 (72 percent) were negative. Eight of these statements variously described OGAC’s leadership as “dictatorial,” “directive,” and “autocratic.”

- “Sometimes decisions are made without clear rationale other than ‘[the Global AIDS Coordinator] told you to.’ Having more of a dialogue would be useful. Why do we go through 4 months of COP? Why have a charade when you’re just going to tell us what to do?”
- “[In the planning letter,] we were asked to stop [a program] but have been allowed [by OGAC] to continue based on the evidence shown [by the PEPFAR country team] . . . It would have been nice if they had consulted us more and have a dialogue and then the letter could reflect what was in the dialogue. OGAC gathers information, but they don’t necessarily have a dialogue about their concerns. It would have been helpful to have a dialogue where they could have outlined the issues in the letter, look at data together, and go through the process of listening before sending the letter because otherwise they draw conclusions that lead down the wrong path. If we had done what was in the letter, it would have been programmatically harmful.”
- “We are constantly providing feedback, but it falls on deaf ears . . . OGAC issues threats. It’s not that they don’t know. They don’t want to hear it.”

The effect of this condition is low employee morale among PEPFAR country team members. In addition, as PEPFAR country team members stated, it affects the implementation of PEPFAR efforts:

- “[Implementing agency] has high level technical staff who in the last years has been directed to read the [planning] letter and do exactly that. Let’s just obey and move on. This is a worrying trend. Working in fear and a space where nothing is negotiable. It is

causing a lot of strain with the government. Also losing gains made in the country. There should be room for negotiation and allow people to air their views.”

- “Need to strike a balance to keep doing better every time. This is not the first major eradication program we have done. Take a look at those. It is taking a toll on individuals and agencies. It is worsening. The center of power and decision-making is getting smaller and smaller.”
- “There should be some consideration for whether the goal is achievable based on where the country is today. It’s good to be ambitious, but when goals are objectively just not achievable under [any] circumstances, then performance is assessed as being poor when it was actually great. [Implementing] partners get inappropriately judged as falling short . . . When targets are high, even good performers are seen as not being very good.”
- “[Targets] are sometimes too high. Because of the pressure of trying to hit the targets, [it] put a lot of pressure on the [implementing] partners. Sometimes, you are not even sure that the numbers are true. Especially when you go to the field and look at the registers. You cannot verify that they are real patients.”
- “I fear that on the quality assurance side, if the message to your partners is, who are mostly local staff, ‘perform on this trajectory, and if you don’t, you’re out’ – that is a recipe for cooking data. The local staff are the interface with clients and their jobs are on the line. You’re incentivizing data cooking.”

Because of the lack of meaningful collaboration and trust, as established by the consistently critical statements from the majority of those OIG interviewed on PEPFAR teams across the four missions, OIG concludes that it is prudent for OGAC leadership to take immediate action to address this condition. OIG is therefore making the following recommendation.

**Recommendation 1:** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy, in accordance with Department of State Leadership and Management Principles for Department Employees, develop and implement an action plan to promote open dialogue and trust between Office of the U.S. Global AIDS Coordinator and Health Diplomacy officials and PEPFAR country team members when establishing performance targets for the U.S. President’s Emergency Plan for AIDS Relief.

**Management Response:** OGAC concurred with the recommendation, stating that it “developed and implemented an action plan” to promote open dialogue related to establishing performance targets. For the 2020 COP, rather than assign performance targets to PEPFAR-supported countries, OGAC provided only “notional budget levels” and issued guidance that PEPFAR country teams are expected to “develop, establish, and submit their own targets, in collaboration” with stakeholders. OGAC disseminated this guidance and the planning letters in January 2020. Furthermore, in January 2020, OGAC held a webinar with the 54 PEPFAR-supported countries and OGAC leadership visited the countries to continue the dialogue and work on 2020 COP development.

**OIG Reply:** On the basis of OGAC’s actions and documentation provided in response to this recommendation, OIG considers the recommendation closed. Specifically, OIG

reviewed the 2020 COP guidance; the 2020 planning letters to Missions Kenya, Malawi, Tanzania, and Uganda; and a PowerPoint presentation of the 2020 COP overview webinar. OIG concludes no further action is required in relation to this recommendation.

### ***COP Preparation Tools***

Mission Kenya, Mission Malawi, Mission Tanzania, and Mission Uganda PEPFAR country team members expressed concerns about the OGAC-provided COP preparation tools and expressed the belief that their input on changes to the tools was not considered. Of 33 statements about OGAC's COP preparation tools, all (100 percent) were negative. OGAC tools, which are mandatory for COP development, include (1) the Datapack, (2) the Funding Allocation and Strategy Tool, and (3) the Supply Planning tool.<sup>26</sup> PEPFAR country team members from two missions reported that the Datapack tool was complex and required paying staff overtime and authorizing work on weekends to complete it. A PEPFAR country team member described the Datapack as a tool that required extensive spreadsheet manipulation and stakeholder input. Furthermore, another PEPFAR country team member stated, "The tools that we develop in that time include thousands of lines that need to be populated for [performance] targets. It's extremely complicated." PEPFAR country team members from two missions also reported that the Funding Allocation and Strategy Tool was challenging and complicated. Furthermore, a majority of those OIG interviewed on PEPFAR country teams across the four missions reported that OGAC changes the tools from year to year and that the tools themselves have technical "glitches," which further increases the challenge of using them. Lastly, PEPFAR country team members from two missions reported concerns with the feedback process on the tools:

- "When we give feedback to OGAC on the tools, the question is whether OGAC is going to address the issue or create a new tool. Is feedback taken seriously?"
- "For last year, we shared experience with the tools with OGAC, and said, 'If you fix A, B, and C, it will be better.' But have seen the same this year."

According to GAO's *Standards for Internal Control in the Federal Government*, management must "periodically review policies, procedures, and related control activities for continued relevance and effectiveness in achieving the entity's objectives . . . If there is a significant change in an entity's process, management reviews this process in a timely manner after the change to determine that the control activities are designed and implemented appropriately."<sup>27</sup> Furthermore, per the Department leadership and management principles,<sup>28</sup> employees must "share best practices, quality procedures, and innovative ideas to eliminate redundancies and reduce costs" and "create a sense of pride and mutual support through openness." OIG discussed with OGAC leadership the issues raised about the tools, and an OGAC leadership official stated that OGAC holds an annual after-action review on the overall COP development process and the tools – "For COP 2019, we had a whole series of conversations with the field.

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<sup>26</sup> This tool is used to project the next 20 months of all antiretrovirals that a country will use for ART.

<sup>27</sup> GAO-14-704G, September 2014, at 56–57.

<sup>28</sup> 3 FAM 1214(b)(7).

How can we improve [the tools]? We bring in that input without wanting to change [the process] in a significant way.” For example, an OGAC leadership official stated that improvements to the Datapack tool were made as a result of field suggestions on how to automate the process.

As with the other issues described, given the statements from PEPFAR country team members and those of OGAC leadership regarding the feedback process, OIG concludes that the communication plan among OGAC leadership and PEPFAR country teams relating to the COP preparation tools, and particularly subsequent changes to the tools, must be improved. Although OGAC leadership stated that a periodic review of the tools is performed, PEPFAR country team members expressed the belief that OGAC did not implement their feedback and expressed frustration with this situation. More substantively, OIG notes that if it is the case that COP preparation tools require excessive overtime to understand and use, this may be detrimental to employee morale and, if left unaddressed, could ultimately jeopardize PEPFAR efforts. OIG is therefore offering the following recommendation.

**Recommendation 2:** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy develop and implement a communication plan on the suggested changes to Country Operational Plan preparation tools offered by U.S. President’s Emergency Plan for AIDS Relief country team members, including a mechanism to address and convey decisions on suggested changes.

**Management Response:** OGAC concurred with the recommendation, stating that it has “developed and implemented a communication plan” on changes to the 2020 COP preparation tools, including a mechanism to address and convey decisions on suggested changes. On the basis of input from PEPFAR country teams on the 2019 COP preparation tools, OGAC incorporated various changes to the 2020 tools, some of which are summarized in its response. In January 2020, OGAC communicated all tool updates via webinars with the 54 PEPFAR-supported countries. Furthermore, OGAC has established an online mechanism to gather feedback on the tools.

**OIG Reply:** On the basis of OGAC’s actions and documentation provided in response to this recommendation, OIG considers the recommendation closed. Specifically, OIG reviewed PowerPoint presentations from various webinars on the COP preparation tools that included feedback on the tools and how the tools have been changed for 2020. Furthermore, OIG viewed the online mechanism used to receive feedback. OIG concludes no further action is required in relation to this recommendation.

### ***COP Development Timeline***

A majority of those OIG interviewed on PEPFAR country teams at Mission Kenya, Mission Malawi, Mission Tanzania, and Mission Uganda also expressed concerns about the COP development timeline. Specifically, they believe that it is too short and unreasonable given the substantial amount of work involved in developing a COP. Of 55 statements from PEPFAR

country team members across the 4 missions on the COP timeline, 52 (95 percent) were negative.

The timeline for developing the 2019 COP was 3 months.<sup>29</sup> In comparison, the Global AIDS Coordinator stated that the COP timeline used to be 9 months. Several of those whom OIG interviewed on PEPFAR country teams were appreciative that the COP development process had been shortened. However, under this compressed timeline, 24 PEPFAR country team members across the 4 missions stated that they worked overtime or weekends to develop their COPs. According to GAO's *Standards for Internal Control in the Federal Government*, management should adjust "excessive pressures on personnel in the entity because of goals established by management to meet objectives." In addition, "Excessive pressure can result in personnel 'cutting corners' to meet the established goals." Furthermore, "Management is responsible for evaluating pressure on personnel to help personnel fulfill their assigned responsibilities."<sup>30</sup>

OIG discussed the PEPFAR country teams' concerns with the Global AIDS Coordinator, who stated that OGAC shortened the COP development timeline at the request of chiefs of mission. The Global AIDS Coordinator stated, "We have done most of the deliverables ourselves. We have done most of the data analysis. We know how long it takes our staff here. We give them twice as much time because they have to reach out to stakeholders." Furthermore, OGAC previously implemented a 2-year COP development process (rather than annual planning) for specific Caribbean and Asian countries but found that it was not effective and that no progress was made on epidemic control during the 2-year period.<sup>31</sup>

Notwithstanding OGAC leadership's explanation, 14 PEPFAR country team members expressed concerns because they believe that the timeline causes dialogue with stakeholders, such as the host government, to suffer. PEPFAR country team members stated:

- "You can have resources come with requirements to use the funds in certain ways and require certain host-government policies – you can expect this, but [OGAC officials] expect it yesterday without buy-in. We have no ability to have real good dialogue with the government."

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<sup>29</sup> COP development sometimes takes more than 3 months. For example, OGAC leadership officials stated that, because Kenya was "close to achieving epidemic control," they did not want Mission Kenya to follow the normal COP cycle and requested that the PEPFAR country team develop a new type of COP. OGAC eventually approved Mission Kenya's 2019 COP on June 20, 2019. In addition, Mission Tanzania experienced an extended COP timeline because of OGAC disagreements with the host government over policy implementation. OGAC eventually approved Mission Tanzania's 2019 COP on May 23, 2019.

<sup>30</sup> GAO-14-704G, September 2014, at 33.

<sup>31</sup> In the November 2009 report, "*The Exercise of Chief of Mission Authority in Managing the President's Emergency Plan for AIDS Relief Overseas*" (ISP-I-10-01), OIG recommended that OGAC, after consultations with Congress, reduce COP submissions to a biannual basis and to use post annual and semiannual reporting to prepare the annual congressional budget submission.

- “The Government needs to take time to understand things. With tight deadlines, we have to leave them behind. OGAC says, ‘Let’s do it in 3 weeks, but we want to involve all other parties.’ Then, we need more time.”
- “Adequate consultation with Government is important to be on the same page. Now, it’s inadequate consultation.”
- “The COP process does not leave much time for engagement with Government . . . counterparts.”
- “Even our government counterparts rightfully complain that we sit with them for 3 days and then it’s off to [the in-person planning meeting with OGAC]. The back and forth that you should be having there is no time for it.”
- “It makes it very difficult to negotiate with the host government when [we] do not give them sufficient time to plan.”

Furthermore, as a result of the COP development timeline, PEPFAR country team members stated that they suffered from high stress levels, low morale, and health issues, and at one mission, the regional psychiatrist held a session to counsel PEPFAR country team members. PEPFAR country team members from three missions also reported that interagency staff did not want to bid on PEPFAR countries because of the overall PEPFAR environment.

OIG does not take a position on the question of whether the COP development timeline has been appropriately developed or whether it should, in fact, occur on an annual basis, every two years, or at some other interval. As with the discussion of the indicators, however, in light of the consistent concerns expressed by personnel in the field as well as the rationale provided by OGAC leadership for the existing timeline, OIG concludes that it is prudent for OGAC leadership to re-examine the COP development timeline by seeking the assistance of an independent party (internal or external to the Department) who can objectively evaluate the COP development process and provide options for adjustment to the timeline on the basis of the work involved. OIG is therefore offering the following recommendation.

**Recommendation 3:** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy seek the assistance of an independent party to conduct an evaluation of the Country Operational Plan development process and provide options for adjustment to the timeline.

**Management Response:** OGAC concurred with the recommendation, stating that it will seek the assistance of an independent party to conduct an evaluation of the 2020 COP development process. It commented that, so far, the “timeline has not been significantly altered” but stated that “more time has been committed to joint HQ/field discussions for increased open dialogue. Further timeline adjustments beyond these, would impact the Congressional Notification timeline.”

**OIG Reply:** On the basis of OGAC’s concurrence with the recommendation and planned actions, OIG considers the recommendation resolved, pending further action. This recommendation will be closed when OIG receives and accepts documentation

demonstrating that an independent party has evaluated the COP development process and provided options for adjustment to the COP timeline.

### **Finding C: OGAC Established a Process To Oversee Mission Performance Toward Achieving PEPFAR Goals**

OIG found that OGAC leadership established a process to oversee mission performance toward achieving PEPFAR goals. Specifically, OGAC leadership oversees PEPFAR program implementation via its PEPFAR Oversight and Accountability Response Team (POART). Quarterly POART consultation calls that include an analysis of results from each mission for key performance indicators—such as “HIV Tested Positive,” “Current on ART,” and “VMMC”—are a key aspect of OGAC’s oversight. During POART consultation calls, OGAC and PEPFAR country teams discuss implementing partners’ performance and spending. Mission Kenya PEPFAR country team members stated that OGAC is focused on ensuring implementing partners are performing. Mission Malawi PEPFAR country team members stated that, during POART consultation calls, OGAC discusses nonperforming implementing partners. Several Mission Tanzania PEPFAR country team members stated that OGAC provided performance feedback and that, as a result of the POART consultation calls, they pushed implementing partners to improve performance. A Mission Uganda PEPFAR country team member stated that, for POART consultation calls, OGAC requested data on the five best and five worst implementing partners.

A majority of those OIG interviewed on PEPFAR country teams consistently stated that OGAC leadership has improved PEPFAR oversight. Of 27 statements regarding oversight, 22 (81 percent) were positive. PEPFAR country team members cited a high level of accountability, increased use of data, transparency, a focus on goals and strategic direction, and effective use of resources. For example, PEPFAR country team members stated:

- “[OGAC is] effectively managing the program. I have worked in PEPFAR for 10 years, so I can compare to previous years. The drive going now is really helpful with managing resources even though it gives us a lot of work.”
- “From a fiscal standpoint, they do a good job. There are regular reports to submit, data calls, and regular teleconferences.”
- “In the context of resources given, PEPFAR has done a remarkable job managing the largest public health initiative ever. Evolve, sustain, and reboot. This is how you have to manage it. It is not easy.”

Following POART consultation calls, OGAC leadership will issue a Corrective Action Summary, which is an official record of issues identified that require resolution by established deadlines. For example, in the Corrective Action Summary for Mission Malawi that followed the FY 2018 Quarter 3 POART consultation call, OGAC pointed out that Quarter 3 results on the number of adults and children newly enrolled in ART for the largest treatment implementing partners were low. OGAC asked that interagency partners manage implementing partner spending “aggressively” to ensure implementing partners “are not spending all funds when there is major shortfall in results.” In Mission Tanzania’s Corrective Action Summary for the FY 2018 Quarter 3 POART consultation call, OGAC stated that a large percentage of people living with HIV were

being diagnosed late in the disease and required that treatment experts in country track the mortality of these individuals and report on the results by Quarter 4.

OGAC officials stated that they established POART consultation calls to improve PEPFAR's performance and provide vigilance as HIV continues to evolve. By doing so, OGAC has established monitoring and evaluation activities consistent with GAO's *Standards for Internal Control in the Federal Government*.<sup>32</sup> Equally important, OGAC has implemented a process to monitor progress toward epidemic control and the attainment of PEPFAR goals.

## OTHER MATTERS

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### OGAC Has Struggled To Fill PEPFAR Country Coordinator Positions

OIG found that as of April 2019, of the 24 total Country Coordinator positions that would be filled, 12 positions (50 percent) were vacant.<sup>33</sup> At the four missions OIG audited, two had experienced Country Coordinator vacancies. Specifically, Mission Uganda's Country Coordinator position was vacant for more than 2 years (until spring 2018) and Mission Tanzania's Country Coordinator position became vacant in January 2019.

Per GAO's *Standards for Internal Control in the Federal Government*, "Management should demonstrate a commitment to recruit, develop, and retain competent individuals."<sup>34</sup> OIG found that OGAC demonstrated a commitment to recruiting Country Coordinators. However, OGAC has struggled to fill vacant Country Coordinator positions because it primarily uses the Department's Limited Non-Career Appointment (LNA) Foreign Service position hiring mechanism. According to the Foreign Affairs Manual, LNA Foreign Service positions are limited to a period of 5 years. The LNA Foreign Service positions do not lead to onward employment at the Department or U.S. Government after the term ends.<sup>35</sup> The LNA hiring process can take up to 2 years from the date of selection because candidates are subject to a medical examination, a security background investigation, and a suitability check. An OGAC official stated that likely candidates have extensive experience overseas, which lengthens the security background investigation. As noted above, in the past, Mission Uganda and Mission Tanzania had Country Coordinator vacancies. Although they had Deputy Country Coordinators who could act as the Country Coordinator, when a Country Coordinator position is vacant for a long time, the burden can fall on front office staff members, such as the deputy chief of mission, or other PEPFAR Coordination Office staff to fill a role that is labor intensive and time consuming.<sup>36</sup> Furthermore, a Country Coordinator vacancy could lead to less interagency coordination and hamper internal consensus efforts because of a lack of facilitated discussions on PEPFAR priorities.

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<sup>32</sup> GAO-14-704G, at 64.

<sup>33</sup> The 24 positions include 3 Regional Coordinator positions and exclude 5 positions that OGAC decided not to fill.

<sup>34</sup> GAO-14-704G, at 21.

<sup>35</sup> 3 FAM 2296, "Duration of Limited Noncareer Appointments."

<sup>36</sup> Mission Uganda and Mission Kenya PEPFAR country team members stated that Deputy Country Coordinator vacancies are also a concern because PEPFAR coordination is a lot to manage for one person.

In 2009, OIG found that missions were primarily hiring Country Coordinators using USAID's personal services contract authority.<sup>37</sup> OIG found that this was not a satisfactory long-term process because it was too ad hoc, provided little continuity, and raised questions regarding partiality because of USAID's ownership of the hiring mechanism. As a result, OIG recommended that OGAC establish an alternative plan to hire Country Coordinators. According to an OGAC official, after lengthy negotiations with the Bureau of Human Resources, Office of the Director General, they began implementing the LNA hiring mechanism in 2014. However, OIG notes that missions are once again turning to USAID's personal services contract hiring mechanism to fill Country Coordinator vacancies. As of April 2019, missions with 6 of the 12 Country Coordinator vacancies were in the process of filling the positions using the USAID personal services contract hiring mechanism. An OGAC official stated that OGAC will approve the course of action that a mission thinks best to quickly and effectively fill a Country Coordinator vacancy.

Although the LNA process can be onerous, OIG notes that it has implemented the LNA process to fill overseas OIG positions. OIG deploys full-time Civil Service employees as LNA Foreign Service officers to OIG field offices in Baghdad, Iraq; Kabul, Afghanistan; and Frankfurt, Germany. OIG uses internal vacancies to fill these LNA positions and, once the term is over, the employees return to their original full-time Civil Service positions. Like OGAC, OIG follows Department LNA guidance in which employees selected for an LNA position also undergo medical and suitability checks. However, because OIG employees have already undergone security background investigations, the LNA process typically takes 6 months, not years. OIG discussed the LNA process with Bureau of Human Resources, Office of the Director General, officials, who noted that OGAC can fill existing Country Coordinator vacancies with full-time Civil Service employees that could then deploy overseas as LNA Foreign Service officers. OIG concludes that hiring Country Coordinators as full-time Civil Service employees will allow OGAC to recruit, develop, and retain competent individuals in accordance with internal control requirements because this type of position is likely to enhance the pool of candidates, increase Country Coordinators' tenure in the position, and provide PEPFAR missions with Country Coordinators who have both OGAC and field experience.

**Recommendation 4:** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy, in coordination with the Bureau of Human Resources, develop and implement a plan to hire full-time Civil Service U.S. President's Emergency Plan for AIDS Relief Country Coordinators.

**Management Response:** OGAC concurred with the recommendation, stating that, in coordination with the Bureau of Human Resources, it will develop and implement a plan to hire full-time Civil Service PEPFAR Country Coordinators.

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<sup>37</sup> OIG, *The Exercise of Chief of Mission Authority in Managing the President's Emergency Plan for AIDS Relief Overseas* (ISP-I-10-01, November 2009).

**OIG Reply:** On the basis of OGAC's concurrence with the recommendation and planned actions, OIG considers the recommendation resolved, pending further action. This recommendation will be closed when OIG receives and accepts documentation demonstrating that OGAC has implemented a plan to hire full-time Civil Service PEPFAR Country Coordinators.

## RECOMMENDATIONS

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**Recommendation 1:** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy, in accordance with Department of State Leadership and Management Principles for Department Employees, develop and implement an action plan to promote open dialogue and trust between Office of the U.S. Global AIDS Coordinator and Health Diplomacy officials and PEPFAR country team members when establishing performance targets for the U.S. President's Emergency Plan for AIDS Relief.

**Recommendation 2:** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy develop and implement a communication plan on the suggested changes to Country Operational Plan preparation tools offered by U.S. President's Emergency Plan for AIDS Relief country team members, including a mechanism to address and convey decisions on suggested changes.

**Recommendation 3:** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy seek the assistance of an independent party to conduct an evaluation of the Country Operational Plan development process and provide options for adjustment to the timeline.

**Recommendation 4:** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy, in coordination with the Bureau of Human Resources, develop and implement a plan to hire full-time Civil Service U.S. President's Emergency Plan for AIDS Relief Country Coordinators.

## APPENDIX A: PURPOSE, SCOPE, AND METHODOLOGY

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The Office of Inspector General (OIG) conducted this audit to determine whether the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) Country Coordinators at selected overseas missions effectively coordinated with interagency partners and whether the Office of the U.S. Global AIDS Coordinator and Health Diplomacy (OGAC) has overseen selected missions' performance toward achieving PEPFAR goals.

OIG's Office of Audits conducted this audit from October 2018 to June 2019. Issuance of this report was delayed because of the lapse in OIG's appropriations that occurred from 11:59 p.m. December 21, 2018, through January 25, 2019. OIG performed fieldwork in the Washington, DC, metropolitan area; U.S. Embassy Nairobi, Kenya; U.S. Embassy Lilongwe, Malawi; U.S. Embassy Dar es Salaam, Tanzania; and U.S. Embassy Kampala, Uganda. OIG conducted this performance audit in accordance with generally accepted government auditing standards. These standards require that OIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objective. OIG believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objective.

To obtain background information, including criteria, OIG researched and reviewed policies and standard operating procedures relating to PEPFAR; Country Operational Plan (COP) guidance; and Department of State (Department) policies, such as the Foreign Affairs Manual. To determine whether PEPFAR Country Coordinators effectively coordinated with PEPFAR country teams, including interagency partners, OIG attended meetings facilitated by PEPFAR Country Coordinators, and reviewed PEPFAR interagency procedures and norms for each mission. In addition, OIG interviewed Country Coordinators and PEPFAR country team members at the four missions. To obtain an understanding of the COP development process, OGAC's oversight, OGAC's hiring process for Country Coordinators, and how achievement toward goals is measured, OIG met with OGAC officials, Bureau of Human Resources officials, Country Coordinators, and interagency officials at the selected overseas missions. To determine whether OGAC had overseen selected missions' performance toward achieving PEPFAR goals, OIG reviewed each mission's 2017 COP approval memorandums, 2019 COP planning letters, documentation on PEPFAR Oversight and Accountability Response Team quarterly calls, documentation on 2017 COP target achievements, and 2017 COP targets and results retrieved from Panorama, a web-based analytic platform that shows PEPFAR results.

For this audit, across the four missions, OIG interviewed a total of 158 PEPFAR country team members, including chiefs of mission, deputy chiefs of mission, interagency partner leadership and staff members, including U.S. direct hires and locally employed staff members, and PEPFAR Coordination Office staff members on PEPFAR Country Coordinators' coordination efforts, interagency consensus, the COP development process, and OGAC's oversight. On the basis of interviews conducted, OIG categorized the PEPFAR country team members' statements as positive or negative. The preponderance of this testimonial evidence across four missions was

used to reach conclusions. Table A.1. outlines the number of statements gathered per topic across all missions.

**Table A.1 PEPFAR Country Team Members Statements Across All Missions**

<b>Topic</b>	<b>Positive</b>	<b>Negative</b>	<b>Total</b>
PEPFAR Country Coordinators' Coordination Efforts	33	2	35
Interagency Consensus	34	3	37
COP Development Process	46	183	229
OGAC Oversight	22	5	27
<b>Total</b>	<b>135</b>	<b>193</b>	<b>328</b>

Source: OIG-generated from interviews conducted.

## Prior Reports

OIG reviewed prior reports issued to identify previously reported information related to PEPFAR.

In a 2014 report, *Compliance Follow-up Audit of Department of State Actions To Address Weaknesses in the Ownership, Award, Administration, and Transfer of Overseas Construction Funded by the President's Emergency Plan for AIDS Relief* (AUD-ACF-14-32, August 2014), OIG reported that the Department had made significant progress in implementing recommended corrective actions and in addressing the deficiencies in its management of PEPFAR construction contracts. However, OIG was often unable to determine what role the U.S. Government played in the financing and construction of the healthcare facilities because PEPFAR signs affixed to the facilities were small and contained opaque wording. OIG made two recommendations, one of them to OGAC regarding creating standard signage for all PEPFAR-funded facilities. The recommendation has been closed and implemented as intended.

In a 2017 report, *Inspection of the Bureau of African Affairs* (ISP-I-18-01, October 2017), OIG reported that the Bureau of African Affairs lacked an updated agreement with OGAC to define roles and responsibilities for funds control, staffing, and financial reporting related to Bureau of African Affairs-managed PEPFAR funds. OIG recommended that the bureau, in coordination with OGAC, update roles and responsibilities for funds control, staffing, and financial reporting. The bureau concurred with the recommendation and as of April 2019 the recommendation remained open, pending further action by OGAC.

In a 2018 report, *Inspection of Embassy Addis Ababa, Ethiopia* (ISP-I-18-18, May 2018), OIG reported that Embassy Addis Ababa's coordination of PEPFAR, which received \$157 million in FY 2017, was insufficient. Specifically, embassy officials told OIG that prior embassy leadership did not focus on the embassy's interagency working groups on foreign assistance implementation.

At the time of the inspection, the new Ambassador and Deputy Chief of Mission had yet to develop their approach for coordinating the embassy’s foreign assistance. In the report, OIG did not offer a formal recommendation but advised the new Ambassador and the Deputy Chief of Mission to ensure programs are coordinated in accordance with Department guidance.

## Work Related to Internal Controls

OIG performed steps to assess the adequacy of internal controls related to the audit objective. OIG reviewed the U.S. Government Accountability Office publication *Standards for Internal Control in the Federal Government*<sup>1</sup> and identified components of internal control and required principles that fit within the context of the audit objective. Table A.2 outlines the components, principles, and attributes of standards for internal control reviewed for this audit.

**Table A.2: Significant Internal Control Components, Principles, and Attributes**

Component	Principles	Attributes
Control Environment	Management should evaluate performance and hold individuals accountable for their internal control responsibilities.	Consideration of Excessive Pressures
Control Activities	Management should implement control activities through policies.	Periodic Review of Control Activities
Monitoring	Management should establish and operate monitoring activities to monitor . . . and evaluate results.	Evaluation of Results

Source: OIG-generated using *Standards for Internal Control in the Federal Government* (GAO-14-704G, September 2014).

OIG interviewed OGAC officials and PEPFAR country team members at the four missions audited and concluded that deficiencies were related to the control environment and control activities established by OGAC. These deficiencies are detailed in Finding B of this report.

## Use of Computer-Processed Data

OIG obtained computer-processed data from Panorama, which is an internal U.S. Government tool that allows PEPFAR employees to visualize results for each PEPFAR program area and is used for monitoring the use of PEPFAR resources. To assess the reliability of data from Panorama, OIG reviewed existing information about the data and obtained statements from a system manager and users regarding data quality. The system manager and users stated that the data in the system are generally accurate and several controls exist to ensure its accuracy. OIG retrieved each mission’s targets and results data from Panorama for FY 2018 for four performance indicators (see Detailed Sampling Methodology). OIG found discrepancies when comparing target data in Panorama to the 2017 COP targets and determined that the data in Panorama were of undetermined reliability. However, OIG concluded that the data were sufficiently reliable to address the audit objective.

<sup>1</sup> Government Accountability Office, *Standards for Internal Control in the Federal Government* (GAO-14-704G, September 2014).

## Detailed Sampling Methodology

The objective of the sampling process was to select a sample of performance indicators to determine PEPFAR goal achievements for FY 2018. To accomplish this, OIG selected the 2017 COPs of 4 overseas missions (Kenya, Malawi, Tanzania, and Uganda) out of 27 PEPFAR missions in Africa.<sup>2</sup> The 2017 COPs were implemented in FY 2018. OIG selected the missions for this project on the basis of the countries selected for a concurrent audit.<sup>3</sup>

For each COP selected, OIG chose performance indicators that were common to the 4 COPs—21 indicators were consistent among all 4 COPs. OIG determined that a sample of four performance indicators would be a feasible sample to accomplish the objectives of the audit. Table A.3 lists the performance indicators reviewed for this audit.

**Table A.3: Selected PEPFAR Performance Indicators**

<b>Component</b>	<b>Principles</b>
1. HIV [Human Immunodeficiency Virus] Tested Positive	Number of individuals who received HIV Testing Services and received their test results positive
2. Current on ART [Antiretroviral Therapy]	Number of adults and children currently receiving ART
3. Retained on ART [Antiretroviral Therapy] at 12 Months	Percentage of adults and children known to be on treatment 12 months after initiation of ART. The performance target for this indicator is the number of adults and children who remain on treatment 12 months after initiating ART. To assess the results for the performance indicator, the “numerator” (number of adults and children who are still on treatment 12 months after initiating ART) is divided by the “denominator” (number of adults and children who were initiated on treatment in the 12 months before the reporting period)
4. Voluntary Medical Male Circumcisions (VMMC)	Number of males circumcised as part of the VMMC for HIV Prevention program

**Source:** OIG-generated using “PEPFAR Monitoring, Evaluation, and Reporting Indicator Reference Guide, October 2017, Version 2.2.”

For the 2017 COPs, OGAC adopted the Joint United Nations Programme on HIV/AIDS 90-90-90 global goals for “breaking” the AIDS epidemic by 2020. The first goal established that 90 percent of all people living with HIV will know their HIV status. The second goal established that 90 percent of all people with HIV will receive ART. The third goal established that 90 percent of all people receiving ART will have viral suppression. OIG selected the four performance

<sup>2</sup> For PEPFAR FY 2018 congressional request, the top African countries (in thousands) were Kenya (\$500,000), Mozambique (\$225,000), Nigeria (\$250,000), South Africa (\$300,000), Tanzania (\$470,000), Uganda (\$370,000), and Zambia (\$390,000).

<sup>3</sup> OIG, *Audit of Cooperative Agreement Sub-Award Recipients Supporting the U.S. President’s Emergency Plan for AIDS Relief* (AUD-SI-19-43, September 2019).

indicators because each was indicative of each PEPFAR goal. For the first goal, OIG selected the “HIV Tested Positive” and “VMMC” performance indicators; for the second goal, OIG selected the “Current on ART” performance indicator; and for the third goal, OIG selected the “Retained on ART at 12 Months” performance indicator. For the details about the results of this analysis, see Appendix B.

## APPENDIX B: OIG REVIEWED SELECTED PEPFAR PERFORMANCE INDICATORS

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The Office of Inspector General (OIG) obtained the targets of four performance indicators set forth in Mission Kenya’s, Mission Malawi’s, Mission Tanzania’s, and Mission Uganda’s 2017 Country Operational Plans (COP). OIG pulled results data for these performance indicators from Panorama, which is the Office of the U.S. Global AIDS Coordinator and Health Diplomacy’s (OGAC) web-based analytic platform that shows U.S. President’s Emergency Plan for AIDS Relief (PEPFAR) results. OGAC considers 89-percent achievement or less “underperformance.” On the basis of results data and OGAC’s definition of underperformance, OIG found that two of the four missions underperformed on the “HIV Tested Positive” and “Retained on ART at 12 months” performance indicators. Table B.1 presents the performance indicators where the four missions audited underperformed.

**Table B.1. Selected 2017 COP Performance Indicators Where Missions Underperformed**

Mission	HIV Tested Positive	Current on ART	Retained on ART at 12 Months	Voluntary Medical Male Circumcisions
Kenya	X	X	X	
Malawi	X		X	
Tanzania	X	X	X	
Uganda	X		X	X

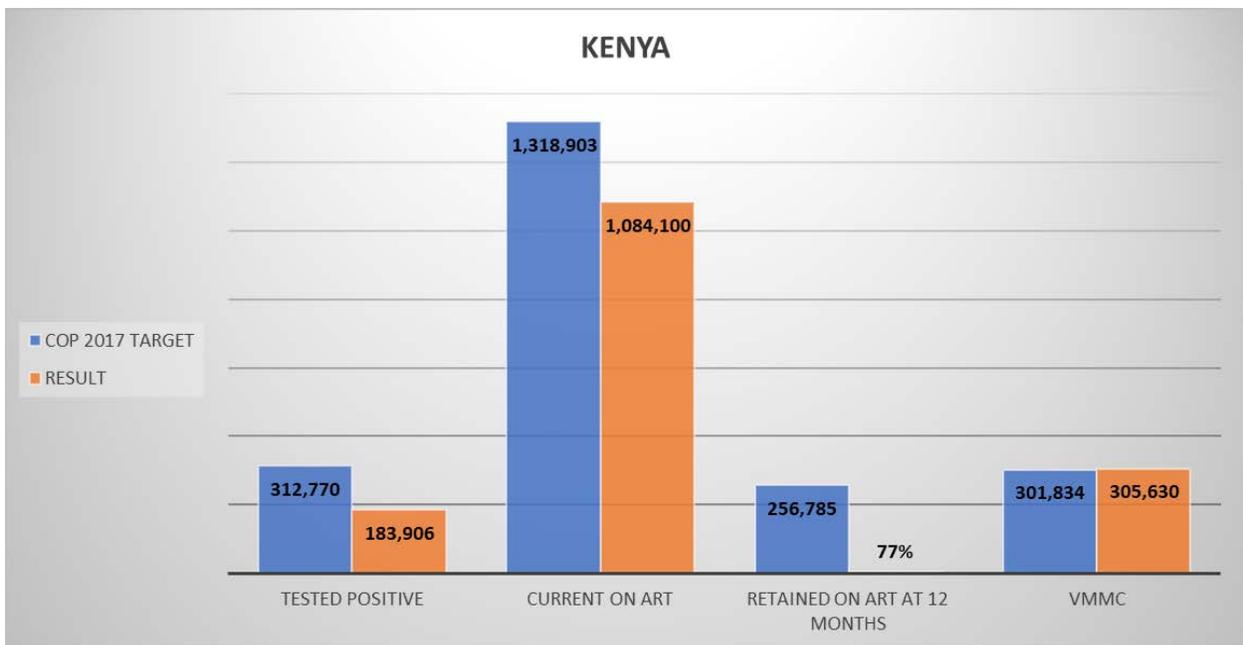
Source: OIG-generated using data provided by OGAC and retrieved from Panorama.

Below are additional details relating to the four missions and PEPFAR performance indicators included in the audit.

## Mission Kenya

OIG found that Mission Kenya did not reach 2017 COP targets for “HIV Tested Positive,” “Current on ART,” and “Retained on ART at 12 Months” but exceeded the “VMMC” target. The target for “HIV Tested Positive” was 312,770, and Mission Kenya achieved 183,906 (59 percent). The target for “Current on ART” was 1,318,903, and Mission Kenya achieved 1,084,100 (82 percent). The target for “Retained on ART at 12 Months” was 256,785, and Mission Kenya achieved 77 percent. Lastly, the target for “VMMC” was 301,834, and Mission Kenya achieved 305,630 (101 percent). Figure B.1 illustrates Mission Kenya’s achievements against 2017 COP targets for the selected performance indicators.

**Figure B.1: Mission Kenya Targets and Results**

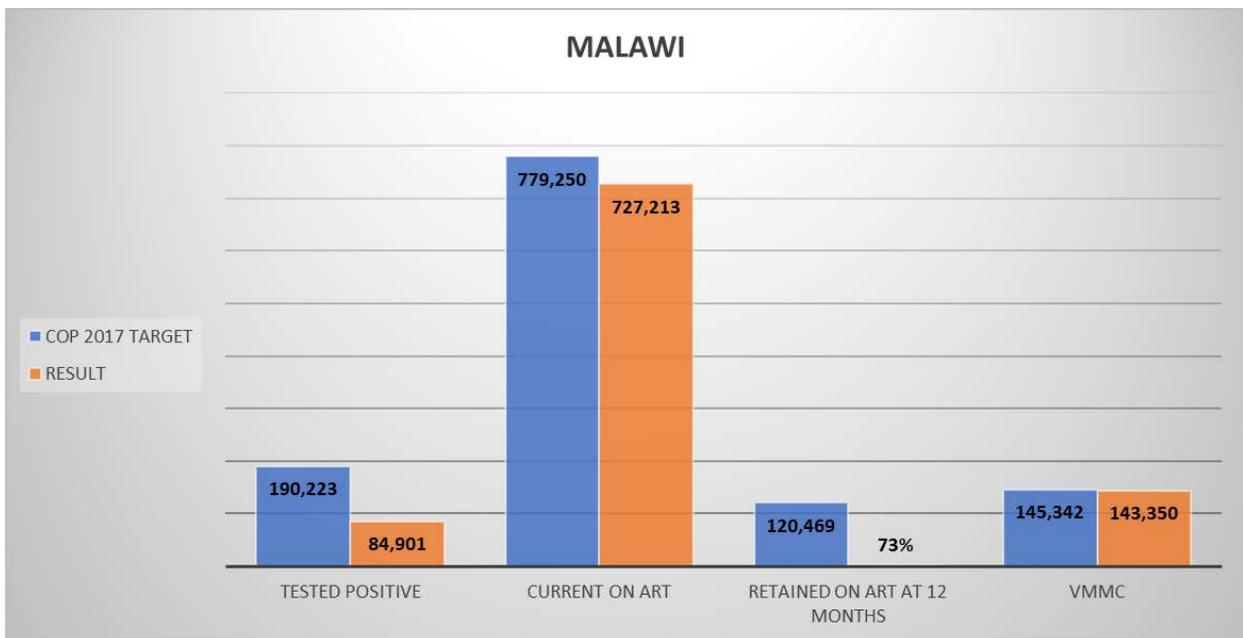


**Source:** OIG-generated using data provided by OGAC and retrieved from the Mission Kenya 2017 COP and Panorama.

## Mission Malawi

OIG found that Mission Malawi did not reach 2017 COP targets for “HIV Tested Positive,” “Current on ART,” “Retained on ART at 12 Months,” and “VMMC.” The target for “HIV Tested Positive” was 190,223, and Mission Malawi achieved 84,901 (45 percent). The target for “Current on ART” was 779,250, and Mission Malawi achieved 727,213 (93 percent). The target for “VMMC” was 145,342, and Mission Malawi achieved 143,350 (99 percent). Lastly, the target for “Retained on ART at 12 Months” was 120,469, and Mission Malawi achieved 73 percent. Figure B.2 illustrates Mission Malawi’s achievements against 2017 COP targets for the selected performance indicators.

**Figure B.2: Mission Malawi Targets and Results**

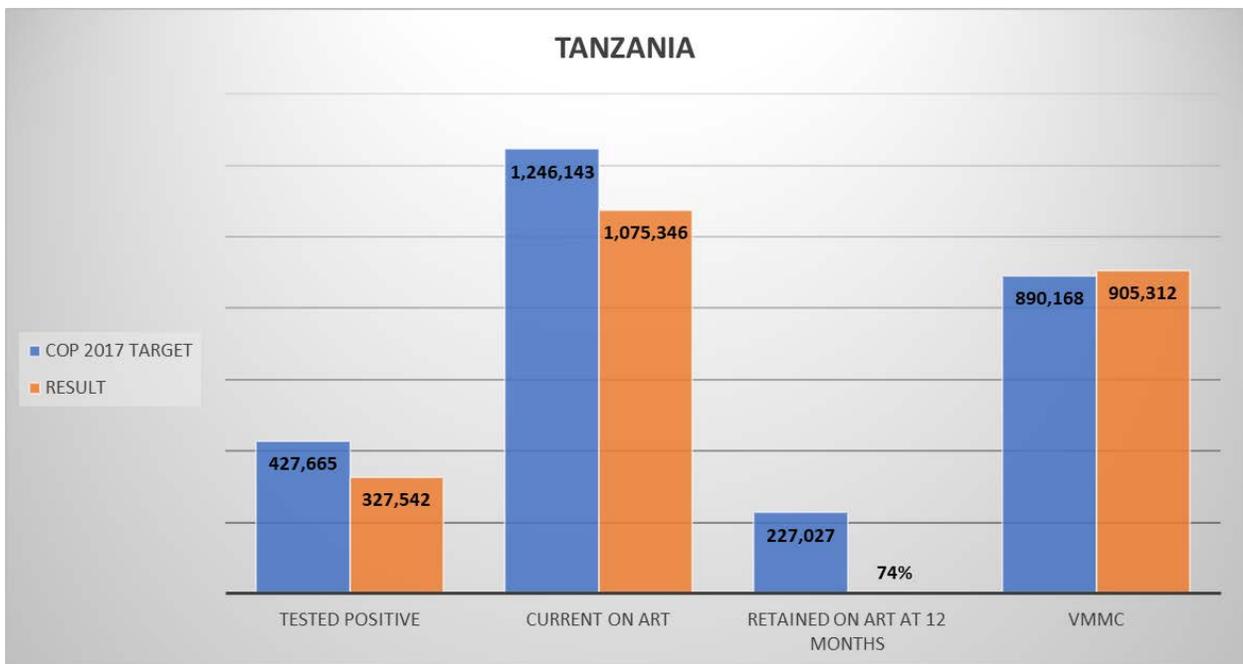


Source: OIG-generated using data provided by OGAC and retrieved from the Mission Malawi 2017 COP and Panorama.

## Mission Tanzania

OIG found that Mission Tanzania did not reach 2017 COP targets for “HIV Tested Positive,” “Current on ART,” and “Retained on ART at 12 Months” but exceeded the “VMMC” target. The “HIV Tested Positive” target was 427,665, and Mission Tanzania achieved 327,542 (77 percent). The “Current on ART” target was 1,246,143, and Mission Tanzania achieved 1,075,346 (86 percent). The “Retained on ART at 12 Months” target was 227,027, and Mission Tanzania achieved 74 percent. Lastly, the target for “VMMC” was 890,168, and Mission Tanzania achieved 905,312 (102 percent). Figure B.3 illustrates Mission Tanzania’s achievements against 2017 COP targets for the selected performance indicators.

**Figure B.3: Mission Tanzania Targets and Results**

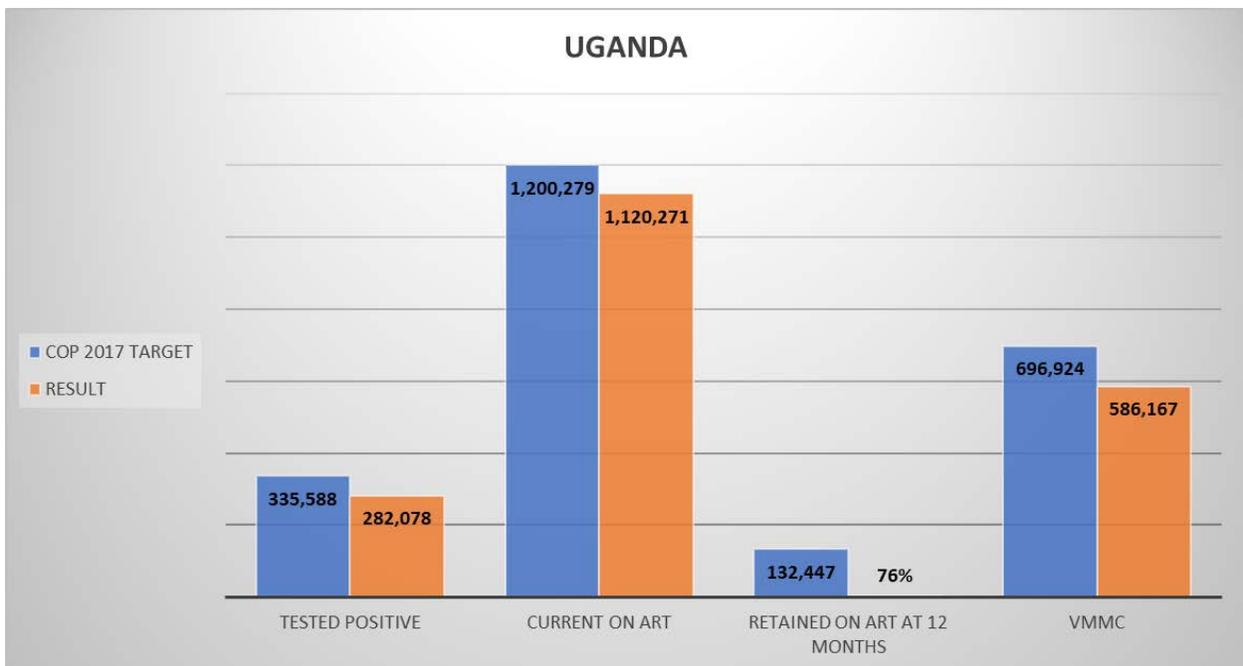


Source: OIG-generated using data provided by OGAC and retrieved from the Mission Tanzania 2017 COP and Panorama.

## Mission Uganda

OIG found that Mission Uganda did not reach 2017 COP targets for “HIV Tested Positive,” “Current on ART,” “Retained on ART at 12 Months,” and “VMMC.” The target for “HIV Tested Positive” was 335,588, and Mission Uganda achieved 282,078 (84 percent). The target for “Retained on ART at 12 Months” was 132,447, and Mission Uganda achieved 76 percent. The target for “VMMC” was 696,924, and Mission Uganda achieved 586,167 (84 percent). Lastly, the target for “Current on ART” was 1,200,279, and Mission Uganda achieved 1,120,271 (93 percent). Figure B.4 illustrates Mission Uganda’s achievements against 2017 COP targets for the selected performance indicators.

**Figure B.4: Mission Uganda Targets and Results**



Source: OIG-generated using data provided by OGAC and retrieved from the Mission Uganda 2017 COP and Panorama.

## APPENDIX C: OFFICE OF THE U.S. GLOBAL AIDS COORDINATOR AND HEALTH DIPLOMACY RESPONSE

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United States Department of State

Washington, D.C. 20520

### **S/GAC Response to OIG Audit of the Department of State's Coordination and Oversight of the U.S. President's Emergency Plan for AIDS Relief**

**OIG Stated Objective and Key Findings in Report:** The Office of Inspector General (OIG) conducted this audit to determine whether the U.S. President's Emergency Plan for AIDS Relief (PEPFAR) Country Coordinators at selected overseas missions effectively coordinated with interagency partners and whether the Office of the U.S. Global AIDS Coordinator and Health Diplomacy (OGAC or S/GAC) has overseen selected missions' performance toward achieving PEPFAR goals. The OIG report specified three overarching findings:

Finding A: Country Coordinators effectively coordinated with interagency partners

Finding B: PEPFAR Country Teams expressed concerns regarding the COP development process and the lack of effective communication with OGAC

Finding C: OGAC established a process to oversee mission performance toward achieving PEPFAR goals

**Overall S/GAC Response:** S/GAC found the early feedback from the OIG in Summer 2019 critical to altering the Country Operational Plan (COP) 2020 process to address the findings and recommendations, otherwise the alterations would not have occurred until COP 2021. This early feedback is a best practice by the OIG. S/GAC is pleased with the OIG Findings (A and C) related to effective coordination and oversight of the PEPFAR interagency partners, program and performance. Consistent with PEPFAR's applicable authorization, the critical duties of the U.S. Global AIDS Coordinator and S/GAC are coordination and oversight of all resources and international activities of the U.S. government to combat the HIV/AIDS pandemic, including all programs, projects, and activities of the USG relating to the HIV/AIDS pandemic. Related to OIG Finding B, S/GAC continually seeks and creates open dialogue to ensure improvements in the COP process, which is the mechanism used to ensure effective coordination and oversight of PEPFAR resources and priorities for the program. During the session in the Summer 2019 with the OIG, S/GAC immediately began addressing the perceptions reported from the field visits. Thus, several improvements in the COP development process that address the relevant OIG recommendations have already been implemented and are in place for COP 2020 planning and development.

**OIG Recommendation 1.** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy, in accordance with Department of State Leadership and Management Principles for Department Employees, develop and implement an action plan to promote open dialogue and trust between Office of the U.S. Global AIDS Coordinator and Health Diplomacy officials and PEPFAR country team members when establishing performance targets for the U.S. President's Emergency Plan for AIDS Relief.

**S/GAC Response:** S/GAC concurs with Recommendation 1 and has developed and implemented an action plan through the Country Operational Plan 2020 (COP-20) guidance and approach to promote an even greater open dialogue related to establishing performance targets for COP 20 planning and development. The COP 20 action plan was launched in mid-January 2020. In COP20, PEPFAR supports a clearer, transparent dialogue around establishing targets with the in country PEPFAR team. The dialogue has always inclusive, open, and transparent across all of our domestic and global stakeholders, including International NGOs, partner governments and in-country civil society. In this new approach to promote greater open dialogue related to target-setting, S/GAC has not assigned targets to countries for

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COP20, but rather provides only notional budget levels. PEPFAR country teams are expected to develop, establish and submit their own targets, in collaboration with the partner government, civil society and other stakeholders. The notional budget for each respective country will be adjusted to the presented level of ambition. The COP 20 guidance as well as accompanying planning letters have been disseminated and communicated broadly on January 14-16, 2020, inclusive of posting to PEPFAR's public website, a broad PEPFAR country team webinar for all 54 PEPFAR-supported countries/regions conducted by S/GAC on January 15<sup>th</sup>, and country-specific calls that occurred with PEPFAR Chairs, PEPFAR Program Managers (PPMs) and all PEPFAR country teams, that occurred on January 16<sup>th</sup> and promoted open dialogue around the approach. PEPFAR Chairs and PPMs are currently in-country January 20-31, 2020 working on COP 20 strategic planning, ensuring open dialogue around establishing targets [See COP 2020 guidance, section 2.1 and examples of strategic and detailed planning letters, COP 20 webinar slides].

**OIG Recommendation 2.** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy develop and implement a communication plan on the suggested changes to Country Operational Plan preparation tools offered by U.S. President's Emergency Plan for AIDS Relief country team members, including a mechanism to address and convey decisions on suggested changes.

S/GAC Response: S/GAC concurs with Recommendation 2 and beginning in the summer of 2019 developed and implemented a communication plan on the changes to COP 20 preparation tools, including a mechanism to address and convey decisions on suggested changes. Based on input from PEPFAR country team members on COP 19 preparation tools, the following changes had already been incorporated into the COP 20 process: (1) reorganized the COP guidance to separate the strategy document from the 'reference material' that can be updated independently in the future; (2) retired site level targets in DATIM (PEPFAR teams reported this was the most time consuming in the planning process); (3) budget codes are now automatically generated in the FAST; (4) beta-tested tools and incorporated country team feedback throughout the Fall of 2019. Input and feedback from PEPFAR country teams on tools has been addressed in COP 20, incorporated into the guidance, suggested modifications have been made to the tools, and all updates have been communicated via COP 20 webinars to all 54 PEPFAR-supported countries/regions on January 9, 13, and 14, 2020. Also, after COP 19 and in preparation for and throughout COP 20, S/GAC has established an on-line mechanism to ensure feedback on tools is gathered to ensure issues are addressed and inform future improvements of tools. Through "GitHub" PEPFAR country teams are able to: share if bugs are found in the in the Data Pack or FAST; request a feature in next year's Data Pack or FAST; and mention a Data Pack or FAST feature that is well-liked. [See COP 2020 guidance, section 5.4; COP 20 webinar schedule; and COP 20 tools webinar slides].

**OIG Recommendation 3.** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy seek the assistance of an independent party to conduct an evaluation of the Country Operational Plan development process and provide options for adjustment to the timeline.

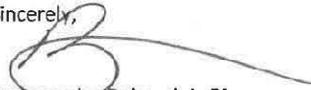
S/GAC Response: S/GAC concurs with Recommendation 3 and will seek the assistance of an independent party to conduct an evaluation of the COP 20 development process. With the changes above especially around the target-setting and tools, the joint Chair/PPM strategy session in-country, the move to the whole week of joint 5-day in-person planning meetings devoted solely to COP discussions, and structured in-country approval - the COP 20 timeline has not been significantly altered, but more time has been committed to joint HQ/field discussions for increased open dialogue. Further timeline adjustments beyond these, would impact the Congressional Notification timeline.

**OIG Recommendation 4.** OIG recommends that the Office of the U.S. Global AIDS Coordinator and Health Diplomacy, in coordination with the Bureau of Human Resources, develop and implement a plan to hire full-time Civil Service U.S. President's Emergency Plan for AIDS Relief Country Coordinators.

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S/GAC Response: S/GAC concurs with Recommendation 4 and, in coordination with the Bureau of Human Resources, will begin to develop and implement a plan to hire full-time Civil Service PEPFAR Country Coordinators.

Sincerely,



Ambassador Deborah L. Birx  
Global AIDS Coordinator  
Office of the Global AIDS Coordinator

January 27, 2020

Referenced attachments are available upon request, consistent with applicable law.

## ABBREVIATIONS

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ART	antiretroviral therapy
CDC	Centers for Disease Control and Prevention
COP	Country Operational Plan
FAM	Foreign Affairs Manual
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
LNA	Limited Non-Career Appointment
OGAC	Office of the U.S. Global AIDS Coordinator and Health Diplomacy
OIG	Office of Inspector General
PEPFAR	U.S. President's Emergency Plan for AIDS Relief
POART	PEPFAR Oversight and Accountability Response Team
USAID	U.S. Agency for International Development
VMMC	Voluntary Medical Male Circumcisions

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