

INTERNAL AUDIT REPORT

Routine Grant Performance Monitoring & Reporting Process
in Monitoring, Data Systems & Strategic Information (MDS)
and Programme Finance (PF) teams

FEBRUARY 2017



Conclusion

Our audit procedures were designed to provide assurance to management and the Gavi Board on the adequacy and effectiveness of programmatic and financial performance monitoring for the period 1 June 2015 – 31 August 2016. This is part of the routine grant performance monitoring and reporting process.

Early 2015, Gavi started strengthening its grant management approach to increase grant impact, better manage risk and improve value for money. As part of this approach, the routine grant performance monitoring and reporting process has been refined with new reporting tools including Joint Appraisal (JA) and Grant Performance Framework (GPF) (rolled out in the fourth quarter of 2015). In addition, further initiatives are still being developed and implemented. Given this state of transition, existing processes had not been sufficiently formalised or implemented for a long enough period of time for us to provide overall assurance on their operating effectiveness. Consequently, this audit has focused on reviewing the initiatives underway as at 31 August 2016, with the intention of providing feedback to management on changes in-progress considering both design, and execution.

Through our audit procedures, we have identified the need to strengthen certain controls related to validation of the data reported by countries, linkage between financial information and programmatic performance, quality review of financial reports and countries' compliance with reporting requirements. We have confirmed that management is aware of these issues, and is in the process of addressing them including undertaking various initiatives to enhance the quality of financial reports and improve reporting compliance.

Internal Audit Issue Summary

Issue Description	Rating	Ref	Page
Programmatic performance monitoring & reporting			
The process of linking HSS programmed payments to the progress by countries in implementation and achievement of intermediate results requires strengthening	M	2016.05.01	6
The process of validation of routine monitoring data requires strengthening	M	2016.05.02	7
The oversight role of the MDS team should be clearly defined	M	2016.05.03	7
There is need for clarity on programmatic performance reporting (through reporting guidelines) for countries with pooled funding mechanism	M	2016.05.04	8
Financial performance monitoring & reporting			
The linkage between financial information (status of cash utilisation and detailed activity expenditure) and programmatic performance (tailored activity/process indicators) requires strengthening	M	2016.05.05	8
Financial reports submitted by countries should be subjected to quality reviews	M	2016.05.06	9
Compliance with the Gavi financial reporting requirements by countries requires improvement	M	2016.05.07	9

Contents

Summary of Findings	2
Appendix 1: Detailed Findings and Recommendations	6
Appendix 2: Summary Performance Ratings & Distribution	12

Summary of Findings

Audit Objective

Our audit assessed the adequacy and effectiveness of the governance, risk management and internal controls over the routine grant performance and reporting processes.

Audit Scope and Approach

We adopted a risk-based audit approach informed by our assessment of the system of internal controls within the routine grant performance and reporting processes.

Our audit approach included interviewing relevant Secretariat teams (Application & Review (A&R), Country Support (CS), Health Systems & Immunisation Strengthening (HSIS), and Knowledge Management (KM)), reviewing of relevant documents and a sample of thirteen countries with a total disbursed value of Gavi support of USD5.5 billion (vaccine and cash) from inception to 31 August 2016. The total value of funds disbursed (vaccine and cash) to all countries from inception to 31 August 2016 is USD9.5 billion¹.

The routine grant performance monitoring and reporting processes involve multiple teams across the Secretariat however the audit focused on the programmatic and financial performance monitoring conducted by the Monitoring, Data Systems & Strategic Information (MDS) and Programme Finance (PF) teams respectively.

This audit was designed to assess the:

- a) Design and operating effectiveness, where possible, of key controls;
- b) Economy and efficiency of the utilisation of resources;
- c) Quality of implemented governance and risk management practices;
- d) Compliance with relevant policies, procedures, laws, regulations and where applicable, donor agreements.

The scope of this audit covered the following key areas in relation to routine grant

performance monitoring and reporting for the period from 1 June 2015 to 31 August 2016:

- a) Programmatic Performance Monitoring;
- b) Financial Performance Monitoring;
- c) Monitoring of grant implementation progress under the JA;
- d) Grant reporting through the country portal;
- e) Grant performance monitoring resources; and
- f) Process of following-up grant performance monitoring and reporting issues and actionable recommendations.

The grant performance monitoring and reporting processes continue to evolve as the needs of Gavi and the Alliance evolve. Management had various initiatives underway at the time of the audit to improve the effectiveness and efficiency of the processes as well as ensuring adequate governance and risk management. This audit covers the processes in place for the period from 1 June 2015 to 31 August 2016, and therefore the findings and recommendations should be seen in this context.

The following areas were not considered in-scope for the audit:

- a) Grant Evaluations;
- b) Grant renewal process under the JA;
- c) High Level Review Panel process (HLRP) in relation to grant renewals;
- d) Annual Progress Reports (APR);
- e) Designing of the GPF before roll out and the data sources for the GPF;
- f) Country Portal (submission of applications and renewal requests for all types of Gavi support);
- g) Independent Review Committee (IRC) review of indicators, baselines, targets and reporting schedules for new grant applications;
- h) Data quality improvement plans and activities; and
- i) The role of MDS team in development of frameworks i.e. Vaccine Result Frameworks and supporting the assessment of the M&E Plans and Pre-screening of new applications.

¹ From the Consolidated Approval & Disbursements report as at 31 August 2016 issued by Finance Team

Summary of Findings

Summary of Key Issues Arising

Through our audit procedures, we have identified four key medium-rated issues as summarised below.

The process of validation of routine monitoring data requires strengthening

We reviewed the 2011 – 2015 M&E Framework and Strategy (which was extended to 2016) and found that data was relied on as presented by countries in the GPF (mostly tailored indicators) without a robust system of validation by Gavi. Management should consider implementing more robust systems for independently validating the quality of data reported by countries on the tailored indicators.

The linkage between financial information (status of cash utilisation and detailed activity expenditure) and programmatic performance (tailored activity/process indicators) requires strengthening

Through our audit procedures, we were not clear on exactly how financial information reported by countries (e.g. status of cash utilisation and detailed activity expenditure) is linked to programmatic performance (tailored activity/process indicators).

In order to effectively assess reasonableness of funds utilisation vis-à-vis reported programmatic performance, there is need for a mechanism to link the two.

Financial reports submitted by countries should be subjected to quality reviews

Through our audit procedures, we confirmed that quality review of financial reports submitted by Gavi supported countries for all cash support is not done. Management should start conducting the quality reviews as indicated in the 2017 Work Plan through differentiation of the countries based on risk and available resources within the PF team.

Compliance with the Gavi financial reporting requirements by countries requires improvement

We reviewed the financial reporting compliance assessment conducted by management and confirmed that countries did not submit the financial reports (annual audit reports, periodic and annual financial statements) for cash support (HSS, ISS, VIG, Operational and Campaigns costs) on time in accordance with the financial reporting requirements.

Management should consider implementing practical measures to enhance the compliance rate.

Other Issues identified

In addition, we identified three medium-rated issues that relate to the linking of HSS programmed payments to the progress by countries in implementation and achievement of intermediate results, clarity on programmatic performance reporting for countries with pooled funding and definition of the oversight role of the MDS team. A detailed analysis of all issues raised, including low-rated issues, is included in the appendix.

We will continue to work with management to ensure that the identified audit issues are adequately addressed. For the findings which relate to processes that are being designed and/or changing, we encourage management to take these findings and/or recommendations into consideration in the development and implementation of the changes.

We take this opportunity to thank all the teams involved in this audit (in particular the MDS & PF teams) for their support and co-operation.

Head, Internal Audit

Summary of Findings

Background

Gavi Secretariat provides cash and vaccine support to countries in order to improve immunisation outcomes and impact. To ensure that the investment to supported countries is improving the immunisation outcomes, the Secretariat has increased its programmatic and financial performance monitoring. In the last quarter of 2015, the Secretariat introduced a new reporting tool, the GPF, which is country specific and an agreement between Gavi and a country on the key metrics used to monitor and report on progress of all Gavi grants during their implementation.

The GPF enables countries to report on the agreed key metrics (core & tailored indicators) and each indicator included in the GPF need to have: related data source, baseline, target, and reporting schedule. This forms the structure against which progress and results of Gavi's grants are assessed. In order to reduce country reporting burden and minimise fragmentation, the Secretariat aligns indicator selection wherever possible with indicators that are used already by countries.

The core indicators are mandatory, based on the standard definitions and are selected from existing data sources already being monitored and reported by countries, particularly through the WHO-UNICEF Joint Reporting Form (JRF). To avoid discrepancies between the finalised WHO/UNICEF JRF and the GPF, countries are not able to amend this data (which is pre-populated), but have an opportunity to comment on the data to inform Gavi understanding on the progress. For the tailored indicators, countries need to select and define the indicators which reflect grant objectives, proposed results chain and existing M&E plans. Countries are expected to define at least one data source for each proposed indicator.

The GPF informs the JA2 process and the JA report serves as the main source of information provided to the HLRP to enable their recommendation to Gavi's CEO for approval of the renewal of vaccine and cash support for the subsequent year. Countries report the GPF (core and tailored indicators) and prerequisite financial performance reports (periodic financial report, annual financial statements and annual audit report) for cash support through the Country Portal.

Management Initiatives

Management is undertaking significant initiatives in grant performance monitoring and reporting to increase the immunisation outcomes and improve their internal control, governance and risk management practices. Some of these initiatives include:

- The development of the Monitoring and Evaluation Framework for the strategic period 2016 to 2020 (pending approval);
- The recruitment of three senior managers in the MDS team in 2016;
- The reorganisation of the country focal points (managers) within the MDS team in 2016;
- The development of a new financial reporting template for all types of direct cash support for countries which covers both periodic financial reports and annual financial statements in 2016;
- The conducting of Financial reporting compliance assessment in 2015 and 2016 for all supported countries and for all types of grants;
- The need to report as a standard Grant Management Requirement (GMR) from 2016
- The roll out of the data Strategic Focus Area (SFA) in 2016, which defines both scope of engagement and a strategic

² JA is an in-country, multi-stakeholder review of the implementation progress and performance of Gavi's support to a country.

Summary of Findings

approach to achieving measurable improvements in the availability, quality and use of data to improve immunisation coverage and equity;

- The refining of the Country Team Approach (CTA) and the approve of CTA operational guidelines in June 2016;
- The development of a comprehensive Gavi Alliance Accountability Framework that integrates expectations of delivery across key constituents of the Alliance for the 2016-2020 strategic period; and
- The roll out of the new Health System and Immunisation Strengthening (HSIS) Framework which was approved by the board in June 2016. The framework acts as an HSIS grant policy and covers all cash grants provided by Gavi (with the exception of CCEOP).

Appendix 1: Detailed Findings and Recommendations

Issue No.	Issue Description	Risk/Implication	Recommended Actions for Management	Management Comments	ET Member/ Action Owner	Target Completion Date	Status
Medium	The following processes requires strengthening:						
2016.05.01 a)	The process of linking HSS programmed payments to the progress by countries in implementation and achievement of intermediate results requires strengthening						
	Gavi supports HSS through a Performance Based Funding (PBF) approach that links funding to immunisation outcomes. As agreed by the GAVI Board in November 2011, countries approved for HSS grants in 2012 and onwards will be implementing their grants with PBF. With PBF, Gavi's HSS cash support is split into two different types of payments: a programmed payment, based on progress in implementation and on achievement of intermediate results, and a performance payment based on improvements in immunisation outcomes. In the GPF, countries are required to define tailored indicators for HSS and CCEOP (Cold Chain Equipment Optimisation Platform) intermediate results. The intermediate results that are specific to HSS grant objectives are dependent on the complexity and duration of the grant. HLRP recommendations for renewal of the annual HSS support to a country is supposed to be based on the intermediate results.						
	Our review as at 31 August 2016 revealed that the process of linking Gavi's HSS cash support (programmed payments) to countries' progress in implementation and on achievement of intermediate results needs strengthening. The programmed payment (core tranche) for cash support is supposed to be based on the implementation progress and achievement of intermediate results.	Inappropriate decision-making by HLRP regarding HSS programmed payments for countries applying for the annual renewal	Management should ensure that the; 1) HSS cash support (programmed payment) annual renewals are linked to countries' progress in implementation and on achievement of intermediate results 2) process is documented in the relevant guidelines.	Due to the time period of the audit, the audit team did not consider the October 2016 HLRP. This was the first HLRP to have standardised "country programmatic performance" summary analyses provided. These summaries are now routinely prepared for all HLRP sessions and highlight clearly countries' results and achievement of intermediate results (as well as key drivers for not meeting targets). As such, the HLRP process does now and will continue to incorporate a review of achievement of intermediate results in their decision-making. This process is already captured in GPF guidelines.	Senior Programme Manager, MDS	03 April 2017	Closed
b)	The process of regular reporting and follow-up of routine monitoring results to management requires improvement						
	The 2011-2015 Monitoring & Evaluation Framework & Strategy requires feedback to be provided to project or programme implementers to improve performance. The frequency of monitoring every GPF is in accordance with the defined indicators which are reviewed semi-annually across Gavi countries and reported on as part of the Alliance KPIs.						

Appendix 1: Detailed Findings and Recommendations

<p>During our review as at 31 August 2016, we noted that there was no robust process of regular reporting and/or communication of findings from qualitative or quantitative analyses of results to management in particular the Country Programme team (programme implementers) and HLRP. There is no standard procedure which defines the frequency of reporting, types of reports and target audience.</p>	<p>Management and HLRP may make inappropriate decisions on improving Secretariat processes and in-country programme performance.</p>	<p>Management should consider documenting a process which clearly defines the type of reports to prepare, frequency of reporting and target audience.</p>	<p>We agree with this finding and recommendation. Our 2017 workplan and TPMs capture a number of reports / analyses to be reported, by when and for which audience. These have already been communicated across teams in the Secretariat.</p>	<p>Senior Programme Manager, MDS</p>	<p>31 July 2017</p>	<p>Open</p>
--	--	---	---	--------------------------------------	---------------------	-------------

Medium

The process of validating routine monitoring data requires strengthening

The 2011-2015 Monitoring & Evaluation Framework & Strategy (which was extended to 2016) requires the Secretariat to establish appropriate checks and balances to assess the quality of data reported.

<p>2016.05.02</p>	<p>We found that data was relied on as presented by countries in the GPF (mostly tailored indicators) without a robust system of validation by Gavi. HLRP recommendations for renewal of the annual HSS support to a country is based on the intermediate results which include the tailored indicators defined and reported by supported countries.</p>	<p>Risk of in-appropriate decision making based on incorrect data The self-reported data may be skewed to influence immunisation outcomes which are used as the basis for performance payments for HSS support.</p>	<p>Management should consider implementing robust systems for independently validating the quality of data reported by countries on the tailored indicators (Internal Audit to review progress of remediation of action starting Q3, 2017).</p>	<p>This is indeed a notable concern, and we are conscious of this risk. We seek to address concerns around broader quality of data through the Alliance's data quality and survey requirements. There would be serious cost implications for seeking to validate data specifically reported through GPFs. Rather we are concentrating our efforts on trying to improve the quality of immunisation data and beyond more holistically, including triangulation of multiple data sources to better understand performance and discussing this as part of Joint Appraisals with countries.</p>	<p>Senior Programme Manager, MDS</p>	<p>Ongoing basis (country-by-country)</p>	<p>Open</p>
--------------------------	--	---	---	---	--------------------------------------	---	-------------

Medium

The oversight role of the MDS team regarding financial performance monitoring is not clear and/or well defined

From 2014, Gavi has structured its risk management, control and assurance functions according to the Three Lines of Defence model. In the model the primary ownership, management and control of risk sits within the core business constituting a strong first line of defence (Country Programmes team working with Alliance partners and

Appendix 1: Detailed Findings and Recommendations

implementing countries). The support, monitoring and oversight is provided by a focused second line (including the Risk function, Programme Capacity Assessment (PCA), Monitoring (MDS team) & Evaluation, Finance, Operations, and Legal). Lastly, an independent third line (Audit & Investigations) provides an objective assurance over both the first and second line. In addition, a country team approach has been developed by management and is currently being piloted for selected higher risk countries. Under this approach, priority countries benefit from having a defined cross-Secretariat team to pool skills and capacity across the organisation for more effective oversight and management of grants.

2016.05.03	We noted from our review that the role of the MDS team (sitting in the second line of defence) in relation to the first line of defence is not clear and/or well defined especially regarding grant financial performance monitoring and reporting. From the review, there was no evidence of the role played by the MDS team regarding financial performance monitoring of cash support. The MDS team relies on the Programme Finance team (sitting in the first line) to carry out financial performance monitoring with limited or no oversight at all of this process.	<ol style="list-style-type: none"> 1) Overlap and/or duplication of effort between teams in the first and second line of defence. 2) Delay in follow up of issues relating to financial performance monitoring 	Management should clearly define the oversight role of the MDS team in line with Gavi's three lines of defence model.	We agree with this finding and recommendation. Work is currently underway to finalise an operational guideline pertaining to the three lines of defence and the oversight role of the MDS team will be clarified as part of that process.	Senior Programme Manager, MDS	31 December 2017	Open
-------------------	--	--	---	---	-------------------------------	------------------	------

Medium There is need for clarity on programmatic performance reporting (through reporting guidelines) for countries with pooled funding mechanism

Gavi participates in Joint Annual Reviews (JARs) in circumstances where GAVI support to the health sector is part of pooled funding mechanisms in a country. The guidelines on Reporting and Renewals for all types of support for 2016 highlight the key financial reporting requirements when HSS support is provided through a pooled fund.

2016.05.04	All Gavi supported countries are required to report the progress of implementation by reporting the indicators in the GPF. Our review of the guidance for Gavi Grant Performance Frameworks and the guidelines on Reporting and Renewals for all types of support for 2016, revealed that the programmatic performance reporting guideline for countries with pooled funding mechanism is not clear. From the sampled thirteen countries (of which three countries were under the pooled funding mechanism), one did not define the tailored indicators in the GPF as at 31 August 2016.	Management may not be aware of the comprehensive implementation progress	Management should consider revising the performance reporting guideline and include guidelines for handling countries under the pooled funding mechanisms.	Generating updated guidance on GPFs and routine monitoring are included in the MDS team workplan for 2017. Further guidance related to pooled funding arrangements will be captured (developed jointly with other teams as appropriate) (MDS team) . In addition, for countries requesting support through the new Country Engagement Framework (CEF) process in 2016 and 2017, guidance on pooled funding has been provided from the Gavi Secretariat	Senior Programme Manager, MDS & Senior Manager, HSIS	31 December 2017	Open
-------------------	--	--	--	--	--	------------------	------

Appendix 1: Detailed Findings and Recommendations

in the country dialogue stage as well as during the development of the Programme Support Rationale (PSR). The lessons learned from these countries will be used to inform more formal guidance to countries planning to request Gavi support through a pooled funding mechanism (**HSIS team**).

Medium **The linkage between financial information (status of cash utilisation and detailed activity expenditure) and programmatic performance (tailored activity/process indicators) requires strengthening**

The 2011-2015 Monitoring & Evaluation Framework & Strategy (which was extended to 2016) requires an assessment to determine whether or not resources are being spent according to plan and whether or not the programme is delivering the expected outputs. The GPF has two core activity/process indicators which relate to cash support (utilisation of Gavi cash support and Utilisation of Gavi HSS cash support by civil society organisations). Supported countries are required to define and report on the tailored activity/process indicators.

2016.05.05	<p>Gavi supported countries are required to submit periodic financial reports which include status of cash utilisation, detailed activity expenditure and budget variances.</p> <p>However from our review, we could not evidence how this financial information reported by countries (e.g. status of cash utilisation and detailed activity expenditure) is linked to programmatic performance (tailored activity/process indicators).</p> <p>We are aware that this is being done under the PEF framework where the link between funds utilisation and milestones completed is one of the considerations when assessing the performance of Alliance partners.</p>	<p>Management may not be able to effectively assess the reasonableness of cash utilisation vis-à-vis reported programmatic performance (milestones completed)</p>	<p>Management should come up with a mechanism of linking financial information (status of cash utilisation and detailed activity expenditure) reported by countries to programmatic performance (tailored activity/process indicators).</p>	<p>PF and MDS teams are working on developing analytical approaches to be able to review programmatic and financial results together for use in quarterly reviews and for renewal decisions. Both teams already develop and disseminate summaries on reporting compliance across programmatic and financial reporting (MDS team). As noted elsewhere, such analysis is currently hampered by delays in financial reporting. Improved reporting compliance and timeliness is a priority for 2017 (PF team).</p>	<p>Head, Programme Finance – CP & Senior Programme Manager, MDS</p>	<p>31 December 2017 Open</p>
-------------------	--	---	---	--	---	------------------------------

Appendix 1: Detailed Findings and Recommendations

Medium **Financial reports submitted by countries should be subjected to quality reviews**
 The Secretariat is required to ensure that the financial reports (annual audited financial statement, periodic financial reports and audit reports) for all the cash support reported by Gavi supported countries are complete, relevant, a fair representation, understandable, comparable, verifiable and timely. Management (Programme Finance team) is aware of the issue and it is part of their 2017 working plan.

2016.05.06	From the review and discussion held with management, we confirmed that financial reports submitted by countries are not on a routine basis being subjected to quality reviews. Currently, priority is given to priority countries mainly due to resourcing.	Countries' may be submitting inconsistent and erroneous data.	Management should start conducting the quality reviews on the submitted reports through differentiation of the countries based on risk and available resources within the PF team.	The Programme Finance R&R requires review of financial and audit reports for priority countries only (others are covered by CS teams). This task has not been completed routinely due to resourcing and prioritization of other activities. There is also no evidence of such reviews other than communications between PF and SCMs. It remains the view of PF that a differentiated approach is needed. The audit team should estimate or at least note the additional resources needed to apply this to all reporting.	Head, Programme Finance – CP	31 December 2017	Open
-------------------	---	---	--	--	------------------------------	------------------	------

Medium **Compliance with the Gavi financial reporting requirements by countries requires improvement**
 In addition to GPF, countries are required to submit financial reports (annual audited financial statements, periodic financial reports and audit reports) for cash support (HSS, ISS, VIG, Operational and Campaign costs) through the country portal. Management (through the PF team) conducted the financial reporting compliance assessment for the financial year 2014 and 2015. The report revealed that in the 2015 financial year, the financial statements reporting compliance was 75 % (2014 – 52%) and the annual audit reporting compliance was 49 % (2014 - 41 %).

2016.05.07	We reviewed the latest financial reporting compliance assessment reports (financial statements and annual audits) and confirmed that the overall financial reporting compliance by countries has improved from 52% to 75%. This demonstrates remarkable progress by management in improving compliance and the current initiatives should continue. We believe there is still room to enhance compliance rate.	Inappropriate decision-making by the JA team/ management/HLRP regarding renewals and how to improve programmatic outcomes	Management should ensure that countries are held to account for non-compliance with the reporting requirements.	The findings are not in dispute and are being addressed to improve compliance, we are: 1. Revising the reporting requirements to make them clearer, 2. Making reporting a standard GMR requirement,	Head, Programme Finance – CP	31 December 2017	Open
-------------------	--	---	---	---	------------------------------	------------------	------

Appendix 1: Detailed Findings and Recommendations

3. Providing more data for quarterly reviews, JAs and HLRP,
4. PF and MDS have opened the discussion on whether renewal requests should be allowed to come to HLRP if reports are past due. Decisions will be taken on this issue in 2017

Low	Compliance with the Grant Performance Framework reporting requirements by countries requires improvements						
In the GPF, countries need to select and define the tailored indicators which reflect grant objectives, proposed results chain and existing M&E plans. Furthermore, supported countries are expected to define at least one data source for each proposed tailored indicator.							
2016.05.08	As at 31 August 2016, we observed that; a) 23% of the sampled countries had not indicated/linked tailored indicators (Intermediate Results & Activity/Process Indicators) with the relevant HSS grant objectives which they relate to.	The defined indicators may be inconsistent with the HSS objectives	Management to ensure countries link the Tailored Intermediate Results & Activity/Process indicators with the relevant HSS grant objectives.	We agree with this finding and recommendation and although work is already underway, this can be strengthened. This is a core part of GPFs and will be reviewed and improved as part of our work on improving quality of GPFs (captured in our 2017 workplan and 2017 TPMs). The team will continue to work with country colleagues to ensure GPFs are completed to the maximum extent possible.	Senior Programme Manager, MDS	31 December 2017	Open
	b) The April 2016 guidance for GPF requires countries to define at least one data source. 31% of the sampled countries had defined more than one data source for the tailored indicators in their GPF. However, there is need for a control to ensure that countries consistently use the same data source.	There may be inconsistencies in measuring performance.	Management to consider revising the guidelines to ensure consistency in the use of the agreed data source.	We agree with this recommendation and believe we are already working in line with this. The necessity to use consistent data sources is already a core principle communicated to all countries. There may be some circumstances whereby countries may	Senior Programme Manager, MDS	31 December 2017	Open

Appendix 1: Detailed Findings and Recommendations

choose, based on rationale, to use more than one data source (for example: using administrative and survey data). In some cases, this can be very appropriate, as long as countries then report against both throughout the grant (and not use one for baseline and a different data source for end line, for example).

Low	Tools for routine performance monitoring and follow-up need to be strengthened.						
	Monitoring tools are required by the MDS team for: (i) reporting to the project or programme implementers for improving performance (ii) qualitative and quantitative analysis of results from the grant performance framework data (from core & tailored indicators), (iii) visualising results which helps programme implementers to improve performance and for management to make informed programme decisions and (iv) tracking the implementation of grant performance recommendations. The team uses Microsoft Excel for analysis of GPF data, visualisation of results and follow-up of implementation of grant performance recommendations.						
2016.05.09	From our review of the performance monitoring tools and the discussions held with MDS team, we observed that; a) The tool in use for data analysis and visualisation of the grant performance framework data results from the country portal is not optimal, as described.	a) The tool in use (MS Excel) may be inefficient and ineffective as it is a static data analysis and visualisation tool. b) Increased likelihood of input and output data errors and loss	Management should consider implementing a more robust tool for data analysis and visualisation.	Agree. There is an ongoing work stream with KM/IT team to ensure that more advanced data visualisation software's and technologies are made available (MDS team). There are two projects targeting 1) the visualisation of the country data specifically on vaccine data insights, Gavi support overview and general country information and 2) the analytics providing different metrics. The first project will be delivered in different monthly releases the first coming in 05/17; as for the second project, we will start the work in April with an estimated	Senior Programme Manager, MDS & Senior Manager, Project Services - KMTS	31 December 2017	Open

Appendix 1: Detailed Findings and Recommendations

			delivery in Q3-Q4 2017 (KMTS team)			
Some supported countries are not able to report the programmatic and financial performance reports directly through the Country Portal either because of poor internet connectivity and/or because the country is under sanctions.	Management may experience incomplete and delayed performance reporting of core and tailored indicators in the grant performance framework and other financial reporting requirements.	In liaison with MDS team, KMTS team should consider implementing technology which will enable countries to report on time.	Fortunately all countries, including those under sanctions, such as Cuba, North Korea and Sudan, and those with poor bandwidth have been able to access the Country Portal to submit their application. This indicates that the primary issue is one of performance rather than access. To this end we have put in place ways to measure and baseline the actual performance (02/17) and have worked on implementing new development methods to improve the performance (03/17). We are working in parallel on two streams: one is to continue improving the performance of the existing platform (04/17) and the second is to design and deliver a low bandwidth ready version of the heaviest piece of the portal which is the performance framework reporting (12/17) and continue to monitor and improve where possible in 2018.	Senior Manager, Project Services - KMTS	31 December 2017	Open
b) 54% of the sampled countries had incomplete data in the M&E tracker (which is in MS Excel file).	Management may not have full visibility to be able to follow-up on key monitoring issues.	<ol style="list-style-type: none"> 1. Ensure the M&E tracker is updated on time 2. Consider automating the M&E tracker. 	We have worked considerably on the M&E tracker since the time period of this audit. We will work to ensure this is kept up-to-date and kept	Senior Programme Manager, MDS	31 December 2017	Open

Appendix 1: Detailed Findings and Recommendations

<p>c) As at 31 August 2016, it was not easy to extract relevant indicator reports (on target achievements, completeness and timelines) from the country portal.</p> <p>In addition, we observed that it is difficult to extract analytical reports (e.g. reports that are overdue) from the financial data submitted by countries</p>	<p>It may be difficult to determine which countries have not completed and reported their indicators and the ones that are overdue</p>	<p>MDS and PF teams should liaise with the KMTS team on how to extract these reports from the country portal</p>	<p>relevant. Given that there is a lot of qualitative data / notes included in the tracker (providing recent updates etc), we do not have plans to move this to a fully automated tool.</p>	<p>Reports summarising the missing results are done and made available (02/17) and an email reminder is in place to inform Country Support teams and MDS focal points of overdue and upcoming indicators (03/17). Regarding the reporting on the financial mandatory documents, work has started to improve the tagging on the uploaded documents and to make it easier for the teams to find documents; this will allow the teams to identify missing documents (09/17). Work is also starting on providing a report on submitted documents thus helping in identifying compliant countries (12/17) (KMTS team).</p>	<p>Senior Programme Manager, MDS & Senior Project Services - KMTS</p>	<p>31 December 2017</p>	<p>Open</p>
<p>MDS and KMTS teams have already developed a solution for GPFs – it is now possible to generate automatic reports in the system that summarise all overdue or missing results</p>							

Appendix 1: Detailed Findings and Recommendations

reporting related to GPFs
(MDS team).

Appendix 2: Summary Performance Ratings & Distribution List

Summary Performance Ratings on Areas Reviewed

For ease of follow up and to enable management to focus effectively in addressing the issues in our report, we have classified the issues arising from our review in order of significance: High, Medium and Low. In ranking the issues between 'High', 'Medium' and 'Low', we have considered the relative importance of each matter, taken in the context of both quantitative and qualitative factors, such as the relative magnitude and the nature and effect on the subject matter. This is in accordance with the Committee of Sponsoring Organisations of the Treadway Committee (COSO) guidance and the Institute of Internal Auditors standards.

Rating	Implication
High	Address a fundamental control weakness or significant operational issue that should be resolved as a priority
Medium	Address a control weakness or operational issue that should be resolved within a reasonable period of time
Low	Address a potential improvement opportunity in operational efficiency/effectiveness

Distribution

Title
Acting Managing Director Policy & Performance
Director, Monitoring & Evaluation
Managing Director, Country Programmes

For Information

Title
Chief Executive Officer
Deputy Chief Executive Officer
Managing Director, Audit & Investigations
Executive Team
Director, Monitoring & Evaluation
Chief Knowledge Office, Knowledge Management
Director, Legal
Director, Country Support
Director, Vaccine Implementation
Head of Programme Finance
Head, Risk
Acting Head, Monitoring, Data Systems & Strategic Information (MDS)