

INTERNAL AUDIT REPORT

M&E processes related to Availability and Use of Information

November 2020



Conclusion

Our audit procedures were designed to provide assurance to management and the Gavi Board on the adequacy and effectiveness of the key controls in the Monitoring and Evaluation processes which ensure availability and robust use of information by the Gavi Secretariat for learning, decision making and accountability for delivering on results in the period from 1 January 2017 to 31 October 2019. The availability, quality and use of data is a critical enabler for delivery of the 2016-20 Gavi Alliance's strategy while mitigating reputational and programmatic risks.

With the Alliance partners and teams across the Gavi Secretariat, the M&E team helps to ensure that valid, reliable and useful information is available to inform decision making and improve accountability to successfully deliver on the Alliance strategy¹. The Gavi M&E framework (2016-2020) outlines three strategies: the Accountability strategy which ensures delivery of results; the Learning strategy which fosters learning for the Gavi Alliance and supported countries to inform delivery of results; and lastly the Data strategy which catalyses strengthened measurement and strategic use of information to enable improved immunisation outcomes.

Since 2015, the Gavi Secretariat uses the Grant Performance Framework (GPF) as one of the grant management tools available to monitor and report on progress of Gavi grants during implementation.

Through our audit procedures, we have confirmed that the risks associated with the processes related to availability and use of information by the Gavi Secretariat are understood and are being well managed. However, we have identified certain key control weaknesses in the design and operationalisation of the routine programme monitoring processes which need to be addressed through documented processes, policies and procedures as summarised below.

Summary of Key Audit Findings

Issue Description	Rating*
Policy, Framework, Guideline and Procedure	
There is need to: develop a Gavi Routine Programme Monitoring Policy, formalise the routine monitoring process, and develop operational guidelines and standard operating procedures.	M
There is need to consolidate monitoring of all Gavi support using a single performance framework.	M
There is need to integrate risk management in the M&E approach.	M
Roles and Responsibilities	
There is need to clarify the roles, responsibilities and expected outputs in the Routine Programme Monitoring process.	M
Fostering Learning	
There is need to design a process which fosters learning in the Routine Programme Monitoring process.	M
Performance accountability framework	
There is need to embed the country performance accountability framework in the renewal process.	M

¹ Appointment Brief March 2019

* The audit ratings attributed to each section of this report, the level of risk assigned to each audit finding and the level of priority for each recommendation, are defined in annex 2 of this report.

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Summary of Findings

Our audit identified six medium risk-rated issues. A summary of the key issues is provided below.

There is need to develop a Gavi Routine Programme Monitoring Policy, Operational Guidelines and Standard Operating Procedures

According to the 2019 published financial statements, the Gavi programme expenditure was \$1 billion (\$1.9 billion – 2018, \$1.6 billion - 2017). Gavi has an Evaluation policy, however there is currently no policy for Gavi Routine Programme Monitoring. Consequently, there are no documented Routine Programme Monitoring objectives, scope, classes and principles and synergies to guide the work done across Gavi functions and teams in the context of the 3LoD model.

There is need to develop an internal operational guideline and/or standard operating procedures for Routine Programme Monitoring which would operationalise an approved Gavi Routine Programme Monitoring policy and link with the different monitoring tools currently in use.

There is need to define a process which ensures that critical documents related to Routine Programme Monitoring including the policy are developed, reviewed and approved by senior management as appropriate before implementation.

There is need to consolidate monitoring of all Gavi support using a single framework

While the GPF guidelines² indicate that the framework is used to monitor and report on the progress of all Gavi support (cash and vaccine), we observed that key inputs, key activities, intermediate results and intended outcomes of PEF (Foundational Support), Target Country Assistance (TCA) and Transition support (Graduation grant) are not monitored through a single grant performance framework with pre-defined indicators.

There is need to integrate risk management in the M&E approach

The M&E approach has an iterative process with four stages: planning; implementation and monitoring; learning and strategy; and policy and programme development. We were unable to find evidence of integration of the risk management process into the M&E approach of the M&E framework (2016-2020). Additionally, the linkages between the M&E approach, risks identified and documented in the M&E team's risk register could not be evidenced.

There is need to clarify the roles, responsibilities and expected outputs in the Routine Programme Monitoring process

Routine programme monitoring facilitates strengthened measurement and use of robust country information for accountability, decision making and learning. At the Gavi Secretariat, different teams (Country Support, Programme Finance, HSIS and M&E) are involved in Routine Programme Monitoring.

However, there are no clear roles, responsibilities and expected outputs of the different Secretariat teams involved in the routine programme monitoring process in order to minimise overlap and duplication of effort. The matrix of roles and responsibilities developed in 2017 was never reviewed and approved by management to ensure that it is supported by: a comprehensive operational guideline and/or standard operating procedures for routine programme monitoring and expected outputs; and that the roles and responsibilities of all teams involved were defined.

There is need to design a process which fosters learning

The Learning strategy is one of the three strategies defined in the M&E framework (2016-2020) as an enhanced approach to monitoring and evaluation. Information from the routine programme monitoring is vital to inform learning. Furthermore, learning helps to understand Gavi support performance and process without linking performance to associated consequences. We noted that except for the Evaluation process, there is no evidence of a formal process driven by the M&E team which has operationalised the learning strategy to foster learning and leverage lessons from different assessments, reports and assessments at the Secretariat. We were unable to obtain evidence that results from thematic reviews and strategic analyses were standardised and formalised in a way that fosters learning.

There is need to embed the country performance accountability framework in the renewal process

A key use of information from the routine programme monitoring is to ensure accountability of Gavi supported countries and that corrective action is taken to address any notable performance gaps.

We were unable to find documented evidence of how corrective actions for poor programme and/or financial performance was embedded in the renewal process (e.g. HRLP Terms of Reference) and/or any Secretariat operational guidelines or standard operating procedures related to the routine programme monitoring process. In addition, we could not evidence how exceptions for non-compliance with the reporting and performance requirements are managed throughout the renewal process as there are no formal routine programme monitoring Standard Operating Procedures (SoP) or operational guidelines. Furthermore, with the exception of review by Directors (CS, HSIS and M&E) there is no evidence that the framework was reviewed or approved

² Guidance for Gavi Grant Performance Frameworks (May 2019)

by senior management at Gavi.

Background

The availability, quality and use of data is an essential enabler for delivery of the Gavi Alliance's strategy (2016-20) while mitigating reputational and programmatic risks. Gavi approves its funding for vaccine support (NVS), health system strengthening (HSS) support and cold chain equipment optimising platform (CCEOP) support covering a three to five-year period. Country reporting is key to monitoring the performance of Gavi support and informs its decisions on disbursement and renewals through the HLRP. Gavi uses the GPF to review the progress and past performance of its supported countries and determines the next period cash and vaccine support.

Apart from recommending support renewal to Gavi's CEO, the HLRP also recommends the design of transformative and tailored solutions which respond to specific Gavi supported country contexts and furthermore to improve on grant performance monitoring and accountability.

The Monitoring and Evaluation team has four sub-teams (including the centralised business support) which facilitate the availability and use of information for learning, decision making and accountability for delivering on results. Furthermore, the team informs and enables delivery and measurement of results through provision of tools, advice and analysis³. The team is driven by the Gavi strategy (2016-2020) which informed the M&E framework.

Gavi's routine programme monitoring activities contribute to the operational and strategic decision making in the Gavi Secretariat and the broader Alliance Partners. Monitoring provides a basis for accountability for the routine monitoring. Routine programme monitoring identifies gaps and signals areas requiring further exploration that are addressed in evaluations or through research.

Below are some of the initiatives at the Secretariat focusing on improving data availability, quality and use:

- Data Strategic Focus Area, a portfolio of investments across multiple organisations and areas which foster data availability, quality and use in Gavi supported countries.
- Revision of the risks related to immunisation data quality.
- M&E team discussions with other Secretariat teams to enhance collaboration and foster learning.

- 2019 Vaccine Wastage Study in six countries⁴ including an on-going discussion and development of Gavi vaccine wastage policy.
- Global Framework to Strengthen Immunization and Surveillance Data for Decision-making⁵.

Audit Approach

Our audit approach is risk based, informed by our understanding of GAVI's business, governance, risk management processes and internal control systems as well as our assessment of the risks associated with the audit area.

The audit included the review of documentation, process walkthroughs, assessing the design and operating effectiveness of key controls and assessing the governance and risk management processes. All audit issues identified during the review were appropriately escalated to management.

This audit focused more significantly on the Secretariat key controls which ensure robust processes related to availability and use of programme information.

Audit Objective

The objective of this audit was to assess the design and operating effectiveness of the key controls in the processes which ensure availability and robust use of information for learning, decision making and accountability for delivering on results.

Audit Scope

This audit focused on the activities in the period from 1 January 2017 to 30 September 2019 (i.e. sample basis). The following key areas were reviewed:

- Operationalisation of the Monitoring and Evaluation Framework (i.e. specifically processes which strengthen accountability to ensure delivery of results; foster learning to inform delivery of results; and routine monitoring of performance);
- Operationalisation of the Grant Performance Framework (i.e. roles and responsibilities; revision, review and approval; use of the GPF; and reporting and monitoring); and
- Processes which ensure availability and strategic use of the information by the Secretariat.

This was a targeted testing audit designed to assess:

- The design and operating effectiveness of the key controls;
- Compliance with relevant policies;
- Economy and efficiency of the utilisation of resources; and

³ Monitoring and Evaluation – New Staff Orientation (May 2018, Geneva)

⁴ The objective is to provide new and useful information on the amount of open and closed vial wastage while conduct root cause analysis to identify their main drivers, and to estimate their financial impact on the cost of the different antigens according to their presentations

⁵ A companion document to the Global Vaccine Action Plan (GVAP)

- Quality of implemented governance and risk management practices.

The following areas were excluded from the audit scope (i.e. either they had been subject to audit previously or had a distinct risk profile and therefore will be reviewed separately in the future):

- Data governance framework and related policies (principles and practices which ensure quality through the various data lifecycles. This includes review of data sources, systems, ownership, availability, security, accessibility and use);
- Data risk profiling including risk identification, analysis, mitigation, monitoring and reporting.
- Roles and responsibilities of Alliance Partners regarding the data they provide to Gavi. This includes governance and oversight of data availability, quality, and use;
- Corporate data monitoring and reporting processes;
- Vaccine stock forecasting and management processes;
- Availability, quality and use of Vaccine Preventable Diseases (VPD) and vaccine safety (AEFI) data;
- Data Strategic Focus Areas. This has been included in the scope of the ongoing PEF audit; and
- Data not related to immunisation programmes (finance and human resources).

We will continue to work with management to ensure that the audit issues raised are adequately addressed and required actions undertaken.

We take this opportunity to thank all the teams involved in this audit for their on-going assistance.

Head, Internal Audit

Annexes

Annexe 1 – Methodology

Gavi's Audit and Investigations (A&I) audits are conducted in accordance with the Institute of Internal Auditors' ("the Institute") mandatory guidance which includes the definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (Standards). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the audit activity's performance. The Institute of Internal Auditors' Practice Advisories, Practice Guides, and Position Papers are also adhered to as applicable to guide operations. In addition, A&I staff adhere to A&I's standard operating procedures manual.

The principles and details of the A&I's audit approach are described in its Board-approved Terms of Reference and Audit Manual and specific terms of reference for each engagement. These documents help audit staff to provide high quality professional work, and to operate efficiently and effectively. They help safeguard the independence of the A&I staff and the integrity of their work. The A&I's Audit Manual contains detailed instructions for carrying out its audits, in line with the appropriate standards and expected quality.

In general, the scope of A&I's work extends not only to the Secretariat but also to the programmes and activities carried out by Gavi's grant recipients and partners. More specifically, its scope encompasses the examination and evaluation of the adequacy and effectiveness of Gavi's governance, risk management processes, system of internal control, and the quality of performance in carrying out assigned responsibilities to achieve stated goals and objectives.

Annexe 2 – Definitions: audit rating and prioritisation

Issue Rating

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	<p>At least one instance of the criteria described below is applicable to the finding raised:</p> <ul style="list-style-type: none">• Controls mitigating high inherent risks or strategic business risks are either inadequate or ineffective.• The issues identified may result in a risk materialising that could either have: a major impact on delivery of organisational objectives; major reputation damage; or major financial consequences.• The risk has either materialised or the probability of it occurring is very likely and the mitigations put in place do not mitigate the risk.• Management attention is required as a matter of priority.• Fraud and unethical behaviour including management override of key controls.
Medium	<p>At least one instance of the criteria described below is applicable to the finding raised:</p> <ul style="list-style-type: none">• Controls mitigating medium inherent risks are either inadequate or ineffective.

Rating	Implication
	<ul style="list-style-type: none"> • The issues identified may result in a risk materialising that could either have: a moderate impact on delivery of organisational objectives; moderate reputation damage; or moderate financial consequences. • The probability of the risk occurring is possible and the mitigations put in place moderately reduce the risk. • Management action is required within a reasonable time period.
Low	<p>At least one instance of the criteria described below is applicable to the finding raised:</p> <ul style="list-style-type: none"> • Controls mitigating low inherent risks are either inadequate or ineffective. • The Issues identified could have a minor negative impact on the risk and control environment. • The probability of the risk occurring is unlikely to happen. • Corrective action is required as appropriate.

Distribution

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