

# Memorandum on Gavi's programme audit in Burkina Faso

The attached audit report sets out the conclusions on the programme audit of Gavi's support to the Government of Burkina Faso's national immunisation programmes, as managed by the Ministry of Health and Public Hygiene (MoH).

The audit was conducted by Gavi's programme audit team between September and November 2021. It reviewed the period from 1 January 2018 to 31 December 2020. The audit scope covered the MoH's management of Gavi grants, the Expanded Programme on Immunisation (EPI), and vaccine supply management processes.

The audit report's executive summary (pages 3 to 5) sets out the key conclusions, details of which are described in the body of the audit report. These included:

1. There is an overall rating of **needs significant improvement** in managing Gavi's support, which means that "one or few significant issues were noted. Internal controls, governance and risk management practices have some weaknesses in design or operating effectiveness such that, until they are addressed, there is not yet reasonable assurance that the objectives are likely to be met."
2. Twenty-three weaknesses were identified relating to weaknesses in: governance, oversight and operations, and non-compliance with Partnership Framework Agreement requirements.
3. Key findings included the following elements:
  - a. The operating frameworks for both the Inter-agency Coordination Committee and the EPI Technical Support Committee need to be updated and strengthened to better oversee the implementation of Gavi supported programmes;
  - b. Internal control weaknesses at both the 'Department of Prevention through Vaccination' and the Permanent Secretariat for Non-governmental Organisations led to insufficient financial support implementation;
  - c. Weaknesses in the 'Department of Prevention through Vaccination's human resource management framework may impact on the programme's implementation and oversight;
  - d. The quality and frequency of accounting of Gavi funds is insufficient;
  - e. Significant discrepancies between actual and reported budget occurred, as a result of not taking into consideration reprogrammed activities within the annual work plans;
  - f. Deficiencies in the planning, execution and management of procurement, as well several irregularities in the procedure and execution of contracts were identified;
  - g. Inadequately justified, irregular and unjustified programme expenditures totalling CFA 58,139,544 (USD 103,820) were subject to a request for reimbursement;
  - h. The absence of a single fixed assets register, including Gavi-funded items, prevented generating an overview of the cold chain equipment's storage capacity and working status of units;
  - i. A lower than expected completion rate (38%) and inconsistent follow-up of the 'Effective Vaccine Management' improvement plan;
  - j. While the reconciling stock management tools maintained at each level in the supply chain, unexplained discrepancies were identified between the volume of vaccines distributed by the stores at the next level up and the number of vaccines recorded as received at the recipient level;
  - k. In some of the Health and Social Advancement Centres (HSAP) visited, unexplained discrepancies were noted between the stock management tools and vaccination registers;
  - l. Poor vaccine storage practices were identified in some Health Districts and HSAPs;

- m. Discrepancies were noted between primary records and the data input into the 'District Health Information Software', raising concerns over the reliability of immunisation data reported by the country.

The results of the programme audit have been discussed and agreed with the Ministry of Health and Public Hygiene, including their commitment to remediate the identified issues.

In a letter dated 20 June 2022, the MoH committed to implementing its action plan, remedying the audit findings, and reimbursing the afore mentioned questioned expenditures.

The Gavi Secretariat continues to work with the MoH to ensure the above commitments are implemented.

Geneva, October 2022

# PROGRAMME AUDIT – AUDIT REPORT

BURKINA FASO

MAY 2022



## 1. Executive Summary

### 1.1. Audit ratings per category and finding

Section*	Finding	Risk*	Page
<b>4.1</b>	<b>Governance and management arrangements</b>		<b>10</b>
4.1.1	Roles and responsibilities poor defined, confined to the ICC and members of the Permanent Secretariat	■	10
4.1.2	Insufficient structuring of PEF-TCA support activities, and mismatches between operationalisation and decreed activities	■	12
4.1.3	Insufficient involvement of the Health Services' Technical Inspection (ITSS) in monitoring Gavi's grants	■	13
4.1.4	Inadequate human resources management framework	■	14
4.1.5	Weaknesses in framing and monitoring SPONG activities	■	16
<b>4.2</b>	<b>Financial and accounting management</b>		<b>18</b>
4.2.1	Inadequate HSS3 accounting records maintained by the UG-PADS	■	18
4.2.2	Gaps and weaknesses in segregation of duties and allocation of logical access controls for the UG-PADS' accounting system	■	20
4.2.3	Non-optimal use of the TOM2PRO system for tracking and reporting on funds executed by sub-national health units	■	21
4.2.4	Interest received not available to the UG-PADS	■	22
<b>4.3</b>	<b>Budgetary management</b>		<b>23</b>
4.3.1	Insufficient budgetary monitoring reviews for HSS3 grant	■	23
<b>4.4</b>	<b>Procurement</b>		<b>24</b>
4.4.1	Poor planning procedures, execution, contract management, and procurement monitoring by the UG-PADS	■	24
4.4.2	Dubious practices when implementing acquisition procedures of goods and services by the EPI and certain health districts	■	26
<b>4.5</b>	<b>Expenditures and disbursements</b>		<b>28</b>
4.5.1	Questioned expenditures	■	28
4.5.2	Irregular expenditure commitment by certain health districts	■	29
4.5.3	Weakness and gaps in justifying expenditures	■	31
<b>4.6</b>	<b>Fixed asset management</b>		<b>33</b>
4.6.1	Inadequate management of fixed asset acquisitions	■	33

Section*	Finding	Risk*	Page
<b>4.7</b>	<b>Vaccine supply management</b>		<b>35</b>
4.7.1	Low implementation rate and inconsistent follow-up of the Effective Vaccine Management action plan	■	35
4.7.2	Low capacity and indifferent methods in storing and transporting vaccines across select sub-national sites	■	37
4.7.3	Unreconciled mismatches between stock records and across various levels of the health system	■	38
4.7.4	Gaps between DHIS2 data and SMT records	■	39
4.7.5	Gaps between stock records and administrative coverage data	■	40
<b>4.8</b>	<b>Monitoring and evaluation</b>		<b>42</b>
4.8.1	Insufficient monitoring of progress of the data quality improvement plan	■	41
4.8.2	Gaps between RMA health training data and data compiled by health districts	■	43

### 1.2. Overall audit opinion

For the period under review, the audit team determined that the management of Gavi's support by the Ministry of Health, **needs significant improvement** which means that Internal controls, governance and risk management practices have some weaknesses in design or operating effectiveness such that, there is not yet reasonable assurance that the objectives are likely to be met.

So as to reduce the risks associated with the above findings, the team raised **23 recommendations**, requiring the implementation of the remedial action plan.

\* 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 the audit report.

### 1.3. Executive Summary

#### ***Governance and management arrangements***

The coordination of technical support and immunisation interventions provided by the Technical Financial Partners (PTF) is delivered by the ICC and the EPI Technical Support Committee (EPI/TSC), whose members participated in workshops to elaborate the Comprehensive Multi-Year Plan (cMYP) and EPI annual workplans.

The operating frameworks for these two bodies need to be updated and strengthened in order to clarify roles and responsibilities, taking into account current composition, and to ensure monitoring over the Gavi-support programme implementation.

The management and reporting of cash grants is the responsibility of UG-PADS, a unit which has extensive experience in managing international donors' grants (including Gavi, the World Bank and the Global Fund). The implementation of immunisation and HSS activities was primarily carried out by the DPV and the sub-national EPI units (regional health directorates, health districts and CSPPs), with support from SPONG and 14 civil society organisations. A review of the UG-PADS' internal control framework established that it has a well-defined and functioning organisational structure which was regularly subject to assessments from intermittent internal and external audits. However, the audit team noted shortcomings in the execution of funds allotted to the DPV and the SPONG, reflecting weaknesses in these entities' internal control systems. These shortcomings were in part due to the existence of unsuitable procedural manuals, and due to the UG-PADS' monitoring of the financial operations being overdue and insufficient.

Weaknesses in the DPV's human resources management framework were also noted, which could affect the implementation and monitoring of immunisation activities.

Finally, the audit team also noted that the Technical Inspection of Health Services (ITSS) was not involved in the monitoring of Gavi-funded grants or the follow-up of audit recommendations.

#### ***Financial and accounting management***

One of the UG-PADS' accounting department's roles is to monitor the financial management and reporting for Gavi's funds. The audit team noted shortcomings in the monitoring over the Gavi cash grants, depending on which funding channel was used.<sup>1</sup> In particular, these weaknesses related to the HSS3 grant, for which the UG-PADS' intermittent accounting was not done frequently enough, largely due to non-optimal use of the accounting system deployed to the regional health directorates and to the

reporting mechanism currently in place.

The UG-PADS' monitoring of the RSS3 fund advances which it subsequently justifies back to UNICEF Burkina Faso is not effective, and as a consequence the reporting mechanism dedicated to monitoring fund execution needs to be revised, in order to comply with Gavi's grant requirements.

#### ***Budgetary management***

The UG-PADS is also in charge of routine budget management, in order to review the execution of activities funded by Gavi. A review of the UG-PADS' budget management process highlighted certain shortcomings. These translated into failing to take into account budget reprogramming and the deferral of certain activities as designated in the annual work plan, resulting in significant discrepancies between the actual budgets and those reported. This was due to budget revisions not being captured in the accounting system, and which was not adequately mitigated by the manual production of detailed budget monitoring reports off-system.

#### ***Procurement***

The audit team reviewed the UG-PADS' procurement framework, and analysed a sample of contract files. The team identified shortcomings in the planning, execution and monitoring of procurement engagements, as well as certain irregularities due to non-compliance with the established procedures and contract executions.

The team also noted weaknesses in the UG-PADS' monitoring of contract awards to the DPV as it was insufficient and belated. Significant irregularities were also identified with respect to the extent that the DPV and certain health districts failed to comply with procurement procedures, and these lapses not being subsequently addressed by the UG-PADS prior to payment. Discrepancies from established procurement procedures related to cases of split purchasing, as well as questionable or fictitious competitive bidding. The results of this review are set out in Annex 6 of the audit report, and the procurements and awards concerned have been included in the expenditures questioned by the audit team.

#### ***Expenditures and disbursements***

The audit team reviewed a sample of expenditures incurred during the audit period, representing CFA 875,033,229 (USD 1,562,559). Amounts totalling CFA 58,139,544 (USD 103,820), or 6.6% of the sample tested, were subsequently questioned by the team as inadequately supported, irregular or unjustified.

<sup>1</sup> Gavi's HSS3 funding were all disbursed to UG-PADS, with part of the funds being allocated to UNICEF to procure cold chain equipment, vehicles and civil works to build the new EPI warehouse. Funds

relating to the CCEOP grant were disbursed in full to UNICEF, as procurement agent. The funds relating to targeted country assistance (TCA) activities were disbursed directly to the partners implicated (primarily WHO and UNICEF) and then distributed as an advance to the DPV.

This review highlighted irregularities in how certain health districts engaged and used funding, as well as insufficiencies in terms of how programme advances were improperly justified across the various levels of the health system. These weaknesses must be addressed by updating the existing manual of procedures, and by strengthening controls at the central and sub-national levels, by involving the UG-PADS internal audit unit.

#### Fixed assets management

The UG-PADS was responsible for the accounting and management of fixed assets. Inconsistencies in the GMR provisions as well as the UG-PADS' procedural manual were noted, in particular the absence of a consolidated fixed assets register capturing all of the assets acquired with Gavi's funds. For example, USD 3,644,017 assets acquired from by UNICEF Supply Division (based in Copenhagen) were not included in the current register.

The absence of a single source of up-to-date information prevented the UG-PADS from ascertaining the status and location of all cold chain equipment currently available or potentially missing across the country. Also it did not allow effective monitoring of the completeness, existence, and working order of equipment, hampering management's ability to forecast and budget resources for curative maintenance and the replacement of obsolete items.

#### Vaccine supply management

A standard operating procedures manual described the supply chain management to be established across the various levels of the health system.

A temperature monitoring system was in place, operating across the various health system locations visited by the audit team. Most of the vaccine cold chain equipment sighted complied with WHO prequalification performance standards. The relevant EPI staff were trained in vaccine logistics and were engaged in monitoring activities. Vaccine management records was computerised across the central, regional and district levels. Despite these achievements, the audit team noted shortcomings which could negatively impact on the programme implementation, including:

- a low implementation level of activities (at 38%), and inconsistent follow-up of the Effective Vaccine Management (EVM) action plan;
- discrepancies between the stock movements between various SMT stock records across the different levels of the health system;
- discrepancies between stock records and the administrative immunisation data;
- low capacity and indifferent methods of storing vaccines in some health districts and CSPSs.

#### Monitoring and evaluation

The EPI's performance is regularly analysed by the DPV, which draws up reports for the EPI/ Technical Support Committee. The EPI/ Technical Support Committee also produces monthly reports for the ICC. Programme weaknesses are then subject to further in-depth analysis by the ICC. A performance

#### Burkina Faso – March 2022

framework consisting of six categories of indicators and annual targets (2019 – 2023) is updated annually by the DPV via the Gavi reporting portal.

With regard to immunisation data, an annual (2019) data quality improvement plan has finally been developed and is currently being implemented.

However, progress in data quality was not promising, due to the central level irregularly monitoring progress and the absence of a standard framework to analyse progress in the implementing the 2018-2022 data quality improvement plan.

The audit team observe shortcomings in this area. These were evidenced by the audit team's analysis of a selection of performance indicators for the various sites visited, for which discrepancies were noted between the data reported in DHIS2 and the primary data records.

### 1.4. Financial impact of the audit findings

Table 1 – Expenditures questioned by audit, by grant in CFA and USD:

Grant	Year	Amounts reported as expenditures	Expenditures tested	Total expenditures questioned	Percentage of expenditures tested questioned
HSS	2018	682,869,331 <i>1,219,410</i>	68,092,646 <i>121,594</i>	2,140,929 <i>3,823</i>	3.1%
	2019	1,324,241,918 <i>2,364,718</i>	252,596,760 <i>451,065</i>	9,652,600 <i>17,237</i>	3.8%
	2020	2,041,438,599 <i>3,645,426</i>	310,506,627 <i>554,476</i>	17,482,927 <i>31,219</i>	5.6%
Measles Rubella campaign	2019	982,131,982 <i>1,753,807</i>	161,765,274 <i>288,867</i>	8,898,088 <i>15,890</i>	5.5%
	2020	179,361,510 <i>320,288</i>	52,771,914 <i>94,236</i>	- <i>-</i>	0.0%
Polio campaign	2018	212,267,451 <i>379,049</i>	29,299,838 <i>52,321</i>	19,965,000 <i>35,651</i>	68.1%
	2019	1,921,802 <i>3,432</i>	- <i>-</i>	- <i>-</i>	0.0%
	2020	7,325,231 <i>13,081</i>	- <i>-</i>	- <i>-</i>	0.0%
<b>TOTAL</b>	<b>FCFA</b> <b>USD</b>	<b>5,431,557,824</b> <b>9,699,210</b>	<b>875,033,229</b> <b>1,562,559</b>	<b>58,139,544</b> <b>103,820</b>	<b>6.6%</b>

See Annex 4 of the audit report for details on the expenditures summarised above.