Preparing for Program Audit and Assuring Data Quality

Office of EG IP M&E Working Group Meeting
GILLBT Training Center, Tamale
June 16, 2015

CONTENT OF PRESENTATION

❖ USAID Program Audits

❖ What is Data Quality

❖ Methodology for Assuring Data Quality

❖ Annotated Audit Findings

What is Performance Audit?

❖ ADS chapter 592 provides the policy directives and required procedures for the USAID Office of Inspector General performance audit process

❖ The primary responsibility for ensuring that management staff throughout USAID understand the value of the audit process and are responsive to audit recommendation lies with the ADMINISTRATOR.

❖ The Office of Inspector General is responsible for planning and conducting program audits

What is Performance Audit Contd.

❖ Audits provide an independent assessment of the performance and management of USAID systems, programs, activities, and functions against <u>objective criteria</u> or an independent assessment against <u>best practices</u> or other information

❖ Audit program produces information that improves program operations, facilitates decision making, and contributes to public accountability

❖ Performance audits encompass a wide variety of objectives, including:

- Assessing program effectiveness and results;
- Economy and efficiency;
- Internal controls;
- Compliance with legal or other requirements; and,
- Providing prospective analyses, guidance, or summary information.

Audit Planning and Implementation

❖ The OIG develops a five-year plan which articulates the objectives that serve as the framework for audit work over the five-year period.

❖ The five-year plan is supplemented by annual plans, to identify audits for each fiscal year.

❖ USAID management input and suggestions are solicited as part of the annual planning process

❖ Auditees are notified, at least 30 days before the field implementation of an audit
  - ❖ However, unplanned and quick audits are conducted as and when issues are raised
  - ❖ Sometimes, unannounced audits are also undertaken

Ghana may be audited in 2016!

How do we ensure that we are audit ready and compliant?

Data Quality Assessment

What is Data Quality

❖ **Data Quality** is a combination of attributes that portray the adequacy of the data in representing the project/program results.

❖ Data quality depends on both the reliability of the data collected at the primary source, and on the adequacy of the systems for processing, storing and interpreting the data at subsequent levels.

What is Data Quality Assessment (DQA)?

❖ DQA entails an examination of the M&E system's ability to collect, process, store and report quality data.

❖ Data assessment tools are therefore designed to:

  ❖ Verify the quality of the data;

  ❖ Assess the system that produces that data; and

  ❖ Develop action plans to improve both the data collection and reporting formats

USAID's Mandate for DQAs

❖ Operating units of USAID are mandated, as stated in the Agency's ADS 203.3.5.1, to routinely conduct DQAs for each indicator reported to Washington for Government Performance and Results Act (GPRA) reporting purposes.

❖ Data must be assessed for quality at some time within the three years before submission

Purposes for DQA

❖ The primary purpose for undertaking DQAs is to ensure that data on performance indicators reported to the EG office, and subsequently to USAID/ Washington, meet the Agency's requirements for quality assessment.

  ▪ Specifically, it seeks to establish the credibility of data, as determined by applying the five data quality standards provided in USAID's ADS 203.3.5.

❖ A secondary purpose as per USAID's ADS 203.3.11.2 is to ensure IPs' awareness about the strength and weaknesses of the data they report and the extent to which they could be used for management decision making.

❖ A third purpose is to identify the IPs that require assistance in meeting the quality standards.

Methodology for Conducting "Routine" DQA

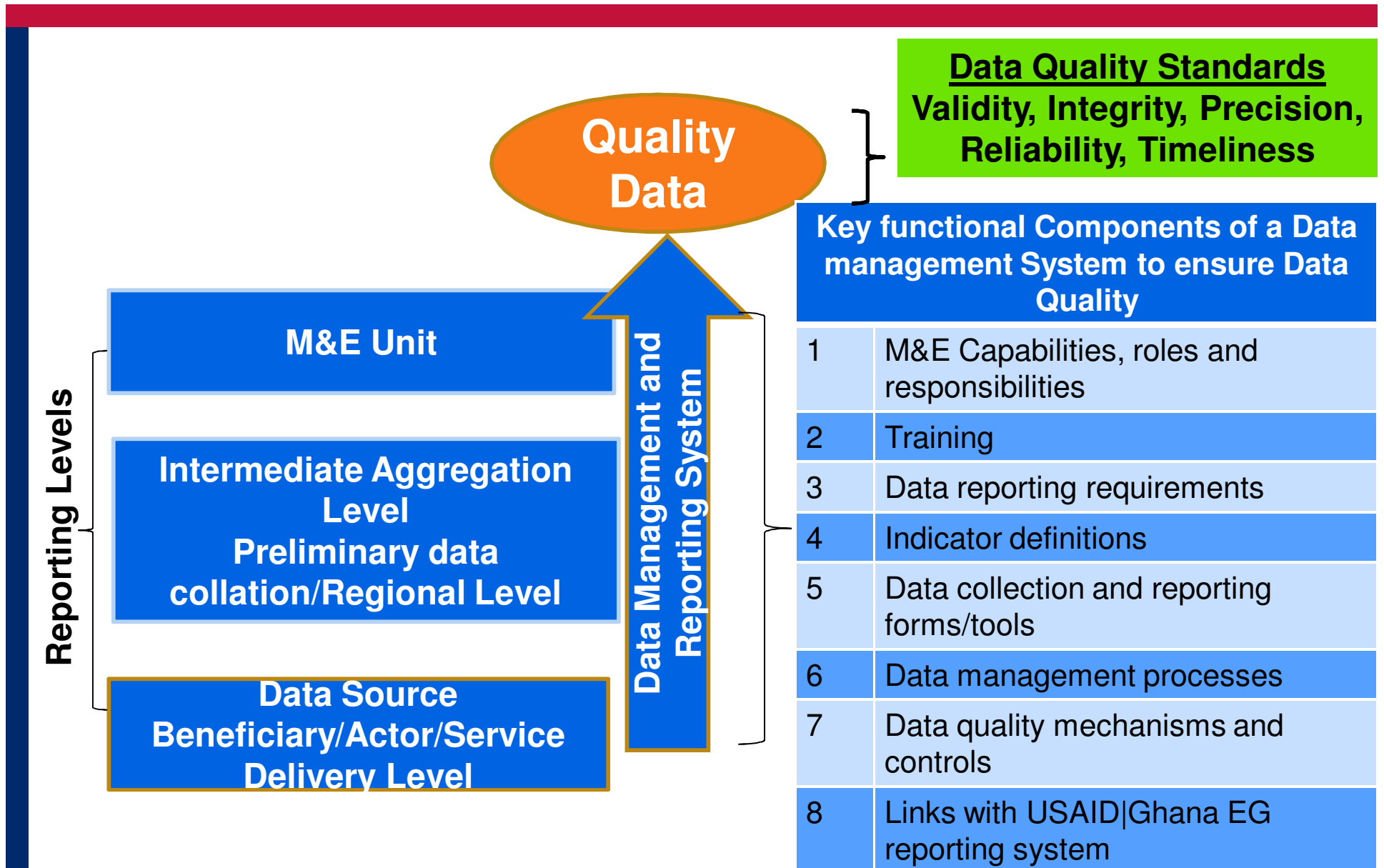# Objective of Session

❖ The objective of this session is to provide a common approach for assessing and improving overall data quality for the EG office and at the IP level.

❖ This session will focus exclusively on:

 – <u>Assessing the underlying data management and reporting systems</u> for standard program-level output and outcome indicators, and
 – <u>Verifying the quality </u>of reported data

DQA Conceptual Framework

Quality Data

Data Quality Standards
Validity, Integrity, Precision, Reliability, Timeliness

Reporting Levels

M&E Unit

Intermediate Aggregation Level
Preliminary data collation/Regional Level

Data Source
Beneficiary/Actor/Service Delivery Level

Data Management and Reporting System

	Key functional Components of a Data management System to ensure Data Quality
1	M&E Capabilities, roles and responsibilities
2	Training
3	Data reporting requirements
4	Indicator definitions
5	Data collection and reporting forms/tools
6	Data management processes
7	Data quality mechanisms and controls
8	Links with USAID|Ghana EG reporting system

Data Management &Reporting System Component

❖ Enables qualitative assessment of the relative strengths and weaknesses of functional areas of a data management and reporting system.

❖ The purpose of assessing the data management and reporting system is to identify potential threats to data quality posed by the design and implementation of data management and reporting systems.

❖ The seven (7) functional areas of a data management and reporting system

Seven (7) functional areas of M&E Systems

1. M&E Capabilities, Roles and Responsibilities

2. Training

3. Indicator Definitions

4. Data Reporting Requirements

5. Data Collection and Reporting Forms and Tools

6. Data Management Processes and Data Quality Controls

7. Links with USAID|Ghana EG Reporting System

Data Management Functional Areas and Key Questions to Address Data Quality

These questions will aide the DQA Reviewers to complete the Mandatory DQA worksheets

Functional Area	Key Question	Dimension of Data Quality
M&E Capabilities, Roles and Responsibilities	Are key M&E and data-management staff identified with clearly assigned responsibilities?	Validity, Reliability
Training	Have the majority of key M&E and data management staff received the required training?	Validity, Reliability
Indicator Definitions	Are there operational indicator definitions meeting relevant standards that are systematically followed by all service points?	Validity, Reliability
Data reporting requirements	Has the Program/project clearly documented (in writing) what is reported to who, and how and when reporting is required?	Validity, Reliability, Timeliness, Completeness

Functional Area	Key Question	Dimension of Data Quality
Data Collection and Reporting Forms and Tools	Are there standard data-collection and reporting forms that are systematically used?	Validity, Reliability
	Are data recorded with sufficient precision/detail to measure relevant indicators?	Validity, Precision
	Are data maintained in accordance with USAID, international or national confidentiality guidelines?	Confidentiality
	Are source documents kept and made available in accordance with a written policy?	Validity, Precision, Reliability, Timeliness, and Integrity, and Confidentiality

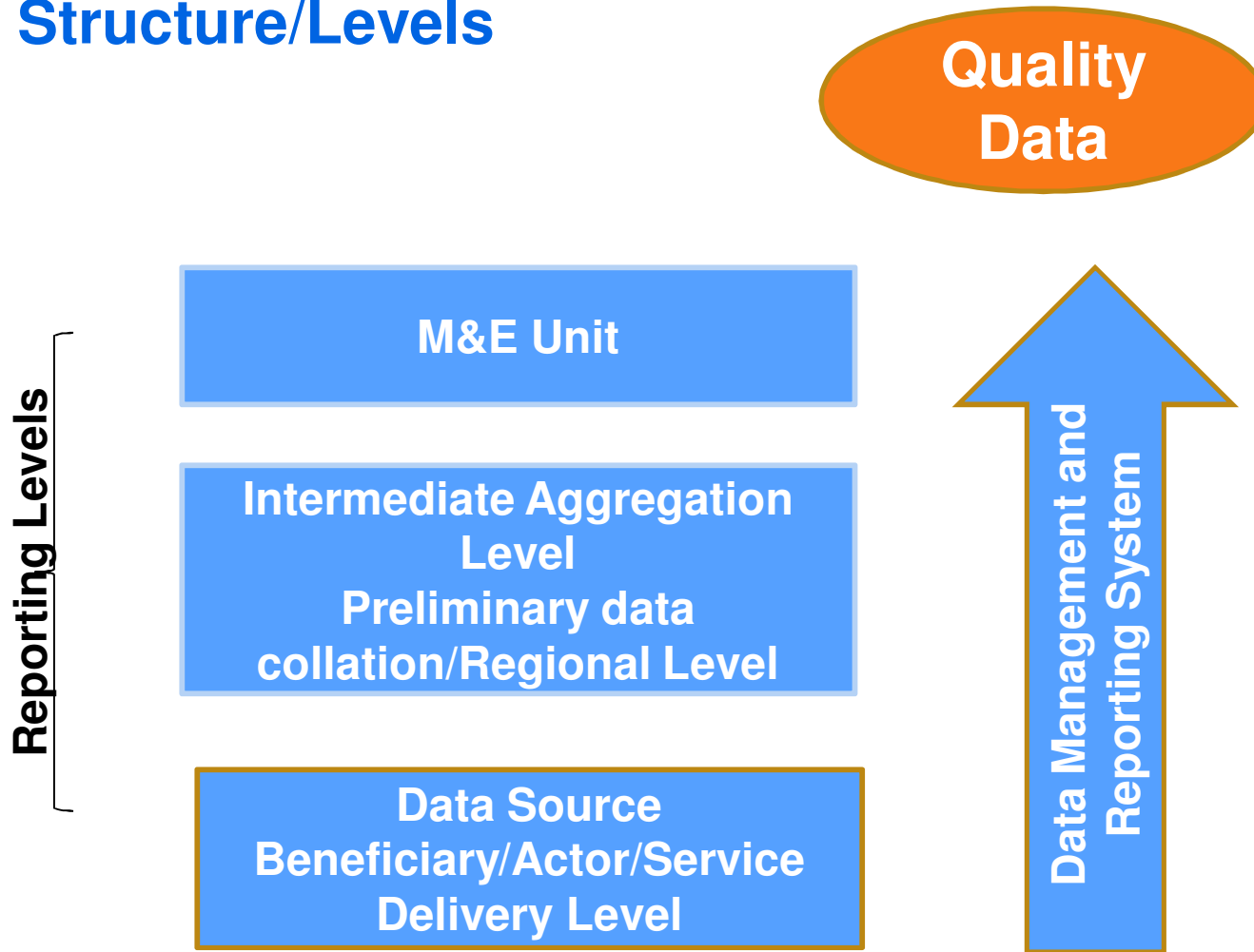| Functional Area	Key Question	Dimension of Data Quality
Data Management Processes and Data Quality Controls	Does clear documentation of collection, aggregation and manipulation steps exist?	Validity, Reliability
	Are data quality challenges identified and are mechanisms in place for addressing them?	Validity, Reliability
	Are there clearly defined and followed procedures to identify and reconcile discrepancies in reports?	Validity, Reliability
	Are there clearly defined and followed procedures to periodically verify source data?	Validity, Precision, Reliability, Timeliness, and Integrity, and Confidentiality
Links with USAID|Ghana EG Reporting system	Does the data collection and reporting system of the Program/project link to the National Reporting System?	Avoid parallel systems and undue multiple reporting burden on staff to increase data quality

Usefulness of the Methodology

❖ Answers to the questions above can help highlight threats to data quality and the related aspects of the data management and reporting system that require attention

❖ For example, **if data Validity is an issue**, the DQA can help assess:

- if reporting entities are using the same indicator definitions,

- If they are collecting the same data elements, on the same forms, using the same instructions.

- if roles and responsibilities are clear (e.g. all staff know what data they are collecting and reporting, when, to who and how), and

- if staff have received relevant training.

Remember to apply the approach at all levels of the M&E Structure/Levels

Quality Data

Reporting Levels

M&E Unit

Intermediate Aggregation Level Preliminary data collation/Regional Level

Data Source Beneficiary/Actor/Service Delivery Level

Data Management and Reporting System

Data Verification Component

❖ Enables a quantitative comparison of reported data to what pertains at the source, and allow for a review of the data against the 5 data quality standards

❖ Three main elements

- Documentation Review

- Recounting Reported Results

- Cross-check reported results with other data sources

Documentation Review – Tool to use

Review availability and completeness of all indicator source documents for the selected reporting period.	Yes, Completely, partly. No, not at all	Reviewer Comments
1 Review available source documents for the reporting period being verified. Is there any indication that source documents are missing?		
If yes, determine how this might have affected reported numbers		
2 Are all available source documents complete?		
If no, determine how this might have affected reported numbers.		
3 Review the dates on the source documents. Do all dates fall within the reporting period?		
If no, determine how this might have affected reported numbers.		

Recount results from source documents, compare the verified numbers to the site reported numbers and explain discrepancies (if any).	Yes, Completely, partly. No, not at all	Reviewer Comments
1 Recount the number of people, cases or events **recorded** during the reporting period by reviewing the source documents **[A]**		
2 Copy the number of people, cases or events **reported** by the site during the reporting period from the site summary report **[B]**		
3 **Calculate the ratio of recounted to reported numbers. [A/B]**		
4 What are the reasons for the discrepancy (if any) observed (i.e., data entry errors, arithmetic errors, missing source documents, other)?		

DQA Implementation Steps

❖ Determine purpose of the DQA
- Verify reported data or ability of data management systems
- Implement corrective measures
- Monitor capacity improvement and performance of data management system

❖ Select levels and sites to be included

❖ Identify indicators, data sources and reporting period

❖ Conduct site visits

❖ Review outputs and findings

❖ Develop a system strengthening plan, including follow-up actions

Key Outputs of the DQA

❖ A complete USAID Mandatory DQA Worksheet for each indicator

❖ A report describing the strengths and weaknesses of the data management system and key recommendations

❖ An Action plan for System strengthening (see suggested table)

Implementing Mechanism details and others related information here				
Description of Action Plan	Person Responsible	Timeline	Technical Assistance needs	Follow-up dates and comments

Any questions?

Thank you!