

Ref. EECA/TS/126-28/04/2014

28 April 2014

Marija Čukić
Project Coordinator
Red Cross of Serbia
Simina 19, 11000 Belgrade
Serbia

Re: Management Letter to Progress Update 7 / Disbursement Request 7 under Grant Agreement number SER-910-Go7-T

Dear Ms Čukić

We are writing this letter to provide you with feedback after having conducted a comprehensive review of the Progress Update and Disbursement Request (PU/DR) for the TB Grant Agreement number SER-910-Go7-T. This PU/DR covers the reporting period 1 July – 31 December 2013.

The final overall performance rating for the reporting period is 'A1'. Please find below a summary of the key issues and recommendations as identified during our review and evaluation of the overall implementation, performance and management of the program implemented by your team.

A. PROGRAMMATIC PERFORMANCE

The Principal Recipient has continued to show the strong performance in the reporting period. The quantitative indicator rating is A1, out of 5 indicators due for reporting, two were over-achieved and three were achieved.

In the reporting period, 147 IDUs, 262 sex workers, and 9,712 kitchen/meal centers users were screened for TB, equating to 98%, 105% and 99% cumulative indicator achievement, respectively.

The indicator "Number of people trained in TB and TB/HIV related issues with a special emphasis on equity and advocacy among most vulnerable groups" meets expectations with 116 people trained and achievement rate 93%. The Global Fund did not include 1 person the PR reported as trained in the reporting period who acted as both a participant and lecturer (PIU staff). As previously communicated, the lecturer of the training session should not be reported as participant.

The indicator "Percentage of contacts of Roma smear positive TB patients referred to TB unit and examined for TB out of all contacts of smear positive Roma identified during the reporting period" is exceeding expectations with achievement rate being 114%.

During the verification of the results it was noted that for the indicator measuring Roma contacts of Roma smear positive TB patients referred to a TB unit, there are issues with the quality of data from PRs and SRs based on problems for them to obtain necessary data from health institutions in writing. The information among documents submitted by the SRs does not correspond.

The PR has changed the questionnaire for soup kitchen and meal center users screened for TB to include categories important for the PR to analysis the target group and their behavior, however, has removed the number of referred and examined persons. The new category does not give a precise picture on the data important for TB screening and misrepresents the actual examination rate of the TB suspects referred to the examination. Therefore, the PR should ensure to correctly capture this information in the form.

The Grant Rating Tool for the reporting period is attached to this letter.

B. FINANCIAL PERFORMANCE

For the reporting period, the PR's cash out flow rate (PR expenditure plus disbursements to SRs) for the reporting period represents 90% of the semi-annual budget. The PR's expenditure rate for the reporting period is 91% and 88% of funds were disbursed to sub-recipients.

The cumulative cash outflow rate (PR expenditure plus disbursement to SRs) up to the end of the reporting period was 94%. The cumulative spending rate of the PR was 91% and 101% of funds were disbursed to sub-recipients.

The cash balance as of 31 December was USD 215,024, which will be used to fund buffer period activities from 1 January 2014 to 30 June 2014 in the amount of US \$185,254 and commitments in the amount of US \$2,184.82. The remaining amount will be used to fund the forecast for the disbursement period in combination with the current disbursement.

C. CONDITIONS PRECEDENT / SPECIAL CONDITIONS

All remaining Condition Precedents and Special Conditions were met during previous reporting periods.

D. DISBURSEMENT AMOUNT

In the PU/DR the PR has requested the amount of US \$333,434 to fund activities for the period 1 January 2014 to 30 June 2015. The Global Fund has agreed with the disbursement period as requested by the PR.

The disbursement decision amount was calculated as follows:

(+) US \$525,233 – Approved Budget for January 2014 to June 2015
 (+) US \$2,184.82 – Commitments and delayed activities from previous reporting periods
 (+) US \$16,241.99 – Activities related to reallocation request 1 (see annex “Reallocation Request 1_GF comments”)
= US \$543,659.81 Total forecast for Disbursement Period
 (-) US \$215,024 Cash balance at PR level as of 31 December 2013
= US \$328,635.81 Disbursement Amount for the period 1 January 2014 to 30 June 2015

E. GRANT MANAGEMENT ISSUES AND RECOMMENDATIONS

There are a few management actions that were identified during the reporting period that require the attention of the Principal Recipient. These have been summarized in the attached excel document “Management actions PU7DR7_17Apr14”.

Please also find attached to this letter the approved training plan for the period.

May I take this opportunity to thank the PIU, the sub-recipients, the implementing partners and the national stakeholders for the program’s progress to date. We look forward to continued strong performance in future periods.

Yours sincerely

for 

Tsovinar Sakanyan
Fund Portfolio Manager

Encl.: Grant Rating Tool
 Management actions PU7DR7_17Apr14
 Reallocation Request 1_GF comments
 Reallocation Request 2_GF comments
 Training Plan _SER-910-G07-T_GF approved_15Apr14

Cc: All CCM members
 Miroslava Stevanovic, LFA, UNOPS