



Independent observer
of the Global Fund

Aidspan Analysis Reveals Problems with Grant Data Provided by the Global Fund

Until recently, the Global Fund was providing erroneous data for grant agreement amounts and related fields on the grant pages of its website and in the grant data spreadsheets it made available via its website. This problem had apparently persisted for several years. This is the conclusion Aidspan has drawn from an analysis of the Global Fund's grant data. The analysis was prompted by an acknowledgement by the Fund to Aidspan that the presentation of its grant data had been problematic for some time, and that the process of fixing it was complicated but underway.

Until recently, the central repository for the grant data was the grant data spreadsheets that were downloadable from the Global Fund website. These were used primarily by people and organisations that wanted to do more advanced analysis on one or more variables related to the grants. The data in the spreadsheets were used by Aidspan to analyse and describe trends in the grant data; and to populate the grant data that Aidspan presents on its own website.

However, a different platform was used to update individual country grant data on the Fund's website. The Secretariat told Aidspan that grant data were being entered through different financial reporting systems, which were manual and unsynchronised. This meant that different people in different parts of the organisation were entering data. As the Fund's model of financing and managing evolved, more errors entered the system.

In December 2012, the Global Fund stopped updating the spreadsheets. In January, the Secretariat explained to Aidspan that the Fund was undergoing an extensive reorganisation of its financial reporting system, and that the Fund would stop producing the spreadsheets. Instead, the Secretariat said, the Fund would provide a more sophisticated mechanism for accessing the same data through a new platform that

the Secretariat calls “web services.”

In May 2013, the Secretariat provided Aidspan and other stakeholders with a link to its new web services platform. At the same time, the Global Fund unveiled a new look for its individual grant pages. The revised pages use data from the new web services platform.

To evaluate the integrity of the new web services, Aidspan compared the data that the new web services were providing against the data that had been provided by the now defunct grant data spreadsheets. We found a lot of conflicting data with respect to the total grant agreement amount for each grant. There were discrepancies in about half of the over 1,000 grants.

The differences in the total agreement amounts between the two systems were considerable – ranging from a few dollars to millions of dollars. For example, one of the largest differences was for one Ethiopia grant (ETH-202-G03-H-00), where the former spreadsheet showed the total grant agreement amount as \$364,391,626, while the web services showed the total signed to date to be \$613,513,289, a difference of nearly \$250 million.

The problem was compounded by the fact that the Global Fund has been using a variety of terms in its data field headings and has failed to define what the terms mean. We looked at four sources of information for grant amounts and related fields and found eight different headings. As a result, when one looked at a number on the spreadsheet or on the grant pages on the Fund’s website, it was often not clear what the number represented.

Because Aidspan relies on data from the Global Fund for its grant pages, the problems described above also affect Aidspan. We have cautioned users of our grant pages that the data found there will not be fully reliable until we have finished updating the data based on information from the new web services provided by the Global Fund.

The Global Fund’s Director of Communications, Seth Faison, told GFO that “our data was factually inaccurate for a period of time. The numbers were too high for some grants and too low for others.”

Mr Faison also said that the Secretariat is in the process of developing and implementing a stronger financial management system through its Finance Step-Up project. During this transition period, he said, the Secretariat has put in place processes to ensure that the financial data made available through the website are accurate and up-to-date. He added that this is a work in progress and that “some anomalies remain. We are working to fix these elements in the short term, before the comprehensive solution developed in the Step-Up project is rolled out in the first quarter of 2014.”

Mr Faison said that the Secretariat has changed some of the terminology used in its financial management processes. “We are in the final stages of developing a dictionary of financial terms and it will be published on the website once the final changes are agreed by our Management Executive Committee.”

The Global Fund has been aware for some time that there were problems with the spreadsheets that were being used to report grant data. Recently former General Manager Gabriel Jaramillo said: “Management information systems were a multitude of unrelated applications, mostly gigantic Excel spreadsheets maintained by different departments.” Mr Jaramillo cited a Management Letter issued in 2012 by Ernst & Young, the Global Fund’s external auditors, which said, “In 2011, audit and grant data [were] not reliable and accurate, and missing controls over grant accounting [led] to important delays and errors in the financial statement[s] preparation.” (See [GFO article](#).)

Aidspan will continue doing data integrity checks to ensure that the data on the new web services are accurate.

Editor's Note: This is an unfortunate situation. We welcome the fact that the Global Fund is working hard to implement a solution. In addition, we want to express our appreciation to the IT people in the Grant Management Support Department and to people in the Communications Department – all of whom have cooperated fully with Aidspan during this transition period and during Aidspan's analysis of the data.

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