



Peace Corps Office of Inspector General



mural at the PC/Mexico office
Queretaro, Mexico

Annual Plan for Fiscal Year 2015

October 2014

Peace Corps Office of Inspector General

Through audits, evaluations, and investigations, the Office of Inspector General (OIG) provides independent oversight of agency programs and operations in support of the goals set forth in the Peace Corps Act while making the best use of taxpayer dollars. OIG:

- Promotes integrity, efficiency, effectiveness and economy;
- Prevents and detects waste, fraud, abuse and mismanagement;
- Identifies risk and vulnerabilities and offers expert assistance to improve the Peace Corps' programs and operations

Established in February 1989, OIG receives its legal authority from the Inspector General Act of 1978, as amended (IG Act). The IG Act establishes OIG as an independent entity within the Peace Corps. The law requires that OIG fully and currently inform the Peace Corps Director and the Congress about problems and deficiencies relating to the administration of agency programs and operations. OIG is authorized by law to review all programs and operations of the Peace Corps. OIG's work typically examines agency operational efficiency, effectiveness, financial stewardship, and compliance with agency policy and federal regulations.

OIG Staffing and Resources

OIG is comprised of an administrative team and three units: Audit, Evaluation, and Investigation. Each unit develops its fiscal year (FY) work taking in account staff availability and FY funding. OIG has a cross-unit outreach committee responsible for informing all stakeholders (agency staff, Volunteers, Congress, and the general public) about the role, work and resources of OIG, including promotion of the OIG hotline.

FY 2015 Strategy Statement and Focus Areas

As detailed in the OIG strategic plan for FYs 2015-2017, during FY 2015 OIG will conduct audits, evaluations and investigations addressing the Management Challenges annually identified in the *Peace Corps Performance and Accountability Report* and the following OIG priorities:

- Kate Puzey Volunteer Protection Act of 2011
- Agency-wide Processes, Programs, and Systems
- Volunteer Safety and Security and Medical Care
- Overseas Post Operations
- Stakeholder Communication

The Management Challenge areas are listed below:

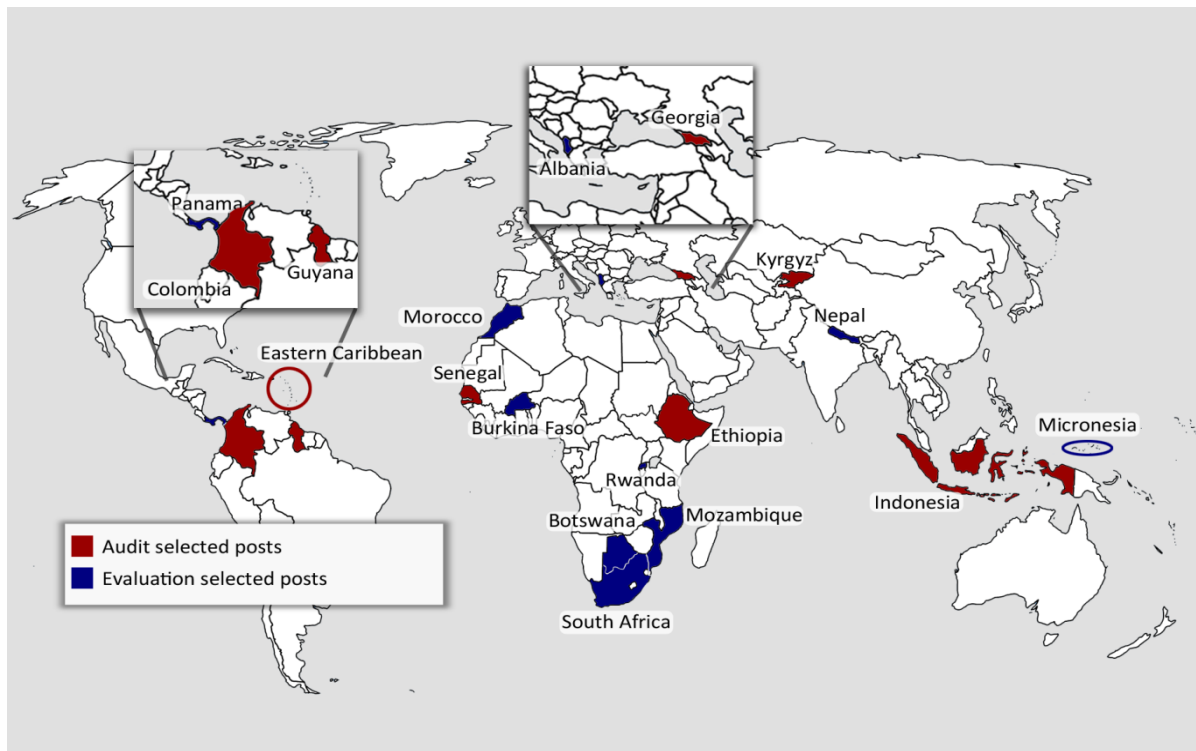
- IT Security Management (first reported in FY 2009)
- Business Processes and Information Systems (FY 2011)
- Volunteer Safety and Security (reported under Business Processes and Information Systems in FY 2011)
- Excessive Personnel Turnover (FY 2012)

- Programming and Volunteer Training (FY 2012)
- Accountability of Medical Supplies (FY 2012)

In addition to focusing our work to help address the Management Challenges, OIG also plans to conduct the following advice and assistance functions in support of agency goals and objectives:

- Provide technical assistance to Peace Corps managers on issues related to financial and administrative policies, procedures, best practices, and effective internal controls.
- Deliver best practices presentations at regional conferences for post staff and other conferences or meetings as requested.
- Provide overseas staff training sessions to assist country directors, administrative, and program and training staff in performing their functions effectively and efficiently and in compliance with federal law, regulations, and agency policy.
- Provide Volunteers/trainees (V/T) and agency staff with informational materials, guidance, trainings, and other presentations on the role of OIG and on how to effectively report fraud, waste, abuse, mismanagement, serious administrative misconduct or criminal wrongdoing involving Peace Corps staff, contractors or other V/T. OIG informational material will also emphasize channels for reporting confidentially and the prohibition against reprisal. Development and distribution of informational material will be coordinated by the OIG Outreach Committee.
- Continue to focus on agency-wide systemic issues or functional areas that affect multiple systems or posts.
- Utilize OIG report findings, recommendations, and trends as a tool to effect change in management practices.

Posts Identified in the FY 2015 Audit and Evaluation Annual Plans



Audit Unit

The Audit Unit conducts audits and other reviews of agency programs and financial and administrative operations that support the Peace Corps' mission and its Volunteers serving abroad. The unit performs audits of the agency's field activities at overseas posts and its administrative support functions at headquarters and domestic recruiting offices. The unit also contracts with independent public accounting firms to conduct an audit of the agency's financial statements and a review of agency's compliance with the Federal Information Security Management Act. Audits are performed in accordance with *Generally Accepted Government Auditing Standards* issued by the Comptroller General of the United States.

Post Audits

We considered the following factors when developing our audit schedule:

- Input from regional and other headquarters management and staff
- Congressional requests and referrals from other offices or agencies
- Interval since the last audit
- Number of Volunteers serving
- Size, maturity, and cost of the post
- Trends and anomalies in the agency's financial data and OIG hotline information

Based on these factors, we intend to initiate audits of at least five of the following posts. Final selection and scheduling of post audits will be decided during the year. We will work with regional management to finalize the audit schedule for selected posts based on available resources and post constraints.

Post Audits	
Africa	EMA
Senegal*	Kyrgyz Republic*
Ethiopia*	Indonesia
	Georgia
	IAP
	Guyana*
	Eastern Caribbean*
	Colombia

*Posts receiving the President's Emergency Plan for AIDS (PEPFAR) funds.

During the post audits mentioned above, we will assess areas of concern and processes that present challenges to overseas posts. We also review funds received by Peace Corps posts related to PEPFAR.

Agency-Wide Programs and Special Reviews

The Audit Unit intends to initiate, perform, or complete a variety of audits, reviews, and follow-ups of agency-wide programs. These projects are cross-functional and may require assistance from other OIG units. In addition, the Audit Unit will assist the Evaluation Unit in their review of Peace Corps' Global Partnerships and the Investigative Unit in analyzing FECA issues. Although we will not be issuing a separate report, we continue to review the managers' internal control program and report on its effectiveness in our audits.

We also intend to initiate an audit or review of at least two of the following programs:

Program Audits and Reviews
Medical Supply Acquisitions
Staff Travel and Conferences
Contract Management & Oversight
Information Technology Project Management

Legislatively Mandated Work

We will oversee the following legislatively mandated work:

Legislatively Mandated Work	
Audit of Peace Corps' FY 2015 Financial Statements	The Accountability of Tax Dollars Act of 2002 mandates that the agency subject its financial statements for audit. OIG contracts with an independent public accounting (IPA) firm to perform the audit. OIG monitors the IPA firm's work to ensure that it is of acceptable quality, in compliance with federal law and applicable standards, and is completed within the established milestones.
Review of the Peace Corps' Information Security Program	OIG is responsible Federal Information Security Management Act requirements such as performing reviews of the Peace Corps' information systems security program and reporting related selected data to the Office of Management and Budget annually.

Reports Initiated in FY 2014

The following projects were initiated in FY 2014 and are scheduled to be completed in FY 2015: post audits of Cameroon, Nepal, Ghana, and Madagascar; follow-up review on safety and security; and our review of a medical services contract.

Evaluation Unit

The Evaluation Unit conducts independent assessments of the design, implementation, and results of agency operations, programs, and policies. Our goal is to provide timely, credible, and useful information to agency managers, policymakers, and others on program operations and policy issues. We accomplish this through evaluations of the management and program operations of the Peace Corps at overseas posts and domestic offices. We also participate in cross-functional reviews of agency operations undertaken with OIG auditors or investigators.

OIG evaluations promote integrity, efficiency, and effectiveness, identify best practices, and recommend program improvements and means to comply with Peace Corps policies. The Evaluation Unit conducts reviews and assessments using applicable Federal laws, regulations, and Peace Corps policies, procedures, and performance plans, including the agency's Integrated Planning and Budget System (IPBS) and strategic plans. Evaluations are conducted under the direction and guidance of the Assistant Inspector General for Evaluations and in accordance with the *Quality Standards for Inspections and Evaluations*, published by the Council of the Inspectors General on Integrity and Efficiency. These standards are instrumental in maintaining impartiality, reliability, and credibility, and they set the bar for staff competency, independence, professional judgment, internal quality controls, and stakeholder feedback for process improvements.

Country Program Evaluations

We considered the following factors when developing our evaluation schedule:

- Requests from Congress and agency managers, including country directors
- Conditions about the post or domestic operations brought to our attention by Volunteers, trainees, or staff
- Conditions that indicate a need to evaluate the program to assure the health and safety of Volunteers and staff or to identify and deter fraud, waste, abuse, and mismanagement
- New or changed conditions affecting post operations; indications of either high or low performance
- Size, maturity, and cost of the post
- All-Volunteer Survey results, Volunteer health and safety data, and resignation rates
- Interval since the last country program evaluation

Based on these factors, we intend to initiate program evaluations of at least five of the 10 posts in the following chart. Final selection of the posts and the timing of the evaluations will be decided during the year. We will work with regional management to finalize the evaluation schedule for selected posts based on available resources and post constraints, and we will coordinate the scheduling of fieldwork with the post in advance of our visit.

Country Program Evaluations	
Africa	EMA
Botswana	Albania
Burkina Faso	Morocco
Mozambique	Nepal
Rwanda	IAP
South Africa	Micronesia
	Panama

Agency-Wide Programs and Special Reviews

The Evaluation Unit will also initiate an evaluation that encompasses agency-wide programs and operations: an evaluation of Peace Corps' global partnerships. We will also perform a follow-up review of our 2010 report *Peace Corps/Morocco Assessment of Medical Care*.

Agency-Wide Programs and Special Reviews
Evaluation of Peace Corps' Global Partnerships
Follow-up Review: Issues Identified in PC/Morocco Assessment of Medical Care

Reports Initiated in FY 2014

The following projects were initiated in FY 2014 and are scheduled to be completed in FY 2015: country program evaluations of PC/Benin and of PC/Guatemala.

Investigation Unit

The Investigation Unit assists the Peace Corps in maintaining integrity in its programs and operations by investigating allegations of fraud, waste, abuse, and misconduct involving grant, contract, and procurement fraud; violations of law and agency policies committed by Peace Corps personnel, contractors, and vendors; and the Federal Employees' Compensation Act (FECA)¹ claimants.

Our investigations are conducted in accordance with the IG Act, the Attorney General Guidelines for Offices of Inspectors General with Statutory Law Enforcement Authority,² and the Quality Standards for Investigations issued by the President's Council on Integrity and Efficiency and affirmed by the Council of Inspectors General on Government Integrity and Efficiency. Our investigations can result in criminal prosecutions, civil monetary penalties, sanctions and personnel actions, including verbal counseling, suspensions, debarments, and terminations from Peace Corps service.

Investigative Priorities

In addition to pursuing a variety of allegations and complaints from multiple sources, in FY 2015 the Investigation Unit will engage in the following:

- Prioritize sexual assault and PROTECT Act³ allegations against Peace Corps staff or Volunteers.
- Work to develop a framework and resources to provide technical assistance to partners and stake-holders in the event of a Volunteer homicide or unexplained death.
- Investigate and refer crimes occurring within the Special Maritime and Territorial Jurisdiction⁴ of the United States for U.S. prosecution.
- When appropriate, seek local prosecutions by working with the Diplomatic Security Service and other federal agencies.
- Pursue fraud involving FECA claims by proactively working with the Audit and Evaluation Units and external partners.
- Conduct proactive reviews of high-risk contracts and programs for fraud. Ensure referral of individuals and entities for suspension and debarment, as appropriate.
- Continue coordination with the Audit and Evaluation Units to investigate vulnerabilities with Peace Corps contracts and Volunteer-managed grants.

¹ See 5 U.S.C. §§ 8101 *et seq.*

² In FY 2010 Attorney General Eric H. Holder, Jr. authorized OIG to exercise statutory law enforcement powers pursuant to Section 6(e) of the IG Act and in accordance with the *Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority*. This authority provides OIG with the authority to, upon probable cause, seek and execute warrants for arrest, search premises or seize evidence, make arrests without a warrant while engaged in official duties, and carry firearms.

³ Prosecutorial remedies and other tools to end the exploitation of children today (Pub. L. 108-21)

⁴ See generally 18 U.S.C. § 7. A number of U.S. criminal laws apply outside of the United States. In many cases these laws are meant to apply to U.S. nationals who become a victim of crime abroad, or who are perpetrators of crimes abroad under certain conditions. Examples include when the crime is committed in a property owned, leased, or used for a government purpose, such as at a Peace Corps post, training office, or similar site. Another circumstance relates to crimes occurring in residences used by the Peace Corps or its personnel, which may include residences where Volunteers or staff permanently reside.

- Deliver fraud awareness training to staff and Volunteers.
- Strengthen our engagement with Volunteers by offering information about OIG resources and mechanisms for making confidential complaints.
- Enhance Investigative Unit’s ability to respond and investigate PROTECT Act allegations and Volunteer on Volunteer crimes through further training.
- Initiate proactive steps to elicit reporting of PROTECT Act allegations.

Legislatively Mandated Work

The Investigation Unit must produce a biennial report in accordance with section 2, section 8E (d)(1)(A) of the Kate Puzey Act. The first report was issued in the first quarter of FY 2013; the next report will be issued in the first quarter of FY 2015.

Legislatively Mandated Work	
Complaints or allegations received from Volunteers or returned Peace Corps Volunteers	OIG will continue to track complaints or allegations originating with Volunteers about Peace Corps staff relating to misconduct, mismanagement, or policy violations; any breaches of the confidentiality of Volunteers; and any actions to assure the safety of Volunteers who file such complaints.

Interagency Cooperation

During the preceding year the Investigation Unit firmly established working relationships with other law enforcement agencies, most notably with the assignment to OIG of a criminal investigative liaison agent from the Diplomatic Security Service (DS). OIG has leveraged the relationship to more effectively investigate crimes occurring overseas. In 2015, OIG will continue to deepen its engagement with DS and other law enforcement partners.