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**To:** Aaron Williams, Director  
Helen Lowman, Regional Director, EMA  
Daljit Bains, Chief Compliance Officer

**From:** Kathy A. Buller, Inspector General 

**Date:** March 31, 2011

**Subject:** Final Report on the Audit of Peace Corps/Ukraine  
(IG-11-06-A)

Transmitted for your information is our final report on the audit of Peace Corps/Ukraine.

Management concurred with 26 of 27 recommendations. We closed 14 recommendations. Thirteen recommendations remain open pending confirmation from the chief compliance officer that the requested actions have been taken. Our comments, which are in the report as Appendix D, address these matters.

Please accept my thanks for the cooperation and assistance during the audit.

Attachment

cc: Carrie Hessler-Radelet, Deputy Director  
Stacy Rhodes, Chief of Staff/Operations  
Elisa Montoya, White House Liaison/Senior Advisor to the Director  
Bill Rubin, General Counsel  
Joseph Hepp, Chief Financial Officer  
Esther Benjamin, Associate Director of Global Operations  
Brenda Goodman, Associate Director, Volunteer Support  
David Burgess, Chief of Operations, EMA  
Douglass Teschner, Country Director, PC/Ukraine  
Lenny Bankester, Country Desk Officer



# Peace Corps Office of Inspector General

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*Peace Corps/Ukraine office in Kiev*



*Statue of Kiev Founders in Independence Square*



Source: CIA World Factbook

## **Final Audit Report: Peace Corps/Ukraine IG-11-06-A**

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March 2011

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## EXECUTIVE SUMMARY

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Peace Corps/Ukraine (PC/Ukraine) is the largest Peace Corps post in the world with approximately 60 full-time employees and contractors supporting approximately 466 Volunteers. The post's size enabled it to create economies of scale and specialized support for several financial and administrative programs, such as vehicle management, contracting, grant programs, and the President's Emergency Plan for AIDS Relief (PEPFAR).

In general, the post's financial and administrative operations were functioning satisfactorily and complied with agency policies and federal regulations. However, we identified several financial and administrative operations not in compliance with agency policy and guidance. Some of the more important findings are summarized below.

The post had not properly separated duties between preparing the bill for collection (BOC) and collecting and recording the cash proceeds for the value added tax (VAT) refund. Further, the billing officer prepared BOCs after the funds were collected by the cashier. In addition, the post did not document the billing procedure, or provided adequate training to the back-up billing officer to issue BOC in absence of the billing officer.

The post's medical supply inventory control (MSIC) clerk, who is not part of the medical office but is assigned to track medical supplies, did not independently track medical supplies and instead relied on the medical assistant's tracking mechanism. Further, the medical inventory form provided in the *Peace Corps Manual* for the MSIC clerk did not facilitate the tracking of medical supplies.

The post had not developed a formal process for distributing medical supplies to Volunteers and could not ensure proper internal control for potentially sensitive medication. The Office of Medical Services (OMS) did not issue guidance on this matter and as a result, posts have been developing their own processes, which may not be secure or may increase the risk of theft or abuse of medical supplies.

The general services officer (GSO) did not retain the records supporting annual property inventory verification and did not identify and provide explanations of overages/shortages resulting from the annual property inventory verification.

In addition, the post has struggled to find suitable office space with approval from the host country to accommodate increased numbers of staff and Volunteers as a result of the President's Peace Corps growth initiative. Additional space could provide increased security measures over the information technology (IT) and medical supplies.

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## BACKGROUND

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The Office of Inspector General conducted an audit of PC/Ukraine (hereafter referred to as “the post”) October 19 - November 3, 2010. The post was last audited in 2005.

The program was established in May 1992 when former Ukrainian President Leonid Kravchuk and former U.S. President George H.W. Bush signed a formal country agreement. Ukraine was the first successor nation of the former Soviet Union to invite the Peace Corps to establish a program. Volunteers in Ukraine work in the areas of community economic development, English language education, and youth development.

Our overall objective in auditing the post was to determine whether the financial and administrative operations were functioning effectively and complied with Peace Corps policies and federal regulations during the period under audit. Appendix A provides a full description of our audit objective, scope, and methodology.

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## AUDIT RESULTS

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### ***BILLS OF COLLECTION***

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#### Segregation of Duties

The post had not adequately separated responsibilities for preparing the BOC and collecting and recording the cash proceeds. For the VAT refunds, the cashier prepared the supporting documentation, filed the application with tax authorities, and processed the refund. Only after the payment was received did the cashier forward the information to the billing officer to prepare the BOC.

*The Standards for Internal Control in the Federal Government (GAO/AIMD-00-21.3.1) states:*

Key duties and responsibilities need to be divided or segregated among different people to reduce the risk of error or fraud. This should include separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets. No individual should control all key aspects of a transaction or event.

Inadequate segregation of duties between preparing the BOC and processing the refund increases the risk of fraud and abuse of government funds.

#### **We Recommend:**

1. That the administrative officer and country director assign a staff member, other than the cashier, to calculate the Value added tax refund amount, file application for refund, and provide the information first to the billing officer to prepare the bill for collection.

## Process for Preparing BOC

For certain transactions, the billing officer prepared BOCs after the cashier already collected the funds. For example, during the 2008 and 2010 auctions of excess property the GSO did not provide details relating to specific sales amounts to the billing officer for preparation of individual BOCs. Instead, he provided the information to the cashier. After collecting the total proceeds, the cashier informed the billing officer, who prepared two BOCs. One BOC was for IT sales and the other for general property sales, instead of BOCs for each payee.

Similarly, the billing officer prepared BOCs for the VAT refund after the cashier collected funds. Without adequate information, the billing office cannot accurately track BOCs to ensure timely collection and may neglect to issue a BOC, resulting in loss of funds for Peace Corps.

Peace Corps Manual section (MS) 777.11.0, "Billing and Collection Procedures, Debts and Claims," states:

When a non-billing office determines that an amount is due Peace Corps, it will notify the appropriate billing office." Further, The Standards for Internal Control in the Federal Government requires accurate and timely recording of transactions and events. It states, "Transactions should be promptly recorded to maintain their relevance and value to management in controlling operations and making decisions.

Without issuing the BOC in a timely manner, management will not be aware of amounts due to Peace Corps from third parties and the collection officer will not initiate the collection process.

### **We Recommend:**

2. That the administrative officer and country director enhance the billing process by ensuring that information about all claims is provided to the billing officer so the bill for collection can be issued in a timely manner.

## Authorization for Cashier Voids

The billing officer did not maintain all of the support for the voided BOCs in the BOC file. Back-up documentation is required to validate reason for voided transactions. According to *The Standards for Internal Control in the Federal Government*, "Internal control and all transactions and other significant events need to be clearly documented, and the documentation should be readily available for examination. All documentation and records should be properly managed and maintained."

### **We Recommend:**

3. That the administrative officer approve the voided transaction only if the cashier has attached adequate support.
4. That the billing officer collect and retain adequate support for all voided transactions in the bills for collection file.

## Written Procedures and Training for Back-up Billing Officer

We could not fully evaluate the billing process because the post did not document the billing procedure and the financial assistant filling in as the back-up billing officer could not adequately explain the billing process. Lack of written procedures and adequate training of the back-up billing officer could result in delays or omissions in preparing BOCs for the amount due to Peace Corps.

### **We Recommend:**

5. That the administrative officer document the billing procedure and provide adequate training to the back-up for the billing officer to ensure continuity of operations.

## VAT Refund Claim

The post did not use the proper budgetary code for VAT refunds to track taxes paid during purchasing. VAT is a tax paid and reimbursed overseas for the purchase of certain goods. The Office of the Chief Financial Officer established a separate budgetary classification, object class code 41013, to track VAT payments. However, because the post was not using this object class code, the cashier had to manually calculate the VAT refund by gathering information from all paid invoices during the quarter and totaling the VAT amounts. This manual process was inefficient and prone to errors. In addition, there was no process to verify the accuracy and completeness of the refund amount.

Based on additional review and discussions with the Office of the Chief Financial Officer, we noted that Peace Corps management had not developed an effective standard procedure for tracking, recording, and maintaining controls over VAT payments and refunds. Instead, the posts followed non-integrated procedures for recording and managing VAT payments and refunds. While some posts utilized the designated budgetary code to record VAT payments and refunds, other posts were unable to use the same process because of complexity involved in recording transactions when expenditure and collections are incurred and collected in different currencies. This also resulted in inconsistencies in recording of accounts receivable for the outstanding VAT refunds.

Based on analysis of BOCs processed in FORPost for fiscal year 2010, we noted that 19 posts recorded refunds for VAT of approximately \$467,000. However, because of the manual process used by PC/Ukraine and other posts, additional VAT refund amounts may be unaccounted for and may not be identified for collection. During the audit the Office of the Chief Financial Officer discussed alternative methods to tracking and recording VAT amounts. Although processes may differ between posts based on the local country's tax process and currency, the Peace Corps needs to define the standard procedures and provide guidance with posts that require alternative methods to ensure consistency and internal control over VAT refunds.

**We Recommend:**

6. That the administrative officer, in coordination with the Office of the Chief Financial Officer, implement a process to charge the value added tax paid and refunded to a separate budgetary object class code and retain supporting documentation separately for processing.
7. That the administrative officer implement a process to reconcile the balance in the value added tax object class code account with the supporting documentation and refund application.
8. That the Office of the Chief Financial Officer develop and implement procedures for tracking, recording, and maintaining controls over value added tax payments and refunds to ensure that all refund claims are filed in a timely manner and refund is received for all value added taxes paid by Peace Corps.
9. That the Office of the Chief Financial Officer assess the process for recording the account receivable for value added tax refunds based on the procedure for tracking and recording value added tax amounts.

***MEDICAL SUPPLIES***

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Controls over Dispensing Medical Supplies to Volunteers

The post had an appointed MSIC clerk and used the proper medical supply forms. However, the Peace Corps standard forms were not completely effective at controlling medical supplies. The forms were not completely effective at controlling medical supplies because of the following control weaknesses:

- The MSIC clerk cannot properly track medical supply inventories because the medical inventory form issued by headquarters did not provide a column for the beginning balance.
- The medical control forms used to record dispensing controlled and specially designated medical supplies were not sequentially pre-numbered.

MS 734 3.5 states:

The MSIC Clerk must maintain a Medical Inventory Control Log to record the inventory status of all medical supplies that are specially designated or controlled substances purchased, received, and stocked at post see Attachment C-PC-734C Medical Inventory Control Log.

Each Medical Unit must maintain, on a current basis, a complete and accurate record of each controlled substance dispensed or disposed of.

Adequate tracking of medical supplies, specifically the listed items is required to ensure critical medicine is available to Volunteers when needed. Monitoring of dispensing history is vital to reduce theft abuse of specially designated and controlled substances.

During the audit, OMS revised the medical supply inventory tracking and physical count worksheets to enhance medical inventory tracking. OMS was also considering sequentially pre-numbering the dispensing forms to ensure all forms are entered in tracking worksheets.

**We Recommend:**

10. That the Office of Medical Services issue guidance to all Peace Corps medical officers to utilize pre-numbered medical control forms for dispensing medical supplies to enhance accuracy and completeness of medical supplies record.

Medical Inventory Control Log

We determined that the MSIC clerk did not record all the transactions in the Medical Inventory Control Log in accordance with MS 734. Specifically, the MSIC clerk:

- Was not receiving all receiving reports;
- Did not record all disbursement of prescription drugs and controlled substances; and
- Did not sign inventory count sheets regularly.

MS 734.3.5.1 states:

The MSIC Clerk must maintain a Medical Inventory Control Log to record the inventory status of all medical supplies that are specially designated or controlled substances purchased, received, and stocked at post. The CD, at least quarterly, must review the Medical Inventory Control Log maintained by the MSIC Clerk to ensure that the Log is accurate and complete.

The MSIC clerk incorrectly relied on the inventory maintained by the medical administrative assistant to verify accuracy of inventory during the monthly physical counts.

**We Recommend:**

11. That the Medical Supply Inventory Control clerk maintain the Medical Inventory Control Log in compliance with the *Peace Corps Manual*.
12. That the country director review the Medical Inventory Control Log as required by the *Peace Corps Manual*.

Distribution of Medical Supplies to Volunteers

The post had not developed a formal process for distributing medical supplies and could not ensure proper internal control to track potentially sensitive medication. When the post decided not to use the mail system to deliver medical supplies, it needed to create an alternative process for medical supply distribution. For example, for Volunteers who could not come to the Peace Corps office, the post developed a process to place medication in paper bags and deliver them to the training office or with staff traveling near Volunteer sites.

Peace Corps policies discuss medical supply controls and technical guidelines include medical officer responsibilities. However, these guidelines did not define standard operating procedures and best practices for distributing medical supplies to Volunteers when Volunteers are not able to pick-up the medicine in person. Without a specific headquarters policy, posts develop their own processes which may lack accountability. These processes may not consider risks associated with distribution of prescription medicine and controlled substances such as pilferage or other losses and may expose Peace Corps to risks if they do not comply with the prevailing privacy laws.

Based on our findings, OMS has agreed to evaluate various options available for distributing the medical supplies and issue a policy to minimize risk and complies with the privacy laws.

**We Recommend:**

13. That the Office of Medical Services issue guidance and best practices discussing acceptable methods of distributing medicine to Volunteers and how to ensure proper accountability of medication that cannot be hand delivered to the Volunteer by the medical staff.

**SAFEGUARDING PERSONALLY IDENTIFIABLE INFORMATION**

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During our audit we observed a stack of old documents on top of the cabinet in the medical office hallway marked “To be Destroyed” that included personally identifiable information including names and Social Security numbers. The Peace Corps medical officer immediately asked staff to review the documents and take appropriate action.

The Privacy Act of 1974 requires agencies to only obtain information on individuals necessary to accomplish the mission and to establish necessary safeguards of records with personal information. In implementing the Privacy Act regarding medical records, MS 267. 2.1.2 states:

These records are medically confidential and are to be stored in a file secured with a manipulation-proof combination lock set by the PCMO [Peace Corps medical officer]. Access to the records and knowledge of the combination should be limited to the PCMO and authorized medical assistants.

The Inspector General's Statement on the Peace Corps' Management and Performance Challenges, reported in the agency's 2010 Performance and Accountability Report<sup>1</sup> (PAR), cites safeguarding personally identifiable information as a management challenge. Because of the sensitivity, the post should take all necessary precautions to minimize the potential for loss, theft, or abuse of personally identifiable information.

**We Recommend:**

14. That the country director conduct a review of the medical office to ensure personally identifiable information is properly safeguarded and disposed and that the medical unit procedures provide for proper handling, and protecting of personally identifiable information.

***PROPERTY MANAGEMENT***

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The GSO did not maintain accurate and complete property records. During our review of property records we noted that:

- The GSO did not retain the records supporting annual inventory verification.
- The GSO did not identify and provide explanations for differences noted after recording results of the annual inventory verification in the Personal Property Inventory Report (PPIR).
- PPIR contained seven property records without a category identifying the property as capitalized, nonexpendable, or expendable. The general services assistant provided us with an updated PPIR identifying categories for all properties.

MS 511 states:

The property officer prepares final inventories, making necessary changes in the property management database and including explanations of overages/shortages. After completing the reconciliation, the property account holder is responsible for updating his/her records.

Without the GSO preparing a report identifying the differences noted and providing adequate explanation, there is no audit trail to verify changes made to the PPIR resulting from the physical

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<sup>1</sup> Peace Corps' Management and Performance Challenges are reported in the annual [Peace Corps Performance and Accountability Report](#).

count and we could not determine if the balances in the PPIR were accurate and complete. The Inspector General’s Statement on the Peace Corps’ Management and Performance Challenges continues to cite Property management as a management challenge and states, “Ineffective property management unnecessarily exposes the agency to risks associated with fraud, waste, and abuse and drives operating costs up.”

**We Recommend:**

15. That the general services officer retain the records supporting annual inventory verification, including identification and explanation of any changes after recording the results of inventory verification.

***IMPREST FUND MANAGEMENT***

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Miscoding Object Class Codes

PC/Ukraine did not ensure costs were properly allocated to the correct budgetary object class code used to track expenditures. For example, the post had allocated numerous charges to object class codes for “other services” or “supplies,” including fuel expenses for Peace Corps vehicles, printing charges coded to supplies, and parking coded to other services.

The Peace Corps 2011 *Fiscal Coding Handbook* states:

The Object Class Code (OC) is used to classify expenditures according to types of goods and services, such as personnel, travel, rent, and supplies.

In Odyssey, Peace Corps has established its object class codes to comply with the Office of Management and Budget (OMB) reporting requirements.

Accurate coding is required for management analysis, budget tracking, and ensuring that the expenses are classified to comply with the Peace Corps and the Office of Management and Budget reporting requirements.

**We Recommend:**

16. That the administrative officer provide adequate training to the financial assistants for assigning proper object class codes per the Fiscal Coding Handbook.
17. That the administrative officer review the accuracy of object class codes while authorizing transactions.

Processing Payments in FORPost

The financial assistant did not accurately record the name of the vendor in the FORPost payee field to ensure that the payee’s records for payments were unique. Several payees were listed multiple times, often with slight variations due to typographical errors.

The *Overseas Financial Management Handbook* (OFMH) chapter 64 states:

Vendor IDs are required to establish obligations and process payments in Odyssey and to allow the agency to comply with federal reporting requirements. Each vendor receiving payments from Peace Corps must have a vendor identification number and that the name provided for the vendor ID be the same name on the bank account to assure that the bank will be able to credit the funds.

For electronic payments the post must submit vendor information to headquarters for entering into Odyssey. However, imprest fund payments did not have a similar process because the banking information is not necessary and some payments are small dollar and to one-time payees.

Without accurate and complete information in the system, it is difficult to analyze amounts paid to vendors, identify potential duplicates, and conduct trend analysis.

**We Recommend:**

18. That the administrative officer review the payment report from FORPost every week to ensure payee names are inputted correctly while processing payments.
19. That the Office of the Chief Financial Officer develop a vendor table within FORPost to maintain payee information for imprest fund payments.

Recording of Prepaid Fuel Charges

The post did not record the prepaid fuel expenses properly at the end of the fiscal year.

*Statement of Federal Financial Accounting Standards* No. 1, "Accounting for selected assets and liabilities," requires that "Advances and prepayments should be recorded as assets. Advances and prepayments are reduced when goods or services are received, contract terms are met, progress is made under a contract, or prepaid expenses expire."

Post pays fuel expenses in advance to vendors and allows drives to fill gas utilizing cards issued by the vendors. The post did not record this as prepaid expenses but recorded them as liquidated obligations.

Proper compliance with financial accounting standards is required to ensure the financial statements are accurately presented.

**We Recommend:**

20. That the administrative officer work with the Office of Chief Financial Officer to obtain guidance for recording prepaid expenses and record the prepaid fuel expenses accordingly.

## *INFORMATION TECHNOLOGY*

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The post did not have procedures to control access to IT resources. The post used the room with the communication equipment and telecommunication switches as a janitor supply room. The post did not maintain a log to record access activity to the telecommunication room and inappropriately provided the janitors with keys to the room. According to the IT specialist, this arrangement was made because the post is experiencing a space shortage due to the increase in number of Volunteers and staff. The post is actively seeking a larger office space.

*Federal Information Processing Standards Publication* section 200 establishes the minimum security requirements for federal information and information systems physical and environmental protection. It states:

Organizations must: (i) limit physical access to information systems, equipment, and the respective operating environments to authorized individuals; (ii) protect the physical plant and support infrastructure for information systems; (iii) provide supporting utilities for information systems; (iv) protect information systems against environmental hazards; and (v) provide appropriate environmental controls in facilities containing information systems.

Controlling access to information technology is necessary to safeguard the Peace Corps from unauthorized access and data manipulation.

### **We Recommend:**

21. That the country director restrict access to the room with telecommunication equipment to only the required individuals.

## *VOLUNTEER WEBSITE*

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The post paid approximately \$16 a year for the subscription of a domain name for a website controlled by Volunteers (<http://www.pcukraine.org>). By directly paying for the annual subscription and registering the website domain name, the post may inappropriately have assumed risks associated with the content and security of the site.

In accordance with MS 543.7 Volunteers are permitted to create websites and are required to disclose on the site that it is not an official publication of the Peace Corps or the U.S. Government. Although the Volunteer website in PC/Ukraine contained such disclosure, the funding and registration by Peace Corps suggests that the agency owns the website. The Office of Management and Budget memorandum M-05-04, "Policies for Federal Agency Public Websites," states that "Federal agency public websites are information resources funded in whole or in part by the Federal government and operated by an agency, contractor, or other organization on behalf of the agency."

To avoid the risks associated with ownership the post should not directly pay for a website that it does not administer or oversee. Numerous federal laws and regulations apply to agency sponsored websites including the Office of Management and Budget Circular A-130 governing

federal information systems and security, E-Government Act of 2002 establishing standards for government websites, and the Privacy Act of 1974 and other privacy regulations. In addition, Peace Corps policy requires headquarters review and approval for all content included in the agency websites. Because the website was administered by Volunteers and not operated as an official Peace Corps it did not comply with all federal requirements.

In addition, the post did not have a formal process to review the Volunteer website content. It is important for post management to remain informed of Volunteer websites and their content. According to MS 543 Volunteers are required to discuss the content in advance with the CD “to ensure that the material is suitable and complies with this general guidance as well as any country-specific guidance.”

**We Recommend:**

22. That the country director discontinue paying for the annual subscription for the Volunteer website from Peace Corps funds.
23. That the country director develop a process to review the contents of the website on a regular basis to ensure compliance with *Peace Corps Manual* section 543.

***GRANT MANAGEMENT***

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Volunteer Consent and Liability Form

Since 2001 the post used a modified Volunteer Consent and Liability Acceptance form for Small Project Assistance (SPA) projects. The post manages numerous projects under SPA program in cooperation with the Agency for International Development. The post received Office of General Counsel approval to use its “SPA Peace Corps Volunteer Receipt” form before headquarters provided posts with the SPA handbook and the standard SPA Consent and Liability Acceptance. In 2002, Peace Corps headquarters reviewed PC/Ukraine’s form and stated that “it would be better for Ukraine to use the same forms all our other posts - to the extent possible” but continue to offer suggestions on how to enhance their current form.

OFMH 49.4.3 states, “When disbursing funds either to the local organization or to the Volunteer, the appropriate Consent and Liability Acceptance form should be completed.” The SPA Program Handbook Part II section 3 requires that “If the Volunteer will receive funds, then the Volunteer Consent and Liability Form (Appendix 2) should be used.”

According to the post’s SPA coordinator, the post received new 2011 SPA Handbook and guidance from headquarters with an updated Volunteer Consent and Liability Acceptance Form and will start using the standard form.

**We Recommend:**

24. That the administrative officer ensure that the Small Project Assistance grant program coordinator is utilizing the updated Volunteer Consent and Liability Acceptance Form.



Gymnasium at an orphanage in Kornalovychi, Ukraine where a Volunteer grant project funded sports equipment

Tracking of Grant Projects

The SPA coordinator did not include information about the current status and the follow-up actions initiated with the Volunteers to ensure that the grant projects were closed in a timely manner.

Peace Corps has fiduciary duties to manage funds provided by other agencies and the public. The grant coordinator should document the communication with the Volunteers to track status of grant funded projects.

A more diligent effort should be made when the Volunteers are reaching their close of service date or an early termination date to ensure Volunteers turn in all require receipts and excess funds before departing.

The post's grant coordinator stated that she tracks all grants funded projects regularly, but did not record the tracking information in the respective grant project folders.

**We Recommend:**

25. That the post's Small Project Assistance grant program coordinator document and maintain tracking information for each individual grant-funded project.

***VOLUNTEER/TRAINEE ALLOWANCES***

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**Independent Price Survey**

Post did not conduct an independent price survey for the settling-in allowance surveys in fiscal years (FYs) 2009 and 2010. Upon initial site assignment, Volunteers are provided a settling-in allowance to purchase necessary housing supplies and equipment. MS 221.4.2 states:

The country director must also conduct an independent price survey, which gathers data from Peace Corps staff, host country representatives, available host country statistics, and information from the Volunteer Survey. The independent survey may consist of spot checks of prices of items, but it must be comprehensive enough to provide verification of price trends and support the analysis of the Volunteer Survey.

During our audit the Administrative Officer<sup>2</sup> (AO) obtained price comparisons and statistics from government and industry websites.

**We Recommend:**

26. That the administrative officer use the statistical price data to compare with settling-in allowance surveys and analyze whether allowances were reasonable and survey results were accurate.

**Reconciliation of Volunteer Payment Systems**

The post did not perform reconciliations between the two systems Volunteer In-Country Allowance (VICA) and Volunteer Information Database Application (VIDA) utilized to process payments to volunteers.

Peace Corps recently implemented VICA as the official system for calculating and tracking Volunteer allowances. The post was utilizing VIDA before headquarters implemented the VICA system and had developed certain functionality to meet unique requirements, such as Volunteer Ukrainian names requested by the Ukrainian banks to process the living allowance payment transfers. Therefore, the post did not fully rely on VICA because it did not have the functionality to meet unique requirements as noted above. The post maintained Volunteer data in VICA, but the financial accountant manually transferred data from VICA to VIDA. During the transfer, the financial accountant may update volunteer information, which was not yet processed in the VICA system.

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<sup>2</sup> Subsequent to issuance of the preliminary report, Peace Corps updated the administrative officer's working title to the director of management and operations.

*Standards for Internal Control in the Federal Government* states that “Internal Control activities help to ensure that management's directives are carried out. It includes regular management and supervisory activities, comparisons, reconciliations, and other actions people take in performing their duties.”

A reconciliation of payment calculated by two systems is essential to ensure the accuracy and completeness of payment made to volunteers via VIDA system.

**We Recommend:**

27. That the administrative officer reconcile the amounts calculated by Volunteer In-Country Allowance and Volunteer Information Database Application systems and before approving the Volunteer payments.

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## **QUESTIONED COSTS AND FUNDS TO BE PUT TO BETTER USE**

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We did not identify questioned costs or funds to be put to better use during the course of the audit.

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## LIST OF RECOMMENDATIONS

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### We recommend

1. That the administrative officer and country director assign a staff member, other than the cashier, to calculate the Value Added Tax refund amount, file application for refund, and provide the information first to the billing officer to prepare the bill for collection.
2. That the administrative officer and country director enhance the billing process by ensuring that information about all claims is provided to the billing officer to issue the bill for collection in a timely manner.
3. That the administrative officer approve the voided transaction only if the cashier has attached adequate support.
4. That the billing officer collect and retain adequate support for all voided transactions in the bills for collection file.
5. That the administrative officer document the billing procedure and provide adequate training to the back-up for the billing officer to ensure continuity of operations.
6. That the administrative officer, in coordination with the Office of the Chief Financial Officer, implement a process to charge the value added tax paid and refunded to a separate budgetary object class code and retain supporting documentation separately for processing.
7. That the administrative officer implement a process to reconcile the balance in the value added tax object class code account with the supporting documentation and refund application.
8. That the Office of the Chief Financial Officer develop and implement procedures for tracking, recording, and maintaining controls over value added tax payments and refunds to ensure that all refund claims are filed in a timely manner and refund is received for all value added taxes paid by Peace Corps.
9. That the Office of the Chief Financial Officer assess the process for recording the account receivable for value added tax refunds based on the procedure for tracking and recording value added tax amounts.
10. That the Office of Medical Services issue guidance to all Peace Corps medical officers to utilize pre-numbered medical control forms for dispensing medical supplies to enhance accuracy and completeness of medical supplies record.
11. That the medical supply inventory control clerk maintain the Medical Inventory Control Log in compliance with the *Peace Corps Manual*.

12. That the country director review the Medical Inventory Control Log as required by the *Peace Corps Manual*.
13. That the Office of Medical Services issue guidance and best practices discussing acceptable methods of distributing medicine to Volunteers and how to ensure proper accountability of medication that cannot be hand delivered to the Volunteer by the medical staff.
14. That the country director conduct a review of the medical office to ensure personally identifiable information is properly safeguarded and that the medical unit procedures provide for proper handling and protecting of personally identifiable information.
15. That the general services officer retain the records supporting annual inventory verification, including identification and explanation of any changes after recording the results of inventory verification.
16. That the administrative officer provide adequate training to the financial assistants for assigning proper object class codes per the Fiscal Coding Handbook.
17. That the administrative officer review the accuracy of object class codes while authorizing transactions.
18. That the administrative officer review the payment report from FORPost every week to ensure payee names are input correctly while processing payments.
19. That the Office of the Chief Financial Officer develop a vendor table within FORPost to maintain payee information for imprest fund payments.
20. That the administrative officer work with the Office of Chief Financial Officer to obtain guidance for recording prepaid expenses and record the prepaid fuel expenses accordingly.
21. That the country director restrict access to the room with telecommunication equipment to only the required individuals.
22. That the country director discontinue paying for the annual subscription for the Volunteer website from Peace Corps funds.
23. That the country director develop a process to review the contents of the website on a regular basis to ensure compliance with *Peace Corps Manual* section 543.
24. That the administrative officer ensure that the Small Project Assistance grant program coordinator is utilizing the updated Volunteer Consent and Liability Acceptance Form.

25. That the post's Small Project Assistance grant program coordinator document and maintain tracking information for each individual grant-funded project.
26. That the administrative officer use the statistical price data to compare with settling-in allowance surveys and analyze whether allowances were reasonable and survey results were accurate.
27. That the administrative officer reconcile the amounts calculated by Volunteer In-Country Allowance and Volunteer Information Database Application systems and before approving the Volunteer payments.

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## OBJECTIVE, SCOPE, AND METHODOLOGY

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Our objective in auditing overseas posts is to determine whether the financial and administrative operations are functioning effectively and comply with Peace Corps policies and federal regulations. Our audit conclusions are based on information from three sources: (1) document and data analysis, (2) interviews, and (3) direct observation. Our audits are conducted in accordance with the generally accepted government auditing standards prescribed by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The staff was very helpful in coordinating their plans to meet the audit schedule, gathering information, and answering questions. Overall, documentation was well organized and readily available. Further, staff worked to correct issues during the audit, which enabled the auditor to document the findings and note that corrective action was already taken before issuing the report.

The audit of PC/Ukraine covered fiscal years 2009 and 2010 through July 3, 2010. While at the post, we interviewed key staff including the CD, the AO, programming staff, the safety and security coordinator, administrative support staff, and a Peace Corps medical officer. We also interviewed Volunteers to obtain their views on the effectiveness of the post's administrative and financial systems in supporting them. At the end of the audit, we briefed the CD and AO. At headquarters, we conducted a general briefing for regional management and OMS.

We relied on computer-processed data from the post's accounting system in collaboration with documentation such as invoices, contracts, and receipts. While we did not test the system's controls, we believe the information generated by the system and used by us was sufficiently reliable for our audit objective.

Our audit criteria were derived from the following sources: federal regulations, the *Peace Corps Manual*, *Overseas Financial Management Handbook*, *Statement of Federal Financial Accounting Concepts*, *Standards for Internal Control in the Federal Government*, *Federal Information Processing Standards*, and current Peace Corps initiatives and policies.

## APPENDIX B

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### LIST OF ACRONYMS

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AO	Administrative Officer
BOC	Bill of Collection
GSO	General Services Officer
IT	Information Technology
MS	Peace Corps Manual Section
MSIC	Medical Supply Inventory Control
OMS	Office of Medical Services
PAR	Performance and Accountability Report
PEPFAR	President's Emergency Plan for AIDS Relief
PII	Personally Identifiable Information
PPIR	Personal Property Inventory Report
SPA	Small Project Assistance
VAT	Value Added Tax
VICA	Volunteer In-Country Allowance
VIDA	Volunteer Information Database Application

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## MANAGEMENT'S RESPONSE TO THE PRELIMINARY REPORT

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**MEMORANDUM**

**To:** Kathy Buller, Inspector General

**Through:** Daljit K. Bains, Chief Compliance Officer *[Handwritten signature: Daljit K. Bains, 3/25/11]*

**From:** Helen Lowman, EMA Regional Director *[Handwritten signature: Helen Lowman, Acting]*  
Doug Teschner, Country Director, Ukraine

**Date:** March 21, 2011

**CC:** Carrie Hessler-Radelet, Deputy Director  
Stacy Rhodes, Chief of Staff  
Joaquin Ferrao, Deputy Inspector General  
Bradley Grubb, Assistant IG, Evaluations  
Esther Benjamin, Associate Director, Global Operations  
David Burgess, Chief of Operations, IAP  
Penny Erwin, Administrative Officer, Ukraine  
Joseph Hepp, Chief Financial Officer  
Brenda Goodman, Deputy Associate Director, Volunteer Support

**Subject:** Response to the Preliminary Report of Peace Corps/Ukraine, January 2011

Enclosed please find EMA Region's response to the recommendations made by the Inspector General for Peace Corps/Ukraine as outlined in the Preliminary Report of the Audit Report of the IG Audit.

The Region concurs with all **22** recommendations assigned to the Post. The remaining **5** recommendations are assigned to the Office of Medical Services and the Chief Financial Officer. \*The Office of Medical Services concurs with the 2 recommendations assigned to their office and the CFO concurs with 2 and non-concurs with 1 of the recommendations assigned to their office.

The Region appreciates the cooperation provided by the OIG in discussing the details of the preliminary report and addressing the concerns brought forth by PC/Ukraine.

Post has addressed and/or provided supporting documentation for 13 recommendations and will work to address the remaining recommendations by the set target dates.

\* This statement was included on March 25, 2011 as an amendment to the Agency response to the IG on March 21, 2011 to clarify the status of recommendations that were assigned to OMS and CFO.



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## **Responses to Peace Corps Office of Inspector General Audit Findings & Recommendations – Ukraine – January 2011**

### **Recommendation 1:**

That the administrative officer and country director assign a staff member, other than the cashier, to calculate the Value Added Tax refund amount, file application for refund, and provide the information first to the billing officer to prepare the bill for collection.

### **Concur:**

GSA has been assigned to calculate the Value Added Tax refund amount, file application for refund and provide the information to the billing officer to prepare the bill for collection. The GSA will begin these responsibilities on March 21, 2010. The position was recently vacated and a new GSA will begin on March 21, 2011. Please find the revised Statement of Work attached with the VAT paragraph highlighted.

The completion date of April 1, 2011 is given as the new GSA will be in orientation for the first two weeks and learning the process for completing the VAT paperwork.

### **Documentation Submitted:**

- Updated SOW for the GSA including the new responsibility

### **Completion Date:**

April 1, 2011

### **Recommendation 2:**

That the administrative officer and country director enhance the billing process by ensuring that information about all claims is provided to the billing officer to issue the bill for collection in a timely manner.

### **Concur:**

This recommendation is applicable to Post's billing practices related to proceeds of sale and VAT refund. Starting with the next auction, individual proceeds of sale BOC will be prepared before funds are collected by the Cashier. Bill of Collection for VAT refund will be prepared based on the claim submitted to local tax authorities for reimbursement. However, we would like to emphasize that local tax authorities have the right to deny without explanation reimbursement for any portion of VAT claimed, which is why BOC might be voided and reissued based on supporting documents. (In this case, an I-Banking slip will be used as an internal control tool to verify the amount received.)



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**Completion Date:**

April 30, 2011

**Recommendation 3:**

That the administrative officer approve the voided transaction only if the cashier has attached adequate support.

**Concur:**

The administrative officer has scrutinized the process of approving voided transactions by making sure that adequate support is attached. Bill of Collection procedures were developed by the Billing Officer and outline the process for voided BOC's and necessary supporting documentation.

**Documents Submitted:**

- Bill of Collection Procedures

**Completion Date:**

February 15, 2011

**Recommendation 4:**

That the billing officer collect and retain adequate support for all voided transactions in the bills for collection file.

**Concur:**

The billing officer has scrutinized the process of maintaining bills for collection log by collecting and retaining adequate support for all voided transactions in timely manner and on regular basis.

**Completion Date:**

November 1, 2010

**Recommendation 5:**

That the administrative officer document the billing procedure and provide adequate training to the back-up for the billing officer to ensure continuity of operations.

**Concur:**

Documentation of the process for billing has been completed by the Billing Officer. Additional cross training and support were provided to the back-up Billing Officer.



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**Documents Submitted:**

- Bill of Collection Procedures

**Completion Date:**

February 15, 2011

**Recommendation 6:**

That the administrative officer, in coordination with the Office of the Chief Financial Officer, implement a process to charge the value added tax paid and refunded to a separate budgetary object class code and retain supporting documentation separately for processing.

**Concur:**

The CFO office and Budget Analyst for post worked with PC Ukraine to pilot a separation of VAT into two lines starting with February 2011. The VAT refund for this month should be processed by the end of April 2011. Post will present samples of all the documentation to CFO office and Budget Analyst for review and further guidance.

**Completion Date:**

Post anticipates that the process can be finalized by the end of the fiscal year 2011, but post is also depending upon OCFO and Budget Analyst.

**Recommendation 7:**

That the administrative officer implement a process to reconcile the balance in the value added tax object class code account with the supporting documentation and refund application.

**Concur:**

The enhanced process was discussed with CFO office and Budget Analyst. Implementation started in February 2011 when post started adding VAT lines to the appropriate obligations. Post will work with CFO to finalize the process.

**Documents Submitted:**

- VAT Collection Procedure

**Completion Date:**

April 30, 2011



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**Recommendation 8:**

That the Office of the Chief Financial Officer develop and implement procedures for tracking, recording, and maintaining controls over value added tax payments and refunds to ensure that all refund claims are filed in a timely manner and refund is received for all value added taxes paid by Peace Corps.

**Concur:**

The OCFO has mapped out a new process and plan to implement at the beginning of FY2012.

**Completion Date:**

Q1 FY2012

**Recommendation 9:**

That the Office of the Chief Financial Officer assess the process for recording the account receivable for value added tax refunds based on the procedure for tracking and recording value added tax amounts.

**Concur:**

OCFO will assess this in conjunction with the implementation of the new VAT Process.

**Completion Date:**

Q1 FY 2012

**Recommendation 10:**

That the Office of Medical Services issue guidance to all Peace Corps medical officers to utilize pre-numbered medical control forms for dispensing medical supplies to enhance accuracy and completeness of medical supplies record.

**Concur:**

OMS is working toward updating Form 734, Attachment D to include a numbering system

**Documentation to be Submitted:**

- Record of Medical Supplies Dispensed Form that will be updated with a numbering system

**Estimated Completion Date:**

May 1, 2011



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**Recommendation 11:**

That the Medical Supply Inventory Control clerk maintain the Medical Inventory Control Log in compliance with the *Peace Corps Manual*.

**Concur:**

The administrative officer has reviewed MS 734 with Medical Supply Inventory Control clerk (MSIC clerk) in order to provide the latter with additional clarifications and guidance. Additionally, guidance was provided by OMS per the December 23, 2010 email which addresses and contains a medical inventory workbook, user instructions and an inventory tool response form.

**Documents submitted:**

- Email from OMS dated December 23, 2010
- Medical inventory workbook
- Inventory tool response form
- Rx Inventory Spreadsheet

**Completion Date:**

February 1, 2011

**Recommendation 12:**

That the country director review the Medical Inventory Control Log as required by the *Peace Corps Manual*.

**Concur:**

The country director will review the Medical Inventory Control Log on a quarterly basis. The appropriate tasks are scheduled in his calendar. The next review of the Medical Inventory Control Log will be on March 31, 2011 by the CD.

**Completion Date:**

Effective immediately - next review March 31, 2011

**Recommendation 13:**

That the Office of Medical Services issue guidance and best practices discussing acceptable methods of distributing medicine to Volunteers and how to ensure proper accountability of medication that cannot be hand delivered to the Volunteer by the medical staff.



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**Concur:**

A working group, consisting of Headquarters staff, which includes former PCMOs, is determining best practices for dispensing to volunteers who cannot pick up medications at post. Those recommendations will be delivered to posts in the form of a Technical Guideline as soon as possible. Post is currently waiting for this guideline to come from Headquarters.

**Documents to be Submitted:**

- Record of Medical Supplies Dispensed
- Technical Guidelines – once developed by OMS

**Completion Date:**

May 1, 2011

**Recommendation 14:**

That the country director conduct a review of the medical office to ensure personally identifiable information is properly safeguarded and that the medical unit procedures provide for proper handling and protecting of personally identifiable information.

**Concur:**

Post accepts and respects this finding. The medical staff in question received additional briefing and monitoring. The Administrative Officer provided all Medical Unit staff with additional guidance reinforcing guidelines regarding personal identifiable information. The Medical Unit also has signs displayed in the main area reminding staff to safeguard personally identifiable information.

**Documents Submitted:**

- Safeguard PII and PII
- Sign in Medical Unit

**Completion Date:**

March 18, 2011

**Recommendation 15:**

That the general services officer retain the records supporting annual inventory verification, including identification and explanation of any changes after recording the results of inventory verification.

**Concur:**

Post agrees that this recommendation is a good practice, though this requirement does not appear in the *Peace Corps Manual*. Post will begin following this practice with the next property inventory during prospective office move, and no later than the end of the fiscal year. Post will print out the Personal



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Property Inventory Database and conduct physical property check against the database. Upon completion, the hardcopy will be kept on file.

**Documents to be submitted on Completion Date:**

- Personal property Inventory database print out

**Completion Date:**

October 15th, 2011

**Recommendation 16:**

That the administrative officer provide adequate training to the financial assistants for assigning proper object class codes per the Fiscal Coding Handbook.

**Concur:**

This recommendation has been addressed. The administrative officer has reviewed the proper object class codes with the financial assistants. Journal vouchers are being processed for the miscoded transactions. The journal voucher was submitted to Global Accounts Payable and is expected to be processed no later than April 30, 2011.

**Documents Submitted:**

- Journal Vouchers 2011 Q2

**Completion date:**

April 30, 2011

**Recommendation 17:**

That the administrative officer review the accuracy of object class codes while authorizing transactions.

**Concur:**

This recommendation was actionable immediately. The administrative officer examines the accuracy of object class codes while authorizing transactions on regular basis.

**Documents Submitted:**

- Scanned Copies of Purchase Orders with Correct Object Classes

**Completion Date:**

November 1, 2010



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**Recommendation 18:**

That the administrative officer review the payment report from FORPost every week to ensure payee names are input correctly while processing payments.

**Concur:**

Transliteration between the Roman and Cyrillic alphabets is a common problem in Ukraine. For example, even our staff members have different spellings of their names in passports and other documents. These minor deviations did not prevent post from correctly identifying the same vendors. However, Post has developed an internal Payee log placed on the Office Share to ensure better spelling consistency. Payee log was created February 25, 2011.

**Documents Submitted:**

- Post Payee Log

**Completion Date:**

February 25, 2011

**Recommendation 19:**

That the Office of the Chief Financial Officer develop a vendor table within FORPost to maintain payee information for imprest fund payments.

**Do Not Concur:**

FOR Post is able to maintain payee information without a separate vendor table.

When small imprest payments are made to a variety of stores, people, or market stands, Post may create the obligation without a true obligation Vendor (using "Peace Corps/Country"). When Post disburses, they indicate the recipient of the funds in FOR Post using the "Payee" field. The Payee field contains all Post vendors, which may be selected. The field also allows Post to enter a recipient who does not have a formal vendor record. In this way, the recipient is being tracked whether or not there is a formal vendor record. Post may search by the Payee field to identify how often they've purchased from the recipient or to find a particular invoice.

**Recommendation 20:**

That the administrative officer work with the Office of Chief Financial Officer to obtain guidance for recording prepaid expenses and record the prepaid fuel expenses accordingly.

**Concur:**

The administrative officer will contact Global Accounts Payable by end of April 2011 to obtain guidance on how to resolve the issue.



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**Completion Date:**

Q4, FY2011

**Recommendation 21:**

That the country director restrict access to the room with telecommunication equipment to only the required individuals.

**Concur:**

The room with telecommunication equipment has a restriction sign on the door, and access is limited to only five people (AO, IT Specialist and three cleaners). Telecommunication equipment is installed in the wall rack that is locked, and only the required individuals have key from the rack.

This issue will be completely obsolete by August 2011 when Peace Corps Ukraine moves to its new office location that has three rooms specifically restricted for Telecommunications Equipment and Server Equipment (see pictures of Telecommunication rooms in our PC Ukraine new office).

**Documents Submitted:**

- Photos of telecommunication space in new office

**Completion Date:**

August 2011

**Recommendation 22:**

That the country director discontinues paying for the annual subscription for the Volunteer website from Peace Corps funds.

**Concur:**

While we concur, post notes that such websites have been promoted by Washington via Web-Ex and other ways so post finds that there is a very “mixed message” from Washington. In any case, the payments for PCVs’ web-site will be discontinued. The last payment for domain name was made on 04/30/2010 through 06/04/2011. Last payment for hosting was made on 11/03/2010 through 11/03/2012. Peace Corps Ukraine will not pay for the Volunteer website in the future.

**Completion Date:**

March 14, 2011



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**Recommendation 23:**

That the country director develop a process to review the contents of the website on a regular basis to ensure compliance with *Peace Corps Manual* section 543.

**Concur:**

The website content is monitored by the Country Director on a regular basis. Review of the website will be completed regularly and checked for content to ensure compliance with Peace Corps regulations relevant to maintaining or posting information to blogs and websites.

**Completion Date:**

February 1, 2011

**Recommendation 24:**

That the administrative officer ensure that the Small Project Assistance grant program coordinator is utilizing the updated Volunteer Consent and Liability Acceptance Form.

**Concur:**

This recommendation was actionable immediately and has been completed. PC Ukraine received new 2011 SPA Handbook and guidance from headquarters with an updated Volunteer Consent and Liability Acceptance Form. We started using this new Volunteer Consent and Liability Acceptance Form beginning February 1st, 2011.

**Documents Submitted:**

- (SPA) Peace Corps Volunteer Consent and Liability Acceptance

**Completion Date:**

February 1, 2011

**Recommendation 25:**

That the post's Small Project Assistance grant program coordinator document and maintain tracking information for each individual grant-funded project.

**Concur:**

Tracking information was added to the respective grant project folders in November 2010 and then again in January 2011. Grant Coordinator will continue monitoring the status of the projects, sending reminders about projects closure to Volunteers and adding tracking information to project folders.

**Documents Submitted:**



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- Reminder about Closing SPA and PCPP Grants

**Completion Date:**

November 24, 2010

**Recommendation 26:**

That the administrative officer use the statistical price data to compare with settling-in allowance surveys and analyze whether allowances were reasonable and survey results were accurate.

**Concur:**

For many years, post has been gathering information from the Volunteer surveys and obtaining price comparisons from different websites. Post has been comparing the prices with the provided amounts to see whether they correspond. In order to get complete statistical price data, post will expand the process of gathering information and will also gather data from PC staff and host country representatives. Post plans on taking this action by the end of March, as we are currently in process of gathering settling-in allowance survey responses from two new groups of Volunteers.

**Completion Date:**

April 1, 2011 and on a continuing basis

**Recommendation 27:**

That the administrative officer reconcile the amounts calculated by Volunteer In-Country Allowance and Volunteer Information Database Application systems and before approving the Volunteer payments.

**Concur:**

The following changes in the processing of Volunteers Allowances make this finding obsolete. First, Peace Corps Ukraine negotiated with our partner bank, ProCredit bank, and they agreed to process payments to Volunteers using English names instead of Ukrainian ones. Second, VICA started sending allowance slips directly to Volunteer email addresses. These innovations made it possible for us to discontinue using the Volunteer Information Database Application (VIDA) system for payments. The action was taken in December 2010 when we processed January allowances. At the time of the audit, Peace Corps Ukraine had only two months of experience working with VICA.

**Completion Date:**

December 31, 2010

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### OIG COMMENTS

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Management concurred with 26 of the 27 recommendations. Specifically, the region concurred with all 22 recommendations assigned to the post, the Office of Medical Services concurred with 2 recommendations and the Office of the Chief Financial Officer concurred with 2 recommendations. The Office of the Chief Financial Officer did not concur with one recommendation.

We closed 14 recommendations: 1, 3, 4, 5, 11, 14, 16, 17, 18, 22, 23, 24, 25, and 27. The corrective actions address the recommendations. However, we note that the instructions provided to the post's medical staff discussed in recommendation 14 should be included in the medical staff standard procedure to ensure proper handling and protecting of personally identifiable information on a continual basis. In addition, a checklist or guide for reviewing the website discussed in recommendation 23 would help ensure compliance with *Peace Corps Manual* section 543 on regular basis.

The following 13 recommendations remain open: 2, 6, 7, 8, 9, 10, 12, 13, 15, 19, 20, 21, and 26 pending confirmation from the chief compliance officer the actions described in the management's response have been completed.

The Office of the Chief Financial Officer did not concur with recommendation 19 to develop a payee table in FORPost. We understand that once payees are entered in FORPost the post can filter, search and summarize by payee. However, to enhance control over disbursements a table for frequent recipients is required to ensure information is consistently entered and additional vendor information is retained in FORPost. We request that the Chief Compliance Officer coordinate discussions with the Office of the Chief Financial Officer to resolve this recommendation.

In their response, management described actions they are taking or intend to take to address the issues that prompted each of our recommendations. We wish to note that in closing recommendations, we are not certifying that the region or post has taken these actions, nor that we have reviewed their effect. Certifying compliance and verifying effectiveness are management's responsibilities. However, when we feel it is warranted, we may conduct a follow-up review to confirm that action has been taken and to evaluate the impact.

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## AUDIT COMPLETION AND OIG CONTACT

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### AUDIT COMPLETION

Bradley Grubb, Assistant Inspector General for Audit, and Snehal Nanavati, senior auditor, performed the audit of PC/Ukraine.



Bradley Grubb, CPA  
Assistant Inspector General for Audit

### OIG CONTACT

If you wish to comment on the quality or usefulness of this report to help us strengthen our product, please e-mail Bradley Grubb, Assistant Inspector General for Audit, at [bgrubb@peacecorps.gov](mailto:bgrubb@peacecorps.gov), or call him at (202) 692-2914.

## ***REPORT FRAUD, WASTE, ABUSE, AND MISMANAGEMENT***

**Fraud, waste, abuse, and mismanagement in government affect everyone from Peace Corps Volunteers to agency employees to the general public. We actively solicit allegations of inefficient and wasteful practices, fraud, abuse, and wrongdoing related to Peace Corps operations domestically or abroad. Using the OIG contact resources below, you can report information or allegations confidentially or choose to remain anonymous.**

### **Call:**

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24-Hour Hotline: 800.233.5874 or 202.692.2915

### **Write:**

Peace Corps  
Attn: Inspector General  
1111 20th St., NW  
Washington, DC 20526

Or

Peace Corps  
Attn: Inspector General  
P.O. Box 57129  
Washington, DC 20037-7129

### **Email:**

OIG@peacecorps.gov

### **Website:**

[www.peacecorps.gov/OIG](http://www.peacecorps.gov/OIG)