



Peace Corps  
Office of  
**INSPECTOR  
GENERAL**

**SEMIANNUAL REPORT TO CONGRESS**

April 1 to September 30, 2020



# Office of Inspector General

TOGETHER WE MAKE A BETTER PEACE CORPS

800.233.5874 | 202.692.2915 | [OIG@PEACECORPSOIG.GOV](mailto:OIG@PEACECORPSOIG.GOV) | [PEACECORPS.GOV/OIG/CONTACTUS](https://PEACECORPS.GOV/OIG/CONTACTUS)

## **Vision:**

Be an agent of change to help make the Peace Corps the premier international volunteer service organization

## **Mission:**

Support Peace Corps Act goals and make the best use of taxpayer dollars through independent oversight of agency programs and operations

## **Values:**

Excellence, positive change, integrity, and collaboration

Established in 1989, OIG receives its legal authority from the Inspector General Act of 1978, as amended. The law requires that OIG fully and currently inform the Peace Corps Director and the Congress about problems and deficiencies identified by OIG relating to the administration of agency programs and operations.

**Semiannual Report to Congress  
April 1 to September 30, 2020**

# Table of Contents

<b>HIGHLIGHTS FROM THIS REPORT .....</b>	<b>1</b>
Message from the Inspector General .....	1
<b>MANAGEMENT AND ADMINISTRATION UNIT.....</b>	<b>4</b>
Agency Context .....	4
Staffing.....	4
OIG Organizational Chart .....	6
<b>MANAGEMENT AND PERFORMANCE CHALLENGES .....</b>	<b>8</b>
Inspector General’s Statement .....	8
Challenge: Volunteer Health and Safety .....	9
Challenge: Human Capital Management .....	14
Challenge: Information Technology Security Management .....	17
Challenge: Planning and Implementation .....	19
Challenge: Diversity and Inclusion of Staff and Volunteers .....	22
<b>ADVICE, ASSISTANCE, AND OTHER REPORTABLE MATTERS .....</b>	<b>26</b>
Support to the Agency.....	26
Review of Agency Regulations, Policies, and Procedures.....	26
Participation in Overseas Staff Training.....	26
OIG Support for Background Checks.....	26
Other Reportable Matters.....	27
Interference with IG Independence .....	27
<b>AUDIT UNIT.....</b>	<b>30</b>
Overview .....	30
Ongoing Work.....	30
Agency-wide Audits .....	31
Audit of the Peace Corps’ Compliance with the Improper Payment Elimination and Recovery Act .....	31
Audits of Operations Abroad .....	32
Audit of Peace Corps/Thailand .....	32
Audit of Peace Corps/Ghana .....	32
Audit of Peace Corps/Ethiopia.....	33

PEACE CORPS OFFICE OF INSPECTOR GENERAL

<b>EVALUATION UNIT .....</b>	<b>36</b>
Overview .....	36
Ongoing Work.....	36
Evaluation of Operations Abroad .....	37
Evaluation of Peace Corps/Eastern Caribbean.....	37
Management Advisory Report: Peace Corps/Ghana Gas Tank Cooking Safety.....	38
<b>INVESTIGATION UNIT .....</b>	<b>40</b>
Overview .....	40
Investigations of Criminal and Administrative Misconduct.....	41
Indictment for Attempting to Defraud the Peace Corps and Nonprofit Entities.....	41
Report of Staff Involvement in a Traffic Death in the Africa Region .....	41
Report of Volunteers Arrested for Possession of Marijuana in the Europe, Mediterranean, and Asia Region.....	41
Report of Possible Murder in the Inter-Americas and the Pacific Region.....	42
<b>TABLES .....</b>	<b>44</b>
1: List of Reports: Audits, Program Evaluations, and Other Reports .....	44
2: Reports with Questioned Costs, Unsupported Costs, and Funds to Be Put to Better Use .....	44
3: Status of Reports Issued by OIG with Questioned and Unsupported Costs .....	45
4: Status of Reports Issued by OIG with Funds to Be Put to Better Use.....	45
5: Recommendations on Which Corrective Action Has Not Been Completed.....	46
6: Summary of Hotline and Other Complaints.....	67
7: Summary of Investigative Activities and Outcomes .....	68
8: References to Reporting Requirements of the Inspector General Act .....	69
<b>APPENDICES .....</b>	<b>72</b>
Appendix A: Reporting of Peer Reviews.....	72
Audit Unit .....	72
Evaluation Unit.....	72
Investigation Unit.....	73
Appendix B: Contract Audit Reports.....	74

# Highlights from this Report

## Message from the Inspector General

I am pleased to present the Peace Corps Office of Inspector General's (OIG's) Semiannual Report to Congress for the period of April 1, 2020, to September 30, 2020. Our work underscores OIG's commitment to promoting efficiency, effectiveness, and accountability within the Peace Corps.



My office continues to adapt to the challenges arising from the COVID-19 pandemic. Following the global evacuation of Volunteers and suspension of Volunteer operations abroad, we revised our FY 2020 annual plan in May to focus the remainder of the fiscal year on audits, evaluations, and other reviews of headquarters programs that we can accomplish remotely.

Investigators are also teleworking, conducting complainant and witness interviews telephonically. Non-urgent subject interviews involving misconduct are being deferred until conditions permit face-to-face encounters. Investigations that may require a departure from these protocols are evaluated on a case-by-case basis.

During this reporting period, the Audit Unit issued reports on audits of posts in Ghana, Thailand, and Ethiopia, for which fieldwork was completed prior to Volunteer evacuations, as well as an audit of the Peace Corps' compliance with the Improper Payments Elimination and Recovery Act. The Unit also initiated an audit of the Peace Corps' management of payroll and benefits for U.S. direct hires.

The Evaluation Unit issued a report on the evaluation of the Eastern Caribbean post, for which fieldwork was completed prior to Volunteer evacuations. The Unit also produced a management advisory report on Peace Corps/Ghana gas tank cooking safety that was initiated following the death of a Volunteer from injuries sustained from a gas tank explosion. The Unit is continuing work on a review of the agency's response to that accident, as well as a report on recurring issues observed in evaluations, audits, and investigations from 2014 to 2019. Additionally, in July the Unit passed its first formal external peer review following the Quality Standards for Inspection and Evaluation issued by the Council of Inspectors General on Integrity and Efficiency.

The Investigation Unit conducted investigations of fraud, waste, abuse, and mismanagement in Peace Corps programs and operations. Overall complaints were substantially lower during this reporting period, presumably because Volunteers had been evacuated at the end of the previous reporting period and staff were focused on the pandemic and planning for the return of Volunteers to posts.

At the end of the previous reporting period, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to address the wide-ranging impacts of the pandemic. The law provided the Peace Corps with \$88 million to prevent, prepare for, and respond to the pandemic, or to reimburse accounts already used for those purposes. As part of our ongoing oversight, my office is monitoring how the Peace Corps manages

PEACE CORPS OFFICE OF INSPECTOR GENERAL

these funds, including how they carry out the planning and implementation of their re-entry process. We will continue to focus on the health and safety of the Volunteers as the agency takes the necessary steps to safely redeploy them.

Finally, I am pleased to share that the Council of Inspectors General on Integrity and Efficiency announced that, at its annual award ceremony on October 13, 2020, my office will receive an Award for Excellence in recognition of the exemplary and timely evaluation of Peace Corps/Comoros, which identified critical improvements needed for Volunteer health and safety support.



Kathy A. Buller  
Inspector General

# Management and Administration

Agency Context.....	4
Staffing.....	4
OIG Organizational Chart .....	6



# Management and Administration Unit

## Agency Context

In response to the COVID-19 pandemic, the Peace Corps evacuated all Volunteers from posts globally at the end of the previous reporting period. Since evacuating, the agency has reported that it is making progress with the planning and preparation necessary to ensure it can safely return to global operations. Although this undertaking is led by a specifically designated task force, it is an all-agency effort which engages staff across offices, departments, and throughout overseas posts.

As of September 30, 2020, headquarters was working closely with 58 posts in 61 countries to ensure it makes informed plans and preparations to resume Volunteer operations. These efforts were supported by 2,720 locally hired personnel in host countries and 945 U.S. direct hire staff, of whom 174 worked abroad, 661 worked at headquarters, and 110 worked in regional recruiting offices and other domestic locations. The Peace Corps has 2,187 invitees whose departures were postponed due to the pandemic and who are ready to serve when conditions allow. The agency also received 3,648 new Volunteer applications during this reporting period, as well as 2,425 applications for reinstatement from evacuated Volunteers.

Following Volunteer evacuation, the agency reported that it was in the process of closing all of the Volunteer-managed Peace Corps Partnership Program (PCPP) and Small Project Assistance (SPA) grant projects. At the end of the reporting period, the agency had closed 233 of 466 PCPP projects and 370 of 409 SPA grant projects.

The Peace Corps also had domestic and international commercial contracts with vendors and service providers. These included agreements for guard services, training, Volunteer healthcare services, information technology, communications, and other services.

## Staffing

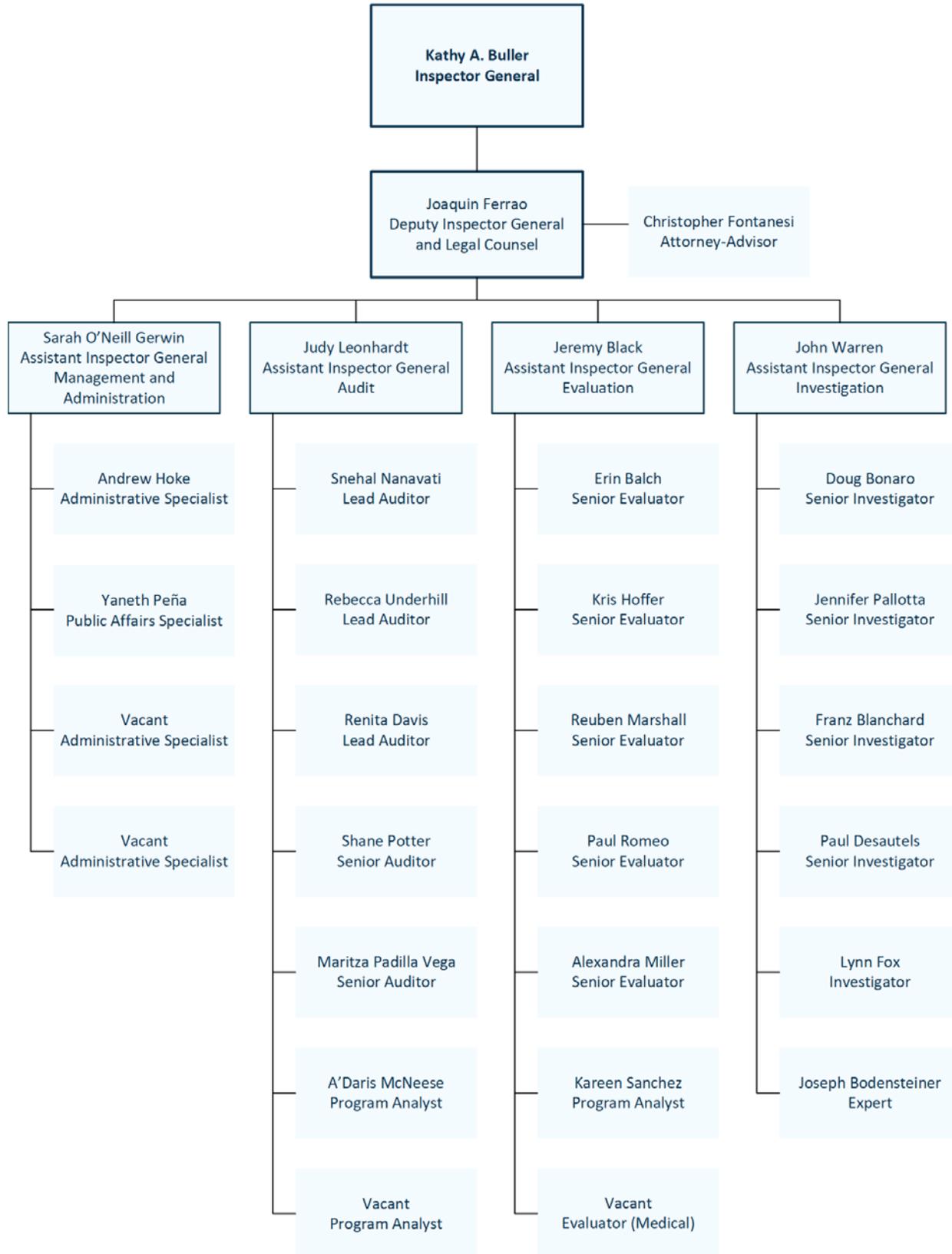
**Ashwin Ghimire** joined OIG in May 2020 as an information technology expert. Prior to that, Ashwin worked as a contractor for USPS OIG, managing the service desk for more than 5 years. During that tenure, Ashwin and his team of IT professionals supported Peace Corps OIG's IT incidents and requests. He grew up in Kathmandu, Nepal and holds a bachelor's degree in computer science from Slippery Rock University.

**A'Daris McNeese** rejoined OIG in May 2020 as a program analyst with the Audit Unit. She previously served as an evaluations fellow beginning in August 2015 and was hired as a program analyst in September 2016. She assisted with post audits, audit policy and risk analysis, and the annual Management Challenges report. A'Daris holds a master's degree in public policy and management from Carnegie Mellon University and a bachelor's degree in anthropology and international studies from Northwestern University.

**Yaneth Peña** joined OIG in August 2020 as a public affairs specialist. She previously worked in organizations such as 4-H and Leadershape where she managed program creation, facilitation, marketing, and content creation. Yaneth also served as a Peace Corps Volunteer in Thailand from 2018 to 2020 in the youth in development sector where she taught life skills in a secondary school and worked on multiple youth development projects including teaching English as a foreign language. Yaneth is fluent in Spanish and conversational in Thai. Yaneth holds a bachelor's degree in political science from North Carolina State University.

**Kareen Sanchez** joined OIG in August 2020 as a program analyst. Kareen's background is in federally recognized national service programs. She was previously a policy analyst and external affairs officer with the National Commission on Military, National, and Public Service. She was also a 2017 Segal Fellow, where she conducted policy research with Service Year Alliance, dedicated to making a service year a cultural expectation and common opportunity for all Americans. Kareen is fluent in Spanish and served as a Peace Corps Volunteer in the Dominican Republic from 2014 to 2016 in the youth, families, and community development sector. She also served as an AmeriCorps member with City Year Los Angeles from 2012 to 2013. Kareen holds a bachelor's degree in psychology from the University of California, Riverside and a master's degree in community and social change from the University of Miami.

## OIG Organizational Chart



# Management and Performance Challenges

Volunteer Health and Safety .....	9
Human Capital Management.....	14
Information Technology Security Management.....	17
Planning and Implementation.....	19
Diversity and Inclusion of Staff and Volunteers.....	22



# Management and Performance Challenges

## Inspector General's Statement

In accordance with the Reports Consolidation Act of 2000, the Office of Inspector General (OIG) is submitting what it has determined to be the most significant management and performance challenges facing the Peace Corps.

The Inspector General's (IG) management challenges are observations of the IG based on the work performed by OIG, as well as information uncovered during the performance of our oversight responsibilities.

### Extraordinary Developments Impacting the Peace Corps in 2020

In March 2020, the Peace Corps responded to the COVID-19 pandemic by suspending all Volunteer activities and evacuating nearly 6,900 Volunteers from approximately 60 countries of service. In a matter of a few weeks, the agency brought all its Volunteers back to the United States. Evacuating all its Volunteers at the same time was unprecedented and required the agency to take extraordinary steps, including the chartering of international flights, to complete the task. For the first time in its nearly 60-year history, the Peace Corps does not have a single active Volunteer. The agency faces the tremendous challenge of planning for the resumption of its overseas Volunteer programs in the environment of uncertainty that the COVID-19 pandemic has created.

In addition to responding to the global pandemic, agency leadership, citing the killing of George Floyd, pledged to confront the issue of racial injustice. The Director issued multiple statements of commitment to addressing racial and social injustice in 2020 and dedicated resources to several initiatives aimed at increasing diversity and inclusion within the agency. Because of the agency's identification of this area as a management challenge and pointed efforts to address the need for enhanced diversity and inclusion, OIG is incorporating in this year's statement a description of the issue and how the agency is working to address it.

### Significant management challenges facing the Peace Corps:

- [\*Volunteer Health and Safety\*](#)
- [\*Human Capital Management\*](#)
- [\*Information Technology Security Management\*](#)
- [\*Planning and Implementation\*](#)
- [\*Diversity and Inclusion of Staff and Volunteers\*](#)

These challenges illustrate the most significant areas OIG believes need improvement for the Peace Corps to effectively manage its resources and minimize the potential for fraud, waste, and abuse occurring in its operations. Addressing the issues related to these challenge areas will enable the agency to increase operational efficiencies and improve mission effectiveness.

## Challenge: Volunteer Health and Safety

### Why This Is a Challenge

As mentioned above, in response to the growing threat of the COVID-19 pandemic, in March of 2020 the Director ordered the evacuation of all Peace Corps Volunteers from their countries of service and their return to the United States. This decision and the resulting effort involved in transporting almost 6,900 Volunteers in a matter of weeks back to the U.S. was consistent with the agency's commitment to prioritizing the health and safety of its Volunteers. While lack of Volunteers in the field minimizes previously identified challenges to Volunteer health and safety, these unresolved challenges may become more complex as the Peace Corps begins to redeploy Volunteers amid the pandemic, and new challenges will surely arise.

### Volunteer Medical Care

OIG remains concerned about the following aspects of the agency's Volunteer health related policies, procedures, and practices identified in our 2019 statement of management challenges:

- an incomplete approach to conducting root cause analyses of adverse or sentinel patient safety events;
- potentially insufficient medical support for Volunteers in remote countries with only one Peace Corps medical officer; and
- deficiencies in posts' medical action plans.

Furthermore, recent OIG evaluations identified Volunteer resilience and mental health as a challenge. The agency has established goals and objectives in its Strategic Plan related to resilience and mental health, i.e. establishing realistic expectations of service; increasing Volunteers' ability to independently manage inevitable adjustment challenges; and building the resources and skills of non-clinical staff, Volunteers, and partners to enhance Volunteers' resilience. In three recent country program evaluations, Volunteers reported being dissatisfied with either their ability to access counseling, or with the sufficiency of information and training about in-country stressors and challenges and how to manage them during service.

In addition to our previous concerns about Volunteer medical care, the COVID-19 pandemic and the efforts to resume Volunteer activities pose an unprecedented challenge for maintaining the health and safety of Volunteers and the communities they serve. In June 2020, the agency issued its Country Re-Entry Guide (CREG) that serves as comprehensive guidance for planning to return Volunteers to service, with primary emphasis on mitigating the risks of the COVID-19 pandemic. As stated in the CREG, "The COVID-19 pandemic and associated societal consequences are significantly impacting many lives globally, including the lives of [Volunteers/trainees] and the communities they serve."

As outlined by the CREG, the pandemic deeply impacts Peace Corps operations, requiring additional consideration for mitigating the impacts of COVID-19 in each of the following areas: pre-departure and staging; Volunteer training; housing, communities,

and worksites; travel and transportation; Peace Corps offices and the health unit; psychosocial stressors; and symptomatic or COVID-19 positive Volunteers. Furthermore, the Peace Corps has had to modify its approach to medical screening for applicants due to the additional risks of COVID-19 for people with certain conditions.

### Volunteer Site Development

The agency requires that posts maintain site history files with relevant safety and security information, and that post staff review these files when considering Volunteer site placement. However, during recent country program evaluations of Senegal, Paraguay, Thailand, Mozambique, Comoros, Kyrgyz Republic, Tanzania, Panama, and Eastern Caribbean, OIG found site history files were incomplete, insufficiently organized, or not being used to inform site selection.

In addition, OIG found shortcomings with multiple posts' self-identified site selection criteria, which is required per MS 270 to ensure that Volunteer sites, housing, and work assignments are appropriate. Either criteria were inadequate and superficial, or posts were out of compliance with their criteria. Furthermore, appropriate staff (including the safety and security managers and Peace Corps medical officers) were not always sufficiently included in the site development process.

In several recent country program evaluation reports, we found that Volunteers were violating the posts' transportation policies that banned or limited the use of motorcycle taxis. Although they often said motorcycle taxis were simply more convenient, Volunteers also commonly reported that there were limited Peace Corps-approved transportation options to and from their sites, especially in rural areas. Without housing checks and proper site development, the agency may inadvertently place Volunteers in houses and sites where safety and security risks are unknown.

The COVID-19 pandemic may increase the difficulty of finding suitable sites for Volunteer placement. As briefly mentioned above, additional considerations will have to be factored into decisions regarding Volunteer housing, communities, and worksites to reduce the risk of COVID-19 transmission, as well as to prepare communities to host a Volunteer during the pandemic. This includes additional possible mitigation measures related to travel and transportation to reduce the risk of transmission through reduced travel or availability of safe modes of transportation. The added considerations will require posts to more carefully consider housing and work assignments as well as travel and transportation in the current environment.

### Volunteer Drug Use

In August 2018, OIG issued a management advisory report on Volunteer drug use alerting the agency that efforts to address Volunteer drug use had been insufficient and that drug use continued to pose a serious risk to the integrity and reputation of the Peace Corps and to the health and safety of Volunteers.<sup>1</sup> OIG found that country directors struggled to resolve allegations of drug use through administrative action due to a high burden of proof and a lack of tools necessary to address the allegations in a fair and consistent manner. We also found that agency records on Volunteer misconduct

---

<sup>1</sup> [Management Advisory Report: Volunteer Drug Use \(2018\)](#)

related to drug use were incomplete, inaccurate, and inconsistent. While the agency has considered and rejected reasonable suspicion drug testing for Volunteers, it has not developed additional tools to help country directors resolve these allegations. Moreover, five of the six recommendations remain open.

## Progress in Addressing the Challenge

### Volunteer Medical Care

As mentioned above, the agency developed the CREG in June which provides a review process to first assess whether conditions in-country are favorable for re-entry, and subsequently to plan and prepare for re-entry. It includes tools and deliverables for safely returning Volunteers to service and reducing the risk of COVID-19 transmission once there. See challenge *Planning and Implementation* for more information on the CREG.

In last year's management challenges, we reported that the agency's oversight over malaria risk reduction and prevention was a challenge. In response to OIG's Management Advisory Report concerning the death of a Volunteer in Comoros, the agency made progress in several areas, including: updates to its malaria prevention and diagnosis training sessions for agency medical officers at continuing medical education sessions; the development of new malaria education materials for staff; updates to its technical guidelines for malaria prevention and treatment; updates to its clinical escalation policy; updates to its clinical documentation standards; and approval of the hiring of an additional medical officer for Comoros.

The agency also updated its patient safety procedures to include a safety assessment code matrix. This matrix categorizes patient safety events by probability and severity. It is a screening tool to select the events most appropriate for root cause analysis. Consequently, OIG closed the recommendation to implement a screening process. OIG reviewed the agency's recent root cause analyses and found some improvements in the area of system focus and action plans.

In addition, the agency reported to OIG that it had been piloting a Volunteer resilience training based on research and best practices for enhancing resilience, and that, as of the beginning of November 2019, 12 posts had either completed or started the pilot.

### Volunteer Drug Use

The agency provided documentation of its efforts to increase Volunteer awareness of the impacts of drug use on their safety and the effectiveness of their service. Additionally, recent changes to policy in cases where Volunteers admit to, or are found to have engaged in, the use, possession, or distribution of drugs may streamline agency decision-making in such cases.

## What Needs to Be Done

Ensuring the health and safety of Volunteers as they return to the field will require extensive coordination between work units at posts and between posts and headquarters offices. The CREG sets the expectation that posts will liaise closely with Region, OSS, and OHS representatives throughout the planning and review process to ensure that all criteria for re-entry are met. The CREG also emphasizes the need for posts' emergency

action plans and medical action plans to be aligned to protect the safety and health of Volunteers, with updates to the two documents requiring a team effort between medical, safety, administrative, and programming staff at posts. Further, the agency is requiring posts to complete a COVID-19 specific response plan as part of their emergency action plan. The CREG also requires additional safety & security and health training related to the security environment in-country and impacts of COVID-19. Posts should implement these requirements in order to ensure the health and safety of Volunteers during the pandemic.

### Volunteer Medical Care

To improve the Volunteer health care program, the agency should implement recommendations from the 2016 Follow-Up Evaluation of Issues Identified in the 2010 Peace Corps/Morocco Assessment of Medical Care, including updating agency guidance to clarify oversight responsibility for medical units at Peace Corps posts. We also recommended in this report that the agency should work to improve their patient safety event review process, since this process will better ensure that the Peace Corps continuously learns how to better support Volunteer health and safety. Specifically, the agency should ensure reviews include key components like root cause and effect statements and process or outcome measures. The agency also needs to provide sufficient and appropriate staffing for case reviews. Related to its strategic objective on Volunteer resiliency, the agency should provide clearer communication to Volunteers that it may consider a medical separation necessary in the event that sufficient mental health support is not available to the Volunteer in the country of service. In addition, the agency should assess the need to have at least two qualified medical officers at posts with an active Volunteer population, prioritizing those posts with one medical officer in a vulnerable environment.

Because recent OIG evaluations have found medical action plans to be incomplete, the agency should improve its oversight of posts' medical action plans. Additionally, due to the COVID-19 pandemic, the CREG requires each post to conduct a comprehensive review of their medical action plan. In addition to previous requirements, the assessment is to include host country public health reporting requirements, local testing and treatment regulations, possible transportation restrictions for COVID-19 positive patients, personal protective equipment requirements of the health unit, location for quarantine, and/or country-specific COVID-19 assessment and management measures.

### Volunteer Site Development

In order to reduce safety and security risks to Volunteers, the agency should continue to provide training and technical assistance to overseas field staff to improve use of the electronic system to manage site history files. Furthermore, posts need to ensure that Volunteers' sites, housing, and work assignments meet their specified selection criteria and that appropriate staff are involved in inspecting and approving Volunteer housing.

To reduce the safety risks associated with Volunteer transportation, the agency should improve implementation and enforcement of motorcycle policies at Peace Corps posts. It should clarify with posts the importance of collecting more accurate information about the transportation options Volunteers will have at their sites and consider those options in relation to the post's transportation policy and standards.

To mitigate the risks associated with operating during the COVID-19 pandemic, the agency has established a broad set of considerations for field staff concerning the selection of Volunteer sites, including for housing, host families, work sites, and transportation options. Posts will need to implement a site development process that accounts for these considerations as part of the effort to resume Volunteer activities.

### Volunteer Drug Use

The agency should take measures to better address Volunteer use of unauthorized drugs. Country directors need greater support in resolving drug use allegations at posts, and the agency needs to gather information on the prevalence of and factors contributing to unauthorized drug use in the context of Volunteer service, as well as improve the accuracy and analysis of data collection stemming from unauthorized drug use among Volunteers.

### Key OIG Resources:

[Management Advisory Report: Peace Corps/Ghana Gas Tank Cooking Safety \(2020\)](#)

[Evaluation of Peace Corps/Eastern Caribbean \(2020\)](#)

[Evaluation of Peace Corps/Tanzania \(2020\)](#)

[Evaluation of Peace Corps/Panama \(2020\)](#)

[Evaluation of Peace Corps/Kyrgyz Republic \(2019\)](#)

[Evaluation of Peace Corps/Paraguay \(2019\)](#)

[Evaluation of Peace Corps/Comoros \(2019\)](#)

[Evaluation of Peace Corps/Thailand \(2019\)](#)

[Evaluation of Peace Corps/Mozambique \(2019\)](#)

[Evaluation of Peace Corps/Senegal \(2018\)](#)

[Management Advisory Report: Volunteer Drug Use \(2018\)](#)

[Evaluation of Peace Corps/Albania \(2018\)](#)

[Evaluation of Peace Corps/South Africa \(2017\)](#)

[Management Advisory Report: Site History Files \(2016\)](#)

[Recurring Issues Report: Common Challenges Facing Peace Corps Posts, FYs 2012-2015 \(2016\)](#)

[Follow-Up Evaluation of Issues Identified in the 2010 Peace Corps/Morocco Assessment of Medical Care \(2016\)](#)

[The Peace Corps' Response to OIG Investigative Review of the Circumstances Surrounding the Death of a Volunteer in Peace Corps/China \(2015\)](#)

[Investigative Review of the Circumstances Surrounding the Death of a Volunteer in Peace Corps/China \(2014\)](#)

[Death Inquiry and Assessment of Medical Care in Peace Corps Morocco \(2010\)](#)

[Follow-up Evaluation of the Volunteer Delivery System \(2010\)](#)

## Challenge: Human Capital Management

### Why This is a Challenge

Key pillars of human capital management include hiring, staff retention, training, and knowledge management. In performing oversight over agency operations, OIG has highlighted areas of concern in all four sectors. Most importantly, we have noted how excessive personnel turnover has substantially exacerbated these challenges.

Nearly all Peace Corps U.S. direct-hire staff are subject to a 5-year term limit called the “5-year rule” (FYR). Congress enacted the FYR in 1965 to create a constant flow of new employees, including returned Peace Corps Volunteers; avoid the inflexibility associated with the civil service system; and prevent employees from working their entire career at the Peace Corps. In June 2012, OIG reported that, between 2005 and 2009, the annual pace of employee turnover was between 25 percent and 38 percent, quadruple the average turnover rate in the Federal government, and beyond the original intent of the FYR. We estimated that FYR-driven turnover accounted for approximately 60 percent of \$20.7 million in total turnover management costs over that period.<sup>2</sup>

#### Hiring and Retaining Qualified Staff

Issues stemming from high turnover have persisted over time and affect multiple aspects of agency operations. The aforementioned report details some of these effects at headquarters, including a weakened ability to attract and retain qualified personnel for core management functions and shortened tenures of approximately 3 years. In July 2017, OIG issued the “Management Implication Report: Challenges Associated with Staff Turnover”.<sup>3</sup> This report consolidated comments from post leadership from 27 evaluations between 2010 and 2015 on the negative effects of staff turnover on the agency’s ability to maintain high quality Volunteer support at posts. We specifically cited a report by the Field Advisory Board which noted that persistent gaps in post leadership compromised post performance and the ability to perform core business functions.

In 2019, the Peace Corps requested the Office of Personnel Management (OPM) to conduct an assessment of its organizational design and performance to shed light on how the agency can better meet its workforce needs. The report similarly found that the FYR contributed to increased turnover, extended vacancies, and other difficulties in work processes. Focus group participants commented on how the FYR resulted in a lack of continuity and reduced the length of fully productive employment when considering onboarding, training needs, and employees’ learning curves.

#### Training and Knowledge Management

Our 2012 FYR evaluation and 2017 management implication report highlighted how excessive personnel turnover and shortened staff tenures made it especially difficult for the agency to keep pace with meeting staff training needs, and to maintain sufficient institutional memory and effective knowledge management practices. With high

<sup>2</sup> [Final Evaluation Report: Impacts of the Five-Year Rule on Operations of the Peace Corps \(2012\)](#)

<sup>3</sup> [Management Implication Report: Challenges Associated with Staff Turnover \(2017\)](#)

turnover, the Peace Corps must rely on its policies, reports, and institutional knowledge to record and communicate key processes or initiatives.

We identified several deficiencies in our September 2014 evaluation of overseas staff training; 12 of the 25 recommendations remained open as of September 2020. These open recommendations addressed a range of staff training issues, including ensuring that all newly hired headquarters and overseas staff complete job-specific training, and implementing a process to assess the training needs of staff.<sup>4</sup>

Knowledge management, defined as capturing, distributing, and effectively using knowledge, becomes critical in environments with high turnover. Our FYR evaluation reported how frequent turnover had negatively affected the Peace Corps' institutional memory, a problem other studies from as early as 1974 have also noted. When experienced staff leave with no overlap with incoming staff or without sufficiently documenting the status of projects they were involved in, projects and initiatives sometimes fail to progress, and individuals or offices may "reinvent the wheel" in their efforts to address issues or institutional challenges. The OPM report expressed concern about inefficient processes as staff struggled to find documentation of past solutions or initiatives. Additionally, focus group participants noted that work silos created single points of failure because of the lack of documentation.

## Progress in Addressing the Challenge

The OPM report was produced at the request of the Peace Corps. The agency intended that the report contribute to a strategic review of current organizational performance, design, and position management, and include recommendations for improvement. Further, the Office of Human Resources (HR) distributed the report to all supervisors in the agency and conducted discussions with them of ways to improve work processes in their units. This collaborative effort displays HR's commitment to identify, improve, and mitigate issues.

### Hiring and Retaining Qualified Staff

In July 2019, the Director announced her exemptions of seven positions in four core operations units such as HR and the Office of the Chief Financial Officer as a result of the Sam Farr and Nick Castle Peace Corps Reform Act of 2018 which allows the Director to exempt certain critical positions from the FYR requiring specialized technical or professional skills and knowledge of Peace Corps operations. While exempting seven positions is likely to improve institutional memory and enhance the continuity of operations in the affected offices, we have not assessed whether this step will have a broader organizational impact on addressing this challenge.

### Training and Knowledge Management

We closed a recommendation based on the agency's document submission from our 2014 evaluation report on overseas staff training regarding the need to develop standard operating procedures and guidance to monitor the completion of mandatory staff trainings. The agency also recently launched a training course for overseas supervisory

---

<sup>4</sup> [Final Report on the Program Evaluation of the Peace Corps' Training of Overseas Staff \(2014\)](#).

staff, which may address another recommendation in the report. Lastly, Peace Corps staff reported progress in implementing record keeping standards. By the fourth quarter of 2020, 68 percent of posts had enacted the Records Management Post File Structure.

## What Needs To Be Done

### Hiring and Retaining Qualified Staff

Following the recent workforce reduction, the agency must ensure that headquarters offices are properly equipped to provide quality support and oversight of overseas operations and consider exempting additional positions or core business functions in the agency. The agency still needs to address two open recommendations (recommendations 2 and 3) from our 2012 FYR report relating to better management of turnover and acquisition and retention of qualified personnel in core business functions. The agency should continue to take steps to address the challenges and recommendations identified by the OPM report.

### Training and Knowledge Management

Peace Corps leadership should develop and enact an agency-wide strategy to formalize knowledge management practices related to recording institutional memory, developing standard operating procedures for key processes, and ensuring accessibility. Also, the agency should consider the recommendations from the OPM report like creating a formal off-boarding policy and utilizing cross-training and communities of practice to determine beneficial actions. Finally, the agency should provide documentation to OIG of its efforts to improve training and knowledge management, for example its mandatory training course catalogue, which may facilitate the closure of open recommendations.

## Key OIG Resources

[Management Implication Report: Challenges Associated with Staff Turnover \(2017\)](#)

[Final Report on the Program Evaluation of the Peace Corps' Training of Overseas Staff \(2014\)](#)

[Evaluation of Impacts of the Five-Year Rule on Operations of the Peace Corps \(2012\)](#)

## **Challenge: Information Technology Security Management**

### **Why This Is a Challenge**

Effective information technology (IT) security programs help protect agency data from being misused by both internal and external actors and minimize the risk of threats to sensitive data. Federal laws and regulations governing IT security are designed to strengthen an agency's management of its overall operations. They also provide significant guidance to help prevent serious information security incidents. The Federal Information Security Modernization Act of 2014 (FISMA), is central to the Federal IT security program. The objective of FISMA is to ensure agencies develop, document, and implement an agency-wide program to provide information security for the information and systems that support their operations and assets.

The Peace Corps continues to lack an effective information security program and has made minimal improvement over the last 10 years. Foundational IT elements, such as having clearly defined boundaries and a complete listing of hardware, are missing. Some of the identified issues have been outstanding for over a decade, and the agency has struggled to implement corrective actions. Weaknesses across all five FISMA reportable areas exist because the agency has taken a predominately passive approach to compliance and has not integrated information security into business operations. OIG is concerned about the quality of the agency's IT security program, especially considering the sensitive data that the Peace Corps maintains, notably employee personnel records, Volunteer health records, and Volunteer sexual assault incident information.

Implementing change at the organizational level requires a serious and sustained undertaking with involvement and dedication from agency leadership and all relevant stakeholders. The agency does not have the appropriate planning, resource, and communications structures in place, but it nevertheless has continued to initiate extensive foundational changes to its IT infrastructure. During FY 2020, the Peace Corps relocated the data center, moved to a new headquarters building, and, due to the ongoing COVID-19 pandemic, evacuated all Peace Corps Volunteers. In implementing these major shifts, the agency focused on uninterrupted day-to-day operations without sufficient attention to the information security program. Specifically, the Office of the Chief Information Officer (OCIO) accepted information security risks to the infrastructure with the condition that remediation steps would be taken in a timely manner; however, the agency did not meet, and in some instances violated, the conditions established in the authorization. OCIO also continued to utilize outdated and unsupported assets in the Peace Corps' IT environment which left information vulnerable to malicious attacks. Furthermore, the agency has continued to make decisions for business convenience without understanding the information security risk or the impact to the entire agency. For example, the agency significantly changed its General Support System, which is the backbone of the agency's IT infrastructure, without evaluating the impact or added risks to the agency's operations. A similar infraction occurred in FY 2016 with the Peace Corps Medical Electronic Documentation

& Inventory Control System. Despite successive years of problems there is an overall lack of accountability for achieving an effective information security program.

A key foundational issue is the absence of a fully implemented, comprehensive, agency-wide risk management program that is effective at monitoring, identifying, and assessing security weaknesses and resolving related problems at the entity, business process, and information system levels. See the Management Challenge section titled *Planning and Implementation*. Without a robust risk management process, the Peace Corps is exposed to risk of attacks, environmental disruptions, and business failures.

## What Needs to Be Done

In order to ensure the agency's information, operations, and assets are protected, it is critical that the Peace Corps achieve full compliance with FISMA and other Federal laws and regulations that apply to managing its IT security infrastructure. Our reviews of the Peace Corps' Information Security Program have contained several actionable steps that the agency should take to improve its security program. However, over the last decade, the agency has failed to make systemic changes to fully address these recommendations.

The Peace Corps will need to focus on improving its IT security program by elevating IT security decision making, ensuring agency policies are comprehensive, fostering individual and organizational accountability for poor program implementation, and prioritizing the time and resources necessary to become fully FISMA compliant and eliminate weaknesses. Also, a fully implemented comprehensive risk management program would establish a platform for the Peace Corps to evaluate information security risks that could impact the agency's ability to fulfill its mission and conduct critical business processes. Moreover, elevating the role and responsibilities of critical information security positions will help ensure that information security risks will be integrated into operational decisions. Until senior leadership is sufficiently involved and provided the full picture of IT security risks, the Peace Corps will not make notable progress in securing its information systems.

## Key OIG Resources

[Review of the Peace Corps' Information Security Program \(2019\)](#)

[Summary of Internal Control Issues Over the Peace Corps' Financial Reporting \(FY 2019\)](#)

## Challenge: Planning and Implementation

### Why This Is a Challenge

In 2019, OIG’s statement of management challenges included our concerns that the agency struggled to plan for the long-term impacts of risk and resource needs of the organization. Specifically, OIG highlighted areas of concern where the agency did not apply sufficient time and resources to document decisions, ensure the appropriate resources are assigned, and comprehensively consider risks to plan and implement new initiatives and programs.

Informed decision making involves consideration of data quality and consultation with those with applicable knowledge. Decisions should be documented for future consultation, to assign responsibility, and to ensure accountability as management develops programs and policies. Our management advisory report on the suspension of Peace Corps/Kenya found that the agency did not sufficiently document decisions and recommendations concerning continued operations in the country.<sup>5</sup> In addition, our management advisory report on Volunteer drug use found that an important obstacle to prioritizing and addressing Volunteer drug use was the agency’s inadequate approach to maintaining the information it needs to understand the scope of the problem and ensuring data quality of the information it collected.<sup>6</sup>

When investing resources, the agency focuses on functions that directly relate to its mission and priorities, which largely revolve around direct Volunteer support, but management should also consider the administrative functions that enable the Peace Corps to provide that support. Namely, enterprise risk management (ERM) and information technology security are critical programs for efficient business processes, effective programming, and the safeguarding of data. The agency committed to developing an ERM program in 2018. Information technology security meanwhile suffers from inadequate action and resources. See challenge *Information Technology Security Management*.

These deficiencies in planning and implementing could impede the agency’s ability to effectively respond to the unprecedented challenges presented by the COVID-19 pandemic. The agency will have to effectively coordinate many offices and resources to continuously assess needs and resume Volunteer operations under uncertainty. As mentioned above, the Director made the decision in March to suspend all Volunteer activities, and the agency began evacuating all Volunteers.<sup>7</sup> Also in March, domestic Peace Corps staff moved to mandatory telework, with some exceptions, while overseas staff followed staffing and teleworking orders from their respective chiefs of mission. The agency as of September 2020 was in the process of implementing a phased approach to return staff to headquarters and other domestic facilities.

The COVID-19 pandemic continues to pose unique challenges for the Peace Corps that affect every aspect of operation as the agency attempts to resume normal operations by

<sup>5</sup> [Management Advisory Report: Managing the Suspension of Peace Corps/Kenya: A Case Study \(2018\)](#)

<sup>6</sup> [Management Advisory Report: Volunteer Drug Use \(2018\)](#)

<sup>7</sup> We use the term “Volunteers” to mean both Volunteers and trainees.

redeploying Volunteers to over 60 countries with varying pandemic responses, supporting infrastructure, and data reliability. Effective planning and implementation will be key to success. Even in countries with few to no COVID-19 cases the agency must carefully consider the reliability of transportation and the quality of medical care. Safe re-entry could prove complicated since part of the Peace Corps mission is to provide resources to countries in need where infrastructure may not be as well developed for protecting Volunteer and staff health and safety during the pandemic.

## Progress in Addressing the Challenge

As part of its effort to implement an ERM framework, the agency's ERM Council approved risk categories to be examined and a format for the framework. The agency assigned additional personnel to an ERM secretariat to contribute perspectives from multiple offices within the agency. It has also begun developing office-level risk registers with plans to complete risk registers for all offices by the end of FY 2021.

In response to the COVID-19 pandemic, the agency has taken some important steps, particularly in planning for the resumption of Volunteer activities and the return to Peace Corps facilities. At the onset of the pandemic, the Peace Corps made an early decision to evacuate all Volunteers, using post- and region-driven approaches to return them to the U.S. After the evacuation, the agency provided support to the evacuated Volunteers, including an additional month of health care benefits,<sup>8</sup> an evacuation allowance, a wellness stipend, and non-competitive eligibility for Federal jobs for sworn-in Volunteers even if they did not complete 12 months of service as normally required.

In January, the Director ordered the formation of a COVID-19 working group, which was converted in March to a task force comprised of 5 working groups to develop activities, tasks, and timelines to allow the agency to remain focused on its mission and objectives while planning its return to posts. The agency developed key guidance documents collected in the CREG, which directs management decision-making with the purpose of mitigating the risks of the global COVID-19 pandemic to staff, Volunteers, and host country communities. Developed by the task force's return-to-service working group with input from the Office of Health Services (OHS), Office of Safety and Security (OSS), Office of Global Operations (OGO), Regions, and other headquarters offices, the CREG provides a well-defined process and deliverables for re-entry planning. This process includes two separate reviews: an external review which assesses external conditions that must be favorable for re-entry, and an internal review which assesses a post's planning and preparation for re-entry. After performing the reviews, an Approval Committee composed of representatives from Regions, OGO, OSS, OHS, and OCFO will make recommendations to the Director to approve a post for re-entry. Through the CREG, the agency set specific timelines to initiate the review process, to include weekly monitoring of external conditions at each post. The agency also issued Peace Corps Everlasting: Staff Roadmap to Return, which outlines the agency's plan for staff to return to Peace Corps facilities, both domestically and overseas. Additionally, the agency

---

<sup>8</sup> The Peace Corps typically provides 1 month of health care for Volunteers after their service, but evacuees received 2 months.

has developed COVID-19 Notification and Contact Tracing Procedures to use in the event an employee tests positive for COVID-19.

## **What Needs to Be Done**

Decisions about Peace Corps priorities and initiatives should be assessed at the agency level and properly documented; efforts should be appropriately planned; and their implementation into agency policies and procedures should be timely and fully integrated. Additionally, the Peace Corps should continue to develop its ERM program to improve the agency's ability to successfully plan and implement new programs while properly considering possible setbacks and how to address them.

These considerations are especially pertinent regarding the resumption of Volunteer operations. The agency has expended significant amounts of time and resources in planning re-entry and continuation of Peace Corps activities. The challenge moving forward is to ensure effective and agile implementation of the CREG and Peace Corps Everlasting: Staff Roadmap to Return.

## **Key OIG Resources**

[2019 Review of the Peace Corps' Information Security Program](#)

[Management Advisory Report: Managing the Suspension of Peace Corps/Kenya: A Case Study \(2018\)](#)

[Management Advisory Report: Volunteer Drug Use \(2018\)](#)

## Challenge: Diversity and Inclusion of Staff and Volunteers

### Why this is a Challenge

This past year, the Peace Corps identified and prioritized the need to improve diversity and inclusion within the agency to better achieve the mission of promoting understanding of Americans on the part of the peoples served. The inclusion of a diverse workforce, leadership, and Volunteer corps is integral to the agency's ability to accurately represent America around the world. While the agency's mission and work incorporate these concepts, Peace Corps leadership recognized outstanding needs, especially considering the current US social climate. Peace Corps leadership has expressed that its diversity and inclusion efforts are being undertaken within the bounds of the recent Executive Order on Combating Race and Sex Stereotyping which specifies new prohibitions on Federal trainings related to certain 'divisive concepts.' OIG is including diversity and inclusion in this statement of management challenges because of the significant focus of agency leadership and resources on this topic, and to provide a summary of the diversity and inclusion efforts underway.

In June 2020, Director Olsen issued a statement on the killing of George Floyd. The Director indicated receiving concerns from Peace Corps staff and Volunteers about the agency's commitment to racial and social justice.<sup>9</sup> In response to those concerns, the Director committed resources on multiple fronts to address this challenge. The Director established a Diversity and Inclusion Taskforce, hired a senior advisor to strengthen strategies to support diversity, and designated funds for multiple activities supporting diversity initiatives among staff and Volunteers. In subsequent interviews, Peace Corps leadership communicated the importance of minority representation in post leadership, especially when supporting Volunteers of color. In addition, Peace Corps officials expressed to OIG that the agency's ability to attract and retain highly-motivated applicants to serve as Volunteers will depend on how well it responds to questions or concerns they have about the Peace Corps' approach to diversity and inclusion and the impact in countries of service. Peace Corps staff also stated that Volunteers serve overseas and their effectiveness personally and professionally is dependent on understanding the environment of the countries in which they serve.

Even before June 2020, the agency had taken steps to address this challenge. In September 2019, the Director approved a plan and funding to conduct a comprehensive barrier analysis to satisfy the Management Directive 715<sup>10</sup> requirement instead of the perfunctory analysis usually performed by agencies' Equal Employment Opportunity functions. The government-wide directive instructs agencies to uncover, examine, and remove barriers to equal participation at all levels of the workforce and develop strategic plans to eliminate them.<sup>11</sup>

<sup>9</sup> <https://www.peacecorps.gov/news/library/peace-corps-commitment-to-addressing-racial-and-social-injustice/>

<sup>10</sup> Management Directive 715 (MD-715) is the policy guidance which the Equal Employment Opportunity Commission (EEOC) provides to federal agencies for their use in establishing and maintaining effective programs of equal employment opportunity.

<sup>11</sup> <https://www.eeoc.gov/federal-sector/management-directive/instructions-federal-agencies-eeo-md-715-1>

Data from the agency and OIG activities supports the need for increased inclusion and support of staff and Volunteers of color. One source of agency data shows a lower prevalence of racial minorities in senior positions at headquarters (FP 1 and 2, and experts) and U.S. Direct Hires at posts than at lower grades of employment and in the Federal government at-large. During our oversight activities, several senior leaders at the Peace Corps have voiced concerns over the way racial inequality and bias impacts the agency, its effectiveness, and its ability to support diverse Volunteers. In fact, results of the Annual Volunteer Survey show that an increasing number of Volunteers do not think that the Peace Corps is sufficiently inclusive and supportive of people of diverse backgrounds, the percentage rising from 6 percent in 2014 to 17 percent in 2019.

To improve diversity and inclusion, the Peace Corps has implemented initiatives in the past with varying effects and degrees of longevity. One of the most prevalent is Intercultural Competence, Diversity, and Inclusion (ICD&I) training delivered to post staff and Volunteers. This training was created in 2014 to help build understanding of cultural differences among local staff and U.S. citizens, including values and perceptions of Americans going overseas. The ICD&I team, in conjunction with local staff, tailors each training to the post and its historical and cultural context to better enable post staff to support people from different backgrounds. Another initiative is the Diversity Governance Council, a governing body that issues long-term organization-level recommendations to improve diversity. Some other initiatives in the past did not produce sustained action or results largely due to a lack of follow-through related to personnel turnover and insufficient knowledge management. See the Human Capital Management challenge.

## **Progress in Addressing the Challenge**

The Office of Civil Rights and Diversity (OCD) and HR began the first stage of a comprehensive barrier analysis in March 2020, during which the agency's barrier analysis team held focus groups and reviewed data from multiple sources to identify red flags, or triggers. In subsequent stages the team will analyze triggers to determine actual barriers, develop a plan to eliminate barriers, periodically assess the success of the response, and adjust the plan and response as necessary.

The purpose of the Diversity and Inclusion Taskforce is to receive information and recommendations from the Peace Corps community, develop short-, medium-, and long-term action plans, and determine which offices should have ownership to move initiatives forward. The taskforce consists of three working groups: one focused on staff recommendations and two focused on Volunteers, from recruitment to completion of service and Third Goal.<sup>12</sup> Since its creation in July, the taskforce has gathered feedback from staff, returned Volunteers, and agency stakeholder groups.

In addition, the agency has led conversations with post and headquarters staff to determine their needs, promote understanding, and encourage ongoing discussion. Lastly employee resource groups have held learning events for staff highlighting diverse experiences and leaders of the Peace Corps.

---

<sup>12</sup> "Third Goal" refers to the third goal of the Peace Corps mission "to help promote a better understanding of other peoples on the part of Americans."

## What Needs to be Done

Besides including and supporting Volunteers and staff of diverse backgrounds, another goal communicated by agency leadership is to embed inclusion-oriented practices in all aspects of operations such as human resources, recruitment, Volunteer training, and program evaluation, instead of discrete or siloed programs. Staff further expressed that this is especially important to the Peace Corps' future as Volunteers and applicants look further into the Peace Corps' responsible and inclusive community engagement around the world. Agency leadership communicated the need to ensure sustainability by investing in long-term solutions, institutionalizing processes to continuously gather and use data, and determining how the Peace Corps' workforce will be involved in ongoing implementation.

The barrier analysis team will begin its second stage after receiving training from the Equal Employment Opportunity Commission, postponed until December 2020 because of COVID-19. In the next two stages, it will develop measurable actions to eliminate barriers and then assess progress and implement improvements on an ongoing basis. The team is expected to begin stage 4 of the barrier analysis in October 2021.

At the time of drafting this report, the diversity taskforce had paused its work. The agency awaited further guidance from the Office of Personnel Management on allowable activities under the Executive Order on Combatting Race and Sex Stereotyping. Agency leadership also noted the importance of working within the larger system of the Federal government, recognizing specific regulations, shifting priorities, and managing expectations.

## Key OIG Resources

[The Peace Corps' Commitment to Addressing Racial and Social Injustice \(Press Release 2020\)](#)

[The Peace Corps Welcomes New Senior Advisor to the Director Dr. Darlene Grant \(Press Release 2020\)](#)

[Executive Order 13950 on Combating Race and Sex Stereotyping](#)

[OPM Memo Mandatory Review of Employee Training under E.O. 13950 September 22, 2020](#)

# Advice, Assistance, and Other Reportable Matters

Review of Agency Regulations, Policies, and Procedures .....	26
Participation in Overseas Staff Training.....	26
OIG Support for Background Checks .....	26
Interference with Inspector General Independence.....	27



# Advice, Assistance, and Other Reportable Matters

## Support to the Agency

### Review of Agency Regulations, Policies, and Procedures

OIG continues to provide advice and assistance to the Peace Corps Senior Policy Committee and other offices by commenting on drafts of new or updated policies, procedures, and other documents governing agency organization or practice. During this reporting period, OIG reviewed 7 policies and interim policy statements, including several on an expedited basis to address issues related to the pandemic. Topics included the following: re-instatement and re-enrollment of RPCVs whose service was terminated due to the pandemic; non-competitive eligibility for reinstated Volunteers, Peace Corps Response Volunteers, and trainees granted completion of service status due to the pandemic; telework; employee resource groups; and incentive awards for probationary employees.

### Participation in Overseas Staff Training

OIG participated in virtual overseas staff training (OST) in June, as a continuation of the March in-person OST that was interrupted due to the COVID-19 pandemic. OIG briefed six country directors, eight directors of programming and training, and four directors of management and operations on best practices and common deficiencies noted by OIG.

### OIG Support for Background Checks

To enhance the agency's employment inquiry and security processes, OIG's Investigation Unit has worked with various Peace Corps offices to incorporate OIG database checks as part of the records checks performed during Peace Corps employment and Volunteer enrollment processes.

During the reporting period, OIG and key Peace Corps offices established a standard operating procedure to integrate and automate background checks on any individual who worked or volunteered for the Peace Corps and is seeking to return as an employee or Volunteer. This program has helped the agency comply with the employee and Volunteer background check requirements in the Sam Farr Nick Castle Peace Corps Reform Act of 2018<sup>13</sup> and enhances the agency's employment inquiry and security process. During this reporting period, OIG conducted 2,474 records checks, of which 81 were for staff and 2,393 were for Volunteers.

---

<sup>13</sup> Pub. L. No. 115-256, Sec. 303(4), 132 Stat. 3657 (Oct. 9, 2018) (codified at Section 8B(A)(7)-(8) of the Peace Corps Act).

## **Other Reportable Matters**

### **Interference with IG Independence**

Ensuring that staff and volunteer misconduct is independently and thoroughly investigated is essential to the health, safety, and wellbeing of our Volunteers. The Inspector General Act of 1978, as amended, and agency policy make OIG responsible for investigative policy related to the integrity of Peace Corps programs, including investigations into Volunteer misconduct. Peace Corps policy unequivocally supports and encourages reporting to and cooperating with OIG.

In prior semiannual reports, OIG expressed concern that the Office of General Counsel's (OGC) unilaterally issued guidance threatened the independence with which the Inspector General conducts investigations of serious Volunteer misconduct. We noted that the negative effect of OGC's guidance on OIG's ability to investigate serious Volunteer misconduct puts Volunteer safety and security at risk.

After discussions with the Director, OGC, and other senior agency management, agency policy was clarified to ensure Volunteers and staff are required to cooperate fully and truthfully with OIG. The agency policy also clarifies the responsibilities of managers and supervisors to encourage staff and Volunteers to report directly to OIG and to specifically instruct them, if requested by OIG, to comply with the policy requiring cooperation with OIG.

OIG appreciates the willingness of the agency, and OGC, to constructively address the concerns OIG previously raised and looks forward to fully implementing the change in policy.

PAGE INTENTIONALLY LEFT BLANK

# Audit Unit

Overview .....	30
Ongoing Work.....	30
Audit of the Peace Corps' Compliance with the Improper Payment Elimination and Recovery Act .....	31
Audit of Peace Corps/Thailand.....	32
Audit of Peace Corps/Ghana .....	32
Audit of Peace Corps/Ethiopia .....	33



# Audit Unit

## Overview

The Audit Unit conducts independent audits and reviews of agency programs and operations that support the Peace Corps mission. The objectives of OIG audits are to independently examine the financial and administrative operations of the Peace Corps; to promote economy and efficiency; and to ensure compliance with Federal law, regulations, and Peace Corps policy. Audits are wide ranging, covering agency activities carried out at overseas posts, as well as agency-wide operations that affect multiple offices. Auditors report their conclusions and recommendations based on data and document analyses, interviews, and direct observation. OIG also monitors the agency's progress in correcting systemic weaknesses identified in audit reports.

Audits and reviews are conducted under the direction and guidance of the Assistant Inspector General for Audits. Audits are performed in accordance with the U.S. Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States.

## Ongoing Work

OIG engaged the independent public accounting firm Williams, Adley & Company-DC, LLC to perform an audit of the agency's FY 2020 financial statements. In accordance with applicable law, OIG reviews the audit work to assure that the work performed by non-Federal auditors complies with the standards established by the Comptroller General. The auditors' report will be included in the agency's FY 2020 financial report to be issued by November 16, 2020.

OIG also engaged Williams, Adley & Company-DC, LLC to conduct the FY 2020 review of the agency's information systems security. In accordance with the Federal Information Security Modernization Act of 2014 (FISMA), OIG annually reviews the agency's information security program and reports results to the Office of Management and Budget. We will complete our FISMA reporting by October 30, 2020, and a summary of the results will be posted on our website.

Along with the final reports detailed in the following sections, the Audit Unit initiated work on an audit of the Peace Corps' management of payroll and benefits for U.S. direct hires (USDHs).

## Agency-wide Audits

### Audit of the Peace Corps' Compliance with the Improper Payment Elimination and Recovery Act

IG-20-02-A

In May 2020, OIG issued a final report on the audit of the Peace Corps' compliance with the Improper Payment Elimination and Recovery Act (IPERA).

The objectives of this audit were to assess the Peace Corps' compliance with the IPERA reporting requirements and whether the agency provided adequate disclosure within the annual Agency Financial Report (AFR). We also evaluated the accuracy and completeness of the agency's reporting.

We found that the Peace Corps did not comply with IPERA because the agency did not perform the necessary steps to assess improper payment risk to its programs. Further, the improper payment estimation that the agency provided in the FY 2019 AFR was inaccurate. The agency also did not fully utilize the tools available to it through the Do Not Pay Initiative.

However, we concluded that it is highly unlikely that the Peace Corps reached the significant improper payment threshold in FY 2019 based on the types of payments and the dollar values of the individual payments being very low in comparison to the significant improper payment threshold amounts. Furthermore, we did not identify significant improper payments that met or exceeded the IPERA-established threshold during our audit work for this audit or our other audits conducted in FY 2019, the independent public accountant's audit of the agency's FY 2019 financial statements, or other sources of OIG work conducted during the fiscal year.

Management concurred with all six recommendations made, and all remained open at the end of this reporting period.

## Audits of Operations Abroad

### Audit of Peace Corps/Thailand

IG-20-03-A

In July 2020, OIG issued a report on the audit of Peace Corps/Thailand. About 5,500 Volunteers have served at the post since it first opened in 1962. At the time of our audit, 122 Volunteers were working in the youth development and education sectors. The post had 5 USDHs and 36 full-time personal services contractors (PSCs). In FY 2019, the post's spending was approximately \$3.3 million.

While administrative and financial operations at the post generally functioned well, we noted some issues in user access to financial systems, performance and timing of collection activities, and post's adherence to State Department cashier guidance. We also found that the post did not adequately safeguard Volunteer personal health information stored within Peace Corps systems, and the medical unit at the post had inadvertently violated host-country laws against the import and distribution of certain medications.

Management concurred with all 13 recommendations made, and 9 remained open at the end of this reporting period.

### Audit of Peace Corps/Ghana

IG-20-04-A

In July 2020, OIG issued a report on the audit of Peace Corps/Ghana. About 4,400 Volunteers have served at the post since it first opened in 1961. At the time of our audit, 3 USDHs, 3 foreign service nationals (FSNs), and 44 full-time PSCs supported 128 Volunteers working in the agriculture, education, and health sectors. In FY 2018, the post's spending was approximately \$4.79 million.

The post's financial and administrative operations required significant improvement to comply with agency policies and applicable federal laws and regulations. OIG found that the post:

- Lacked adequate controls over imprest operations;
- Lacked a system to calculate allowances of Volunteers who terminated their service early and therefore failed to consistently collect overpayments of living allowances;
- Failed to maintain an adequate inventory of accountable assets;
- Did not properly record property sales;
- Lacked management oversight over authorization of financial management transactions;
- Lacked management oversight over fuel purchases;
- Engaged in unauthorized procurement activities;
- Provided unauthorized access to staff in their financial management's systems;
- Did not properly claim value added tax refunds;
- Failed to conduct security contract certifications in a timely manner;
- Failed to secure the server room and backups;
- Did not appropriately apply the medical inventory accountability process and requirements; and

- Did not appropriately apply the bills of collection process and requirements.

Management concurred with all 52 recommendations made, and 38 remained open at the end of this reporting period.

*Questioned Costs:*

Recommendation 19 – Unsupported fuel purchases: \$376  
Recommendation 20 – Various untracked IT assets: \$17,194  
Recommendation 22 – Items disposed without authorization: \$87,832  
Recommendation 23 – Unauthorized Personal Phone Line for Staff Member: \$9,700  
Recommendation 24 – Unassigned Phone Lines: \$7,500  
Recommendation 30 – Unauthorized Payments: \$12,730  
Recommendation 34 – Unsupported Feed the Future Grant: \$800  
Recommendation 49 – Unilateral Contract: \$210,203

*Funds to Be Put to Better Use:*

Recommendation 11 and 12 – Living Allowance Over/Under Collected: \$4,199  
Recommendation 26 – VAT not claimed: \$32,961  
Recommendation 33 – Uncollected Grant Funds: \$601  
Recommendation 35 – Uncollected FTF Grant Funds: \$643

## **Audit of Peace Corps/Ethiopia**

IG-20-05-A

In August 2020, OIG issued a report on the audit of Peace Corps/Ethiopia. Approximately 3,944 Volunteers have served in Ethiopia since the post was first established in 1962. At the time of our audit, 3 USDHs and 64 full-time PSCs supported 126 Volunteers working in the education, health, and agriculture sectors. In FY 2019, the post's spending was approximately \$4.2 million.

We found that the post's financial and administrative operations required improvement to comply with agency policies and applicable Federal laws and regulations. The post did not have adequate controls to collect overpaid Volunteer allowances or track generator fuel purchases and consumption. We found that documentation was missing from PSC files, and vendor release forms were incomplete. There were also issues with imprest fund management, including failure to conduct required cash counts of sub-cashier advances or ensure timely liquidation of interim advances.

In addition, a question concerning the legality in Ethiopia of certain medications prescribed to Volunteers highlighted the need for enhanced guidance from headquarters to ensure compliance with local laws when distributing medication to Volunteers. Recently the Peace Corps updated Technical Guidance-240 to address this matter.

We also noted an example of successful implementation of an internal control. Due to diligence in reviewing grant closure documentation, post staff were able to detect the theft of Volunteer grant funds by a former grants coordinator.

Management concurred with all 13 recommendations made, and 7 remained open at the end of this reporting period.

*PAGE INTENTIONALLY LEFT BLANK*

# Evaluation Unit

Overview .....	35
Ongoing Work.....	35
Evaluation of Peace Corps/Eastern Caribbean.....	36
Management Advisory Report: Peace Corps/Ghana Gas Tank Cooking Safety .....	37



# Evaluation Unit

## Overview

The Evaluation Unit provides the agency with independent evaluations of agency programs, operations, and management at overseas posts and domestic offices. Evaluations promote greater efficiency and effectiveness by identifying best management practices and by recommending program improvements. Evaluators also participate in cross-functional reviews of agency programs and operations undertaken with OIG auditors and investigators.

Evaluations are conducted under the direction and guidance of the Assistant Inspector General for Evaluations and in accordance with the CIGIE *Quality Standards for Inspection and Evaluation* (Blue Book). These standards are instrumental in maintaining impartiality, reliability, and credibility, and set the bar for competence, independence, professional judgment, and internal quality controls.

## Ongoing Work

Along with the final reports detailed in the following section, the Evaluation Unit continued work on a review of the circumstances surrounding the death of a Volunteer in Ghana and a report of recurring issues from evaluations, audits, and investigations that took place between 2014 and 2019.

## Evaluation of Operations Abroad

### Evaluation of Peace Corps/Eastern Caribbean

IG-20-03-E

In June 2020, OIG issued a report on the program evaluation of Peace Corps/Eastern Caribbean. The Peace Corps/Eastern Caribbean post covers four separate and independent nations—St. Lucia, St. Vincent, Dominica, and Grenada. About 3,996 Volunteers have served at this post since St. Lucia opened as one of the agency's first three programs in 1961. At the time of our evaluation, the post supported 70 Volunteers serving 2-year terms in the primary English literacy project and 15 Peace Corps Response Volunteers. The post's FY 2020 operating plan was approximately \$2.7 million.

Our evaluation identified several aspects of the post's operations that functioned well. Two-year primary English literacy (PEL) Volunteers served in areas of need on each island. Volunteers were satisfied with their healthcare and their safety and security training, and Volunteer housing met health and safety standards. Staff responded sufficiently to security incidents, and the post had improved emergency preparedness based on lessons learned from recent hurricane events. Two-year Volunteers were integrated at sites and satisfied with programmatic support and counterparts.

However, we found several issues that required management attention. Post staff's low morale had been a long-running challenge that hindered operational effectiveness. Staff reported that their training needs were not being met, and we learned that some tasks were not completed because either standard operating procedures were not followed or staff were not trained to complete them. The Peace Corps Response program needed significant improvement in most aspects we examined, including site preparation, identification of quality job assignments, training and support, and overall program oversight. Technical training did not sufficiently prepare literacy Volunteers for their assignments, and the post was not adequately assessing trainees' readiness to serve before swearing them in as Volunteers. We also found that the literacy project goals were mis-aligned with Volunteer activities and that the post's lack of formal relationships with host-country stakeholders reduced the literacy project's impact. Finally, the post needed improved data collection to determine the sufficiency of living and settling-in allowances for Volunteers on each island.

Management concurred with all 14 recommendations made, and 13 remained open at the end of this reporting period.

## **Management Advisory Report**

### **Peace Corps/Ghana Gas Tank Cooking Safety**

IG-20-02-SR

In July 2020, OIG issued a management advisory report on Peace Corps/Ghana gas tank cooking safety following a review to assess the sufficiency of Volunteer training and Volunteer housing procedures to mitigate the risk of accidents involving gas tanks used for cooking. The review was initiated to address questions raised by an OIG investigation of the accidental death of a Peace Corps/Ghana Volunteer due to burn injuries from a gas tank explosion.

Our review found that Peace Corps/Ghana was not sufficiently training Volunteers on the safe use of gas tanks and cookstoves before the accident. Additionally, the Peace Corps did not have regional or global policy or requirements instructing posts to train Volunteers on gas or cooking safety, nor was there any post-specific guidance or requirements for Peace Corps/Ghana. OIG also found that Peace Corps/Ghana's housing standards, housing check procedures, and site visit practices would not identify and address vulnerabilities in Volunteer kitchen setups related to gas cooking safety. In October 2019, Peace Corps/Ghana had removed housing requirements that required the gas tank to be kept outside the house and for the house to have adequate cross-ventilation. Furthermore, Peace Corps staff in Ghana had not been checking all housing for Volunteers replacing a Volunteer, and site visits to Volunteers did not include a check of the kitchen.

Our report notes that we did not conclude that the gas tank accident would have been prevented had there not been the gaps in policies and procedures. Rather the report was issued so the agency could take timely action to mitigate future risk of Volunteer injuries when using gas tanks to cook. OIG is currently conducting a separate review that assesses the post's response to the accident.

Our report made four recommendations, two of which were addressed to headquarters to provide better assurance of adequate Volunteer training and site management related to cooking safety at Peace Corps posts globally. The other two recommendations were directed to Peace Corps/Ghana to improve the post's housing requirements and site visit procedures to reduce the risk of future accidents. This review was led by the Evaluation Unit with contributions from the Investigation Unit.

Management concurred with all four recommendations, and all remained open at the end of this reporting period.

# Investigation Unit

Overview .....	39
Indictment for Attempting to Defraud the Peace Corps and Nonprofit Entities .....	40
Report of Staff Involvement in a Traffic Death in the Africa Region (Update).....	40
Report of Volunteers Arrested for Possession of Marijuana in the Europe, Mediterranean, and Asia Region.....	40
Report of Possible Murder in the Inter-Americas and the Pacific Region.....	41



# Investigation Unit

## Overview

The Investigation Unit is authorized to conduct investigations of alleged criminal and administrative violations of law, regulation, and policy in Peace Corps programs and operations, both domestically and internationally. The Unit investigates allegations involving Peace Corps staff, contractors, Volunteers, and other individuals conducting transactions with the Peace Corps. Allegations are made by Peace Corps stakeholders such as Volunteers, trainees, staff, contractors, other Federal entities, and the general public. OIG receives these allegations through audits, evaluations, Hotline complaints, and other means. OIG investigators have full law enforcement authority, including the authority, upon probable cause, to seek and execute warrants for arrest, search premises, and seize evidence. They are authorized to carry firearms and to make arrests without a warrant while engaged in official duties. In addition, OIG receives substantial investigative support from the Department of State, Bureau of Diplomatic Security.

The Investigation Unit continues to implement the Sam Farr and Nick Castle Peace Corps Reform Act of 2018 provisions regarding independent reviews of the facts and circumstances surrounding Volunteer deaths. It is the practice of the Investigation Unit to review the details of each incident to assess whether further investigation is required.

Because of the COVID-19 pandemic, all Peace Corps Volunteers were recalled to the United States, and most Peace Corps staff were placed on full-time telework prior to the beginning of this reporting period. As such, the Investigation Unit experienced a significant decline in the number of complaints received.

At the close of this semi-annual reporting period, Diplomatic Security Special Agent (SA) Reeve Davis concluded a 2-year detail with OIG and departed for an overseas assignment. During his tenure with OIG, SA Davis was instrumental in the successful resolution of numerous investigations.

## **Investigations of Criminal and Administrative Misconduct**

### **Indictment for Attempting to Defraud the Peace Corps and Nonprofit Entities**

Jaime Walsh was charged in an eight-count Federal indictment for multiple forms of fraud, including wire fraud, mail fraud, bank fraud, and fraudulent claims against the Government.

According to the indictment, between June 2013 and March 2019, Walsh carried out a scheme to defraud various organizations including charities, nonprofit entities, and the Peace Corps. Walsh's scheme was to make an online donation to an organization, then request a refund from the organization claiming the donation amount was in error. Once refunded, he would withdraw the money from his account, and the original donation payment would be rejected due to insufficient funds, resulting in a complete loss to the organization of the refunded amount.

This case was investigated by the U.S. Postal Inspection Service, U.S. Secret Service, Tennessee Highway Patrol, and Peace Corps OIG, and is being prosecuted by the Department of Justice, U.S. Attorney's Office for the Western District of Tennessee.

If convicted, Walsh faces up to 20 years imprisonment followed by 3 years of supervised release.

### **Report of Staff Involvement in a Traffic Death in the Africa Region (UPDATE)**

OIG continues to investigate a Peace Corps staff member's involvement in the traffic death of a host country national. During the previous semiannual period, the OIG referred the matter to the agency for security clearance review.

### **Report of Volunteers Arrested for Possession of Marijuana in the Europe, Mediterranean, and Asia (EMA) Region**

During the prior reporting period, OIG received notification that two Volunteers were arrested in their country of service for possession of marijuana. After 2 months of pre-trial detention, during which time both Volunteers were confined in a local prison facility, the Volunteers were found guilty, fined, and released. Both Volunteers resigned from the Peace Corps in lieu of administrative separation. OIG interviewed both Volunteers, who admitted they had gathered marijuana growing in the wild and were transporting it in a taxi cab at the time of their arrest.

## **Report of Possible Murder in the Inter-Americas and the Pacific Region**

OIG received a report relayed by a staff member from a former Volunteer of a murder committed by a foreign national. The Volunteer had allegedly reported to the staff member that the foreign national, whom the Volunteer previously dated, claimed to have murdered someone in the foreign national's home country (not the Volunteer's country of service). OIG initiated an investigation and interviewed the former Volunteer, who refused to provide additional information or cooperate any further with the investigation. OIG coordinated closely with the police service of the country where the murder reportedly occurred, but we found no evidence to corroborate that a murder took place involving the foreign national.

# Tables

1: List of Reports: Audits and Program Evaluations .....	43
2: Reports with Questioned Costs, Unsupported Costs, and Funds to Be Put to Better Use .....	43
3: Status of Reports Issued by OIG with Questioned and Unsupported Costs.....	44
4: Status of Reports Issued by OIG with Funds to Be Put to Better Use.....	44
5: Recommendations on which Corrective Action Has not Been Completed .....	45
6: Summary of Hotline and Other Complaints .....	66
7: Summary of Investigative Activities and Outcomes .....	67
8: References to Reporting Requirements of the Inspector General Act .....	68



# Tables

## 1: List of Reports: Audits, Program Evaluations, and Other Reports

Agency-wide Audits	Page
Audit of the Peace Corps' Compliance with the Improper Payments Elimination and Recovery Act (IG-20-02-A)	31

Post Audits	Page
Audit of Peace Corps/Thailand (IG-20-03-A)	32
Audit of Peace Corps/Ghana (IG-20-04-A)	32
Audit of Peace Corps/Ethiopia (IG-20-05-A)	33

Post Evaluations	Page
Evaluation of Peace Corps/Eastern Caribbean (IG-20-03-E)	36

Other Reports	Page
Management Advisory Report: Peace Corps/Ghana Gas Tank Cooking Safety (IG-20-02-SR)	37

## 2: Reports with Questioned Costs, Unsupported Costs, and Funds to Be Put to Better Use

Report	Questioned Costs <sup>14</sup>	Unsupported Costs <sup>15</sup>	Funds to Be Put to Better Use <sup>16</sup>
Audit of Peace Corps/Ghana (IG-20-04-A)	\$346,335		\$38,404
Subtotal	\$346,335		\$38,404
<b>Total</b>			<b>\$384,739</b>

<sup>14</sup> Questioned Cost – A cost that is an alleged violation of government or Peace Corps regulations. For example: prohibited purchases and expenditure of funds for purposes that do not relate to the Peace Corps mission.

<sup>15</sup> Unsupported Cost – A cost that is not supported by adequate documentation.

<sup>16</sup> Funds to Be Put to Better Use – Funds that could be used more efficiently if management took actions to implement and complete a recommendation.

### 3: Status of Reports Issued by OIG with Questioned and Unsupported Costs

Recommendation Status	Number of Reports	Questioned Costs	Unsupported Costs
No management decision made by the start of the reporting period	5	\$4,365,972	\$649,300
Issued during the reporting period			
Audits	1	\$346,335	-
<b>Total</b>	<b>6</b>	<b>\$4,712,307</b>	<b>\$649,300</b>
Management decision made during the reporting period			
(i) Disallowed costs <sup>17</sup>	1	\$9,700	-
(ii) Costs not disallowed <sup>18</sup>	-	-	-
Subtotal	1	\$9,700	-
<b>Total for which no management decision had been made by the end of the reporting period</b>	<b>6</b>	<b>\$4,702,607</b>	<b>\$649,300</b>

### 4: Status of Reports Issued by OIG with Funds to Be Put to Better Use

Recommendation Status	Number of Reports	Funds to Be Put to Better Use
No management decision made by the start of the reporting period	1	\$350,000
Issued during the reporting period		
Audits	1	\$38,404
<b>Total</b>	<b>2</b>	<b>\$388,404</b>
Management decision made during the reporting period		
(i) Dollar value of recommendations agreed to by management	-	-
(ii) Dollar value of recommendations not agreed to by management	-	-
Subtotal	-	-
<b>Total for which no management decision had been made by the end of the reporting period</b>	<b>2</b>	<b>\$388,404</b>

<sup>17</sup> “Disallowed costs” are costs that, upon review, management determined that they are not allowable.

<sup>18</sup> “Costs not disallowed” are costs that, upon review, management determined that they are allowable.

## 5: Recommendations on Which Corrective Action Has Not Been Completed

Number of Recommendations Open at the End of the Reporting Period	Number of Recommendations Open for More than 180 Days
281	204

### Audits and Evaluations

#### Follow-up Evaluation of the Volunteer Delivery System (IG-11-01-E)

1 of 23 recommendations open since December 6, 2010

**Recommendation 18:** OIG recommended that the agency systematically collect and analyze data to determine whether Volunteer medical accommodations pose an undue hardship on the operation of the Peace Corps or any component thereof.

#### Evaluation of the 5-Year Rule (IG-12-05-E)

2 of 5 recommendations open since June 20, 2012

**Recommendation 2:** OIG recommended that the Director identify which functions should be subject to periodic turnover to meet the needs of the agency, and implement a process to manage turnover so that the agency retains qualified personnel on the basis of merit and performance.

**Recommendation 3:** OIG recommended that the Director identify the agency's core business functions and positions that currently suffer from frequent staff turnover and lack of continuity, and determine and implement a process for acquiring and retaining qualified personnel to perform those functions on the basis of merit and performance.

#### Audit of Peace Corps Overseas Staffing (IG-14-01-A)

4 of 13 recommendations open since November 21, 2013

**Recommendation 9:** OIG recommended that the Office of Global Operations, in coordination with the Office of Human Resource Management, determine how to overcome the timing differences between the Annual Volunteer Survey and annual written appraisals to better match the performance appraisal period and provide timely Annual Volunteer Survey results for inclusion in the annual written performance appraisals.

**Recommendation 10:** OIG recommended that the Office of Human Resource Management provide biennial training and guidance to all post rating officials on their role in conducting performance appraisals and the level of detail needed to provide adequate feedback.

**Recommendation 11:** OIG recommended that the Office of Global Operations develop guidance and provide oversight of post senior staff performance appraisals to verify that each performance element is consistently addressed in the appraisal.

**Recommendation 13:** OIG recommended that the Office of Global Operations, in coordination with the Office of Human Resource Management, issue guidance and provide support to regional directors on how to handle performance issues and, when required, termination of country directors.

#### Evaluation of Peace Corps Volunteer Sexual Assault Policy (IG-14-02-E)

2 of 8 recommendations open since November 21, 2013

**Recommendation 7:** OIG recommended that the agency develop and communicate expectations for training newly hired overseas staff, including training methods and deadlines.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 8:** OIG recommended that the agency develop and implement a method to track training records to verify that it is meeting the requirements of the Kate Puzey Act.

### **Evaluation of Overseas Staff Training (IG-14-07-E)**

12 of 23 recommendations open since September 30, 2014

**Recommendation 1:** OIG recommended that the chief of staff develop and implement a process to ensure that all overseas staff, including newly hired staff, complete the sexual assault policy training.

**Recommendation 2:** OIG recommended that the chief of staff monitor the victim sensitivity training and ensure staff takes it, as needed.

**Recommendation 3:** OIG recommended that the associate director for global operations periodically review and redistribute the standardized training on the confidential handling of Volunteer allegations and create a process to ensure it is provided to all overseas staff.

**Recommendation 4:** OIG recommended that the director for human resource management maintain a complete list of supervisors and provide initial and refresher supervisor training to all staff in a supervisory role, regardless of employment classification.

**Recommendation 5:** OIG recommended that the director for human resource management develop and implement a method to track supervisor training for overseas staff and hold staff accountable for completion of the training.

**Recommendation 8:** OIG recommended that the associate director for global operations develop and implement an approach that ensures that overseas American staff have the language skills they need for their jobs.

**Recommendation 14:** OIG recommended that the chief acquisition officer establish and implement a formal verification and follow-up process to ensure purchase cardholders and approving officials are receiving required training.

**Recommendation 18:** OIG recommended that the chief information officer develop and implement a method to track information security training completion for overseas staff and enforce consequences for staff who do not meet the training requirement.

**Recommendation 21:** OIG recommended that the chief of staff develop and implement a process to conduct staff training needs assessments on an ongoing basis.

**Recommendation 22:** OIG recommended that the associate director for global operations develop and implement a training program that is required for all new overseas staff who do not attend overseas staff training within a determined timeframe.

**Recommendation 23:** OIG recommended that the associate director for global operations monitor completion of the training program for new overseas staff.

**Recommendation 24:** OIG recommended that the chief of staff conduct a comprehensive assessment of the applicability and relevance of federally mandated trainings to overseas staff and develop training requirements and training programs as necessary.

### **Audit of the Peace Corps' Healthcare Benefits Administration Contract (IG-16-02-A)**

4 of 15 recommendations open since January 21, 2016

**Recommendation 6:** OIG recommended that the chief acquisition officer direct the contracting officer to modify the present contract to correctly identify the contract type.<sup>19</sup>

---

<sup>19</sup> The agency did not concur with this recommendation.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 7:** OIG recommended that the chief acquisition officer implement policy to ensure that the Peace Corps' contracting officers follow Federal Acquisition Regulation Subpart 16.1, "Selecting Contract Types."

**Recommendation 10:** OIG recommended that the chief acquisition officer direct the contracting officer to determine if there has been and overpayment related to the non-use of the MDR benchmark before calculating the network fee over the period October 1, 2005 through July 31, 2015. If it is determined an overpayment has been made, the chief acquisition officer should seek a recovery of the amount overpaid.  
*Potential Cost Savings Identified: \$3,200,000*

**Recommendation 12:** OIG recommended that the Office of Health Services associate director, ensure that the contracting officer's representative develop a detailed plan for reviewing and testing sufficient selected data supporting contractor invoices submitted to the Peace Corps for payment. The plan should be designed to achieve better assurance that the amounts billed are accurate, fully supported, and authorized by the contract.

### **Follow-Up Evaluation of Issues Identified in the 2010 Peace Corps/Morocco Assessment of Medical Care (IG-16-01-E)**

7 of 23 recommendations open since March 23, 2016

**Recommendation 8:** OIG recommended that the associate director of the Office of Health Services perform all root cause analyses in a manner that includes key components (system focus, cause/effect, action plan and measures).

**Recommendation 9:** OIG recommended that the associate director of the Office of Health Services improve staff understanding of best practices for selecting sentinel events for review and for carrying out root cause analyses.

**Recommendation 16:** OIG recommended that the associate director of the Office of Health Services and the associate director for Global Operations ensure that country directors receive clear guidance on all of their health unit oversight responsibilities.

**Recommendation 17:** OIG recommended that the associate director of the Office of Health Services and the associate director for Global Operations update agency guidance to ensure that the division of oversight responsibility for the health unit is clear and that all health unit responsibilities are covered.

**Recommendation 21:** OIG recommended that the associate director of the Office of Health Services assess the amount of administrative support required to allow regional medical officers to work effectively and efficiently, and request the required resources.

**Recommendation 22:** OIG recommended that the associate director of the Office of Health Services develop a plan, in collaboration with other offices as appropriate, to address the causes of Peace Corps medical officer job dissatisfaction and improve retention of qualified PCMOs.

**Recommendation 23:** OIG recommended that the associate director of the Office of Health Services assess staffing configurations at posts and regional medical hubs and develop a plan to provide health units with sufficient clinical and administrative support staff.

### **Evaluation of the Peace Corps' Sexual Assault Risk Reduction and Response Program (IG-17-01-E)**

6 of 36 recommendations open since November 28, 2016

**Recommendation 2:** OIG recommended that the Director improve the presentation of crimes and risks information (including qualitative information on the risk of sexual harassment) for applicants by making this information more accessible to all applicants and easier to understand.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 16:** OIG recommended that the Director establish a process to gather information on Volunteers' use of risk reduction and response skills taught in the training, and use it to make improvements to the training.

**Recommendation 18:** OIG recommended that the Director develop and implement mental health access to care timeliness standards for victims of sexual assault with a mechanism to notify management when these standards are not met.

**Recommendation 26:** OIG recommended that the Director expand the monitoring and evaluation plan for the sexual assault risk reduction and response program to include sexual assault risk reduction measures.

**Recommendation 29:** OIG recommended that the Director dedicate additional administrative support to maintain accurate, up-to-date, centralized, and easily accessible overseas staff sexual assault risk reduction and response training records.

**Recommendation 35:** OIG recommended that the Director develop specific guidance to Peace Corps medical officers to clarify the standards and expectations for the provision of counseling services, and communicate that guidance to Volunteers.

### **Evaluation of Peace Corps/South Africa (IG-17-03-E)**

1 of 13 recommendations open since June 19, 2017

**Recommendation 2:** OIG recommended that the Office of Health Service in consultation with the country director and Peace Corps medical officers in South Africa take into account the nature of service in the country when making decisions about placing and supporting medically accommodated Volunteers, especially those with mental health accommodations.<sup>20</sup>

### **Follow-up Audit of Peace Corps/Zambia (IG-17-05-A)**

1 of 21 recommendations open since September 29, 2017

**Recommendation 19:** OIG recommended that the Office of the Chief Financial Officer/Acquisition and Contract Management issue a policy requiring post management to enter in to a contract with the auctioneer as warranted by the nature of the auction arrangement.

### **Follow-up Review of Peace Corps/Uganda (IG-18-04-E)**

2 of 7 recommendations open since April 9, 2018

**Recommendation 4:** OIG recommended that the director of programming and training improve the post's practices during site identification and approval to collect information about transportation options at each site, including the physical distances from Volunteers' houses and work sites to a standard form of transportation.

**Recommendation 7:** OIG recommended that the director of programming and training create a plan to develop, implement and communicate a more standardized and effective site identification, preparation and approval process.

### **Audit of Peace Corps/eSwatini (IG-19-02-A)**

3 of 30 recommendations open since June 6, 2019

**Recommendation 26:** OIG recommended that the country director and director of management and operations consult with the Office of the Chief Financial Officer on the corrections necessary regarding this purchase and follow their guidance, as necessary.

*Potential Cost Savings Identified: \$4,500*

<sup>20</sup> The agency did not concur with this recommendation.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 27:** OIG recommended that the director of management and operations follow the PEPFAR guidance for allocating funds.

**Recommendation 28:** OIG recommended that the director of management and operations implement post specific controls to record and track the use of fuel for generators.

### **Evaluation of Peace Corps/Comoros (IG-19-03-E)**

11 of 21 recommendations open since June 14, 2019

**Recommendation 2:** OIG recommended that the chief of operations for the Africa Region work with post leadership to develop a plan to implement the post's transition to a new staffing model and clarify staff roles and responsibilities.

**Recommendation 3:** OIG recommended that the country director and the program manager work with the agency's education specialist to modify the TEFL training sessions in both pre-service and in-service training to incorporate more information about teaching in Comorian schools.

**Recommendation 4:** OIG recommended that the country director and the program manager improve the model school experience during pre-service training to provide trainees with a more relevant practicum that reflects what Volunteers will face in a typical Comorian classroom.

**Recommendation 5:** OIG recommended that the country director and the program manager improve training for any temporary technical trainer to ensure that he or she is well prepared to present the TEFL technical training during pre-service or in-service training events.

**Recommendation 7:** OIG recommended that the country director and the language and culture coordinator explore ways to improve ongoing language training opportunities for Volunteers.

**Recommendation 8:** OIG recommended that the country director implement the trainee assessment portfolio to provide formative assessments to trainees, determine which trainees will be allowed to swear in, and document the assessment process.

**Recommendation 11:** OIG recommended that the country director develop standard operating procedures for the post's site history files.

**Recommendation 13:** OIG recommended that the country director improve the processes post uses to install mosquito screens in Volunteer homes prior to occupancy, and ensure that screens have been installed at the housing of currently serving Volunteers.

**Recommendation 15:** OIG recommended that the country director and Peace Corps medical officer update medical site selection criteria and train programming staff who use it when carrying out site identification activities.

**Recommendation 16:** OIG recommended that the country director ensure that medical staff is included in site approval decisions.

**Recommendation 17:** OIG recommended the country director establish and oversee implementation of more effective protocols, schedules and documentation requirements for programmatic site visits.

### **Evaluation of Peace Corps/Paraguay (IG-19-04-E)**

7 of 16 recommendations open since July 16, 2019

**Recommendation 1:** OIG recommended that the director of programming and training work with staff and Volunteers to integrate training on harassment into language, cultural, and other aspects of trainings so that Volunteers in Paraguay learn appropriate and practical ways to mitigate and respond to harassment they may experience.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 2:** OIG recommended that the director of programming and training ensure that project framework revisions are appropriately limited in focus to facilitate more in-depth technical training that prepares Volunteers to carry out their primary assignments.

**Recommendation 3:** OIG recommended that the director of programming and training improve collaboration between the programming and training teams in the design and delivery of technical training for Volunteers.

**Recommendation 5:** OIG recommended that the country director and director of programming and training develop a plan to improve management and oversight of a more consistent and efficient site identification and selection process.

**Recommendation 6:** OIG recommended that the director of programming and training develop, document, and implement site identification criteria that help the post select suitable host families, counterparts, organizations, and communities.

**Recommendation 8:** OIG recommended that the country director establish procedures to ensure more timely availability of a driver for medical emergency response.

**Recommendation 10:** OIG recommended that the country director and Peace Corps medical officers adhere to Technical Guideline 510, and clarify to medical staff and Volunteers the referral process for providing mental health counseling support to Volunteers.

### **Homestay Impact Evaluation (IG-19-05-E)**

4 of 4 recommendations open since July 29, 2019

**Recommendation 1:** OIG recommended that the deputy director of the Office of Strategic Information, Research, and Planning collaborate with the Office of Safety and Security to develop a plan to assess the impact of homestay requirements on Volunteer safety using Interrupted Time Series analysis or a similarly robust approach.

**Recommendation 2:** OIG recommended that the deputy director of the Office of Strategic Information, Research, and Planning collaborate with the Office of Overseas Programming and Training Support to develop a plan to assess the impact of homestay requirements on Volunteer language proficiency using Interrupted Time Series analysis or a similarly robust approach.

**Recommendation 3:** OIG recommended that the associate director of the Office of Global Operations issue guidance to posts that describes how and why to emphasize both privacy and support when training host families.<sup>21</sup>

**Recommendation 4:** OIG recommended that the associate director of the Office of Global Operations provides guidance to posts about initiating, increasing, and implementing homestay requirements in order to mitigate the challenges associated with these policies.

### **Evaluation of Peace Corps/Kyrgyz Republic (IG-19-08-E)**

4 of 9 recommendations open since September 27, 2019

**Recommendation 1:** OIG recommended that the Europe, Mediterranean, and Asia regional director develop a strategy to deploy to the post a leadership team with sufficient experience and expertise to support and facilitate effective communication and collaboration with staff, Volunteers, and stakeholders.

**Recommendation 3:** OIG recommended that the country director implement a procedure to annually review and update an earthquake checklist with the safety and security manager and incorporate the checklist into the emergency action plan.

---

<sup>21</sup> The agency partially concurred with this recommendation.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 6:** OIG recommended that the director of programming and training ensure sexual assault and harassment training includes practical response techniques.

**Recommendation 9:** OIG recommended that the safety and security manager ensure relevant safety and security information is included in all site history files.

### **Audit of Peace Corps/Fiji (IG-19-04-A)**

2 of 12 recommendations open since September 30, 2019

**Recommendation 1:** OIG recommended that the country director work with the Office of General Counsel to initiate negotiations as called for in the country agreement, with the goal of achieving tax exempt status on certain purchases.

*Potential Cost Savings Identified: \$439,500*

**Recommendation 10:** OIG recommended that the Office of the Chief Financial Officer/Acquisition and Contract Management issue a policy requiring post management to enter in to a contract with the auctioneer as warranted by the nature of the auction arrangement.

### **Audit of the Peace Corps' Compliance with the Digital Accountability and Transparency Act (IG-20-01-A)**

4 of 4 recommendations open since November 7, 2019

**Recommendation 1:** OIG recommended that the chief financial officer designate a senior accountable officer at a high enough level to coordinate across the multiple divisions of the Office of the Chief Financial Officer.

**Recommendation 2:** OIG recommended that the Director develop a risk profile in alignment with the agency's enterprise risk management policy and OMB Circular No. A-123, Management Responsibility for Enterprise Risk Management and Internal Control. This should include risks associated with the controls over the source systems and reporting for the Digital Accountability and Transparency Act of 2014.

**Recommendation 3:** OIG recommended that the chief financial officer develop and implement a data quality plan that aligns with the requirement of OMB memorandum 18-16 and outlines the risk and mitigating controls the agency has in place to demonstrate that the data submitted is of high quality.

**Recommendation 4:** OIG recommended that the chief financial officer require all quality review steps, outlines in the data quality plan, be performed prior to the senior accountable officer certification of the quarterly submissions for the Digital Accountability and Transparency Act of 2014.

### **Evaluation of Peace Corps/Panama (IG-20-01-E)**

11 of 14 recommendations open since March 6, 2020

**Recommendation 1:** OIG recommended that the director of programming and training align the health project goals with national development goals and the work Volunteers can realistically accomplish as part of the agency's programming, training, and evaluation realignment process.

**Recommendation 2:** OIG recommended that the monitoring, reporting, and evaluation specialist develop an action plan to improve monitoring, reporting, and evaluation that addresses staff and Volunteer capacity, data quality, reporting to stakeholders, and data driven program improvement.

**Recommendation 3:** OIG recommended that the Peace Corps medical officers collaborate with the training manager and the Counseling and Outreach Unit to revise the post's training about mental health care so that it clarifies the process for accessing mental health services and sufficiently acknowledges the adjustment challenges and risks of mental health complications during service.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 4:** OIG recommended that the director of programming and training collaborate with the safety and security manager to develop a plan to improve the post's compliance with safety criteria for Volunteer housing.

**Recommendation 5:** OIG recommended that the director of programming and training organize site history files by site, ensure that staff are properly documenting crime incidents in the files, and institute a procedure to consult site history files as part of site development.

**Recommendation 6:** OIG recommended that the country director and the safety and security manager conduct consolidation tests to improve Volunteer awareness of their consolidation point.

**Recommendation 8:** OIG recommended that the director of management and operations develop a plan to differentiate settling-in costs between Volunteers with furnished and unfurnished houses.

**Recommendation 9:** OIG recommended that the director of management and operations improve the administration of allowance surveys to raise the Volunteer response rate.

**Recommendation 10:** OIG recommended that the director of management and operations develop a plan to improve the administrative unit's collaboration with other staff.

**Recommendation 11:** OIG recommended that the country director hire a medical assistant and return the shared staff to the administrative unit.

**Recommendation 14:** OIG recommended that the country director develop and implement a plan to oversee the completion of Sexual Assault Risk Reduction and Response trainings, as required.

### **Evaluation of Peace Corps/Tanzania (IG-20-02-E)**

22 of 22 recommendations open since March 31, 2020

**Recommendation 1:** OIG recommended that the country director ensures there are sufficient funds at the post available to improve housing when communities are unable to pay for necessary upgrades.

**Recommendation 2:** OIG recommended that the director for programming provide sufficient oversight to ensure that the process of site development is well-planned and organized and staff are appropriately documenting and sharing information about the progress of each site.

**Recommendation 3:** OIG recommended that the director for programming revise the timeline for site development to conform with the Programming, Training, and Evaluation Guidance that the site identification process should begin a year before Volunteers arrive at site.

**Recommendation 4:** OIG recommended that the country director ensure that site and housing criteria checklists are accurately completed and approved before Volunteers move into their permanent sites.

**Recommendation 5:** OIG recommended that the country director develop and implement a post site history file standard operating procedure which conforms with the requirements of Safety and Security Instruction 401.

**Recommendation 6:** OIG recommended that the country director finalize the post's site management manual.

**Recommendation 7:** OIG recommended that the country director ensure staff required to use the Volunteer information database application have been fully trained to use the most recent version.

**Recommendation 8:** OIG recommended that the programming staff get updated phone numbers for Volunteers and a contact at each Volunteer's site for all currently serving Volunteers and ensure that information is entered in the Volunteer information database application (Version 2.0).

**Recommendation 9:** OIG recommended that the country director create a standard operating procedure which designates responsibilities and procedures for different functions in the Volunteer information database application (Version 2.0).

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 10:** OIG recommended that the Peace Corps safety and security officer conduct a Peace Corps manual section 270 review.

**Recommendation 11:** OIG recommended that the Peace Corps safety and security officer conduct a full country risk assessment for the post.

**Recommendation 12:** OIG recommended that the country director and director of management and operations work with Volunteers to increase settling-in allowance survey participation and the post's understanding of Volunteer settling-in challenges.

**Recommendation 13:** OIG recommended that the country director and director of management and operations evaluate whether settling-in allowances should be changed to reflect different living situations.

**Recommendation 14:** OIG recommended that the country director clarify and communicate the process for obtaining reimbursement for additional settling-in expenses.

**Recommendation 15:** OIG recommended that the director of programming establish more active and regular participation in PEPFAR country-level planning and coordination.

**Recommendation 16:** OIG recommended that the country director develop and pursue a strategy to formalize agreements between the Government of Tanzania and the Peace Corps.

**Recommendation 17:** OIG recommended that the country director establish more active and regular engagement with project advisory committees.

**Recommendation 18:** OIG recommended the country director revise the post staffing structure to a more conventional director of programming and training, and deputy director of programming and training.

**Recommendation 19:** OIG recommended that the country director, director of programming, and director of training establish a formal plan to improve planning and coordination of programming and site management activities with training and other staff.

**Recommendation 20:** OIG recommended that the country director address personnel performance issues per agency policy.

**Recommendation 21:** OIG recommended that the Africa regional director provide resources for team building and conflict mediation between the programming and training units and United States direct hire staff.

**Recommendation 22:** OIG recommended that the country director and Africa regional director take appropriate corrective action to ensure that all staff at the post protect Volunteer confidentiality and do not share protected or sensitive information without written permission from Volunteers, in accordance with Peace Corps manual section 294.

### **Audit of the Peace Corps' Compliance with the Improper Payments Elimination and Recovery Act (IG-20-02-A)**

6 of 6 recommendations open since May 15, 2020

**Recommendation 1:** OIG recommended that the Director develop a risk profile in alignment with the agency's comprehensive enterprise risk management policy.

**Recommendation 2:** OIG recommended that the Director develop a comprehensive risk assessment document that follows OMB M-18-20 and addresses the risk factors over all payment methods as outlined in this guidance document.

**Recommendation 3:** OIG recommended that the Director develop a comprehensive tracking system to record all improper payments, dollar values of the errors, and corrective actions taken for each of the six disbursement groups.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 4:** OIG recommended that the Chief Financial Officer develop and implement formal procedures and training for staff to ensure they understand how to detect and track improper payments.

**Recommendation 5:** OIG recommended that the Chief Financial Officer obtain, validate, and retain support on improper payment amounts reported in the Annual Financial Report.

**Recommendation 6:** OIG recommended that the Chief Financial Officer develop and implement procedures to validate all vendor and pre-payment information on a routine and recurring basis against all ten of the Do Not Pay Portal databases.

### **Evaluation of Peace Corps/Eastern Caribbean (IG-20-03-E)**

13 of 14 recommendations open since June 22, 2020

**Recommendation 1:** OIG recommended that the director for programming and training, with guidance from the regional chief of programming and training, develop a primary English literacy framework with objectives and indicators that accurately reflect how Volunteers can best achieve literacy project success.

**Recommendation 2:** OIG recommended that the country director develop a plan to improve management of key aspects of the post's Response program, including: identification and vetting of Response Volunteer assignments, selection and preparation of work sites and partners, training of Response Volunteers on local language and culture, and staff communication and collaboration to support the program.

**Recommendation 3:** OIG recommended that the country director swear-in Volunteers based on staff's completed assessment of trainees' readiness to serve and qualifications.

**Recommendation 4:** OIG recommended that the director of programming and training provide more oversight of staff's completion of trainee assessments, per the post's trainee assessment portfolio guidelines.

**Recommendation 5:** OIG recommended that the director of programming and training incorporate more opportunity for education project trainees to practice teaching before going to their permanent sites, and ensure staff observe, assess, and document trainees' acquisition of teaching skills prior to their swearing-in.

**Recommendation 6:** OIG recommended that the director of programming and training ensure that the post adheres to its standard operating procedure for the collection, documentation, recordation, and proper utilization of site history files.

**Recommendation 8:** OIG recommended that the director of management and operations train staff on how to conduct market-basket surveys and have staff conduct a market-basket survey for each island, as required by Manual Section 221.

**Recommendation 9:** OIG recommended that the country director and director of management and operations work with Volunteers to increase living and settling-in allowance survey participation.

**Recommendation 10:** OIG recommended that the country director work with relevant headquarters offices and post staff to improve and assess employee engagement in decision-making and foster an environment that supports better communication, collaboration, and information sharing among staff.

**Recommendation 11:** OIG recommended that the country director establish processes and practices that improve communication lines between staff, including those across different islands.

**Recommendation 12:** OIG recommended that the country director develop a memorandum of understanding or similar agreement for the literacy project with the appropriate ministry or national-level government partner for each country.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 13:** OIG recommended that the country director establish a project advisory committee for each country.

**Recommendation 14:** OIG recommended that the country director develop and implement a plan to address staff training needs.

### **Audit of Peace Corps/Thailand (IG-20-03-A)**

9 of 13 recommendations open since July 2, 2020

**Recommendation 1:** OIG recommended that the Office of Health Services modify medical technical guidelines to provide reasonable assurance that the Peace Corps complies with all laws and customs of host countries when importing, prescribing, and dispensing medication.

**Recommendation 2:** OIG recommended that the Office of Health Services develop training on maintaining and protecting personal health information in accordance with Manual Section 294 Policy and Procedures.

**Recommendation 3:** OIG recommended that the Office of the Chief Financial Officer provide training to post administrative and medical units on Overseas Financial Management Handbook guidance regarding medical confidentiality and processing medical vouchers.

**Recommendation 4:** OIG recommended that the Office of the Chief Financial Officer work with the Office of the Chief Information Officer to analyze the post's Global Accounts Payable shared folders containing confidential and sensitive data and determine ways to prevent improper uploading and storing of sensitive information.

**Recommendation 5:** OIG recommended that the country director and the director of management and operations work with the Royal Thai Government to create a new memorandum of understanding regarding host country contributions.

**Recommendation 7:** OIG recommended that the director of management and operations ensure cash collection is only performed by the cashier.

**Recommendation 10:** OIG recommended that the chief financial officer configure systems to enforce segregation of duties in FORPost and OdyWeb.

**Recommendation 11:** OIG recommended that the chief financial officer strengthen the headquarters review process to verify the appropriateness of roles in FORPost and OdyWeb in all countries at least yearly.

**Recommendation 12:** OIG recommended that the director of management and operations establish a process for staff other than the principal cashier to distribute funds to large groups of Volunteers and counterparts.

### **Audit of Peace Corps/Ghana (IG-20-04-A)**

38 of 52 recommendations open since July 23, 2020

**Recommendation 4:** OIG recommended that the country director ensure that the cash movement policy contains all the requirements listed in OFMH 13, is approved by the RSO, revised annually, and maintained as part of the cashier's files.

**Recommendation 5:** OIG recommended that the director of management and operations ensure that future discrepancies noted in the 365 report are properly documented and that the resolution process properly follows requirements listed in OFMH 13.

**Recommendation 10:** OIG recommended that the director of management and operations ensure that the training center sub-cashier's pass-through accounts is fully operational.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 11:** OIG recommended that the director of management and operations apply due diligence in collecting approximately \$3,379 USDE in overpaid living allowances.

*Potential Cost Savings Identified: \$3,379*

**Recommendation 12:** OIG recommended that the director of management and operations apply due diligence in returning approximately \$820 in over-collected living allowances and uncollected bank account balances to Volunteers.

*Potential Cost Savings Identified: \$820*

**Recommendation 13:** OIG recommended that the director of management and operations assess the need for a memorandum of agreement with the Volunteers' banks in order to formalize the administration of Volunteer bank accounts.

**Recommendation 15:** OIG recommended that the director of management and operations create a tracking tool to review departed Volunteers' bank accounts, confirm the accounts are closed, ensure the amounts calculated as overpayments for living allowances are accurate, and collect any debts owed.

**Recommendation 16:** OIG recommended that the director of management and operations implement a fuel card system.

**Recommendation 17:** OIG recommended that the director of management and operations ensure that cash fuel purchases are supported by valid vouchers and are properly authorized.

**Recommendation 18:** OIG recommended that the director of management and operations develop and implement a process for all satellite offices to monitor the usage of generator fuel.

**Recommendation 19:** OIG recommended that the director of management and operations work with the U.S. Embassy to correct all erroneous vehicle registrations.

*Potential Cost Savings Identified: \$376*

**Recommendation 20:** OIG recommended that the director of management and operations work with the post's asset management team to correct records identified as erroneous or missing in the agency's asset management system.

*Potential Cost Savings Identified: \$17,194*

**Recommendation 22:** OIG recommended that the director of management and operations make an effort to obtain itemized records of all property auctions from FY 2018 and FY 2019 and take action to correct asset management system records accordingly.

*Potential Cost Savings Identified: \$87,832*

**Recommendation 24:** OIG recommended that the director of management and operations work with phone carriers to cancel all unauthorized phone lines and establish bilateral contracts with these service providers.

*Potential Cost Savings Identified: \$7,500*

**Recommendation 25:** OIG recommended that the country director evaluate the need for a process of reconciling monthly phone bills for personal usage that includes the prevention of unauthorized phone line additions.

**Recommendation 26:** OIG recommended that the director of management and operations assemble the value added tax receipts and file a refund claim with the appropriate Ghana revenue authorities in accordance with local laws and regulations.

*Potential Cost Savings Identified: \$32,961*

**Recommendation 27:** OIG recommended that the director of management and operations provide training to staff about applicable value added tax exemptions, the process for claiming value added tax refunds from the appropriate Ghanaian authorities, and when a claim should be filed.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 28:** OIG recommended that the director of management and operations ensure that obligation documents for cash purchases are prepared, updated as necessary to reflect increases, and filed at the post.

**Recommendation 30:** OIG recommended that the country director ensure that authority is delegated to staff with the required knowledge and experience to perform the post's administrative functions, and that these delegations of authority are current and tailored to specific post needs.

*Potential Cost Savings Identified: \$12,730*

**Recommendation 31:** OIG recommended that the post ensure that future security clearance re-certifications are requested in a timely manner and include these certifications in their individual personnel files.

**Recommendation 32:** OIG recommended that the director of management and operations ensure that short term contractors' security certifications are conducted prior to contract execution and in accordance with MS 732 and the Background Checks of Overseas Staff Guidance from the Office of Safety and Security.

**Recommendation 33:** OIG recommended that the director of management and operations apply due diligence in collecting approximately \$601 in unused grant funds.

*Potential Cost Savings Identified: \$601*

**Recommendation 34:** OIG recommended that the director of management and operations instruct post management staff to track all current and future grants in PCGO, in compliance with Peace Corps policy.

*Potential Cost Savings Identified: \$800*

**Recommendation 35:** OIG recommended that the director of management and operations ensure that the \$643 in unused grant funds are collected if the Volunteer does not intend to complete their project.

*Potential Cost Savings Identified: \$643*

**Recommendation 37:** OIG recommended that the country director and the Peace Corps medical officer both witness the destruction of all medical supplies in accordance with Peace Corps guidance.

**Recommendation 38:** OIG recommended that the country director ensure that the acceptance point clerk is receiving all medical supplies at the post in accordance with Peace Corps guidance.

**Recommendation 40:** OIG recommended that the director of management and operations ensure that all outstanding bills of collection are followed up in a timely manner and in accordance with Peace Corps policy.

**Recommendation 41:** OIG recommended that the director of management and operations ensure that bills of collection and bill of collection voids are reviewed and signed by properly authorized individuals, and that this authority is removed timely when no longer needed.

**Recommendation 42:** OIG recommended that the director of management and operations ensure that bills of collection are maintained with all the required information.

**Recommendation 43:** OIG recommended that the director of management and operations review all users of Peace Corps information technology systems and update their forms to ensure that they have proper access to these systems.

**Recommendation 44:** OIG recommended that the post designate a second staff member as a backup user administrator and provide the necessary training.

**Recommendation 45:** OIG recommended that the country director ensure that the server room at the main facility is located in a place that cannot be easily accessed, including mitigating any physical vulnerabilities to the server room.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 46:** OIG recommended that the country director instruct the training center manager to ensure that the server room access is controlled.

**Recommendation 48:** OIG recommended that the director of management and operations report the unauthorized obligations to the Office of Acquisition and Contract Management and that the agency exercise its authorities to take corrective action, including collection of the unauthorized funds from the responsible individual(s).

**Recommendation 49:** OIG recommended that the overseas contracting officer at the post ensure that all contract modifications executed at post are well supported in the contracting file and that increases in the price of the contract are detailed and also include an explanation on how the increased cost is fair and reasonable to the Peace Corps.

*Potential Cost Savings Identified: \$210,203*

**Recommendation 50:** OIG recommended that the Office of Acquisition and Contract Management ensure overseas contracting officers are reminded of the seriousness of exceeding DOPA authority and their responsibility for any costs they incur beyond their DOPA limits.

**Recommendation 51:** OIG recommended that the director of management and operations ensure that the obligations under this guard-service contract are properly closed.

**Recommendation 52:** OIG recommended that the Office of Acquisition and Contract Management ensure that overseas contracting officers are trained in the process for exercising option years for existing contracts, including the need to update the Delegation of Additional Procurement Authority.

### **Audit of Peace Corps/Ethiopia (IG-20-05-A)**

7 of 13 recommendations open since August 19, 2020

**Recommendation 2:** OIG recommended that the director of management and operations implement a procedure to manage the withdrawal of funds from Volunteer bank accounts, including tracking of funds withdrawn and compliance with the agency's policies for bills of collection and imprest funds.

**Recommendation 3:** OIG recommended that the Office of the Chief Financial Officer issue guidance to manage withdrawals of funds from Volunteer bank accounts where the post does not have power of attorney over them.

**Recommendation 4:** OIG recommended that the director of management and operations instruct the post staff to follow OFMH guidance for fuel purchases from travel advances.

**Recommendation 5:** OIG recommended that the director of management and operations conduct cash counts for all sub-cashiers in compliance with agency policy.

**Recommendation 7:** OIG recommended that the country director and the director of management and operations work with the Offices of the Chief Financial Officer and the General Counsel to resolve the open grants and the amounts withheld from the prior grants coordinator.

**Recommendation 8:** OIG recommended that the director of management and operations implement procedures to track the purchase, dispensing, and balance of generator fuel.

**Recommendation 12:** OIG recommended that the chief financial officer configure financial systems to enforce segregation of duties.

## Special Reports and Management Advisory Reports

### **Capstone Report: 2012 Medical Inventory Issues (IG-13-01-SR)**

2 of 4 recommendations open since August 26, 2013

**Recommendation 2:** OIG recommended that the Office of Health Services track the total procurement of the different classifications of medical supplies: controlled, specially designated, and other. Additionally, that the Office of Health Services use this information to monitor the amount of medical supplies covered by the policies, to determine what is included in the list of specially designated medical supplies, and to establish appropriate controls for the different classifications.

**Recommendation 3:** OIG recommended that the Office of Health Services enhance the monitoring of medical supply inventories to include conducting additional analysis, requiring explanations for significant discrepancies, and assisting posts that continue to struggle with implementing procedures.

### **Management Advisory Report: Site History Files (IG-16-03-SR)**

3 of 3 recommendations open since August 24, 2016

**Recommendation 1:** OIG recommended that the associate director for Safety and Security, the associate director of Global Operations, and regional directors collaborate to strengthen oversight mechanisms to improve the completeness, organization, and use of site history files for site development and selection.

**Recommendation 2:** OIG recommended that the associate director for Safety and Security collaborate with the associate director of Global Operations and regional directors to provide clear, easily accessible and explicit agency-wide guidance to posts on the processes and procedures for maintaining site history files.

**Recommendation 3:** OIG recommended that the associate director for Safety and Security, the associate director for Global Operations, regional directors, and the chief information officer collaborate as needed to provide systems for post for maintaining site history files.

### **Management Advisory Report: Volunteer Drug Use (IG-18-01-SR)**

5 of 6 recommendations open since August 7, 2018

**Recommendation 1:** OIG recommended that the Director of the Peace Corps provide country directors with additional support to resolve allegations of drug involvement under manual section 204, 3.5.1 and specifically consider the efficacy of reasonable suspicion drug testing as a means of doing so.

**Recommendation 2:** OIG recommended that the Office of General Counsel review the evidentiary standard required to administratively separate a Volunteer suspected of involvement with drugs to determine whether the standard, and its application, is consistent with promoting the integrity of the program and continues to serve the policy interest of the Peace Corps.

**Recommendation 3:** OIG recommended that the Director of the Peace Corps make necessary changes to policies, procedures, and forms related to Volunteer resignations and administrative separations, so that Volunteer files and early termination statistics include accurate information regarding unauthorized drug use.

**Recommendation 4:** OIG recommended that the Director of the Peace Corps take effective steps to ensure ongoing compliance and consistency in implementation of the Volunteer separation recordation processes.

**Recommendation 5:** OIG recommended that the Director of the Peace Corps gather and analyze continuous information on the prevalence of, and factors contributing to, unauthorized drug use in the context of Volunteer service, through the Annual Volunteer Survey or another data gathering tool.<sup>22</sup>

**Management Advisory Report: Managing the Suspension of Peace Corps/Kenya: A Case Study (IG-18-02-SR)**

2 of 2 recommendations open since September 14, 2018

**Recommendation 1:** OIG recommended that the Director develop guidelines and a process for staff to periodically assess the suitability of staffing levels at suspended posts, and to make timely reduction in staff decisions. The process should include, at a minimum, staff from the Director's office, Regional Operations Office, Office of Safety and Security, Office of Global Operations, Congressional Relations, General Counsel, Office of the Chief Financial Officer.

*Potential Cost Savings Identified: \$350,000*

**Recommendation 2:** OIG recommended that the Director maintain adequate documentation of key decisions and recommendations related to opening, closing, and suspending any overseas office or country program.

**Management Advisory Report: Purchase Card Review (IG-18-03-SR)**

4 of 6 recommendations open since September 27, 2018

**Recommendation 2:** OIG recommended that the Office of the Chief Financial Officer develop, provide and track Peace Corps-specific training for all purchase card program participants including obligating, reallocating, and approving procedures. Further, ensure that this training complies with OMB guidelines for both initial and refresher training.

**Recommendation 3:** OIG recommended that the Office of the Chief Financial Officer ensure appropriate oversight over the purchase card program to include monitoring of transactions, the use of available data analytics tools and ensuring that follow-up processes receive sufficient staffing and oversight, in both ACM and GAP.

**Recommendation 4:** OIG recommended that the Office of the Chief Financial Officer:

- develop controls to ensure the APC monitors, identifies, and follows-up potential split purchases.
- ensure rejected transactions are monitored and resolved in a timely manner.
- develop procedures for the APC to monitor auto-closed Citibank monthly statements and review transactions on auto-closed statements to verify for adequate support and authorization.
- remind cardholders and approving officials to comply with Peace Corps policy for retaining supporting documents for appropriate period.

*Potential Cost Savings Identified: \$636,300*

**Recommendation 5:** OIG recommended that the Office of the Chief Financial Officer review purchases over the micro-purchase limit identified, including the split purchase identified, and take appropriate action, consistent with GSA and agency policy on misuse or abuse of the purchase card. The agency should review each transaction and determine what action is appropriate (i.e. collection of funds or disciplinary action).

*Potential Cost Savings Identified: \$8,500*

---

<sup>22</sup> The agency partially concurred with this recommendation.

**Management Advisory Report: Seed Global Health Services (IG-19-01-SR)**

5 of 5 recommendations open since October 25, 2018

**Recommendation 1:** OIG recommended that the Director of the Peace Corps require the chief acquisition officer to implement procedures and practices that ensure proper segregation of duties to avoid potential conflicts and appearances of favoritism in the cooperative agreement award process.

**Recommendation 2:** OIG recommended that the Director of the Peace Corps establish comprehensive agency policy and procedures on cooperative agreements with non-governmental entities. At minimum, such policy should address the need for competition, circumstances where competition is not required, justifications for noncompetitive awards, and appropriate limitations on cooperative agreement extensions.

**Recommendation 3:** OIG recommended that the Director of the Peace Corps require the Chief Acquisition Officer to implement a record management system for cooperative agreements, to include maintaining specific written documentation to justify all future non-competitive agreements in the agreement file that will assist other staff in substantiating decisions made by former staff.

**Recommendation 4:** OIG recommended that the Director of the Peace Corps require the Chief Acquisition Officer to submit to GSA's Catalog of Federal Domestic Assistance complete and accurate information regarding all grants and cooperative agreements with the Peace Corps.

**Recommendation 5:** OIG recommended that the Director of the Peace Corps require the Chief Acquisition Officer to review relevant Peace Corps contracts, grants, and agreements to ascertain that each file contains the proper anti-lobbying certification, in compliance with applicable laws and regulations and report to OIG the failure of any entity to submit required certifications.

**Management Advisory Report: Review of the Circumstances Surrounding the Death of a Volunteer in Peace Corps/Comoros (IG-19-04-SR)**

2 of 7 recommendations open since April 9, 2019

**Recommendation 1:** OIG recommended that the Director deploy at least two qualified medical officers to Comoros and assess the need to have a minimum of two qualified medical officer at posts with an active Volunteer population, prioritizing in the short term those posts with just one medical officer and additional vulnerabilities or factors (e.g. a medical officer with limited clinical experience, a remote archipelago with inadequate local medical facilities) that complicate the agency's ability to meet Volunteers health care needs.

**Recommendation 7:** OIG recommended that the Peace Corps medical officer(s) in Comoros institute a process to track and provide Volunteers with malaria chemoprophylaxis on a schedule that makes it possible for Volunteers to rigorously adhere to their antimalarial medication requirement, and administratively separate Volunteers who fail to adhere to their malaria prophylaxis schedules.

**Review of New Country Entry Guidance for Conflict-Affected Environments (IG-19-05-SR)**

14 of 14 recommendations open since September 19, 2019

**Recommendation 1:** OIG recommended that the associate director of the Office of Global Operations establish a procedure to determine whether a new country entry, re-entry, or expansion should be assessed as a conflict-affected environment.

**Recommendation 2:** OIG recommended that the associate director of the Office of Global Operations adapt the country assessment process to more fully assess the implications of conflict on Peace Corps operations in conflict-affected environments.

**Recommendation 3:** OIG recommended that the associate director of the Office of Global Operations provide guidance regarding the use of internally and externally available data sources to understand the conflict context during assessments.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 4:** OIG recommended that the associate director of the Office of Global Operations create additional new country assessment guidance that furthers a trauma-informed approach in conflict-affected environments that addresses:

- Local capacity for supporting Volunteer resiliency/post-traumatic stress disorder awareness training;
- Strategies for providing additional mental health support and enhanced self-care; and
- Effects of the conflict and trauma on host communities and implications for site management.

**Recommendation 5:** OIG recommended that the associate director of the Office of Global Operations establish specific criteria for selecting and training new country assessment team members to ensure that they have the appropriate experience and skills to identify issues and concerns which are unique to post-conflict/traumatized environments.

**Recommendation 6:** OIG recommended that the associate director of the Office of Global Operations centralize and consolidate reports, notes, and information collected during new country assessments.

**Recommendation 7:** OIG recommended that the country director ensure that screens are properly installed and functioning on doors and windows of all Volunteer residences.

**Recommendation 8:** OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to include additional provisions for the training and support needs of staff working in conflict-affected environments.

**Recommendation 9:** OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to provide for longer timelines, where appropriate, and additional resource requirements to support staff involved in completing start-up activities in conflict-affected countries.

**Recommendation 10:** OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to include more guidance related to the appropriate use of regional staff or other temporary duty staff to assist with start-up operations in conflict-affected countries.

**Recommendation 11:** OIG recommended that the associate directors for the Offices of Volunteer Recruitment and Selection, Global Operations, and Peace Corps Response develop focused Volunteer recruitment protocols and pre-departure communications for conflict-affected environments which inform invitees about challenges of service.

**Recommendation 12:** OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to provide guidance on Volunteer training competencies for conflict-affected environments.

**Recommendation 13:** OIG recommended that the associate director of the Office of Overseas Programming and Training Support create, collect, and make available appropriate references and trauma-informed training materials for conflict-affected posts.

**Recommendation 14:** OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to include guidance related to the use of external local resources to assist with training Volunteers about the conflict.

### **Management Advisory Report: Peace Corps PEPFAR Financial Guidance (IG-20-01-SR)**

6 of 6 recommendations open since March 31, 2020

**Recommendation 1:** OIG recommended that the Office of the Chief Financial Officer, in collaboration with the Office of Global Health and HIV, develop comprehensive guidance that fully defines:

- a. the roles and responsibilities of post and headquarters staff for the financial management of PEPFAR funds; and
- b. the documentation required to support PEPFAR payments.

## PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 2:** OIG recommended that the Office of Global Health and HIV train voucher examiners on the requirements of the use of PEPFAR funds to ensure proper oversight of PEPFAR payments.

**Recommendation 3:** OIG recommended that the Office of Global Health and HIV train post financial staff in the documentation required to support PEPFAR payments for the full range of costs and expenses payable with PEPFAR funds.

*Potential Cost Savings Identified: \$362,121*

**Recommendation 4:** OIG recommended that the Office of the Chief Financial Officer identify any other authority allowing for the use of VAT refunds of PEPFAR funding towards non-PEPFAR programs, and, should no other authority be available, review past practices regarding the crediting and use of VAT refunds of PEPFAR funding to identify related Purpose Statute or Anti-deficiency Act violations and make any required reporting.

*Potential Cost Savings Identified: \$364,351*

**Recommendation 5:** OIG recommended that the Office of the Chief Financial Officer ensure that PEPFAR funds are not co-mingled with other sources of funds, or, if an authority is identified pursuant to recommendation 4, seek written permission to co-mingle funds pursuant to the Memorandum of Agreement.

**Recommendation 6:** OIG recommended that the Office of the Chief Financial Officer ensure that the PEPFAR value added tax that was incorrectly refunded to the general fund be transferred back to the PEPFAR account.

### **Management Advisory Report: Peace Corps/Ghana Gas Tank Cooking Safety (IG-20-02-SR)**

4 of 4 recommendations open since July 28, 2020

**Recommendation 1:** OIG recommended that the associate director for the Office of Safety and Security provide guidance to posts about identifying post-specific cooking safety risks and incorporating related learning objectives into Volunteer training.

**Recommendation 2:** OIG recommended that the director of programming and training and safety and security manager review and revise Peace Corps/Ghana's Volunteer housing requirements to include sufficient consideration of the safety of cooking setups prior to occupancy by the Volunteer, clarify to staff the expectation that a staff member should inspect Volunteer housing for replacement Volunteers, and specify how they plan to oversee compliance with the housing requirements.

**Recommendation 3:** OIG recommended that the director of programming and training and safety and security manager review and revise Peace Corps/Ghana's site visit procedures to specify how the post will inspect the safety of Volunteer cooking setups and address any deficiencies identified, and specify how they plan to oversee compliance with the procedures.

**Recommendation 4:** OIG recommended that the associate directors for the Offices of Global Operations and Safety and Security review current global site management guidance and determine if additional specificity of safe cooking setups needs to be incorporated into the guidance.

Financial Statement Audit Recommendations<sup>23</sup>

<b>Summary of Internal Control Issues Over the Peace Corps' Financial Reporting</b>			
Issue	Year First Identified	Agency Concurrence with Issue	Open Recommendations
Internal Control over Information Security	2013	Concur	5
Untimely De-Obligation of Unliquidated Obligations	2013	Concur	2
Testing of Financial System Contingency Plan	2018	Concur	1
Inadequate Internal Controls over Property, Plant, and Equipment	2019	Concur	5
Least Privilege at Overseas Post	2019	Concur	3
Separation of Duties Conflict	2019	Concur	2
Inadequate Controls for Financial Statement Presentation and Disclosure	2019	Concur	3
Improper Creation of Obligation	2019	Concur	1
<b>Total Open Recommendations</b>			<b>22</b>

Federal Information Security Management Act (FISMA) Review Recommendations<sup>24</sup>

**Review of the Peace Corps' Information Security Program (FY 2019)**

5 of 5 recommendations open since October 31, 2019

**Recommendation 1:** OIG recommended that the Director move the chief information security officer position and staff to a new office that is independent from the chief information officer. These two separate offices should both report to the same senior executive.<sup>25</sup>

**Recommendation 2:** OIG recommended that the Director appoint the chief information officer and the chief information security officer to serve on the Senior Policy Committee.<sup>26</sup>

**Recommendation 3:** OIG recommended that the Director appoint the chief information security officer to serve on the Technical Advisory Board.

**Recommendation 4:** OIG recommended that the Director dedicate resources, with the knowledge, skills, and abilities, to fully implement a comprehensive Enterprise Risk Management program.

<sup>23</sup> All recommendations issued in conjunction with this report are part of a normal 12-month audit cycle. As a result, recommendations made during a given fiscal year will remain in an open status during the entire subsequent fiscal year. At the beginning of each new fiscal year, the auditors will notify management of whether sufficient corrective actions have been taken regarding the prior year recommendations and issue their current notification of findings and recommendations.

<sup>24</sup> All recommendations issued in conjunction with this report are part of a normal 12-month audit cycle. As a result, recommendations made during a given fiscal year will remain in an open status during the entire subsequent fiscal year. At the beginning of each new fiscal year, the auditors will notify management of whether sufficient corrective actions have been taken regarding the prior year recommendations and issue their current notification of findings and recommendations.

<sup>25</sup> The agency did not concur with this recommendation.

<sup>26</sup> The agency did not concur with this recommendation.

PEACE CORPS OFFICE OF INSPECTOR GENERAL

**Recommendation 5:** OIG recommended that the Director provide training to all senior management and Office of Chief Information Officer staff on risk-based, security focused approach, including FISMA framework and how it ties into business and IT operations.

**Review of the Peace Corps' Information Security Program (FY 2018)<sup>27</sup>**

Issue	Year First Identified	Agency Concurrence with Issue	Open Recommendations
Contingency Planning	2007	Concur	5
Identity and Access Management	2008	Concur	4
Configuration Management	2008	Concur	4
Continuous Monitoring Management	2013	Concur	1
Incident Response and Reporting	2013	Concur	1
Risk Management Framework	2013	Concur	4
Data Protection and Privacy	2018	Concur	3
<b>Total Open Recommendations</b>			<b>22</b>

**Digital Accountability and Transparency Act Audit Recommendations<sup>28</sup>**

**Audit of the Peace Corps' Implementation of the Digital Accountability and Transparency Act (FY 2017)**

Issue	Year First Identified	Agency Concurrence with Issue	Open Recommendations
Quality Control Process	2017	Concur	2
<b>Total Open Recommendations</b>			<b>2</b>

<sup>27</sup> The status of FY 2018 FISMA Review recommendations were reviewed during the 2019 review; however, 22 of the 23 recommendations remained open. The 22 open recommendations will be re-examined for closure during the FY 2020 FISMA review.

<sup>28</sup> All recommendations issued in conjunction with this report were reviewed when auditors conducted the 2019 Audit of the Peace Corps' Compliance with the Digital Accountability and Transparency Act (IG-20-A-01). The two remaining open recommendations from the 2017 audit have been replaced by the recommendations made in conjunction with the 2019 audit. Follow-up on the 2019 recommendations will be aligned with OIG's regular audit follow-up process and will be tracked in Table 5, "Audits and Evaluations" section.

## 6: Summary of Hotline and Other Complaints

Complaints Received	
Complaints Received (Hotline)	111
Complaints Received (Other Sources) <sup>29</sup>	9
<b>Total Complaints (All Sources)</b>	<b>120</b>

Overview of Complaint Activity <sup>30</sup>	
Resulted in Investigations	1
Resulted in Preliminary Inquiries	11
Resulted in Audits or Evaluations	-
Referred to Agency Management	63
Referred to Other Agency	-
No Action Needed	23

<sup>29</sup> These complaints are largely a result of outreach by OIG staff and were received by email, phone calls, and conversations.

<sup>30</sup> The following actions summarize the disposition of complaints received by OIG. Please note that in some instances one complaint can result in multiple actions. In other cases, multiple complaints may be received about the same issue, resulting in one referral or result. The results reflect complaint activities that occurred during this reporting period; in some instances the complaint may have been received during a prior reporting period.

## 7: Summary of Investigative Activities and Outcomes

<b>Investigative Activities</b>	<b>Preliminary Inquiries<sup>31</sup></b>	<b>Cases</b>
Open at the beginning of the reporting period	19	12
Opened during the reporting period	11	1
Closed during the reporting period	11	5
<b>Total open at the end of the reporting period</b>	<b>19</b>	<b>8</b>
<b>Reports</b>		
Investigative reports issued		2
<b>Referrals</b>		
Persons referred for criminal prosecution (Department of Justice)		3
Persons referred for criminal prosecution (state and local authorities) <sup>32</sup>		-
Cases referred to the Department of Justice		3
Cases referred to agency management for administrative action		2
Cases referred to agency management for other action		-
Referrals to other agencies		-
<b>Court Actions</b>		
Criminal informations and indictments		1
Trial(s) pending		1
Ongoing prosecution <sup>33</sup>		-
Convictions		-
Judgments		-
Fines/assessments/fees		-
<b>Administrative Actions</b>		
Employee <sup>34</sup> resignations and terminations		-
Other employee actions <sup>35</sup>		-
Suspension/debarment referrals		1
<b>Monetary Results</b>		
Annual savings		-
Recoveries/restitution <sup>36</sup>		-
Cost avoidance		-

<sup>31</sup> Preliminary inquiries are initiated for complaints which either (1) are received from a Peace Corps source (e.g., staff, Volunteer, contractor) or (2) relate to a matter within the jurisdiction of OIG. A preliminary inquiry is limited in scope to the verification of information in a complaint or allegation and to confirm that it falls within the jurisdiction of OIG.

<sup>32</sup> Includes foreign courts.

<sup>33</sup> Includes overseas criminal proceedings.

<sup>34</sup> Volunteers/trainees are included as Peace Corps staff for the purpose of reporting investigative activity.

<sup>35</sup> Includes administrative actions that are less than resignation or termination, for example: letters of reprimand, counseling, and retraining.

<sup>36</sup> Includes potential recoveries.

## 8: References to Reporting Requirements of the Inspector General Act, as Amended

Section Reference	Reporting Requirements	Section	Page
§ 4(a)(2)	Review of legislation and regulations	Advice and Assistance	27
§ 5(a)(1)	Significant problems, abuses, and deficiencies	Management Challenges, Advice and Assistance, Audits, Evaluations, and Investigations	8-41
§ 5(a)(2)	Significant recommendations for corrective actions	Audits, Evaluations, and Table 5	30-37, 45-65
§ 5(a)(3)	Prior significant recommendations on which corrective action has not been completed	Table 5	45-65
§ 5(a)(4)	Matters referred to prosecuting authorities	Investigations and Table 7	39-41, 67
§ 5(a)(5)	Summary of instances where information was refused	N/A	-
§ 5(a)(6)	List of audit, inspection, and evaluation reports, including the total dollar value of questioned costs, unsupported costs, and funds to be put to better use	Tables 1-4	43-44
§ 5(a)(7)	Summary of significant reports	Audits, Evaluations, and Investigations	30-41
§ 5(a)(8)	Statistical table - questioned and unsupported costs	Tables 2 and 3	43-44
§ 5(a)(9)	Statistical table - funds to be put to better use	Tables 2 and 4	43-44
§ 5(a)(10)	Summary of previous reports with open recommendations	Table 5	45-65
§ 5(a)(11)	Significant revised management decisions	N/A	-
§ 5(a)(12)	Significant management decisions with which the Inspector General disagrees	N/A	-
§ 5(a)(13)	Information under the Federal Financial Management Improvement Act of 1996	N/A	-
§ 5(a)(14)-(16)	The results of the last peer review conducted by another OIG	Appendix A: Reporting of Peer Reviews	71-72
§ 5(a)(17)-(18)	Statistical table - investigative reports issued; persons referred for criminal prosecution; indictments and criminal information	Table 7	67
§ 5(a)(19)	Investigations involving a senior government employee where allegations of misconduct were substantiated	N/A	-
§ 5(a)(20)	Instances of whistleblower retaliation	N/A	-
§ 5(a)(21)	Interference with Independence	Advice and Assistance	27
§ 5(a)(22)	Detailed descriptions of the particular circumstances of each-		
	(A) inspection, evaluation, and audit conducted by the Office that is closed and was not disclosed to the public	N/A	-
	(B) investigation conducted by the Office involving a senior Government employee that is closed and was not disclosed to the public	N/A	-

PAGE INTENTIONALLY LEFT BLANK

# Appendices

A: Reporting of Peer Reviews .....	71
B: Contract Audit Reports.....	73



# Appendices

## Appendix A: Reporting of Peer Reviews

Pursuant to Section 989C of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law No. 111-203),<sup>37</sup> OIG reports the following peer review information:

### Audit Unit

In March 2020, the National Labor Relations Board (NLRB) OIG issued its System Review Report of the Peace Corps OIG Audit Unit for the period ending September 30, 2019. The Audit Unit received a rating of “pass,” the highest rating available. The peer review found that the Audit Unit’s system of quality control was suitably designed and achieved adequate compliance. This provided Peace Corps OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The NLRB did not provide any recommendations in the System Review Report.

In August 2016, Peace Corps OIG’s Audit Unit completed a peer review of the Library of Congress OIG for the period of April 1, 2013, through March 31, 2016. We provided our results to the Library of Congress OIG in October 2016. No formal recommendations were made.

### Evaluation Unit

In July 2020, the Corporation for Public Broadcasting OIG, with assistance from the Securities and Exchange Commission OIG, issued a final report after completing an external peer review of Peace Corps OIG’s Evaluation Unit for the period January 1, 2019 to December 31, 2019. The review assessed compliance with seven Blue Book standards and determined that 1) Evaluation Unit policies and procedures generally met the Blue Book standards; and, 2) two reviewed reports generally met the Blue Book standards and complied with Evaluation Unit policies and procedures.

In October 2019, Peace Corps OIG’s Evaluation Unit, with the assistance of the Office of Personnel Management OIG, completed a modified peer review of the Corporation for National and Community Service (CNCS) OIG. A modified external peer review was conducted because CNCS OIG did not perform inspection and evaluation activities in-house during the 3-year applicable period but wanted to develop the in-house capability to perform such activities in the future. The peer review team assessed the extent to which CNCS OIG met seven Blue Book standards: (1) Quality Control; (2) Planning; (3) Data Collection and Analysis; (4) Evidence; (5) Records Maintenance; (6) Reporting; and (7) Follow-up. The review team determined that CNCS OIG’s internal policies and

---

<sup>37</sup> Section 989C of the Dodd-Frank Wall Street Reform and Consumer Protection Act amended Section 5(a) of the Inspector General Act of 1978 (5 U.S.C. App.).

procedures generally met the seven quality standards addressed in the external peer review. No formal recommendations were made.

## **Investigation Unit**

In April 2019, the Export-Import Bank of the United States OIG conducted a peer review of the Peace Corps OIG Investigation Unit for the period ending February 15, 2019. The review focused on the Peace Corps OIG's internal safeguards and management procedures for its investigative operations. The review team found all of the examined areas to be compliant with CIGIE's quality standards for investigations and quality assessment review guidelines, as well as the Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority.

In August 2017, Peace Corps OIG agents conducted an investigative peer review of the Department of Commerce OIG for the 12-month period ending April 30, 2017. The peer review was conducted by OIG's investigative staff under the direction of the assistant inspector general for investigations, with the support of the National Aeronautics and Space Administration OIG's resident agent in charge of the Computer Forensic Laboratory. We provided our results to the Department of Commerce OIG in October 2017. The review found that the Department of Commerce OIG was compliant with CIGIE's quality standards for investigations and quality assessment review guidelines, as well as the Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority.

## **Appendix B: Contract Audit Reports**

Pursuant to Section 845A of the National Defense Authorization Act for Fiscal Year 2008 (Public Law No. 110-181), OIG reports on final contract audit reports with significant audit findings. During this reporting period, OIG did not issue any audit reports meeting the “significant audit findings” criteria established in Public Law No. 110-181.

# Help Promote the Integrity, Efficiency, and Effectiveness of the Peace Corps

Anyone knowing of wasteful practices, abuse, mismanagement, fraud, or unlawful activity involving Peace Corps programs or personnel should contact the Office of Inspector General. Reports or complaints can also be made anonymously.

## Contact OIG

### Reporting Hotline:

U.S./International: 202.692.2915  
Toll-Free (U.S. only): 800.233.5874  
Email: [OIG@peacecorpsoig.gov](mailto:OIG@peacecorpsoig.gov)  
Online Reporting Tool: [peacecorps.gov/oig/contactoig](http://peacecorps.gov/oig/contactoig)  
Mail: Peace Corps Office of Inspector General  
1275 First Street NE  
Washington, DC 20526

### For General Information:

Main Office: 202.692.2900  
Website: [peacecorps.gov/oig](http://peacecorps.gov/oig)  
 Twitter: [twitter.com/pcoig](https://twitter.com/pcoig)

**Peace Corps  
Office of Inspector General**

Paul D. Coverdell Peace Corps Headquarters  
1275 First Street NE, Washington, DC 20526

**[www.peacecorps.gov/oig](http://www.peacecorps.gov/oig)**