



Peace Corps
Office of
**INSPECTOR
GENERAL**

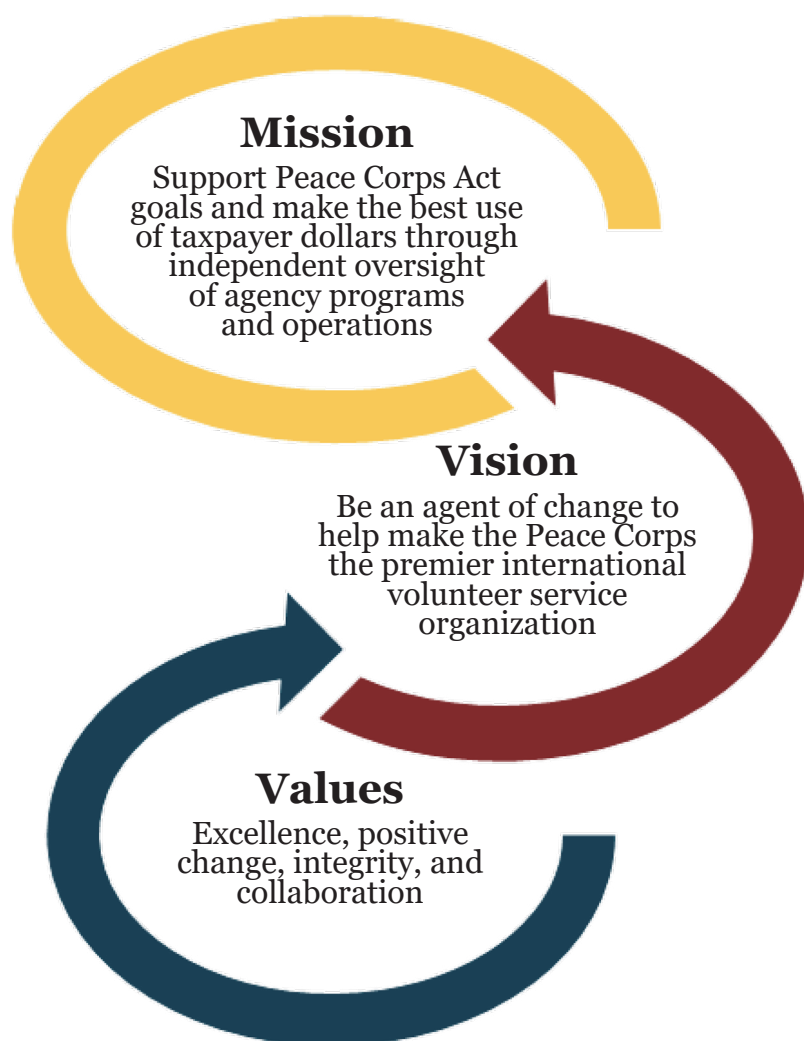
SEMIANNUAL REPORT TO CONGRESS

October 1, 2020, to March 31, 2021



Office of Inspector General

TOGETHER WE MAKE A BETTER PEACE CORPS



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.

Goals

- | | |
|----------|---|
| 1 | Provide independent oversight |
| 2 | Effectively communicate with stakeholders |
| 3 | Strengthen OIG |

Semiannual Report to Congress
October 1, 2020, to March 31, 2021

Table of Contents

HIGHLIGHTS FROM THIS REPORT	1
MESSAGE FROM THE INSPECTOR GENERAL	1
MANAGEMENT AND ADMINISTRATION UNIT.....	4
AGENCY CONTEXT.....	4
AWARD.....	4
STAFFING	5
OIG ORGANIZATIONAL CHART	5
ADVICE, ASSISTANCE, AND OTHER REPORTABLE MATTERS	8
Support to the Agency.....	8
REVIEW OF AGENCY REGULATIONS, POLICIES, AND PROCEDURES.....	8
SUPPORT FOR CLOSING OPEN RECOMMENDATIONS.....	9
PARTICIPATION IN OVERSEAS STAFF TRAINING.....	9
OIG SUPPORT FOR BACKGROUND CHECKS	9
Recurring Issues Report.....	10
COMMON CHALLENGES FACING PEACE CORPS POSTS.....	10
AUDIT UNIT.....	14
OVERVIEW	14
ONGOING WORK.....	14
Agency-wide Audit.....	15
AUDIT OF THE PEACE CORPS' FINANCIAL STATEMENTS	15
Other Reviews.....	17
REVIEW OF THE PEACE CORPS' INFORMATION SECURITY PROGRAM.....	17
EVALUATION UNIT	20
OVERVIEW	20
ONGOING WORK.....	20
INVESTIGATION UNIT.....	22
OVERVIEW	22
Investigations of Criminal and Administrative Misconduct	23
SUBJECT PLEADED GUILTY TO WIRE FRAUD (UPDATE)	23
REPORT OF FRAUD AT PEACE CORPS HEADQUARTERS	23
REPORT OF KICKBACK FRAUD IN THE AFRICA REGION.....	23

PEACE CORPS OFFICE OF INSPECTOR GENERAL

REPORT OF MISAPPROPRIATION OF FUNDS IN THE AFRICA REGION	24
REPORT OF VOLUNTEER-ON-VOLUNTEER SEXUAL ASSAULT IN THE AFRICA REGION	24
REPORT OF CHILD SEXUAL ASSAULT BY A VOLUNTEER IN THE EUROPE, MEDITERRANEAN, AND ASIA REGION (PROTECT ACT)	24
REPORT OF STAFF INVOLVEMENT IN A TRAFFIC DEATH IN THE AFRICA REGION (UPDATE)	25
TABLES	28
1: LIST OF REPORTS: AUDITS, PROGRAM EVALUATIONS, AND OTHER REPORTS	28
2: REPORTS WITH QUESTIONED COSTS, UNSUPPORTED COSTS, AND FUNDS TO BE PUT TO BETTER USE	28
3: STATUS OF REPORTS ISSUED BY OIG WITH QUESTIONED AND UNSUPPORTED COSTS	29
4: STATUS OF REPORTS ISSUED BY OIG WITH FUNDS TO BE PUT TO BETTER USE	29
5: RECOMMENDATIONS ON WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED	30
6: SUMMARY OF HOTLINE AND OTHER COMPLAINTS	45
7: SUMMARY OF INVESTIGATIVE ACTIVITIES AND OUTCOMES	46
8: REFERENCES TO REPORTING REQUIREMENTS OF THE INSPECTOR GENERAL ACT, AS AMENDED	47
APPENDICES	50
Appendix A: Reporting of Peer Reviews	50
AUDIT UNIT	50
EVALUATION UNIT	50
INVESTIGATION UNIT	51
Appendix B: Contract Audit Reports	52

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 October 1, 2020, to March 31, 2021. 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. The Management and Administration Unit has greatly facilitated our adjustment to remote work, providing support services and promoting team building amongst physically distant staff.

We continue to focus our work on audits, evaluations, and other reviews of headquarters and post 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 from independent public accounting firm, Williams-Adley, on an audit of the agency's FY 2020 financial statements and a review of the agency's information security program. The Unit also initiated an audit of the Peace Corps' Coronavirus Aid, Relief, and Economic Security (CARES) Act supplemental funding and continued work on an audit of the agency's management of payroll and benefits for U.S. direct hires.

The Evaluation Unit issued a report on recurring issues identified between FY 2016 and 2019, with supporting contributions from the Audit and Investigation Units. The Evaluation Unit also initiated a follow-up review of issues identified in our 2013 evaluation of Peace Corps/Moldova and continued work on a review of the agency's response to a gas tank cooking accident that ultimately resulted in a Volunteer death.

The Investigation Unit conducted investigations of fraud, waste, abuse, and mismanagement in Peace Corps programs and operations, including two substantiated allegations against senior Government employees. The number of overall complaints continued to be substantially reduced during this reporting period, presumably because Volunteers were evacuated at the end of March 2020 and staff were focused on the pandemic and planning for the return of Volunteers to posts.

As part of our ongoing oversight, my office is monitoring how the Peace Corps manages the planning and implementation of its global re-entry process, as well as the newly announced short-term domestic deployment of Peace Corps Response Volunteers to assist with COVID-19 vaccine distribution. We will continue to focus on the health and safety of the Volunteers as the agency takes the necessary steps to safely redeploy them.



PEACE CORPS OFFICE OF INSPECTOR GENERAL

Finally, the Council of Inspectors General on Integrity and Efficiency honored my office with an Award for Excellence at its annual award ceremony on October 13, 2020. The Award recognized 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
Award	4
Staffing.....	5
OIG Organizational Chart	5



Management and Administration Unit

Agency Context

In response to the COVID-19 pandemic, the Peace Corps evacuated all Volunteers from posts in March 2020. The agency has since reported that it is making progress with its plans and preparations to safely return Volunteers to service. Although this undertaking is led by a specifically designated task force, it is an agency-wide effort which engages staff across offices, departments, and throughout overseas posts.

The agency reported that, as of March 31, 2021, headquarters was working closely with 57 posts in 61 countries to ensure that it makes informed decisions regarding the resumption of Volunteer operations. These efforts were supported by 2,544 locally hired personnel in host countries and 934 U.S. direct hire staff, of whom 180 worked abroad, 647 worked at headquarters, and 107 worked in regional recruiting offices and other domestic locations. The Peace Corps has 1,803 invitees who are ready to serve when conditions allow. During this reporting period, the agency received 3,802 new Volunteer applications and 81 applications for reinstatement from evacuated Volunteers, bringing the total number of evacuee reinstatement applications to 1,779.

While continuing to plan its overseas return, the agency announced on March 31, 2021, that for the second time ever in Peace Corps history it is preparing for the domestic deployment of Peace Corps Response Volunteers (PCRVs). At the request of the Federal Emergency Management Agency, PCRVs will assist with COVID-19 vaccine distribution in community vaccination centers across the United States, providing administrative, logistical, and language support for a period of 3 months.

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. The agency reported closing 397 PCPP projects and 26 SPA grant projects during the reporting period, leaving 74 PCPP projects and 5 SPA grant projects still open.

The Peace Corps continued to maintain 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.

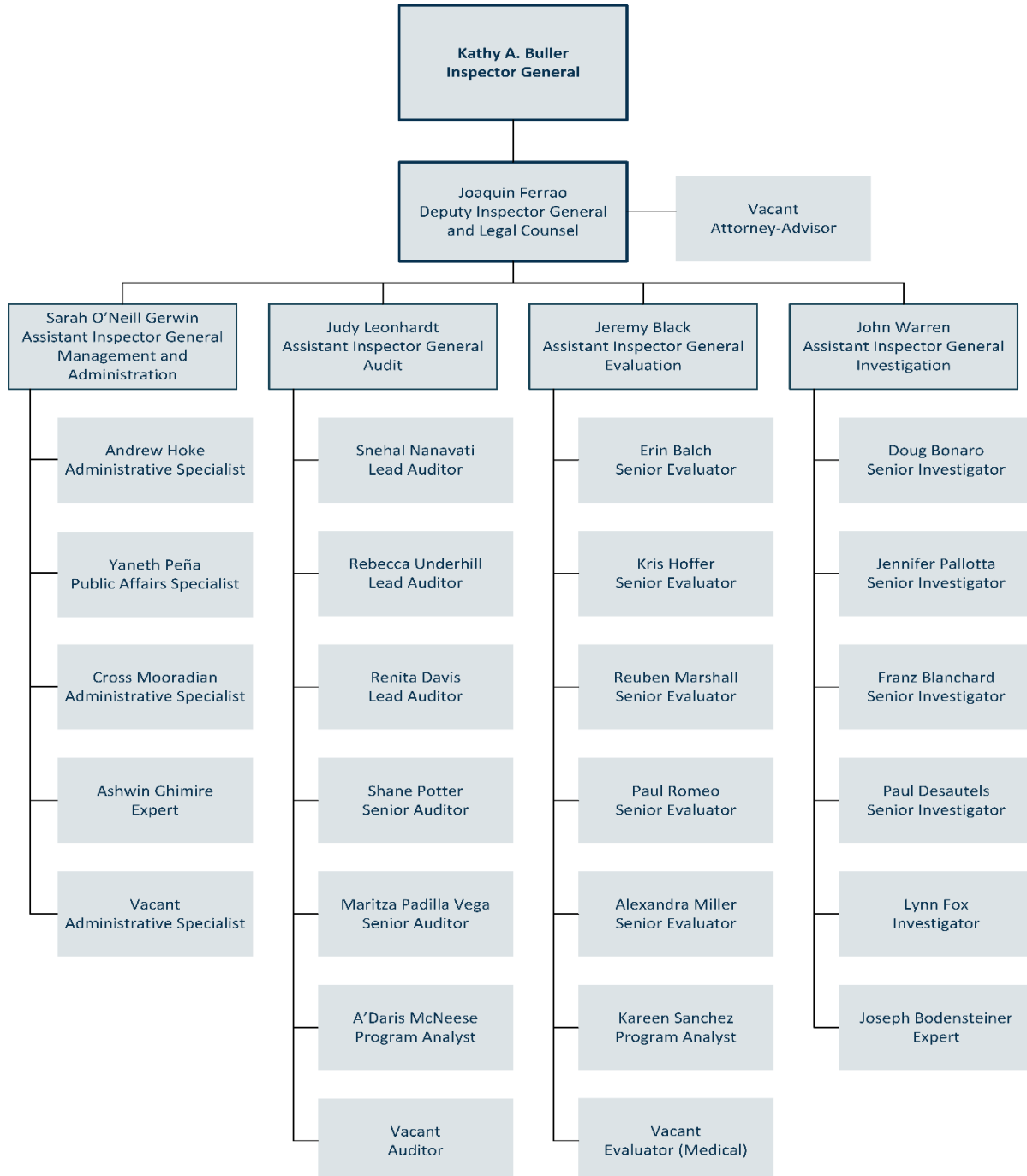
Award

On Tuesday, October 13, 2020, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) held its 23rd Annual Awards Ceremony. CIGIE honored Evaluator Alexandra Miller and Assistant Inspector General for Evaluations Jeremy Black with an Evaluations Award for Excellence. The Award recognized the exemplary and timely evaluation of Peace Corps/Comoros, which identified critical improvements needed for Volunteer health and safety support.

Staffing

Cross Mooradian joined OIG in January 2021 as an administrative specialist after working as a Peace Corps recruiter in Michigan for nearly 2 years. He also served as a Peace Corps Volunteer in Zambia from 2015 to 2018 where he worked as a primary school English teacher. Prior to volunteer service, Cross graduated from Oakland University with a bachelor's degree in anthropology.

OIG Organizational Chart



PAGE INTENTIONALLY LEFT BLANK

Advice, Assistance, and Other Reportable Matters

Review of Agency Regulations, Policies, and Procedures.....	8
Support for Closing Open Recommendations.....	9
Participation in Overseas Staff Training.....	9
OIG Support for Background Checks.....	9
Recurring Issues Report: Common Challenges Facing Peace Corps Posts.....	10



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 13 policies and procedures. Topics included the following: volunteer conduct, domestic physical security, staff safety and health, records management, staff absence and leave, overseas acquisitions, and policies for opening a post.

Revisions to MS 204 Volunteer Conduct and MS 284 Early Termination of Service

The revisions to Peace Corps Manual Section (MS) 204 and MS 284 consolidate provisions from both sections into MS 284 to further address any illicit use, possession, or distribution of drugs. The agency determined that a Volunteer/trainee who admits to, or is found to have engaged in, the use, possession, or distribution of drugs will not be given the opportunity to “resign in lieu” of administrative separation.

Further revisions to MS 204 were made as a result of work done to revise and strengthen the agency’s “zero tolerance” drug policy. The Office of Global Operations (OGO), through the Working Group on Volunteer Conduct, developed and then reached consensus on a set of further revisions that update, clarify, and strengthen the policy so that it deals effectively with a number of other issues that have arisen in recent years and required its attention.

OIG made generally positive comments about these changes noting how some of the changes could address issues OIG has reported regarding Volunteer drug use. However, we noted that, as interpreted, the changes do not address certain situations where a Volunteer admits drug use to investigators but is permitted to “cleanly resign” without being administratively separated. Such a result remains possible if a Volunteer resigns after an admission but before the investigator is able to convey the admission to the country director. However, current Peace Corps processes require staff to complete a form on the circumstances of a Volunteer’s early termination or close of service pending an investigation or inquiry. While the information requested includes details on the allegation pending against the Volunteer, the form does not require documentation of the Volunteer’s admission of drug use. That documentation is important for evaluating applicants to the Peace Corps Response program or a second Volunteer tour. We note that as of March 31, 2021, the agency is consistently requesting OIG records as part of their background investigation of Volunteers who have previously served. This agency practice mitigates our concerns.

OIG also suggested the agency amend MS 644 Fraternization to reflect and further elaborate on the changes in MS 204. Specifically, MS 204 includes a new provision that disciplinary action for fraternization does not apply when a Volunteer or trainee is

coerced or otherwise not acting freely. OIG suggested the agency provide greater clarity on the circumstances described.

Support for Closing Open Recommendations

The Evaluation Unit continues to provide advice and assistance to the Peace Corps by reviewing documentation and commenting to the agency on the progress Peace Corps has made addressing open recommendations from evaluation reports finalized during previous reporting periods. During this reporting period, this continuous effort has resulted in status updates to the agency on 18 open recommendations from multiple reports dating back to 2014. These updates have contributed to the subsequent closure of seven recommendations from the 2014 *Program Evaluation of the Peace Corps' Training of Overseas Staff*.

Overall, during the reporting period, OIG closed 74 recommendations for which the agency provided documentation demonstrating that corrective actions had been implemented.¹ Additionally, OIG senior staff have been engaging with the agency's Compliance Office to help clarify expectations and resolve potential obstacles preventing the full implementation of OIG recommendations.

Participation in Overseas Staff Training

OIG participated in virtual overseas staff training (OST) in October, briefing five country directors, one director of programming and training, four directors of management and operations, three financial specialists, two administrative specialists, and ten Peace Corps medical officers on best practices and common deficiencies noted by OIG.

OIG Support for Background Checks

During the reporting period, OIG continued to implement the new standard operating procedure established with key Peace Corps offices, by which those offices would 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 2018², and enhances the agency's employment inquiry and security process. During this reporting period, OIG conducted 313 records checks, of which 112 were for staff and 201 were for Volunteers.

¹ This total does not reflect recommendations made and closed by independent public accounting firms with which OIG has contracted to complete annual reviews of the agency's information security program and audits of the agency's financial statements.

² 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).

OIG opened 159 investigations during the period under review. Fifty-four investigations involved allegations of non-aggravated sexual assault, aggravated sexual assault, rape, sexual harassment, and Prosecutorial Remedies and Other Tools to End the Exploitation of Children Today Act of 2003 (PROTECT Act) violations. Twenty-seven investigations included allegations of theft of organizational funds or property, travel voucher fraud, contract fraud, fraudulent claims, and theft of grant funds. Sixteen investigations related to drug offense allegations, primarily possession and use. Fifteen investigations concerned mismanagement of administrative matters.

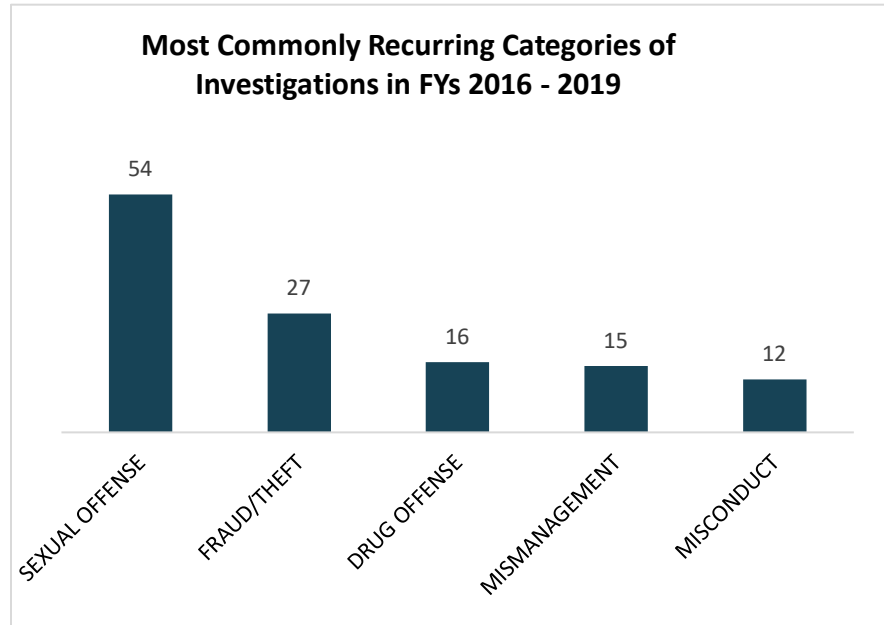


Figure 3: Number of Most Common Offenses Investigated, by Category, from FYs 2016 to 2019.

All recurring issues identified in this report were at least partially due to issues pertaining to leadership and management, such as:

- insufficient communication or collaboration with staff, Volunteers, headquarters, or other stakeholders;
- inadequate oversight or weak internal controls;
- gaps in staff training;
- insufficient guidance, policies, and procedures;
- ineffective staff management; and
- noncompliance with rules and regulations related to personnel management.

PAGE INTENTIONALLY LEFT BLANK

Audit Unit

Overview	14
Ongoing Work.....	14
Audit of the Peace Corps' Financial Statements.....	15
Review of the Peace Corps' Information Security Program	17



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

Along with the final reports detailed in the following sections, the Audit Unit continued work on an audit of the Peace Corps' management of payroll and benefits for U.S. direct hires. The Unit also initiated work on an audit of the Peace Corps' CARES Act supplemental funding and the annual Improper Payments Elimination and Recovery Act report.

Agency-wide Audit

Audit of the Peace Corps' Financial Statements

FY 2020

We contracted with Williams Adley, an independent certified public accounting firm, to audit the Peace Corps' financial statements as of September 30, 2020 and 2019. The audit was conducted in accordance with GAGAS, issued by the Comptroller General of the United States; and the Office of Management and Budget (OMB) Bulletin No. 19-03, Audit Requirements for Federal Financial Statements.

Williams Adley's report for FY 2020 includes: an opinion on the financial statements, conclusions on internal control over financial reporting, and compliance with laws, regulations, contracts, and grant agreements. In its audit of the Peace Corps, Williams Adley found:

- The financial statements were fairly presented, in all material respects, in conformity with GAGAS principles.
- There were no material weaknesses in internal control.
- Two significant deficiencies related to internal control were disclosed by Williams Adley:
 - Lack of effective information technology security—Williams Adley cited a lack of a comprehensive risk management program. Additionally, there are weaknesses in the IT control environment related to its design and operations that placed Peace Corps data at risk.
 - Inadequate internal controls over property, plant, and equipment—Williams Adley cited gaps in the internal control framework in the areas of recording and tracking property, assigning the proper useful life of assets, and performing necessary reconciliations of property data.
- One instance of reportable noncompliance was found relating to applicable provisions of laws, regulations, contracts, and grant agreements which are required to be reported under GAGAS or OMB guidance. Williams Adley found that the Peace Corps did not fully comply with:
 - The Federal Information Security Modernization Act of 2014 by not fully implementing information security continuous monitoring and the agency's risk management program.

OIG's review of Williams Adley's report and related documentation disclosed no instances where Williams Adley did not comply, in all material respects, with GAGAS. As required by OMB Circular A-136, "Financial Reporting Requirements," the auditors' report was published within the Peace Corps' FY 2020 Agency Financial Report.

Additionally, a separate letter describing internal controls weaknesses considered less severe than a significant deficiency was issued by Williams Adley and provided to Peace Corps management. Williams Adley noted three concerns regarding internal controls:

PEACE CORPS OFFICE OF INSPECTOR GENERAL

- Inadequate controls surrounding the processing of personnel actions, specifically with the processing of employee separations.
- Weaknesses identified with the financial system were not documented as a Plan of Action and Milestone (POA&M) within 30 days, as required by policy.
- The Information System Contingency Plan for financial systems was outdated and did not reflect current network/infrastructure capabilities.

Management concurred with all 12 recommendations.

Other Reviews

Review of the Peace Corps' Information Security Program

FY 2020

The FY 2020 Federal Information Security Modernization Act of 2014 (FISMA) review results are consistent with more than a decade of Peace Corps Office of Inspector General (OIG) reviews outlining concerns over the agency's management of IT security. Since 2009, OIG has reported in our statements on management and performance challenges that the Peace Corps has not implemented an effective information security program or achieved full compliance with FISMA.

We contracted with Williams Adley, an independent certified public accounting firm, to assess the agency's performance against a government wide maturity model, and the FY 2020 results place the Peace Corps at Level 1, ad-hoc, or operating in a reactive manner. OMB expects the agency to be operating at Level 4, which is defined as managed and measurable. There are numerous FISMA findings that have been outstanding for over a decade and we continuously have noted repeated weaknesses related to people, processes, and technology. This year two of the more notable examples include:

- The backbone of the agency's IT infrastructure operating without undergoing the proper assessment and authorization; and
- Outdated IT assets operating without adequate protections.

These two examples are illustrative of the larger systemic weaknesses in the agency's information security program. Change at this level requires a serious and sustained undertaking with involvement and dedication from every level of the organization. The agency does not have the appropriate structure in place to promote effective planning, resources, and communications necessary for this holistic change.

During FY 2020, the Peace Corps program suffered significant upheaval, and the agency underwent substantial changes to its operations: the data center was relocated, the headquarters building moved, and all Peace Corps Volunteers were recalled due to the ongoing COVID-19 pandemic. In dealing with these major shifts in operations, the Peace Corps focused on keeping the agency operating without interruptions. However, this exposed the agency to serious information security risks. While the Peace Corps has not suffered a catastrophic operational or cybersecurity failure, the risk of such an event remains high.

This report made four recommendations to strengthen the information security program, such as elevating and expanding the chief information security officer role. Management concurred with three of the four recommendations.

PAGE INTENTIONALLY LEFT BLANK

Evaluations Unit

Overview	20
Ongoing Work	20



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*. These standards are instrumental in maintaining impartiality, reliability, and credibility, and set the bar for competence, independence, professional judgment, and internal quality controls.

During this reporting period, the Evaluation Unit led the effort to produce OIG's Recurring Issues Report: Common Challenges Facing Peace Corps Posts for FYs 2016 to 2019. The report highlighted the most commonly recurring issues noted in OIG audits, evaluations, and investigations. As a cross-unit project, details of this report are found in the [Advice and Assistance section](#). In addition, the Unit provided assistance to the Corporation for National and Community Service (CNCS, renamed Americorps) OIG for its December 2020 peer review of the Pension Benefit Guaranty Corporation OIG's Inspection and Evaluation Program.

Ongoing Work

The Evaluation Unit continued work on a review of the circumstances surrounding the death of a Volunteer in Ghana and a follow-up review of Peace Corps/Moldova. The Unit performed research and scoping in preparation for other projects yet to be announced. We also updated our Evaluations handbook to incorporate revisions made to the CIGIE *Quality Standards for Inspection and Evaluation* in 2020, as well as to implement two recommendations received from our 2020 peer review.

Investigations Unit

Overview	22
Subject Pleaded Guilty to Wire Fraud (Update)	23
Report of Fraud at Peace Corps Headquarters	23
Report of Kickback Fraud in the Africa Region.....	23
Report of Misappropriation of Funds in the Africa Region.....	24
Report of Volunteer-on-Volunteer Sexual Assault in the Africa Region	24
Report of Child Sexual Assault by a Volunteer in the Europe, Mediterranean, and Asia Region (PROTECT Act).....	24
Report of Staff Involvement in a Traffic Death in the Africa Region (Update).....	25



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 evacuated from posts 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.

Investigations of Criminal and Administrative Misconduct

Subject Pleaded Guilty to Wire Fraud (Update)

OIG previously reported on the indictment of Jaime Walsh for multiple counts of mail fraud, bank fraud, and attempting to defraud the Peace Corps. During this semiannual reporting period, Walsh pleaded guilty to one count of bank fraud.

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

Report of Fraud at Peace Corps Headquarters

OIG investigated a report that five governmental paychecks for a Peace Corps employee, amounting to approximately \$17,035.45, were diverted from the employee's personal bank account and sent to a fraudulently opened bank account utilizing the Peace Corps employee's Personally Identifiable Information (PII). The unknown actor used an email, not belonging to the Peace Corps employee, to electronically communicate with the Peace Corps Office of Human Resources (OHR) to facilitate the switch of direct deposit accounts and completed a Standard Form 1199A with the Peace Corps employee's PII to negotiate the transfer. Additionally, during the investigation, OIG received a report that an unknown actor attempted to use an email, not belonging to another Peace Corps employee, to electronically communicate with OHR to facilitate the switch of direct deposit accounts; however, OHR identified the attempt to be fraudulent and did not negotiate the transfer. The perpetrators were not identified. OHR was notified of the deficiencies in the administration of their transfer of employee bank accounts.

Report of Kickback Fraud in the Africa Region

OIG received a report that a former employee had awarded contracts to a company owned by the former employee or received kickbacks for contracts the former employee awarded. Additionally, OIG was informed that the company being contracted by the agency was not registered, whereby making their operation illegal in the host country. OIG conducted an investigation, which did not find any evidence that the former employee was affiliated with the contract company, nor with the owner of the contract company. The investigation further revealed the contract company was registered with the host country. The results of the investigation were provided to the agency for information.

Report of Misappropriation of funds in the Africa Region

OIG was informed by the United States Agency for International Development (USAID) that a Peace Corps staff member in the Africa Region was suspected of embezzling pension funds from a previous employer. While employed by a non-governmental organization (NGO), the host country national staff member applied for and was hired to oversee a Peace Corps post's budgets and financial systems as a contracting officer. During the investigation, the staff member admitted to embezzling the NGO's pension funds and depositing them into bank accounts linked to the staff member and a family member. The U.S. Embassy's Regional Security Office revoked the staff member's Security Certification, and the staff member's employment contract was not renewed.

Report of Volunteer-on-Volunteer Sexual Assault in the Africa Region

OIG received a report that a fellow Volunteer sexually assaulted the reporting Volunteer in a hotel. OIG investigated the matter. During the OIG interview of the accused, the Volunteer stated the sexual assault must have taken place in the manner it was reported but could not recall the details of the sexual assault due to the Volunteer's reported level of intoxication. The U.S. Department of Justice (DOJ) declined criminal prosecution of this matter for lack of jurisdiction. Moreover, the Peace Corps' misconduct policy provides it can only take administrative action if the accused Volunteer is in service. No action was taken as the accused Volunteer had separated from the Peace Corps shortly after the report was received.

Report of Child Sexual Assault by a Volunteer in the Europe, Mediterranean, and Asia Region (PROTECT Act)

OIG received an allegation that a Volunteer could be having an inappropriate relationship with an underaged local national. The Volunteer reportedly informed several other Peace Corps Volunteers of having a romantic interest in a student at the school where the Volunteer served as an instructor. Other colleagues reported that they warned the Volunteer not to pursue the student.

During the investigation, the Volunteer resigned in lieu of administrative separation from Peace Corps service for violating unrelated Peace Corps policies. The Volunteer opted to remain in country upon separation. Host country police located the former Volunteer and determined he was registered as a teacher. OIG interviewed the Volunteer, who confirmed that he taught health education to secondary school children. The Volunteer told investigators that while chaperoning a dance party, he danced in a "grinding" fashion with one of his 16-year-old students, whom he identified. He acknowledged he had told and texted colleagues of this encounter. However, he denied to investigators that he had pursued a sexual relationship with her and also denied any physical relationship ever existed. Despite the potential violation of the agency fraternization and child protection policies, no administrative action could be taken as the Volunteer was no longer serving.

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

OIG and the Department of State's Diplomatic Security Service, Office of Special Investigations, investigated a Peace Corps employee's involvement in the traffic death of a host country national. The investigation disclosed that after drinking an undetermined amount of alcohol at a bar, the employee picked up a sex worker on a street in his diplomatic-plated vehicle and brought her back to his U.S. government-leased residence, where he exchanged money for sexual activity with her. While driving her back to the area where he picked her up, the employee's car struck three host country nationals in separate but successive incidents, causing injury to the employee and severe injury to bystanders, including one fatality. After the initial accident, a group of onlookers pelted the employees' vehicle with rocks. The employee then sped off in the vehicle and was chased down by a group of motorcycles. During the chase the employees' vehicle struck and killed a street vendor. The employee was eventually transported to a police station where he refused a breathalyzer and was released so that he could receive medical attention. The Peace Corps and U.S. Embassy arranged a medevac to the United States for the employee. The host country was unable to pursue prosecution before the medevac took place, and the U.S. Department of Justice declined prosecution, citing a lack of jurisdiction. OIG referred the matter to the agency for administrative action and security clearance review. The employee's clearance was revoked, and he resigned from his position.

PAGE INTENTIONALLY LEFT BLANK

Tables

1: List of Reports: Audits and Program Evaluations	28
2: Reports with Questioned Costs, Unsupported Costs, and Funds to Be Put to Better Use.....	28
3: Status of Reports Issued by OIG with Questioned and Unsupported Costs.....	29
4: Status of Reports Issued by OIG with Funds to Be Put to Better Use.....	29
5: Recommendations on which Corrective Action Has not Been Completed.....	30
6: Summary of Hotline and Other Complaints	45
7: Summary of Investigative Activities and Outcomes	46
8: References to Reporting Requirements of the Inspector General Act	47



Tables

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

Agency-wide Audits	Page
Audit of the Peace Corps' Financial Statements (FY 2020)	15
Other Reports	Page
Recurring Issues Report (FY 2016 to 2019)	10
Review of the Peace Corps' Information Security Program (FY 2020)	17

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

Report	Questioned Costs ³	Unsupported Costs ⁴	Funds to Be Put to Better Use ⁵
-	-	-	-
Subtotal	-	-	-
Total			\$-

³ 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.

⁴ Unsupported Cost – A cost that is not supported by adequate documentation.

⁵ 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	6	\$4,702,607	\$649,300
Issued during the reporting period			
Audits	-	-	-
Total	6	\$4,702,607	\$649,300
Management decision made during the reporting period			
(i) Disallowed costs ⁶	1	\$21,030	-
(ii) Costs not disallowed ⁷	-	-	-
Subtotal	1	\$21,030	-
Total for which no management decision had been made by the end of the reporting period	6	\$4,681,577	\$649,300

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	2	\$388,404
Issued during the reporting period		
Audits	-	-
Total	2	\$388,404
Management decision made during the reporting period		
(i) Dollar value of recommendations agreed to by management	1	\$34,205
(ii) Dollar value of recommendations not agreed to by management	-	-
Subtotal	-	-
Total for which no management decision had been made by the end of the reporting period	2	\$354,199

⁶ "Disallowed costs" are costs that, upon review, management determined that they are not allowable.

⁷ "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
178	162

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.

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)

6 of 23 recommendations open since September 30, 2014

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

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.⁸

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 an 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.

⁸ The agency did not concur with this recommendation.

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

4 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 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.

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.⁹

⁹ The agency did not concur with this recommendation.

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

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)

8 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 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.

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

6 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.

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 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.¹⁰

¹⁰ The agency partially concurred with this recommendation.

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.

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)

3 of 4 recommendations open since November 7, 2019

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)

3 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 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 9: OIG recommended that the director of management and operations improve the administration of allowance surveys to raise the Volunteer response rate.

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

17 of 22 recommendations open since March 31, 2020

Recommendation 1: OIG recommended that the country director ensure 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 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).

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

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.

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.

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)

12 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 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.

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)

3 of 13 recommendations open since July 2, 2020

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 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.

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

13 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 10: OIG recommended that the director of management and operations ensure that the training center sub-cashier's pass-through accounts is fully operational.

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 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 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 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 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 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)

6 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 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 10: OIG recommended that the director of management and operations ensure that staff obtain signed contractor's releases from vendors.

Recommendation 13: 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 medications.

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.¹¹

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

¹¹ 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)

10 of 14 recommendations open since September 19, 2019

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.

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.

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.

Financial Statement Audit Recommendations¹²

Summary of Internal Control Issues Over the Peace Corps' Financial Reporting

Issue	Year First Identified	Agency Concurrence with Issue	Open Recommendations
Information Technology Security	2013	Concur	5
Inadequate Internal Controls over Property, Plant, and Equipment	2019	Concur	3
Inadequate Maintenance and Testing of Financial System Contingency Plan	2018	Concur	1
Inadequate Controls Surrounding Processing of Personnel Actions	2020	Concur	2
Plan of Action and Milestones Deficiencies	2020	Concur	1
Total Open Recommendations			12

Federal Information Security Management Act (FISMA) Review Recommendations¹³

Review of the Peace Corps' Information Security Program (FY 2020)

4 of 4 recommendations open since October 31, 2020

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.¹⁴

Recommendation 2: OIG recommended that the Director appoint the chief information security officer to serve on the Enterprise Risk Management Council as a voting member.

Recommendation 3: OIG recommended that Peace Corps management enhance the communications protocols with different offices to ensure roles and responsibilities are clearly communicated and risks are consistently identified and communicated from system, business process, and entity levels.

Recommendation 4: OIG recommended that Peace Corps management add an IT security performance element to the annual performance plans for all staff members who have a role with IT security. This should include all system owners and staff members who have roles and responsibilities in managing and protecting Peace Corps sensitive data and information systems.

¹² 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.

¹³ 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.

¹⁴ The agency did not concur with this recommendation.

6: Summary of Hotline and Other Complaints

Complaints Received	
Complaints Received (Hotline)	43
Complaints Received (Other Sources) ¹⁵	3
Total Complaints (All Sources)	46
Overview of Complaint Activity ¹⁶	
Resulted in Investigations	1
Resulted in Preliminary Inquiries	4
Resulted in Audits or Evaluations	1
Referred to Agency Management	20
Referred to Other Agency	1
No Action Needed	7

¹⁵ These complaints are largely a result of outreach by OIG staff and were received by email, phone calls, and conversations.

¹⁶ 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

Investigative Activities	Preliminary Inquiries ¹⁷	Cases
Open at the beginning of the reporting period	19	11
Opened during the reporting period	4	1
Closed during the reporting period	9	4
Total open at the end of the reporting period	14	8
Reports		
Investigative reports issued		-
Referrals		
Persons referred for criminal prosecution (Department of Justice)		1
Persons referred for criminal prosecution (state and local authorities) ¹⁸		-
Cases referred to the Department of Justice		1
Cases referred to agency management for administrative action		1
Cases referred to agency management for other action		-
Referrals to other agencies		1
Court Actions		
Criminal information and indictments		-
Trial(s) pending		1
Ongoing prosecution ¹⁹		-
Convictions		1
Judgments		-
Fines/assessments/fees		-
Administrative Actions		
Employee ²⁰ resignations and terminations		1
Other employee actions ²¹		-
Suspension/debarment referrals		-
Monetary Results		
Annual savings		-
Recoveries/restitution ²²		-
Cost avoidance		-

¹⁷ 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.

¹⁸ Includes foreign courts.

¹⁹ Includes overseas criminal proceedings.

²⁰ Volunteers/trainees are included as Peace Corps staff for the purpose of reporting investigative activity.

²¹ Includes administrative actions that are less than resignation or termination, for example: letters of reprimand, counseling, and retraining.

²² 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	8
§ 5(a)(1)	Significant problems, abuses, and deficiencies	Advice and Assistance, Audits	8-17
§ 5(a)(2)	Significant recommendations for corrective actions	Audits, Table 5	14-17, 30-44
§ 5(a)(3)	Prior significant recommendations on which corrective action has not been completed	Table 5	30-44
§ 5(a)(4)	Matters referred to prosecuting authorities	Investigations, Table 7	22-25, 46
§ 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	Audits, Tables 1 - 4	14-17, 28-29
§ 5(a)(7)	Summary of significant reports	Audits, Investigations	14-17, 22-25
§ 5(a)(8)	Statistical table - questioned and unsupported costs	Tables 2 & 3	28-29
§ 5(a)(9)	Statistical table - funds to be put to better use	Tables 2 & 4	28-29
§ 5(a)(10)	Summary of previous reports with open recommendations	Table 5	30-44
§ 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	50-51
§ 5(a)(17)-(18)	Statistical table - investigative reports issued; persons referred for criminal prosecution; indictments and criminal information	Table 7	46
§ 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	N/A	-
§ 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	50
B: Contract Audit Reports	52



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),²³ 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 standards from CIGIE’s *Quality Standards for Inspection and Evaluation (Blue Book)* and determined that 1) Evaluation Unit policies and procedures generally met the standards; and, 2) two reviewed reports generally met the 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 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 procedures generally met

²³ 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.).

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

In addition, the Evaluation Unit assisted the CNCS OIG in reviewing the inspection and evaluation program of the Pension Benefit Guaranty Corporation (PBGC) OIG. The review team conducted the review from August 3, 2020, through December 10, 2020, and the peer review report was issued December 16, 2020. The review team determined that the PBGC OIG policies and procedures and the three reports reviewed generally met the seven Blue Book standards, and the report therefore did not include any findings or recommendations.

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

Online Reporting Tool: peacecorps.gov/oig/contactoig

Mail: Peace Corps Office of Inspector General
Paul D. Coverdell Peace Corps Headquarters
1275 First Street NE
Washington, DC 20526

For General Information:

Main Office: 202.692.2900

Website: peacecorps.gov/oig

 Twitter: 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