



Peace Corps Office of

INSPECTOR GENERAL



SEMIANNUAL REPORT *to* CONGRESS

SPRING 2026 | October 1, 2025, to March 31, 2026



A Message from the INSPECTOR GENERAL

I am pleased to present the Peace Corps Office of Inspector General's (OIG) Semiannual Report to Congress (SARC), highlighting our key work and accomplishments from October 1, 2025, through March 31, 2026.

During this reporting period, the Peace Corps continued to undergo significant organizational changes, including a Washington, D.C. headquarters reorganization that followed a substantial reduction in staff over the past year. Simultaneously, the agency is engaged in efforts to reach its Volunteer recruitment and placement goal of having 8,000 Volunteers in service by 2030. During this time of rapid personnel change, OIG remains committed to meaningful oversight that supports the Volunteer program and our office's mandate to prevent and detect fraud, waste, abuse, and mismanagement and promote agency effectiveness and efficiency.



As part of our advice and assistance mandate, we issued "Key Considerations in Conducting Peace Corps Post Closures," a consolidated resource that incorporates staff expertise and agency guidance to help Peace Corps leadership and staff navigate overseas post closures. This report—which highlights key considerations to make the post closure process more effective while reducing risk during closure activities—is timely given the ongoing closure of Peace Corps/South Africa. While post closures are a routine part of the agency's operational cycle, this report is intended to strengthen efficiency, effectiveness, and risk mitigation.

Also, during this reporting period, we completed two post reviews: an "Evaluation of Peace Corps/North Macedonia" and a "Review of Peace Corps/Peru Post Operations." In North Macedonia, we found that the post maintained effective health and safety and security programs, though staff faced challenges in cross-unit communication. In Peru, we concluded that the post generally adhered to relevant policies, though several financial and administrative processes required improvement. We appreciate the swift corrective actions both posts have implemented to address many of the issues we identified.

Despite the extended furlough at the beginning of the 2026 fiscal year (FY), the Audit Unit completed both the Federal Information Security Modernization Act (FISMA) review and the audit of the Peace Corps' FY 2025 Financial Statements. The Unit's dedication ensured compliance with Federal requirements and the timely completion of both reports.

Our Investigation Unit was also highly productive, completing more than a dozen reports of investigation. We have always thoroughly captured the administrative actions and improvements taken as a result of our investigative work and in FY 2026 we have implemented a more refined system of



A Message from the INSPECTOR GENERAL

tracking their monetary impacts. Beginning with this SARC, we will be annotating the monetary impact of our investigative activity on the agency's program integrity. Additionally, we will be more consistently documenting cost avoidance related to our investigative work. We maintain that our greatest value is helping ensure the integrity of the Peace Corps programs and operations, and the safety, health, and security of Volunteers. However, documenting the monetary impact of our investigative work will further support our oversight mission.

Our investigative efforts this reporting period also led to four referrals for suspension and debarment. Suspension and debarment is an administrative action taken by the agency against individuals and entities to protect the Government from fraud, waste, and abuse. Suspended or debarred individuals or entities are designated as not presently responsible and are listed in the System for Award Management database through the General Services Administration (GSA), making them ineligible to enter into contracts or grants with the Federal Government for a period of 3 years.

Finally, I extend my congratulations to our Council of the Inspectors General on Integrity and Efficiency (CIGIE) Legislation Committee team, including our Legal Counsel and Attorney Advisor, for receiving the Glenn Roth Award for Exemplary Service as a result of their work on the Administrative False Claims Act (AFCA). Since 2014, the team has advanced reforms to improve accountability and recovery of Government funds. Their efforts culminated with the enactment of the AFCA in the FY 2025 National Defense Authorization Act, which significantly enhances Federal agencies' ability to address fraud. Additionally, our legal staff has been providing advice and assistance to the Peace Corps as they work to develop implementing regulations.

Collectively, our work during the first half of the reporting period reflects Peace Corps OIG's commitment to ensuring that Peace Corps employees and Volunteers receive the support they need to carry out the agency's vital mission. We value our partnership with the agency and remain dedicated to promoting integrity, transparency, and responsible stewardship of taxpayer resources at home and abroad.

Joaquin Ferrao

Joaquin E. Ferrao
Inspector General

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AGENCY AND OIG SNAPSHOTS

Agency at a Glance

The success of the Peace Corps' mission depends on the effective recruitment and placement of individuals to fill host country requests for Volunteers. According to the agency, as of March 31, 2026, there were 2,755 Volunteers¹ and 274 Trainees serving across 57 posts² and 62 countries. These Volunteers were supported by 592 U.S. Direct Hires (USDH),³ 170 of whom worked abroad, and 422 of whom worked at headquarters and other domestic locations. Additionally, the agency had 1,586 locally-hired personnel⁴ in participating host countries. The Peace Corps reported that it received 8,556 Volunteer applications during this reporting period.

In May 2026, the Peace Corps intends to finalize its full time equivalent (FTE) staff reductions. To achieve staffing reductions, USDHs were offered the option to participate in the Office of Personnel Management's (OPM) Deferred Resignation Program (DRP)⁵ on two separate occasions. In August 2025, the agency announced its plan to restructure agency operations and focus its resources on Volunteer service, while also reducing the overall number of staff at Peace Corps/Washington and in the field; the cumulative effect on staffing will be a 40 percent reduction in USDHs and a 16 percent reduction in overseas locally employed staff (LES).



Source: All photos published this report come from the Peace Corps Media Library unless otherwise noted.

- ¹ This excludes Virtual Service Pilot assignments. Virtual Service is intended to allow participants to engage virtually with partner organizations in countries around the world. The agency reported 114 virtual service assignments, as of March 31, 2026.
- ² A post is the principal Peace Corps office at any host country and has supervision over its sub-offices in that country. The post may direct Peace Corps operations in one or more other host countries.
- ³ Includes Expert appointments; individuals who are specially qualified based on their education and experience to perform difficult and challenging tasks in a particular field beyond the usual range of achievements by competent persons in that field. (See 5 C.F.R. § 304.102)
- ⁴ The agency reports that 353 of the 1,586 locally-hired personnel were short-term hires and not necessarily engaged with the agency during the reporting period.
- ⁵ The DRP permits staff to transfer their workload, leave their job, and go on administrative leave through a certain end date before resigning. The DRP was offered to staff in January 2025 and April 2025.

AGENCY AND OIG SNAPSHOTS

Office of Inspector General Overview

OIG helps safeguard the integrity and effectiveness of the Peace Corps' operations by preventing and detecting fraud, waste, abuse, and mismanagement. OIG fulfills this important mission through independent and objective audits, evaluations, and investigations. The OIG office is comprised of four main components, each led by an Assistant Inspector General, which are staffed by 32 FTEs as of March 31, 2026.

AUDIT UNIT

The Audit Unit conducts independent audits and reviews of agency programs and operations that support the Peace Corps' mission. OIG audits are performed in accordance with the U.S. Generally Accepted Government Auditing Standards (GAGAS), which are designed to independently examine the agency's financial and administrative operations, promote economy and efficiency, and ensure compliance with Federal laws, regulations, and Peace Corps policy.

EVALUATION UNIT

The Evaluation Unit provides the Peace Corps with independent evaluations and reviews of overseas posts and headquarters. Evaluations promote efficiency and effectiveness in the administration of programs and operations, assess Volunteer support, identify best practices, and recommend improvements. OIG evaluations are performed in accordance with the CIGIE Quality Standards for Inspection and Evaluation.

INVESTIGATION UNIT

The Investigation Unit is authorized to conduct investigations into alleged criminal and administrative violations of laws, regulations, and policies 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 agency. Allegations are made by Peace Corps stakeholders, such as Volunteers, Trainees, staff, contractors, other Federal entities, and the public. The Investigation Unit receives allegations through audits, evaluations, Hotline complaints, and other means.



OIG investigators have full Federal law enforcement authority, including the authority to, upon probable cause, seek and execute warrants for arrest, search premises, and seize evidence, as approved by the Attorney General, and routinely refer criminal cases to the U.S. Department of Justice. In addition, OIG receives substantial investigative support from the Department of State Bureau of Diplomatic Security. Pursuant to the Sam Farr and Nick Castle Peace Corps Reform Act of 2018 (22 U.S.C. § 2504(p)), the Investigation Unit

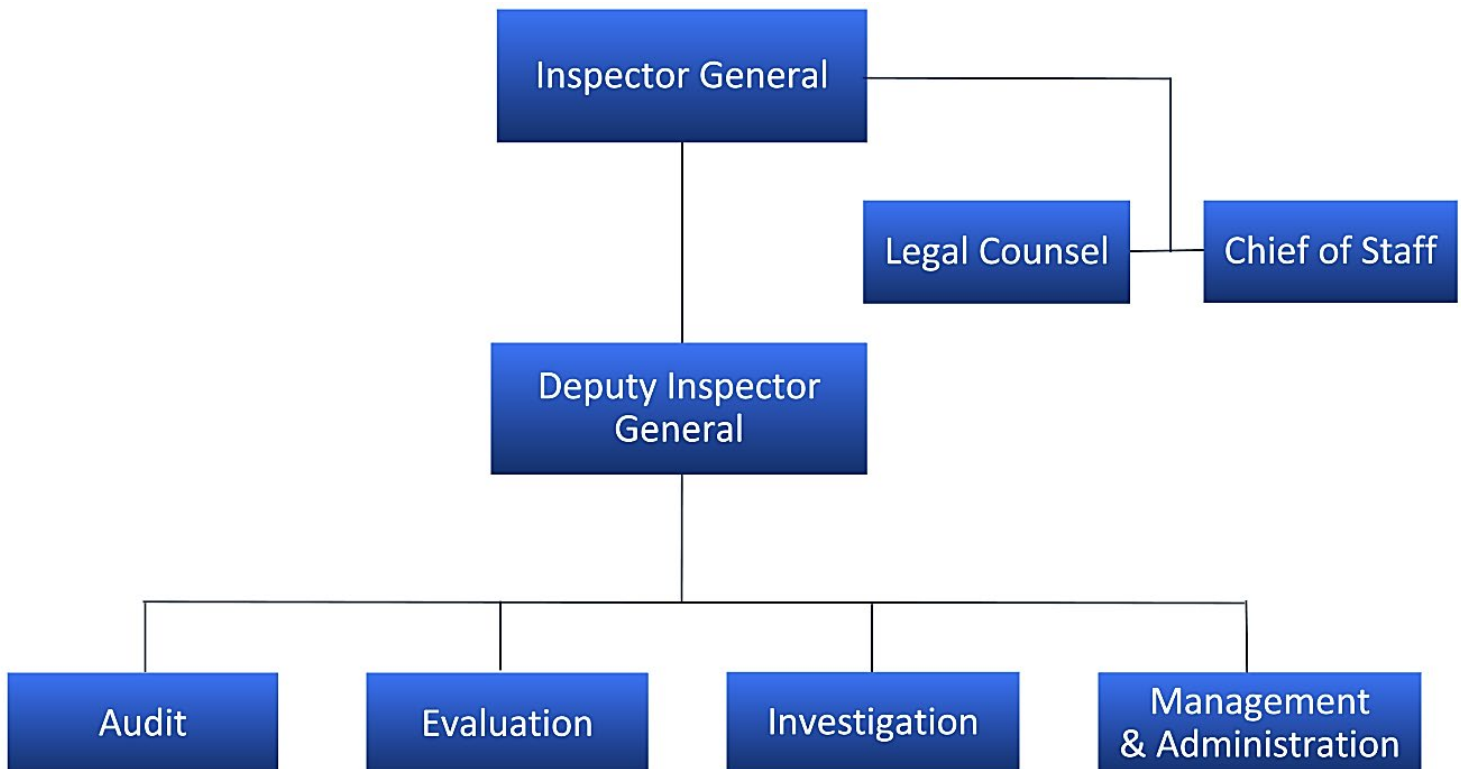
AGENCY AND OIG SNAPSHOTS

is also responsible for independent reviews of the facts and circumstances surrounding Volunteer deaths.

MANAGEMENT AND ADMINISTRATION UNIT

The Management and Administration Unit provides the operational support required for OIG to fulfill its important mission. The Unit completes critical business functions including: financial management and budgeting, human resources, procurement and contracting, writing and editing, information technology, and other essential support priorities.

OIG Organization Chart



Advice, Assistance, and Other Reportable Matters



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ADVICE, ASSISTANCE AND OTHER REPORTABLE MATTERS

Review of Agency Regulations, Policies, and Procedures

OIG provides advice and assistance to the Peace Corps Senior Policy Committee and other relevant stakeholders by commenting on new or updated drafts of regulations, policies, procedures, and other documents that govern the agency's organization and practices. This assistance is provided consistently with OIG's duty under the Inspector General Act to review existing and proposed policies to promote economy and efficiency in Peace Corps programs.

During this reporting period, OIG reviewed 16 Peace Corps policies and relevant implementing procedures. Topics and areas included:

- Whistleblower rights and protections
- Federal use of artificial intelligence
- Peace Corps publicity and external affairs
- Performance management
- Administration of the Peace Corps personnel system
- Occupational health and safety
- Small grants
- Volunteer leaders
- Volunteer marriages

In addition, OIG provided technical assistance in establishing regulations for AFCA. Once finalized, these regulations will provide Peace Corps an administrative remedy when program integrity is compromised by false claims and statements.

Review of Existing and Proposed Legislation

In accordance with statutory mandate, OIG monitors and reviews existing and proposed legislation for their potential impacts on the economy, efficiency, and integrity of Peace Corps programs and operations. During this reporting period, OIG responded to the House Foreign Affairs Committee's request for technical assistance. Additionally, OIG supports the IG community's legislative efforts to work with Congress and other stakeholders on identified priorities to strengthen Government-wide oversight. These efforts are primarily aimed at preventing fraud, improper payments, and protecting Federal programs and taxpayer funds.



ADVICE, ASSISTANCE AND OTHER REPORTABLE MATTERS

Over the years, these endeavors have resulted in important legislation that has strengthened IG independence, enhanced investigative authorities and data analytics support for the oversight community, and maximized efficiencies and transparency. Recently, the CIGIE community recommended additional reforms to help improve program integrity, including statutory exclusion for felony fraud convicts to protect Federal funds, which was marked up by the House Committee on Oversight and Government Reform during this reporting period.

Report: Key Considerations in Conducting Peace Corps Post Closures

As part of OIG's advice and assistance function, the OIG team published an informational report highlighting lessons learned from past agency post closures.

Periodically, the Peace Corps must make the difficult decision to close a post. Post closure, which is a normal part of the Peace Corps' operational cycle, requires specific planning and execution. Although the agency has experience with conducting post closures, staff knowledge on the subject has been dispersed across various offices and geographic locations. OIG developed this report as a tool to centralize staff knowledge and help guide the agency in current and future post closures.



The Peace Corps' ability to sustain its mission depends largely on its institutional reputation. There have been instances in which the Peace Corps has closed a post and—years later—decided to return and reopen a post in the same host country. The way in which posts are closed can impact host countries' willingness to re-engage with the Peace Corps in the future. Post closures can also impact future country partners' perceptions of the agency's commitment to its relationships and agreements. In addition, one of

the agency's most important resources is its dedicated staff. The way in which staff are offboarded and supported honors the service and talent they provided to the Peace Corps throughout their employment with the agency. With ongoing closure activities in South Africa, Peace Corps OIG developed this report with the intent to increase agency efficiencies and effectiveness associated with post closures, while also helping to mitigate potential risks.

Outreach

Consistent with OIG's statutory duties under the Inspector General Act and Peace Corps Act, Peace Corps OIG routinely engages in outreach to its relevant stakeholders.

OIG delivered four webinars that reached at least 250 staff this reporting period, targeting health units and USDH overseas staff to provide updates, answer questions, and support staff across diverse

ADVICE, ASSISTANCE AND OTHER REPORTABLE MATTERS



functional and regional areas. These engagements improved staff understanding of OIG processes, promoted whistleblower protections, and reinforced collaborative relationships with posts and headquarters stakeholders across the agency.

During the reporting period, OIG team members also met with the Department of Justice Human Rights and Special Prosecution Section (HRSP) leadership. HRSP protects the American public and U.S. interests by supporting prosecutions of complex international immigration, violent crime, and other victim-centered

cases over which the U.S. has jurisdiction. OIG reiterated its priority to protect Peace Corps Volunteer health and safety through collaborative efforts with HSRP to investigate and prosecute any violations of U.S. criminal law that involve Peace Corps Volunteers, including instances in which they are victims of violent crimes.

Finally, OIG, in collaboration with the Peace Corps, welcomed 22 college interns to agency headquarters, introducing them to the agency's mission and OIG's oversight work. OIG staff members worked directly with the students, showcasing career paths in the Government oversight space. This engagement, along with OIG's semester internship program, represents the office's commitment to early career recruitment and other reforms detailed in the 2025 Merit Hiring Plan.



Source: Picture of Kent State Interns visiting Peace Corps Headquarters, photo taken by OIG Training Specialist

Support for Background Checks

During the reporting period, OIG supported the agency's standard operating procedures for personnel background checks, which integrates and automates requests for OIG record checks. Any individual who worked or volunteered for the Peace Corps and seeks to return as staff or as a Volunteer undergoes an OIG record check. This supplements the agency's onboarding process to produce accurate and complete background checks for employment and Volunteer Service. This process helps the agency comply with the employee and Volunteer background check requirements of the Sam Farr and Nick Castle Peace Corps Reform Act of 2018.

During the reporting period, OIG conducted 367 record checks, of which 64 were for potential and current staff, and 303 were for Volunteers and Virtual Service Pilot participants.

Audit Unit



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AGENCY-WIDE AUDITS AND REVIEWS

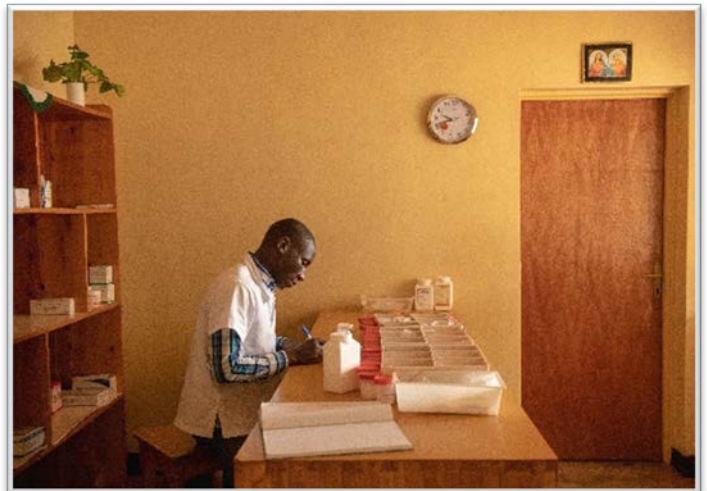
Audit of the Peace Corps' Fiscal Year 2025 Financial Statements

IG-26-01-A

In December 2025, OIG issued a final report on the Audit of the Peace Corps' Financial Statements for FY 2025. This year, OIG concluded that the Peace Corps' financial statements were fairly presented in all material respects, in accordance with the Generally Accepted Accounting Principles (GAAP). These results mark nearly 20 consecutive years of clean financial statement audit opinions.

The audit did, however, identify two significant deficiencies in the Peace Corps' internal control over financial reporting pertaining to (1) property, plant, and equipment and (2) information technology security. In addition to these significant deficiencies, two deficiencies were identified in the Peace Corps' internal control over financial reporting which were not considered to be a material weakness or significant deficiency. However, these deficiencies warrant the Peace Corps management's attention and were reported in the management letter.

To perform the audit, OIG contracted with Williams, Adley & Company-DC LLP (Williams Adley), an independent and certified public accounting firm to audit the Peace Corps' financial statements as of September 30, 2025. This audit was conducted in accordance with GAGAS; the standards applicable to financial audits contained in the GAAP; the Office of Management and Budget (OMB) Bulletin No. 24-02, Audit Requirements for Federal Financial Statements; and OMB Circular A-136 revised, Financial Reporting Requirements.



Review of the Peace Corps' Information Security Program for FY 2025

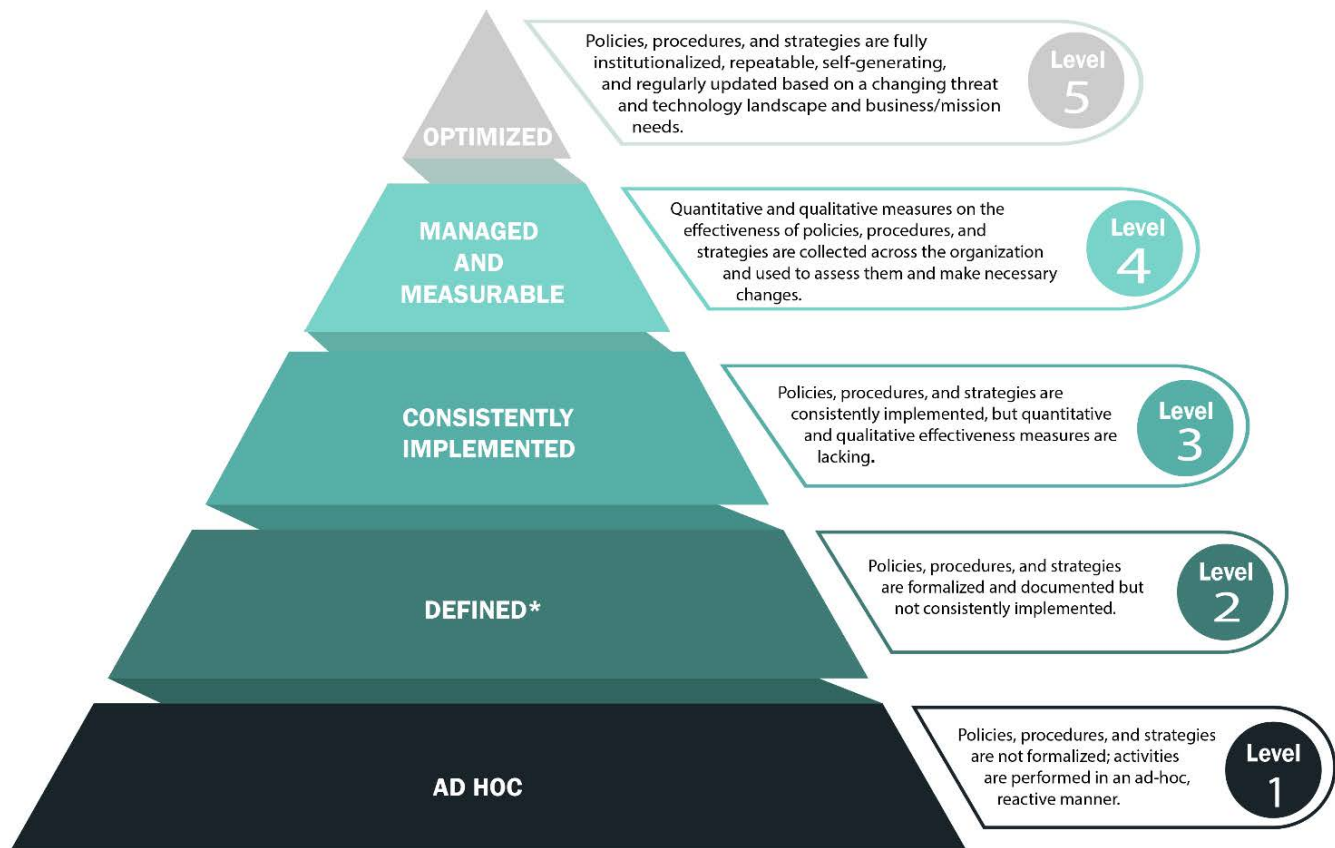
IG-26-01-SR

In December 2025, OIG issued a report on the Peace Corps' information security program for FY 2025, in compliance with FISMA. It was determined that since FY 2024, the Peace Corps has enhanced its information security posture by addressing five recommendations from previous reports. OIG found that the Peace Corps improved in various FISMA domains, such as Identity and Access Management; Information Security Continuous Monitoring; and Incident Response.

While these quantifiable improvements reflect a stronger commitment to meeting FISMA requirements, for FY 2025, the Peace Corps information security program remained at a Level 2 – Defined. FISMA requires the OIG of each Federal agency to annually conduct an independent assessment of the agency's information security program to ensure it has developed, documented,

AGENCY-WIDE AUDITS AND REVIEWS

and implemented agencywide programs to provide comprehensive security for the information and systems that support their operations and assets.



*Peace Corps Maturity level as of FY2025

The review identified six new exceptions and five new recommendations. The agency concurred with the five new recommendations while three recommendations from prior reviews remain open. All recommendations are part of a regular 12-month cycle and will be reassessed during OIG's FY 2026 FISMA review.

To perform the review of the agency's information security program, OIG contracted with Williams Adley.

POST AUDITS AND REVIEWS

Review of Peru Post Operations

IG-26-02-SR

In February 2026, OIG issued a management implication report⁶ based on the Audit Unit's review of the Peace Corps' financial and administrative operations in Peace Corps/Peru, which included a site visit in June 2024.

Overall, OIG found that the post's operations and work environment were effective and complied with the applicable agency policies and regulations in multiple areas. However, the audit identified several opportunities for improvement in Peace Corps/Peru's financial and administrative operations that needed to improve to comply with agency policies and applicable Federal laws and regulations. Specifically, the post did not always:

The post's management team took actions to make improvements based on the audit's findings and, as a result, OIG decided not to issue any recommendations.

- File its value-added tax claims timely or adequately track the claims;
- Modify the contracts of terminated long-term Personal Service Contractors (PSC) and conduct a timely de-obligation of their unused funds;
- Maintain its PSC and lease files in accordance with agency requirements;
- Review its unliquidated obligation balances to determine if payments were completed and ensure the remaining balances were de-obligated;
- Record its accountable assets into the agency's asset management system;
- Perform unannounced verifications of sub-cashier balances or the required cash counts; and
- Liquidate cashier interim advances within 3 days.



Source: Picture of Peru Coastline taken by OIG Auditor during the review.

⁶ Management Implication Reports (MIR) and Management Advisory Reports (MAR) are conducted in accordance with OIG Directive 2020-03—Revision to Reporting Procedures for MIRs and MARs.

POST AUDITS AND REVIEWS

Throughout the review it was evident that the post's management team fostered a positive work environment, demonstrated by its active involvement in post operations and its response to the improvements identified. The post's management team took actions to make improvements and addressed the audit's findings and, as a result, OIG decided not to issue any recommendations.

Review of the Peace Corps' Contract Pre-Award Process

In January 2026, OIG conducted an exit briefing on the results of the Audit Unit's review of the agency's process for awarding domestic contracts. The objective of the review was to determine the extent to which the Peace Corps had established an effective framework for planning and awarding domestic contracts.

Overall, OIG found that Peace Corps had an effective framework for planning and awarding domestic contracts; however, the audit identified areas of improvement. These areas included the following:

- Guidance and templates for initiating the pre-award contract process;
- Adherence to Procurement Administrative Lead Time schedules; and
- Oversight of contract files and contract documentation maintenance.

Considering the impact of multiple Executive Orders issued since the completion of the fieldwork, which may impact the acquisition and Federal procurement process, OIG decided not to make any recommendations or issue a report on the results of this review. The exit briefing closed out the review.

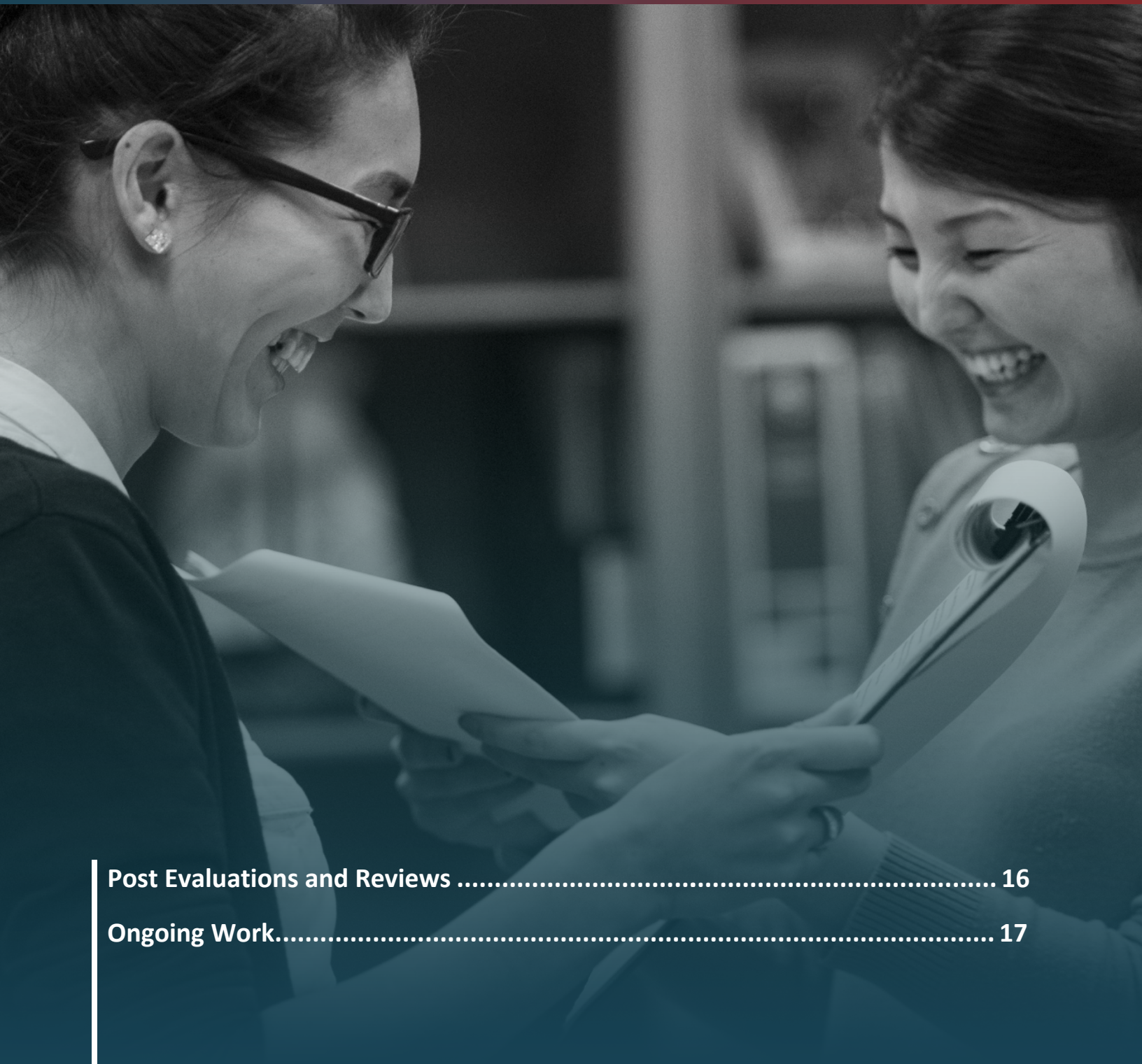


ONGOING Work

During this reporting period, the Audit Unit began work on an audit of post operations in Vanuatu, which will be coordinated with a review conducted by the Evaluation Unit. The Unit also announced its legislatively mandated review of the Peace Corps' compliance with the Payment Integrity Information Act for FY 2025 and an audit of the Peace Corps' compliance with FISMA for FY 2026.



Evaluation Unit



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POST EVALUATIONS AND REVIEWS

Evaluation of Peace Corps/North Macedonia

IG-26-01-E

OIG found that the health unit in North Macedonia faced challenges ordering medications through the Peace Corps' Post Logistics and Support Division (PLS). For example, the post reported that PLS shipped short-dated medications without notifying them.

In March 2026, OIG issued an evaluation report on Peace Corps/North Macedonia's operations and activities between October 2022 to June 2025. When the Evaluation Unit started the review, 77 Volunteers were serving in North Macedonia, with 27 full-time staff working at the post.

Overall, OIG determined that the post met its project objectives, aligned projects with host country needs, and maintained strong communication with and support for Volunteers. In addition, Volunteer projects were perceived to be impactful.

The evaluation, however, revealed opportunities for improvement in four of the five objectives it assessed. Specifically, OIG identified notable issues with:

- community and economic development sites;
- sustainable safety and security backup coverage;
- medication procurement processes;
- health unit capacity; and
- post staff morale and recognition.

OIG found that several community and economic development sites were not fully developed due to insufficient vetting and unclear Volunteer work assignments. OIG also found that the safety and security program was effective but lacked sustainable backup coverage for the safety and security manager.

The health unit was also highly effective, albeit strained by medication procurement inefficiencies; the Peace Corps medical officers' prior support of a regional medical unit that served both Peace Corps/North Macedonia and Peace Corps/Kosovo; and the increasing complexity in Volunteer medical accommodations. Lastly, OIG found that staff experienced gaps in cross-unit collaboration and a decline in morale, in part because of the post's suspension of its staff awards program.

OIG reviewed evidence of corrective actions completed by the agency and closed 4 of the 10 recommendations upon issuance; 6 remain open.



Source: Picture of Ohrid, North Macedonia, taken by OIG Evaluator

ONGOING WORK

During this reporting period, the Evaluation Unit completed data analysis and began developing findings and recommendations for its Evaluation of Peace Corps/Tonga, which will be issued in the following reporting period.

The Evaluation Unit also launched limited scope evaluations of Peace Corps/Samoa, Peace Corps/Guatemala, and Peace Corps/Mexico. The teams traveled to all three countries, where they visited Volunteers at their sites, observed the health and safety of their homes, and spoke with post staff. Additionally, the Unit announced an evaluation of Peace Corps/Vanuatu, with field work beginning in the following reporting period. The review will be coordinated with an audit team that will concurrently audit the post.



Investigation Unit



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INVESTIGATIONS OF CRIMINAL OR ADMINISTRATIVE MISCONDUCT

Report of Bribery and Theft in the Africa Region

OIG received a complaint alleging that LES members had accepted bribes from a government contractor, misappropriated government property for personal use, and received discounted services from a contractor in exchange for favorable consideration for contract awards to the company.

The investigation substantiated that two LES members accepted kickbacks and subsidized services from a vendor, including free and deeply-discounted security upgrades and equipment. During OIG interviews, both individuals admitted to stealing government property for personal use, accepting alcohol and other gratuities during duty hours, and inappropriately directing staff to use official time to help perform their personal errands.

OIG referred the matter to the agency for appropriate administrative action, and subsequently, both LES members resigned. After reviewing OIG's investigative findings, the U.S. Embassy Regional Security Officer terminated both LES members' security certificates. OIG closed the investigation and submitted debarment referrals against the vendor and two LES members to the Peace Corps shortly after the closure of this reporting period.

Referral of Fact-Based Debarment for Misuse of Official Time, Prohibited Activities, and Claims Against the Government

OIG referred a fact-based debarment to the Peace Corps suspension and debarment official pursuant to OIG's investigation regarding allegations of misuse of official time, prohibited activities, and claims against the Government by a former Peace Corps headquarters employee.

OIG's investigation disclosed substantial evidence that the headquarters employee in question had been performing contractor functions for another Federal agency during their official Peace Corps duty hours, and submitting multiple claims of compensation for the hours of work performed. Additionally, the employee made misrepresentations to their supervisor regarding their conduct during their duty hours, and their status as a contractor on their resume when applying for a promotion.

The Federal Acquisition Regulation (FAR) provides for the debarment, suspension, and ineligibility of contractors at 48 C.F.R. Subpart 9.4. to protect Government interests. OIG referred the matter to the agency for a fact-based debarment due to personal conduct that seriously affects the present responsibility of a Federal contractor.

Report of Kickbacks and Gratuities in the Africa Region

OIG received an allegation that an LES member may have misused a Government travel card to pay for non-official expenditures and arranged personal travel through an agency-contracted source.

INVESTIGATIONS OF CRIMINAL OR ADMINISTRATIVE MISCONDUCT

OIG confirmed numerous invoices that showed the Peace Corps had been charged for travel services that were not associated with authorized agency travel. During an OIG interview, the LES member admitted to arranging personal travel for family and friends through an agency-contracted source and then billing the Peace Corps for the services, as well as to using a Government-issued purchase card to make personal, unauthorized purchases. Further, OIG obtained evidence to demonstrate that the LES member had not been providing the travel company with payment for travel services rendered, despite informing post leadership that reconciliation had been completed, and had been creating post records to falsely reflect payments for services had been made.

OIG referred the matter to the U.S. Embassy Regional Security Officer, and the LES member's security certification was revoked. The Peace Corps terminated the LES member's contract and recovered the personal expenditures after the LES member failed to appear at a disciplinary hearing.

Report of Suspected Counterfeit Medications in the Africa Region

The Peace Corps Office of Health Services (OHS) reported concerns to OIG about the authenticity of malaria medications that a Peace Corps post had purchased from a local pharmacy.

The post provided the medication to a Volunteer who had contracted malaria, but the medication did not have the desired effect in treating the Volunteer's symptoms. However, the Volunteer's condition did improve after they were subsequently given a different medication. OIG found that the pharmacy in question supplies pharmaceuticals to multiple Peace Corps posts at lower costs than the Peace Corps contracted supplier. These circumstances raised concerns about the reliability of the medicines provided by the pharmacy to other posts.

To address these concerns, OIG sent a sample of the medication in question to the Food and Drug Administration (FDA) for testing and analysis. The FDA disclosed that the medication was, in fact, genuine. OIG provided the agency with the FDA's testing and analysis and closed the investigation.

Report of Suspected Hiring Fraud and Mismanagement in the Europe, Mediterranean, and Asia Region

OIG was notified that the successful candidate for an overseas Peace Corps post staff position may have used false educational credentials while applying for the position. The post did not maintain a physical or virtual repository of educational credentials for the corresponding position requirements of PSCs.

Investigative activity revealed that the candidate (now a Peace Corps staff member) did have the required credentials for the position. The university where the staff member attended and received a degree ceased to exist over 15 years ago, and no online record repository of the institution was available from the host country's educational authorities. The staff member also provided OIG with

INVESTIGATIONS OF CRIMINAL OR ADMINISTRATIVE MISCONDUCT

evidence of their degree and transcript in both local language and certified English translation. The successful candidate disclosed that they became aware of the Peace Corps because one of their university instructors was a Returned Peace Corps Volunteer (RPCV). OIG interviewed the RPCV and the RPCV remembered the staff member as a top student and a proficient translator.

OIG provided the post, region, Office of the Chief Financial Officer, Compliance and Risk Office, and Office of Global Operations with an Administrative Improvement Observation (AIO) briefing. OIG used the AIO briefing to deliver relevant information to improve agency operations with little to no additional costs or resources. The AIO briefing gave decision-makers a synopsis of the investigation and suggestions to update the current agency policy to more clearly identify the supporting documentation required to be maintained in the PSC file regarding professional qualifications and credentials.

Report of Possible Drug Distribution in the Inter-America and Pacific Region

OIG received an anonymous complaint alleging a Volunteer was using a specific online account to post suggestions for marijuana cultivation as well as distribution of marijuana to minors.

OIG could not substantiate the existence of the account in question, and coordinated efforts with the Peace Corps post country director (CD) to gather corroborating evidence. Ultimately the investigation yielded no evidence of drug possession, use, or distribution.

INVESTIGATIONS OF SEXUAL MISCONDUCT

Report of Non-Aggravated Sexual Assault in the Inter-America and Pacific Region

OIG received an allegation that an LES member sexually assaulted another LES colleague at an offsite post training event. The LES member allegedly misled their colleague to believe there was a lodging shortage that required them to share a hotel room.

During an interview with OIG, the LES member admitted to intentionally misleading their colleague to gain access to lodging quarters. The LES member also admitted to making sexual advances and sexually assaulting their LES colleague in the shared hotel room, despite their clear resistance to the advances. OIG interviews of multiple witnesses corroborated key aspects of the incident.

The accused LES member resigned from Peace Corps service during the investigation, and the U.S. Embassy's Regional Security Office revoked the LES member's security certification.

Report of Peace Corps Trainee Sexual Misconduct in the Inter-America and Pacific Region

OIG received allegations that a Peace Corps Trainee displayed inappropriate sexual behaviors in front of multiple underaged host country nationals.

OIG obtained substantial testimony to confirm the Trainee engaged in repeated unprofessional conduct toward local national children, including touching and sexually inappropriate comments. Investigative activity did not obtain evidence that the Trainee engaged in sexual activity with underaged persons.

OIG briefed the CD of investigative findings. The Trainee was proposed for Administrative Separation and subsequently resigned in lieu of administrative separation. The agency placed an Attachment J⁷ into the Trainee's record of service.

Report of Alleged Sexual Assault of a Volunteer in the Africa Region

OIG received a complaint alleging that a Peace Corps Volunteer was sexually assaulted by another Volunteer.

⁷ As noted in Peace Corps Manual Section 284 ,Early Termination of Service, the completion of Attachment J is required in cases where an allegation of serious misconduct has been made, but the Volunteer/Trainee early terminates before a disciplinary action was either initiated or ruled out. Attachment J also may be completed when the CD learns of the allegations after the Volunteer or Trainee leaves service or if a pending allegation remains unresolved as of the date of a PCV's close of service.

INVESTIGATIONS OF SEXUAL MISCONDUCT

OIG's investigation disclosed that the complainant Volunteer had agreed to sleep in the same bed at the subject Volunteer's residence and that during the night, the subject Volunteer engaged in indirect sexual contact without consent.

After being informed of the allegation, the subject Volunteer resigned from Peace Corps service, and OIG was unable to interview them during the investigation. OIG presented the matter to HRSP, which declined prosecution. OIG informed the CD of the findings, and the CD placed an Attachment J in the subject Volunteer's service records.

Report of Volunteer Sexual Misconduct in the Europe, Mediterranean, and Asia Region

OIG received notification of a sexual assault incident involving two Volunteers wherein each Volunteer claimed experiencing sexual misconduct by the other.

OIG interviews disclosed Volunteer-1 claimed Volunteer-2 distributed a sexually intimate image without consent, while Volunteer-2 claimed that Volunteer-1 engaged in sexual activities without consent. OIG found evidence to support the allegation of nonconsensual sexual activities by Volunteer-1 and found evidence to refute claims of non-consensual distribution of an image by Volunteer-2.

During the investigation, both Volunteers opted to separate from Peace Corps service, and Peace Corps included an Attachment J in both their service records as per Peace Corps policy. OIG closed the investigation.

INVESTIGATIONS OF SENIOR GOVERNMENT EMPLOYEES

Report of Possible Time and Attendance Fraud in Peace Corps Headquarters

OIG received a complaint that an agency senior level official was maintaining a private business and conducting government work from the private business facility during Peace Corps duty hours.

The official's remote work agreement stipulated that the official would perform Peace Corps work at their residence, not at a private business. OIG found that the official violated the remote work agreement, by working from the private business facility. However, the official was approved to work a Maxiflex schedule that required them to work 80 hours a pay period and did not require them to perform their work during specific times.

In July 2025, the Peace Corps issued agency-wide guidance requiring employees to document and submit work schedules for supervisory approval. During the investigation, the official applied for and was accepted into the Deferred Resignation Program. The official's resignation was effective September 30, 2025.

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TABLE 1. LIST OF REPORTS: AUDITS, EVALUATIONS AND OTHER REPORTS

Agency-Wide Audits and Reviews		Page
Audit of the Peace Corps' Fiscal Year 2025 Financial Statements <i>IG-26-01-A</i>		10
Review of the Peace Corps' Information Security Program for FY 2025 <i>IG-26-01-SR</i>		10
Post Audits and Reviews		Page
Review of Peace Corps/Peru Post Operations <i>IG-26-02-SR</i>		12
Post Evaluations and Reviews		Page
Evaluation of Peace Corps/North Macedonia <i>IG-26-01-E</i>		16
Other Reports and Reviews		Page
Report: Key Considerations in Conducting Peace Corps Post Closures <i>IG-26-03-SR</i>		7

TABLE 2. REPORTS WITH QUESTIONED COSTS, UNSUPPORTED COSTS, AND FUNDS TO BE PUT TO BETTER USE

Rec. No.	Questioned Costs ⁸	Unsupported Costs ⁹	Funds to Be Put to Better Use ¹⁰	Recommendation Status at the End of the Reporting Period
Reports for which final action had not been taken at the commencement of the reporting period.¹¹				
IG-23-01-A: Audit of the Peace Corps' Management of Payroll Benefits for U.S. Direct Hires				
3	4,383			Open
12	13,011			Open
13	3,880			Open
22	135,612			Open
27	48,501			Open
28	153,738			Open
30	112,690			Open
IG-24-01-A: Oversight and Monitoring of Peace Corps' Domestic Awarded Contracts Audit				
9			530,472	Open
IG-25-01-A: Audit Report Uganda Post Operations				
4	32,543			Open
Total	9	\$504,358	\$530,472	
Reports Issued This Reporting Period				
n/a				
Total recommendations on which no final action was taken at the end of the reporting period				
Total	9	\$504,358	\$530,472	

⁸ 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.

⁹ Unsupported Cost – A cost that is not supported by adequate documentation.

¹⁰ Funds to Be Put to Better Use – Funds that could be used more efficiently if management took actions to implement and complete a recommendation.

¹¹ This table captures recommendations with related costs that were open as of October 1, 2025.

TABLE 3. RECOMMENDATIONS ON WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

Type of Report	Recommendations Open at the End of the Reporting Period	Recommendations Open for More than 180 Days
Audits and Evaluations	47	41
Special Reports	6	6
Other	22	n/a

Audits and Evaluations

Audit of the Peace Corps' Management of Payroll Benefits for U.S. Direct Hires (IG-23-01-A)

18 of 30 recommendations open since November 29, 2022

Recommendation 3	<p>OIG recommended that Chief Human Capital Officer issue retroactive locality payments to the three underpaid individuals for approximately \$4,383.</p> <p style="text-align: right;"><i>Potential Cost Savings Identified: \$4,383</i></p>
Recommendation 4	<p>OIG recommended that Chief Human Capital Officer and Office of Chief Financial Officer establish a process to review and reconcile retroactive adjustments to ensure that the correct amounts are reflected in the payroll transactions.</p>
Recommendation 9	<p>OIG recommended that the Senior Policy Committee and Office of Chief Financial Officer update the waiver process to allow for increased transparency in the approval process timeline, require that waiver justifications have accurate waiver amounts, and document how the bill was ultimately resolved.</p>
Recommendation 10	<p>OIG recommended that Office of Chief Financial Officer develop a report to track payroll bills, collections, and waivers to properly account for improper payments for payroll transactions.</p>
Recommendation 12	<p>OIG recommended that the Chief Human Capital Officer ensure employees receive appropriate retroactive compensation for delayed within grade increases totaling approximately \$13,011.</p> <p style="text-align: right;"><i>Potential Cost Savings Identified: \$13,011</i></p>

TABLE 3. RECOMMENDATIONS ON WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

<p>Recommendation 13</p>	<p>OIG recommended that the Chief Human Capital Officer ensure that the employee is billed, or a Chief Financial Officer approved waiver is processed for the within grade salary overpayments totaling approximately \$3,880.</p> <p style="text-align: right;"><i>Potential Cost Savings Identified: \$3,880</i></p>
<p>Recommendation 17</p>	<p>OIG recommended that Office of Chief Financial Officer develop reports using data received from payroll files to assist with resolving discrepancies such as employee’s names, social security numbers, pay period covered dates, and individual transaction amounts.</p>
<p>Recommendation 18</p>	<p>OIG recommended that Office of Chief Financial Officer ensure journal vouchers are timely processed to be included in the monthly reconciliation process.</p>
<p>Recommendation 19</p>	<p>OIG recommended that Office of Chief Financial Officer establish and implement a process to review, reconcile, and resolve discrepancies identified during the three-way reconciliation process between National Finance Center reports, Treasury, and the general ledger.</p>
<p>Recommendation 20</p>	<p>OIG recommended that Office of Chief Financial Officer document the monitoring process in a standard operating procedure that records the process and assigns accountability for reconciling, recording and correcting errors during the monthly reconciliation.</p>
<p>Recommendation 21</p>	<p>OIG recommended that Office of Chief Financial Officer and Chief Human Capital Officer develop and implement a process to track all unresolved errors, investigate, and record corrective actions.</p>
<p>Recommendation 22</p>	<p>OIG recommended that Chief Human Capital Officer and Office of Chief Financial Officer reconcile charges totaling approximately \$135,612 with National Finance Center to determine if the two payments (\$97,780 and \$37,832) were allowable and request a correction if they are unallowable.</p> <p style="text-align: right;"><i>Potential Cost Savings Identified: \$135,612</i></p>
<p>Recommendation 23</p>	<p>OIG recommended that the Office of Chief Financial Officer develop and implement a process to reconcile variances in employees’ payroll to detect unusual transactions.</p>
<p>Recommendation 26</p>	<p>OIG recommended that the Chief Human Capital Officer ensure the incorrect retirement categories are changed and retroactively adjusted for 35 employees.</p>

TABLE 3. RECOMMENDATIONS ON WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

Recommendation 27	<p>OIG recommended that the Chief Human Capital Officer ensure approximately \$48,501 in salary overpayments for retirement are resolved by issuing Administrative Billing and Collection bills and/or requesting waiver approvals from the Chief Financial Officer.</p> <p style="text-align: right;"><i>Potential Cost Savings Identified: \$48,501</i></p>
Recommendation 28	<p>OIG recommended that the Chief Human Capital Officer ensure employees that were over charged approximately \$153,738 in retirement deductions receive refunds.</p> <p style="text-align: right;"><i>Potential Cost Savings Identified: \$153,738</i></p>
Recommendation 29	<p>OIG recommended that the Chief Human Capital Officer review the accuracy of the refunds already issued to employees and make necessary corrections.</p>
Recommendation 30	<p>OIG recommended that the Chief Human Capital Officer and Office of Chief Financial Officer ensure agency contribution rates were accurately adjusted to reflect retroactive corrections for approximately \$79,473 in underpayments and \$33,217 in overpayments.</p> <p style="text-align: right;"><i>Potential Cost Savings Identified: \$112,690</i></p>

Audit of the Peace Corps' Volunteer Payments and Collections at the End of Service (IG-23-02-A)

1 of 9 recommendations open since March 31, 2023

Recommendation 3	<p>OIG recommended that the Office of Chief Financial Officer develops an automated process to calculate evacuation allowance payments.¹²</p>
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Evaluation of Human Resources Management for Overseas Contract Staff (IG-23-08-E)

2 of 9 recommendations open since September 29, 2023

Recommendation 1	<p>OIG recommended that the agency assigns a key role in the organizational structure that has the overall responsibility to manage human resources for overseas PSCs.</p>
Recommendation 6	<p>OIG recommended that the agency establishes grievance policies and procedures for overseas PSCs that includes guidance about how grievances are raised and resolved.</p>

¹² The agency did not concur with this recommendation.

TABLE 3. RECOMMENDATIONS ON WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

Audit Report: Oversight and Monitoring of Peace Corps' Domestic Awarded Contracts Audit
(IG-24-01-A)

9 of 9 recommendations open since September 23, 2024

Recommendation 1	OIG recommended that the Director of Acquisition and Contract Management develops standard operating procedures for issuing contract modifications.
Recommendation 2	OIG recommended that the Director of Acquisition and Contract Management provides training on the updated contracting procedures.
Recommendation 3	OIG recommended that the Director of Acquisition and Contract Management develops a COR handbook that aligns with COR designation memo and includes policies, standard operating procedures, and best practices to assist the COR with contract oversight.
Recommendation 4	OIG recommended that the Director of Acquisition and Contract Management defines and communicates the roles, responsibilities, and standard operating procedures for the TPOC to ensure efficiency in executing the contract activities.
Recommendation 5	OIG recommended that the Director of Acquisition and Contract Management develops a centralized system for maintaining contract files to ensure that CORs are compliant with FAR and record retention requirements.
Recommendation 6	OIG recommended that the Director of Acquisition and Contract Management ensures that COs review COR files annually and develop a checklist for the review.
Recommendation 7	OIG recommended that the Director of Acquisition and Contract Management ensure that contract management personnel have access to CPARS and develop and implement standard operating procedures for performance assessments to be submitted into CPARS at the time the work under the contract or order is completed.
Recommendation 8	OIG recommended the Director of Acquisition and Contract Management ensure contracts are closed-out within the specified FAR time frames and back logged contracts are properly closed.
Recommendation 9	OIG recommended that the Director of Acquisition and Contract Management works with the CORs to establish processes and standard operating procedures that ensure de-obligations are completed when the period of performance ends and the final invoice is paid.

TABLE 3. RECOMMENDATIONS ON WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

Audit Report: Uganda Post Operations (IG-25-01-A)

3 of 20 recommendations open since December 20, 2024

Recommendation 4	<p>The Peace Corps conducts an internal review of the questioned costs and works with the Government Accountability Office to determine if the questioned costs result in Anti-deficiency Act violations.¹³</p> <p style="text-align: right;"><i>Potential Cost Savings Identified: \$32,543</i></p>
Recommendation 7	<p>The Office of the Chief Financial Officer and Office of Management develop additional guidance to ensure the property meeting the capitalization threshold is accounted for and capitalized, including those purchased from multiple vendors, are reviewed, and recorded accurately in the fixed asset records.</p>
Recommendation 8	<p>The Director of Management and Operations ensures property disposal requests are approved prior to changing the property system records and disposing the assets.</p>

Evaluation of the Peace Corps' Volunteer Delivery System (IG-25-03-E)

5 of 7 recommendations open since September 30, 2025

Recommendation 2	<p>The Peace Corps Director, in collaboration with the Associate Director of the Office of Volunteer Recruitment and Selection, develops and implements a plan to generate the predetermined number of qualified Volunteers.</p>
Recommendation 3	<p>The Director and the CIO develops a prioritized plan to upgrade information management systems used to support the Volunteer Delivery System.</p>
Recommendation 4	<p>The agency develops a plan that determines appropriate staffing levels and addresses retention, resource allocation, tools and training for offices that provide critical support to the Volunteer Delivery System.</p>
Recommendation 6	<p>The Office Volunteer Recruitment and Selection and the Office of Human Resources assess the appropriateness of existing monetary and non-monetary incentives and benefits for recruiters, taking into account industry standards, performances, and the impact of recruiter turnover.¹⁴</p>

¹³ The agency did not concur with this recommendation.

¹⁴ The agency did not concur with this recommendation.

TABLE 3: RECOMMENDATIONS ON WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

Recommendation 7

The Director improve governance of the VDS steering committee, or establishes other mechanisms, to oversee VDS operations.

Special Reports

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

2 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.

Management Advisory Report: Peace Corps Non-Disclosure Agreements Generally Comply with Anti-Gag Provision Requirements, but Agency Policies Need Updating
(IG-25-SR-02)

1 of 1 recommendation open since June 13, 2025

Recommendation 1

OIG recommends that the Peace Corps amend or modify its relevant policies, procedures, and forms to incorporate the required anti-gag provision.

TABLE 3: RECOMMENDATIONS ON WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

Special Report on the Peace Corps' Information Technology Environment
(IG-25-05-SR)

3 of 7 recommendations open since September 26, 2025

Recommendation 3	The Chief Information Officer ensures that the actions shared with the agency in the detailed technical report are taken to properly configure and fully utilize anti-phishing protections.
Recommendation 4	The Chief Information Officer and the Associate Director for Management, review and develop a strategy to provide agency-wide training on the phishing reporting process and specific individual training related to those who failed the phishing campaign.
Recommendation 5	The Chief Information Officer implements continuous improvement and emphasizes a “Zero Click” mindset throughout the organization to reduce the threat from phishing campaigns.

Other Reports

Financial Statement Audit Recommendations

Summary of Internal Control Issues Over the Peace Corps' Financial Reporting			
Issue	Year First Identified	Agency Concurrence with Issue	Open Recommendations
Inadequate Internal Controls over Property, Plant, and Equipment	2019	CONCUR	6
Lack of Effective Information Technology Security	2018	CONCUR	1
The Peace Corps Needs to Strengthen Its Processes for Implementing the Requirements for Reporting on Leases	2024	CONCUR	5
Access Control Process	2024	CONCUR	2
Total Open Recommendations			14

TABLE 3. RECOMMENDATIONS ON WHICH CORRECTIVE ACTION HAS NOT BEEN COMPLETED

Review of the Peace Corps' Information Security Program (FY 2025)

5 recommendations open since December 2025, and 2 recommendations open since October 2024 and 1 recommendation open since September 2023.

Recommendation 1	OIG recommends that the Peace Corps develops and implements formal policies and procedures for establishing and maintaining its target cybersecurity profile(s).
Recommendation 2	OIG recommends that the Peace Corps implements formal processes to ensure externally sourced products, systems, components, and services comply with its cybersecurity and supply chain risk management requirements, including integration into procurement and vendor management activities.
Recommendation 3	OIG recommends that the Peace Corps develops and implements formal policies and procedures for maintaining a comprehensive inventory of data and corresponding metadata.
Recommendation 4	OIG recommends that the Peace Corps allocates the necessary resources to ensure that baseline configurations and associated deviations are reviewed and updated at least annually.
Recommendation 5	OIG recommends that the Peace Corps prioritize the procurement and implementation of a Data Loss Prevention solution to enhance its ability to detect and prevent unauthorized data exfiltration.
Prior Recommendation 2024-2	OIG recommends that the Peace Corps develops component authenticity policies and procedures.
Prior Recommendation 2024-5	OIG recommends that the Peace Corps conducts agency-level Business Impact Assessments and integrates the results into information security strategies and other plan development efforts.
Prior Recommendation 2023-7	OIG recommends that the Peace Corps completes and fully implements an identity credential and access management program.

TABLE 4: Summary of Hotline and Other Complaints

Complaints Received

Complaints	Total
Complaints Received via Hotline	83
Complaints Received via Other Sources ¹⁵	16
Total Complaints (All Sources)	99

Overview of Complaint Activity¹⁶

Complaints	Total
Resulted in Investigations	4
Resulted in Preliminary Inquiries	11
Resulted in Audits or Evaluations	-
Referred to Agency Management	58
Referred to Other Agency	1
No Action Needed	11

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. 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.

TABLE 5. SUMMARY OF INVESTIGATIVE ACTIVITIES AND OUTCOMES

Investigative Activities	Preliminary Inquiries	Cases
Open at the beginning of the reporting period	12	13
Opened during the reporting period	13	8
Closed during the reporting period	14	7
Total open at the end of the reporting period	11	14

Referrals	Total
Persons referred for criminal prosecution (Department of Justice)	2
Persons referred for criminal prosecution (state and local authorities) ¹⁷	-
Cases referred to agency management for administrative action	2
Cases referred to agency management for other information/action	3
Referrals to other agencies	-

Reports	Total
Investigative Reports Issued	2

¹⁷ Includes foreign courts.

TABLE 5. SUMMARY OF INVESTIGATIVE ACTIVITIES AND OUTCOMES

Court Actions	Total
Criminal information and indictments	-
Ongoing prosecution ¹⁸	1
Convictions/Judgments	-

Administrative Actions	Total
Employee ¹⁹ resignations and terminations	9
Other employee actions ²⁰	3
Suspension/debarment referrals ²¹	1

Monetary Results	Total
Fines/recoveries/restitution ²²	\$2,005
Cost avoidance ²³	\$114,400
Program integrity impact ²⁴	\$326,989

¹⁸ Includes overseas criminal proceedings.

¹⁹ Volunteers/trainees are included as Peace Corps staff for the purpose of reporting investigative activity.

²⁰ Includes administrative actions that are less than resignation or termination, for example: suspensions, letters of reprimand, counseling, and retraining.

²¹ Suspension and debarment is an administrative tool used to protect the Government against fraud, waste, and abuse by individuals or entities that are not presently responsible. Suspended or debarred individuals or entities are listed in the System for Award Management database through GSA and generally may not enter into contracts or grants with the federal government for a period of three years.

²² Includes judicial or administrative orders for fines, recoveries and restitution in addition to settlements.

²³ Represents future expenditures that the Peace Corps will no longer have to pay as a result of OIG investigative activity.

²⁴ Similar to funds put to better use, this amount represents budgeted or obligated funds that due to OIG investigative activity can be redirected, de-obligated, or otherwise used more effectively or efficiently.

TABLE 6. REFERENCES TO REPORTING REQUIREMENTS OF THE INSPECTOR GENERAL ACT, AS AMENDED

5 U.S.C. Section Reference	Reporting Requirements	Section	Page
§ 404(a)(2)	Review of legislation and regulations	Advice and Assistance	5
§ 405(a)(1)*	Significant problems, abuses, and deficiencies and associated reports and recommendations for corrective action made by the Office	Audit and Evaluation	9, 15
§ 405(a)(2)	Recommendations made before the reporting period for which corrective action has not been completed, including potential costs savings associated with the recommendation	Table 3	28
§ 405(a)(3)	Summary of significant investigations closed during the reporting period	Investigation and Table 5	18, 38
§ 405(a)(4)	Total number of convictions during the reporting period resulting from investigations	Investigation and Table 5	18, 38
§ 405(a)(5)	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, and if a management decision had been made by the end of the reporting period	Audit, Evaluation, and Table 2	9, 15, 27
§ 405(a)(6)	Information regarding any management decision made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period	Table 2	27
§ 405(a)(7)	Information under the Federal Financial Management Improvement Act of 1996	N/A	-
§ 405(a)(8) – (10)	The results of the last peer reviews conducted	Appendix A: Reporting of Peer Reviews	43
§ 405(a)(11)-12	Statistical table - investigative reports issued; persons referred for criminal prosecution; indictments and criminal information (including a description of the metrics used)	Table 5	36, 38

TABLE 6. REFERENCES TO REPORTING REQUIREMENTS OF THE INSPECTOR GENERAL ACT, AS AMENDED

§ 405(a)(13)	Investigations involving a senior Government employee where allegations of misconduct were substantiated	Investigation	18
§ 405(a)(14)	Instances of whistleblower retaliation	Investigation	18
§ 405(a)(15)	Interference with Independence	N/A	-
§ 405(a)(16)	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	-

* All references to 5 U.S.C. § 405 include the noted “Amendments Not Shown in Text.”

Appendices



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APPENDIX A: REPORTING OF PEER REVIEWS

Audit Unit

In March 2023, the Denali Commission completed an external peer review of Peace Corps OIG Audit Unit and issued a System Review Report for a three-year period ending September 30, 2022. 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. The Denali Commission did not provide any recommendations in the System Review Report.

In February 2026, the National Endowment for the Arts OIG commenced an external review of the Peace Corps OIG’s Audit Unit for the three-year period ending September 30, 2025. The Audit Unit expects the completed report in June 2026.

The Peace Corps OIG’s Audit Unit completed a peer review of the Architect of the Capitol (AOC) Office of Inspector General Audit organization in December 2024, for the period from April 2021 through March 2024. The AOC OIG received a rating of “pass,” for the review of their audit unit. The peer review found that the AOC OIG’s system of quality control for its audit organization, in effect for the year ended March 31, 2024, had been suitably designed and followed to provide AOC OIG with reasonable assurance of performing and reporting in accordance with applicable professional standards and applicable legal and regulatory requirements in all material respects.

Evaluation Unit

In August 2023, the Corporation for Public Broadcasting (CPB) OIG completed an external peer review of Peace Corps OIG’s Evaluation Unit for the period April 1, 2020, to March 31, 2023. The review assessed the extent to which the Peace Corps OIG complied with the CIGIE Quality Standards for Inspection and Evaluation, December 2020 (Blue Book), and included a review of the Peace Corps OIG’s internal policies and procedures implementing the Blue Book standards, and a review of selected inspection and evaluation reports. CPB OIG determined that the Peace Corps OIG’s policies and procedures generally were consistent with the Blue Book standards addressed in the external peer review, and that the reports reviewed generally complied with the Blue Book standards and the Peace Corps OIG’s internal policies and procedures. CPB OIG did not issue any recommendations.

The Office of Personnel Management (OPM) OIG will complete an external review of the Peace Corps OIG’s Evaluation Unit in the next reporting period.

The Peace Corps OIG’s Evaluation Unit completed a peer review of the Farm Credit Administration (FCA) OIG in July 2025, for the period April 1, 2022, to March 31, 2025. The FCA OIG received a rating of “pass.” The peer review found that the FCA OIG’s system of quality control for its inspection and evaluation function, in effect for the year ended March 31, 2025, had been suitably designed and followed to provide FCA OIG with reasonable assurance of performing and reporting in conformity with Blue Book standards.

APPENDIX A: REPORTING OF PEER REVIEWS

Investigation Unit

In January 2025, the Peace Corps OIG Investigation Unit underwent a quality assessment review performed by the U.S. Railroad Retirement Board OIG. The review focused on the Peace Corps OIG's internal safeguards and management procedures for its investigative operations. The review team found all 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 April 2024, Peace Corps OIG agents conducted an investigative peer review of internal safeguards and management procedures for the investigative operations of the Office of the Inspector General for the U.S. Nuclear Regulatory Commission and Defense Nuclear Facilities Safety Board (NRC and DNFSB OIG) in effect for the period beginning July 31, 2019, and ending on March 31, 2024. 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 Federal Deposit Insurance Corporation (FDIC) OIG's Special Agent in Charge of the Electronic Crimes Unit. Peace Corps OIG provided the results to the NRC and DNFSB OIG in June 2024. The review found that the NRC and DNFSB OIG was compliant with CIGIE's quality standards for investigations and quality assessment review guidelines, as well as the Attorney General Guidelines for OIGs with Statutory Law Enforcement Authority.

APPENDIX B: CONTRACT AUDIT REPORTS

Pursuant to Section 845(a) 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.

APPENDIX C: HUMAN TRAFFICKING REPORTING

Pursuant to Section 122 of Subtitle B, Trafficking Victims Prevention and Protection Reauthorization Act (Public Law No. 117-348), OIG reports on the number of suspected violations reported, the number of investigations, the status and outcomes of such investigations, and recommended actions to improve the programs and operations of the agency relating to trafficking-in-persons. During this reporting period, OIG reports no relevant information meeting the criteria established under the law.

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 call or write 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@peacecorpoig.gov

Online Reporting Tool: [Hotline | Peace Corps OIG](#)

Mail: Peace Corps Office of Inspector General
1275 First Street NE
Washington, DC 20526

For General Information:

Main Office: 202.692.2900

Website: peacecorpoig.gov



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