PEACE CORPS
Office of
INSPECTOR
GENERAL

Management and Performance Challenges

Fiscal Year 2019

In accordance with the Reports Consolidation Act of 2000, the Office of Inspector General (OIG) has submitted what it has determined to be the most significant management and performance challenges facing the Peace Corps. The challenges discussed are to be included in the Agency Financial Report for Fiscal Year 2019.

The Inspector General's (IG) management challenges are observations of the IG based on the work performed by the OIG as well as information uncovered during the performance of our oversight responsibilities. These challenges illustrate the most significant areas OIG believes need improvement for the Peace Corps to effectively manage its resources and minimize the potential for fraud, waste, and abuse occurring in its operations. Addressing the issues related to these challenge areas will enable the agency to increase operational efficiencies and improve mission effectiveness.

Significant management challenges facing the Peace Corps:

- **Volunteer Health and Safety**

- **Human Capital Management**

- **Information Technology Security Management**

- **Compliance**

- **Planning and Implementation**

Challenge: Volunteer Health and Safety

Why This Is a Challenge

While the Peace Corps works to prioritize the physical and mental health, safety, and security of its Volunteers, OIG country program evaluations and audits have identified aspects of the agency's Volunteer health care and safety and security programs that present management challenges. Specifically, these challenges relate to Volunteer medical care, Volunteer site selection and approval processes, transportation policies, Volunteer drug use, and sexual assault risk reduction and response.

Volunteer Medical Care

In 2010, OIG made agency-wide recommendations to improve the quality of medical care after the death of a Volunteer in Morocco. After the death of a Volunteer in China[1] in 2013, OIG initiated a follow-up evaluation to assess the extent to which recommendations from the 2010 evaluation had been implemented. In our final report on this follow-up evaluation issued in 2016, OIG found that the agency had made substantial progress in improving the quality of medical care but that numerous improvements were still needed. In 2018, Congress passed the Sam Farr and Nick Castle Act which required the Peace Corps to implement outstanding recommendations from OIG's 2016 evaluation as soon as practicable.

OIG had recommended that the agency establish protocols to analyze the root causes of patient safety events to prevent future adverse outcomes. In 2016, OIG found that the agency had established a policy to analyze root causes of patient safety events, but that the system did not have the intended effect. As a result of this finding, OIG recommended that the agency ensure all root cause analyses include key components such as a system focus, a statement of the cause and effect, action plans, and measures. OIG recently reviewed documentation from several root cause analyses, including the analysis performed for a recent Volunteer death in Comoros, and found that key components were still missing. These components are necessary to protect Volunteer health and prevent adverse outcomes.

In 2019, OIG reviewed the death of a Volunteer in Comoros due to malaria. While the Peace Corps currently has strong policies and procedures designed to reduce Volunteers' risk of contracting malaria, OIG has concerns about the agency's capacity to consistently implement and oversee compliance with these policies. Volunteers' adherence to their malaria prophylaxis schedules is known to be inconsistent,[2] and Peace Corps medical technical guidelines instruct medical officers to assume that all Volunteers in malaria areas may have become infected with the malaria parasite. Our review found that, despite this guidance, the medical unit in Comoros took a passive approach to providing Volunteers with antimalarial medication and did not actively monitor which Volunteers required additional medication. In other recent evaluations, we identified gaps in malaria risk-reduction practices. For example, in 2018, OIG found that 3 in 10 Volunteers in Mozambique lived in housing that lacked required screens on the windows; and in 2019, OIG found that 7 in 10 Volunteers in Comoros had been placed in housing that did not have required window screens.

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1   Additionally, in 2014 OIG issued Investigative Review of the Circumstances Surrounding the Death of a Volunteer in Peace Corps/China which included nine recommendations. OIG requested that the Peace Corps determine whether it needed systemic or post specific changes to policies, procedures, guidelines, staff training, or level of available resources to address the issues in the report.

2   In a 2013 study of adherence to malaria prevention medication among Peace Corps Volunteers in Africa, the U.S. Centers for Disease Control and Prevention found that 27% of Volunteers reported not taking their required malaria prophylaxis as prescribed. Further, the 2013 study found that adherence to malaria prevention medication, regardless of type, (i.e. atovaquone-proguanil, mefloquine, or doxycycline) was lower among Volunteers aged 22-25. By type of prophylaxis, reported adherence varied: 90% adherence among Volunteers on atovaquone-proguanil; 84% for Volunteers on mefloquine; 60% for Volunteers on doxycycline.

Our review of the facts and circumstances surrounding the Volunteer's death in Comoros identified some systemic vulnerabilities that could affect the agency's ability to provide proper care for Volunteers in other countries where malaria is endemic. Namely, we identified that the agency's medical technical guidelines for the diagnosis and treatment of malaria were outdated and out of alignment in key respects with prevailing malaria diagnosis guidelines from the World Health Organization (WHO, 2015). In addition, the agency's clinical escalation policy did not take into account different levels of vulnerability based on factors such as the suitability of local medical facilities or the availability of flights from remote locations where Volunteers may be serving. We also found that the agency had staffed the post's medical unit with one medical officer who had limited training in infectious diseases and limited clinical experience caring for non-immune travelers, who are at greater risk of dying from untreated malaria. While most Peace Corps overseas medical units are staffed by at least two qualified medical officers, in the case of Comoros no other medical officer was available to observe the Volunteer and discuss possible diagnoses and causes of her illness.

The report noted a number of other failings which have been the subject of previous death reviews. For example, the medical officer did not record the Volunteer's vital signs or document his clinical assessments of her condition for each of his encounters with her, effectively making diagnostic and treatment decisions based on insufficient clinical evidence. The lack of clinical data made it challenging to review the provision of care for the Volunteer. Further, the medical officer did not properly follow the agency's clinical escalation policy related to medical emergencies or instructions he received from the Director of the Office of Medical Services.

The Peace Corps assumes a high degree of risk placing Volunteers in very remote locations with limited medical infrastructure. The medical evacuation plan is a tool to mitigate this risk and prevent potential harm to Volunteers. In 2016, OIG recommended that the Peace Corps improve its policies and procedures to ensure that post medical evacuation plans are up to date and aligned with agency policy. OIG closed this recommendation in 2016 based on documentation that the agency had taken action to satisfy the recommendation. However, as part of routine country program evaluations between 2017 and 2019, OIG found deficiencies in medical evacuation plans in Kosovo, Costa Rica, Albania, Uganda, Thailand, Comoros, Paraguay, and Namibia indicating that the agency's efforts to close OIG's 2016 recommendation may not have had the intended effect.

Another challenge associated with Volunteer health and well-being relates to the Peace Corps' progress in achieving its on-going strategic objective (for Fiscal Years 2018 to 2022) to optimize Volunteer resilience. Performance goals for this objective include establishing realistic expectations of service; increasing Volunteers' ability to independently manage inevitable adjustment challenges; and building the resources and skills of non-clinical staff, Volunteers, and others to enhance Volunteers' resilience. Fiscal Year (FY) 2019 OIG evaluations in Thailand, the Kyrgyz Republic, and Paraguay contained findings related to mental health care. Many Volunteers in those countries reported being dissatisfied with either their ability to access counseling, or with the effectiveness of training related to managing the stress and challenges of service.

Volunteer Site Development

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

In addition, OIG found shortcomings with multiple posts' self-identified site selection

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

In several recent country program evaluation reports, we found that Volunteers were violating the posts' transportation policies that banned or limited the use of motorcycle taxis. Although they often said motorcycle taxis were simply more convenient, Volunteers also commonly reported that there were limited Peace Corps-approved transportation options to and from their sites, especially in rural areas. Available transportation should be considered during the site development process. The risk of an accident while riding on motorcycles poses serious danger to Volunteer safety. Without housing checks and proper site development, the agency may inadvertently place Volunteers in houses and sites where safety and security risks have not been identified.

Volunteer Drug Use

In August 2018, OIG issued a management advisory report on Volunteer drug use alerting the agency that efforts to address Volunteer drug use had been insufficient and that drug use continued to pose a serious risk to the integrity and reputation of Peace Corps and to the health and safety of Volunteers.[3] In a 3-year period ending in February 2018 OIG reported that 152 Peace Corps Volunteers separated from across 26 countries in connection with drug use.[4] As a result of these separations, students, counterpart agencies, host family members, and other community members lost 117 potential years of service and support from the Peace Corps. Additionally

in that time period, one Volunteer died as a result of drug use, and seven were arrested by foreign law enforcement. From February 2018 to the present, OIG estimates that another 107 Volunteers separated in connection with drug use, amounting to the loss of 93 potential years of Volunteer service. Moreover, there have been at least two additional Volunteer arrests by foreign law enforcement.

OIG found that country directors struggled to resolve allegations of drug use through administrative action due to a high burden of proof and a lack of tools necessary to address the allegations in a fair and consistent manner. We also found that agency records on Volunteer misconduct related to drug use were incomplete, inaccurate, and inconsistent. See also the Management Challenge section titled Planning and Implementation.

Sexual Assault Risk Reduction and Response

In November 2016, OIG issued a report on the Peace Corps' Sexual Assault Risk Reduction and Response (SARRR) program as required by the Kate Puzey Peace Corps Volunteer Protection Act of 2011.[5] We found that the agency lacked a comprehensive approach to gathering data about the effectiveness of the SARRR program to inform future program adjustments, including feedback from Volunteers and staff. In addition, we recommended that the agency develop guidance for Peace Corps medical officers to clarify expectations related to the provision of counseling services and communicate the guidance about available mental health support to Volunteers.

Progress in Addressing the Challenge

Below OIG summarizes progress the agency has made to address the challenges described above. These summary statements are based on documentation the agency has provided to OIG in response to open

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3   [Management Advisory Report: Volunteer Drug Use (2018)](#)
4   In the Management Advisory Report on Volunteer Drug Use, we defined separation in connection with drug use as instances where (1) the administrative separation process was initiated by the post after a finding of drug involvement, or (2) the Volunteer resigned after a credible allegation of drug involvement was made.

5   [Evaluation of the Peace Corps' Sexual Assault Risk Reduction and Response Program (2016)](#)

recommendations. OIG recognizes that in some cases the agency has taken steps to address management challenges and open recommendations but has not yet provided documentation of those steps for OIG to review. OIG may acknowledge such steps below by indicating that the agency has "reported" to OIG progress in certain areas but has not provided documentation that would allow OIG to review and consider closing the related recommendation.

Volunteer Medical Care

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

The agency reported having made progress in several challenge areas, but had not yet provided OIG with documentation of its activities. These areas included: updates to its malaria prevention and diagnosis training sessions for agency medical officers at continuing medical education sessions; the development of new malaria education materials for staff and Volunteers; updates to its technical guidelines for malaria prevention and treatment; updates to its clinical escalation policy; updates to its clinical documentation standards; and approval of the hiring of additional medical officers for Comoros and other posts that had been staffed with a single medical officer.

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

Volunteer Site Development

To address challenges with site history files, the agency released improved guidance on management of site history files, requiring posts to develop standard operating procedures for maintaining and using site history files.

Volunteer Drug Use

The agency anticipates changing its policy imminently on Volunteer Conduct by requiring applicants to sign a Peace Corps Drug Free Service Agreement and has been piloting this agreement at Volunteer staging. The agency also reports that it has added a question to the Annual Volunteer Survey aimed at better understanding to what extent Volunteers perceive unauthorized drug use as being a problem among Volunteers.

Sexual Assault Risk Reduction and Response

The agency clarified the roles and responsibilities of key staff members in the SARRR program, including the Peace Corps safety and security officers, sexual assault response liaisons, and the Office of Civil Rights and Diversity. The agency has also worked to improve both Volunteer- and staff-related trainings. It made adjustments to its training of SARRR trainers which focused on helping staff talk sensitively and candidly about risk reduction and incorporating inclusive language about sexual assault risks for male and LGBTQ Volunteers in Volunteer training. The agency provided guidance to posts on how to integrate response to sexual harassment into Volunteer training, provided guidance to Volunteers on how and when to report harassment, and asserted that SARRR trainings should continue throughout a Volunteer's service, not only at the beginning of service.[6] The agency also created a new safety and security assessment to help posts better understand

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6   The agency developed this guidance (Safety and Security Instruction 550) for staff to assist their efforts to respond to Volunteers who experience sexual harassment by individuals other than Peace Corps staff or other Volunteers, such as community members, strangers, or others with whom the Volunteer may interact.

Volunteer comprehension of SARRR training and issued guidance to posts clarifying expectations regarding SARRR training for permanent and temporary staff serving in senior leadership positions.

What Needs to Be Done

Volunteer Medical Care

To improve the Volunteer health care program, the agency should implement recommendations from the 2016 Follow-Up Evaluation of Issues Identified in the 2010 Peace Corps/Morocco Assessment of Medical Care, including updating agency guidance to clarify oversight responsibility for medical units at Peace Corps posts. We also recommended in this report that the agency should work to improve their patient safety event review process, since this process will better ensure that the Peace Corps continuously learns how to better support Volunteer health and safety. Specifically, the agency should ensure reviews include key components like root cause/effect statements and process or outcome measures. The agency also needs to provide sufficient and appropriate staffing for case reviews. Because recent OIG evaluations have found medical action plans to be incomplete, the agency should improve its oversight of posts' medical action plans. To achieve the agency's strategic objective on increased Volunteer resiliency, the agency should: (1) provide clear communication to Volunteers on how to access counseling and support, (2) improve training for Volunteers on managing the challenges of service, and (3) intensify efforts to increase the capacity of non-clinical staff to support Volunteer resiliency.

In addition, the agency should address the vulnerabilities identified in OIG's Management Advisory Report concerning the death of a Volunteer in Comoros from malaria. Specifically, the agency should assess the need to have at least two qualified medical officers at posts with an active Volunteer population, prioritizing those posts with one medical officer in a vulnerable environment. It should establish improved training for medical officers on diagnosing and treating sick patients in malaria areas, with a focus on the importance of early consideration of a malaria diagnosis based on a patient's initial, non-specific symptoms. The agency also needs to update its medical technical guidelines for the prevention and treatment of malaria to specify more clearly when the agency expects medical officers to suspect malaria, consistent with the most recent malaria diagnosis guidelines of the World Health Organization. In addition, Peace Corps should develop guidance for the treatment of sick patients that addresses when medical officers should consider and document in their clinical assessment a suspected diagnosis of malaria as a matter of routine. It should specify in technical guidance for clinical documentation standards the degree of documentation medical officers should provide of their assessment of the possible underlying causes of a patient's symptoms. Further, the agency should adjust or clarify as appropriate the agency's clinical escalation threshold(s) to take into account its ability to respond to a medical emergency in an environment that lacks suitable local medical facilities, flights out of the country, or other complexities that may impede an effective response.

Volunteer Site Development

In order to reduce safety and security risks to Volunteers, the agency should ensure that the planned electronic system to manage site history files is implemented effectively. Furthermore, posts need to ensure Volunteers' sites, housing, and work assignment meets their specified selection criteria and ensure that appropriate staff are involved in housing checks.

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

Volunteers, to determine mitigation strategies and the appropriateness of sites, especially in rural areas or more remote locations.

Volunteer Drug Use

The agency should take measures to better address Volunteer use of unauthorized drugs. Country directors need greater support in resolving drug use allegations at posts. The agency needs to gather and analyze more accurate information on drug use among Volunteers. The agency should also increase Volunteer awareness about the impacts of drug use on their safety and the effectiveness of their service.

Sexual Assault Risk Reduction and Response

The agency should expand its monitoring and evaluation plan to include sexual assault risk reduction measures and improve communication to Volunteers regarding the availability of counseling services.

Key OIG Resources

Management Advisory Report: Volunteer Drug Use (2018)

Follow Up Review of Peace Corps/Uganda (2018)

Evaluation of Peace Corps/ South Africa (2017)

Management Advisory Report: Site History Files (2016)

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

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

Evaluation of the Peace Corps' Sexual Assault Risk Reduction and Response Program (2016)

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

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

Death Inquiry and Assessment of Medical Care in Peace Corps Morocco (2010)

Follow-up Evaluation of the Volunteer Delivery System (2010)

Challenge: Human Capital Management

Why This is a Challenge

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

Hiring and Retaining Qualified Staff

Nearly all Peace Corps U.S. direct-hire staff are subject to a 5-year term limit called the "5-year rule" (FYR). Congress enacted the FYR in 1965 to create a constant flow of new employees, including returned Peace Corps Volunteers; avoid the inflexibility associated with the civil service system; and prevent employees from working their entire career at the Peace Corps. In June 2012, OIG reported that that between 2005 and 2009, the annual pace of employee turnover was between 25 percent and 38 percent, quadruple the average turnover rate in the Federal government, and beyond the original intent of the FYR. We estimated that FYR-driven turnover accounted for approximately 60 percent of $20.7 million in total turnover management costs over this period.[7]

In our November 2013 audit report on Peace Corps overseas staffing challenges,[8] we found that the agency struggled to maintain a robust pool of qualified applicants and fill positions in a timely manner. It had difficulty managing the hiring and administrative timelines for open positions, maintaining consistency in the interview and hiring process, planning for transfers, and dealing with unexpected vacancies. In July 2017, OIG issued the "Management Implication Report: Challenges Associated with Staff Turnover" to the acting Director.[9] This report outlined the negative effects of staff turnover on the agency's ability to maintain high quality Volunteer support and improve core business functions, illustrating that high staff turnover is a persistent challenge for the agency that spans multiple levels and areas of operation.

Recruiting and retaining qualified headquarters personnel has been challenging for the agency as well, because many of the positions require specialized knowledge and the ability to perform government contracting, financial management, information technology, and human resources management. For example, the agency has struggled to recruit qualified staff to the Office of the Chief Financial Officer (OCFO) contracting group and short tenures within this group have compromised the agency's ability to conduct adequate acquisition planning. Between December 2016 and August 2018, OCFO did not appoint a permanent Chief Acquisition Officer, who has the authority to administer all contracts, interagency agreements, and suspend and debar non-responsible vendors. Further, OCFO struggled to abide by timelines and sufficiently compete contracts partially due to difficulties retaining staff. This failure to follow acquisition timelines and regulations increases the risk of fraud, waste, and abuse of government funds.

Training and Knowledge Management

Our 2012 FYR evaluation and 2017 management implication report highlighted how excessive personnel turnover and shortened staff tenures made it especially difficult for the agency to keep pace with meeting staff training needs, as well as to maintain sufficient institutional memory and effective knowledge management practices. With high turnover, the Peace Corps must rely on its policies, reports, and other office-level operating procedures. However, as identified in the Planning and

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7   Final Evaluation Report: Impacts of the Five-Year Rule on Operations of the Peace Corps (2012)
8   Final Audit Report: Peace Corps Overseas Staffing (2013)
9   Management Implication Report: Challenges Associated with Staff Turnover (2017)

Implementation section of this report, the Peace Corps has struggled with systematically recording, maintaining, and propagating such guidance.[10]

We identified several deficiencies in our September 2014 evaluation of training of overseas staff; 13 of the 25 recommendations remain open as of September 2019. These open recommendations address a range of issues such as developing procedures to consistently track staff trainings, ensuring all newly hired headquarters and overseas staff complete job-specific training, and implementing a process to assess the training needs of staff.[11]

Further, in both the 2013[12] and 2016 evaluation reports on the Peace Corps Sexual Assault Risk Reduction and Response (SARRR) program, OIG again found that there was inconsistent onboarding and continuing education processes for critical staff positions that deliver safety, security, and medical support to Volunteers. We could not verify based on agency records that all overseas staff had received the SARRR training required by the Kate Puzey Peace Corps Volunteer Protection Act of 2011, nor could we identify who among overseas staff were required to take these trainings.

Progress in Addressing the Challenge

Below OIG summarizes progress the agency has made to address the challenges described above. These summary statements are based on documentation the agency has provided to OIG in response to open recommendations. OIG recognizes that in some cases the agency has taken steps to address management challenges and open recommendations but has not yet provided documentation of those steps for OIG to review. OIG may acknowledge such steps below by indicating that the agency has "reported" to OIG progress in certain areas

but has not provided documentation that would allow OIG to review and consider closing the related recommendation.

Hiring and Retaining Qualified Staff

The President signed into law the Sam Farr and Nick Castle Peace Corps Reform Act of 2018 (H.R. 2259) on October 10, 2018. The new law will allow the Director to exempt certain critical positions from the FYR if they require specialized technical or professional skills and knowledge of Peace Corps operations, such as those relating to Volunteer health services, financial management, information technology, procurement, personnel, legal services, or safety and security. That provision is supported by agency management. In July 2019, the Director announced her intention to add seven positions in four organizational units to the list of positions that she has decided to exempt from the FYR.

Training and Knowledge Management

In 2019, the agency updated MS 664, Staff Learning and Development, twice and MS 664, Procedures, once. Key changes included recognizing LearningSpace as the official system of record for staff learning and clarifying roles and responsibilities for learning across the agency. The agency also developed a formal onboarding and continuing education training program for all staff positions that are designated to respond to Volunteers who have experienced a sexual assault. In July 2019, the Office of Human Resources and the Office of Staff Learning and Development (OSLD) launched the agency's first training on domestic violence, sexual assault, and stalking for all Peace Corps personnel. Also, in the last year, HCN staff have been invited again to attend Overseas Staff Training, the agency's primary method of orienting newly hired overseas staff.

The agency further reported that it had completed training of all Peace Corps mandatory course owners on how to develop, manage, and track training online; instituted training for all new supervisors on how to track staff progress

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10   Final Evaluation Report on the Peace Corps Sexual Assault Risk Reduction and Response Program (2016)
11   Final Report on the Program Evaluation of the Peace Corps' Training of Overseas Staff (2014).
12   Evaluation of the Peace Corps Volunteer Sexual Assault Policy (2013)

in LearningSpace; relaunched the Agency Staff Learning Council in June 2019 to provide oversight of staff learning; surveyed posts on best practices to inform a new onboarding program, scheduled to be launched in early 2020; and began developing supervisory training for HCNs, also scheduled to be launched in early 2020.

What Needs To Be Done

Hiring and Retaining Qualified Staff

Following the recent workforce reduction, the agency must ensure that headquarters offices are properly equipped to provide quality support and oversight of overseas operations. The agency still needs to address two open recommendations (recommendations 2 and 3) from our 2012 FYR report relating to better management of turnover and acquisition and retention of qualified personnel in core business functions. In addition, the agency should take action to improve how it hires certain overseas managers by developing policies and procedures and should work to close the rest of the recommendations from our 2014 overseas staff training report.

Training and Knowledge Management

Peace Corps leadership should develop and enact an agency-wide strategy to formalize knowledge management practices related to recording institutional memory, transferring knowledge to new hires, and ensuring accessibility. Also, the agency needs to act on many recommendations related to training and knowledge management like creating a standardized training program for overseas staff. Finally, the agency still needs to develop, communicate, and track expectations and results for headquarters and overseas staff compliance with training-related laws and policies.

Key OIG Resources

Management Implication Report: Challenges Associated with Staff Turnover (2017)

Final Evaluation Report on the Peace Corps Sexual Assault Risk Reduction and Response Program (2016)

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

Audit of Peace Corps Overseas Staffing (2013)

Evaluation of the Peace Corps Volunteer Sexual Assault Policy (2013)

Evaluation of Impacts of the Five-Year Rule on Operations of the Peace Corps (2012)

Recurring Issues: OIG Post Audits and Evaluations FY 2009-2011 (2012)

Challenge: Information Technology Security Management

Why This Is a Challenge

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

The Peace Corps continues to lack an effective information security program and has made minimal improvement over the last 7 years. Foundational IT elements, such as having clearly defined boundaries and a complete listing of hardware, are missing. Some of the identified issues have been outstanding for over a decade, and the agency has struggled to implement corrective actions. Weaknesses across all the FISMA reportable areas exist because the agency has taken a predominately passive approach to compliance and has not integrated information security into business operations. OIG is concerned about the quality of the agency's IT security program, especially considering the sensitive data that the Peace Corps maintains, notably Volunteer health records and sexual assault incident information.

The Peace Corps has not established the right infrastructure to support a security-based culture; the agency lacks a comprehensive risk management approach, security-focused planning, and means of implementation to make major infrastructure changes and has not provided the appropriate authority to key staff members.

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

Additionally, the Peace Corps is in the process of physically moving their headquarters office and its data center, but information security was not factored into the planning or design of this major change to the IT environment. Thus far, the execution of the data center move has suffered from poor leadership and communication failures between agency staff, resulting in unnecessary costs and time spent on the project. See the Management Challenge section titled Planning and Implementation. Once the transition is complete, some additional security controls should be functional; however, OIG will be assessing the new location's IT security in the FY 2020 FISMA review.

Lastly, the agency has not provided the appropriate authority to the Chief Information Security Officer to ensure that the agency's network and sensitive information are adequately protected. For example, a previous Chief Information Officer attempted to bring systems into production without following the Peace Corps' established process for verifying appropriate security controls are in place. Specifically, the agency implemented a Volunteer health records system and migrated information to cloud storage without ensuring proper security controls were in place prior to moving sensitive information into these environments. Further, implementing multifactor authentication for physical and logical access has been a law since 2012, but the Peace

Corps is still not compliant. Lastly, the agency is required to conduct a needs assessment to determine staff's overall awareness and training needs related to IT security. However, this requires coordination with the agency's Human Resources department to determine the knowledge, skills, and abilities of the current staff but has not been prioritized or completed in a timely manner.

What Needs to Be Done

In order to ensure the agency's information, operations, and assets are protected, it is critical that the Peace Corps achieve full compliance with FISMA and other Federal laws and regulations that apply to managing its IT security infrastructure.

The Peace Corps will need to focus on improving its IT security program by involving senior leadership, ensuring agency policies are comprehensive, and prioritizing the time and resources necessary to become fully FISMA compliant and eliminate weaknesses. Focusing on the implementation of the risk management framework will facilitate tailoring an information security program that meets the Peace Corps' mission and business needs across a decentralized organization. See the Management Challenge section titled Planning and Implementation.

Furthermore, as the Peace Corps finalizes moving the headquarters facility, the agency should take this opportunity to renew and formalize a comprehensive contingency plan. For the last 3 years, the agency has been operating without a viable contingency plan to fall back on if one or more of its information systems were to become inoperable. The agency's disaster recovery plan, which covers the restoration of critical agency systems that require activation of that agency's alternate IT processing site, has not been updated since 2010. Therefore, the agency should take time to ensure that the Continuity of Operations Plan, Disaster Recovery Plan, and all information system contingency plans support a unified agency response to a possible disruption. This contingency plan should have input from all involved offices on the entity, business, and information system levels.

Key OIG Resources

Review of the Peace Corps' Information Security Program (2018)

The Peace Corps' FY 2018 Annual Financial Report

Report on Protecting Sensitive Information in Peace Corps Computer Systems (2016)

Challenge: Compliance

Why This Is a Challenge

The Peace Corps is a small agency that is challenged to meet its global mission while at the same time complying with all of the requirements of a Federal agency. While the Peace Corps has shaped its core values around Volunteer wellbeing, commitment to national service, and other areas related to quality programming, diversity, and innovation, the agency has not prioritized compliance with Federal laws, regulations, and other requirements. Compliance is a significant objective in the government sector. To effectively comply with relevant requirements, the Peace Corps should initiate a comprehensive effort to align policies and procedures with requirements and establish a system and authority that better supports implementation.[13]

The agency lacks a system that ensures policies and procedures align with Federal and other requirements. According to Peace Corps policy, the Office of the Chief Compliance Officer (OCCO) has the mission to develop and coordinate a compliance system with Office of Inspector General reports, Congressional mandates, and other regulations and laws. But the OCCO is not able to effectively monitor compliance across the agency as it is staffed with only two people who are also involved with other agency priorities. In some cases, individuals who are responsible for ensuring compliance do not have the authority to implement changes over programs. For example, the Chief Information Security Officer is responsible for ensuring agency compliance with Federal laws regarding the security of the agency's information systems. Our work documents longstanding concerns with Peace Corps information technology security systems, but many of these issues are outside of this security group's purview and require larger, agency-wide involvement, such as providing required trainings and establishing

compliant document retention policies. See Management Challenge section titled Information Technology Security Management.

In other cases, those in charge of ensuring compliance implement deficient policies and procedures. The Improper Payments Elimination and Recovery Act of 2010 (IPERA) requires the agency to assess the risk of having improper payments every three years and outlines specific stipulations for a comprehensive assessment. The Peace Corps' informal approach to assessing the risk of improper payments does not meet the stipulations of the law and is inadequate as it does not include the full universe of payments made. Approximately 68 percent of all payments the agency processes are outside of this monitoring program, such as credit card payments and employee salaries, despite specific IPERA guidance to consider them in the risk assessment.

Further, with the Peace Corps lacking a sufficient, overall monitoring and coordinating mechanism to support implementation, individual offices and staff members are responsible for knowing what has been enacted and what is working within their respective teams to meet requirements. For example, to comply with the Digital Accountability and Transparency Act (DATA Act), the Senior Accountable Officer (SAO) is responsible for identifying and managing risks to federal spending data quality via a data quality plan (DQP). We found that the Peace Corps did not develop a data quality plan or substantiate data prior to submission in our FY 19 review. The assigned SAO should have the authority to coordinate across OCFO divisions, but the Peace Corps' SAO did not operate at a sufficient level to implement a comprehensive DQP that encompassed each aspect of the agency's quarterly DATA Act submission.

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13   See GAO Green Book Section OV2.16-OV2.25 for agency management guidance for establishing objectives.

Progress in Addressing the Challenge

The Peace Corps has continued to improve its whistleblower protections program by training managers on the law's provisions.

What Needs to Be Done

While the Peace Corps has taken recent steps to address specific Federal requirements, the agency lacks an overall system to ensure Federal compliance. The agency should dedicate resources to the OCCO to ensure identification, coordination, and implementation of federal requirements. This mechanism will help the agency prioritize compliance. Through OIG work and informal discussions with the agency, we have stressed the importance of complying with Federal laws. However, the agency has assigned resources to other areas and has not taken responsibility or accountability seriously. As the Federal government continues to face spending cutbacks and the agency streamlines operations to focus on Volunteer support, the Peace Corps must adopt a deliberate and comprehensive approach to ensure compliance with Federal rules and regulations.

Key OIG Resources

Review of the Peace Corps' Information Security Program (2018)

Memorandum of OIG's Review of the Peace Corps' Improper Payment Reporting (2018)

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

Challenge: Planning and Implementation

Why This Is a Challenge

Although the Peace Corps continues to improve key business processes and critical Volunteer support functions, it struggles to plan for the long-term impacts of risk and capital needs of the entire organization. Specifically, OIG has highlighted areas of concern where the agency did not apply sufficient time and resources to document decisions, ensure the appropriate resources are assigned, and review lessons learned.

The lack of an enterprise risk management (ERM) program hampers the agency's ability to successfully plan and implement new programs or initiatives. A comprehensive ERM program would identify risks and their potential outcomes, initiate mitigating strategies, ensure appropriate people are involved throughout the planning and implementation process, and pinpoint the most impactful areas in which to invest resources. Overall, it would help the agency to ensure that decisions made align with or ultimately benefit the Peace Corps' overall mission and priorities.

Decision Making, Documentation, and Accountability

Informed decision making involves consideration of data quality and consulting knowledgeable entities. Decisions should be documented for future consultation, to assign responsibility, and to ensure accountability as management develops programs and policies. Without quality inputs, documentation, or accountability, planning and implementation is inefficient and may not produce the intended outcomes.

Our management advisory report on the suspension of Peace Corps/Kenya found that the agency did not sufficiently document decisions and recommendations concerning continued operations in the country.[14] While Volunteers were evacuated from

Peace Corps/Kenya in July 2014, the Peace Corps did not reduce staff at the post until June 2017. During this 3-year time period, headquarters management made numerous assessments and decisions about the viability of resuming operations. However, the agency did not take the appropriate steps to document all major decisions or the factors that influenced them, and could not clearly justify decisions or ensure timely action. This proved especially disruptive because of leadership turnover in late 2016 and early 2017. The incoming management team lacked important information to guide their decision making about the Kenya suspension. In addition, because the agency does not have official guidance concerning post suspensions, maintaining experiential knowledge from past suspensions is critical.

Our management advisory report on Volunteer drug use demonstrated that the agency has not sufficiently addressed the serious issue of drug use among Volunteers.[15] Our review found that an important obstacle to prioritizing and addressing Volunteer drug use was the agency's inadequate approach to maintaining the information it needs to understand the scope of the problem. Information concerning Volunteer separation was captured and transmitted to headquarters manually, but, in cases of Volunteer drug use, staff often filled out the forms inaccurately or incorrectly. Both of the databases containing separation information were frequently missing key records. The database that held the administrative separation documentation (including resignation in lieu of administrative separation) could not aggregate records for statistical analysis purposes. With inaccurate, incomplete, or inconsistent information on Volunteer separations, the agency lacks insight into the pervasiveness of Volunteer misconduct and risks making uninformed decisions about mitigation or corrective action to address serious issues like Volunteer drug use. Further, inaccurate

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14   Management Advisory Report: Managing the Suspension of Peace Corps/Kenya: A Case Study (2018)

15   Management Advisory Report: Volunteer Drug Use (2018)

or incomplete data will impact agency efforts to comply with recent changes in the law. The Sam Farr and Nick Castle Peace Corps Reform Act of 2018 requires that the Peace Corps document Volunteer and employee resignations while under investigation for alleged serious misconduct, and then consider such documentation when making decisions related to future Volunteer service or employment. Proper recordation is key to implementing that requirement.

Appropriately Assigning Resources

As any organization, the Peace Corps is driven by its mission and priorities, which largely revolve around Volunteer support. When investing resources, the agency focuses on functions that directly relate to Volunteer support, but management should also consider the administrative functions that enable the Peace Corps to provide that support. Namely, ERM and information technology security are critical programs for efficient business processes, effective programming, and the safeguarding of data—especially for the thousands of individuals entrusting the agency with their personal information.

While the agency began developing an ERM program in 2018, progress has stalled because of a lack of resources. Currently, there is not a dedicated staff person to develop the ERM program. The deputy director, who is supposed to lead development of the program, has not yet been confirmed, and the task of developing the ERM is a peripheral duty for the two staff members it was assigned to. The Peace Corps defined "foundational business management" and "organizational risk management" as management objectives in its 2018-2022 strategic plan. ERM is integral to progress in both of these goals, but the agency must commit sufficient resources to this critical program.

Information technology security is another critical support function that suffers from inadequate action and resources. Most recently, as the agency planned and began relocating its data center, IT security personnel were not involved in the process. The OCIO did not assess risks of the new data center

location or develop mitigating strategies before committing funds. This has resulted in significant delays and approximately $300,000 in expenses and it could incur even more undue expenses for the agency in the coming months. Involving the Chief Information Security Officer at the outset of planning could have prevented costly mistakes and mismanagement of the agency's largest change to its IT infrastructure in over 7 years. Our management challenges and annual reviews of the Peace Corps' information security program have reported an underdeveloped IT security program for the last 7 years.[16] See the Management Challenge section titled Information Technology Security Management.

Reviewing Lessons Learned

Collecting and utilizing lessons learned is an important part of planning and implementation as it helps identify risks, mistakes, and best practices. We have issued reports analyzing outcomes and summarizing recurring findings to help inform the agency's future decisions, but they will only affect change if the information is reviewed and applied to future initiatives.

In 2014, OIG reported on lessons learned from new country entries and noted that an inadequate time frame for opening a post can result in several problems, including inadequate Volunteer training, poorly developed sites, and an uneven quality in staff hiring or training.[17] However, 3 years later when we conducted our country program evaluation of Peace Corps/ Kosovo,[18] we again found that there was not an adequate amount of time allotted to onboard and train new staff and prepare for Volunteers.[19] Furthermore, in our 2019 Review of New Country Entry Guidance for Conflict-Affected Countries, we compiled data from past post evaluations and prior Peace Corps internal studies that made recommendations to address challenges associated with opening and operating programs in conflict-affected

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16   2018 Review of the Peace Corps' Information Security Program
17   New Country Entries: Lessons Learned (2014)
18   Volunteers began serving in Kosovo in 2014.
19   Evaluation of Peace Corps/Kosovo (2017)

countries.[20] Our review found that, despite these recommendations, the Peace Corps had not developed conflict-sensitive procedures for new country entries in conflict-affected environments. By not adapting standard guidance and procedures in conflict-affected environments and applying the lessons learned to new country entries, the agency had not apportioned sufficient resources (time, money, staff) to support the opening of some posts.

Moreover, several of our recent country program evaluations, such as Comoros[21] and Thailand,[22] identified other internal reviews and recommendations issued by agency officials that had not been implemented. OIG also published recurring issues reports which identified common struggles that overseas posts face in a five-year period.[23] Our recurring issues reports highlighted many agency-wide challenges, including cash management and training needs assessments, but reforms have been slow or incremental.

Progress in Addressing the Challenge

Since committing to implementing an ERM framework in 2018, the agency has established a council and manual section outlining its process and use as a strategic decision-making and governance tool. In addition, the agency trained staff in five offices on the general tenets of ERM.

What Needs to Be Done

While the enterprise risk management framework is still under development, the agency needs to assess the planning, coordinating, and implementation of agency-wide policies or initiatives. Specifically, decisions should be assessed at the agency level and properly documented, efforts should be appropriately planned, and their implementation into agency policies and procedures should be timely and fully integrated.

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20   Review of New Country Entry Guidance for Conflict-Affected Countries (2019)
21   Evaluation of Peace Corps/Comoros (2019)
22   Evaluation of Peace Corps/Thailand (2019)
23   Recurring Issues Report FY 2012 - 2015