



PEACE CORPS Office of Inspector General

Annual Plan

FISCAL YEAR 2016

OIG Mission

Through audits, evaluations, and investigations, OIG provides independent oversight of agency programs and operations in support of the goals set forth in the Peace Corps Act while making the best use of taxpayer dollars.

OIG's Mission:

1. Promote integrity, efficiency, effectiveness and economy
2. Prevent and detect waste, fraud, abuse, and mismanagement
3. Identify risk and vulnerabilities and offer expert assistance to improve the Peace Corps' programs and operations

Established in February 1989, Office of Inspector General (OIG) receives its legal authority from the Inspector General Act of 1978, as amended. The law requires that OIG fully and currently inform the Peace Corps Director and the Congress about problems and deficiencies identified by OIG relating to the administration of agency programs and operations. OIG is authorized by law to review all programs and operations of the Peace Corps. OIG's work typically examines agency operational efficiency, effectiveness, financial stewardship, and compliance with agency policy and federal regulations

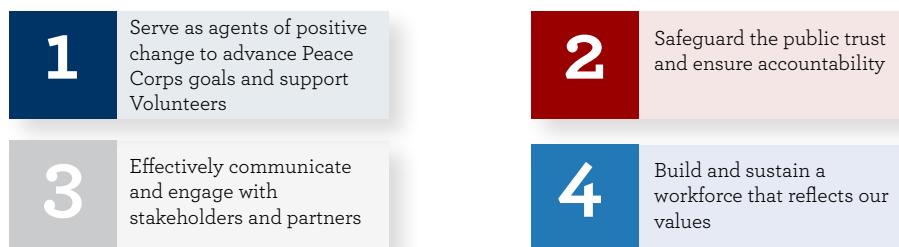
OIG Staffing and Resources

OIG is comprised of four units: Audit, Evaluation, Investigation, and Management and Administration. Each unit develops its fiscal year (FY) work taking in account staff availability and FY funding.

OIG has a cross-unit outreach committee responsible for informing all stakeholders (agency staff, Volunteers, Congress, and the general public) about the role, work and resources of OIG, including promotion of the OIG hotline.

FY 2016 OIG Strategic Priorities

As detailed in the [OIG strategic plan for FYs 2016-2018](#), OIG has four strategic goals:



During FY 2016 OIG will conduct audits, evaluations and investigations addressing the following five OIG priorities and the Management Challenges annually identified in the *Peace Corps Performance and Accountability Report*:

OIG Priority Areas:

- Kate Puzey Volunteer Protection Act of 2011
- Agency-wide Processes, Programs, and Systems
- Volunteer Safety and Security and Medical Care
- Overseas Post Operations
- Stakeholder Communication

Management Challenge Areas:

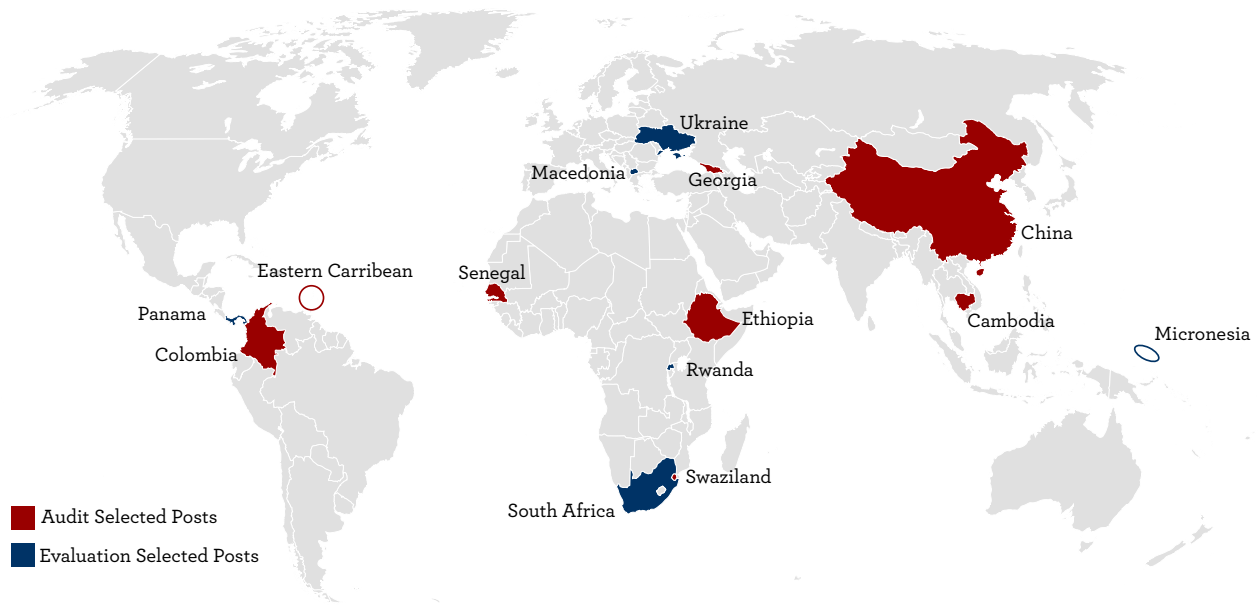
- IT Security Management (first reported in FY 2009)
- Business Processes and Information Systems (FY 2011)
- Excessive Personnel Turnover (FY 2012)
- Training Overseas Staff (FY 2014)

OIG Advice and Assistance

In addition to focusing our work to help address the Management Challenges, OIG also plans to provide the follow advice and assistance in support of agency goals and objectives:

- Provide technical assistance to Peace Corps managers on issues related to financial and administrative policies, procedures, best practices, and effective internal controls.
- Deliver best practices presentations at regional conferences for post staff and other conferences or meetings as requested.
- Participate as presenters in Overseas Staff Trainings and similar orientations for staff.
- Provide training to overseas staff on oversight areas such as fraud awareness and effective compliance with agency internal controls.
- Provide Volunteers/trainees (V/T) and agency staff with informational materials, guidance, trainings, and other presentations on the role, responsibilities, authority, and functions of OIG and on how to effectively report fraud, waste, abuse, mismanagement, serious administrative misconduct or criminal wrongdoing involving Peace Corps staff, contractors or other V/T, and the prohibition against reprisal.
- Utilize OIG report findings, recommendations, and trends as a tool to effect change in management practices.

Posts Identified in the FY 2016 OIG Audit and Evaluation Annual Plan



Audit Unit

The Audit Unit conducts audits and other reviews of agency programs and financial and administrative operations that support the Peace Corps' mission and its Volunteers serving abroad. The unit performs audits of the agency's field activities at overseas posts and its administrative support functions at headquarters and domestic recruiting offices. The unit also contracts with independent public accounting firms to conduct an audit of the agency's financial statements and a review of agency's compliance with the Federal Information Security Management Act. Audits are performed in accordance with *Generally Accepted Government Auditing Standards* issued by the Comptroller General of the United States.

Post Audits

We considered the following factors when developing our audit schedule:

- Input from regional and other headquarters management and staff
- Congressional requests and referrals from other offices or agencies
- Interval since the last audit
- Number of Volunteers serving
- Size, maturity, and cost of the post
- Trends and anomalies in the agency's financial data and OIG hotline information

Based on these factors, we intend to initiate audits of at least five of the following posts. Final selection and scheduling of post audits will be decided during the year. We will work with regional management to finalize the audit schedule for selected posts based on available resources and post constraints.

Post Audits		
Africa	EMA	IAP
Senegal*	China	Eastern Carribean
Ethiopia*	Cambodia	Colombia
Swaziland*	Georgia	

*Posts receiving the President's Emergency Plan for AIDS (PEPFAR) funds.

During the post audits mentioned above, we will assess areas of concern and processes that present challenges to overseas posts. We also review funds received by posts related to PEPFAR.

Agency-Wide Programs and Special Reviews

The Audit Unit intends to initiate, perform, or complete a variety of audits, reviews, and follow-ups of agency-wide programs. These projects are cross-functional and may require assistance from other OIG units. For example, the Audit Unit will assist the Evaluation Unit in their evaluation of the effectiveness of the agency's sexual assault risk reduction and response training, and of the agency's sexual assault policy. The Audit unit will also continue our work with the Investigative Unit in analyzing FECA issues. Although we will not be issuing a separate report, we continue to review the managers' internal control program and report on its effectiveness in our audits.

We also intend to initiate an audit or review of the following programs:

Program Audits and Reviews
Improper influence and Freedom of Information Act Requests (Congressional Request)
Contract management and oversight
Information technology project management

Legislatively Mandated Work

We will oversee the following legislatively mandated work:

Legislatively Mandated Work	
Audit of Peace Corps' FY 2016 Financial Statements	The Accountability of Tax Dollars Act of 2002 mandates that the agency subject its financial statements for audit. OIG contracts with an independent public accounting (IPA) firm to perform the audit. OIG monitors the IPA firm's work to ensure that it is of acceptable quality, in compliance with federal law and applicable standards, and is completed within the established milestones.
Review of the Peace Corps' Information Security Program	OIG is responsible Federal Information Security Management Act requirements such as performing reviews of the Peace Corps' information systems security program and reporting related selected data to the Office of Management and Budget annually.

Reports Initiated in FY 2015

The following projects were initiated in FY 2015 and are scheduled to be completed in FY 2016: post audits of Vanuatu, the Kyrgyz Republic, and Indonesia; our audit of Peace Corps conferences; and our review of a medical services contract.

Evaluation Unit

The Evaluation Unit conducts independent assessments of the design, implementation, and results of agency operations, programs, and policies. Our goal is to provide timely, credible, and useful information to agency managers, policymakers, and others on program operations and policy issues. We accomplish this through evaluations of the management and program operations of the Peace Corps at overseas posts and domestic offices. We also participate in cross-functional reviews of agency operations undertaken with OIG auditors or investigators.

The Evaluation Unit conducts reviews and assessments using applicable Federal laws, regulations, and Peace Corps policies, procedures, and performance plans, including the agency's Integrated Planning and Budget System (IPBS) and strategic plans. Evaluations are conducted in accordance with the Quality Standards for Inspections and Evaluations, published by the Council of the Inspectors General on Integrity and Efficiency.

Country Program Evaluations

We considered the following factors when developing our evaluation schedule:

- Requests from Congress and agency managers, including country directors
- Conditions about the post or domestic operations brought to our attention by Volunteers, trainees, or staff
- Conditions that indicate a need to evaluate the program to assure the health and safety of Volunteers and staff or to identify and deter fraud, waste, abuse, and mismanagement
- New or changed conditions affecting post operations; indications of either high or low performance
- Size, maturity, and cost of the post
- All-Volunteer Survey results, Volunteer health and safety data, and resignation rates
- Interval since the last country program evaluation

Final selection of the posts and the timing of the evaluations will be decided during the year. We will work with regional management to finalize the evaluation schedule for at least two of the selected posts based on available resources and post constraints, and we will coordinate the scheduling of fieldwork with the post in advance of our visit.

Post Evaluations		
Africa	EMA	IAP
South Africa	Macedonia	Panama
Rwanda	Ukraine	Micronesia

Legislatively Mandated Work

We will undertake the following legislatively mandated work:

Legislatively Mandated Work	
1) Evaluation of the effectiveness of the agency’s sexual assault risk reduction and response training	The Kate Puzey Peace Corps Volunteer Protection Act of 2011 requires OIG to provide reports to Congress by November 2016, “evaluating the effectiveness and implementation of the sexual assault risk reduction and response training...and the sexual assault policy...including a case study of a statistically significant number of cases.”
2) Evaluation of the agency’s sexual assault policy	

Reports Initiated in FY 2015

The following projects were initiated in FY 2015 and are scheduled to be completed in FY 2016: country program evaluation of Peace Corps/Nepal; a follow-up review regarding the status of issues identified in our 2010 report, Peace Corps/Morocco Assessment of Medical Care.

Investigation Unit

The Investigation Unit assists the Peace Corps in maintaining integrity in its programs and operations by investigating allegations of fraud, waste, abuse, and misconduct involving grant, contract, and procurement fraud; violations of law and agency policies committed by Peace Corps personnel, contractors, and vendors; and the Federal Employees’ Compensation Act (FECA)¹ claimants.

Our investigations are conducted in accordance with the IG Act, the Attorney General Guidelines for Offices of Inspectors General with Statutory Law Enforcement Authority, and the Quality Standards for Investigations issued by the President’s Council on Integrity and Efficiency and affirmed by the Council of Inspectors General on Government Integrity and Efficiency. Our investigations can result in criminal prosecutions, civil monetary penalties, sanctions and personnel actions, including verbal counseling, suspensions, debarments, and terminations from Peace Corps service.

Investigative Priorities

In addition to pursuing a variety of allegations and complaints from multiple sources, in FY 2016 the Investigation Unit will engage in the following:

- Prioritize sexual assault and PROTECT Act² allegations against Peace Corps staff or Volunteers
- Continue to provide technical assistance to partners and stake-holders in the event of a Volunteer homicide or unexplained death
- Investigate and refer crimes occurring within the Special Maritime and Territorial Jurisdiction³ of the United States for U.S. prosecution

¹ See 5 U.S.C. §§ 8101 et seq.

² Prosecutorial Remedies and Other Tools to end the Exploitation of Children Today (Pub. L. 108-21)

³ See generally 18 U.S.C. § 7. A number of U.S. criminal laws apply outside of the United States. In many cases these laws are meant to apply to U.S. nationals who become a victim of crime abroad, or who are perpetrators of crimes abroad under certain conditions.

- When appropriate, seek local prosecutions by working with the Diplomatic Security Service and host country police entities
- Pursue fraud involving FECA claims by proactively working with the agency, the Audit and Evaluation Units and external partners
- Conduct proactive reviews of high-risk contracts and programs for fraud. Ensure referral of individuals and entities for suspension and debarment, as appropriate
- Deliver fraud awareness training to staff and Volunteers
- Strengthen our engagement with Volunteers by providing briefings to them about OIG investigative responsibilities and mechanisms for making confidential complaints.

Legislatively Mandated Work

The Investigation Unit must produce a biennial report in accordance with section 2, section 8E (d) (1)(A) of the Kate Puzey Act. The previous report was issued in the first quarter of FY 2015. The next report will be issued in the first quarter of FY 2017.

Legislatively Mandated Work	
Complaints or allegations received from Volunteers or returned Peace Corps Volunteers	OIG will continue to track complaints or allegations originating with Volunteers about Peace Corps staff relating to misconduct, mismanagement, or policy violations; any breaches of the confidentiality of Volunteers; and any actions to assure the safety of Volunteers who file such complaints.

Peer Review - Statutory Law Enforcement

OIG is authorized by the Attorney General to exercise statutory law enforcement powers pursuant to Section 6(e) of the IG Act and in accordance with the Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority. This authority provides OIG with additional law enforcement tools including the authority to, upon probable cause, seek and execute warrants for arrest, search premises or seize evidence, make arrests without a warrant while engaged in official duties, and carry firearms.

In FY 2016 the Investigative Unit will be peer reviewed by the Federal Housing Finance Agency OIG using the framework developed by the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Quality Standards for Investigations. A key objective of the review will be to verify OIG compliance with the Attorney General guidelines applicable to OIGs with statutory authority.