



Peace Corps
Office of
**INSPECTOR
GENERAL**

SEMIANNUAL REPORT TO CONGRESS

April 1, 2019 to September 30, 2019



Office of Inspector General

TOGETHER WE MAKE A BETTER PEACE CORPS

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Vision:

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

Mission:

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

Values:

Excellence, positive change, integrity, and collaboration

Goals:

- To promote integrity, efficiency, effectiveness, and economy
- To prevent and detect waste, fraud, abuse, and mismanagement
- To identify risk and vulnerabilities and offer expert assistance to improve Peace Corps programs and operations

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

Semiannual Report to Congress

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Highlights from this Report

Message from the Inspector General

I am pleased to present the Peace Corps Office of Inspector General's (OIG's) Semiannual Report to Congress for the period of April 1, 2019 to September 30, 2019. Our work underscores OIG's commitment to promoting efficiency, effectiveness, and accountability within the Peace Corps.

During this reporting period, my office identified the following significant management challenges facing the Peace Corps: Volunteer health and safety, human capital management, information technology security management, planning and implementation, and compliance.

The Audit Unit reported on the audits of posts in Guatemala, eSwatini (formerly Swaziland), Morocco, and Fiji. The Unit also updated its manual to comply with the new *Generally Accepted Government Auditing Standards* issued in 2018.

The Evaluation Unit reported on the evaluations of posts in Thailand, Comoros, Paraguay, and the Kyrgyz Republic and follow-up reviews of posts in Nepal and Namibia. The Unit also produced work related to the impact of homestays and guidance for new country entries in conflict-affected environments. The Homestay Impact Evaluation provided statistical evidence related to homestay outcomes and recommended that the agency use similar statistical analysis as a basis for making policy decisions regarding homestay requirements. Recognizing the expansive and lasting impact of violent conflict on environments in which the Peace Corps operates, the Review of New Country Entry Guidance for Conflict-Affected Environments recommended the agency adopt a "conflict-lens" in the process of assessing and opening new programs.

The Investigation Unit conducted investigations of fraud, waste, abuse, and mismanagement in Peace Corps programs and operations. Notably, the unit's investigative work has shown that the Peace Corps continues to struggle to address Volunteer drug use. Updating our management advisory report on Volunteer drug use, since February 2018 more than 100 Volunteers have been separated from service and at least two Volunteers have been arrested by foreign law enforcement in connection with drug use.

My office also issued a management advisory report reviewing the circumstances surrounding the death of a Peace Corps/Comoros Volunteer who died from undiagnosed malaria. This report made seven recommendations to address the vulnerabilities we identified and make it more likely that medical officers will provide timely diagnosis and



prompt, effective treatment for malaria so that future Volunteer deaths from the disease can be prevented.

Additionally, on September 18, 2019, as Chair of the Legislation Committee for the Council of the Inspectors General for Integrity and Efficiency (CIGIE), I had the opportunity to address the U.S. House of Representatives, Committee on Oversight and Government Reform, Subcommittee on Government Operations, about the Legislation Committee's role in CIGIE's development and CIGIE's legislative priorities. See my full testimony in Appendix C.



Kathy A. Buller
Inspector General

Management and Administration

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Management and Administration

Agency Context

As of September 30, 2019, there were 7,334 Peace Corps Volunteers and trainees serving in 61 countries at 58 posts. This total includes 686 Volunteers and trainees funded by the President's Emergency Plan for AIDS Relief (PEPFAR) to work on HIV/AIDS projects at 12 posts and 155 Peace Corps Response Volunteers serving in short-term assignments at 20 posts.

Peace Corps Volunteers and programs were supported by 930 U.S. direct hire staff, of whom 191 worked abroad, 631 worked at headquarters, and the remaining 108 worked in regional recruiting offices and other domestic locations. There were also 2,903 locally-hired personnel at posts.

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

Staffing

Franz Blanchard joined OIG in May 2019 as a senior investigator. Franz's background is in blue collar criminal investigations for the Department of Defense. Franz was previously a special agent with the U.S. Marine Corps Criminal Investigation Division, the Naval Criminal Investigative Service, the Department of the Army Civilian Police, and the U.S. Army Criminal Investigation Division where he served in various specialized investigative capacities, including the Drug Suppression Team, the Adult Sexual Assault Task Force, and the Special Victim's Unit. Franz has been awarded the Navy and Marine Corps Commendation Medal and four Navy and Marine Corps Achievement Medals for his work on criminal investigations both stateside and overseas. Franz holds a bachelor's degree in criminal justice from Park University and a master's degree in criminology from the University of Michigan.

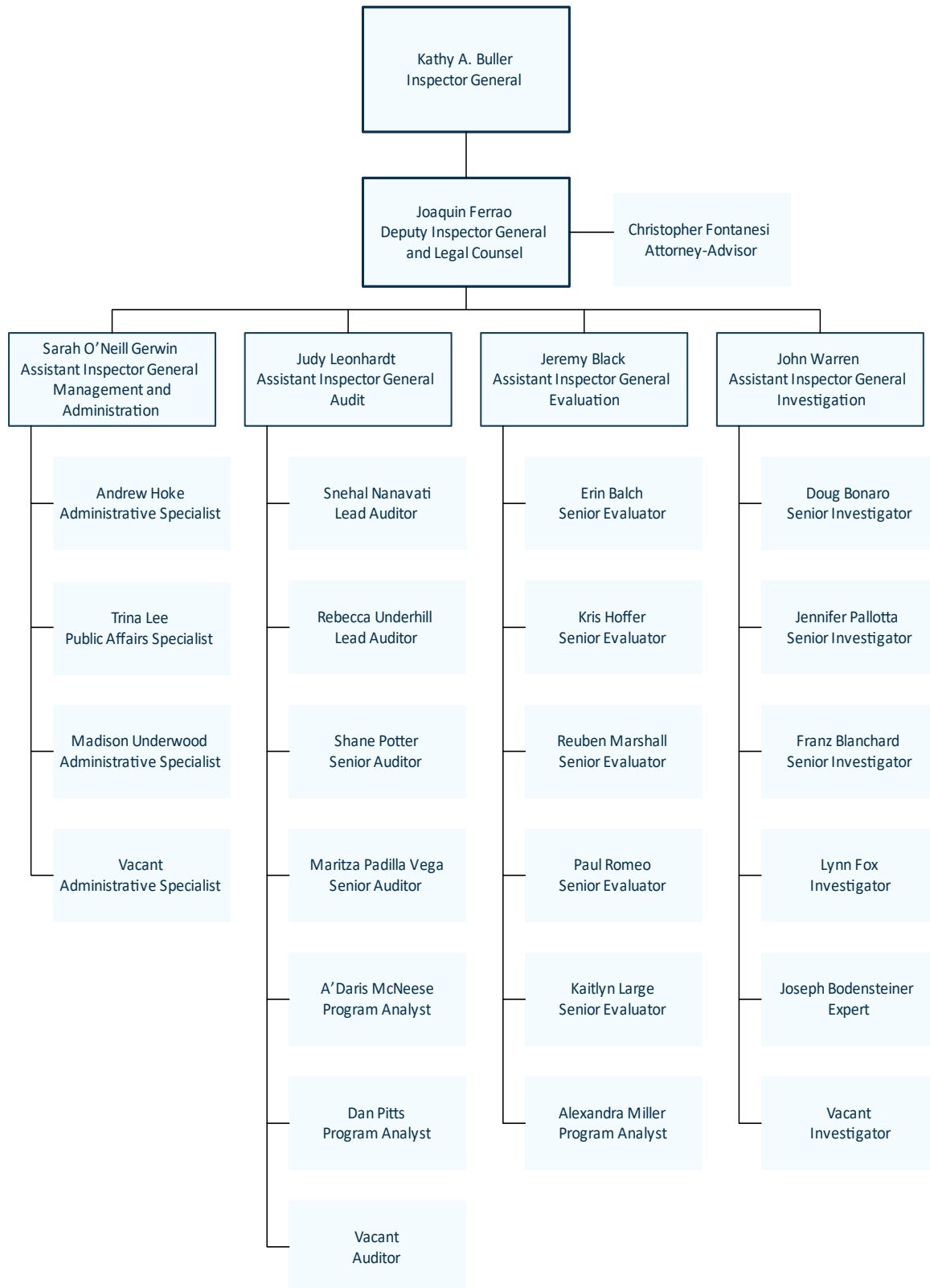
Lynn Fox joined OIG as an investigator in June 2019. Lynn's background includes investigative analysis working with National Security Investigations, Cyber Investigations, and as a fact finder conducting administrative investigations for the Department of Homeland Security, U.S. Customs and Border Protection, in the Office of Professional Responsibility (OPR). Lynn also worked in law enforcement in Immigration and Customs Enforcement's Office of Investigations, the U.S. Coast Guard, and the Isle of Palms Police Department. Lynn has earned several awards while working within each unit, including two U.S. Coast Guard Achievement medals and a Meritorious Unit commendation. In 2018, she received the OPR Assistant Commissioners Award for Excellence in Law Enforcement.

Madison Underwood joined OIG in July 2019 as an administrative specialist. Madison previously worked as an educator and graphic designer. She served as a Peace Corps

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Volunteer from 2016 to 2018 in Ukraine, where she taught English as a foreign language in a secondary school and worked on multiple youth development projects. She holds bachelor's degrees in psychology and integrative arts from Pennsylvania State University.

OIG Organizational Chart



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Management and Performance Challenges

Inspector General's Statement

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 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.

OIG has concluded that the following five areas present significant challenges at the Peace Corps:

- Volunteer Health and Safety
- Human Capital Management
- Information Technology Security Management
- Compliance
- Planning and Implementation

Fiscal Year 2019 Challenges

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 China¹ 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

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.

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.

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

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.

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 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:

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

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 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.

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.

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

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 \(2017\)](#)

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 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 2013¹² 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.

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 \(2013\)](#)

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 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

¹³ See [GAO Green Book](#) Section OV2.16-OV2.25 for agency management guidance for establishing objectives.

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.

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

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

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 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.

¹⁵ [Management Advisory Report: Volunteer Drug Use \(2018\)](#)

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 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 Comoros²¹ and Thailand,²² identified other internal reviews and recommendations issued by agency

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 \(2017\)](#)

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 \(2019\)](#)

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.

Key OIG Resources

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

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

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

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

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

[New Country Entries: Lessons Learned \(2014\)](#)

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

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

[Review of New Country Entry Guidance for Conflict-Affected Countries \(2019\)](#)

²³ [Recurring Issues Report FY 2012 - 2015](#)

Advice, Assistance, and Other Reportable Matters

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Advice, Assistance, and Other Reportable Matters

Management Advisory Report

Review of the Circumstances Surrounding the Death of a Volunteer in Peace Corps/Comoros

IG-19-04-SR

OIG issued a management advisory report in April 2019 following a review of the circumstances surrounding the January 9, 2018, death of a Peace Corps/Comoros Volunteer from undiagnosed malaria. Our review found that if the Volunteer had been diagnosed correctly when her initial symptoms indicated a possible malaria infection and received timely treatment, she could have made a rapid, full recovery. Yet, the Peace Corps medical officer (PCMO) did not consider a diagnosis of malaria at any point while the Volunteer was under his care.

Our review also found that the Volunteer had not been adhering to her required malaria suppression medication regime for several months prior to her death from malaria. The Peace Corps medical unit in Comoros was unaware of this fact and assumed that the Volunteer was taking her antimalarial pills.

Our review identified several vulnerabilities associated with the Peace Corps' failure to provide an early diagnosis and prompt treatment of the Volunteer's malaria. Some of the most significant issues related to staffing, oversight, and guidelines.

Staffing

Most Peace Corps overseas medical units are staffed by at least two qualified medical officers to allow for providers to consult with each other about patients. The Peace Corps/Comoros medical unit, however, only had one medical officer with limited training in infectious diseases and limited clinical experience caring for non-immune travelers who are at greater risk of dying from untreated malaria.

Oversight

While treating the Volunteer from January 2 through January 9, the PCMO did not follow the agency's policy for clinical documentation. He did not record the Volunteer's vital signs or document his clinical assessments of her condition for each of his encounters with her. The lack of clinical data made it challenging to review the level of care the Volunteer received and difficult to create an accurate timeline of the circumstances surrounding her death.

The PCMO also did not follow the agency's clinical escalation policy related to medical emergencies or follow instructions he received from the director of the Office of Medical Services (OMS) on January 8, 2018. Specifically, on January 8, the PCMO did not recognize that the Volunteer's vital signs had met the threshold for a medical emergency, and so did not escalate the case properly. Instead of placing a phone call to get immediate advice, the PCMO submitted a written consult note through the agency's electronic medical records system with no specific request for guidance. When he was contacted late in the evening on January 8 by the director of OMS about this consult note, the PCMO maintained that the Volunteer was getting better and not in crisis. The PCMO then failed to follow all the instructions he received on that call from the director of OMS. The Volunteer died in the early morning on January 9 before the PCMO could perform the diagnostic tests that he had been instructed to do that morning.

Guidelines

Our report found that the PCMO and the director of OMS did not follow medical technical guidelines to always consider a diagnosis of malaria in a febrile Volunteer who has been in a malarial area for more than one week. Further, OIG found 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, published in 2015. The Peace Corps' medical technical guidelines for malaria were issued in 2006 and did not provide a clear definition of "fever" for purposes of testing for a malaria infection.

The PCMO, as well as other agency officials, expressed the viewpoint that it was more challenging to arrive at a diagnosis of malaria in this case because the Volunteer did not have a high fever. We found that this viewpoint was inconsistent with clinical diagnosis guidelines for malaria which stress that patients typically present initially with non-specific symptoms, and that early diagnosis and prompt treatment is key to patient survival.

Our report made seven recommendations to the Peace Corps that addressed the vulnerabilities we identified and make it more likely that PCMOs will provide timely diagnosis and prompt, effective treatment for malaria so that future Volunteer deaths from the disease can be prevented.

Management concurred with five recommendations and partially concurred with two. All seven recommendations remained open at the end of this reporting period.

Other Support to the Agency

Peace Corps/Albania's Expansion into Montenegro

In May of 2019, OIG met with Peace Corps senior staff of the Europe, Mediterranean, and Asia (EMA) Region to call attention to the vulnerabilities we identified in relation to the agency's efforts at that time to expand Peace Corps/Albania into Montenegro. OIG viewed the agency's decision to start operations in Montenegro as the opening of a new post, rather than as an expansion of the activities of the post in Albania. We urged leadership of the EMA Region to follow Peace Corps policies and procedures for opening a new post (per Peace Corps Manual Section 340) and use them to guide the agency's start up activities in Montenegro. OIG was concerned that if the Peace Corps did not follow its guidance for opening a new post, it would not fully assess, and have the necessary information to address, potential risks to Volunteer health, safety, and effectiveness. We requested additional documentation to verify that the Peace Corps had done due diligence before placing Volunteers in Montenegro.

OIG was specifically concerned about the agency's plans to expand Peace Corps/Albania's operations into Montenegro using staff and resources from the post in Albania. As documented in OIG's 2014 report on lessons learned from new country entries, relying on staff resources at a neighboring post to manage new post operations is an ineffective strategy that exacerbates start-up challenges, and should be avoided.²⁴ In addition, in 2017 OIG conducted an evaluation of the program in Albania and reported deficiencies in Peace Corps/Albania's approach to identifying and preparing Volunteer sites, which could impair the post's expansion into Montenegro.²⁵ First, the site development process in Albania needed improvement and many Volunteers lacked meaningful or sufficient work. Second, the post lacked a site selection strategy and standard operating procedures for site development. Finally, Volunteer site assignments in Albania were not focused on meeting the needs of people in the poorest areas of the country. Since our meeting with EMA leadership in May, these recommendations have been closed.

We also requested documentation of the agency's decision to start operations in Montenegro, as well as the assessments that are required under Manual Section 340. The agency subsequently carried out a range of assessments, and provided additional documentation of assessments that had been completed prior to our meeting in May 2019. These assessments included: medical assessment reports, a programmatic and administrative assessment report, and safety and security reports. As of the end of September 2019, the agency had carried out the assessment activities normally required for a new country entry and appeared to have followed its policies and procedures for opening its program in Montenegro.

²⁴ [New Country Entries: Lessons Learned \(2014\)](#)

²⁵ [Evaluation of Peace Corps/Albania \(2017\)](#)

Review of Agency Regulations, Policies, and Procedures

OIG continues to provide advice and assistance to the Peace Corps Senior Policy Committee and other offices by commenting on drafts of new or updated policies, procedures, and other documents governing agency organization or practice. During this reporting period, OIG reviewed 39 policies, procedures, policy attachments, and other guidance documents. Topics included agency implementation of the Sam Farr and Nick Castle Peace Corps Reform Act of 2018; the agency acquisition rules and procedures; Volunteer conduct and early termination of Volunteer service; and the missions, responsibilities, and functions of various agency offices.

Interim Policy Statement 1-12 (IPS 1-12), Volunteer/Trainee Sexual Misconduct

For the first time since 2013, the agency amended its IPS addressing how it defines and prohibits sexual misconduct, as well as how it handles and adjudicates allegations of Volunteer-on-Volunteer sexual misconduct. The amendments to IPS 1-12 streamline aspects of the process, including better aligning the adjudicative process with processes for other Volunteer misconduct. For example, IPS 1-12 was amended to allow the agency to more quickly decide a case by eliminating live hearings, and adjudicate cases when sufficient evidence is available. While OIG has the primary responsibility to undertake administrative inquiries into Volunteer-on-Volunteer misconduct, the IPS also designates another office to undertake such administrative inquiries should OIG decline to investigate the matter. While the recent amendments to the IPS change which other office is designated, OIG remains concerned that the office does not have the authorities and resources necessary to conduct investigations of this nature.

Manual Section (MS) 732, Peace Corps Overseas Acquisition System, and MS 733, Peace Corps Domestic Acquisition

The Peace Corps recently overhauled its policies and procedures governing the acquisition of goods and services overseas and domestically, leases, and other aspects of its procurement processes. MS 732, which previously provided procurement guidance for both overseas and domestic procurement actions, now exclusively governs overseas acquisitions, whereas MS 733 governs domestic acquisitions. Rather than provide implementing guidance on domestic acquisitions, agency policy now states that procedures implementing agency domestic acquisitions are found in the Federal Acquisition Regulation. In implementing both policies, the agency rescinded guidance documents that overseas and domestic acquisition staff previously relied upon without providing commensurate instruction on where such guidance could be found or whether it was still a requirement. For example, the agency explicitly rescinded a policy attachment governing contracts with overseas personal services contractors that included clauses governing how such staff must cooperate with OIG. However, the rescinded policy appears, unchanged, in the agency's repository for procurement-related documents and newsletters. During the drafting process, OIG had expressed concern

with how the agency was proceeding with overhauling its acquisition programs. This concern included the lack of information about how implementing procedures, and the ability for agency staff to review them, would negatively affect how management could effectuate the overhaul.

Participation in Overseas Staff Training

OIG participated in overseas staff training in July and August, briefing 42 staff members on best practices and common deficiencies noted by OIG. Participants included 5 country directors; 5 directors of management and operations; 10 management and operations staff; 4 directors of programming and training; 10 programming, training, and evaluation staff; and 8 medical officers.

OIG Support for Background Checks

OIG's Investigation Unit worked with various Peace Corps offices to incorporate OIG database checks as part of the records checks performed during Peace Corps employment inquiries. Additionally, employment checks conducted by Peace Corps offices on returned Peace Corps Volunteers include an OIG database check. This program has enhanced the agency's employment inquiry and security process. During this reporting period, OIG conducted 61 records checks.

Interference with Inspector General Independence

OIG is concerned that recent actions by the Peace Corps Office of General Counsel threaten the independence with which the Inspector General conducts investigations of serious Volunteer misconduct. OIG is also concerned that those actions will risk Volunteer safety and security by negatively affecting OIG's ability to investigate serious Volunteer misconduct.

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

The Peace Corps has a zero-tolerance policy on Volunteer drug use, and notes that "drug involvement by [Volunteers/trainees] in any country could seriously jeopardize the entire Peace Corps program, as well as the safety and health of the [Volunteers/trainees]". Through OIG investigations and reporting, OIG expressed concern that the agency's efforts to address Volunteer drug use have been insufficient. In response, the Office of General Counsel unilaterally issued guidance to key staff re-interpreting longstanding policy that will:

- curtail OIG investigative independence,
- inhibit cooperation between post staff and OIG investigators,
- reduce types of serious misconduct that must be reported to OIG, and
- chill whistleblowing by telling post staff to report certain misconduct to OIG through senior management.

This guidance affected more than just OIG's ability to investigate drug cases. It also negatively affected OIG's ability to provide key investigative support to post staff trying to handle other serious misconduct by Volunteers, such as Volunteer-on-Volunteer sexual misconduct. The guidance also sets a concerning precedent whereby certain allegations of misconduct must be reported through senior management. This guidance is inconsistent with both the Inspector General Act of 1978, as amended, and with existing agency policy.

OIG is committed to helping ensure that agency management is supported by independent, thorough investigations when handling serious Volunteer misconduct. We are further committed to ensuring that whistleblowers are free to report any matter directly to OIG, and that Volunteers and staff are properly educated on their associated rights and protections. We will continue working with agency leadership on addressing this issue.

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Audits

Overview

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

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

Ongoing Work

OIG engaged the independent public accounting firm Williams, Adley & Company-DC, LLC to perform an audit of the agency's FY 2019 financial statements. In accordance with applicable law, OIG reviews the audit work to assure that the work performed by non-Federal auditors complies with the standards established by the Comptroller General. The auditors' report will be included in the agency's FY 2019 financial report to be issued by November 19, 2019.

OIG also engaged Williams, Adley & Company-DC, LLC to conduct the FY 2019 review of the agency's information systems security. In accordance with the Federal Information Security Modernization Act of 2014 (FISMA), OIG annually reviews the agency's information security program and reports results to the Office of Management and Budget. We will complete our FISMA reporting by October 31, 2019, and a summary of the results will be posted on our website.

Along with the final reports detailed in the following section, the Audit Unit initiated audits of the posts in Ghana, Ethiopia, and Thailand; a review of the agency's allocation procedures for PEPFAR expenses; and an audit of the agency's compliance with the Digital Accountability and Transparency Act of 2014.

Audits of Operations Abroad

Audit of Peace Corps/Guatemala

IG-19-01-A

OIG issued a final report on the audit of Peace Corps/Guatemala in April 2019. About 4,800 Volunteers have served in Guatemala since the post first opened in 1963. At the time of our audit, 3 U.S. direct hires and 46 personal services contractors were supporting 100 Volunteers working in the following project sectors: healthy schools; maternal and child health; youth in development; and rural extension. In FY 2017, the post's spending was approximately \$3.3 million.

The post's financial and administrative operations required improvement to comply with agency policies and applicable Federal laws and regulations. Specifically, the post experienced difficulties with medical supply management, including not properly securing expired controlled substances, not maintaining an adequate medical inventory count, and not upholding segregation of duties in conducting medical inventory. The post also did not maintain adequate internal controls over property management and imprest fund management. We found instances where the post did not liquidate interim advances in a timely manner and did not perform random unannounced imprest verifications. In addition, the post's director of management and operations provided unauthorized access to some IT systems, and the post did not have a security certification for a personal services contractor.

Management concurred with all 27 recommendations, and 2 remained open at the end of this reporting period.

Questioned Costs

Recommendation 17: Volunteer Allowance Overpayment, \$547

Recommendation 27: Lack of Internal Controls Over Procurement, \$11,800

Audit of Peace Corps/eSwatini

IG-19-02-A

OIG issued a final report on the audit of Peace Corps/eSwatini in June 2019. About 1,700 Volunteers have served in eSwatini since the post first opened in 1969. At the time of our audit, 3 U.S. direct hires, 2 foreign service nationals, and 24 personal services contractors were supporting 74 Volunteers working in community health, youth development, and Global Health Service Partnership. In FY 2017, the post's spending was approximately \$1.04 million.

The post's financial and administrative operations required improvement to comply with agency policies and applicable Federal laws and regulations. Specifically, the post did not understand the medical inventory accountability process of receiving, inventorying, and disposing of medical supplies, nor did the post adequately account for all properties in its inventory system. The post did not provide accountability for the management of imprest funds to the alternate cashier, and cash payments were made without the required management's approval. The post also had issues with timeliness with regard to the issuance of bills of collection and the collection of the debts. Additionally, leases and contract files did not include all the required information, PEPFAR funds were not allocated per PEPFAR financial guidance, and generator fuel was not tracked. Finally, the post had unauthorized users in some of the IT systems, and the server was not adequately secured.

Management concurred with all 30 recommendations, and 26 remained open at the end of the reporting period.

Questioned Costs

Recommendation 6: Missing Property Assets, \$9,886

Recommendation 26: Inappropriate Procurement Policies, \$4,500

Audit of Peace Corps/Morocco

IG-19-03-A

OIG issued a final report on the audit of Peace Corps/Morocco in September 2019. About 5,160 Volunteers have served in Morocco since the post first opened in 1963. At the time of our audit, 3 U.S. direct hires and 43 full-time personal services contractors were supporting 184 Volunteers working in the youth development sector. In FY 2018, the post's spending was approximately \$6.4 Million

The post's financial and administrative operations required improvement to comply with agency policies and applicable Federal laws and regulations. Specifically, the post experienced difficulties recording bills of collection in a timely manner, receiving medical supplies, and issuing sub-cashier and interim advances. We also identified inadequate controls in processes related to personal services contractor contracts, documentation related to a memorandum of understanding with a Moroccan ministry, verification of Volunteer allowances, tracking of fuel usage, and recording of vendor names and segregation of duties in agency financial systems.

Management concurred with all 20 recommendations, and 1 remained open at the end of this reporting period.

Questioned Costs

Recommendation 7: Short-Term Personal Services Contractor Contract without Competition, \$5,000

Recommendation 10: Unsupported Fuel and Toll Transactions, \$431

Funds to be Put to Better Use

Recommendation 5: Volunteer Allowance Collections, \$7,500

Audit of Peace Corps/Fiji

IG-19-04-A

OIG issued a final report on the audit of Peace Corps/Fiji in September 2019. Approximately 2,529 Volunteers have served in Fiji since the post first opened in 1968. At the time of our audit, 3 U.S. direct hires and 19 full-time personal services contractors were supporting 48 Volunteers working in the community youth empowerment project. In FY 2018, the post's spending was approximately \$1.6 million.

The post's financial and administrative operations required improvement to comply with agency policies and applicable Federal laws and regulations. Specifically, the post was being charged and was making payments on certain taxes and duties, inconsistent with the 1968 Peace Corps country agreement with the government of Fiji. The post had not initiated negotiations with the host government on this matter. The post also had deficiencies in imprest management. The post did not appropriately transfer accountability between the principal and alternate cashier or liquidate interim advances in a timely manner. The post did not accurately calculate or consistently collect overpayments of Volunteer living allowances or issue bills of collection in a timely manner. In addition, the post did not ensure lease agreements contained all the necessary information and did not establish an appropriate contract with an auctioneer it engaged to sell property and vehicles.

Management concurred with all 12 recommendations, and 7 remained open at the end of this reporting period.

Questioned Costs

Recommendation 1: Potential Value Added Tax Cost Savings, \$439,500

Recommendation 6: Volunteer Allowance Overpayment, \$1,496

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Evaluations

Overview

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

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

Ongoing Work

Along with the final reports detailed in the following section, the Evaluation Unit initiated evaluations of programs at the posts in Tanzania and Panama and a CIGIE modified peer review of the inspection and evaluation work of the Corporation for National and Community Service OIG.

Agency-Wide Evaluations

Review of New Country Entry Guidance for Conflict-Affected Environments

IG-19-05-SR

OIG issued a review of new country entry guidance for conflict-affected environments in September 2019. The Peace Corps has programs in many countries with histories of violent conflict, and most new country entries in the future are likely to be in conflict-affected environments. Because these conflicts often have on-going impacts, such as weak or impaired governmental institutions, widespread poverty, unstable political and economic systems, damaged infrastructure, detrimental environmental effects, and diminished ability to protect citizens' security and/or control corruption, it is important that these concerns are thoroughly and thoughtfully considered when the Peace Corps determines whether and how to enter, re-enter, or expand operations within a conflict-affected country.

Our review found that the Peace Corps needed to more fully assess the conflict status of countries under consideration for opening, re-opening, or expanding a Peace Corps program. The agency should also address gaps in the current "New Country Assessment Guide" and the "New Country Entry Guide" to improve the efficiency and effectiveness of the agency's processes and procedures for opening posts in conflict-affected environments. OIG determined that the Peace Corps lacked specific criteria to distinguish conflict-affected countries from other countries, which impeded its ability to apply an appropriately focused lens during the assessment process. As a result, the agency had not developed adequate processes or procedures to prepare staff and Volunteers to work in conflict-affected countries.

Many former staff and external stakeholders we interviewed acknowledged that the Peace Corps needed to be "conflict sensitive" in conflict-affected environments. We found that the agency had not implemented or institutionalized many recommendations from relevant internal agency studies. This review found several examples of solutions and resources developed by country program and headquarters staff which would benefit future Peace Corps Volunteers, staff, and programs if they could be shared and adapted.

Our report included 14 recommendations to improve the efficiency and effectiveness of the agency's guidance, processes and procedures for opening posts in conflict-affected environments. Management concurred with all 14 recommendations, and all remained open at the end of this reporting period.

Homestay Impact Evaluation

IG-19-05-E

OIG issued an evaluation of the impact of the Peace Corps' implementation of homestay policies in July 2019. This evaluation had two objectives: (1) to describe the range of homestay models that Peace Corps posts were implementing and better understand their advantages and challenges; and (2) to assess the impact of homestay requirements on Volunteer safety, language acquisition, integration, and health.

We found that the majority of Peace Corps posts implemented homestay requirements during service, though the number of required months of homestay varied. Volunteers cited friendship and support most frequently as the main advantage of homestays. Staff widely assumed that homestay requirements made Volunteers safer, better integrated into the community, and more proficient in the local language.

Most Volunteers said, given the option, they would choose independent housing over living with a host family. The lack of privacy was frequently cited by staff and Volunteers as one of the main challenges of homestays. Post staff described various challenges in implementing homestay requirements, including finding host families, meeting housing criteria, managing workload and travel, resolving conflicts, and addressing problematic Volunteer behavior.

Evidence from this analysis did not support the assumption that better outcomes will be achieved in all contexts. We assessed the impact of homestay requirements on Volunteer safety, language, integration, and health in countries that met our inclusion criteria for the evaluation. Our findings were inconsistent across countries. Improved language acquisition (observed in two of four countries) was the most likely outcome of placing Volunteers with host families during service. The second most likely outcome was a decreased rate of serious crime (observed in two of five countries). In one of four countries, we found evidence that the homestay requirement had a positive impact on Volunteer integration. We found no evidence that host family requirements had an impact on the health outcome we assessed. Likewise, we found no evidence that homestay requirements had an impact on any of the assumed outcomes in two of the five countries that were part of the evaluation.

We recommended that the Peace Corps rigorously monitor safety and language outcomes in posts that transition to or increase homestay requirements. We also recommended that the Peace Corps provide guidance to posts about mitigating the challenges associated with homestay requirements.

Management concurred with three of the four recommendations, and partially concurred with one. All remained open at the end of this reporting period.

Evaluations of Operations Abroad

Evaluation of Peace Corps/Thailand

IG-19-02-E

OIG issued a program evaluation of Peace Corps/Thailand in June 2019. More than 5,400 Volunteers have served in Thailand since the post first opened in 1962. At the time of our evaluation, there were 117 Volunteers serving in 2 project sectors, teacher empowerment for student success and youth in development.

We found that the post was well-run and meeting its mission goals effectively and efficiently. The post's programming was closely aligned with the country's development priorities, and Volunteers were serving in the poorest areas of the country. Volunteers were making progress towards their project objectives, and the post's training program effectively prepared Volunteers for service. Post staff selected 20 percent of newly installed Volunteers to receive an in-depth site visit, during which they assessed the effectiveness of pre-service training in preparing Volunteers for their life and work at site. Volunteers felt adequately supported by the medical unit, administrative staff, and the safety and security manager.

The post had recently improved its site selection process based on a deep examination of the factors that indicated high potential for Volunteer success in their work. This resulted in detailed programmatic criteria, which staff used to validate the eligibility of sites to receive Volunteers. The post also required that potential counterparts provide detailed 2-year plans to determine if the Volunteer would be appropriately engaged in work activities. As a result, 96 percent of Volunteers interviewed said they had a motivated and engaged counterpart and were satisfied with their sites.

We found several issues and challenges that required management attention. Site history files contained inappropriate information about serious crime incidents, which could jeopardize Volunteer privacy. We also determined that the post was not sufficiently prepared to respond to emergency flooding at Volunteers' sites or to consolidate Volunteers during periods of crisis.

Volunteers were dissatisfied with mental health support due to agency procedures not meeting their expectations. The post had not developed a regional medical action plan or assessed local medical providers as required by agency guidelines. Although staff enjoyed very good relations with host country partners, staff had not adequately documented partner input and feedback.

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

Evaluation of Peace Corps/Comoros

IG-19-03-E

OIG issued a program evaluation of Peace Corps/Comoros in June 2019. More than 180 Peace Corps Volunteers have served in Comoros since the post first opened in 1988. The program closed in 1995 and reopened in 2015. At the time of the evaluation, 30 Volunteers were serving in Comoros in the education project sector.

Peace Corps/Comoros faced a complex operating environment due to the logistics of having Volunteers on three separate islands, the lack of a U.S. Embassy in-country, weak medical infrastructure, a challenging political climate, and the strain of a Volunteer death in 2018.

OIG identified areas of operation that functioned well. Post and headquarters staff reported they had good communication, and post staff had positive relationships with U.S. Embassy personnel in Madagascar and host country partners in Comoros. We found that the program focused on the Comoros government's development priorities in poor areas of the country. In addition, Volunteers were contributing to most of their project objectives; health, safety and security, and cross-cultural training were effective; and most Volunteers had supportive, motivated counterparts. The post was conducting required risk assessments, the emergency action plan was updated and tested, and Volunteers were satisfied with the post's response to security incidents. Volunteers thought their healthcare needs were met, and local healthcare providers had been assessed within the previous 3 years as required by OHS technical guidelines. Due to the poor quality of hospitals, only one hospital in Comoros was approved for use in medical emergency situations to stabilize a Volunteer prior to a medical evacuation.

We also identified areas of post operations that required management attention. Though the post was in the process of hiring additional staff, the original staffing model was not sufficient for carrying out and overseeing all programming, training, and site development activities. This had caused a number of issues with training and site management. Specifically, technical training did not prepare Volunteers effectively for their primary assignments, Volunteers were sworn into service with insufficient language ability, and staff were not utilizing the trainee assessment portfolio. Staff also conducted site development activities inconsistently. Volunteer housing did not meet established criteria, and the medical unit was not sufficiently involved in site identification and placement. Official programming site visits were either not occurring or not documented as required. Additionally, we had concerns about the readiness and adequacy of the medical unit, and we found that communication between staff and the Volunteer Advisory Council was ineffective. In a separate review, we found several vulnerabilities in the Volunteer health care system at the post, which we describe in the Management Advisory Report: Review of the Circumstances Surrounding the Death of a Volunteer in Peace Corps/Comoros found in the Advice and Assistance section of this report.

Management concurred with all 21 recommendations, and 19 remained open at the end of this reporting period.

Evaluation of Peace Corps/Paraguay

IG-19-04-E

OIG issued a program evaluation of Peace Corps/Paraguay in July 2019. More than 4,100 Volunteers have served in Paraguay since the post first opened in 1967. At the time of our evaluation, there were 181 Volunteers and trainees serving in 4 project sectors: agriculture, community economic development, environment, and health. The post's leadership was implementing significant management decisions, including moving the post's training center from its long-time location and executing budget cuts.

We identified several areas of operation that functioned well. We found that programming addressed many of Paraguay's stated development priorities and that the post placed Volunteers in some of the poorest areas of the country. In addition, we found that Volunteers were integrated and felt safe in their communities. The post effectively mitigated the most significant safety risks to Volunteers.

The post faced several challenges that required management attention. The post struggled to train Volunteers for working in their primary assignments and to identify and prepare community stakeholders for hosting and working with Volunteers. In addition, we found deficiencies in the post's emergency preparations, support for Volunteers who reported harassment and mental health challenges, handling of sensitive Volunteer information, and analyses of Volunteer allowances.

Management concurred with all 16 recommendations, and 12 remained open at the end of this reporting period.

Follow-Up Review of Peace Corps/Nepal

IG-19-06-E

OIG issued a limited-scope follow-up review of Peace Corps/Nepal in August 2019. The objective of this review was to revisit three findings from the Final Report on the Program Evaluation of Peace Corps/Nepal (IG-15-05-E), issued in December 2015, to determine if the agreed upon corrective actions were fully implemented and had the intended effects. The findings discussed are:

- Ineffective site development, lack of counterpart support, and inadequate training impeded Volunteers' ability to contribute to the food security project goals.
- Site visits to the Volunteers did not happen consistently or meet Volunteers' programmatic support needs.
- Volunteer leave policies were complex, ineffective, and cumbersome for staff to manage.

We found that, overall, the post had improved with regard to all three findings selected for review. Although staff still reported challenges identifying Volunteers' counterparts during the site identification and selection process, OIG found that most Volunteers in Nepal had counterparts with whom they could work on food security activities. In addition, since the 2015 evaluation, the post had updated its host family selection criteria to allow programming staff to identify sites that also met their programmatic criteria. We also determined that post staff were conducting site visits more consistently with a clear purpose and design to address Volunteers' support needs.

We found two issues that required management attention. Despite improvements in site management, the post's site selection criteria was not useful for assessing whether sites offered practical conditions for Volunteers to work on food security projects. Also, while policy changes had made tracking whereabouts less cumbersome, the post still struggled to separate whereabouts tracking from annual leave tracking.

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

Follow-Up Review of Peace Corps/Namibia

IG-19-07-E

OIG issued a limited-scope follow-up review of Peace Corps/Namibia in August 2019. The objective of this review was to revisit four findings from the Final Report on the Program Evaluation of Peace Corps/Namibia (IG-13-01-E), issued in March 2013, to determine if the agreed upon corrective actions were fully implemented and whether those actions had the intended effects. The findings discussed are:

- Key staff members were not sufficiently involved in the Volunteer site development process.
- Education and Health Volunteers reported that technical training was not effective.
- Volunteers reported local language proficiency as a barrier to community integration.
- The availability of medical and health resources was not fully assessed for Volunteer sites.

We found that, overall, the post had improved with regard to three of the four findings selected for review. OIG found that all staff interviewed had a clear understanding of the post's processes in site management and had worked collaboratively in this area. The post had also successfully adjusted technical training based on participant feedback and incorporated agency guidance and core curricula into existing modules. In addition, we noted that the post had made significant alterations to their approach to local language training.

OIG noted three challenges that required management attention. Despite improvements in site management, the post's documentation of its efforts did not substantiate adherence to criteria. In addition, while language training had undergone major evidence-based shifts, there remained some confusion about local language benchmarks within Namibia's complex linguistic environment. Finally, assessments of medical facilities and providers had not been completed as required.

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

Evaluation of Peace Corps/Kyrgyz Republic

IG-19-08-E

OIG issued a program evaluation of Peace Corps/Kyrgyz Republic in September 2019. More than 1,250 Volunteers have served in the Kyrgyz Republic since the post first opened in 1993. At the time of our evaluation, there were 75 Volunteers serving in the teaching English as a foreign language project sector.

OIG identified many areas of operation that functioned well. The post's programming was closely aligned with the country's development priorities, and Volunteers were serving in the poorest areas of the country. Most Volunteers were making progress towards their project objectives. The post effectively trained Volunteers in the areas of language and technical skills, as well as intercultural knowledge, skills, and attitudes. Sites, housing, and work assignments met established criteria, and staff effectively prepared host families and counterparts for Volunteers. Volunteers who had experienced and reported harassment or crimes were satisfied with the support staff provided them. Most of the Volunteers we interviewed felt well integrated in their communities. The post's medical unit was sufficiently staffed and supported, and Volunteers trusted the confidentiality of medical interactions. We had no concerns about the administrative support of Volunteers, including allowances and reimbursements. The Volunteer Advisory Committee was active and effective. Post staff and ministry officials reported they had a positive relationship. Post staff and U.S. Embassy staff also reported good relations.

We found several issues that required management attention. Instability and poor leadership from prior U.S. direct hire managers over an extended period had caused problems for Volunteers and staff. Volunteers rated mental health training as generally ineffective, which could make them more hesitant to approach medical staff for mental health support. The medical staff had not assessed local medical providers as required by agency guidelines. Training did not prepare Volunteers to cope effectively with harassment and sexual assault. The post mitigated transportation risks with a "safe driver" program, but we found that the identified safe drivers were not assessed or verified. Finally, although the Kyrgyz Republic was located in a seismically active region, the post had not adequately mitigated the risk of earthquakes.

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

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Investigations

Overview

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

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

Volunteer Death Investigations

Death of a Volunteer in the Europe, Mediterranean, and Asia Region

OIG initiated an investigation into the circumstances surrounding the death of a Volunteer in the Europe, Mediterranean, and Asia (EMA) Region, after what local law enforcement concluded to be a bicycle accident. There were no witnesses to the bicycle accident. OIG investigators coordinated with the Peace Corps Office of Safety and Security to review the circumstances. The local police report indicated both bicycle tires were flat when local law enforcement personnel responded to the scene of the accident. OIG arranged for a maintenance inspection of the bicycle, which determined that both bicycle tires were missing rim strips – parts designed to prevent the inner tube from being punctured by the spokes. After reviewing information related to the circumstances of the death, OIG determined no further investigative support was required.

Death of a Volunteer in the Africa Region

OIG initiated a preliminary inquiry into the circumstances surrounding the traffic death of a Volunteer in Africa. Local law enforcement charged the driver of the other vehicle with vehicular manslaughter. After reviewing information related to the circumstances of the incident, OIG determined no further investigative support was required.

Sexual Misconduct Investigations

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

OIG received a report from a Volunteer that a fellow Volunteer sexually assaulted the reporting Volunteer in the reporting Volunteer's residence. OIG interviewed the accused Volunteer, who stated that all sexual actions that took place between the two Volunteers were consensual in nature. The U.S. Department of Justice (DOJ) declined criminal prosecution of this matter. The Peace Corps Sexual Assault Hearing Panel found that the accused Volunteer committed sexual misconduct, and the accused Volunteer was administratively separated.

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

OIG received a report that a Volunteer sexually assaulted a fellow Volunteer in the fellow Volunteer's residence. OIG interviewed the accused Volunteer, who admitted to the conduct. DOJ declined criminal prosecution of this matter. The accused Volunteer resigned in lieu of administrative separation.

Report of Sexual Harassment by a Staff Member in the Africa Region

OIG received a report that a host country national staff member had solicited sexual contact from subordinate staff members. OIG interviewed the staff member, who denied soliciting or having sexual contact with subordinate staff members. The OIG interview of the staff member identified a lack of candor. OIG reported its investigative findings to the U.S. Embassy's Regional Security Office, which revoked the staff member's clearance. The Peace Corps then terminated the staff member.

Report of Staff Fraternization and Misconduct in the Inter-America and the Pacific Region

OIG received a report that a Peace Corps headquarters staff member had violated the fraternization policy by having relationships with two Volunteers while serving as an overseas staff member in the IAP Region several years ago and had also engaged in other misconduct. The allegation concerned conduct that occurred almost six years prior and arose several years after the staff member's appointment to the headquarters position. OIG interviewed the staff member, who admitted to having sexual relationships with two Volunteers while serving as an overseas staff member and signed a statement to that effect. The investigation did not find evidence supporting the other misconduct allegations. The staff member received verbal counselling and a written memorandum of counselling. Several months later the staff member departed the agency.

Drug Investigations

Report of Volunteer Drug Use and Assault in the Africa Region

OIG received a report that a Volunteer (Volunteer 1) surreptitiously provided drug-tainted gummy bears to two unwitting Volunteers (Volunteers 2 and 3). During interviews, Volunteer 1 admitted smuggling gummy bears containing the active component in marijuana through U.S. and host country customs and consuming the gummy bears. However, Volunteer 1 denied surreptitiously giving them to Volunteers 2 and 3, asserting that Volunteers 2 and 3 knew the gummy bears contained the drug. Volunteer 2 confessed to voluntarily eating them, knowing they contained drugs. Both Volunteers 1 and 2 resigned in lieu of administrative separation. Volunteer 3 had already separated from service prior to the investigation. DOJ declined criminal prosecution of this matter.

Report of Widespread Volunteer Drug Use in the Africa Region

OIG received a report of widespread drug use at a post in the Africa Region. During the investigation, five Volunteers admitted to drug use and resigned in lieu of administrative separation. One Volunteer resigned after refusing to cooperate during the interview with OIG. DOJ declined criminal prosecution of this matter.

Investigations of Other Misconduct

Report of Staff Involvement in a Traffic Death in the Africa Region

OIG received a report that a Peace Corps staff member was involved in the traffic death of a host country national. OIG is coordinating with relevant Department of State offices to investigate the circumstances surrounding the incident. The case remains ongoing.

Report of Theft by a Staff Member in the Africa Region

OIG received a report that a host country national staff member had stolen Peace Corps property. OIG interviewed the accused staff member, who admitted to having leftover pre-service training supplies delivered to the staff member's residence and then giving some of these items away to other Peace Corps staff members, neighbors, and family members. The Peace Corps terminated the staff member's employment and deducted \$121.39 from the staff member's final pay, which was the estimated value of the items that the staff member took. DOJ declined criminal prosecution of this matter.

Report of Housing Kickbacks in the Africa Region

OIG received a report that a host country national regional coordinator circumvented housing selection procedures and security criteria, placing a Volunteer in a sub-standard residence, based on their personal relationship with the landlord. OIG interviewed the regional coordinator, who confessed to the allegation. The administrative adjudication of the matter is pending.

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

Report	Questioned Costs ²⁶	Unsupported Costs ²⁷	Funds to Be Put to Better Use ²⁸
Audit of PC/Guatemala (IG-19-01-A)	\$118,547	-	-
Audit of PC/eSwatini (IG-19-02-A)	-	\$14,386	-
Audit of PC/Morocco (IG-19-03-A)	-	\$5,431	\$7,500
Audit of PC/Fiji (IG-19-04-A)	\$440,996	-	-
Subtotal	\$559,543	\$19,817	\$7,500
Total			\$586,860

²⁶ 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.

²⁷ Unsupported Cost – A cost that is not supported by adequate documentation.

²⁸ Funds to Be Put to Better Use – Funds that could be used more efficiently if management took actions to implement and complete a recommendation.

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

Recommendation Status	Number of Reports	Questioned Costs	Unsupported Costs
No management decision made by the start of the reporting period	2	\$3,200,000	\$644,800
Issued during the reporting period			
Audits	4	\$559,543	\$19,817
Total	6	\$3,759,543	\$664,617
Management decision made during the reporting period			
(i) Disallowed costs	2	\$118,547	\$5,431
(ii) Costs not disallowed	-	-	-
Subtotal	2	\$118,547	\$5,431
Total for which no management decision had been made by the end of the reporting period	4	\$3,640,996	\$659,186

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

Recommendation Status	Number of Reports	Funds to Be Put to Better Use
No management decision made by the start of the reporting period	1	\$350,000
Issued during the reporting period		
Audits	1	\$7,500
Total	2	\$357,500
Management decision made during the reporting period		
(i) Dollar value of recommendations agreed to by management	1	\$7,500
(ii) Dollar value of recommendations not agreed to by management	-	-
Subtotal	1	\$7,500
Total for which no management decision had been made by the end of the reporting period	1	\$350,000

5: Recommendations on Which Corrective Action Has Not Been Completed

Number of Recommendations Open at the End of the Reporting Period	Number of Recommendations Open for More than 180 Days
238	106

Audits and Evaluations

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

1 of 23 recommendations open since December 6, 2010

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

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

2 of 5 recommendations open since June 20, 2012

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

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

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

6 of 13 recommendations open since November 21, 2013

Recommendation 5: OIG recommended that the Office of Overseas Recruitment, Selection, and Support develop a set schedule for candidate roster development, issuance, and maintenance.

Recommendation 8: OIG recommended that the Office of Global Operations, in coordination with the Office of Human Resource Management, incorporate consideration of the Annual Volunteer Survey results into country directors' written performance appraisals in a consistent and meaningful way.

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

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

Recommendation 12: OIG recommended that the Office of Global Operations develop an accountability process to ensure all post senior staff appraisals are conducted and turned in within 30 days of the end of the performance period as required by policy.

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

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

2 of 8 recommendations open since November 21, 2013

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

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

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

13 of 23 recommendations open since September 30, 2014

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

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

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

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

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

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

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

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

Recommendation 20: OIG recommended that the chief of staff ensure that there are standard operating procedures that document how required trainings are delivered and monitored.

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

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

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

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

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

4 of 15 recommendations open since January 21, 2016

Recommendation 6: OIG recommended that the chief acquisition officer direct the contracting officer to modify the present contract to correctly identify the contract type.²⁹

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

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

Potential Cost Savings Identified: \$3,200,000

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

²⁹ The agency did not concur with this recommendation.

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

8 of 23 recommendations open since March 23, 2016

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

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

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

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

Recommendation 19: OIG recommended that the associate director of the Office of Health Services and the associate director for Global Operations clarify policy and guidelines related to the vehicle availability for overseas health unit medical staff.

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

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

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

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

6 of 36 recommendations open since November 28, 2016

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

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

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

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

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

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

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

1 of 13 recommendations open since June 19, 2017

Recommendation 2: OIG recommended that the Office of Health Service in consultation with the country director and Peace Corps medical officers in South Africa take into account the nature of service in the country when making decisions about placing and supporting medically accommodated Volunteers, especially those with mental health accommodations.³⁰

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

3 of 21 recommendations open since September 29, 2017

Recommendation 1: OIG recommended that the directors of the Office of Global Operations, in coordination with the Acting Chief Financial Officer and Acting Associate Director for Management issue guidance to posts for implementing best practices and internal controls over management of fuel cards and purchase and use of fuel for vehicles and generators.

Recommendation 5: OIG recommended that the director of management and operations finalize and implement controls over tracking the use of fuel for generators.

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

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

4 of 7 recommendations open since April 9, 2018

Recommendation 3: OIG recommended that the country director and the director of programming and training improve the implementation and enforcement of the post's motorcycle policy, clarifying the motorcycle waiver policy and application process with Volunteers and staff.

³⁰ The agency did not concur with this recommendation.

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

Recommendation 6: OIG recommended that the director of programming and training and the safety and security manager establish a process to ensure that safety and security incidents are properly documented in the post's site history files, filed in a centralized location, and made part of the site identification, preparation, and approval process.

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

Evaluation of Peace Corps/Senegal (IG-18-05-E)

2 of 12 recommendations open since September 18, 2018

Recommendation 2: OIG recommended that the director of programming and training ensure that staff involved in identifying and approving Volunteer sites in remote parts of the country obtain and document accurate information about the transportation options Volunteers in those sites will be able to use.

Recommendation 12: OIG recommended that the Director of Programming and Training, with input from all staff involved in site development, review the post's current site development practices and update their site development and monitoring standards accordingly.

Evaluation of Peace Corps/Mozambique (IG-19-01-E)

10 of 24 recommendations open since November 1, 2018

Recommendation 1: OIG recommended that the country deputy director improve health technical training to make it more practical and applicable for Volunteers.

Recommendation 6: OIG recommended that the country deputy director, the director of programming and training, and programming staff uniformly define primary and secondary activities following the definitions provided in the Programming, Training, and Evaluation Guidance.

Recommendation 7: OIG recommended that the country director define how staff should provide enhanced oversight and management over the grants projects that exceed \$10,000, especially the four national projects.

Recommendation 10: OIG recommended that the country deputy director and director of programming and training clearly define the range of acceptable transportation options for site selection criteria.

Recommendation 11: OIG recommended that the country deputy director and director of programming and training ensure Volunteer transportation options are accurately assessed according to site assessment procedure prior to approving sites for Volunteer placement.

PEACE CORPS OFFICE OF INSPECTOR GENERAL

Recommendation 14: OIG recommended that the country director emphasize that Volunteers notify the travel phone for emergency response purposes, even when attending a Peace Corps-sanctioned or organized event.

Recommendation 16: OIG recommended that the country director ensure that screens are properly installed and functioning on doors and windows of all Volunteer residences.

Recommendation 20: OIG recommended that the country director review the settling-in allowance and ensure that it is adequate to cover reasonable expenses Volunteers incur.

Recommendation 21: OIG recommended that the country director clarify and communicate the process for obtaining reimbursement for additional settling-in expenses.

Recommendation 22: OIG recommended that the country director include consideration of staff development in the next IPBS submission.

Audit of Peace Corps/Guatemala (IG-19-01-A)

2 of 27 recommendations open since April 25, 2019

Recommendation 2: OIG recommended that the Office of Health Services update Technical Guidance 240 to include instructions on how to properly secure controlled substances via cold storage.

Recommendation 26: OIG recommended that the Office of Safety and Security, in consultation with the Office of the Chief Financial Officer/Acquisition and Contract Management, provide guidance and policy for renewal of contracts and background certifications that have lapsed over a certain period.

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

26 of 30 recommendations open since June 6, 2019

Recommendation 1: OIG recommended that the country director ensure that the acceptance point clerk is receiving all medical supplies at post in accordance with Peace Corps guidance.

Recommendation 2: OIG recommended that the country director ensure that the inventory reconciliation clerk performs quarterly physical inventory of all specially designated drugs and controlled substances, in accordance with Peace Corps guidance.

Recommendation 3: OIG recommended that the country director and the Peace Corps medical officer both witness the destruction of all medical supplies in accordance with Peace Corps guidance.

Recommendation 4: OIG recommended that the country director and the Peace Corps medical officer sign the required disposal form in accordance with Peace Corps guidance.

Recommendation 5: OIG recommended that the country director ensure all staff involved in the medical inventory process receive additional training on the roles and responsibilities of medical inventory.

Recommendation 6: OIG recommended that the director of management and operations and appropriate staff conduct annual physical inventory counts and reconcile all discrepancies to ensure data in the Sunflower system is accurate and complete.

Potential Cost Savings Identified: \$9,886

Recommendation 7: OIG recommended that the director of management and operation ensure that the financial assistant and the general service manager follow the required property management process.

Recommendation 8: OIG recommended that the director of management and operations ensure that assets authorized to contain personally identifiable information are entered in the Sunflower system.

Recommendation 9: OIG recommended that the director of management and operations monitor and document that the accountability of funds is transferred to the alternate cashier when required, in accordance with policy.

Recommendation 10: OIG recommended that the director of management and operations establish a schedule that allows for the alternate cashier to work as acting principal cashier to ensure the necessary skill levels are maintained.

Recommendation 11: OIG recommended that the country director and the director of management and operations ensure that the alternate cashier performs cash counts after transactions have occurred.

Recommendation 12: OIG recommended that the country director and the director of management and operations ensure that all cashiers (principal cashiers, alternate cashiers, and subcashiers) retain all reconciliation records for at least 60 days.

Recommendation 13: OIG recommended that the director of management and operations ensure a bill of collection is generated before funds are accepted from Volunteers and cash collection is only performed by the cashiers.

Recommendation 14: OIG recommended that the director of management and operations ensure that disbursements for greater than \$500 receive the required additional authorization.

Recommendation 15: OIG recommended that the director of management and operations designate staff who receive interim advances as occasional money holders.

Recommendation 16: OIG recommended that the director of management and operations implement procedures to ensure that the funds received for replenishments are withdrawn from the pass-through account no later than two business days after the funds are received or that the appropriate waiver is obtained in accordance with Peace Corps policy.

Recommendation 18: OIG recommended that the cashier supervisor witness the payments of the principal cashier bills of collection in compliance with agency policy.

Recommendation 19: OIG recommended that the director of management and operations require the billing officer to perform all aspects of bills of collection duties, including maintaining documentation of the BOCs.

Recommendation 20: OIG recommended that the director of management and operations direct the staff to prepare their own travel vouchers and ensure staff are trained on all aspects of travel voucher submission.

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Recommendation 21: OIG recommended that the director of management and operations ensure that all outstanding bills of collection are followed up in a timely manner and in accordance with Peace Corps policy.

Recommendation 22: OIG recommended that the director of management and operations ensure compliance with policy to issue bills of collection as soon as the debt is known to the Peace Corps.

Recommendation 23: OIG recommended that the director of management and operations provide training to all administrative and financial staff on the importance of BOCs, who to notify when a debt is known, and examples of these debts.

Recommendation 24: OIG recommended that the country director ensure annual performance appraisals are prepared, discussed with staff members, and copies are placed in their files.

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

Potential Cost Savings Identified: \$4,500

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

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

Evaluation of Peace Corps/Thailand (IG-19-02-E)

2 of 6 recommendations open since June 10, 2019

Recommendation 2: OIG recommended that the safety and security manager require Volunteers to complete the emergency action plan activity from the Office of Safety and Security's My Safety Guide.

Recommendation 5: OIG recommended that the post's medical officers assess local medical facilities that have not been reviewed according to requirements in the agency's medical technical guidelines.

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

19 of 21 recommendations open since June 14, 2019

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

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

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

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

Recommendation 6: OIG recommended that the country director and the language and culture coordinator increase training for language and culture facilitators prior to pre-service training.

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

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

Recommendation 9: OIG recommended that the country director work with programming staff to develop a site identification strategy.

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

Recommendation 12: OIG recommended that the country director ensure that site approval is documented as required.

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

Recommendation 14: OIG recommended that the country director work with programming staff and the safety and security manager to review and update Volunteer housing criteria.

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

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

Recommendation 17: OIG recommended the country director establish and oversee implementation of more effective protocols, schedules and documentation requirements for programmatic site visits. 18. That the country director and Peace Corps medical officer develop a plan to formalize relationships with local medical providers.

Recommendation 18: OIG recommended that the country director and Peace Corps medical officer develop a plan to formalize relationships with local medical providers.

Recommendation 19: OIG recommended that the country director and Peace Corps medical officer develop regional medical action plans for each island.

Recommendation 20: OIG recommended that the country director and Peace Corps medical officer develop a plan to ensure the medical unit meets Peace Corps standards.

Recommendation 21: OIG recommended that the country director and Peace Corps medical officer develop a plan to provide regular, scheduled staff support for Volunteers on Anjouan and Moheli.

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

12 of 16 recommendations open since July 16, 2019

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

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

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

Recommendation 4: OIG recommended that the director of programming and training improve completeness, management, and use of site history information consistent with agency guidance on site history files.

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

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

Recommendation 7: OIG recommended that the country director and safety and security manager plan for more timely testing to reinforce Volunteer knowledge of consolidation points.

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

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

Recommendation 11: OIG recommended that the country director clarify roles and train staff to support Volunteer resiliency and adjustment challenges.

Recommendation 12: OIG recommended that the That the country director develop a process to identify and address Volunteer concerns about the protection of sensitive and confidential Volunteer information.

Recommendation 16: OIG recommended that the country director and director of management and operations work with Volunteers to increase settling-in allowance survey participation and the post's understanding of Volunteer settling-in challenges.

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

4 of 4 recommendations open since July 29, 2019

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

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

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

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

Follow-up Review of Peace Corps/Nepal (IG-19-06-E)

1 of 2 recommendations open since August 27, 2019

Recommendation 1: OIG recommended that, as part of the project review scheduled for Fiscal Year 2020, the director for programming and training, the deputy program director, and food security program team revise site assessment forms to include specific and observable programmatic site selection criteria.

Follow-up Review of Peace Corps/Namibia (IG-19-07-E)

4 of 4 recommendations open since August 30, 2019

Recommendation 1: OIG recommended that the director of programming and training oversee the timely documentation of the review and approval of Volunteer sites by key staff.

Recommendation 2: OIG recommended that the programming and training staff review, clarify, and codify local language proficiency benchmarks.

Recommendation 3: OIG recommended that the Peace Corps medical officers complete the post's medical action plan.

Recommendation 4: OIG recommended that the Peace Corps medical officers create a plan for visiting, assessing, and documenting local healthcare facilities and providers within the timeframe required by agency guidance.

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

9 of 9 recommendations open since September 27, 2019

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

Recommendation 2: OIG recommended that the post's medical officers conduct and document assessments of health facilities that have not been assessed in compliance with the agency's medical technical guidelines.

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

Recommendation 4: OIG recommended that the director of programming and training improve pre-service training to include more effective coping skills Volunteers can employ to manage the stress and challenges of service.

Recommendation 5: OIG recommended that the director of programming and training evaluate mental health training and ensure sessions are effectively delivered and provided adequate time.

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

Recommendation 7: OIG recommended that the director of programming and training improve training to establish appropriate expectations regarding sexual assault and harassment.

Recommendation 8: OIG recommended that the country director implement procedures to ensure "safe drivers" are suitable.

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

Audit of Peace Corps/Morocco (IG-19-03-A)

1 of 20 recommendations open since September 30, 2019

Recommendation 14: OIG recommended that the Office of the Chief Financial Officer issue guidance for recording small payments as a single disbursement.

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

7 of 12 recommendations open since September 30, 2019

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

Potential Cost Savings Identified: \$439,500

Recommendation 4: OIG recommended that the director of management and operations apply due diligence in issuing bills of collection for approximately \$1,496 USDE and collecting the remaining overpaid living allowances.

Recommendation 6: OIG recommended that the director of management and operations work with the Office of the Chief Financial Officer/Global Accounts Payable to account for the underpaid Volunteers.

Potential Cost Savings Identified: \$1,496

Recommendation 7: OIG recommended that the director of management and operations provide training to all administrative and financial staff on the importance of bills of collections and who to notify when a debt is known.

Recommendation 9: OIG recommended that the director of management and operations monitor the outstanding bills of collection log every month and initiate a collection process as required by agency policy.

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

Recommendation 11: OIG recommended that the director of management and operations sign a contract with the auction house.

Special Reports and Management Advisory Reports

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

2 of 4 recommendations open since August 26, 2013

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

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

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

3 of 3 recommendations open since August 24, 2016

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

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

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

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

6 of 6 recommendations open since August 7, 2018

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

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

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

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

Recommendation 5: OIG recommended that the Director of the Peace Corps gather and analyze continuous information on the prevalence of, and factors contributing to, unauthorized drug use in the context of Volunteer service, through the Annual Volunteer Survey or another data gathering tool.³¹

Recommendation 6: OIG recommended that the Director of the Peace Corps provide training to Volunteers that raises awareness of the risks that drug use poses to their health and safety, the effectiveness of their service, and the operations of the post itself.

³¹ The agency partially concurred with this recommendation.

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

2 of 2 recommendations open since September 14, 2018

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

Potential Cost Savings Identified: \$350,000

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

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

6 of 6 recommendations open since September 27, 2018

Recommendation 1: OIG recommended that the Office of the Chief Financial Officer develop agency-wide procedures to ensure purchase card controls are appropriate to the Peace Corps purchasing environment, and fully define the roles and responsibilities of Peace Corps purchase cardholders, approving officials, and the Agency Program Coordinator.

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

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

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

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

Potential Cost Savings Identified: \$636,300

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

Potential Cost Savings Identified: \$8,500

Recommendation 6: OIG recommended that the Office of the Chief Financial Officer correct the record retention requirements in MS 731 to be consistent with MS 892 and National Archives and Records Administration requirements.

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

5 of 5 recommendations open since October 25, 2018

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

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

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

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

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

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

7 of 7 recommendations open since April 9, 2019

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

Recommendation 2: OIG recommended that the associate director for the office of health services establish during hiring, chart review, mentoring, continuing medical education events or other clinical oversight and support processes, improved training for medical officers on diagnosing and treating sick patients in malaria areas that incorporates critical diagnostic considerations found in WHO Guidelines, including the importance of early consideration of a malaria diagnosis based on initial non-specific symptoms, particularly for non-immune patients such as Peace Corps Volunteers.

Recommendation 3: OIG recommended that the associate director for the office of health services update the agency's medical technical guidelines for the prevention and treatment of malaria, and specify in them when the agency expects medical officers to suspect malaria, consistent with the most recent WHO Malaria Guidelines.

Recommendation 4: OIG recommended that the associate director for the office of health services, taking into consideration prevailing malaria diagnosis and treatment guidelines, develop guidance for the treatment of sick patients (or make modifications to TG 113) that addresses when Peace Corps medical officers should consider and document in their assessment a suspected diagnosis of malaria as a matter of routine.

Recommendation 5: OIG recommended that the associate director for the office of health services specify in technical guidance such as TG 113 the degree of documentation required to reflect the medical officer's assessment of possible underlying causes of the patient's symptoms.

Recommendation 6: OIG recommended that the associate director for the office of health services examine the threshold for clinical escalation and adjust or clarify the threshold as appropriate to take into account that the agency's ability to respond to a medical emergency may be complicated by factors such as the lack of suitable local medical facilities, the lack of flights to the country, or other complexities.

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

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

14 of 14 recommendations open since September 19, 2019

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Financial Statement Audit Recommendations³²

Issue	Year First Identified	Agency Concurrence with Issue	Open Recommendations
Untimely De-Obligation of Unliquidated Obligations	2013	Concur	3
Internal Control over Information Security	2013	Concur	5
Processing of Personnel Actions	2016	Concur	2
Testing of Financial System Contingency Plan	2018	Concur	3
Inadequate Record Retention and Tracking for Property	2018	Concur	4
Total Open Recommendations			17

Federal Information Security Management Act Recommendations³³

Issue	Year First Identified	Agency Concurrence with Issue	Open Recommendations
Contingency Planning	2007	Concur	5
Identity and Access Management	2008	Concur	4
Configuration Management	2008	Concur	4
Continuous Monitoring Management	2013	Concur	1
Incident Response and Reporting	2013	Concur	2
Risk Management Framework	2013	Concur	4
Data Protection and Privacy	2018	Concur	3
Total Open Recommendations			23

³² All recommendations issued in conjunction with this report are part of a normal 12-month audit cycle. As a result, recommendations made during a given fiscal year will remain in an open status during the entire subsequent fiscal year. At the beginning of each new fiscal year, the auditors will notify management of whether sufficient corrective actions have been taken regarding the prior year recommendations and issue their current notification of findings and recommendations.

³³ All recommendations issued in conjunction with this report are part of a normal 12-month audit cycle. As a result, recommendations made during a given fiscal year will remain in an open status during the entire subsequent fiscal year. At the beginning of each new fiscal year, the auditors will notify management of whether sufficient corrective actions have been taken regarding the prior year recommendations and issue their current notification of findings and recommendations.

Digital Accountability and Transparency Act Audit Recommendations³⁴

Issue	Year First Identified	Agency Concurrence with Issue	Open Recommendations
File C Compliance	2017	Concur	1
File C Accuracy	2017	Concur	1
Quality Control Process	2017	Concur	2
Total Open Recommendations			4

³⁴ All recommendations issued in conjunction with this report will remain in an open status until 2019 when auditors will notify management of whether sufficient corrective actions have been taken regarding the 2017 recommendations and issue their current notification of findings and recommendations.

6: Summary of Hotline and Other Complaints

Complaints Received	
Complaints Received (Hotline)	210
Complaints Received (Other Sources) ³⁵	22
Total Complaints (All Sources)	232
Overview of Complaint Activity ³⁶	
Resulted in Investigations	28
Resulted in Preliminary Inquiries	17
Resulted in Audits or Evaluations	0
Referred to Agency Management	100
Referred to Other Agency	1
No Action Needed	20

³⁵ These complaints are largely a result of outreach by OIG staff and were received by email, phone calls, and conversations.

³⁶ The following actions summarize the disposition of complaints received by OIG. Please note that in some instances one complaint can result in multiple actions. In other cases, multiple complaints may be received about the same issue, resulting in one referral or result. The results reflect complaint activities that occurred during this reporting period; in some instances the complaint may have been received during a prior reporting period.

7: Summary of Investigative Activities and Outcomes

Investigative Activities	Preliminary Inquiries ³⁷	Cases
Open at the beginning of the reporting period	24	18
Opened during the reporting period	17	28
Closed during the reporting period	11	12
Total open at the end of the reporting period	30	34
Reports		
Investigative reports issued		2
Referrals		
Persons referred for criminal prosecution (Department of Justice)		11
Persons referred for criminal prosecution (state and local authorities) ³⁸		-
Cases referred to the Department of Justice		11
Cases referred to agency management for administrative action		2
Cases referred to agency management for other action		-
Referrals to other agencies		1
Court Actions		
Criminal informations and indictments		-
Trial(s) pending		-
Ongoing prosecution ³⁹		-
Convictions		-
Judgments		-
Fines/assessments/fees		-
Administrative Actions		
Employee ⁴⁰ resignations and terminations		22
Other employee actions ⁴¹		2
Suspension/debarment referrals		1
Monetary Results		
Annual savings		-
Recoveries/restitution ⁴²		\$121
Cost avoidance		-

³⁷ Preliminary inquiries are initiated for complaints which either (1) are received from a Peace Corps source (e.g., staff, Volunteer, contractor) or (2) relate to a matter within the jurisdiction of OIG. A preliminary inquiry is limited in scope to the verification of information in a complaint or allegation and to confirm that it falls within the jurisdiction of OIG.

³⁸ Includes foreign courts.

³⁹ Includes overseas criminal proceedings.

⁴⁰ Volunteers/trainees are included as Peace Corps staff for the purpose of reporting investigative activity.

⁴¹ Includes administrative actions that are less than resignation or termination, for example: letters of reprimand, counseling, and retraining.

⁴² Includes potential recoveries.

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

Section Reference	Reporting Requirements	Section	Page
§ 4(a)(2)	Review of legislation and regulations	Advice, Assistance, and Other Reportable Matters	31
§ 5(a)(1)	Significant problems, abuses, and deficiencies	Management Challenges; Advice, Assistance, and Other Reportable Matters; Audits; and Evaluations	8-26 28-33 37-40 43-50
§ 5(a)(2)	Significant recommendations for corrective actions	Advice, Assistance, and Other Reportable Matters; Audits; and Evaluations	28-33 37-40 43-50
§ 5(a)(3)	Prior significant recommendations on which corrective action has not been completed	Table 5	61-81
§ 5(a)(4)	Matters referred to prosecuting authorities	Investigations and Table 7	53-55 83
§ 5(a)(5)	Summary of instances where information was refused	N/A	-
§ 5(a)(6)	List of audit, inspection, and evaluation reports, including the total dollar value of questioned costs, unsupported costs, and funds to be put to better use	Audits, Evaluations, and Tables 1 - 4	37-40 43-50 58-60
§ 5(a)(7)	Summary of significant reports	Advice, Assistance, and Other Reportable Matters; Audits; Evaluations; and Investigations	28-33 37-40 43-50 53-55
§ 5(a)(8)	Statistical table - questioned and unsupported costs	Table 3	60
§ 5(a)(9)	Statistical table - funds to be put to better use	Table 4	60
§ 5(a)(10)	Summary of previous reports with open recommendations	Table 5	61-81
§ 5(a)(11)	Significant revised management decisions	N/A	-
§ 5(a)(12)	Significant management decisions with which the Inspector General disagrees	N/A	-
§ 5(a)(13)	Information under the Federal Financial Management Improvement Act of 1996	N/A	-
§§ 5(a)(14)-(16)	The results of the last peer review conducted by another OIG	Appendix A: Reporting of Peer Reviews	86-87
§ 5(a)(17)-(18)	Statistical table - investigative reports issued; persons referred for criminal prosecution; indictments and criminal information	Table 7	83
§ 5(a)(19)	Investigations involving a senior government employee where allegations of misconduct were substantiated	N/A	-
§ 5(a)(20)	Instances of whistleblower retaliation	N/A	-

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Appendices

Appendix A: Reporting of Peer Reviews

Pursuant to Section 989C of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law No. 111-203),⁴³ OIG reports the following peer review information:

Audit Unit

In November 2017, the Securities and Exchange Commission (SEC) OIG issued its System Review Report of the Peace Corps OIG Audit Unit for the period ending September 30, 2016. The Audit Unit received a rating of “pass, with deficiencies.” With the exception of two deficiencies, the peer review found that the Audit Unit’s system of quality control was suitably designed and achieved adequate compliance. This provided Peace Corps OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The SEC OIG also issued a Letter of Comment with the System Review Report that contained recommendations that SEC OIG did not consider significant enough to affect their opinion. All recommendations stemming from both documents were fully implemented by March 30, 2018 and are considered closed.⁴⁴

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

Investigation Unit

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

In August 2017, Peace Corps OIG agents conducted an investigative peer review of the Department of Commerce OIG for the 12-month period ending April 30, 2017. The peer review was conducted by OIG’s investigative staff under the direction of the assistant

⁴³ Section 989C of the Dodd-Frank Wall Street Reform and Consumer Protection Act amended Section 5(a) of the Inspector General Act of 1978 (5 U.S.C. App.).

⁴⁴ [The Securities and Exchange Commission OIG System Review Report: https://s3.amazonaws.com/files.peacecorps.gov/documents/inspector-general/Final_System_Review_Report_-_Peace_Corps_OIG_Peer_Review_11.28.17.pdf](https://s3.amazonaws.com/files.peacecorps.gov/documents/inspector-general/Final_System_Review_Report_-_Peace_Corps_OIG_Peer_Review_11.28.17.pdf)

inspector general for investigations, with the support of the National Aeronautics and Space Administration OIG's resident agent in charge of the Computer Forensic Laboratory. We provided our results to the Department of Commerce OIG in October 2017. The review found that the Department of Commerce OIG was in compliance with CIGIE's quality standards for investigations and quality assessment review guidelines, as well as the Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority.

Appendix B: Contract Audit Reports

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

Appendix C: Congressional Testimony

Statement of Kathy A. Buller

Inspector General, Peace Corps

Chair, Legislation Committee, Council of the Inspectors General for Integrity and
Efficiency

before the

U.S. House of Representatives

Committee on Oversight and Government Reform

Subcommittee on Government Operations

concerning

“Overseeing the Overseers: The Council of the Inspectors General
for Integrity and Efficiency @ 10”

Introduction

Chairman Connolly, Ranking Member Meadows, and distinguished Members of the Subcommittee:

Thank you for the invitation to appear before you today in my role as the Chair of the Legislation Committee of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) to discuss how the Legislation Committee has been a part of CIGIE’s development, and CIGIE’s Legislative Priorities.

In February 2009, CIGIE adopted its charter, which instituted six committees representing major OIG divisions (audit, investigations, and inspections and evaluations) and areas of mutual concern (professional development, information technology, and legislation). From its outset, CIGIE began to work on issues common to the IG community. For example, since its creation as part of CIGIE’s first charter in February 2009, the Legislation Committee has expressed the IG community’s common positions on legislative initiatives that would affect government oversight or would remove a legal impediment that IGs face during the course of their oversight. Thanks to past and current CIGIE leadership, CIGIE has steadily matured to be able to address as a community some of the most intractable issues the IG community faces.

In my 33 years in the IG community, I have seen the IG community develop from a group of entities with a common authorizing statute into a strong community of practice that coordinates oversight, shares resources and guidance, and uses our collective authority to provide effective oversight of the government. I have seen Congress stand up dozens of new Inspectors General, and participated in the merger of the President’s Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency into a unified coordinating body – CIGIE. I was appointed as the Peace Corps

IG less than 5 months before passage of the Inspector General Reform Act of 2008, which created CIGIE. As a new IG, I saw CIGIE develop and benefited from CIGIE creating resources and best practices that I could apply to my own office. Recognizing what CIGIE could offer the IG community, I became more actively involved. I served as the vice- or co-chair of the Inspections and Evaluations Committee from 2011 until 2015, helping to develop the Inspection and Evaluation peer review process. Since 2015, I have served as the Chair of the Legislation Committee. Through being both a member and part of CIGIE's leadership, I have witnessed CIGIE develop into an agency that helps the IG community to use our collective resources to conduct more effective oversight, better train our employees, and provide better technical assistance to Congress.

The Legislation Committee has been in existence since CIGIE's first charter in February 2009, and in many ways typifies the role CIGIE has played in the IG community. While each IG is expected to maintain its own relationship with Congressional stakeholders, we recognize that through a collective effort we are able to more effectively provide technical assistance to Congress on issues that the community shares in common. That is one of the core missions of CIGIE – to “address integrity, economy, and effectiveness issues that transcend individual Government agencies.”⁴⁵ Most recently, through the hard work of CIGIE and the Legislation Committee membership, the IG community came together to address the most significant IG-community reform legislation since the IG Reform Act of 2008 – the Inspector General Empowerment Act of 2016. The IG community worked together to engage Congress to restore IG access to all information available to the agencies we oversee and to enact legislative changes that the IG community collectively identified to improve the independence and oversight of IGs.⁴⁶ I would be remiss without thanking this Committee's members and staff for your tireless efforts to pass the Inspector General Empowerment Act of 2016.

Legislative Priorities

As Chair of the CIGIE Legislation Committee, I work with the Committee's 25 other IGs in determining the Committee's positions and priorities on legislative issues and coordinating our communication with Congress, the IG community, and other stakeholders. For example, each new Congress, the CIGIE Legislation Committee presents to the Office of Management and Budget and Congress those legislative initiatives which, if addressed, would best support government oversight and integrity or address legal challenges that the Inspector General community faces. Today, I will address CIGIE's Legislative Priorities for the 116th Congress. The IG community is ready to work with Congress to further improve our ability to perform the oversight mission that taxpayers and Congress expect from the IG community.

For the 116th Congress, our priorities are:

⁴⁵ Inspector General Act of 1978, as amended, 5 U.S.C. App. § 11(a)(2).

- Testimonial Subpoena Authority
- Protecting cybersecurity vulnerability and other related sensitive information from public disclosure
- Amendments to the Program Fraud Civil Remedies Act
- The appropriate use of paid or unpaid, non-duty status in cases involving an IG
- Protection against reprisal for Federal subgrantee employees
- Statutory exclusion for felony fraud convicts to protect Federal funds
- Enhancing Lead IG oversight for Overseas Contingency Operations
- Technical amendments to the Inspector General Reform Act of 2008

I will address each priority in turn.

Testimonial Subpoena Authority

The inability to require the testimony of witnesses who have information relevant to IG inquiries that cannot be obtained by other means significantly hampers OIG oversight. For example, Federal employees have a duty to cooperate with IGs. However, if a Federal employee under investigation for misconduct (for example, for whistleblower retaliation) resigns, the IG no longer has the authority to require the now former Federal employee to cooperate with the investigation. This inability to require cooperation may thwart the IG's ability to hold the individual accountable for their misconduct during their government service or shed light on systemic problems within the agency. In one example, in connection with an OIG's review of alleged safety issues at an agency facility, the OIG was unable to interview the central person identified in the allegation or that person's supervisor since both had left Federal service and declined voluntary interviews. The unavailability of those key witnesses hampered the OIG's ability to fully understand alleged safety issues or to address a key objective of the inspection, which was to identify factors that may have contributed to leadership being unaware of safety problems at the facility.

To address any concerns about this priority, CIGIE already has agreed to certain safeguards Congress has proposed aimed at ensuring that OIGs use testimonial subpoena authority judiciously. For example, CIGIE does not object to having a panel of IGs review a testimonial subpoena prior to issuance. Likewise, CIGIE does not oppose a requirement to notify the Attorney General prior to issuing a testimonial subpoena.

We appreciate the Committee on Oversight and Reform (COR)'s bipartisan support for this priority during the past three Congresses, as well as that of many of the members of this subcommittee. In both the 114th and 115th Congresses, the House unanimously passed legislation providing all IGs with testimonial subpoena authority. We hope for continued support for testimonial subpoena authority from this subcommittee, COR, and our other Congressional stakeholders as we collectively look at ways of strengthening government oversight.

Protecting Cybersecurity Vulnerability and Other Related Sensitive Information from Public Disclosure

Holding agencies accountable to both the public and Congress is important and critical to the mission of IGs. Sunlight is the best disinfectant. However, that interest must be balanced with the need to protect from disclosure sensitive, granular information that could be used by a hacker to exploit the very weaknesses agencies and OIGs are tasked with identifying or remediating. Cybersecurity threats are becoming ever more present. Government agencies share services, technologies, and platforms, making a known risk to one agency a potential risk to many. In short, the need to protect information is greater than ever.

Since 2011, OIGs across the Federal government have raised serious concerns that information related to Federal agencies' information security may be unprotected from disclosure. Although FOIA exemptions apply to classified information and documents compiled for law enforcement purposes, no single exemption currently covers the extremely large area of documents or other information that analyze, audit, and discuss in detail the information security vulnerabilities of the Federal government. Agencies and IGs are increasingly required to focus on identifying, documenting, and remediating agency IT security vulnerabilities under laws like the Federal Information Security Management Act⁴⁷ (FISMA), penetration tests, or other oversight work. The documentation and analysis of testing protocols, vulnerability scans, identified weaknesses, and other information reflecting IT vulnerabilities should be protected from improper disclosure.

CIGIE hopes to work with Congress to provide a tailored legislative proposal to protect information from malicious entities looking for a roadmap into our Federal systems. The language proposed should be narrow, protecting only information that could reasonably be expected to harm an agency's information system or information. Such a tailored approach would still shine sunlight on agency failures but protect the exploitable details from malicious actors.

Program Fraud Civil Remedies Act Amendments

The Program Fraud Civil Remedies Act (PFCRA) is often referred to as the "mini False Claims Act" because it provides administrative remedies for smaller false and fraudulent claims against the government that the Department of Justice (DOJ) declines to enforce. Unfortunately, because of problems in the original legislation, passed over 3 decades ago in 1986, PFCRA remains a relatively underutilized tool.

A 2012 report from the Government Accountability Office (GAO), and a subsequent CIGIE-conducted survey of the IG community, revealed a number of continuing challenges that inhibit widespread use of the PFCRA to combat fraud. For example, the original statutory jurisdictional limit of \$150,000 per claim from 1986 has not changed.

⁴⁷ The Federal Information Security Management Act of 2002, Pub. L. No. 107-347 (Dec. 17, 2002), as amended by the Federal Information Security Modernization Act of 2014 (Pub. L. No. 113-283, Dec. 18, 2014).

PFCRA's "mini false claim" cases must be approved by the Attorney General or Assistant Attorney General even though larger false claims cases require a much lower level of approval. Further, agencies cannot keep any portion of the recovery and so must expend additional resources beyond their losses to pursue cases in which they have no hope of rededicating recouped losses to the programs that were defrauded. Additionally, only an Administrative Law Judge has authority to hear a PFCRA claim; however, many agencies do not employ administrative law judges or have access to them.

A CIGIE working group of experts developed a comprehensive package of reforms designed to update and streamline this remedy. These reforms provide agencies with the ability to fairly and effectively recover smaller-dollar fraudulent claims:

- **Increase the dollar amount of claims subject to PFCRA.** \$150,000 in 1986 dollars, simply adjusted for inflation, well exceeds \$300,000. Additionally, increasing the dollar amount accounts for the current reality of the dollar value of cases that DOJ and U.S. Attorney's offices typically accept.
- **Increase the efficiency of DOJ approval of PFCRA requests by allowing delegation of PFCRA approval authority to a lower level than the Assistant Attorney General.** There is a higher-level approval requirement for "mini" false claims under PFCRA than under the False Claims Act. The authority should be delegable to mirror the False Claims Act's delegable authority.
- **Allow agencies to retain PFCRA recoveries to the extent needed to make them whole.** PFCRA specifies that all agencies except two must deposit any PFCRA recoveries into the Treasury Miscellaneous Receipts account, a disincentive to investing significant time or effort into pursuing PFCRA claims. In fact, PFCRA not only fails to make the agency whole, but also requires the agency to expend additional money to pursue the PFCRA claim. Allowing agencies and OIGs to be made whole for damages suffered and administrative costs expended would assist agencies in pursuing PFCRA claims.
- **Revise the definition of Hearing Officials.** CIGIE supports expanding the definition of Hearing Official to include member judges at agency boards of contract appeals so that agencies to expand the available forums for PFCRA claims.
- **Aligning PFCRA to the False Claims Act.** CIGIE recommends that Congress better align PFCRA with the False Claims Act by amending the statute of limitations for PFCRA to mirror the False Claims Act, allowing PFCRA recovery for "reverse false claims" cases in which a party withholds information material to that party's obligation to pay the Government, and using the same definition for the term "material" as the False Claims Act does.

Though individual recoveries may seem low, when taken together, PFCRA could become a significant tool to recover fraudulent expenditures for the benefit of taxpayers and

deter individuals from committing smaller dollar fraud. We look forward to pursuing reform of this tool to make it more effective in combatting fraud, waste, and abuse.

Appropriate Use of Paid or Unpaid, Non-Duty Status in Cases Involving an IG

The IG Act requires Congressional notification not later than 30 days before removal of an IG or transfer of an IG within the agency.⁴⁸ These removal standards safeguard IGs' independence in carrying out their oversight work. However, when an agency head or the President places an IG in paid or unpaid, non-duty status, there is no requirement to notify Congress. Thus, the safeguards in place to maintain IG independence are defeated, and the IG may be muzzled.

CIGIE supports amending the IG Act to require congressional notification when the agency head or the President places an IG in paid or unpaid, non-duty status. This notification requirement would also encourage the President or agency head to more quickly assess or validate an allegation and take a more concrete action, whether that be by returning the IG to duty or otherwise. H.R. 1847, the Inspector General Protection Act, which already has passed the House, would address this very issue. CIGIE greatly appreciates this subcommittee's bipartisan efforts, including those of Representatives Lieu and Hice, to protect IG independence by requiring Congressional notification when an IG is placed in a paid or unpaid, non-duty status.

Protection Against Reprisal for Federal Subgrantee Employees

The National Defense Authorization Act for Fiscal Year 2013 enhanced whistleblower protections for Federal contractor, subcontractor, and grantee employees on a pilot program basis. Subsequent amendments in 2016 both made the program permanent and sought to enlarge the group of protected individuals to include, among others, Federal subgrantee and subcontractor employees.

The statute lays out a proscriptive process for whistleblowers, agencies, and their IGs. While the 2016 amendments explicitly included Federal subgrantee employees as protected individuals, coordinated changes were not made in the statute's related sections. Similar mentions of subcontractor employees were left out. CIGIE proposes to close this gap and clarify that this whistleblower protection statute specifically applies to employees of Federal subgrantees who make protected disclosures. The proposed amendments would make changes in the statute's related sections addressing (1) to whom the disclosures must be made; (2) the entity or company to whom an OIG provides the Report of Investigation; (3) the remedy provisions; and (4) the rights notification provision.

We appreciate the Chair and Ranking member's support for this priority, as shown through their co-sponsorship of H.R. 4147, the Whistleblower Expansion Act of 2019, as well as the support the proposal has received from Senator Braun and Senator Hassan through the introduction of the counterpart Senate Bill S. 2315. We believe these clarifications will strengthen whistleblower protections in the Federal program area and

⁴⁸ 5 U.S.C. Appx. 3, §§ 3(b), 8G(e).

eliminate uncertainties for agencies, OIGs, and Federal subgrantee and subcontractor whistleblowers with respect to the investigation and processing of such complaints.

Statutory Exclusion for Felony Fraud Convicts to Protect Federal Funds

Federal felons who defraud the Government are often not suspended or debarred, leaving them eligible to access government funding. CIGIE proposes to create a floor by which the Federal government would ensure that individuals convicted of certain felonies involving defrauding the government cannot misuse government funding in the future. To achieve this, CIGIE proposes to automatically exclude those individuals convicted in Federal court involving agency contract, grant, cooperative agreement, loan or other financial assistance fraud.

Under current law, there is no general, mandatory exclusion for individuals convicted of felonies related to defrauding the Federal government. Regulations allow agencies to take discretionary actions to exclude felony fraud convicts from receiving Federal grants and contracts through government-wide suspensions or debarments. Under these discretionary actions, agencies suspend or debar individuals after determining that the individual is not “presently responsible” to handle or receive government funds.

Unfortunately, due to limited resources and other factors, many individuals convicted of felonies involving fraud against Federal programs are not suspended or debarred. Our proposal would ensure the most egregious bad actors, whose convictions clearly demonstrate they are not “presently responsible to receive additional Federal program funds,” are automatically prohibited from receiving funds for 3 years. Applying the mandatory exclusion to those convicted of a felony statute involving government programs ensures the individual has already been provided due process for the underlying misconduct in the Federal criminal justice system and that the misconduct involved a question of integrity with respect to Federal programs. This would also allow agencies to use their limited enforcement resources to focus on more complicated cases.

Similar mandatory actions are already required in other contexts, though they are typically focused on fraud or misconduct relating to particular operations or programs or may be limited in the scope of the exclusion. For example, 10 U.S.C. § 2408 provides for a limited 5-year exclusion from defense contracts for individuals convicted of fraud or any other felony arising out of a defense contract; 15 U.S.C. § 645 mandates that any person who makes a misrepresentation to obtain small business preferences shall be ineligible to participate in any program or activity pursuant to the Small Business Investment Act of 1958; 38 U.S.C. § 8127 similarly requires that business concerns (and the principals of the concerns) that engage in willful and intentional misrepresentations regarding small businesses owned and controlled by veterans/service disabled veterans are automatically debarred from Veterans Affairs contracts for not less than 5 years. CIGIE proposes that any new authority should not diminish those other authorities⁴⁹ or the authorities providing for additional discretionary action.

⁴⁹ For example, an agency head should still be able to exempt an individual from exclusion.

Enhancing Lead IG Oversight for Overseas Contingency Operations

Coordinated oversight assists Congress and agency leaders in making informed program, policy, and funding decisions. Recognizing this, Congress has mandated different means by which IG oversight should be coordinated and the role that CIGIE can play. One mechanism for coordinating oversight in the IG community, the Lead IG model under IG Act Section 8L, has required the IGs of the Department of Defense, the Department of State, and the U.S. Agency for International Development to conduct oversight of an overseas contingency operation through a Lead IG selected by the CIGIE Chair. Lead IG responsibilities are triggered by the commencement or designation of a military operation as an overseas contingency operation.

When an overseas contingency operation lasts more than 60 days, the Chair of CIGIE is required to designate a Lead IG from the three IGs specified in the IG Act.

Under current law, there are unique challenges in implementing efficient and effective oversight of overseas contingency operations. To enhance the Lead IG oversight for overseas contingency operations, CIGIE has proposed three groups of proposals that would:

- Improve employee recruitment and retention
- Enhance oversight by clarifying responsibilities and facilitating coordination
- Formalize notification procedures

CIGIE supports the provisions of the Senate-passed NDAA, S. 1790, that would resolve the unique challenges outlines below.

Improve employee recruitment and retention. Most lead IG employees are hired on a time-limited basis due to statutory, 5-year term restrictions. When our overseas contingency operations extend beyond 5 years, that restriction is misaligned with oversight needs. CIGIE recommends amending current law to ensure the Lead IGs are not forced to terminate and hire new temporary employees during key periods of overseas contingency operation oversight. Further, providing non-competitive eligibility to Lead IG staff would enhance the ability of the lead IG to recruit and retain qualified individuals.

Enhance Oversight by clarifying responsibilities and facilitating coordination. The IG Act does not address how oversight will be coordinated if none of the Lead IG agencies have principal jurisdiction of an overseas contingency operation program. Furthermore, the Lead IG model relies on good communication and comprehensive oversight in complicated environments. CIGIE recommends the law be amended to clarify jurisdiction, as well as facilitate enhanced communication and encourage comprehensive oversight by providing the Lead IG with a tailored authority to obtain information from other OIGs that may be conducting overseas contingency operation oversight.

Formalize notification procedures. Current law impedes the Lead IG's ability to ensure the timely activation and conclusion of oversight. The IG Act requires the CIGIE Chair to designate a Lead IG for any overseas contingency operations that exceed 60 days. However, there is no mechanism to ensure the CIGIE Chair is notified when an overseas contingency operation begins or is designated. Additionally, the IG Act bases the sunset of lead IG authority on a reduction in appropriations rather than termination of the mission. CIGIE recommends that the notification and sunset provisions be better aligned to ensure timely activation and conclusion of the overseas contingency operation oversight duties.

Conclusion

Since its establishment, CIGIE's mission has included helping IGs to address issues of integrity, economy, and effectiveness that transcend individual Government agencies. CIGIE continues to increase its role in helping IGs identify and recommend ways to address those transcendent issues. Like CIGIE, the Legislation Committee has striven to help the IG community formulate and express our community's views on the most pressing legislative issues affecting oversight and the common issues in the programs we oversee. Towards that aim, we continue to look forward to engaging Congress on ways to further enhance IG oversight.

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