

**AGENCY FINANCIAL REPORT**  
**FISCAL YEAR 2016**





# Peace Corps

## AGENCY FINANCIAL REPORT

FISCAL YEAR 2016



Paul D. Coverdell Peace Corps Headquarters  
1111 20th Street NW, Washington, DC 20526

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## ABOUT THIS REPORT

The Peace Corps has chosen to produce an Agency Financial Report (AFR) for fiscal year (FY) 2016 to inform Congress, the President, and the public on how fiscal funds entrusted to the Peace Corps have been used to achieve the agency's mission of promoting world peace and friendship through community-based development and cross-cultural understanding. The AFR is one of the performance and financial reports required from federal agencies. The FY 2016 Annual Performance Report, along with the FY 2018 Annual Performance Plan (to be published with the FY 2018 Congressional Budget Justification) and this report will be online at [peacecorps.gov/about/open-government/reports/](http://peacecorps.gov/about/open-government/reports/).

This is the first year the Peace Corps is producing an AFR, in lieu of a combined Performance and Accountability Report. The AFR was created in accordance with Office of Management and Budget (OMB) Circulars A-11, Preparation, Submission, and Execution of the Budget; A-123, Management Responsibility for Internal Controls and Enterprise Risk Management; and A-136, Financial Reporting Requirements.

### AGA Certificate of Excellence and Special Award



*The Peace Corps received the Association of Government Accountants' (AGA) Certificate of Excellence in Accountability Reporting for its FY 2015 Performance Accountability Report and a Best in Class Award for Best Presentation of Performance in a Performance and Accountability Report.*

Karen Van Roekel (in red) and Joseph L. Hepp, Jr. (holding the framed award) received the awards on behalf of the Peace Corps. Ms. Van Roekel is the Chief of Strategic Planning and Data Management for the Office of Strategic Information, Research, and Planning, and Mr. Hepp is the Chief Financial Officer of the agency.



## HOW THIS REPORT IS ORGANIZED

The AFR presents the agency's performance highlights and accomplishments, fiscal accountability, and operational challenges for fiscal year beginning October 1, 2015 and ending September 30, 2016. It begins with a message from Peace Corps Director Carrie Hessler-Radelet, followed by the Management's Discussion and Analysis, Financial Section, Other Information, and Appendices.

### Management's Discussion and Analysis

This section provides an overview of financial results, summary-level performance information, and management assurances regarding internal controls. It showcases the Peace Corps' mission, organizational structure, and the work of the Volunteers. Agency challenges and demands are also addressed in the Management's Discussion and Analysis.

### Financial Section

This section details the agency's financial position for FY 2016. It includes the message from the chief financial officer, followed by the financial statements and footnotes disclosures, and the independent auditor's report.

### Other Information

This section contains the Office of Inspector General's Management and Performance Challenges, along with recommended actions, and a summary of financial statement audit and management assurances.

### Appendices

This section provides additional information, such as a report on audit follow-up activity, verification and validation of performance data, and a glossary of abbreviations.

## ABOUT THE PEACE CORPS

### HISTORY

Officially established:	March 1, 1961
Americans who have served:	More than 225,000
Host countries served to date:	141

### VOLUNTEERS

Current number of Volunteers and trainees:	7,213
Gender:	62% female 38% male
Marital status:	97% single, 3% married
Average age:	28.3
Over age 50:	7%

### COUNTRIES AND PROJECTS

Current number of countries served:	65
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### BUDGET

Fiscal year 2016 budget:	\$410 million
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### PEACE CORPS DIRECTOR

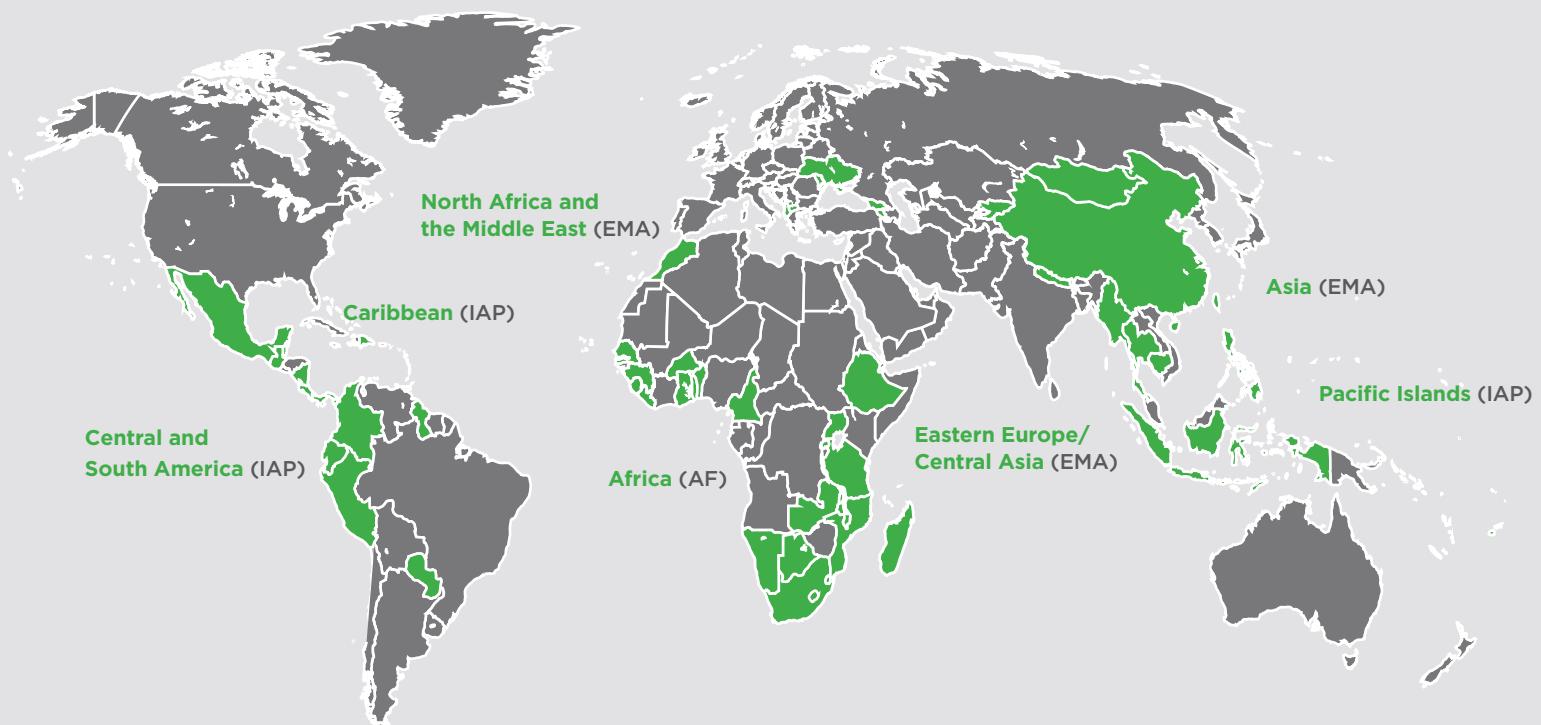
Carrie Hessler-Radelet (Western Samoa, 1981-83)

### TOLL-FREE

855.855.1961

[peacecorps.gov](http://peacecorps.gov)

## WHERE PEACE CORPS VOLUNTEERS SERVE



### THE CARIBBEAN

Dominican Republic  
Eastern Caribbean:  
Dominica  
Grenada and Carriacou  
St. Lucia  
St. Vincent and the  
Grenadines  
Jamaica

### CENTRAL AND SOUTH AMERICA

Belize  
Colombia  
Costa Rica  
Ecuador  
Guatemala  
Guyana  
Mexico  
Nicaragua  
Panama  
Paraguay  
Peru

### NORTH AFRICA AND THE MIDDLE EAST

Morocco  
**AFRICA**  
Benin  
Botswana  
Burkina Faso  
Cameroon  
Comoros  
Ethiopia  
Ghana  
Guinea  
Lesotho  
Liberia  
Madagascar  
Malawi  
Mozambique  
Namibia  
Rwanda

### ASIA

Senegal  
Sierra Leone  
South Africa  
Swaziland  
Tanzania  
The Gambia  
Togo  
Uganda  
Zambia  
**ASIA**  
Cambodia  
China  
Indonesia  
Mongolia  
Myanmar  
Nepal  
Philippines  
Thailand  
Timor-Leste

### EASTERN EUROPE/ CENTRAL ASIA

Albania  
Armenia  
Georgia  
Kosovo  
Kyrgyz Republic  
Macedonia  
Moldova  
Ukraine

### PACIFIC ISLANDS

Federated States  
of Micronesia  
Fiji  
Palau  
Samoa  
Tonga  
Vanuatu

**AF** | Africa Region

**EMA** | Europe, Mediterranean, and Asia Region

**IAP** | Inter-America and the Pacific Region

Countries with Volunteers as of September 30, 2016

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# THE DIRECTOR OF THE PEACE CORPS

Washington, D.C.



In behalf of our Volunteers and staff around the world, I am pleased to present the Peace Corps' Agency Financial Report for FY 2016. This report highlights financial and performance results that enable the President, Congress, and the public to assess the progress our agency has made over the past year.

The Peace Corps was founded from an idea that emerged when then-Senator John F. Kennedy first challenged students to serve their country in the cause of peace at a University of Michigan speech in October 1960. Since the agency's inception 55 years ago, more than 225,000 Americans have responded to this challenge.

I am one of those Americans. As a returned Peace Corps Volunteer (Western Samoa, 1981-83), and as part of a four-generation family of Peace Corps Volunteers, I am truly honored to lead and support the devoted Volunteers and staff of this inspiring agency. The agency has represented the United States and advanced its mission of world peace and friendship through community-based development and cross-cultural understanding in 141 countries around the world. Although the language has been updated since 1961, the three core goals originally established in the Peace Corps Act continue to support the mission and serve as the foundation for agency operations:

- 1. Building Local Capacity:** Advance local development by strengthening the capacity of local communities and individuals through the service of trained Volunteers.
- 2. Sharing America with the World:** Promote a better understanding of Americans through Volunteers who live and work within local communities.
- 3. Bringing the World Back Home:** Increase Americans' awareness and knowledge of other cultures and global issues through Volunteers who share their Peace Corps experiences and continue to serve upon their return.

As of September 30, 2016, 7,213 Volunteers were serving in 65 countries. For FY 2016, the agency received its highest appropriation ever of \$410 million (compared to \$379.5 million in FY 2015) to support the work of Peace Corps Volunteers and enhance operations around the world.

In FY 2016, the agency established a partnership with Viet Nam, where Volunteers will teach English and engage in the cultural exchange that is the hallmark of Peace Corps service. This announcement coincided with President Obama's historic trip to Viet Nam, and underscores American commitment to the people of Viet Nam. Other developments in FY 2016 included the opening of operations in Myanmar and reopening operations in Timor-Leste. The agency also restarted the previously suspended programs in Guinea and Sierra Leone. Due to ongoing security concerns, programs in El Salvador and Mali were suspended.

This year, we celebrated the 20th anniversary of Peace Corps Response, a program that sends experienced professionals on short-term, high-impact assignments around the world. Peace Corps Response was founded in 1996 to send returned Peace Corps Volunteers to communities after conflicts and natural disasters. The program has evolved to include all qualified Americans and a wide range of assignments that last anywhere from three months to one year. While Peace Corps Response Volunteers do not serve as long as those in the two-year Volunteer program, their impact has lasting effects in the communities they serve. The program's largest efforts have included the work of Response Volunteers in Thailand and Sri Lanka following the 2004 tsunami, and in the United States after Hurricanes Katrina and Rita. As a result of the sustained demand for Peace Corps Response, over 600 Volunteers served in 45 countries in FY 2016.

The Peace Corps' top priority is always the health, safety, and security of our Volunteers. The agency has continued to make improvements to the Sexual Assault Risk Reduction and Response program mandated by the Kate Puzey Peace Corps Volunteer Protection Act of 2011. In FY 2016, the agency rolled out the Coordinated Agency Response Case Management System, a centralized database to track and evaluate our response to Volunteer-reported crimes.

This year also saw the rapid expansion of the Peace Corps' collaboration with the U.S. government initiative Let Girls Learn, launched by First Lady Michelle Obama. Now in its second year, the number of countries participating in the Peace Corps' Let Girls Learn Program has more than tripled, from 11 in FY 2015 to 35 in FY 2016. Through their work with local leaders on community projects, Peace Corps Volunteers have become catalysts for change by promoting education and empowering adolescent girls. The growing network of Volunteers trained to work at the grassroots level provides a rare opportunity to impact the estimated 62 million girls worldwide who are not in school.

In FY 2016, the Peace Corps unveiled a bold new logo and website that reflect the agency's commitment to engage a new generation of Americans. The agency's new look targets applicants with a desire to make a positive, lasting change in their world. The agency's rebranding has embraced a digitally focused communications approach, and aims to make the Peace Corps more accessible and mobile-friendly through various technology-based platforms.

In addition to our efforts to reach a new generation of Volunteers, the agency has sustained the historic changes to the Volunteer application and selection process made in FY 2014. These combined efforts have yielded dramatic results for the agency. In FY 2016, the Peace Corps saw its second-highest number of applications in 40 years—an astonishing 21,600 Volunteer applications. The dramatic influx of high-quality applications over the past two years indicates a strong desire for volunteerism among the American people. The Peace Corps strives to meet this demand by increasing opportunities for service while maintaining the highest level of Volunteer support at every post. However, expanding the Peace Corps' global presence requires balancing a variety of factors outside agency control, including regional instability, program scalability, and ever-changing operating environments in the countries we serve. More information about the agency's key challenges in FY 2016, along with documented accomplishments, is in the Management's Discussion and Analysis section.

The Peace Corps remains committed to prudent financial management. For the 10th year, the Peace Corps received an unmodified (clean) audit opinion on its financial statements. The independent auditors identified three significant deficiencies and two instances of noncompliance with laws and regulations. We are aware of these audit findings and are committed to addressing them for effective and sustainable resolution.

I am including in this report my Unmodified Management Assurance Statement, along with that of the chief financial officer, providing reasonable assurance that the internal controls and financial management systems meet the specified objectives in the Federal Managers' Financial Integrity Act. This, along with our audited financial statements, may be found in the Financial Section. The financial and performance information presented in this report is reliable and complete.

The Peace Corps' inspector general identified management and performance challenges as reported in the Other Information section in this report. We acknowledge the recommendations, and our staff continue to work diligently to implement operational improvements and settle open items.

As we celebrate the agency's 55th anniversary, I am still inspired every day by what is possible when community members and Peace Corps Volunteers work together to improve conditions at the local level and build a better world from the ground up. They remind us that in a sometimes tumultuous world, the Peace Corps matters—now more than ever.



Carrie Hessler-Radelet, Director

November 7, 2016



## MANAGEMENT'S DISCUSSION AND ANALYSIS



## MISSION AND OVERVIEW OF THE PEACE CORPS

### OUR MISSION

To promote world peace and friendship through community-based development and cross-cultural understanding

### OUR VISION

To be a dynamic, forward-leaning champion for international service, defined by our energy, innovation, and development impact

### WHO WE ARE

The Peace Corps has been a leader in international development and citizen diplomacy for more than 55 years. In a profoundly interdependent world, we tackle challenges that know no borders—such as climate change, pandemic disease, food security, and gender disparities.

Initially established by President John F. Kennedy by executive order on March 1, 1961, the Peace Corps was formally authorized by Congress on September 22, 1961, with passage of the Peace Corps Act. The Peace Corps is an independent agency in the executive branch of the U.S. government.

Since the Peace Corps was established in 1961, more than 225,000 Americans have served in 141 countries as Volunteers. They have built a legacy of friendship and enhanced their host countries' capacity for sustainable community-based development.

The Peace Corps conducts an annual strategic assessment—the Country Portfolio Review—in order to respond most effectively to new requests for Volunteers while also preserving and strengthening longstanding relationships with its existing partners and host countries. Today, the Peace Corps is more vital than ever, working in collaboration with partner organizations and using cutting-edge technologies and best practices to increase its development impact.

### PEACE CORPS FACTS

#### HISTORICAL

Officially established:	March 1, 1961
Americans who have served:	225,000
Total host countries served:	141
Country that has hosted the most Volunteers historically:	Philippines (9,072)

#### CURRENT

Host countries:	65
Total Volunteers:	7,213
Largest program:	Senegal (298 Volunteers)

“  
Nothing carries the spirit of American idealism and expresses our hopes better and more effectively to the far corners of the earth than the Peace Corps.

President Kennedy's final State of the Union address  
January 14, 1963

President John F. Kennedy delivers remarks after signing the Peace Corps Act into law on September 22, 1961 in the Oval Office.

Photo: Abbie Rowe, White House Photographs, John F. Kennedy Presidential Library and Museum, Boston



## CORE VALUES AND ORGANIZATIONAL STRUCTURE

### CORE VALUES

The Peace Corps advances its mission through the work of its Volunteers. The agency is structured to address the unique needs of Volunteers while they serve in local communities, often under hardship conditions. The following core values shape and guide decisions at all levels in the agency to support the thousands of Volunteers serving around the world.



### VOLUNTEER WELL-BEING

The Peace Corps works to provide a safe, healthy, and productive service for every Volunteer. The safety, security, and physical and emotional health of Volunteers are the agency's top priorities.

### QUALITY AND IMPACT

The Peace Corps pursues quality improvements to strengthen its programs while maintaining a meaningful global presence.

### COMMITMENT TO NATIONAL SERVICE

The Peace Corps seeks to expand opportunities for Americans to serve their country by volunteering their time in the service of others.

### DIVERSITY AND INCLUSION

The Peace Corps actively supports a culture of inclusion that builds on the strengths of the diversity of the American public and of the countries in which we serve.

### EVIDENCE-BASED DECISIONS

The Peace Corps uses high-quality data and evidence to focus resources on agency priorities, inform performance improvements both in the field and at headquarters, and promote institutional learning.

### INNOVATION

The Peace Corps utilizes innovative approaches and technology to solve both persistent and emerging operational challenges and to advance local development.

## OUR ORGANIZATION

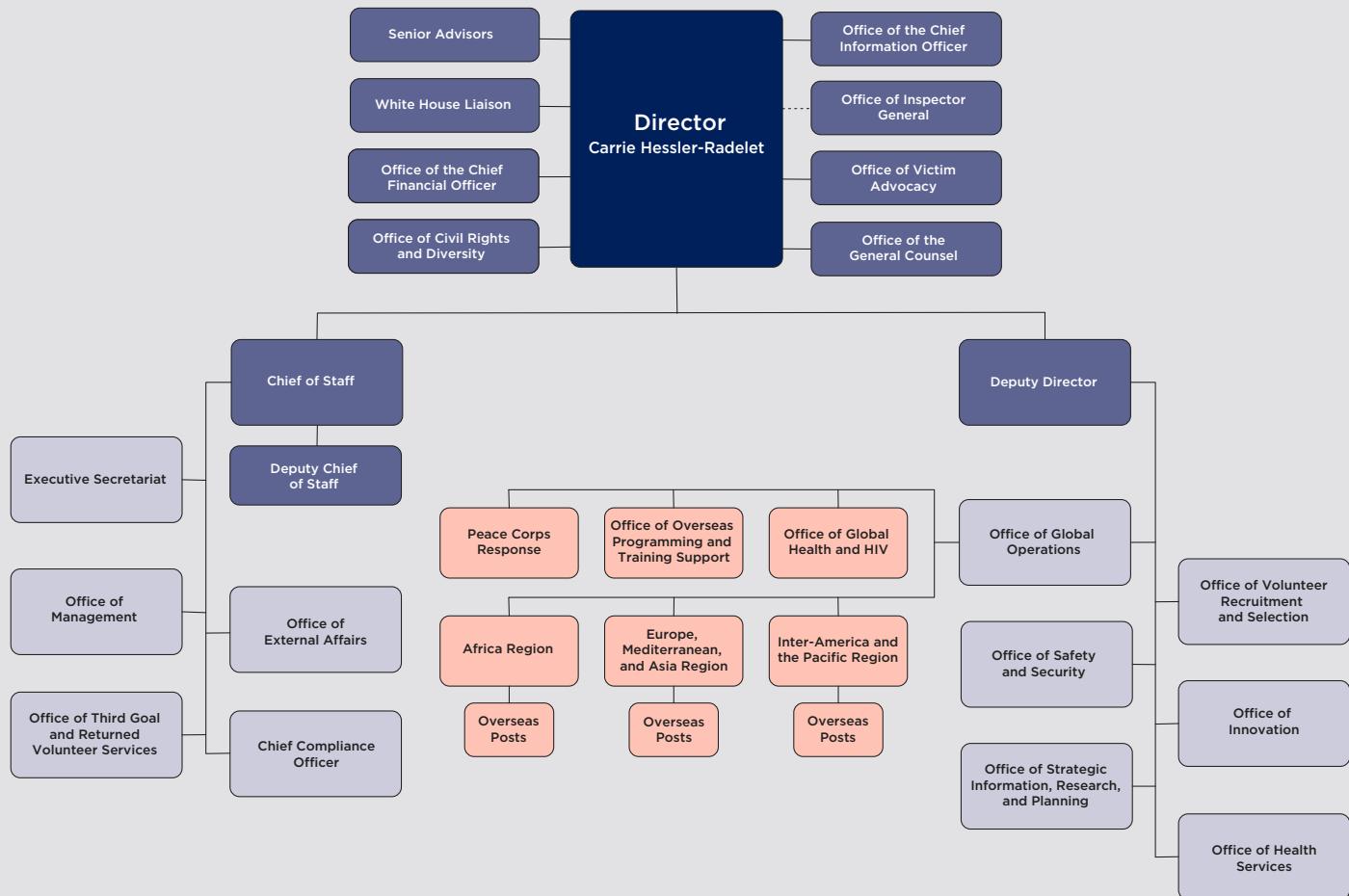
In FY 2016, the Peace Corps maintained active programs in 65 countries, administered by 61 overseas posts. Each post is led by a country director and supported by programming, training, safety and security, medical, financial, and administrative staff. Overseas posts are organized into three geographically based regions: Africa (AF); Europe, Mediterranean, and Asia (EMA); and Inter-America and the Pacific (IAP).

In addition to its Volunteers, the Peace Corps' greatest asset is its workforce, comprising 1,096 U.S. direct hire staff and 3,062 host country staff (including short-term

language and cross-cultural training staff). The unique combination of U.S. direct hire staff and host country staff creates a flexible and vibrant workforce. The Peace Corps believes that having a diverse and inclusive agency is essential to advancing its mission. By developing a culture of inclusion, the Peace Corps is able to maximize Volunteer and staff skills, talent, and overall performance.

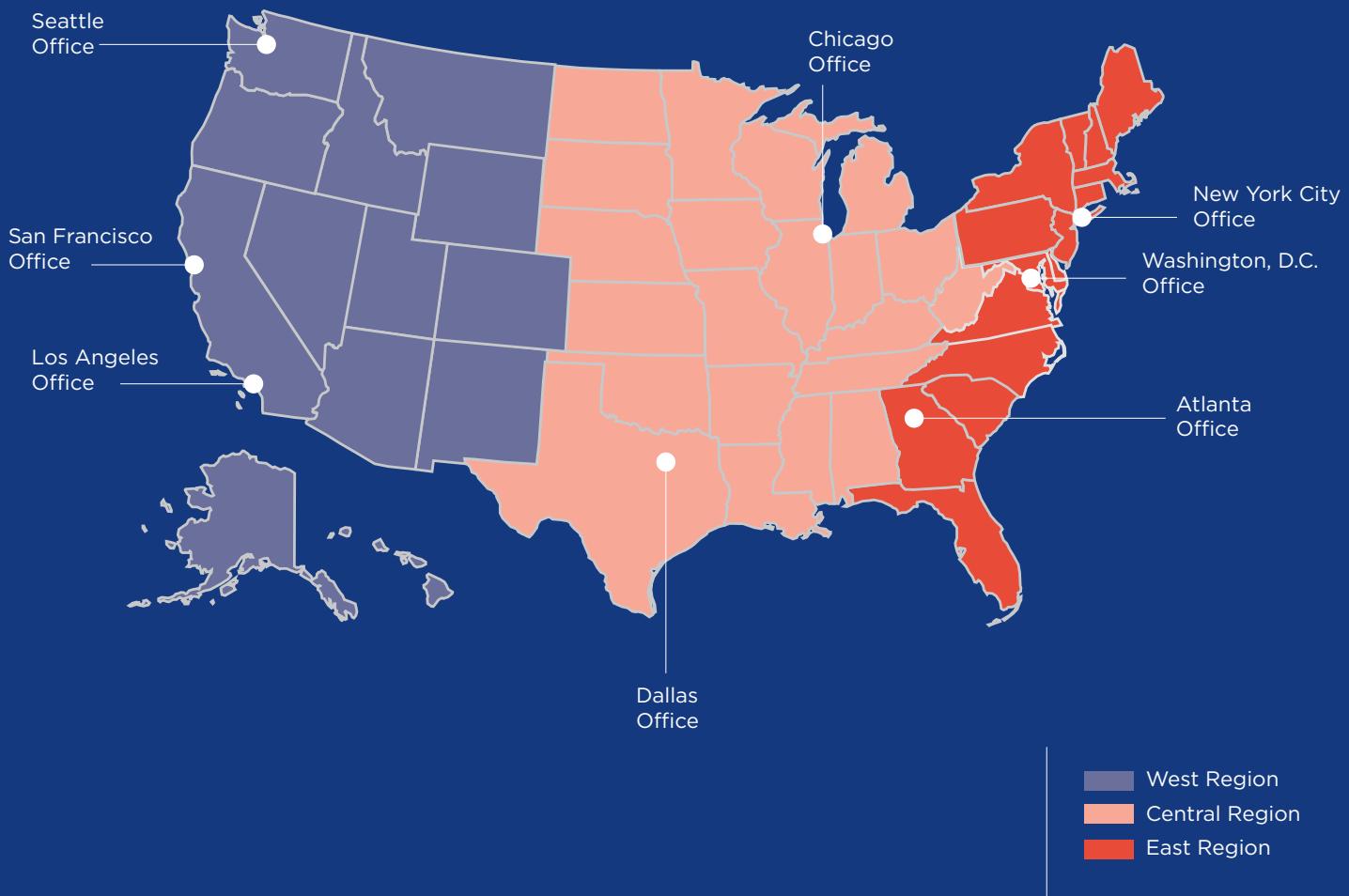
The Peace Corps is headquartered in Washington, D.C., with regional recruitment offices in Atlanta, Chicago, Dallas, Los Angeles, New York City, San Francisco, Seattle, and Washington, D.C.

## PEACE CORPS ORGANIZATIONAL CHART



## REGIONAL OFFICE BREAKDOWN

### Recruiter Territories



## WHAT WE DO

Volunteers live and work abroad to tackle the most urgent needs of people around the world. Rather than providing monetary assistance to countries, the Peace Corps sends Volunteers to share their skills and experience while living and working alongside local individuals and communities.

This unique community-based approach to development emphasizes intercultural understanding, capacity building, and sustainable results. Volunteers advance citizen diplomacy, build local capacity, and bring a wealth of experience back to the United States. The new skills and knowledge Volunteers acquire while serving—whether professional growth in intercultural settings, a new language, or technical expertise—are invaluable to the United States, as is the commitment to public service that the Peace Corps instills.

Volunteers advance grassroots development outcomes (Strategic Goal 1) by working in partnership with local communities. In addition, Volunteers are tasked with building a better understanding of Americans in host country communities during their service (Strategic Goal 2). Finally, during and after their service, Volunteers serve as cultural ambassadors and are charged with increasing Americans' knowledge of other cultures (Strategic Goal 3). Returned Volunteers continue their service as global citizens by seeking opportunities to engage in public service and foster intercultural understanding in the United States. The Peace Corps' three strategic goals are dependent upon and reinforce one another. Volunteers regularly contribute to each of the goals while working in their communities.

## THE PEACE CORPS' APPROACH TO DEVELOPMENT



Countries invite the Peace Corps to address their development goals. Volunteers are requested directly by local schools, government offices, and other organizations.

Volunteers live and work at the grassroots level.

Volunteers learn local languages and cultures, building relationships and trust with people in their host communities.

Volunteers use their knowledge of the local context to collaborate with host country partners on projects that address community needs.

By working closely with host country counterparts, Volunteers strengthen the capacity of local individuals and communities to solve their own problems.

Local conditions are improved and community members sustain those improvements after Volunteers leave.

## PEACE CORPS PROGRAMMATIC SECTORS

Volunteer projects vary across the world, as they are designed to respond to local needs. Volunteers' work falls within six programmatic sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth in Development. Peace Corps Response Volunteers' short-term, high-impact assignments may span one or more of these sectors.



### **Education: Teaching lessons that last a lifetime**

Education is the Peace Corps' largest program area. Volunteers play an important role in creating links among schools, parents, and communities. They may work in elementary, secondary, or post-secondary schools, teaching subjects such as math, science, or conversational English; or as resource teachers or teacher trainers. Volunteers also develop libraries and technology resource centers.

Volunteers can earn their Teaching English as a Foreign Language (TEFL) certificate through the Peace Corps. [files.peacecorps.gov/volunteer/learn/TEFL\\_Comms.pdf](http://files.peacecorps.gov/volunteer/learn/TEFL_Comms.pdf)



### **Health: Building healthy global communities**

Health Volunteers work within their communities to promote important topics such as nutrition, maternal and child health, basic hygiene, and water sanitation. Volunteers also work in HIV/AIDS education and prevention programs, where they train youth as peer educators, provide support to children orphaned by the disease, and create programs that provide emotional and financial support to families and communities affected by the HIV/AIDS epidemic.

### **Environment: Forging a global movement to protect the planet**

Volunteers lead grassroots efforts to protect the environment and strengthen understanding of environmental issues. They teach environmental awareness in schools and to local organizations, empowering communities to make their own decisions about how to conserve the local environment. Volunteers also address environmental degradation by promoting sustainable use of natural resources.



### **Youth in Development: Empowering the next generation of leaders**

Volunteers work with youth in communities to promote engagement and active citizenship, including gender awareness, employability, health and HIV/AIDS education, environmental awareness, sports and fitness programs, and information technology.



### **Community Economic Development: Helping communities lift themselves**

Volunteers work with development banks, nongovernmental organizations, and municipalities to encourage economic opportunities in communities. They frequently teach in classroom settings and work with entrepreneurs and business owners to develop and market their products. Some Volunteers also teach basic computer skills and help communities take advantage of technologies that connect them to the global marketplace.

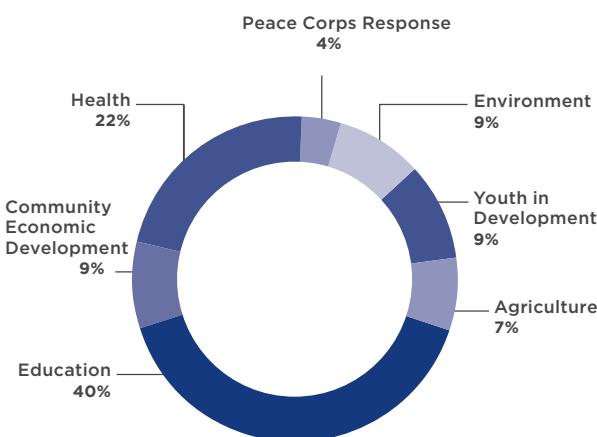


### **Agriculture: Leading grassroots efforts to fight hunger**

Agriculture Volunteers work with small-scale farmers and families to increase food security and production and adapt to climate change while promoting environmental conservation. They introduce farmers to techniques that prevent soil erosion, reduce the use of harmful pesticides, and replenish the soil. They work alongside farmers on integrated projects that often combine vegetable gardening, livestock management, agroforestry, and nutrition education.

Additional information on Peace Corps six programmatic sector can be found in [peacecorps.gov/volunteer/what-volunteers-do/](http://peacecorps.gov/volunteer/what-volunteers-do/).

## VOLUNTEER SECTORS



## STRATEGIC GOALS AND OBJECTIVES

The Peace Corps' three strategic goals, outlined below, are key to advancing the agency's mission. These goals are consistent with the three core goals articulated in the Peace Corps Act in 1961 (Public Law 87-293, September 22, 1961, [files.peacecorps.gov/multimedia/pdf/policies/ms101.pdf](http://files.peacecorps.gov/multimedia/pdf/policies/ms101.pdf)).

The FY 2014–2018 Strategic Plan and FY 2016–2017 Annual Performance Plan ([files.peacecorps.gov/multimedia/pdf/policies/pc\\_strategic\\_plan\\_2014-2018](http://files.peacecorps.gov/multimedia/pdf/policies/pc_strategic_plan_2014-2018)

-annual\_plan\_2016-2017.pdf) provides a comprehensive performance improvement framework to guide and monitor the implementation of the agency's goals, objectives, and strategies. A complete list of all performance goals and results will be available in the Peace Corps FY 2016 Annual Performance Report and FY 2018 Annual Performance Plan, which will be published with the FY 2018 Congressional Budget Justification. All reports will be accessible at: [peacecorps.gov/about/open-government/reports/](http://peacecorps.gov/about/open-government/reports/).

## STRATEGIC GOALS



**GOAL 1**

### BUILDING LOCAL CAPACITY

Advance local development by strengthening the capacity of local communities and individuals through the service of trained Volunteers



**GOAL 2**

### SHARING AMERICA WITH THE WORLD

Promote a better understanding of Americans through Volunteers who live and work within local communities



**GOAL 3**

### BRINGING THE WORLD BACK HOME

Increase Americans' awareness and knowledge of other cultures and global issues through Volunteers who share their Peace Corps experiences and continue to serve upon their return

## **STRATEGIC OBJECTIVES**

The Peace Corps' 11 strategic objectives directly support the three strategic goals and, ultimately, the mission. Due to the interrelated nature of the agency's strategic goals, most of the objectives below contribute to more than one goal.

### **1. VOLUNTEER WELL-BEING**

Enhance the safety, security, and health of Volunteers through rigorous prevention and response systems and high-quality medical and mental health services

### **2. SERVICE OPPORTUNITY OF CHOICE**

Position the Peace Corps as the top choice for talented Americans interested in service by reaching a new generation of potential Volunteers and streamlining the application process

### **3. DEVELOPMENT IMPACT**

Advance community-based development by strengthening the capacity of local individuals and communities, focusing on highly effective technical interventions, and leveraging strategic partnerships

### **4. CROSS-CULTURAL UNDERSTANDING**

Build a deeper mutual understanding of other cultures by developing meaningful connections between American and host country individuals and communities

### **5. CONTINUATION OF SERVICE**

Support returned Volunteers' continuation of service by fostering a vibrant alumni network, providing tools and resources to ease their transition after service, and offering opportunities for them to share their experiences

### **6. DIVERSITY AND INCLUSION**

Actively recruit, support, and retain a diverse workforce and Volunteer corps and build an inclusive culture that encourages collaboration, flexibility, and fairness

### **7. SITE DEVELOPMENT**

Establish an environment conducive to Volunteer success through an integrated approach to developing effective projects, preparing work sites, and successfully collaborating with local partners

### **8. TRAIN UP**

Develop a highly effective Volunteer corps through a continuum of learning throughout service

### **9. HIGH-PERFORMING LEARNING ORGANIZATION**

Cultivate a high-performing learning organization by investing in professional development for staff, improving staff retention, and strengthening institutional memory

### **10. GLOBAL CONNECTIVITY**

Enable seamless communication and collaboration for all Volunteers and staff by modernizing and integrating information technology systems and leveraging the innovation of Volunteers and staff in the field

### **11. MEASUREMENT FOR RESULTS**

Advance the agency's ability to measure progress, improve performance, and demonstrate impact through integrated monitoring, reporting, and evaluation practices

## PERFORMANCE OVERVIEW AND HIGHLIGHTS

### STRATEGIC PERFORMANCE IMPROVEMENT

The FY 2014–2018 Strategic Plan ([peacecorps.gov/strategicplan](http://peacecorps.gov/strategicplan)) charts the Peace Corps' path as a global leader in international development and cross-cultural understanding. The plan emphasizes innovation, transparency, and the effective use of data. This comprehensive performance framework serves as the foundation to guide, measure, and improve the implementation of the agency's goals, objectives, and strategies.

Under the leadership of Director Hessler-Radelet, the Peace Corps has engaged in open, honest, and transparent conversations about performance improvement. The agency uses an evidence-based approach to monitoring and assessing performance, in which staff use data to identify the most effective strategies to produce the greatest impact. The result is an inclusive and participatory performance improvement culture in which staff and Volunteers are invested in strengthening agency operations.



**The principles that we hold so dearly, as a community, as a nation, as a people—respect, inclusion, mutual understanding—inform the way we at the Peace Corps enter into host countries and communities ... and shape the way we support and work with one another.**

Director Hessler-Radelet



The Peace Corps' performance improvement system has been institutionalized by a mutually reinforcing design that links agency policies and strategies, country-level strategic planning, project design and implementation, and monitoring and evaluation. The following three elements support this interdependent relationship and serve as the framework for performance improvement at the Peace Corps:

- **Integrated Planning and Budget System:** Headquarters offices and overseas posts develop strategic and operational plans to ensure their activities align with and advance the agency's strategic goals and objectives. During the agency's budget formulation process, staff develop Integrated Planning and Budget System plans, using resource requirements to inform budgets. Through this process, the agency is working to better link performance and budget processes, ensuring managers have a comprehensive view of the information they need to make program, policy, and budget decisions.
- **Annual Strategic Review:** Each year, the Peace Corps Director engages senior leadership from across the agency in a forward-looking strategic meeting, open to staff at all levels. To inform the development of the next annual performance plan, lead offices identify challenges, opportunities, and possible realignments for each of the Peace Corps' 11 strategic objectives. A report summarizes proposed actions, and select strategies are incorporated into the next performance plan. During this annual meeting, senior leadership has a comprehensive discussion on long-term courses of action to maximize organizational collaboration and creativity.
- **Quarterly Strategic Plan Performance Reviews:** The Peace Corps uses quarterly reviews as its primary mechanism for monitoring and assessing performance throughout the year. During these reviews, which are chaired by the Peace Corps Director and open to all staff, officials from across the agency discuss performance data from the past quarter and develop strate-

gies to meet performance targets by the end of the fiscal year. In preparation for each review, the agency determines the status of each performance goal in the annual performance plan, using both quantitative and qualitative analyses. This quarterly progress assessment enables the agency to focus efforts on performance goals with the greatest need and improvement opportunity.

These three performance elements comprise a continuous cycle of assessment, adaptation, and cross-office collaboration. The regularity and reliability of this performance cycle encourage an evidence-based approach to annual budget and resource management decisions. In the future, the agency plans to further improve its performance and accountability by strengthening the risk assessment tools and mitigation plans that address the strengths and weaknesses of both domestic and overseas operations.

#### **KEY PERFORMANCE GOAL RESULTS FOR FY 2016**

The Peace Corps' 11 strategic objectives, which contribute to the three strategic goals, are assessed through 29 measurable performance goals. Each performance goal includes a quantitative performance level, or "target," to be accomplished in a specific time frame. No targets were set for three new performance goals added in the FY 2016–17 Annual Performance Plan. For these goals, the agency collected baseline data in FY 2016, which will be used to inform future-year performance goal targets.

A comprehensive summary of the existing 26 performance goals and an update on the three new performance goals will be published in the Peace Corps' FY 2016 Annual Performance Report and FY 2018 Annual Performance Plan as part of the FY 2018 Congressional Budget Justification. Combining the agency's performance reporting with forward-looking strategies and goals for the upcoming year represents a step forward in the Peace Corps' efforts to streamline processes and better utilize performance-based management—and generates a more useful, comprehensive, and integrated picture of agency performance. (Agency reports are online at [peacecorps.gov/about/open-government/reports/](http://peacecorps.gov/about/open-government/reports/).)

The agency has six focus areas that guide operations and support the FY 2014–2018 Strategic Plan, which are outlined here with their corresponding strategic objectives and select performance goal results for FY 2016.

#### **EFFECTIVE VOLUNTEER SUPPORT**

#### **DEVELOPMENT IMPACT**

#### **COMPETITIVE RECRUITMENT**

#### **CROSS-CULTURAL UNDERSTANDING**

#### **DIVERSITY AND INCLUSION**

#### **EVIDENCE-BASED DECISIONS**

To provide a holistic, transparent, and comprehensive assessment of agency performance in FY 2016, the selected performance goals reflect both positive (target met) and negative (target not met) performance goal results. The Peace Corps is committed to representing both accomplishments and performance challenges. Additionally, agency leadership wants its performance goals to remain "stretch goals" that will drive performance in future years.

#### **PERFORMANCE GOAL RESULTS:**

- **Target met:** 100 percent of the target set for FY 2016 has been met
- **Slightly below target:** 95 to 99 percent of the target set for FY 2016 has been met
- **Target not met:** Below 95 percent of the target set for FY 2016

#### **VERIFICATION AND VALIDATION OF PERFORMANCE DATA**

The agency's FY 2016 performance results are based on reliable and valid data that are complete as of the end of the fiscal year. Data collection and reporting consistency are ensured by the use of detailed performance goal data reference sheets, which include operational definitions, data sources, and a comprehensive methodology for measuring each performance indicator. The Office of Strategic Information, Research, and Planning reviews all performance data to ensure they are complete and accurate.



## EFFECTIVE VOLUNTEER SUPPORT

The Peace Corps is committed to ensuring a safe, healthy, and productive service for every Volunteer. The safety, security, and physical and emotional health of Volunteers are the agency's top priorities.

### Related Strategic Objective: Volunteer Well-Being

Enhance the safety, security, and health of Volunteers through rigorous prevention and response systems and high-quality medical and mental health services (supports all three strategic goals)

#### Key Performance Goal Results:

<b>Performance Goal 1.1: Increase Volunteer Satisfaction with Safety and Security Support</b> Increase the percentage of Volunteers who report feeling "satisfied" or "very satisfied" with safety and security support to 82 percent by FY 2018						<b>FY 2016</b>
	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Target</b>	--	--	--	--	76%	78%
<b>Result<sup>1</sup></b>	73%	68%	71%	84% <sup>2</sup>	81%	80%

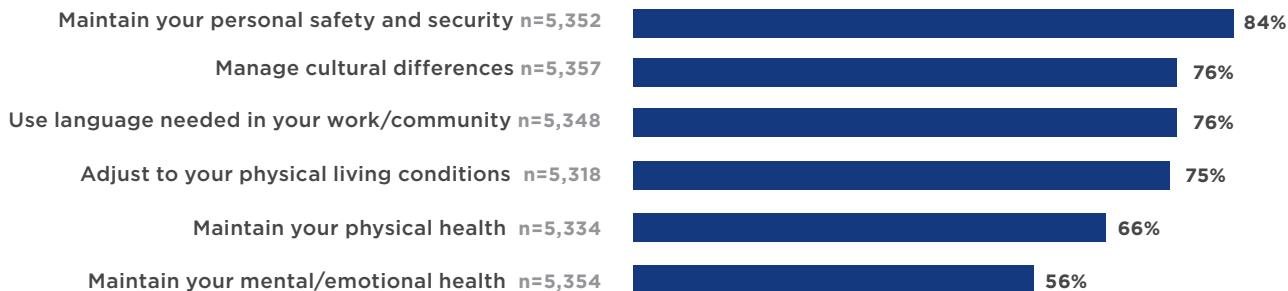
<sup>1</sup> This result is based on the question, "How satisfied are you with safety and security support provided by in-country Peace Corps staff?" Results include the top two positive response options on a five-point balanced scale.

<sup>2</sup> Due to the improvements to the Annual Volunteer Survey in FY 2014, including modifying the response scales and reducing the length of the questionnaire by half, results from FY 2011-13 (italicized) may not be directly comparable to results in FY 2014 and future years. However, year-to-year comparison of results from FY 2014 forward is possible.

**Analysis:** This target was met. This performance goal provides an assessment of the agency's safety and security prevention and response systems from the perspective of the end user: the Volunteer. The agency emphasizes effective Volunteer safety and security training as the cornerstone of a rigorous Volunteer safety and security program. This program is designed to enable Volunteers to assess their own situations in order to reduce risk as well

as to respond to crime and security incidents. Volunteers who felt they had learned personal security skills in their training were more satisfied with Peace Corps safety and security support overall than those who felt their training had been insufficient. According to the 2016 Annual Volunteer Survey (AVS), Volunteers felt best prepared in maintaining personal safety and security out of all topics covered in Peace Corps training.

#### How effective was Peace Corps training in preparing you to:



**Data Source:** 2016 Annual Volunteer Survey

**Goal Leads:** Associate Director, Office of Safety and Security; Associate Director, Office of Global Operations; Regional Directors, Africa Region; Europe, Mediterranean, and Asia Region; Inter-America and the Pacific Region

**Partner Office:** Office of Victim Advocacy



## DEVELOPMENT IMPACT

The Peace Corps works in collaboration with its strategic partners to leverage resources, skills, and knowledge to expand the reach and impact of Volunteers. The agency strengthens its programs through quality monitoring and evaluation to ensure that Volunteers are meeting the local needs of the communities where they serve.

### Related Strategic Objective: Development Impact

Advance community-based development by strengthening the capacity of local individuals and communities, focusing on highly effective technical interventions, and leveraging strategic partnerships (supports Strategic Goals 1 and 2)

**Accomplishments in FY 2016:** The Peace Corps' unique approach to development aids host country governments by building local capacity through the provision of technical assistance. Volunteers work side by side with local partners to help improve conditions in the communities where they serve. Designed to respond to local needs, the Volunteers' work falls within six programmatic sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth Development. Peace Corps Response Volunteers work on short-term, high-impact assignments, which can span one or more of these sectors.

The following three vignettes highlight a sample of the development impact of Volunteers around the globe.

#### 1. Malaria Prevention in Schools in Senegal

Volunteers in southeast Senegal implemented an active malaria detection program in pre-, elementary, middle, and high schools—the first of its kind in the country. Working in conjunction with both the Senegalese Ministry of Health and Ministry of Education, Volunteers trained school administrators to use malaria rapid diagnostic tests and provide frontline malaria treatment medications. Administrators then conducted weekly sweeps of schools, screening students for fever and other clinical symptoms of malaria and providing onsite testing and treatment. During the three-month trial, 271 people were tested and 147 people in eight schools received early treatment—vital for preventing the life-threatening complications of malaria. In FY 2017, the Peace Corps will work with the government of Senegal to scale up this approach in regions with the highest prevalence of malaria. Across Africa, more than 1,000 Volunteers are engaged in malaria prevention activities, from school-based active case detection to bed-net distribution to behavior change programs, reaching hundreds of thousands of beneficiaries.

#### 2. HIV Prevention and Grassroot Soccer

Grassroot Soccer is a nonprofit organization that fights HIV by using soccer to provide young people with knowledge, skills, and support to remain HIV-free. Using obstacles on the soccer field—and evidence-based programs—Grassroot Soccer helps young people understand health messages, learn to withstand peer pressure, and protect themselves and others from HIV and AIDS.

Since 2011, the Peace Corps has partnered with Grassroot Soccer to help Volunteers reach youth with critical health information. Thousands of Volunteers and counterparts in more than 40 countries have received training, curricula, and materials. Volunteers teach lessons designed to address the health education needs of youth in their rural communities. The agency has focused implementing the Grassroot Soccer partnership in Africa, establishing programs in 24 countries in Southern and East Africa, and translating Grassroot Soccer's SKILLZ curricula into seven local languages.

In 2016, Peace Corps/Lesotho and Grassroot Soccer brought together 18 Volunteers and Basotho counterparts to host Peace Corps/Lesotho's first-ever SKILLZ Girl workshop. The SKILLZ Girl workshop provided sexual and reproductive health education to girls in rural Africa while also expanding their opportunities to play sports.

#### 3. Ending Preventable Child and Maternal Deaths

In October 2015, the Peace Corps developed a partnership with the U.S. Agency for International Development in the Ending Preventable Child and Maternal Deaths program. This partnership provides technical assistance and resources for Peace Corps posts to strengthen current maternal and child health projects. Since the launch of this partnership, Peace Corps staff and Volunteers have received training on technical topics related to maternal and child health, including handwashing and seeking

early care for childhood illnesses. Training on delivering evidence-based interventions and designing projects for behavior change was also provided.

As a result of the first workshop in the Africa region, held in Rwanda in June 2016 with Peace Corps staff and Volunteers from 13 posts attending, Peace Corps/Uganda began rolling out the care group model using Ugandan community health workers. In the care group model, an evidence-based approach used by international development organizations, 10–15 local community health education volunteers meet regularly with Peace Corps Volunteers and their counterparts. Each care group community

health worker visits 10–15 households regularly in his or her neighborhood, sharing new health information and facilitating behavior change at the individual and family level.

Care groups create a multiplying effect in promoting behavior change to decrease under-5 mortality and to improve the nutritional status of children. Through regular meetings, ongoing mentoring, and follow-up from Volunteers and their counterparts, Ugandan community health workers will have increased confidence in providing peer support and delivering key messages to reinforce healthy behaviors that can save the lives of mothers and children.





## COMPETITIVE RECRUITMENT

Increasing the quality and quantity of Volunteer applications is an essential first step to positioning the Peace Corps to respond to development needs in local communities. The Peace Corps prioritizes innovation, transparency, and effective data use to drive improvements to its Volunteer Delivery System.

### Related Strategic Objective: Service Opportunity of Choice

Position the Peace Corps as the top choice for talented Americans interested in service by reaching a new generation of potential Volunteers and streamlining the application process (supports all three strategic goals)

The agency has successfully sustained the historic changes to the Volunteer application and selection process made in FY 2014. These combined efforts have yielded dramatic results for the agency:

#### Key Performance Goal Results:

<b>Performance Goal 2.3: Increase Applications</b> Increase applications for Volunteer service to 25,000 by FY 2018						<b>FY 2016</b>
	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Target</b>	--	--	--	20,000	22,000	23,000
<b>Result<sup>1</sup> (total applications)</b>				19,151	24,848	23,987
<b>Two-Year Volunteer applications only<sup>2</sup></b>	12,206	10,091	10,118	17,336	22,956	21,600

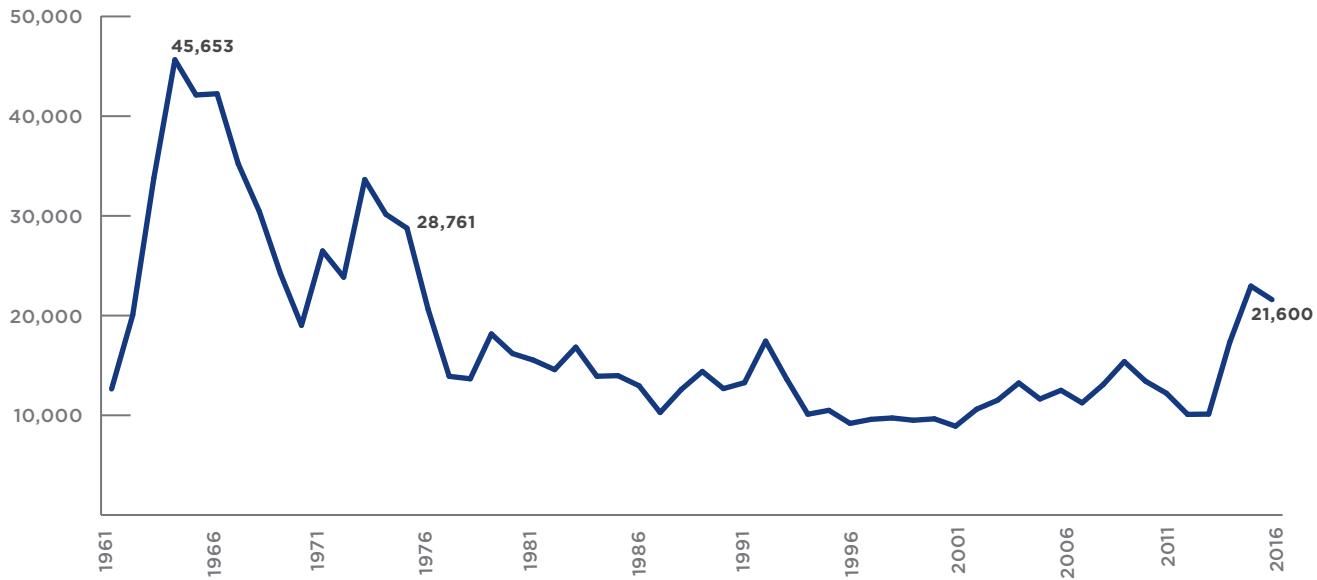
<sup>1</sup> The definition of an application for Volunteer service was modified in FY 2014. Under the updated definition, an “application” occurs when a qualified U.S. citizen submits a completed application for either the two-year Peace Corps Volunteer program or the short-term Peace Corps Response program. Targets for fiscal year 2014 and beyond are set based on this new definition. FY 2016 results include 21,600 applications from the two-year program and the 2,664 applications from the Peace Corps Response program; 277 people applied to both programs, so the unduplicated total is 23,987.

<sup>2</sup> FY 2011–13 results for two-year applications are reported based on the application process used in that time period, which required that individuals submit both an application form and a health history form. Two-year applications from FY 2014 onward only require the application form.

**Analysis:** The target was met. In FY 2016, the Peace Corps saw its second-highest number of applications for the two-year Volunteer program in 40 years—21,600 applications for Volunteer service (23,987 applications total, when including Peace Corps Response applications). As shown in the following graph, this is only 6 percent less than the record-breaking 22,956 two-year applications (24,848 total) in FY 2015. The dramatic influx of high-quality applications over the past three years indicates a strong desire among Americans to volunteer for service abroad.

A transparent application process ensures that applicants are able to easily search Volunteer opportunities and find the opening that is best suited to their skill set and needs. Volunteer openings include detailed information, such as a comprehensive project description, program size, required and desired skills, country-specific language needs, and in-country living conditions. Prospective applicants can browse service opportunities by country, work area, language requirement, and departure date at [peacecorps.gov/openings/](http://peacecorps.gov/openings/).

### Two-Year Volunteer Applications (FY 1961-2016)



Data Source: Peace Corps database

Goal Lead: Associate Director, Office of Volunteer Recruitment and Selection

Partner Offices: Peace Corps Response, Office of Communications, Office of Strategic Partnerships

## APPLICATION PROCESS



1	2	3	4	5	6	7	8
<b>APPLY ONLINE</b> Filling out the online application is easier than ever before. It takes less than an hour to complete.	<b>HEALTH HISTORY FORM</b> This is to make sure that you can safely serve. Provide your health history so you can be matched with countries that can support you.	<b>CHOOSE A COUNTRY AND A JOB</b> Passionate about serving in a specific area of the world or in a certain work program? Browse current Volunteer openings and submit your choices.	<b>SOFT SKILLS QUESTIONNAIRE</b> How do you work most efficiently? Answer these questions about your work style and preferences.	<b>INTERVIEW</b> If you're selected for an interview, you'll have the chance to talk to a Peace Corps placement officer about how you can apply your skills and interests during service.	<b>INVITATION</b> If chosen to serve as a Peace Corps Volunteer, you will get an invitation by the know-by date. This is contingent on final medical and legal clearance.	<b>MEDICAL AND LEGAL CLEARANCE</b> The Peace Corps Office of Medical Services will confirm that the Peace Corps can provide the individual medical support you need, and the Placement Office will confirm your legal eligibility for service.	<b>DEPARTURE</b> Meet your fellow Volunteers at staging in the U.S., and depart for your country of assignment.



**There is great demand for Peace Corps Volunteers around the world, and our reforms have better positioned us to offer assignments where Volunteers have the most interest in serving and are able to make the greatest contribution.**

Director Hessler-Radelet

Performance Goal 2.4: Reduce Time from Application to Invitation						FY 2016
Reduce the average time from application to invitation to no more than 3 months by FY 2016						Target met
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	5 months	4 months	3 months
Result	10 months	11 months	6 months <sup>1</sup>	7 months	4 months	2 months

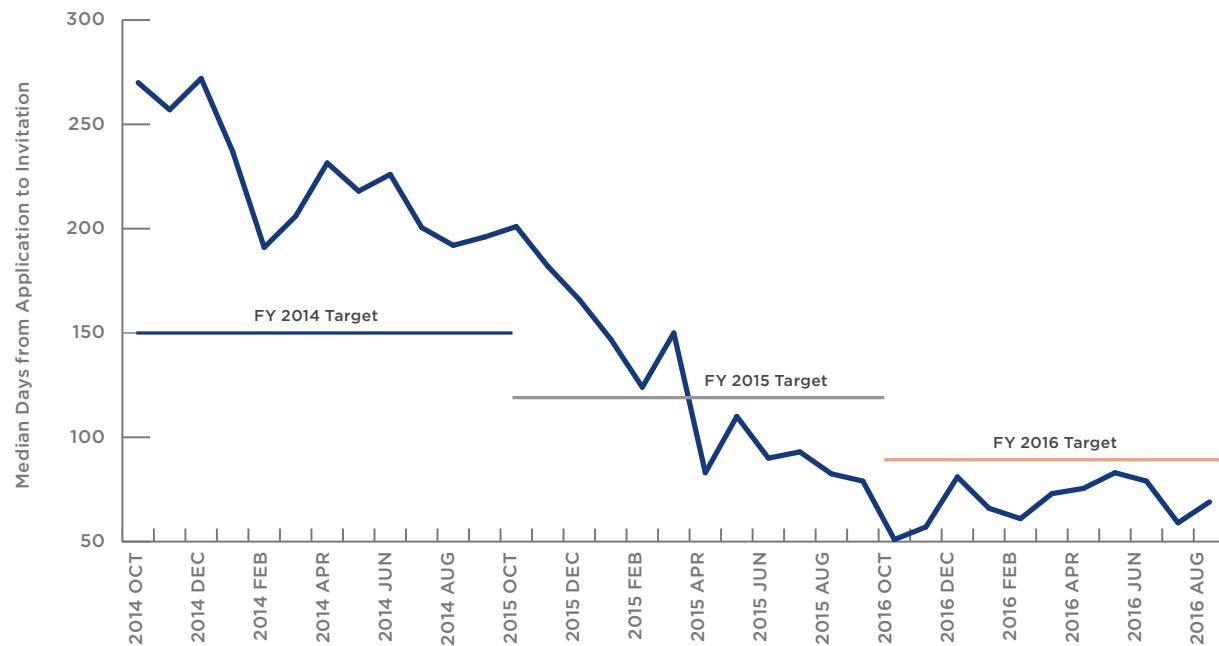
<sup>1</sup> In FY 2013, the application and medical review processes were modified; invitations are now offered prior to medical clearance. This resulted in a reduction of the average time from application to invitation.

**Analysis:** The target was met. This performance goal is a key efficiency measure as it directly captures administrative timeliness of the application process. The median time for FY 2016 was two months, a 70 percent decrease since FY 2014.

While working to sustain reforms and improvements to the application and placement processes, the agency continues to employ new tools to generate data for strategic refinement and evaluation. Key sources of data, including applicant feedback and surveys, inform adjustments and internal efficiency measures. Additionally, the implementation of a “soft skills” questionnaire and a new interview rating tool has allowed placement officers to better rank candidates in the applicant pool.

In FY 2017, significant technology improvements to the application platform will strengthen the pre-departure environment and result in a more innovative and streamlined process for communicating with invitees. A move to a new platform will establish the functionality to facilitate online “communities” organized by training class and will allow both headquarters and posts to communicate with invitees efficiently. Additionally, the agency plans to utilize a learning management system to deliver online training courses to invitees on topics such as Teaching English as a Foreign Language and safety and security. Ultimately, these improvements will bolster the agency’s efforts to retain invitees by increasing their level of engagement with the Peace Corps prior to their departure.

#### Time from Application to Invitation Consistently Met the FY 2016 Target



Data Source: Peace Corps database

Goal Lead: Associate Director, Office of Volunteer Recruitment and Selection



### CROSS-CULTURAL UNDERSTANDING

Volunteers advance cultural understanding between the United States and the communities where they serve by living and working side by side with local partners and by sharing their experiences with family, friends, and the American people both during their service and when they return to the United States.

#### Related Strategic Objective: Cross-Cultural Understanding

Build a deeper understanding of other cultures by developing meaningful connections between American and host country individuals and communities (supports all three strategic goals)

Performance Goal 4.1: Greater Understanding of Americans						FY 2016
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Slightly below target
Target	--	--	--	No target set; baseline data collection	No target set; baseline data collection	95%
Result <sup>1</sup>	--	--	--	94%	90%	91%

<sup>1</sup> This result is based on the question, "Have you learned anything new about the United States or Americans through your interactions with Peace Corps Volunteers?"

**Analysis:** This performance goal is measured through the Global Counterpart Survey, first launched in FY 2014. Counterparts work closely with Volunteers, and their increased understanding of the United States and the American people is a result of sustained daily interactions with Volunteers. This year, approximately nine in 10 Peace Corps counterparts reported that they learned something new about the United States after working with Volunteers. The survey results for FY 2016 and FY 2015 are based on data collected from a globally representative random sample of counterparts and therefore have a lower margin of error than the census of counterparts that the agency attempted in FY 2014. As such, they are a more reliable reflection of counterpart sentiment.

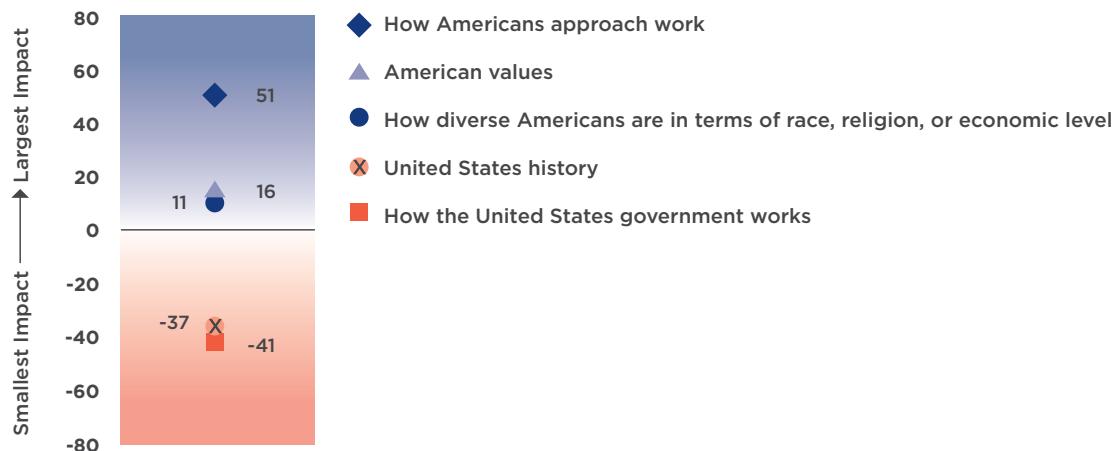
The survey included a supplemental question about the specific content (see following graphic) that the counterparts reported learning through working with Peace Corps Volunteers. Counterparts reported that they learned most about how Americans approach work, followed by American values, then American diversity. These results are very similar to those found in 2015, with one exception. Although "American values" ranked second both years, its aggregate score fell 10 points between 2015 and 2016, ranking it closer to "How diverse Americans are in terms of race, religion, or economic level" in FY 2016.

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**The Peace Corps represents some, if not all, of the best virtues in this society. It stands for everything that America has ever stood for. It stands for everything we believe in and hope to achieve in the world.**

Sargent Shriver  
Founding Director of the Peace Corps, 1961–66

### Knowledge Gained About the United States or Americans Among Host Country Counterparts



Results are based on two survey questions: "Which of the following is the thing that you have learned the most about through working with Peace Corps Volunteers" and "Which is the thing that you have learned the least about through working with Peace Corps Volunteers?" (n=365)  
Aggregate scores are on a -100 to 100 scale and reflect the respondents' likelihood to select an item as highest or lowest impact.

**Data Source:** 2016 Global Counterpart Survey

**Goal Leads:** Associate Director, Office of Global Operations; Regional Directors, Africa Region; Europe, Mediterranean, and Asia Region; Inter-America and the Pacific Region

**Partner Offices:** Office of Overseas Programming and Training Support; Office of Strategic Information, Research, and Planning

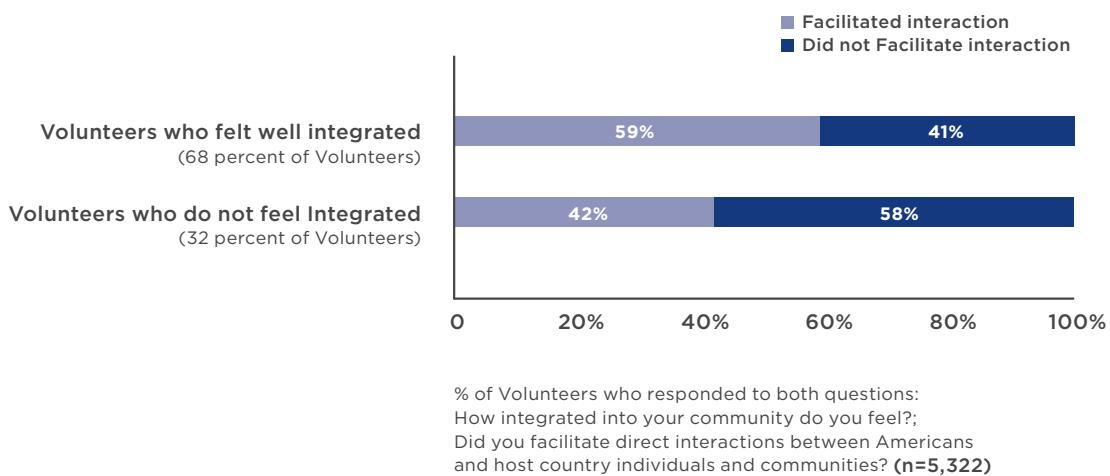
<b>Performance Goal 4.2: Increase Cross-Cultural Connections</b> Increase the percentage of Volunteers who report that they facilitated direct interactions between Americans and host country individuals and communities to 70 percent by FY 2018						<b>FY 2016</b>
	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Target</b>	--	--	--	No target set; baseline data collection	60%	63%
<b>Result<sup>1</sup></b>	--	--	--	57%	57%	54%

<sup>1</sup> This result is based on the following question: "Did you facilitate direct interactions between Americans and host country nationals in the last 12 months?"

**Analysis:** The target was not met. This performance goal captures Volunteers' work to facilitate direct in-person and virtual interactions between Americans and host country individuals. These interactions occur through participation in Peace Corps-sponsored match programs that connect schools and organizations in host countries and the United States, social media, in-person visits, web conferences, and other mechanisms. Volunteer facilitation rates decreased slightly relative to previous years. In FY

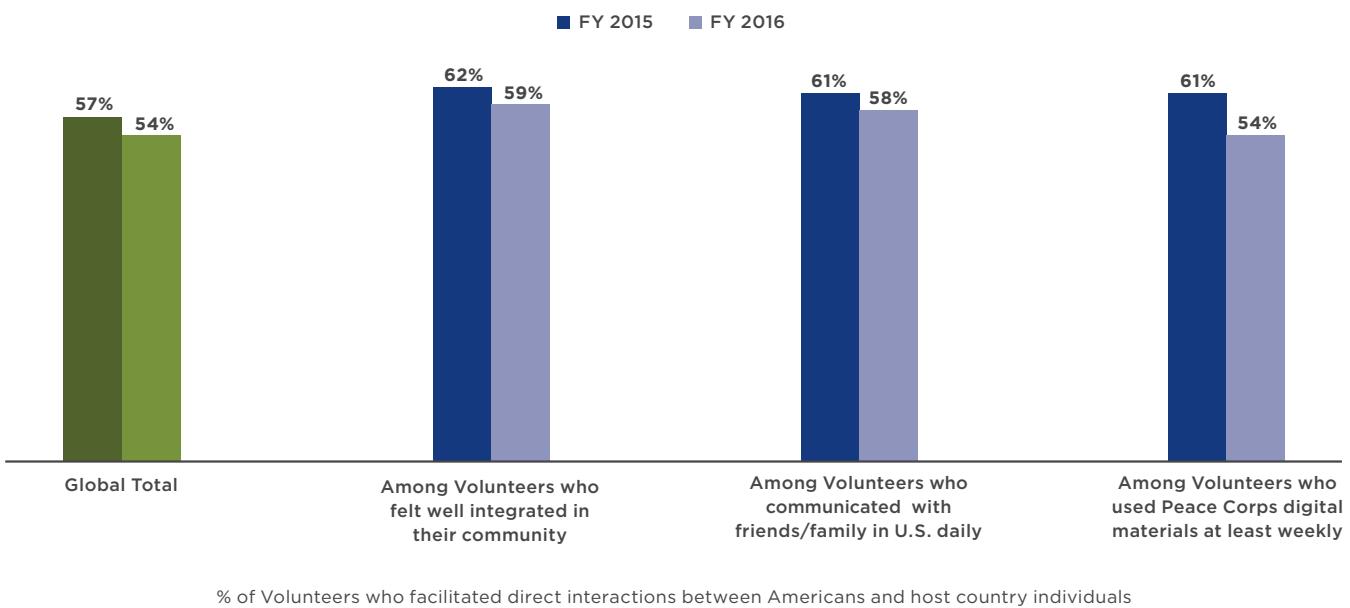
2015, the ability of Volunteers to successfully integrate into their host country communities was cited as a key enabler in their subsequent attempts to foster interactions between Americans and host country individuals. Specifically, well-integrated Volunteers were far more likely to facilitate direct interactions between Americans and host country individuals. This relationship was also observed in FY 2016 as indicated in the following graph.

**Well-integrated Volunteers were more likely to facilitate direct interactions between Americans and host country individuals**



Volunteers also need to maintain their contacts from home. For successful facilitation to occur, not only do Volunteers need to engage in their host country communities, but they must also have the will and ability to maintain their existing relationships in the United States.

**Volunteers were more likely to facilitate cross-cultural connections when they felt well integrated and if they frequently communicated with American friends and family**



Data Source: 2016 Annual Volunteer Survey

Goal Lead: Associate Director, Office of Global Operations; Director, Office of Overseas Programming and Training Support

Partner Office: Office of Third Goal and Returned Volunteer Services

Lead Office: Office of Overseas Programming and Training Support

The previous chart demonstrates the impact of both integrating successfully in the host community and remaining connected to friends and family in the United States. Volunteers who successfully developed and maintained their ties to both groups were more likely to facilitate direct interactions between other Americans and host country individuals.

Finally, there is some evidence that the agency can further support the capacity of Volunteers to successfully facilitate interactions by encouraging the use of Peace

Corps digital infrastructure, materials, and guidance. As shown in the chart, in FY 2015, Volunteers who regularly leveraged Peace Corps digital materials also facilitated interactions at higher rates than the FY 2015 average. However, the facilitation rates of Volunteers who utilized the agency's digital materials were no different from the average in FY 2016. So, while digital tools hold potential in promoting interactions between Americans and host country individuals, the agency's digital resources are finite and often subject to change in a rapidly evolving environment.



## DIVERSITY AND INCLUSION

The Peace Corps actively supports a culture of inclusion that builds on the strengths of the diversity of the American people and of the countries where we serve.

**Related Strategic Objective:** Diversity and Inclusion

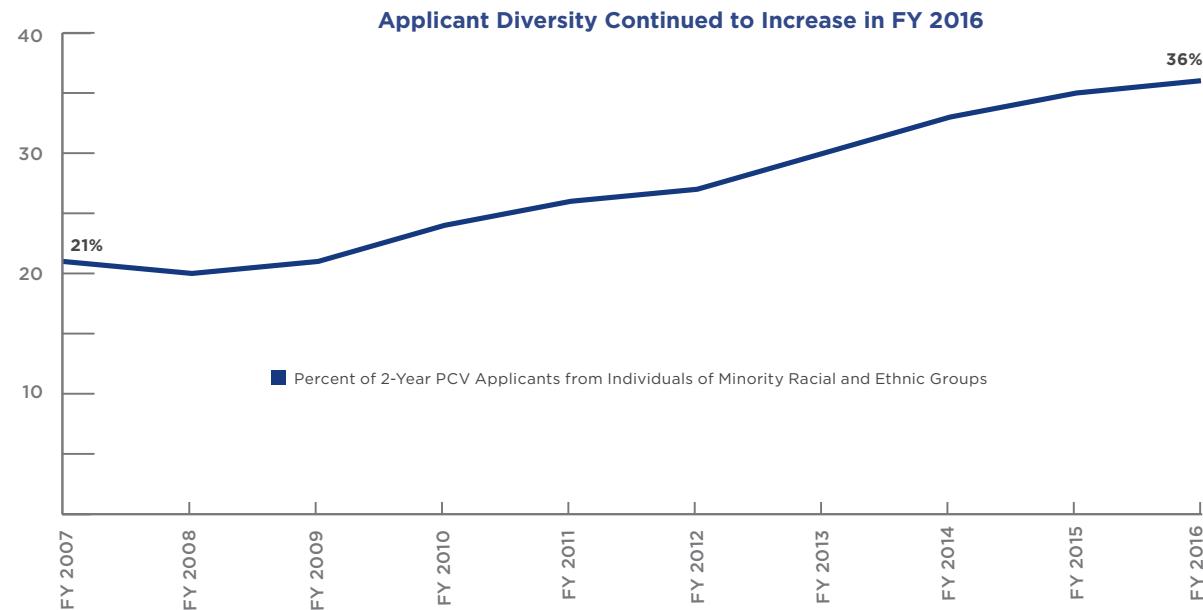
Actively recruit, support, and retain a diverse workforce and Volunteer corps and build an inclusive culture that encourages collaboration, flexibility, and fairness (supports all three strategic goals)

**Key Performance Goal Results:**

<b>Performance Goal 6.1: Increase Applicant Diversity</b> Increase applications for Volunteer service from individuals of minority racial and ethnic groups to 35 percent by FY 2016 and maintain that level of performance through FY 2018						<b>FY 2016</b>
	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Target	--	25%	29%	32%	34%	35%
Result	26%	27%	30%	33%	35%	36%

**Analysis:** The target was met. In recognition of the fact that Peace Corps projects generally require at least a bachelor's degree level of education, targets were developed based on diversity data from the college-degree population of the United States. Minority racial and ethnic groups include the following designations on the Peace Corps application: Hispanic or Latino, Black or African American, Native Hawaiian or other Pacific Islander, Asian,

American Indian or Native Alaskan, and two or more races. Over the past 10 years, the percentage of applications from minorities has increased over 76 percent, from 21 percent in FY 2007 to 36 percent in FY 2016. The two largest minority groups to apply this year are Hispanic or Latino (14 percent) and Black or African-American (12 percent).



Data Source: Peace Corps database

Goal Lead: Associate Director, Office of Volunteer Recruitment and Selection

Partner Offices: Office of Communications, Office of Civil Rights and Diversity



## EVIDENCE-BASED DECISIONS

The Peace Corps uses high-quality data and evidence to focus resources on agency priorities, promote institutional learning, and inform performance improvement both domestically and overseas.

### Related Strategic Objective: Measurement for Results

Advance the agency's ability to measure progress, improve performance, and demonstrate impact through integrated monitoring, reporting, and evaluation practices (supports all three strategic goals)

### Key Performance Goal Results:

Performance Goal 11.2: Increase Evidence-Based Decisions						FY 2016
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Slightly below target
Target	--	--	--	50%	75%	100%
Result	--	--	--	68%	86% <sup>1</sup>	95%

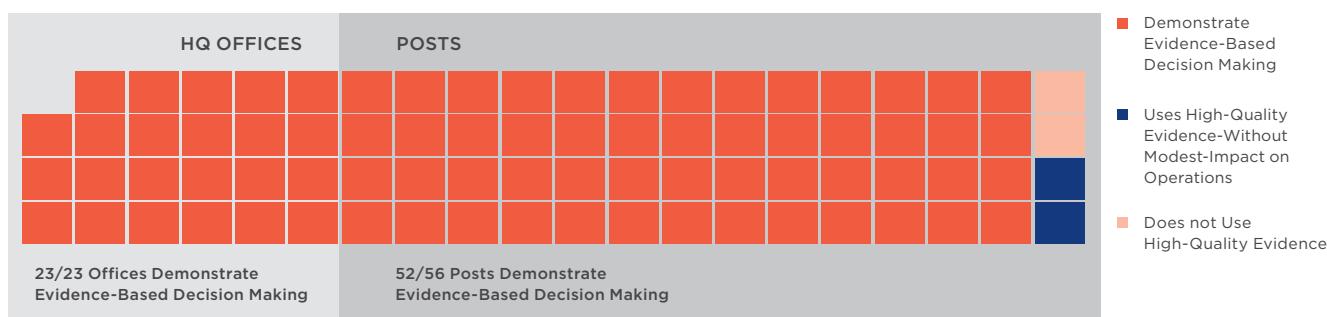
<sup>1</sup> Due to the improvements to the data collection process in FY 2015, including shifting from qualitative data collection to a structured questionnaire, results from FY 2014 (*italicized*) may not be directly comparable to results in FY 2015 and future years. However, year-to-year comparison of results from FY 2015 forward is possible.

**Analysis:** This performance goal is measured through an annual data call to all posts and headquarters offices requesting that they provide the best example of an evidence-based decision their post or office made that fiscal year in the area of program, policy, or budget. To be included in this analysis, a respondent must (1) identify a high-quality source of evidence used to make the decision and (2) assert that the evidence-based decision was expected to have at least a modest impact on operations. For the purposes of this calculation, the following were considered to be sources of high-quality evidence: official agencywide surveys; a formal evaluation with a defined methodology and analysis plan; a logic model to inform a project's plan and design; the

agency's Country Portfolio Review summary or dataset; in-depth interviews with a formal questionnaire; focus group discussions with a structured question guide; administrative data, such as language test scores, data on early terminations, or budget; and data from established business processes or products, such as help desk tickets or numbers of applications.

Based on this analysis, a total of 93 percent of posts and 100 percent of headquarters offices demonstrated evidence-based decision making for an overall result of 95 percent. Although this result is slightly below the target of 100 percent, it represents significant progress from last year's result of 86 percent.

### Evidence-Based Decision Making in HQ Offices and Posts



**Data Source:** Peace Corps administrative records

**Goal Lead:** Director, Office of Strategic Information, Research, and Planning

**Partner Offices:** Africa Region; Europe, Mediterranean, and Asia Region; Inter-America and the Pacific Region

## FORWARD-LOOKING INFORMATION

The Obama administration has firmly established global development as a cornerstone of U.S. national security and foreign policy. Through the Presidential Policy Directive on Global Development (PPD-6), the first of its kind by a U.S. administration, President Obama called for a 21st-century development policy that is strategic, collaborative, and focused on sustainable development outcomes. The Peace Corps and its strategic partners play a critical role in implementing these global development initiatives.

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**Our investments in development—and the policies we pursue that support development—can encourage broad-based economic growth and democratic governance, facilitate the stabilization of countries emerging from crisis or conflict, alleviate poverty, and advance global commitments to the basic welfare and dignity of all humankind. Without sustainable development, meeting these challenges will prove impossible.**

U.S. Global Development Policy (PPD-6)<sup>1</sup>



### A 21ST-CENTURY DEVELOPMENT POLICY

Director Carrie Hessler-Radelet's vision for the Peace Corps emphasizes innovation, bold communication and outreach, and evidence-based decisions to drive sustainable community outcomes. Operationally, the agency has embraced change to bolster Volunteer support and modernize technology, both domestically and abroad. The Director has also emphasized a renewed commitment to documenting the agency's impact, enhancing diversity and inclusion, and reinventing the Peace Corps as the service opportunity of choice for Americans. As the agency approaches its 56th anniversary, it is well-positioned to further advance its mission of world peace and friendship through community-based development and cross-cultural understanding.

### AN OPERATIONAL MODEL CENTERED ON VOLUNTEER SUPPORT

The Peace Corps works in countries facing significant development obstacles and often elevated risks of crime, conflict, or disease. Therefore, many of the agency's performance challenges are defined by the ever-changing conditions of the countries where Volunteers serve. While operating in this complex global environment, the health, safety, and security of Volunteers remain the Peace Corps' highest priority.

Completing the full implementation of the Kate Puzey Peace Corps Volunteer Protection Act of 2011 continues to be a major focus for the agency. Significant revisions to the agency's initial policy and procedures were finalized in FY 2016 and will continue to be implemented globally in FY 2017. These changes were based on data and experience over the first three years of the policy implementation and should result in additional improvements in the agency's response to Volunteers who are the victims of sexual assault. A biennial report on the evaluation of the Peace Corps' implementation of the Kate Puzey Peace Corps Volunteer Protection Act of 2011 will be submitted to Congress in November 2016. This report will evaluate the effectiveness and implementation of the sexual assault risk-reduction and response training for Volunteers and the sexual assault policy required under the Kate Puzey Act. It will include a case review of reported sexual assault cases.

<sup>1</sup> The White House, Office of the Press Secretary, "Fact Sheet: U.S. Global Development Policy," press release, September 22, 2010, [whitehouse.gov/the-press-office/2010/09/22/fact-sheet-us-global-development-policy](http://whitehouse.gov/the-press-office/2010/09/22/fact-sheet-us-global-development-policy)

The Peace Corps provides all Volunteers with medical care during their service, primarily through Peace Corps medical officers. In addition, every Volunteer begins his or her service with a rigorous 10-week training curriculum, which includes modules on preventing disease, maintaining personal health, and coping with the stresses of living in a new culture.

In order to support evidence-based decisions related to Volunteer health care and safety, the Peace Corps is committed to expanding its data sources on Volunteer well-being. The Office of Health Services has worked across the agency to identify potential health indicators with the greatest opportunity for improvement through agencywide action. These indicators, referred to collectively as "Healthy Volunteer 2020," include four broad topic areas: physical and mental health, tobacco and alcohol use, environmental quality, and health services. Within these four topic areas, staff developed a draft list of 11 indicators in FY 2016. These indicators and action plans related to their use will be finalized in FY 2017 and will provide a more holistic view of Volunteer well-being.

Additional information and continued updates on the agency's efforts to ensure the well-being of Volunteers can be found at [peacecorps.gov/safety](http://peacecorps.gov/safety) and at [peacecorps.gov/about/inspector-general/kate-puzey-act-resources/](http://peacecorps.gov/about/inspector-general/kate-puzey-act-resources/).

#### **A MODERN ARCHITECTURE THAT ELEVATES STRATEGIC PARTNERSHIPS AND WHOLE-OF-GOVERNMENT INITIATIVES**

The Peace Corps actively participates in a broad array of presidential and whole-of-government initiatives, including Let Girls Learn, the President's Emergency Plan for AIDS Relief (PEPFAR), the President's Malaria Initiative, the Energy and Climate Partnership of the Americas, Feed the Future, the Global Health Initiative, Ending Preventable Child and Maternal Deaths, and Saving Mothers, Giving Life. Through these collaborative partnerships, the Peace Corps extends the reach of both its strategic partners and its Volunteers by leveraging their collective training and programmatic resources and by contributing to common development goals at the local level.

“

**Our first line of action is principled and clear-eyed diplomacy, combined with the central role of development in the forward defense and promotion of America’s interests. ...We are now working with many partners to put ending extreme poverty at the center of a new global sustainable development agenda that will mobilize action for the next 15 years**

National Security Strategy, February 2015<sup>2</sup>

<sup>2</sup> The White House, Office of the Press Secretary, National Security Strategy, February 2015, [whitehouse.gov/sites/default/files/docs/2015\\_national\\_security\\_strategy.pdf](http://whitehouse.gov/sites/default/files/docs/2015_national_security_strategy.pdf)

### **Highlighting Partnerships: Let Girls Learn**

Let Girls Learn is a U.S. government initiative launched by the President and First Lady that helps adolescent girls attain a quality education and enables them to reach their full potential (see [LetGirlsLearn.gov](#) for more information). As part of the U.S. government's commitment to Let Girls Learn, First Lady Michelle Obama and the Peace Corps have formed a powerful collaboration that will empower local leaders to establish lasting solutions to close the gap for the 62 million girls worldwide who are not in school.

The Peace Corps' Let Girls Learn program encourages community-led solutions through the work of Peace Corps Volunteers. Volunteers live and work at the grassroots level, and serve as catalysts for change by supporting community-led solutions to reduce barriers that prevent adolescent girls from completing their education. In FY 2017, the agency will continue to train thousands of Volunteers and community leaders to design sustainable, culturally appropriate projects that focus on girls' education and development opportunities.

### **WHAT WE DO: THE THREE PILLARS**



**PILLAR ONE**



**PILLAR TWO**



**PILLAR THREE**

#### **EMPOWERING LEADERS**

The Let Girls Learn Program increases gender awareness by delivering targeted trainings that reach thousands of Volunteers and tens of thousands of community leaders, enabling them to become champions of girls education.

#### **WORKING HAND IN HAND WITH COMMUNITIES**

Thousands of Volunteers work side by side with local leaders to achieve community-based solutions through the Peace Corps Partnership Program. From a school library to a technology camp for girls, Peace Corps Volunteers working on gender-related projects can apply for support through the Let Girls Learn Fund ([donate.peacecorps.gov/donate/fund/let-girls-learn/](http://donate.peacecorps.gov/donate/fund/let-girls-learn/)).

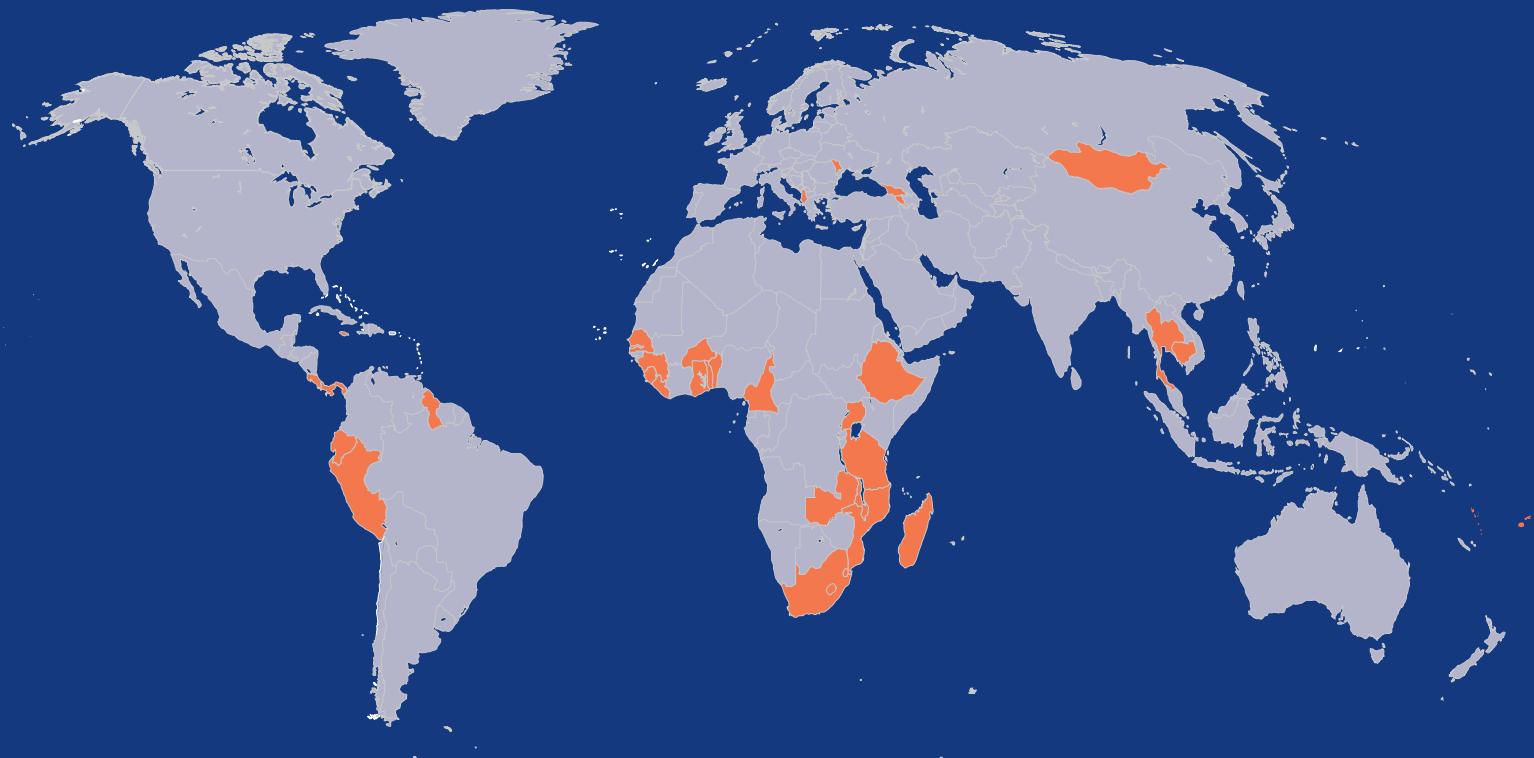
#### **INCREASING THE IMPACT OF PEACE CORPS VOLUNTEERS**

A major component of the program is supporting the work of Volunteers who are helping to break down the barriers to girls' education in communities around the world. Under Let Girls Learn, the Peace Corps is expanding the number of Volunteers focused on advancing girls' education and empowerment through evidence-based interventions.

## WHERE WE WORK: OPERATING IN 35 COUNTRIES IN FY 2016

At the launch of the Let Girls Learn collaboration in March 2015, the Peace Corps focused on 13 countries to start. In FY 2016, the Peace Corps' Let Girls Learn program expanded to 35 countries worldwide. Given the strong interest of Volunteers and the communities they serve, Let Girls Learn is anticipated to expand to include at least 40 country programs in FY 2017.

For more information on the Peace Corps' Let Girls Learn program, visit [letgirlslearn.peacecorps.gov](http://letgirlslearn.peacecorps.gov)



### THE CARIBBEAN

Jamaica

### CENTRAL AND SOUTH AMERICA

Costa Rica  
Ecuador  
Guyana  
Panama  
Peru

### AFRICA

Benin  
Burkina Faso  
Cameroon  
Ethiopia  
Ghana  
Guinea  
Lesotho  
Liberia  
Madagascar  
Malawi  
Mozambique  
Senegal  
Sierra Leone

### SOUTH AFRICA

Tanzania  
The Gambia  
Togo  
Uganda  
Zambia

### EASTERN EUROPE/ CENTRAL ASIA

Albania  
Armenia  
Georgia  
Moldova

### ASIA

Cambodia  
Mongolia  
Thailand

### PACIFIC ISLANDS

Fiji  
Samoa  
Vanuatu

### **Highlighting Partnerships: Global Health Service Partnership**

The Global Health Service Partnership (GHSP) is one of the Peace Corps' most innovative programs—a force multiplier that increases the Peace Corps' development impact in public health around the globe. Through this unique collaboration with PEPFAR and Seed Global Health, the Peace Corps is helping to address the lack of trained health workers—one of the major barriers to health in less developed countries. Trained health workers are the foundation of an effective health system in any country and are critical to continued progress toward PEPFAR's goal of an AIDS-free generation.

GHSP allows experienced American physicians and nurses to volunteer, through the Peace Corps Response program, to train health-care workers in countries with critical shortages. Over the first three years (FYs 2014–16), 97 GHSP educators served as visiting faculty at 13 partner institutions. These Volunteers educated over

7,200 students, fellow faculty, and other health professionals and taught more than 300 courses in Malawi, Tanzania, and Uganda. GHSP is the Peace Corps' first large-scale effort to send health-care professionals abroad with a focus on teaching and helping underserved communities expand their clinical capacity. In FY 2017, GHSP will be supporting its largest cohort to date—68 nurse and physician educators—in the existing GHSP countries as well as two additional countries, Liberia and Swaziland. Within these countries, GHSP has expanded to nine new partner academic institutions and has increased the amount of time the Volunteer educators spend providing supportive supervision to students in clinical settings. GHSP continues to focus on mentoring future health-care providers as well as inspiring future medical and nursing educators to have a long-term impact on the educational system. The program has also started working with partner academic institutions and clinical sites to engage in evidence-based practice improvement projects.



### **Volunteers in Action: GHSP in Tanzania**

#### **Cervical Cancer Prevention**

Cervical cancer is almost 100 percent preventable with early screening, treatment, and vaccination. However, each year over a quarter of a million women die from this disease. The African continent is disproportionately affected by cervical cancer: It is the leading cause of cancer and cancer-related deaths in sub-Saharan Africa. In East Africa, the mortality rate is 27 cervical cancer deaths per 100,000 women—nine times the rate in the United States.

One GHSP Volunteer, a nurse educator in Tanzania, saw firsthand that many people she knew had lost a loved one to the disease. She organized cervical cancer prevention training at Dodoma Regional Referral Hospital with a Tanzanian OB-GYN colleague. Utilizing a screening and treatment model that had proven highly effective and affordable in low-resource settings, the GHSP Volunteer and Tanzanian physician hosted a training for local colleagues to refresh their knowledge of the procedures used to prevent cervical cancer. The 25 participants included nurses and physicians working at government health sites in the Dodoma region as well as faculty at the University of Dodoma School of Health Sciences.

After the training, the duo made plans to scale up screening and prevention services at the regional referral hospital and local health center. In addition, the participants made plans to incorporate this training into the curriculum for nursing and medical students. “By supporting and participating in Tanzania’s capacity-building efforts, we can empower communities, individuals, and the health system to find creative local solutions to this enormous health problem,” the Volunteer said. “Together we can prevent cervical cancer.”

#### **Infant Resuscitation**

In Tanzania, a GHSP Volunteer discovered that her medical students had not been fully trained in neonatal resuscitation and lacked the necessary equipment. The Volunteer noted, “It’s hard to teach neonatal resuscitation without a mannequin. You can teach the principles, but if you don’t practice it, it doesn’t get into your muscle memory.” She made it her mission to improve training and eliminate preventable infant deaths on the wards. As a first step, she organized a course in neonatal resuscitation for the 36 students in her class. The Volunteer also worked with her students to obtain effective, cost-efficient newborn mannequins used to enhance training programs in low-resource settings.

One of the Volunteer’s students vividly remembered the first time he and several fellow students visited the neonatal intensive care unit after they had completed their training. “We saw a baby lying there who had been termed dead,” the student recalled. “But when we walked up closer, we saw a faint pulse. So we started the resuscitation measures we had learned. And after 10 or 11 minutes, we got a very strong pulse. That was a huge thing for us. We felt like, ‘Wow. We had a direct impact. We saved a life.’”

The student and his peers have made it their mission to pass along the lifesaving knowledge and techniques they have learned to other health workers and facilities. They have now organized workshops for students and nurses in the hospitals where they work and in rural health facilities.

### **Volunteers in Action: PEPFAR in Uganda**

A Health Volunteer in Uganda has been working with her local community clinic’s staff to maximize patient care and HIV treatment. After learning about logistics management during a Peace Corps training, the Volunteer worked with her records keeper and drug-store manager to review their stock, properly label their shelves, and track incoming shipments. The staff’s efforts have enhanced their ability to distribute drugs efficiently according to their expiration date, keep up-to-date stock cards, and maintain a clean, organized store where key commodities are protected from light and humidity.

Next, the Volunteer’s team identified a new challenge: improved ordering and reporting processes. As a result, the Volunteer will be designing and conducting continuing medical education sessions to build staff capacity to maintain the new processes and complete antiretroviral forms.

Supply chain is just one of the areas in which Peace Corps Volunteers contribute to the effort of achieving HIV epidemic control. Volunteers also focus their service on building target-group HIV knowledge and skills through camps, clubs, Grassroot Soccer, and in-school programs with youth, people living with HIV, and orphans and vulnerable children. Volunteers also mobilize these target populations, linking them to key services such as HIV testing and counseling, voluntary medical male circumcision, antiretroviral therapy, and prevention of mother-to-child transmission.

## ANALYSIS OF FINANCIAL STATEMENTS

HIGHLIGHTS OF FINANCIAL POSITION (IN THOUSANDS)				
CONDENSED BALANCE SHEET				
	FY 2016	FY 2015	VARIANCE (IN \$)	CHANGE (IN %)
Fund Balance With Treasury	\$ 227,756	\$ 209,057	\$ 18,699	9%
Accounts Receivable	3,187	4,467	(1,280)	-29%
General Property, Plant and Equipment	38,291	38,886	(595)	-2%
Prepaid Volunteer and Living Allowances	1,702	1,772	(70)	-4%
Other Assets	4,183	5,156	(973)	-19%
<b>TOTAL ASSETS</b>	<b>\$ 275,119</b>	<b>\$ 259,338</b>	<b>\$ 15,781</b>	<b>6%</b>
Accounts Payable	11,321	8,963	2,358	26%
Federal Employee and Veteran Benefits	173,633	178,939	(5,306)	-3%
FSN and PSC Separation Liability	24,315	23,447	868	4%
Payroll Related Liabilities	21,956	17,379	4,577	26%
Non-Entity Funds	24,569	23,493	1,076	5%
Other Liabilities	75	412	(337)	-82%
<b>TOTAL LIABILITIES</b>	<b>\$ 255,869</b>	<b>\$ 252,633</b>	<b>\$ 3,236</b>	<b>1%</b>
Unexpended Appropriations	168,185	157,215	10,970	7%
Cumulative Results of Operations	(148,935)	(150,510)	1,575	-1%
<b>TOTAL NET POSITION</b>	<b>\$ 19,250</b>	<b>\$ 6,705</b>	<b>\$ 12,545</b>	<b>187%</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 275,119</b>	<b>\$ 259,338</b>	<b>\$ 15,781</b>	<b>6%</b>
NET COST OF OPERATIONS				
	FY 2016	FY 2015	VARIANCE (IN \$)	CHANGE (IN %)
Gross Costs	\$ 419,689	\$ 392,316	\$ 27,373	7%
Less: Earned Revenue	(8,990)	(10,117)	1,127	-11%
<b>NET COST OF OPERATIONS</b>	<b>\$ 410,699</b>	<b>\$ 382,199</b>	<b>\$ 28,500</b>	<b>7%</b>
SOURCES AND STATUS OF BUDGETARY RESOURCES				
	FY 2016	FY 2015	VARIANCE (IN \$)	CHANGE (IN %)
Unobligated Balance Brought Forward	\$ 69,526	\$ 91,361	\$ (21,835)	-24%
Recoveries and Other Changes	26,358	15,589	10,769	69%
Appropriations	410,000	379,500	30,500	8%
Donations Received	3,180	2,240	940	42%
Funding for Separation Liability	3,200	-	3,200	100%
Spending Authority from Offsetting Collections	7,665	12,734	(5,069)	-40%
<b>TOTAL BUDGETARY RESOURCES</b>	<b>\$ 519,929</b>	<b>\$ 501,424</b>	<b>\$ 18,505</b>	<b>4%</b>
Obligations Incurred	437,259	431,898	5,361	1%
Unobligated Balance, Unexpired and Expired	82,670	69,526	13,144	19%
<b>STATUS OF BUDGETARY RESOURCES</b>	<b>\$ 519,929</b>	<b>\$ 501,424</b>	<b>\$ 18,505</b>	<b>4%</b>

## OVERVIEW OF FINANCIAL POSITION

In FY 2016, the Peace Corps received \$410 million in appropriations to support the work of Volunteers and enhance agency operations in furthering its 11 strategic objectives. The Peace Corps operated 61 posts in 65 countries and over 70 currencies. Agency activities are presented in the principal statements: Balance Sheet, Statement of Net Cost, Statement of Changes in Net Position, and Statement of Budgetary Resources. Agency management is accountable for the integrity of the financial position presented in the financial statements, which were prepared using the Peace Corps' books and records in accordance with the standards prescribed for federal agencies by the Federal Accounting Standards Advisory Board. These statements are audited by an independent certified public accounting firm, Kearney & Company, P.C. For the 10th consecutive year, the Peace Corps has sustained an unmodified (clean) audit opinion on its financial statements. The financial statements and footnote disclosures are included in the Financial Section of this report.

Agency funds primarily consisted of funds appropriated by Congress, which provided the agency authority to obligate funds over a two-year period. Agency funding is administered by the U.S. Department of Treasury. In addition to appropriated monies, the agency is also authorized to receive donations from the public under 22 U.S.C § 2509(a)(4) of the Peace Corps Act to help further its mission.

As highlighted in the FY 2014–2018 Strategic Plan and FY 2016–2017 Annual Performance Plan ([peacecorps.gov/multimedia/pdf/policies/pc\\_strategic\\_plan\\_2014-2018-annual\\_plan\\_2016-2017.pdf](http://peacecorps.gov/multimedia/pdf/policies/pc_strategic_plan_2014-2018-annual_plan_2016-2017.pdf)), the agency's 11 strategic objectives are cross-functional among the three strategic goals to advance the agency's mission. As a result, the agency continued to operate under one program to effectively accomplish its sole purpose of providing trained Volunteers to host countries to promote world peace and friendship. The agency enhances the use of performance and cost information in budgetary decision making through the Integrated Planning and Budget System, in which posts and headquarters offices develop strategic plans and resource requests to execute goals, as well as the annual strategic review, which provides performance information as an input to the budget formulation process.

## BALANCE SHEET

The Balance Sheet presents resources owned and managed by the Peace Corps that have future economic benefits (assets) and amounts owed by the agency that will require future payments (liabilities). The difference between assets and liabilities is the residual amount retained by Peace Corps (net position) that is available for future programs and capital investments.



## ASSETS: WHAT WE OWN AND MANAGE

Assets are the amount of current and future economic benefits owned or managed by the Peace Corps to achieve its mission. The Peace Corps' total assets primarily consist of Fund Balance with Treasury (FBWT) and Property, Plant, and Equipment (PP&E), which accounted for 83 percent and 14 percent, respectively. The FBWT represents the amount in the agency's accounts with the U.S. Department of Treasury available only for the funds' appropriated purposes to make expenditures and pay liabilities. PP&E comprised tangible assets owned by the agency. Allocations between asset accounts remained consistent between FY 2016 and FY 2015.

Total Assets were at \$275.1 million at the end of September 30, 2016. This was an increase of 6 percent or \$15.8 million from prior year's balance of \$259.3 million. In FY 2016, FBWT was at \$227.8 million compared to \$209.1 million in FY 2015. This represents a 9 percent rise of \$18.7 million which was directly proportionate to the increased appropriated funding received by the agency in FY 2016. For PP&E, there was a slight decrease of 2 percent or \$600,000 between \$38.9 million in FY 2015 and \$38.3 million in FY 2016. Following the surge in IT equipment purchasing in FY 2015, IT procurement decreased in FY 2016.

The Peace Corps provides each Volunteer with housing and a living stipend that enables them to live in a manner

similar to the people in their community of service. The stipends are paid in advance of the entitlement month to ensure that Volunteers do not incur a financial burden. The Prepaid Volunteer and Living Allowances account had a minor decrease in FY 2016 of 4 percent from \$1.8 million in FY 2015 to \$1.7 million in FY 2016.

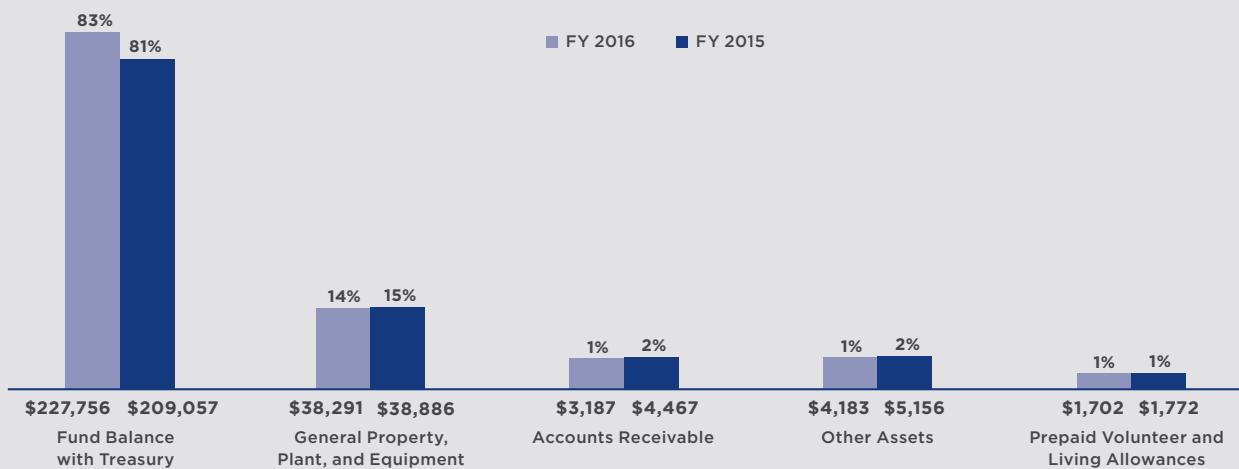
Other Assets, totaling \$4.2 million as of September 30, 2016, comprised mostly of non-Volunteer related prepayments for rent, prepaid IT maintenance costs, and travel advances. Other Assets decreased by 19 percent from FY 2015 amounts of \$5.2 million due primarily to liquidation of advances for IT maintenance.

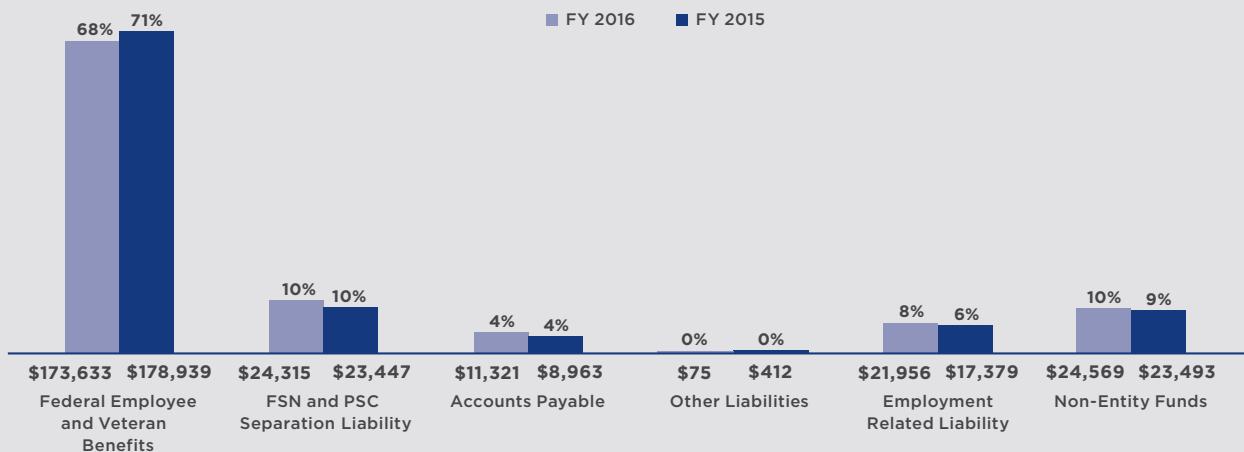
## LIABILITIES: WHAT WE OWE

Liabilities are amounts owed by the Peace Corps for goods and services provided but not yet paid—specifically, monies owed to the public and other federal agencies. Total Liabilities remained stable between the two fiscal years, with only a 1 percent increase from FY 2015 to FY 2016. Total Liabilities in FY 2016 were \$255.8 million, \$3.2 million higher than the FY 2015 balance of \$252.6 million.

Sixty-eight percent of the agency's liabilities in FY 2016 were Federal Employee and Veteran Benefits to cover worker's compensation benefits to Peace Corps Volunteers and employees who are injured or develop conditions while on duty with the agency. This cost, also known as Federal Employees' Compensation Act or FECA program,

**COMPARATIVE ASSET ALLOCATION (IN THOUSANDS)**



**COMPARATIVE LIABILITIES ALLOCATION (IN THOUSANDS)**

is administered by the Department of Labor. The FY 2016 balance of \$173.6 million is slightly lower by \$5.3 million from \$178.9 million in FY 2015. The 3 percent decrease can be attributed to the refinement of cost factors calculated by the Labor Department and a result of fewer claims paid by Labor on behalf of Peace Corps that are not yet reimbursed.

The Peace Corps is liable for severance and retirement payments to eligible personal services contractors (PSC) and foreign service nationals (FSN) who work in countries that require such payments under the country's local labor laws; the liability accrued for these hires comprised 10 percent of overall liabilities as of September 30, 2016. In FY 2016, the agency's liability was \$24.3 million, compared to \$23.4 million from last fiscal year. This slight increase is due to sustained length of service and retention rates of these hires at their posts, which proportionately increases the effective liability amounts, in addition to benefit rate increases authorized by the Department of State during the year.

Non-Entity Funds constituted 10 percent of Total Liabilities at the end of FY 2016. Non-Entity Funds are assets held by the Peace Corps that are unavailable for operations use, and for which a liability has been recorded. In FY 2016, Non-Entity Funds were mostly comprised of future liability for the readjustment allowance due to the Volunteer upon completion of Peace Corps service. Non-Entity Funds was higher by 5 percent to \$24.6 million in FY 2016 due to the increased number of Volunteers; the FY 2015 balance was \$23.5 million.

**NET POSITION:****WHAT HAVE WE DONE OVER TIME**

Net position comprises Unexpended Appropriations and Cumulative Results of Operations. Due to the higher appropriation rate received by the agency in FY 2016—\$30.5 million more than FY 2015—the agency's net position increased by \$12.6 million. The Net Position was \$6.7 million in FY 2015 compared to \$19.3 million in FY 2016.

## STATEMENT OF NET COST

The Statement of Net Cost reports the agency's net cost of operations for a given fiscal year. Net cost of operations is the difference between the costs incurred minus earned revenue. The agency's cost of operations increased from \$382.2 million in FY 2015 to \$410.7 million in FY 2016. The variance of \$28.5 million was due to higher costs incurred in enriching agency operations both at headquarters and at the posts. Expenses were attributable to Volunteer costs and support, strategic programs enhancement, and employee payroll and benefits.

## SOURCES OF BUDGETARY RESOURCES

The Statement of Budgetary Resources summarizes how varying sources of budgetary funding were made available during the year and their status by the end of the fiscal year. The agency ended the year with Budgetary Resources of \$519.9 million in comparison to \$501.4 million in FY 2015. In FY 2016, the agency received \$410 million in appropriations, compared to \$379.5 million in FY 2015. This is the highest appropriation ever received by the agency, which was the main reason for the \$18.5 million (or 4 percent) increase in budgetary resources in FY 2016. Seventy-nine percent of Budgetary Resources were obtained from appropriated dollars. Additional sources of funds included \$69.5 million (or 13 percent) in unobligated balance carried over from FY 2015, \$26.4 million (or 5 percent) recovered from prior year obligations, and \$7.7 million (or 1 percent) in spending authority from offsetting collections. The agency also received \$3.2 million in donations or dedicated collections, which were accounted for in a separate fund account to be used for

### COMPARATIVE NET COST OF OPERATIONS (IN THOUSANDS)

■ Gross Costs ■ Earned Revenue



purposes instructed by the donor. These donations were reflected as Appropriations<sup>1</sup> in the Statement of Budgetary Resources along with the balance of \$3.2 million to fund the separation liability account.

Spending authority from offsetting collections comprises reimbursable work that the Peace Corps performs on behalf of other federal agencies. In FY 2016, the Peace Corps performed work on behalf of the U.S. Agency for International Development, amounting to \$17.8 million

### SOURCES OF BUDGETARY RESOURCES (IN THOUSANDS)



<sup>1</sup>In accordance with United States Standard General Ledger Crosswalk, receipts derived from trust funds are included in Appropriations in the Statement of Budgetary Resources per [fiscal.treasury.gov/fsreports/ref/ussgl/tfm\\_archive/effective-june2015/part-2/sec5\\_sbr\\_2016.pdf](http://fiscal.treasury.gov/fsreports/ref/ussgl/tfm_archive/effective-june2015/part-2/sec5_sbr_2016.pdf)

for programming on Feed the Future, Global Education, and Maternal and Child Health programs. The agency also performed work on behalf of Department of State through an allocation transfer for PEPFAR. PEPFAR funds of \$48.8 million are not reflected in these financial statements as this amount is reported by the Department of State.

#### LIMITATIONS OF THE FINANCIAL STATEMENTS

The principal financial statements have been prepared to report the financial position and results of operations of the Peace Corps, pursuant to the requirements of 31

U.S.C. 3515(b). While the statements have been prepared from the books and records of the entity in accordance with generally accepted accounting principles for federal entities and the formats prescribed by the Office of Management and Budget, the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records. The statements should be read with the realization that they are for a component of the U.S. government, a sovereign entity.



## ANALYSIS OF SYSTEMS, CONTROLS, AND LEGAL COMPLIANCE

### MANAGEMENT ASSURANCES

This section addresses the Peace Corps' compliance with the Federal Managers' Financial Integrity Act (FMFIA) of 1982 (Public Law 97-255), presents the financial management systems strategy, and addresses key internal control issues.

### FEDERAL MANAGERS' FINANCIAL INTEGRITY ACT

FMFIA mandates that agencies establish effective internal control to provide reasonable assurance that (1) obligations and costs are in compliance with applicable law; (2) funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and (3) revenues and expenditures applicable to agency operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the assets.

This act also requires agencies to establish accounting and administrative controls to include program, operational, and administrative areas, as well as accounting and financial management. FMFIA also requires standards to ensure the prompt resolution of all audit findings. This act requires agency heads to annually evaluate and report in an assurance statement on the adequacy of internal and administrative controls (Section 2) and on conformance of systems with governmentwide standards (Section 4).

### INTERNAL CONTROL GUIDANCE AND IMPLEMENTATION OF THE FMFIA

Guidance for implementing FMFIA (31 U.S.C. 3512) is provided through OMB Circular A-123, Management's Responsibility for Internal Control and Enterprise Risk Management, that further defines management's internal control responsibilities in federal agencies, including the financial management systems. Within the agency, Peace Corps Manual Section 784, Internal Control System, sets out the policies and procedures for establishing, assessing, correcting, and reporting on internal control. The FY 2016 unmodified management assurance statement, signed by both the Director and chief financial officer, follows later in this section.

### INTERNAL CONTROL OPERATIONS

During the FY 2016 financial statement audit, the agency achieved an unmodified (clean) audit opinion on the financial statements. Legal compliance was addressed through auditor testing of selected laws and regulations. Three significant deficiencies and two instances of

noncompliance with laws and regulations were found with no material weaknesses identified. See appendix 1 for the planned timeframes for correcting FY 2016 audit weaknesses.

Monitoring the effectiveness of internal control occurs in the normal course of conducting agency business over the span of each year and is captured annually in the department and office head assurance statements of compliance with reasonable effective internal controls that support the assurance statement for the agency. Those assurance statements are based on operational reviews in their areas and information gathered from various sources including the managers' personal knowledge of day-to-day operations and existing controls, self-assessments, senior leadership meetings, audits of financial statements, inspector general audits, reports, reviews, investigations, and evaluations. There were no material weaknesses identified during those reviews.

Assurances of compliance with internal controls were further supported by the performance of risk assessments during FY 2016 by department and office heads with no material weaknesses identified. Risk assessments identified weaknesses, but none that would rise to a level of material weakness. The risks were addressed by the Senior Assessment Team and improvements to mitigate vulnerabilities will be put in place and monitored closely within the agency this next year.

In summary, the agency's internal control program is designed to ensure compliance with the requirements of FMFIA and other federal regulations.

### IMPROPER PAYMENTS INFORMATION ACT

As a small agency with only one program, the Peace Corps has no activities that are risk-susceptible to the threshold amounts in Memorandum M-15-02, OMB Circular A-123's Appendix C, Requirements for Effective Estimation and Remediation of Improper Payments. This circular implements the Improper Payments Elimination and Recovery Act of 2010 which amended the Improper Payments Information Act of 2002. Significant improper payments are defined as gross annual improper payments exceeding both 1.5 percent of program outlays and \$10 million of all program or activity made during the fiscal year reported or \$100 million (regardless of the improper payment percentage of total program outlays). While not rising to the level of the improper payment thresholds above, agency payments were reviewed during FY 2016



based on different dollar values, and those payments in the amount of \$250,000 and above were subjected to an extensive review through a semiannual system-generated report. Further, the Peace Corps is a full participant in the Treasury's "Do Not Pay" program operating through the Treasury Do Not Pay Business Center. Payees under consideration for payment are reviewed for eligibility through the pre-award component of the business center, payments then are re-verified in the pre-payment component, followed by post-payment data matching reviews.

#### **DEBT MANAGEMENT CONTROLS**

The Peace Corps manages a limited amount of debt under the provisions of the Debt Collection Improvement Act of 1996, OMB Circular A-129, Policies for Federal Credit Programs and Non-Tax Receivables, the Controller Alert, Improving Collection of Delinquent Debt issued January 4, 2013, and other laws. In FY 2016, the agency wrote off uncollectable debts and delinquent balances older than two years in the amount of \$10,400 and submitted quarterly reports through the Treasury Report on Receivables.

#### **FINANCIAL MANAGEMENT SYSTEMS STRATEGY**

Peace Corps strives to maintain and enhance financial management systems, processes, and controls that ensure financial accountability and transparency, provide financial management data and information to decision makers, and comply with Federal laws, regulations, and policy. Oracle E-Business Suite (also known as Odyssey) is the agency's system of record and is integrated with various end-user applications to help capture all financial transaction activities of the agency.

Work progressed in software development for the custom financial application used for overseas budget execution, cashiering, and financial reporting (FORPost). Major enhancements in FORPost will improve financial processing and reporting overseas and streamline the integration with Odyssey. The application development is nearly complete and a conversion rollout to the posts will begin and conclude during the 2017 calendar year.

In FY 2016, the agency initiated the global implementation of the new asset management system, Sunflower, to all the posts, regional offices, and headquarters. Sunflower replaced the existing stand-alone asset management system. Its capabilities provide robust automation and functionality in tracking personal property throughout the agency. Implementation to remaining posts will be completed in FY 2017. Emphasis will be placed on the proper interface between Sunflower and Odyssey in FY 2017 to optimize the identification and recordation of capital assets.

In addition, the agency successfully rolled out a new time-keeping system, WebTA in June, 2016. WebTA provides Peace Corps with flexibility to capture staff time by projects and cost type. The Office of Chief Financial Officer leverages this functionality to track labor costs related to capitalized projects.

*The FMFIA Unmodified Management Assurance Statement that follows is consistent with the FY 2016 financial statement audit report.*



## FY 2016 FMFIA UNMODIFIED MANAGEMENT ASSURANCE STATEMENT

**M**anagement is responsible for establishing and maintaining effective internal controls and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act (FMFIA). We assessed the effectiveness of internal controls to support effective and efficient programmatic operations, reliable financial reporting, and compliance with applicable laws and regulations in accordance with FMFIA Section 2 and Office of Management and Budget (OMB) Circular A-123. Relying on this assessment, the Peace Corps can provide reasonable assurance for FY 2016 that its internal control over the effectiveness and efficiency of operations and financial reporting was operating effectively. No material weaknesses were found in the design or operation of the internal controls. Two instances, though, of noncompliance with applicable laws and regulations were identified.

The Peace Corps conducted its assessment of whether the financial management systems conform to governmentwide financial systems requirements in accordance with FMFIA Section 4. Based on this assessment, the Peace Corps can provide reasonable assurance that its financial management systems are in compliance with the applicable provisions of FMFIA Section 4 and OMB Circular A-123 for FY 2016 with the exception of one nonconformance with Federal Information Security Modernization Act of 2014 (FISMA). In accordance with OMB Bulletin No. 15-02, this is not considered a material weakness. Details of the FISMA nonconformance are in Appendix 1.



Carrie Hessler-Radelet  
Director  
November 7, 2016



Joseph L. Hepp, Jr.  
Chief Financial Officer  
November 7, 2016

## FINANCIAL SECTION





## MESSAGE FROM THE CHIEF FINANCIAL OFFICER

I am pleased to present the Peace Corps' Agency Financial Report for FY 2016. As we fulfill Peace Corps' mission of world peace and friendship, we are also committed in ensuring that funds (\$410 million for FY 2016) entrusted to us by Congress and the American people are efficiently utilized and programs are effectively managed. This report represents our operational performance and the results of our sound financial management across 61 posts in 65 countries in over 70 currencies. I am proud to report that for the 10th consecutive year, the Peace Corps earned an unmodified (clean) audit opinion on its financial statement. This sustained achievement would not be possible without the dedication and commitment of our financial management community here at Peace Corps.

The FY 2016 financial statement audit was conducted by Kearney & Company, P.C., an external independent auditor. Along with our unmodified (clean) audit opinion, the auditors identified three significant deficiencies and two instances of non-compliance with laws and regulations. We understand the impact of these findings on financial reporting and we will work diligently to apply resolution in the coming fiscal year. The details concerning these findings may be found in the Independent Auditor's Report and in Appendix 1, Status of Audit Weaknesses.

My team worked conscientiously to eliminate one of the two audit findings related to obligations. With the proper policy and procedural guidance from my staff, effective and regular training to posts, along with consistent monitoring of obligations, we were able to close one significant deficiency and two cases of non-compliance with laws and regulations. During FY 2016, we employed additional resources to support our acquisition process to accommodate the growing procurement needs of the agency. As we improve our controls for contracts management in the coming year, we will also direct our efforts to ensuring for timely contract closeout in the financial system, which will remove the remaining audit finding on obligations. Residual issues remain in Property, Plant, and Equipment, with the issuance of a significant deficiency from the audit, which we intend to resolve in the coming fiscal year.

To address the year over year weaknesses in Property, Plant, and Equipment (PP&E), in FY 2016 we released a new asset management system to headquarters, posts, and regional offices. This new system is intended to assist with the physical and financial accountability of assets. In addition, the software is intended to enhance the interface between the asset management and financial system, automating the fixed assets capitalization process. Despite our efforts, we saw limited success during the fiscal year and, following detailed testing of our overall PP&E environment, we were issued a significant deficiency at the conclusion of this year's audit. We concur with the finding and agree that we face distinct challenges in this area. The combination of multiple and remote overseas locations, staff turnover, and technical issues have presented a difficult problem. While there were a few domestic offices and posts that fully implemented the new software and saw improved PP&E posture, there were many posts and domestic offices that only partially completed the transition to the new system. We recognize that this is an area that needs improvement and we are dedicating additional resources to have full use across the agency during FY 2017. Also, we will work with Office of Management to review our agency wide asset management procedures and the Office of the Chief Information Officer to remediate our technical challenges with regards to the asset management system. Our goal is to ensure our processes surrounding PP&E management is sound, compliant and accurate by the close of FY 2017.

We internally developed a new browser-based financial application to replace the current legacy software used by overseas posts for budget execution, cashiering, and financial reporting. The new product provides an updated system architecture, framework, and software, as well as streamlines transaction processing and integration with our financial system. Deployment is on schedule and a conversion and phased rollout to the posts will begin in January 2017. Regional trainings with hands on instruction will be provided to three key staff members in each post in advance of conversion.

Earlier this fiscal year, we initiated our efforts to comply with the requirements under the Digital Accountability and Transparency Act of 2014 (DATA Act). By the end of calendar year 2016, we will be incorporating into our procurement process the assignment of Procurement Instrument Identifiers ahead of the October 1, 2017 Federal Acquisition Regulation deadline. With our continued efforts, I am confident that the agency will be ready with all reporting requirements under the DATA Act and that our spending information will be available using the governmentwide data standards by May 8, 2017.

Looking forward to next year, we intend to further strengthen our standardization of processes and procedures and continue to assist other offices in their financial reporting needs, especially as the agency prepares for a smooth transition of leadership for the new administration. My staff is ready to provide actionable reports as requested from within the agency and from external sources. As we support the operational needs of the agency, my staff and I are committed to transparency and accountability in our work. I am grateful for their work and the accomplishments of our financial management community.

In the following pages, I present to you our agency's audited financial statements and related footnote disclosures. These statements and footnotes are reliable and complete and were prepared in accordance with generally accepted accounting principles for federal government entities.



Joseph L. Hepp, Jr.  
Chief Financial Officer  
November 7, 2016

## FINANCIAL STATEMENTS

**Peace Corps**  
**Consolidated Balance Sheets**  
**As of September 30, 2016 and 2015**  
*(In Thousands)*

	<b>2016</b>	<b>2015</b>
<b>Assets</b>		
Intragovernmental		
Fund Balance with Treasury (Notes 2 and 3)	\$ 227,756	\$ 209,057
Accounts Receivable (Note 4)	2,572	3,914
Total Intragovernmental	<u>230,328</u>	<u>212,971</u>
Accounts Receivable, Net (Note 4)	615	553
General Property, Plant, and Equipment, Net (Note 5)	38,291	38,886
Other		
Prepaid Volunteer Living Allowances (Note 6)	1,702	1,772
Other Assets (Note 7)	4,183	5,156
Total Assets	<u>\$ 275,119</u>	<u>\$ 259,338</u>
<b>Liabilities</b>		
Intragovernmental		
Accounts Payable	\$ 1,929	\$ 883
Other		
Unfunded FECA Liability (Note 8)	29,973	32,983
Other Liabilities (Notes 8 and 9)	72	109
Total Intragovernmental	<u>31,974</u>	<u>33,975</u>
Accounts Payable	9,392	8,080
Federal Employee and Veteran Benefits (Note 8)	143,660	145,956
Other		
Other Unfunded Employment Related Liability (Note 8)	5,009	2,035
Liability for Non-Entity Assets (Notes 2 and 8)	24,569	23,493
Accrued Funded Payroll and Leave	5,143	4,088
Unfunded Annual Leave (Note 8)	11,804	11,256
FSN and PSC Separation Liability (Note 9)	24,315	23,447
Contingent Liability (Notes 9 and 11)	3	303
Total Liabilities	<u>\$ 255,869</u>	<u>\$ 252,633</u>
Commitments and Contingencies (Note 11)		
<b>Net Position</b>		
Unexpended Appropriations	168,185	157,215
Cumulative Results of Operations	(148,935)	(150,510)
Total Net Position	<u>\$ 19,250</u>	<u>\$ 6,705</u>
Total Liabilities and Net Position	<u>\$ 275,119</u>	<u>\$ 259,338</u>

The accompanying notes are an integral part of these statements.

**Peace Corps**  
**Consolidated Statements of Net Cost**  
**For the Years Ended September 30, 2016 and 2015**  
*(In Thousands)*

	<u>2016</u>	<u>2015</u>
<b>Gross Program Costs</b>		
Gross Costs	\$ 419,689	\$ 392,316
Less: Earned Revenue (Note 12)	<u>(8,990)</u>	<u>(10,117)</u>
 Net Cost of Operations	 <u>\$ 410,699</u>	 <u>\$ 382,199</u>

The accompanying notes are an integral part of these statements.

**Peace Corps**  
**Consolidated Statements of Changes in Net Position**  
**For the Years Ended September 30, 2016 and 2015**  
*(In Thousands)*

	<b>2016</b>	<b>2015</b>
<b>Cumulative Results from Operations</b>		
Beginning Balances	\$ (150,510)	\$ (156,160)
<b>Budgetary Financing Sources</b>		
Appropriations Used	397,783	380,424
Donations and Forfeitures of Cash and Cash Equivalents	3,179	2,267
<b>Other Financing Sources (Nonexchange)</b>		
Transfers In/Out Without Reimbursement	771	(65)
Imputed Financing (Note 18)	7,341	5,223
Other	<u>3,200</u>	<u>-</u>
Total Financing Sources	412,274	387,849
Net Cost of Operations	<u>410,699</u>	<u>382,199</u>
Net Change	<u>1,575</u>	<u>5,650</u>
<b>Cumulative Results of Operations</b>	(148,935)	(150,510)
<b>Unexpended Appropriations</b>		
Beginning Balance	157,215	158,343
<b>Budgetary Financing Sources</b>		
Appropriations Received	410,000	379,500
Other Adjustments	(1,247)	(204)
Appropriations Used	<u>(397,783)</u>	<u>(380,424)</u>
Total Budgetary Financing Sources	<u>10,970</u>	<u>(1,128)</u>
Total Unexpended Appropriations	168,185	157,215
Net Position	<u>\$ 19,250</u>	<u>\$ 6,705</u>

The accompanying notes are an integral part of these statements.

**Peace Corps**  
**Combined Statements of Budgetary Resources**  
**For the Years Ended September 30, 2016 and 2015**  
*(In Thousands)*

	<b>2016</b>	<b>2015</b>
<b>Budgetary Resources</b>		
Unobligated Balance Brought Forward, Oct 1	\$ 69,526	\$ 91,361
Recoveries of Unpaid Prior Year Obligations	22,724	13,086
Other Changes in Unobligated Balance	3,634	2,503
Unobligated Balance from Prior Year Budget Authority, Net	<u>95,884</u>	<u>106,950</u>
Appropriations (Discretionary and Mandatory)	416,380	381,740
Spending Authority from Offsetting Collections (Discretionary and Mandatory)	7,665	12,734
Total Budgetary Resources	<u>\$ 519,929</u>	<u>\$ 501,424</u>
<b>Status of Budgetary Resources</b>		
New Obligations and Upward Adjustments (Total) (Note 13)	\$ 437,259	\$ 431,898
Unobligated Balance, End of Year		
Apportioned, Unexpired Accounts	67,046	55,378
Exempt from Apportionment, Unexpired Accounts	2,605	2,602
Unapportioned, Unexpired Accounts	5,510	5,528
Unexpired Unobligated Balance, End of Year	<u>75,161</u>	<u>63,508</u>
Expired Unobligated Balance, End of Year	7,509	6,018
Unobligated Balance, End of Year (Total)	<u>82,670</u>	<u>69,526</u>
Total Budgetary Resources	<u>\$ 519,929</u>	<u>\$ 501,424</u>
<b>Change in Obligated Balance</b>		
Unpaid Obligations:		
Unpaid Obligations, Brought Forward, Oct 1	\$ 125,430	\$ 106,592
New Obligations and Upward Adjustments	437,259	431,898
Outlays (Gross)	(414,717)	(399,974)
Recoveries of Prior Year Unpaid Obligations	(22,724)	(13,086)
Unpaid Obligations, End of Year	<u>125,248</u>	<u>125,430</u>
Uncollected Payments:		
Uncollected Pymts, Fed Sources, Brought Forward, Oct 1	(9,392)	(6,809)
Change in Uncollected Pymts, Fed Sources	4,661	(2,583)
Uncollected Pymts, Fed Sources, End of Year	<u>(4,731)</u>	<u>(9,392)</u>
Memorandum (non-add) Entries:		
Obligated Balance, Start of year	<u>\$ 116,038</u>	<u>\$ 99,783</u>
Obligated Balance, End of year	<u>\$ 120,517</u>	<u>\$ 116,038</u>
<b>Budget Authority and Outlays, Net</b>		
Budget Authority, Gross (Discretionary and Mandatory)	\$ 424,045	\$ 394,474
Actual Offsetting Collections (Discretionary and Mandatory)	(17,207)	(12,858)
Change in Uncollected Pymts, Fed Sources (Discretionary and Mandatory)	4,661	(2,583)
Recoveries of Prior Year Paid Obligations (Discretionary and Mandatory)	4,881	2,707
Budget Authority, Net (Total) (Discretionary and Mandatory)	<u>\$ 416,380</u>	<u>\$ 381,740</u>
Outlays, Gross (Discretionary and Mandatory)	\$ 414,717	\$ 399,974
Actual Offsetting Collections (Discretionary and Mandatory)	(17,207)	(12,858)
Outlays, Net (Total) (Discretionary and Mandatory)	<u>397,510</u>	<u>387,116</u>
Distributed Offsetting Receipts	(2,746)	(1,616)
Agency Outlays, Net (Discretionary and Mandatory)	<u>\$ 394,764</u>	<u>\$ 385,500</u>

The accompanying notes are an integral part of these statements.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 1 Significant Accounting Policies

#### a) Reporting Entity

The Peace Corps was initially established by President John F. Kennedy pursuant to Executive Order 10924 on March 1, 1961, and was subsequently formalized by the Peace Corps Act of 1961. The Peace Corps is an independent agency within the executive branch of the United States government.

Peace Corps' core mission is to promote world peace and friendship by fulfilling three goals: 1) To help the people of interested countries in meeting their needs for trained Volunteers; 2) To help promote a better understanding of Americans on the part of the peoples served; and, 3) To help promote a better understanding of other peoples on the part of Americans.

#### b) Basis of Presentation

The financial statements present the financial position, the net cost of operations, and changes in net position, along with budgetary resources activities of the agency pursuant to the requirements of 31 U.S.C. 3515(b). They have been prepared using Peace Corps' books and records in accordance with agency accounting policies, the most significant of which are summarized in this note. The statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records. The statements are presented in accordance with the applicable form and content requirements of OMB Circular A-136, Financial Reporting Requirements, issued October 7, 2016. The statements should be read with the realization that they are for a component of the U.S. government, a sovereign entity.

The financial activities of the agency are categorized between entity and non-entity assets and reported and non-reported balances. Entity assets are those assets which the agency has authority to use in its operations, while non-entity assets are assets that are currently held by the Peace Corps but are not available for use by the agency. Although both entity and non-entity assets are in the custody and management of the agency, they are reported but segregated for presentation purposes.

The Peace Corps' accounting policies follow Federal Accounting Standards Advisory Board standards and other generally accepted accounting principles for the United States federal government.

The financial statements represent intragovernmental and public activities. The intragovernmental balances, revenues, and costs reflect financial transactions between the Peace Corps and other federal agencies. Public activities are those with non-governmental customers, including Volunteers, contributors, employees, contractors, and vendors.

Statement	Federal Financial Statements	Federal Objective
Balance Sheet	Reflects the agency's financial position as of the statement date. The assets are the amount of current and future economic benefits owned or managed by the agency. The liabilities are amounts owed by the agency. The net position is the difference between the assets and liabilities.	
Statement of Net Cost	Shows separately the components of the net cost of the agency's operations for the period. Net cost is equal to the gross cost incurred by the agency, less any exchange revenue from its activities.	
Statement of Changes in Net Position	Explains how the net cost of the agency's operations was funded, and reports other changes in the equity that are not included in the Statement of Net Cost. It reflects the changes in both the proprietary and the budgetary activities through the respective components: Cumulative Results of Operations and Unexpended Appropriations.	
Statement of Budgetary Resources	Provides information about how the budgetary resources were made available as well as their status at the end of the period. It is the only financial statement exclusively derived from the agency's budgetary general ledger in accordance with budgetary accounting rules.	

#### c) Basis of Accounting

Accounting principles encompass both accrual and budgetary transactions. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Under the budgetary basis, however, fund availability is recorded based upon legal considerations and constraints. The agency receives financing sources through direct appropriations from the general fund of the U.S. Treasury and offsetting collections to support its operations. "Appropriations Used" recognizes that appropriation authority has been applied against received goods and services.

#### d) Fund Accounting Structure

The agency's financial activities are accounted for by the U.S. Treasury Appropriation Fund Symbols. They include accounts for appropriated funds and other fund groups described below for which the Peace Corps maintains financial records.

*General Funds* - These funds consist of the receipts and expenditures by the Peace Corps that are not earmarked by law for a specific purpose and used to fund agency operations and capital expenditures.

*Special or Trust Funds* - These funds consist of receipts and expenditures by the Peace Corps for carrying out specific purposes and programs in accordance with terms of the statute that designates the fund as a special fund or trust fund.

*Deposit Funds* - These funds consist of monies held temporarily by the Peace Corps as an agent for others. These include allowance and allotment accounts for employees and Volunteers. The balances in these funds are non-entity assets and are only reported on the face of the Balance Sheet.

*General Fund Receipt Accounts* - These funds consist of monies collected by the Peace Corps that are returned to the U.S. Treasury and not available for Peace Corps' use. The balances in these funds are excluded from the financial statements.

#### e) Budget Authority

Congress annually passes multi-year appropriations that provide the agency with authority to obligate funds over a two-year period for necessary expenses to carry out operations. After the right to create new obligations has expired, this two-year budget authority is available for five additional years for adjusting obligations and for completing the liquidation of open obligations, advances, and receivables. After the five-year period, all open transactions for the respective fiscal year will be cancelled and funds will be returned to the U.S. Treasury. Any valid claims associated with these funds after closure must be processed against current year appropriations.

In addition, Congress enacts no-year appropriations that are available until expended. All appropriations are subject to OMB apportionment as well as Congressional restrictions. The agency places internal restrictions to ensure the efficient and proper use of all funds.

Peace Corps has discretionary and mandatory spending of its budget authority. The general funds, which are funded by multi-year appropriations from Congress, are discretionary. The special and trust funds, which were authorized by permanent laws, are considered mandatory spending for donations received from the private entities and to account for retirement and severance of Host Country Resident Personal Services Contractors and Foreign Service Nationals.

#### f) Revenues and Other Financing Sources

Peace Corps' operations are financed through appropriations, proceeds from the sale of property, and inter-agency agreements. For financial statement purposes, appropriations are recorded as a financing source and reported on the Statement of Changes in Net Position at the time they are recognized as expenditures.

#### g) Fund Balance with Treasury

Fund Balance with Treasury consists of general, special, and trust funds that are available to pay current liabilities and finance authorized purchase commitments, and special funds that periodically are direct-financing reimbursements to the appropriated funds.

The agency does not maintain agency cash in commercial bank accounts. All cash receipts and disbursements are processed by the U.S. Treasury or the Department of State (DOS).

The funds that make up post cashiers' imprest funds belong to the U.S. Treasury through DOS's accountability.

These funds are routinely used to pay for low value purchases of goods and services and are also used to make an occasional emergency payment. Per agreement with DOS, the Peace Corps is responsible for any losses incurred by the cashiers. All international payments made by DOS on behalf of the Peace Corps are charged to the Peace Corps and reduce the applicable Peace Corps' fund balance in U.S. Treasury records. As of September 30, 2016, cashier imprest funds represented by cash on hand, checks on hand, interim advances, and cashier checking account balances totaled approximately \$1,145,997 in U. S. dollar equivalents.

Fund Balance with Treasury is carried forward until such time as goods or services are received and payment is made, or until the funds are returned to the U.S. Treasury.

#### h) Foreign Currency

Accounting records for the agency are maintained in U.S. dollars, while a significant amount of the overseas expenditures are in foreign currencies. For accounting purposes, overseas obligations and disbursements are recorded in U.S. dollar equivalents, based on the budgeted rate of exchange as of the date of the transaction. U.S. disbursing officers located at the Global Financial Services centers in Charleston, South Carolina and Bangkok, Thailand make foreign currency payments.

#### i) Accounts Receivable

Accounts receivable includes amounts due from other federal entities and from current and former employees and Volunteers. Annually, a determination of the amount of the Allowance for Doubtful Accounts will be established for material amounts of non-federal (public) debt exceeding \$30,000. The agency recognizes an Allowance for Doubtful Accounts when it is determined that the amounts are not likely to be collected. Accounts with approved payment plans in place and for which the debtor is meeting the terms of the plan are exceptions to this write-off policy.

**j) Advances and Prepayments**

Payments in advance of the receipt of goods and services are recorded as advances and recognized as expenses when the related goods and services are received. Advances are made principally to agency employees for official travel and prepayments to Volunteers for living allowances.

Pursuant to Section 5(b) of the Peace Corps Act, Peace Corps Volunteers are entitled to a living allowance in order that they may serve effectively and safely overseas. Living allowances are paid to Volunteers to provide support while in their country of assignment. Allowances are based on local living standards and costs, including food, clothing, household items, rent, utilities, and local transportation.

**k) Property, Plant, and Equipment (PP&E)**

The agency capitalizes Property, Plant, and Equipment that has an individual acquisition cost of \$25,000 or greater, a useful life of two years or more, is not intended for sale in the ordinary course of business, and is intended to be used or available for use by the entity. Aggregate purchases of General Property, Plant, and Equipment in the amount of \$100,000 or greater are capitalized. Costs incurred for major building rehabilitations of \$25,000 or greater are initially recorded as Construction in Progress then after project completion are transferred to Leasehold Improvement and amortized over the remaining life of the lease. Software purchased for \$25,000 or developed for internal use at a cost of \$25,000 or greater is capitalized and amortized over its expected life (currently two to nine years). IT hardware is capitalized and amortized over its expected life of three to fifteen years. Vehicles in the amount of \$10,000 and over are capitalized over their useful life of five years for assets acquired FY 2013 and prior and six years for purchases made on or after FY 2014. The agency uses an estimated salvage value of 40 percent for vehicles. Land and anything attached to it, such as buildings, located overseas are capitalized at their fair market value at the time of transfer, regardless of their acquisition cost. Buildings are depreciated with a ten year asset life. Acquisitions that do not meet these criteria are recorded as operating expenses. Assets are capitalized at historical cost and depreciated using the straight-line method.

**l) Accounts Payable and Other Liabilities**

Liabilities represent the amount of monies or other resources that are likely to be paid as the result of a transaction or event that has already occurred. Liabilities classified as not covered by budgetary resources are liabilities for which appropriations have not been enacted.

**m) Employee Benefits**

- I. *Federal Employees' Compensation Act (FECA) Accrued Claims* - FECA provides income and medical cost protection to covered federal civilian employees injured on the job, to employees who have incurred work-related occupational diseases, and to beneficiaries of employees whose deaths are attributable to job-related injuries or occupational diseases through the Department of Labor (DOL). The FECA liability consists of two components. The first component is based on actual claims paid by DOL but not yet reimbursed by the Peace Corps. The Peace Corps reimburses DOL as funds are appropriated for this purpose, generally resulting in a two-year lag in payment. This is the liability for the actual claims paid by DOL to be reimbursed by the Peace Corps.
- II. *Future Workers Compensation Benefits* - The second component of FECA is the estimated actuarial liability for future benefit payments as a result of past events. This liability includes death, disability, medical, and miscellaneous costs. DOL determines this component annually as of September 30, and the Peace Corps recognizes an unfunded liability to DOL for estimated future payments.
- III. *Accrued Leave* - A liability for annual leave is accrued as leave is earned and paid when leave is taken or employment terminates. Accrued annual leave is paid from future funding sources and is reflected as a liability not covered by budgetary resources. Sick and other leave is expensed as taken.
- IV. *Employee Health Benefits and Life Insurance* - The agency's employees are eligible to participate in the contributory Federal Employees Health Benefit Program and the Federal Employees Group Life Insurance Program. The agency contributes to each program to pay for current benefits.
- V. *Post-Retirement Health Benefits and Life Insurance* - Agency employees who may be eligible to participate in the Federal Employees Health Benefit Program and the Federal Employees Group Life Insurance Program could continue to do so during retirement. The Office of Personnel Management (OPM) has provided the agency with cost factors that estimate the true cost of providing the post-retirement benefit to current employees. The agency recognizes a current cost for these and other retirement benefits at the time of employment with the agency. The other retirement benefit expense is financed by OPM and offset by the agency through the recognition of an imputed financing source on the Statement of Changes in Net Position.
- VI. *Employee Retirement Benefits* - Peace Corps direct hire employees participate in one of three retirement systems: Civil Service Retirement System, Federal Employees Retirement System, or the Foreign Service Retirement and Disability System. Foreign Service National (FSN) employees at overseas posts who were hired prior to January 1, 1984, are covered under the Civil Service Retirement System. FSNs hired after that date, as well as most host country residential personal services contractors (PSC), are covered under a variety of local compensation plans in compliance with the host country's local laws and regulations.

The Peace Corps recognizes its share of the cost of providing future pension benefits to eligible employees throughout their period of employment. The pension expense not covered by budgetary resources is calculated using actuarial factors provided by OPM and is considered imputed cost to the agency.

VII. *Valuation of Host Country Resident Personal Services Contractor Severance and Retirement Liability* - The Peace Corps is generally liable for separation or retirement payments to eligible PSCs in countries that require payments under local labor laws. The estimate of the current and future costs of the severance and retirement liability is determined quarterly.

VIII. *Valuation of Foreign Service National Liability* - The Peace Corps is generally liable for separation or retirement payments to FSNs who are employed by the agency in countries that require payments under local labor laws. The estimate of the current and future costs of the severance and retirement liability is determined quarterly.

**n) Commitments and Contingencies**

The agency is involved in various administrative proceedings, legal actions, and claims arising in the ordinary course of executing the Peace Corps mission. Contingencies are recognized as a liability when a future outflow or other sacrifice of resources is probable and measurable.

**o) Funds from Dedicated Collections**

Under 22 U.S.C § 2509(a)(4) of the Peace Corps Act, the agency is authorized to accept gifts of voluntary service, money, or property, for use in the furtherance of the purposes of its mission. The donated monies received by the agency from non-federal sources meet the prescribed criteria of Funds from Dedicated Collections. The amount of donations received was \$3,150,201 as of September 30, 2016 and \$2,233,840 as of September 30, 2015.

**p) Use of Estimates**

The preparation of financial statements required management to make some estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements, and the amount of revenues and costs reported during the period. Actual results could differ from those estimates.

**q) Interest on Late Payments**

Occasionally, the agency incurs interest penalties on late payments. Such interest penalties are paid to the respective vendor in accordance with the guidelines mandated by the Prompt Payment Act of 1985, P.L. 97-177, as amended.

**r) Intragovernmental Net Costs**

The Statement of Net Cost is consolidated for the agency using a budget functional classification code. This code is used to classify budget resources presented in the budget of the United States government per OMB. The agency is categorized under budget functional classification code number 150—International Affairs. Gross cost and earned revenues from other intragovernmental agencies (reimbursable agreements) fall under this code.

**s) Adjustments to Maintain Inherent Account Relationship Integrity**

The agency performs analytical tie-points to maintain inherent accounts relationships between proprietary and budgetary accounts, in compliance with United States Standard General Ledger posting logic. Adjustments are made at the appropriation fund code level prior to the submission of the agency's monthly trial balance via Treasury's Governmentwide Treasury Account Symbol Adjusted Trial Balance System.

**t) Allocation Transfer**

The Peace Corps is a party to allocation transfers with the DOS as a receiving (child) entity. Allocation transfers are legal delegations by one agency of its authority to obligate budget authority and outlay funds to another agency. A separate fund account (allocation account) is created in the U. S. Treasury as a subset of the parent fund account (DOS) for tracking and reporting purposes. All allocation transfers of balances are credited to this account, and subsequent obligations and outlays incurred by the child entity (Peace Corps) are charged to this allocation account as they execute the delegated activity on behalf of the parent entity. All financial activity related to these allocation transfers (e.g., budget authority, obligations, and outlays) is reported in the financial statements of the parent entity, from which the underlying legislative authority, appropriations, and budget apportionments are derived.

**u) Fiduciary Activities**

Fiduciary activities consist of Host Country Contributions provided to the Peace Corps by the host country government which are accepted under the authority of Section 22 U.S.C. 2509(a)(4) of the Peace Corps Act. These contributions provide host country support for the Peace Corps and help defray expenses, enabling the agency to use its budget more effectively. The host country retains ownership though the funds are deposited in special foreign currency accounts in the U.S. Treasury. As such, these funds are not reported on the Balance Sheet. Any funds not used are returned to the host country.

**v) Reclassifications**

Certain amounts in the prior year's SBR have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the previously reported SBR.

**Note 2 Non-Entity Assets**

Non-entity assets are composed of deposit fund and clearing accounts. These funds are not available for the use of the Peace Corps and are not part of the Peace Corps' resources. The Peace Corps monitors collections, status, and distribution. Below, as information, are the U.S. Treasury fund balances of non-entity assets which are non-governmental.

Non-Entity Assets	September 30, 2016 (In Thousands)	September 30, 2015 (In Thousands)
Deposit Fund	\$ 23,838	\$ 22,556
Clearing Accounts	731	937
Total Non-Entity Assets	24,569	23,493
Total Entity Assets	250,550	235,845
<b>Total Assets</b>	<b>\$ 275,119</b>	<b>\$ 259,338</b>

*Deposit Fund* - The deposit fund is comprised of the Volunteer readjustment allowance earned by Volunteers for each month of satisfactory service and payable upon their return to the United States.

*Clearing Accounts* - The proceeds of sales funds represent cash received from the sale of assets, primarily vehicles, and are available once transferred to Peace Corps appropriated funds to be reinvested in a like-kind replacement purchase (e.g., proceeds from vehicle sales used to purchase replacement vehicles).

**Note 3 Fund Balance with Treasury**

Fund Balances	September 30, 2016 (In Thousands)	September 30, 2015 (In Thousands)
Appropriated Funds	\$ 176,154	\$ 159,416
Special Funds	21,161	20,444
Trust Funds	5,872	5,704
Non-Entity Assets (Note 2)	24,569	23,493
<b>Total</b>	<b>\$ 227,756</b>	<b>\$ 209,057</b>
Status of Fund Balance with Treasury	September 30, 2016 (In Thousands)	September 30, 2015 (In Thousands)
Unobligated Balance		
Available	\$ 69,652	\$ 57,980
Unavailable	13,019	11,546
Obligated Balance Not Yet Disbursed	120,516	116,038
Non-Budgetary FBWT	24,569	23,493
<b>Total</b>	<b>\$ 227,756</b>	<b>\$ 209,057</b>

Fund Balance with Treasury is equal to the unobligated balance of funds plus the obligated balance not yet disbursed.

*Available Unobligated Balance* - Composed of apportionments available for allotment plus allotments available for obligation or commitment.

*Unavailable Unobligated Balance* - Composed of unapportioned authority plus unobligated appropriation authority from prior years that is no longer available for new obligations. This latter authority is only available for adjustments to existing obligations.

*Non-Budgetary Fund Balance with Treasury* - This represents non-entity assets of the agency.

**Note 4 Accounts Receivable, Net**

Accounts Receivable as of September 30, 2016 (In Thousands)	Accounts Receivable, Gross	Allowance for Doubtful Accounts	Accounts Receivable, Net
Intragovernmental	\$ 2,572	\$ -	\$ 2,572
Other	615	-	615
<b>Total</b>	<b>\$ 3,187</b>	<b>\$ -</b>	<b>\$ 3,187</b>
Accounts Receivable as of September 30, 2015 (In Thousands)			
Accounts Receivable as of September 30, 2015 (In Thousands)	Accounts Receivable, Gross	Allowance for Doubtful Accounts	Accounts Receivable, Net
Intragovernmental	\$ 3,914	\$ -	\$ 3,914
Other	553	-	553
<b>Total</b>	<b>\$ 4,467</b>	<b>\$ -</b>	<b>\$ 4,467</b>

Intragovernmental receivables are due from other federal agencies for services provided under reimbursable agreements. Other accounts receivable are due from non-federal entities, consisting primarily of receivables from employees. Based upon the agency's policy, it was determined that the establishment of an Allowance for Doubtful Accounts was not necessary as of September 30, 2016 and September 30, 2015.

**Note 5 General Property, Plant, and Equipment, Net**

<b>Components of General Property, Plant, and Equipment as of September 30, 2016 (In Thousands)</b>	<b>Useful Life in Years</b>	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
Land		\$ 43	\$ -	\$ 43
Buildings	10	463	241	222
Construction in Progress		15	-	15
Equipment and Furniture	5-10	4,657	2,458	2,199
Vehicles	5-6	24,857	7,845	17,012
IT Hardware	3-15	16,061	11,328	4,733
Leasehold Improvements	2-10	9,104	5,661	3,443
Internal Use Software in Development		5,526	-	5,526
Internal Use Software	3-9	41,728	36,630	5,098
<b>Total</b>		<b>\$102,454</b>	<b>\$ 64,163</b>	<b>\$ 38,291</b>
<b>Components of General Property, Plant, and Equipment as of September 30, 2015 (In Thousands)</b>	<b>Useful Life in Years</b>	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>
Land		\$ 43	\$ -	\$ 43
Buildings	10	463	178	285
Construction in Progress		230	-	230
Equipment and Furniture	5-10	4,694	2,030	2,664
Vehicles	5-6	24,821	8,593	16,228
IT Hardware	3-15	16,426	8,938	7,488
Leasehold Improvements	2-10	7,562	4,097	3,465
Internal-Use Software in Development		4,920	-	4,920
Internal-Use Software	3-9	38,389	34,826	3,563
<b>Total</b>		<b>\$ 97,548</b>	<b>\$ 58,662</b>	<b>\$ 38,886</b>

General Property, Plant, and Equipment (PP&E), net as of September 30, 2016 consists of land, buildings, construction in progress, equipment and furniture, vehicles, IT hardware, leasehold improvements, internal use software in development, and internal use software. These assets are located at Washington, D.C. headquarters, regional offices, and overseas posts. The asset value includes ancillary costs incurred to bring it to a form and location suitable for its intended use. The vehicles category reflects new vehicles added and retired in FY16. Internal use software in development and internal use software represent software that was either developed internally or purchased from vendors off-the-shelf.

**Note 6 Prepaid Volunteer Living Allowances**

	<b>September 30, 2016 (In Thousands)</b>	<b>September 30, 2015 (In Thousands)</b>
<b>Prepaid Volunteer Living Allowances</b>	<b>\$ 1,702</b>	<b>\$ 1,772</b>

Payments of Volunteer living allowances are made prior to the entitlement month so the posts can ensure timely payments of the allowances to the Volunteers. These payments are pre-positioned so that Volunteers will not incur a financial burden for their living costs.

**Note 7 Other Assets**

	<b>September 30, 2016 (In Thousands)</b>	<b>September 30, 2015 (In Thousands)</b>
Travel Advances to Employees	\$ 646	\$ 694
Relocation Advances to Employees	37	19
Prepaid Rent	3,397	3,350
Other Advances	103	1,093
<b>Total Other Assets</b>	<b>\$ 4,183</b>	<b>\$ 5,156</b>

*Travel Advances to Employees* - Travel advances are provided to employees when appropriate. Advances remain in the financial records until they are offset against travel entitlements or collected.

*Relocation Advances to Employees* - Direct-hire employees are provided a relocation advance when appropriate.

*Prepaid Rent* - Prepaid Rent includes the advance payment for some of the residential and commercial office spaces in support overseas operations.

*Other Advance* - Other Advances includes PSC payroll and prepayments of expenses for IT maintenance costs.

**Note 8 Liabilities Not Covered by Budgetary Resources**

	September 30, 2016 (In Thousands)	September 30, 2015 (In Thousands)
Intragovernmental Liabilities		
Unfunded FECA Liability	\$ 29,973	\$ 32,983
Other Unfunded Employment Related Liability	72	90
Public Liabilities		
Unfunded Annual Leave	11,804	11,256
Other Unfunded Employment Related Liability	5,009	2,035
Federal Employee and Veteran Benefits	143,660	145,956
Liability for Non-Entity Assets	24,569	23,493
<b>Total Liabilities Not Covered by Budgetary Resources</b>	<b>\$ 215,087</b>	<b>\$ 215,813</b>
<b>Total Liabilities Covered by Budgetary Resources</b>	<b>\$ 40,782</b>	<b>\$ 36,820</b>
<b>Total Liabilities</b>	<b>\$ 255,869</b>	<b>\$ 252,633</b>

*Unfunded FECA Liability* - A liability for the direct dollar costs of compensation and medical benefits paid on the agency's behalf by DOL. Since the agency is dependent on annual appropriation, it will include the amount billed for the direct costs in its budget request two years later.

*Unfunded Annual Leave* - A liability for annual leave is accrued as leave is earned and paid when leave is taken or when the individual terminates. The balance represents the estimated value of annual leave earned but not taken as of September 30, 2016 for U.S.-hired employees. The valuation of the accrued annual leave for FSN employees and the foreign national PSCs has been estimated for this financial statement. There were 122 FSNs and 2,024 foreign national PSCs working for the Peace Corps at the end of September 30, 2016. Annual leave earned is based on local labor law requirements. Annual leave is paid out of current appropriations when taken.

*Unfunded Employment Related Liability* - A liability for the estimated severance of foreign national PSCs. Lump-sum payments are generally made to eligible international long-term personal services contractors based on local labor law requirements for separation. These payments are made when the individual terminates and are paid out of current appropriations.

*Federal Employee and Veteran Benefits* - A liability for the actuarial value of future payments for FECA as estimated by DOL for the agency.

*Liabilities Covered by Budgetary Resources* - Liabilities covered by budgetary resources include accounts payable for goods and service received by the agency, liability for the separation and retirement payments for eligible foreign service PSCs and FSNs, and other liabilities as shown in Note 9.

**Note 9 Other Liabilities**

	September 30, 2016 (In Thousands)	September 30, 2015 (In Thousands)
Intragovernmental		
Advances from Others	\$ -	\$ 19
Other Liabilities		
Contingent Liability (Note 11)	3	303
FSN and PSC Separation Liability	24,315	23,447
<b>Total Other Liabilities</b>	<b>\$ 24,318</b>	<b>\$ 23,769</b>

*Advances from Others* - The balance of amounts advanced by other federal entities for goods and services to be furnished (e.g., money advance for Small Project Assistance grants). All advances from others are considered current liabilities.

*Foreign Service National (FSN) Liability and Host Country Resident Personal Services Contractor (PSC) Separation Liability* - The estimated future liability cost to be paid to eligible FSNs and foreign national PSCs upon separation from the agency. FSN and PSC Separation Liability is considered a non-current liability.

**Note 10 Leases**

For overseas operations, Peace Corps rents residences, office space, and training facilities. Leases overseas contain a termination clause, allowing the agency to terminate any lease with a 30-90 day notice. Peace Corps leases are all operating leases and are considered cancellable.

The agency enters into Occupancy Agreements with the General Services Administration (GSA) for its building in Washington, DC and its regional recruiting offices throughout the continental U.S. GSA leases commercial facilities and provides spaces in federal buildings for occupancy by the agency. Occupational Agreements range from five to ten year terms, however, leased spaces can be vacated with a 120 day notice to GSA. Future operating lease payments for domestic leases are depicted below:

Fiscal Year	Future Lease Payments (In Thousands)
Fiscal Year 2017	\$ 7,272
Fiscal Year 2018	4,673
Fiscal Year 2019	1,026
Fiscal Year 2020	898
Fiscal Year 2021	779
After Fiscal Year 2021	374
<b>Total Future Lease Payments</b>	<b>\$ 15,022</b>

**Note 11 Commitments and Contingencies**

In the opinion of the management and legal counsel, the agency is liable for contingent liabilities related to administrative proceedings, legal actions, or claims associated with employee grievances that are probable and measurable in the amount of \$2,800 as of September 30, 2016. These contingencies are considered current liabilities.

Disclosure is required if there is a reasonable possibility that a loss may be incurred. The likelihood of a reasonable possibility of a loss related to administrative proceedings, legal actions, or claims related to employee grievances are estimated to be \$480,000 as of September 30, 2016.

**Note 12 Intragovernmental Costs and Exchange Revenue**

	September 30, 2016 (In Thousands)	September 30, 2015 (In Thousands)
Intragovernmental Costs	\$ 79,406	\$ 71,694
Intragovernmental Earned Revenue	(8,786)	(9,744)
<b>Total Intragovernmental</b>	<b>\$ 70,620</b>	<b>\$ 61,950</b>
Public Costs	\$ 340,283	\$ 320,622
Public Earned Revenue	(204)	(373)
<b>Total Public</b>	<b>\$ 340,079</b>	<b>\$ 320,249</b>
<b>Total Net Cost</b>	<b>\$ 410,699</b>	<b>\$ 382,199</b>

Intragovernmental activity represents the costs of goods and services provided to other federal agencies. Costs of goods and services and any revenue earned from outside federal sources are classified as public costs.

Exchange revenues represent revenue from services provided. This includes reimbursable agreements from other government agencies such as U.S. Agency for International Development sponsored HIV/AIDS education, prevention, and mitigation activities; and umbrella programs covering environment, health, youth, micro-enterprise, and Small Project Assistance technical assistance.

**Note 13 Apportionment Categories of Obligations Incurred: Direct vs. Reimbursable**

	September 30, 2016 (In Thousands)		September 30, 2015 (In Thousands)	
	Direct	Reimbursable	Direct	Reimbursable
Category A	\$ 421,692	\$ 9,050	\$ 418,003	\$ 10,468
Exempt from Apportionment	6,517	-	3,427	-
<b>Total Obligations Incurred</b>	<b>\$ 428,209</b>	<b>\$ 9,050</b>	<b>\$ 421,430</b>	<b>\$ 10,468</b>

All obligations incurred are Category A or Exempt from Apportionment.

**Note 14 Undelivered Orders at the End of the Period**

	September 30, 2016 (In Thousands)	September 30, 2015 (In Thousands)
<b>Undelivered Orders - End of Period</b>	<b>\$ 90,353</b>	<b>\$ 95,860</b>

The undelivered orders are budgetary obligations with and without advances/prepayments placed against federal budget authority where goods or services have yet to be received.

**Note 15 Explanation of Differences between the SBR and the Budget of the U.S. Government**

(In Millions)	Budgetary Resources FY 2015	Obligations Incurred FY 2015	Net Outlays FY 2015
Combined Statement of Budgetary Resources	\$ 501	\$ 432	\$ 386
Budget of the U.S. Government	494	431	388
<b>Difference</b>	<b>\$ 7</b>	<b>\$ 1</b>	<b>\$ (2)</b>

The Budget of the United States (also known as the President's Budget), with actual numbers for FY 2016 was not published at the time that these financial statements were issued. The President's Budget is expected to be published in February 2017, and can be located at the OMB website <http://www.whitehouse.gov/omb/budget> and will be available from the U.S. Government Printing Office. The above chart displays the differences between the Combined Statement of Budgetary Resources (SBR) in the FY 2015 Performance and Accountability Report and the actual FY 2015 balances included in the FY 2017 President's Budget. The differences are attributable to activities associated with expired funds that are excluded from the President's Budget.

**Note 16 Fiduciary Activities**

Schedule of Fiduciary Activity (In Thousands)	HCC Cash 2016	HCC Cash 2015	HCC In-Kind 2016	HCC In-Kind 2015
Fiduciary Net Assets, Beginning	\$ 817	\$ 746	\$ -	\$ -
Contributions	539	604	3,053	2,803
Disbursements	(600)	(606)	(3,053)	(2,803)
Increase/(Decrease) in Fiduciary Net Assets	(61)	(2)	-	-
<b>Fiduciary Net Assets, Ending</b>	<b>\$ 756</b>	<b>\$ 744</b>	<b>\$ -</b>	<b>\$ -</b>
Schedule of Fiduciary Net Assets (In Thousands)	HCC Cash 2016	HCC Cash 2015	HCC In-Kind 2016	HCC In-Kind 2015
Fiduciary Net Assets				
Cash and Cash Equivalents	\$ 763	\$ 745	\$ -	\$ -
Less: Liabilities	7	1	-	-
<b>Total Fiduciary Net Assets</b>	<b>\$ 756</b>	<b>\$ 744</b>	<b>\$ -</b>	<b>\$ -</b>

Host Country Contributions are provided to Peace Corps by the host government and are accepted under the authority of Section 22 U.S.C. 2509(a)(4) of the Peace Corps Act. These contributions indicate host country support for the Peace Corps and help defray expenses, enabling the agency to use its budget more effectively. The host country retains ownership though the funds are deposited to special foreign currency accounts in the U.S. Treasury. In the event the funds are not used, funds are returned to the host country. The agency receives cash and in-kind contributions from host countries for services, supplies, equipment, and facilities.

**Note 17 Reconciliation of Net Cost of Operations (Proprietary) to Budget**

	September 30, 2016 (In Thousands)	September 30, 2015 (In Thousands)
<b>Resources Used to Finance Activities:</b>		
<b>Budgetary Resources Obligated:</b>		
Obligations Incurred	\$ 437,259	\$ 431,898
Less: Spending Authority from Offsetting Collections and Recoveries	(30,389)	(25,850)
Less: Offsetting Receipts	(2,746)	(1,616)
<b>Net Obligations</b>	<b>404,124</b>	<b>404,432</b>
Transfers In/Out Without Reimbursement (+/-)	771	(65)
Imputed Financing from Costs Absorbed by Others	7,341	5,223
<b>Total Resources Used to Finance Activities</b>	<b>412,236</b>	<b>409,590</b>
<b>Resources Used to Finance Items Not Part of the Net Cost of Operations:</b>		
Resources Obligated for Future Costs - Goods Ordered but Not Yet Provided	2,159	(21,176)
Resources that Finance the Acquisition of Assets	(10,696)	(14,158)
Other (+/-)	(110)	1,183
<b>Total Resources Used to Finance Items Not Part of the Net Cost</b>	<b>(8,647)</b>	<b>(34,151)</b>
<b>Total resources used to finance the net cost of operations</b>	<b>403,589</b>	<b>375,439</b>
<b>Components of Net Cost that Will Not Require or Generate Resources in the Current Period:</b>		
Increase (decrease) in Actuarial Liability	(2,297)	(3,151)
Depreciation and Amortization	9,257	7,584
Other (+/-)	150	2,327
<b>Total Components of Net Cost that will not require or generate resources</b>	<b>7,110</b>	<b>6,760</b>
<b>Net Cost of Operations</b>	<b>\$ 410,699</b>	<b>\$ 382,199</b>

The Reconciliation of Net Cost of Operations (Proprietary) to Budget reflects the budgetary and non-budgetary sources that fund the Net Cost of Operations for the agency.

**Note 18 Imputed Financing**

	September 30, 2016 (In Thousands)	September 30, 2015 (In Thousands)
<b>Federal Employees Health Benefit Program</b>		
Federal Employees Group Life Insurance Program	\$ 6,497	\$ 4,796
Civil Service Retirement System	19	16
Federal Employees Retirement System	1,376	423
Foreign Service Retirement and Disability System	(569)	(32)
<b>Total Imputed Costs</b>	<b>\$ 7,341</b>	<b>\$ 5,223</b>

Imputed financing recognizes actual costs of future benefits which include the Federal Employees Health Benefit Program, Federal Employees Group Life Insurance Program, and pension benefits paid by other federal entities.

## INSPECTOR GENERAL'S AUDIT TRANSMITTAL LETTER



### Office of Inspector General

To: Carrie Hessler-Radelet, Director  
From: Kathy A. Buller, Inspector General   
Date: November 7, 2016  
Subject: Audit of the Peace Corps' Fiscal Year 2016 Financial Statements

This letter transmits the reports of Kearney & Company, P.C. (Kearney) on its financial statement audit of the Peace Corps' Fiscal Year (FY) 2016 Financial Statements. As required by the Accountability of Tax Dollars Act of 2002, the Peace Corps prepared financial statements in accordance with Office of Management and Budget (OMB) Circular No. A-136, *Financial Reporting Requirements*, and subjected them to audit.

#### Independent Auditor's Reports on the Financial Statements, Internal Control over Financial Reporting, and Compliance with Laws, Regulations, Contracts, and Grant Agreements

We contracted with Kearney, an independent certified public accounting firm, to audit the Peace Corps' consolidated financial statements as of September 30, 2016 and 2015. The contract required that the audit be done in accordance with U.S. *Generally Accepted Government Auditing Standards* (GAGAS), OMB audit guidance, and the *Government Accountability Office/President's Council on Integrity and Efficiency Financial Audit Manual*.

Kearney's reports for FY 2016 include: (1) an opinion on the financial statements, (2) conclusions on internal control over financial reporting, and compliance with applicable provisions of laws, regulations, contracts, and grant agreements. In its audit of the Peace Corps, Kearney found:

- The financial statements were fairly presented, in all material respects, in conformity with GAGAS principles.
- There were no material weaknesses in internal control.<sup>1</sup>
- Three significant deficiencies related to internal control were disclosed by Kearney.<sup>2</sup>

<sup>1</sup> A material weakness is defined as a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

<sup>2</sup> A significant deficiency is defined as a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

- Lack of effective information technology security. Kearney cited continuous monitoring and the agency's risk management program as areas needing improvement.
  - Gaps related to managing property, plant, and equipment. Kearney indicated a need for effective procedures to identify, track, reconcile, and record property.
  - Improper and untimely processing of personnel actions. Kearney cited a lack of proper oversight and controls.
- Two instances of reportable noncompliance were found relating to compliance with applicable provisions of laws, regulations, contracts, and grant agreements which are required to be reported under GAGAS or OMB guidance. Kearney found that the Peace Corps did not fully comply with:
    - The Federal Information Security Modernization Act of 2014 pertaining to continuous monitoring and the agency's risk management program.
    - The Ethics in Government Act of 1978 associated with the untimely filing of annual Public Financial Disclosure Reports.

#### OIG Evaluation of Kearney's Audit Performance

In connection with the contract, we reviewed Kearney's reports and related documentation and inquired of its representatives. Our review, as differentiated from an audit in accordance with GAGAS, was not intended to enable us to express, and we do not express, opinions on the Peace Corps' financial statements or conclusions about the effectiveness of internal control or compliance with laws, regulations, contracts, and grant agreements. Kearney is responsible for the attached auditor's reports dated November 7, 2016 and the conclusions expressed in the reports. However, our review disclosed no instances where Kearney did not comply in all material respects with GAGAS.

We would like to express our appreciation to the Peace Corps staff involved in working with the auditors and issuing the financial statements within the established OMB milestones. If you or a member of the Peace Corps staff has any questions about Kearney's audit or our oversight please contact me, or Assistant Inspector General for Audit Judy Leonhardt at 202-692-2914.

#### Attachment

cc: Carlos Torres, Deputy Director  
Laura Chambers, Chief of Staff  
Joseph L. Hepp, Jr., Chief Financial Officer  
Francisco Reinoso, Chief Information Officer  
Anne Hughes, Chief Compliance Officer

## AUDITOR'S REPORT



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1701 Duke Street, Suite 500, Alexandria, VA 22314  
PH: 703.931.5600, FX: 703.931.3655, [www.kearneyco.com](http://www.kearneyco.com)

### INDEPENDENT AUDITOR'S REPORT

To the Director and Inspector General of United States Peace Corps

#### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of the United States Peace Corps (Peace Corps), which comprise the consolidated balance sheets as of September 30, 2016 and 2015, the related consolidated statements of net cost and changes in net position, and the combined statements of budgetary resources (hereinafter referred to as the “consolidated financial statements”) for the years then ended, as well as the related notes to the consolidated financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 15-02, *Audit Requirements for Federal Financial Statements*. Those standards and OMB Bulletin No. 15-02 require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Peace Corps as of September 30, 2016 and 2015 and its net cost of operations, changes in net position, and budgetary resources for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information (hereinafter referred to as the "required supplementary information") be presented to supplement the consolidated financial statements. Such information, although not a part of the consolidated financial statements, is required by OMB and the Federal Accounting Standards Advisory Board (FASAB), who consider it to be an essential part of financial reporting for placing the consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the consolidated financial statements, and other knowledge we obtained during our audits of the consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. Other Information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements; accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards* and OMB Bulletin No. 15-02, we have also issued a report, dated November 7, 2016, on our consideration of the Peace Corps' internal control over financial reporting and on our tests of the Peace Corps' compliance with provisions of applicable laws, regulations, contracts, and grant agreements, as well as other matters for the



year ended September 30, 2016. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance and other matters. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and OMB Bulletin No. 15-02 and should be considered in assessing the results of our audits.

A handwritten signature in blue ink that reads "Kearney &amp; Company".

Alexandria, Virginia  
November 7, 2016



1701 Duke Street, Suite 500, Alexandria, VA 22314  
PH: 703.931.5600, FX: 703.931.3655, [www.kearneyco.com](http://www.kearneyco.com)

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND COMPLIANCE WITH LAWS, REGULATIONS,  
CONTRACTS, AND GRANT AGREEMENTS**

To the Director and Inspector General of the United States Peace Corps

We have audited the consolidated financial statements of the United States Peace Corps (Peace Corps) as of and for the year ended September 30, 2016, and we have issued our report thereon dated November 7, 2016. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 15-02, *Audit Requirements for Federal Financial Statements*.

**Internal Control over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Peace Corps' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Peace Corps' internal control. Accordingly, we do not express an opinion on the effectiveness of the Peace Corps' internal control. We limited our internal control testing to those controls necessary to achieve the objectives described in OMB Bulletin No. 15-02. We did not test all internal controls relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982 (FMFIA), such as those controls relevant to ensuring efficient operations.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies; therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We identified certain



deficiencies in internal control, described in the accompanying Schedule of Findings, that we consider to be significant deficiencies.

We noted certain additional matters involving internal control over financial reporting that we will report to the Peace Corps' management in a separate letter.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Peace Corps' consolidated financial statements are free from material misstatement, we performed tests of its compliance with provisions of applicable laws, regulations, contracts, and grant agreements, with which noncompliance could have a direct and material effect on the determination of consolidated financial statement amounts. We limited our tests of compliance to these provisions and did not test compliance with all laws, regulations, contracts, and grant agreements applicable to the Peace Corps. Providing an opinion on compliance with those provisions was not an objective of our audit; accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings.

### **The Peace Corps' Response to Findings**

The Peace Corps' response to the findings identified in our audit is described in a separate memorandum attached to this report. The Peace Corps' response was not subjected to the auditing procedures applied in our audit of the consolidated financial statements; accordingly, we do not express an opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, as well as the results of that testing, and not to provide an opinion on the effectiveness of the Peace Corps' internal control or on compliance and other matters. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and OMB Bulletin No. 15-02 in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Kearney &amp; Company".

Alexandria, Virginia  
November 7, 2016



## Schedule of Findings

### Significant Deficiencies

#### I. Information Technology Security (Repeat Condition)

The Peace Corps' information technology (IT) internal control structure did not include a comprehensive risk analysis, proof of effective monitoring of design and performance, or evidence of an ability to identify and respond to changing risk profiles. The Peace Corps' IT control environment included design and operation weaknesses that, when combined, are considered to be a significant deficiency, as summarized below:

- During fiscal year (FY) 2016, the Office of the Chief Information Officer (OCIO) continued the process of implementing a Continuous Monitoring Program. However, OCIO was not able to fully implement it at the information system level in accordance with its current Information Security Continuous Monitoring (ISCM) strategy. The Federal Information Security Modernization Act of 2014 (FISMA) Review Team identified the following control deficiencies:
  - The Peace Corps Security Control Assessor's standard operating procedures (SOP) state that the Security Control Assessor will produce a Security Assessment Report (SAR) and Risk Assessment Report for each system on an annual basis; however, neither a SAR nor a Risk Assessment Report were completed for one of the four sampled systems.
  - One of four sampled information systems was put into production with live data without a completed or approved authorization package.
- The Peace Corps does not have a robust agency-wide Risk Management Program to manage information security risks. While OCIO formalized an overall risk management strategy in February 2014, there was no evidence that demonstrated that the agency was able to identify, assess, respond to, and monitor information security risk at the entity or business process levels. The Senior Assessment Team holds regular meetings with the Chief Information Officer (CIO) and Risk Executive to discuss the agency's risk posture; however, this process does not follow any formal standard. In addition, the Peace Corps has not developed relevant security policies and procedures to effectively manage the FISMA system inventory, establish system boundaries, and conduct appropriate security testing and evaluation as part of the Security Assessment and Authorization (SA&A) process. Specifically, the FISMA Review Team identified the following control deficiencies:
  - The Peace Corps does not have policies and procedures to identify and track an accurate system inventory.
  - All System Security Plans (SSP) inspected were not appropriately signed.



- The Peace Corps Medical Electronic Documentation & Inventory Control System (PCMEDICS) Authorization to Operate (ATO) was not signed by an authorizing official.
- The Peace Corps does not have policies or procedures for tailoring controls for systems called "Moderate Plus," which is outside the Federal Information Processing Standards (FIPS) Publication (PUB) 199 designations of "low," "moderate," or "high."
- Two approved ATO documents had inaccurate information, including copy-pasted description fields.
- Agency Customer Relationship Management (CRM)/Coordinated Agency Response System (CARS) did not complete a privacy impact assessment.

As defined in Generally Accepted Government Auditing Standards (GAGAS), information system controls consist of those internal controls that are dependent on information systems processing and include general and application controls. General and application controls, while effective, may not be sufficient to address and minimize the risks due to weaknesses in the Peace Corps' Information Security Program. Information Security Program policies and procedures apply to most, if not all, of the Peace Corps' information systems. The effectiveness of these procedures is a significant factor in determining the confidentiality, integrity, and availability of the information contained in the applications.

The lack of a comprehensive Continuous Monitoring Program prevents the Peace Corps from clearly understanding the security state of all of its systems over time. It also prevents the agency from effectively monitoring a dynamic IT environment with changing threats, vulnerabilities, technologies, business processes/functions, and critical missions. Without a fully implemented Continuous Monitoring Program, potential damage to agency systems could occur, which may result in system downtime, unauthorized access, changes to data, data loss, or operational failure.

Without effectively implementing a comprehensive risk management process at the agency level, the Peace Corps may be unable to address the root causes associated with existing information security risks. In addition, appropriate resources may not be effectively assigned to make the correct risk decisions to ensure the results align with the agency's business priorities.

**Recommendation #1:** Kearney & Company, P.C. (Kearney) recommends that the Peace Corps' OCIO:

- Develop and adhere to a formal project plan to assign the proper resources required to fully implement all components of its current ISCM strategy.
- In coordination with the Risk Executive, continue to implement a risk management strategy that identifies, assesses, and remediates security-related risks at all levels, consistent with FISMA requirements and National Institute of Standards and Technology (NIST) Special Publication (SP) 800-39.
- Perform an SA&A on all FISMA-reportable systems in accordance with its risk management strategy.



- Perform a thorough and expedited SA&A on the system without a completed or approved authorization package in the next 90 days. If the SA&A has not been completed within the timeframe allotted, this system should be removed from the network until the appropriate security reviews and approvals have been made.
- Complete a privacy impact assessment for CRM/CARS in the next 30 days.



## II. Property, Plant, and Equipment (Upgraded Modified Repeat Condition)

Agency management is responsible for the design and operation of the Property, Plant, and Equipment (PP&E) internal control framework. This control framework should include policies, procedures, reviews, and approvals to ensure that long-lived assets are properly identified and all acquisition costs are accurately captured. Agencies should also confirm that property purchases and dispositions are recorded accurately, supported by appropriate documentation, and recorded timely to ensure the completeness and accuracy of property balances on the Balance Sheet.

Absence of a comprehensive internal control framework may result in erroneous consolidated financial statements, theft, lack of accountability, waste, fraud, abuse, and lack of responsiveness to changing risk and threats.

The Peace Corps' property includes land and structures permanently attached to land, as well as leasehold improvements, vehicles, IT hardware, and other tangible items. Additionally, the Peace Corps accumulates project costs in Construction in Progress (CIP) until the asset is placed into service.

The Peace Corps uses several non-integrated systems, such as the Fixed Assets Module, Vehicle Management Information System (VMIS), and Sunflower to track, manage, and record personal property transactions in the financial records. During Kearney's audit procedures, we noted the following issues related to PP&E:

- Kearney identified PP&E internal control gaps in the area of reconciliation of asset listings and the overall controls that are in place to ensure that the PP&E included in the consolidated financial statements is accurate and free from material misstatements. The points listed below illustrate the control gaps and processes noted:
  - **Reconciliation of Asset Listings** – The Peace Corps maintains several inventory tracking systems for the various categories of PP&E. For vehicles, it maintains a detailed vehicle tracking system (VMIS) and a “master” vehicle tracking spreadsheet. IT hardware, equipment, and furniture are tracked using Sunflower. Land, buildings, leasehold improvements, and internal use software are tracked individually in coordination with the responsible offices. Data between these inventory management tracking systems and the asset management system (Odyssey Fixed Assets Module) is not automatically interfaced, which requires the involvement of multiple offices to assess the completeness and accuracy of asset management records. For example:
    - The Peace Corps has not developed an effective reconciliation process to identify differences between the personal property tracked in Sunflower and the Odyssey Fixed Assets Module subsidiary ledger in a timely manner.
  - **Asset Impairment and Obsolescence Procedures** – For assets tracked in Sunflower, the Peace Corps does not have sufficient standardized procedures regarding the identification and subsequent accounting treatment of obsolete and impaired assets.



This may lead to inconsistent treatment among posts and potentially erroneous financial statements.

- **PP&E Balances** – Kearney analyzed property balances, acquisitions, and disposals transactions recorded by the Peace Corps from October 1, 2015 to September 30, 2016. We reviewed the September 30, 2016 Odyssey Fixed Assets Additions Report and identified errors relating to the timeliness of recording assets into the property records. Of the 1,719 property additions recorded on the books in fiscal year (FY) 2016, Kearney noted the following:
  - o There were 894 property additions placed into service in previous FYs and properly capitalized and recorded on the balance sheet in the appropriate year, but not appropriately depreciated in the year which the asset was placed in service. This resulted in a depreciation expense understatement of \$103,695 as of September 30, 2015.
  - o There were 413 property additions placed into service in previous FYs but not capitalized or recorded on the balance sheet until FY 2016, resulting in a PP&E understatement of \$279,635 as of September 30, 2015. These property additions were also not depreciated in the year which the asset was placed in service. This resulted in a depreciation expense understatement of \$27,888 as of September 30, 2015.
  - o There were 10 assets purchased during FY 2016 that were properly capitalized and recorded on the balance sheet in FY 2016, but were not placed into service and, therefore, not depreciated in FY 2016. This resulted in a depreciation expense understatement of \$9,402 as of September 30, 2016.

The Peace Corps cannot ensure complete and accurate financial information regarding PP&E. The inability to address these weaknesses results in the following:

- Loss of asset accountability, which introduces operational risk related to the ability to execute the Peace Corps' mission.
- Decrease in the uniformity and standardization of procedures, resulting in inconsistent treatment of assets and increasing the difficulty in completing consolidated reports.
- Increase in the likelihood of financial reporting misstatements due to delayed recognition of asset impairments.

The untimely processing of property transactions may not ensure accurate reporting and disclosure of its PP&E on the financial statements and, thus, may result in misstatements in the Peace Corps' financial statements, as well as incomplete or inaccurate property data used in making management and budgeting decisions.



**Recommendation #2:** Kearney recommends that the Peace Corps enhance its overall control environment in relation to PP&E by performing the following:

- Develop an effective reconciliation process to identify differences between the personal property tracked in Sunflower and the Odyssey Fixed Assets Module subsidiary ledger in a timely manner.
- Develop standardized procedures, as appropriate, to identify and account for damaged, obsolete, or otherwise impaired PP&E.
- Refine existing policies and procedures to include developing a dashboard to track delinquent reporting of additions/disposals for financial reporting purposes.



### III. Improper and Untimely Processing of Personnel Actions (New Condition)

The Peace Corps processes personnel actions when an employee is hired or an existing employee has a change in personnel status, such as resignation, retirement, or promotion. These personnel actions are documented either on the Standard Form (SF)-50 (Notification of Personnel Action) or the Joint Form (JF)-62A (Personal Services Contracting Action). Failure to process these without approved supporting documentation timely and accurately can result in erroneous compensation payments and violations of labor laws.

The Office of Personnel Management's (OPM) authority to prescribe reporting requirements covering personnel actions can be found in Section 2951, Title 5, United States Code (U.S.C.). In addition, Executive Order 12107 delegates the authority to OPM to prescribe regulations relating to the establishment, maintenance, and transfer of official personnel folders.

Kearney selected a sample of 26 new hire personnel actions out of a population of 293 and noted that four employees were entered into the Human Resources (HR) Entry, Processing, Inquiry, and Correction (EPIC) system and approved by the Director of HR after their effective date of employment, which is the date the employee started working at Peace Corps in their new position. While the employee was working, the required approvals were not obtained until after they were entered into EPIC and the National Finance Center (NFC) payroll database.

Sample	Effective Date of Employment	SF-52	SF-50	Number of Days without HR Approval
		Supervisor Approval Date	Director of HR Approval Date	
Employee #1	January 24, 2016	January 27, 2016	February 1, 2016	8 days
Employee #2	February 7, 2016	February 10, 2016	February 10, 2016	3 days
Employee #3	April 3, 2016	April 11, 2016	April 18, 2016	8 days
Employee #4	June 12, 2016	Unavailable	June 30, 2016	18 days

Additionally, two employees were paid prior to their approved effective date of employment.

Sample	Effective Date of Employment	SF-52	SF-50	Pay Period Paid	Pay Period Approved	Number of Days Paid w/o Approval
		Supervisor Approval Date	Director of HR Approval Date			
Employee #3	April 3, 2016	April 11, 2016	April 18, 2016	07	08	10
Employee #4	June 12, 2016	Unavailable	June 30, 2016	12	13	14



We also noted that the Chief of Staff approved an expert selection memo on July 14, 2016 after the expert's employment effective date of June 12, 2016.

Lastly, during Kearney's review of the 26 new hire and 25 separation actions out of a population of 172, we noted that the approving official on the SF-50s was no longer employed by Peace Corps for six of the new hire and eight of the separations actions. This situation occurred because this approval is automated (i.e., Peace Corps employees were using an electronic signature of the former employee). The approval signature is generated automatically during the SF-50 creation process at NFC. Peace Corps does not have a control in place over the review and approval of SF-50s. While we tested new hire and separation personnel actions, the approval process issue could have occurred during the creation of any SF-50 personnel action (e.g., promotion, step increase, new hire, separation, etc.).

The potential for improper payment and violation of labor laws and regulations exists if personnel actions are not processed properly. In addition, the lack of proper oversight of all personnel actions and the absence of the approved expert selection memo may result in errors remaining undetected and uncorrected for long periods of time.

**Recommendation #3:** Kearney recommends that the Peace Corps:

- Develop appropriate SF-50 approval procedures, especially related to electronic approvals to ensure that when an authorizing official leaves the agency all electronic approvals associated with that official be updated immediately to indicate the replacement authorizing official.
- Develop an SF-50 approval control at the NFC level or a Peace Corps compensating control for the review and approval of SF-50s.
- Develop procedures to ensure that personnel actions and the expert selection memos are executed on or before the effective date and have the appropriate approvals before they are processed.
- Develop monitoring procedures that will ensure accurate processing of personnel actions, including periodic reviews of documentation
- Provide training to HR staff on policies and procedures related to the entry of employees into EPIC.

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<sup>1</sup> *Independent Auditor's Report on the Peace Corps' 2015 and 2014 Financial Statements*



## Noncompliance and Other Matters

### **IV. FISMA (Repeat Condition)**

FISMA requires agencies to provide information security controls commensurate with the risk and potential harm of not having those controls in place. The heads of agencies and Offices of Inspectors General (OIG) are required to annually report on the effectiveness of the agencies' security programs.

As noted in its Assurance Statement, the Peace Corps disclosed an instance of noncompliance with FISMA that is required to be reported under *Government Auditing Standards* and OMB Bulletin No. 15-02.

By not complying with FISMA, the Peace Corps has potentially weakened security controls, which could adversely affect the confidentiality, integrity, and availability of information and information systems.

### **V. Ethics in Government Act of 1978 (Repeat Condition)**

The Ethics in Government Act of 1978, as amended on October 26, 1978, requires senior officials in the Executive, Legislative, and Judicial branches to file public reports of their finances, as well as other interests outside the Government. The primary purpose of this disclosure is to assist agencies in identifying potential conflicts of interest between a filer's official duties and their private financial interests and affiliations. As such, the Peace Corps' Senior Executive Service employees are required to annually complete and file Public Financial Disclosure Reports (Office of Government Ethics [OGE]-278) to declare their financial assets and affiliations. OGE-278s are to be filed within 30 days of appointment or termination or by May 15 of that calendar year, whichever is later.

The Designated Agency Ethics Official (DAEO) is responsible for reviewing all OGE-278s to determine if any actual or potential conflicts of interest exist between the filer's public responsibilities and private interests and activities within 60 days of the filing date. Timely submission of the OGE-278 allows the filer and the Peace Corps to address such conflicts when they first appear and take appropriate actions to protect the filer and the Peace Corps.

In evaluating all of the Peace Corps' 31 Public Financial Disclosure Forms (i.e., OGE-278), Kearney noted the following exceptions:

- On May 11, 2016, the Acting Director for Management notified the Office of General Counsel (OGC) that he assumed the covered position for 120 days (May 1, 2016 to August 31, 2016). A New Entrant OGE-278e was not submitted by the due date of May 31, 2016.
- The Acting Associate Director in the Office of Volunteer Recruitment and Selection (VRS) assumed the covered position on October 30, 2015. The Acting Associate



Director in VRS completed the New Entrant OGE-278e on January 4, 2016 but did not complete an annual OGE Form 278e by the annual filing deadline of May 25, 2016.

Untimely completion of an OGE Form 278e could cause potential conflicts of interest between the filer's official Government duties and private financial interests. It can result in affiliations going undetected and unresolved for extended periods of time. The Peace Corps may be exposed to negative publicity and legal events if apparent and/or actual conflicts of interest and violations of Federal ethics laws and regulations are not disclosed and remediated in a timely manner.



## APPENDIX A: STATUS OF PRIOR YEAR DEFICIENCIES

Three issues were noted relating to internal control over financial reporting in the *Independent Auditor's Report on Internal Control over Financial Reporting and Compliance with Applicable Provisions of Laws, Regulations, Contracts, and Grant Agreements* on the Peace Corps' FY 2015 consolidated financial statements.<sup>1</sup> The table below presents a summary of the current-year status of these issues.

**Prior-Year Deficiencies**

Deficiency	2016 Status	2015 Status
Information Technology Internal Control Environment	Significant Deficiency	Significant Deficiency
Untimely De-Obligation of Unliquidated Obligations	Management Letter	Significant Deficiency
Budgetary Accounting	Closed	Significant Deficiency

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<sup>1</sup> *Independent Auditor's Report on the Peace Corps' 2015 and 2014 Financial Statements*

## AGENCY COMMENTS TO THE INDEPENDENT AUDITOR'S REPORT

The Peace Corps has reviewed the Independent Auditor's Report and concurs with the findings in the report. Management is committed to addressing the recommendations provided in the Independent Auditor's Report; corrective actions have been established for execution in FY 2017.

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## OTHER INFORMATION





## INSPECTOR GENERAL'S STATEMENT ON THE PEACE CORPS' MANAGEMENT AND PERFORMANCE CHALLENGES



### Office of Inspector General

**TO:** Carrie Hessler-Radelet, Peace Corps Director  
Anne Hughes, Chief Compliance Officer

**FROM:** Kathy A. Buller, Inspector General 

**SUBJECT:** Inspector General's Statement on the Peace Corps' Management and Performance Challenges

**DATE:** October 28, 2016

In accordance with the Reports Consolidation Act of 2000, the Office of Inspector General (OIG) is submitting what it has determined to be the most significant management and performance challenges facing the Peace Corps. The challenges discussed in the attachment to this memo are to be included in the Agency Financial Report for fiscal year (FY) 2016.

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

- Information Technology Security Management (first reported in FY 2009)
- Business Processes (first reported in FY 2011)
- Excessive Personnel Turnover (first reported in FY 2012)
- Training Overseas Staff (first reported in FY 2014)
- Acquisitions and Contract Management (FY 2015)
- Volunteer Health and Safety (new for FY 2016)

These challenges illustrate the most significant areas OIG believes need improvement in order 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.

Attachment

cc: Carlos Torres, Deputy Director  
Laura Chambers, Chief of Staff  
Becca Sharp, Deputy Chief of Staff  
Lyzz Ogunwo, White House Liaison  
Kathy Stroker, Acting General Counsel  
Carl Sosebee, Senior Advisor  
Joseph Hepp, Chief Financial Officer  
Paul Shea, Deputy Chief Financial Officer  
Linda Brainard, Chief Acquisition Officer  
Francisco Reinoso, Chief Information Officer  
Steve Fabry, Acting Deputy Chief Information Officer  
William Stoppel, Acting Associate Director, Office of Management  
Paul Jung, Associate Director, Office of Health Services  
Sheila Crowley, Acting Associate Director, Volunteer Recruitment and Selection  
Jeremy Haldeman, Associate Director, Office of External Affairs  
Shawn Bardwell, Associate Director for Safety and Security  
Ken Yamashita, Associate Director, Office of Global Operations  
Cathryn Thorup, Director, Office of Strategic Information, Research, and Planning  
Sonia Stines Derenoncourt, Director, Office of Overseas Programming and Training  
Marie McLeod, Director, Office of Global Health and HIV  
Thomas Ross, Acting Director, Peace Corps Response  
Monina Bantug, Expert, Office of the Chief Financial Officer

## 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 sources, and minimize the risk of having sensitive data compromised. Federal laws and regulations governing IT security are designed to strengthen an agency's management of its operations. They also provide significant guidance to help prevent serious information security incidents. The Federal Information Security Management Act of 2002 (FISMA), as amended, is central to the federal IT security program.<sup>1</sup> The objective of FISMA is to develop a comprehensive framework to protect government information, operations, and assets. Since FY 2009, OIG has reported in its management and performance challenges that the Peace Corps has not achieved full compliance with FISMA or fully implemented an effective IT security program. Some of the identified issues have been outstanding for over seven years, and the agency has struggled to implement corrective actions.

Further complicating this challenge, the Peace Corps has been trying to modernize its IT environment. Despite good intentions, the agency has not paid adequate attention to IT security and its implications for the network and sensitive information. For example, in FY 2015, the Peace Corps participated in a cloud email pilot program with the General Services Administration. This program did not follow the proper acquisition policies or processes, and the agency did not conduct a standard security assessment prior to initiating the pilot. Based on an OIG recommendation, the agency began implementing policies to review IT security as a key part of acquisition when pursuing cloud services. However, since 2013 there has been an outstanding FISMA finding that the agency has not adequately tracked or monitored contract agreements and memorandums of understanding in its official security repository.

### Progress in Addressing the Challenge

Peace Corps management has made some progress in strengthening IT security management programs and FISMA compliance, beginning with the onboarding of a new Chief Information Security Officer. The agency has developed and implemented user security awareness training and has begun implementing multi-factor authentication for network logins. However, a number of FISMA issue areas discussed in prior years' challenge statements have not been fully resolved.

For example, although management has started a continuous monitoring program, including documenting some agency systems and their associated risk, the program does not contain all the required components and remains incomplete. Some configuration management processes have not been fully implemented, and systems security assessment documentation has not been

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<sup>1</sup> FISMA was amended in December 2014 by the Federal Information Security Modernization Act of 2014 (Pub. L. No. 113-283).

completely updated and is not being reviewed periodically by key stakeholders. In addition, the Peace Corps has not fully implemented a comprehensive agency-wide risk management program that is effective in monitoring, identifying, and assessing security weaknesses, and resolving related problems at the entity, business process, and information system levels, in line with the National Institute of Standards and Technology Risk Management Framework.

### **What Needs to Be Done**

Achieving full compliance with FISMA and other federal laws and regulations that apply to managing the Peace Corps' IT security infrastructure is critical to having a program that is effective in ensuring the agency's information, operations, and assets are adequately protected.

The Peace Corps needs to place greater emphasis on improving its information security program, including accomplishing greater FISMA compliance and timely remediation of IT security weaknesses that have been identified internally and through the annual FISMA audit and other reviews.

The Peace Corps will need to place a sharper focus on improving its IT security program by assigning sufficient qualified personnel, and prioritizing the time and resources necessary to become fully FISMA compliant and eliminate weaknesses. Implementation of the Risk Management Framework will facilitate the tailoring of an information security program that meets the Peace Corps' mission and business needs across a decentralized organization.

### **Key OIG Resources**

[Peace Corps' FY 2015 Performance and Accountability Report](#)

[Management Advisory Report: The Peace Corps' Cloud Computing Pilot Program](#)

[OIG Semiannual Report to Congress, October 1, 2015 to March 31, 2016](#)

[Report on Protecting Sensitive Information in Peace Corps Computer Systems](#)

[FY 2015 Review of Peace Corps' Information Security Program](#)

## **Challenge: Business Processes**

### **Why This Is a Challenge**

Although the Peace Corps continues to improve key business processes and critical Volunteer support functions, as well as streamline its operations, it is constrained by decentralized processes and a lack of modern systems. Specifically, the agency continues to be challenged in areas related to data and property management.

#### ***Data Management***

Although the Peace Corps is working to modernize its businesses processes, OIG audits and evaluations have found that several essential business functions remain largely paper-based, including processes for travel, medical supply management, payment vouchers, and several

human resource functions (performance appraisals, training records, and travel compensation computation). In addition, the Peace Corps has updated certain HR functions, replacing previously automated processes with paper processes. The Peace Corps' lack of automated business processes has led to inefficiencies and a duplication of efforts, making data more prone to human error.

#### *Property Management*

At year end, the Peace Corps reported having a total property net book value of \$38.3 million. OIG and external audits at the Peace Corps have continued to find issues with the accuracy and completeness of property records. Effective property management can significantly reduce the risks associated with theft, fraud, or unexplained losses of agency assets. It also serves to improve the accuracy of financial reporting.

#### **Progress in Addressing the Challenge**

This section has been modified to reflect agency progress in improving safety and security business processes. The agency's safety and security program has begun to mature in recent years, with the development of more vigorous roles and responsibilities for the safety and security manager position, updated guidance materials, and more formal involvement of security experts in the hiring of overseas security personnel. The agency is currently working with the Department of State to revise and update the memorandum of understanding formalizing the relationship for overseas safety and security regarding Peace Corps staff and Volunteers.

The Peace Corps has implemented, and is working to implement, several systems to better manage agency records. Specifically, the Office of Volunteer Recruitment and Selection implemented the Database of Volunteer Experience to manage volunteer applicant data, and in August 2012, the Office of Health Services implemented a medical applicant exchange system. The agency has completed piloting an electronic medical records system that will provide online storage of Volunteer medical data. The system was fully implemented in October 2015.

In FY 2015 the agency initiated the development of a case management system which became operational in FY 2016.

Progress is also being made to address property management deficiencies. In FY 2015, the agency began implementing a new property management system to improve accountability over its assets. Presently, Peace Corps headquarters operations and approximately 40 percent of its overseas posts have taken the necessary steps to fully implement the new property management system. The remaining posts are in various stages of implementation while agency efforts continue to move toward transitioning 100 percent of its property into the new system.

## What Needs to Be Done

The agency needs to continue to assess its operations and modernize its business processes accordingly. Furthermore, agency business processes must also support effective internal control and provide for access to reliable data. Additionally, the Peace Corps needs to continue its focus on developing or acquiring more modern and automated systems to replace business processes that are manual or rely on inadequate systems. As automated systems are introduced in the Peace Corps environment, the agency must be diligent in ensuring that proper IT security controls are in place, as IT security has been a reported challenge area since 2009. See the Management Challenge section titled *Information Technology Security Management*.

## Key OIG Resources

- [Final Program Evaluation Report: Follow-up Evaluation of the Volunteer Delivery System](#)
- [Final Audit Report: Peace Corps Overseas Staffing](#)
- [Final Audit Report: Peace Corps Applicant Screening Process](#)
- [OIG's FY 2017 Annual Plan](#)
- [Management Advisory Report: Certification of Volunteer Payments](#)
- [Recurring Issues Report: Common Challenges Facing Peace Corps Posts, FYs 2012-2015](#)

## Challenge: Excessive Personnel Turnover

### Why This Is a Challenge

In June 2012, OIG issued a report on the impact of the “five-year rule” (FYR) on Peace Corps operations. The FYR became law in 1965 and limited employment of Peace Corps’ U.S. direct hire personnel to five consecutive years. OIG’s evaluation found that the FYR, as intended, enabled the agency 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. However, the FYR accelerated the annual pace of employee turnover to between 25 percent and 38 percent, quadruple the average turnover rate in the federal government. OIG estimated that over the five-year period from 2005 to 2009, excessive turnover driven by the FYR accounted for approximately 60 percent of \$20.7 million in total turnover management costs.<sup>2</sup>

Excessive personnel turnover at the Peace Corps exacerbated a range of common management challenges. It has undermined the agency’s ability to retain employees on the basis of performance; to conduct succession planning; to manage the continuity and transfer of essential knowledge, skills, and abilities; to provide training and professional development to

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<sup>2</sup> This estimate only included direct costs and did not take into account costs that were more difficult to quantify, including the loss of expertise when high-performing staff appointments ended, reductions in productivity, or gaps in institutional memory and knowledge.

staff; and to deploy its workforce efficiently. In addition, the FYR weakened the agency's ability to attract and retain highly qualified professionals in the areas of contracting, financial management, information technology, human resources management, and medical support. It has also led to frequent staffing gaps in mission-critical positions overseas.

In 2013, OIG reported on challenges related to hiring overseas staff in its audit report on Peace Corps Overseas Staffing. OIG reported that the agency struggled to maintain a robust pool of qualified applicants and ensure positions were filled in a timely manner. It had difficulty managing hiring and administrative timelines for open positions, maintaining consistency in the interview and hiring process, planning for transfers, and dealing with unexpected vacancies. These challenges were aggravated by the agency's accelerated rate of overseas staff turnover.

### **Progress in Addressing the Challenge**

In May 2016, the agency proposed legislative reforms to its hiring authorities as part of its efforts to reduce the rate of employee turnover. The agency also took action to address two open recommendations from OIG's FYR evaluation related to employee performance issues and unwanted, early employee resignations. Based on documentation the agency provided, OIG was able to close three of the five open recommendations from our 2012 evaluation report.

The agency has also taken steps that could provide the Director with additional authority to recruit and retain some employees with special skills needed for critical management functions while preserving the five-year rule for most employees.

### **What Needs To Be Done**

The agency should address the two remaining open recommendations from OIG's 2012 report on the impacts of the FYR: to identify which functions should be subject to periodic turnover, and implement a process to manage turnover; and to identify the core business functions and positions that suffer from frequent staff turnover, and determine and implement a process for acquiring and retaining qualified personnel.

In addition, the agency should take action to close the remaining six audit recommendations OIG made in our report on overseas staffing to improve how it hires certain overseas staff.

### **Key OIG Resources**

[Final Evaluation Report: Impacts of the Five-Year Rule on Operations of the Peace Corps](#)  
[Final Audit Report: Peace Corps Overseas Staffing](#)

## **Challenge: Training Overseas Staff**

### **Why This Is a Challenge**

The Peace Corps relies on its overseas staff to ensure the success of its programs around the world. Overseas staff members have many responsibilities, including identifying assignments

where Volunteers can be productive and contribute to host country development needs, managing financial and administrative operations, and ensuring Volunteer health and safety. Even though they work outside of the United States, overseas staff members often have to abide by the rules of the federal government, including those related to ethics, contracting, and whistleblower protection. Ensuring overseas staff members have the skills and information they need for their jobs requires training.

In September 2014, OIG issued a report on the Peace Corps' training of overseas staff, which uncovered a number of challenges. An underlying problem was that the agency did not have a central office to develop, manage, and coordinate overseas staff training. This responsibility was largely decentralized, with different headquarters offices and posts responsible for identifying training needs, developing and delivering training, and tracking training participation. There was no senior official to develop a learning strategy for the entire agency and ensure the Peace Corps had the financial and human resources needed to implement the strategy.

Another significant challenge was that the agency did not have a training coordinator for host country nationals (HCNs), who make up over 90 percent of the Peace Corps' overseas workforce. The agency's primary training and orientation for overseas staff members, called overseas staff training (OST), was not available to every staff member. As of November 2013, only 18 percent of all overseas staff (and nine percent of HCNs) hired between 2008 and 2013 had attended OST. The agency lacked an alternate mechanism for orienting new overseas staff members. Without a comprehensive, standardized orientation and training program for all overseas staff, each post decided what information would be provided to new staff. This created variability in the quality of staff training, and there was no assurance that new staff was properly trained on important policies and procedures.

OIG also reported that the agency lacked training records and a robust learning management system. As a result, it was challenging for the agency to identify everyone who needed to take certain trainings and track training completion. The Peace Corps could not ensure that employees had received training on mandatory and job-essential topics.

Finally, as OIG reported in the management challenge titled *Excessive Personnel Turnover*, time-limited staff appointments under the FYR created an accelerated rate of turnover and underscored the need for a comprehensive staff training program to fully prepare new hires to perform their jobs.

### Progress in Addressing the Challenge

In October 2015, the agency established an Office of Staff Learning and Development (OSLD) in order to "promote a culture of learning and professional development for Peace Corps staff." The agency has reported taking steps to address the need for a more consistent learning and development strategy for all domestic and overseas staff. These include a focus on developing new employee onboarding and supervisory training, and defining learning and development

needs at specific phases in each employee's tenure. The agency has dedicated a staff person to create a learning strategy for overseas programming, training, and evaluation staff. Further, OSLD has engaged with other offices to support the agency's goal of putting in place a more robust learning management system to deliver and track completion of training to a widely dispersed workforce.

Additionally, the agency has taken steps to address specific staff training recommendations in the 2014 OIG report, including recommendations related to training for travel cards and classified information, and ethics training for staff hired since January 1, 2015. The agency has continued to develop and implement trainings needed to comply with federal laws, such as a training program for sexual assault response liaisons, a sexual assault policy training for all overseas staff, and supervisory training.

### **What Needs To Be Done**

OIG issued 25 recommendations in its 2014 report, and has closed 12 as of October 2016. The agency addressed a number of recommendations to provide specific types of training required by law or agency policy. Most of the recommendations aimed at addressing the systemic issues uncovered during the evaluation remain open and need to be addressed, including: to implement a training needs assessment process; to create a standardized training program for new overseas staff; and to implement an improved learning management system.

The agency should ensure that all overseas staff receives training on the Standards of Ethical Conduct for Employees of the Executive Branch. Recent OIG investigative activity indicates that not all overseas staff is knowledgeable of their ethical obligations. As part of the training effort, the agency should ensure that overseas staff hired prior to January 2015 have read and understood their ethical obligations. Additionally, documentation of ethics training should be maintained by the agency.

### **Key OIG Resources**

[Program Evaluation: The Peace Corps' Training of Overseas Staff](#)

[Final Evaluation Report: Impacts of the Five-Year Rule on Operations of the Peace Corps](#)

[Recurring Issues: OIG Post Audits and Evaluations FY 2009-2011](#)

## **Challenge: Acquisitions and Contract Management**

### **Why This Is a Challenge**

During FY 2016 the Peace Corps obligated \$175.5 million in contract costs for goods and services, or approximately 42 percent of their total annual budget. This included about \$76 million for domestic contractual costs and \$99.5 million related to overseas operations. The cost of contracts at the Peace Corps represents a significant part of the agency's budget. As a result, agency management must efficiently manage the associated risks commensurate with dollars

invested. Managing federal contracting more effectively has continuously appeared on the Government Accountability Office’s “High Risk List” since 1990. For the Peace Corps, the timely and cost-effective acquisition of essential goods and services is critical to supporting its Volunteers assigned to remote areas throughout the world, and in accomplishing the agency’s mission. To improve its operations and minimize the inherent risks associated with contracts, it is critical that the agency consistently follow laws, regulations, and Peace Corps policies that relate to government procurement.

We included acquisitions and contract management as one of the agency’s greatest management and performance challenges last year and in both FYs 2009 and 2010. Specifically, past challenges highlighted insufficient acquisition staff resourcing within the Peace Corps as a significant root cause challenging the agency’s ability to effectively manage its contracting workload. Acquisition staff resourcing includes recruiting and retaining a sufficient number of experienced and qualified contracting professionals to manage the workload and efficiently meet the needs of its customers.

### **Progress in Addressing the Challenge**

During FY 2016 the Peace Corps authorized six additional positions to strengthen its acquisition workforce. The agency has filled five of the six positions, of which three are senior-level contracting professionals. Although the acquisition organization experienced some personnel turnover in FY 2016, they recently achieved close to full authorized personnel strength through more effective recruiting, hiring, and retaining of professional staff. The Peace Corps also made good progress in remediating a number of open recommendations contained in two separate OIG reports on agency contracting issued during FYs 2015 and 2016. Management has placed greater emphasis on compliance with applicable laws, regulations, and policies by establishing clearer lines of authority, responsibility, and accountability within the acquisition workforce. Further, the acquisition organization is focusing more on ways to improve customer service by restructuring its communication channels and engaging customers through regular outreach efforts.

Although progress since last year is apparent, the Peace Corps is still in the process of implementing many needed improvements. Several improvements are presently in varied stages of completion, and will require a considerable investment of time and effort. In addition, managing challenges associated with retaining qualified and skilled contracting professionals, and the timely replacement of personnel as vacancies occur, will likely continue to be a significant challenge for the Peace Corps. Personnel turnover within the agency’s acquisition workforce is directly linked to a legislatively-mandated five year term limitation on most agency employees. We identified this as a root cause of the agency’s inability to consistently maintain a sufficiently staffed acquisition workforce. OIG reported this negative impact on the Peace Corps’ personnel recruitment and retention due to limited term assignments in a 2012 report. This area

continues to be a significant challenge and is discussed in more detail in the management and performance challenge titled *Excessive Personnel Turnover*.

### **What Needs to Be Done**

Peace Corps management needs to ensure they consistently maintain an acquisition workforce that possesses the necessary experience and skill sets capable of effectively managing its contracting workload. To accomplish this, they need to continue improving their programs for recruiting, retaining, and training the agency's contracting professionals. Significant improvements in reducing excessive personnel turnover can be achieved through implementation of recommendations made in our 2012 report on impacts of the five-year rule. The agency also needs to aggressively pursue its efforts in continuing to make improvements in its contracting policy and addressing procedural weaknesses related to governance compliance, acquisition planning, and contract surveillance.

### **Key OIG Resources**

[Final Audit Report: Peace Corps Process for Soliciting, Awarding, and Administering Contracts](#)  
[Final Evaluation Report: Impacts of the Five-Year Rule on Operations of the Peace Corps](#)  
[Management Advisory Report: Peace Corps' Volunteer Health Care Administration Contract](#)  
[Final Audit Report: Peace Corps' Volunteer Healthcare Benefits Administration Contract](#)

## **Challenge: Volunteer Health and Safety**

### **Why This Is a Challenge**

The Peace Corps works to prioritize the safety, security, and physical and emotional health of its Volunteers. However, OIG country program evaluations and audits have identified aspects of the agency's safety and security and Volunteer medical care programs that present management challenges. Based on OIG's work in recent years, these challenges relate to: aspects of the Volunteer health care program, processes for selecting and approving sites for Volunteers, and procedures and documents that prepare the agency to respond to emergencies.

#### *Volunteer Health Care*

In 2009, OIG conducted a review of the medical care provided to Volunteers following the death of a Volunteer in Morocco. The review found that the methods used to measure and monitor the quality of Volunteer health care were insufficient. A follow-up review conducted in March 2016 found that the agency had enhanced its oversight of health units and its quality improvement program, taken steps to enforce its clinical escalation policy, and developed a scope of practice policy. However, some aspects of the Volunteer health program still remain a challenge.

The agency has expanded its regional medical officer (RMO) model with the goal of improving Peace Corps medical officer (PCMO) oversight and encouraging mentoring. However, the role of the RMO in PCMO supervision is not well-defined, and RMOs were not consistently

consulted for PCMO performance evaluations. Without sufficient authority over PCMOs, the ability of RMOs to contribute to the agency's oversight and quality improvement efforts is limited.

In addition, OIG has found that the agency's chart review process for PCMOs focused too much on chart completeness rather than on the quality of clinical decisions, a measure that would better help PCMOs improve their quality of care.

Finally, the agency has implemented a sentinel event policy to assess unfortunate or unexpected outcomes by conducting root cause analyses to identify causal factors that led to the negative outcomes. However, too many events were considered sentinel to be reviewed effectively, sentinel event committee members often had conflicts of interest with the cases, and root cause analyses were not comprehensive. As a result, the reviews have not resulted in systemic change.

#### *Volunteer Site Selection and Approval*

OIG found issues with site development at a number of posts and regions, which could result in Volunteers being inadvertently placed in unsafe living situations. 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, between 2012 and 2016, OIG found site history files were incomplete, insufficiently organized, or not being used to inform site selection in multiple posts and regions.

OIG also found that several posts did not comply with their self-identified housing criteria, and appropriate staff (including the safety and security manager) was not always sufficiently included in the site development process. Without housing checks and proper site development, the agency may place Volunteers in houses and sites that impose increased security risks.

OIG has also found that PCMOs were not conducting regular assessments of local medical facilities. The lack of expectations and guidance on how frequently such assessments should be conducted, combined with insufficient oversight by country directors, contributed to this problem. If PCMOs do not assess local facilities and Volunteer sites, they may have incomplete information about medical resources locally available to Volunteers. This may make the agency less equipped to respond to Volunteer medical care needs in an effective manner.

#### *Emergency Preparedness*

During emergencies, posts' ability to locate volunteers, maintain detailed emergency plans, and communicate those plans to volunteers is critical. However, more than half the posts evaluated between 2012 and 2015 did not maintain complete and accurate site locator forms. These forms contain contact information and site location details, and are designed to locate volunteers in an emergency. OIG also found that whereabouts reporting policies designed to help staff locate out-of-site volunteers during an emergency were not implemented as intended.

In addition to these risks, OIG post evaluations identified five posts with emergency action plans that were not up to date and accessible to Volunteers. At approximately half of the posts that were evaluated from 2012 to 2015, Volunteers were unaware of their emergency consolidation points. Outdated emergency action plans and a lack of communication to Volunteers about the plans and consolidation points increased the risk that Volunteers would be unable to respond quickly and appropriately in an emergency.

Finally, we have found gaps in emergency preparedness at posts. Medical evacuation (“medevac”) plans were often incomplete and missing important information that could be needed in an emergency. Guidance from the agency on medevac plans was unclear, and sometimes outdated or difficult to comply with. A lack of clear oversight responsibility further contributed to the incompleteness of the plans.

## **Progress in Addressing the Challenge**

### *Volunteer Health Care*

The Peace Corps has launched a new electronic medical records system which if appropriately implemented may lead to improved access to and assessment of medical charts. The agency also switched to a weighted review process with an emphasis on the quality of clinical decisions over chart completeness.

### *Site Selection and Approval*

The Peace Corps initiated processes to address elements of this management challenge, including a review of its guidance related to site history file documentation and use during the site approval process. Further, the agency clarified guidance for PCMOs and set clear expectations regarding their assessments of local medical facilities and providers.

### *Emergency Preparedness*

The agency updated its guidance on Volunteer site location management in 2015, replacing site locator forms with site contact forms. Volunteers are required to submit these forms within their first 30 days at site, and staff are expected to collect GPS coordinates of Volunteer housing and sites if feasible during the site development process. OIG has not yet evaluated the implementation and effectiveness of this new policy. Also, the agency recently clarified guidance to staff and volunteers regarding the whereabouts reporting policy and related procedures.

The Office of Health Services (OHS) provided clear guidance on requirements for medevac plans and on how and when overseas staff should conduct medical emergency preparedness drills.

## **What Needs to Be Done**

### *Volunteer Health Care*

The RMO’s role in PCMO oversight and supervision needs clarification. Also, to improve the sentinel review process, OHS should implement a screening process that considers severity and

frequency of negative outcomes, provide sufficient and appropriate staffing for sentinel event case reviews, include key components (such as root cause identification) in the analyses, and improve staff understanding of best practices in this area. Reviews need to be conducted in a way that focuses on and addresses systemic issues.

#### *Site Selection and Approval*

The agency needs to develop stronger oversight mechanisms and clearer guidance and procedures for overseas staff responsible for site history files. It should also consider designing and implementing a system to help overseas staff manage this information electronically.

Proper housing checks and involvement of appropriate staff during the site selection process is necessary to increase Volunteer safety. Posts need to conduct housing checks in a way that is consistent with the specified housing criteria. Safety and security managers also need to be involved in site selection to ensure that housing and surroundings meet safety and security standards.

#### *Emergency Preparedness*

OIG has not yet evaluated through its country program evaluations the implementation and effectiveness of the agency's new policy on Volunteer site location management.

#### **Key OIG Resources:**

[Management Advisory Report: Site History Files](#)

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

[Final Program Evaluation: Follow-Up Evaluation of Issues Identified in the 2010 Peace Corps/Morocco Assessment of Medical Care](#)

## SUMMARY OF FINANCIAL STATEMENT AUDIT AND MANAGEMENT ASSURANCES

SUMMARY OF FINANCIAL STATEMENT AUDIT						
AUDIT OPINION		UNMODIFIED				
RESTATEMENT		NO				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Material Weaknesses	0	0	0	0	0	0

SUMMARY OF MANAGEMENT ASSURANCES						
EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING (FMFIA § 2)						
STATEMENT OF ASSURANCE		UNQUALIFIED				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Material Weaknesses	0	0	0	0	0	0

EFFECTIVENESS OF INTERNAL CONTROL OVER OPERATIONS (FMFIA § 2)						
STATEMENT OF ASSURANCE		UNQUALIFIED				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Material Weaknesses	0	0	0	0	0	0

CONFORMANCE WITH FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS (FMFIA § 4)						
STATEMENT OF ASSURANCE	SYSTEMS CONFORM TO FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS					
Non-Conformances	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
FISMA	1	0	0	0	0	1
Total Non-Conformances	1	0	0	0	0	1

### Definition of Terms

**Beginning Balance:** The beginning balance will agree with the ending balance of material weaknesses from the prior year.

**New:** The total number of material weaknesses that have been identified during the current year.

**Resolved:** The total number of material weakness that have dropped below the level of materiality in the current year.

**Consolidated:** The combining of two or more findings.

**Reassessed:** The removal of any finding not attributable to corrective actions (e.g., management has re-evaluated and determined a material weakness does not meet the criteria for materiality or is redefined as more correctly classified under another heading (e.g., Section 2 to a Section 4 and vice versa).

**Ending Balance:** The agency's year-end balance.



## APPENDICES





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EN ESTE DÍA SE UNIRÁN LOS ESTUDIANTES DEL  
MUNDO PARA CELEBRAR LA DIVERSIDAD CULTURAL.  
ESTA ES UNA OPORTUNIDAD PARA QUE LOS ESTUDIANTES  
APRENDAN SOBRE DIFERENTES CULTURAS Y RESPECTUOSOS CON ELLOS.

CORRI, DANZA

## APPENDIX 1 - STATUS OF AUDIT WEAKNESSES

The FY 2016 financial statement audit report by Kearney & Company, P.C., external independent auditor, begins on page 70 and was transmitted through the inspector general. The report identified three significant deficiencies and two instances of noncompliance with laws and regulations. The three significant deficiencies identified include Information Technology Security (Repeat Condition), Property, Plant, and Equipment (Modified Repeat Condition), and Improper and Untimely Processing of Personnel Actions (New Condition). Two instances of noncompliance include Federal Information Security Modernization Act of 2014 (FISMA) and Filing of Public Reports (Ethics in Government Act of 1978); both were Repeat Conditions from FY 2015. The following pages summarize the audit findings by type and status, provide the corrective actions completed during FY 2016, planned corrections for FY 2017, and corresponding resolution timeline.

PART I - SIGNIFICANT DEFICIENCY FINDINGS	STATUS AS OF FY 2016	PROJECT RESOLUTION DATE
INFORMATION TECHNOLOGY SECURITY	OPEN AS PROJECTED	SEPTEMBER 2017
<b>FY 2016 COMPLETED CORRECTIVE ACTIONS</b>		
1. Developed Risk Management framework. 2. Continued to implement the Information Security Continuous Monitoring (ISCM) Program.		
<b>FY 2017 PLANNED CORRECTIVE ACTIONS</b>		
1. Improve the Risk Management framework to effectively identify and assess security risks at the business process level. 2. Complete the implementation of the ISCM Program. 3. Ensure ISCM is implemented at the system level.		
PROPERTY, PLANT, AND EQUIPMENT (DELAYED RESOLUTION)	OPEN (DELAYED RESOLUTION)	SEPTEMBER 2017
<b>FY 2016 COMPLETED CORRECTIVE ACTIONS</b>		
1. Implemented a new asset management system, Sunflower, to headquarters, regional offices, and posts. 2. Trained staff on proper usage of Sunflower. 3. Started full inventory campaign via Sunflower to capture asset population of assets.		
<b>FY 2017 PLANNED CORRECTIVE ACTIONS</b>		
1. Complete implementation of Sunflower to remaining posts and provide corresponding training and support to end-users. 2. Complete Sunflower transition and inventory campaign at all locations. 3. Develop revised asset management system policies and procedures.		
UNTIMELY PROCESSING OF PERSONNEL ACTIONS	NEW CONDITION	SEPTEMBER 2017
<b>FY 2017 PLANNED CORRECTIVE ACTIONS</b>		
1. Monitor and validate that only authorizing officials that have electronic approvals exist; monitor and ensure that separated officials are no longer in the system. 2. Establish process and procedures for the review and approval of personnel actions, including Expert-type appointments. 3. Develop monitoring procedures to ensure that personnel actions are reviewed, contain accurate information, and processed timely. 4. Ensure training is conducted to HR staff on newly implemented controls and operational procedures.		

PART II - NONCOMPLIANCE FINDINGS	STATUS AS OF FY 2016	PROJECT RESOLUTION DATE
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FEDERAL INFORMATION SECURITY MODERNIZATION ACT (FISMA) OF 2014	OPEN AS PROJECTED	SEPTEMBER 2017
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FY 2016 COMPLETED CORRECTIVE ACTIONS
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1. Performed identification and analysis of external connections.
2. Replaced existing ColdFusion applications.

FY 2017 PLANNED CORRECTIVE ACTIONS
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1. Complete the identification and analysis of all external connections.
2. Continue to implement risk management strategies consistent with FISMA requirements and NIST Special Publications.

FILING OF PUBLIC REPORTS (ETHICS IN GOVERNMENT ACT OF 1978)	OPEN (DELAYED RESOLUTION)	SEPTEMBER 2017
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FY 2016 COMPLETED CORRECTIVE ACTIONS
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1. Ensured OGE -278 forms were completed for required filers.
2. Established specific timelines for the submission, completion, and review of OGE-278 forms.

FY 2017 PLANNED CORRECTIVE ACTIONS
------------------------------------

1. Strengthen the process of monitoring the completion of OGE-278 forms.

## APPENDIX 2 - VERIFICATION AND VALIDATION OF PERFORMANCE DATA

Data collection and performance reporting consistency are supported through the use of detailed performance goal data reference sheets, which include operational definitions, data sources, and a comprehensive methodology for measuring each performance goal detailed in the FY 2017 Annual Performance Plan ([files.peacecorps.gov/multimedia/pdf/policies/pc\\_strategic\\_plan\\_2014-2018-annual\\_plan\\_2016-2017.pdf](http://files.peacecorps.gov/multimedia/pdf/policies/pc_strategic_plan_2014-2018-annual_plan_2016-2017.pdf)). The agency ensures the data are complete and accurate through oversight and review by the Office of Strategic Information, Research, and Planning. The major data sources for the performance goals highlighted in this report (pages 22 to 33) are detailed below.

### ANNUAL VOLUNTEER SURVEY

The Annual Volunteer Survey (AVS) is a confidential, voluntary online survey of all currently serving, two-year Volunteers. This comprehensive survey provides Volunteers' assessments of the effectiveness of Peace Corps training, in-country staff support, their personal health and safety, and their overall service experience.

In FY 2014, the agency substantially redesigned the survey questionnaire to improve data quality by reducing

measurement error, strengthening respondent confidentiality, and shortening the survey by half. By maintaining these improvements through FY 2015 and FY 2016, the agency is well on its way to being able to provide truly comparable, multiyear trend data to internal and external stakeholders. As a result of these enhancements to the AVS, the agency has gained a more accurate understanding of the perspectives of Volunteers.

The 2016 AVS was fielded from June 6, 2016 to August 12, 2016, and 90 percent of Volunteers completed the survey. The high response rate, in combination with data verification and validation measures, minimize total survey error at the global level. The survey is not, however, administered to a random sample of Volunteers. As with other non-randomized surveys, the AVS is subject to non-response bias.

Survey respondents in FY 2016 reflected the Peace Corps' overall composition by gender, age, geographic location, and length of service. Responses to all AVS questions were directly provided by the Volunteers and housed in an external, electronic survey database. To ensure data quality, rigorous data cleaning procedures were applied



to the dataset prior to analysis. The results were used to inform agency leadership about the Volunteers' perspectives on key issues.

It is worth noting that, as with any survey, the AVS reflects the experiences and opinions of Volunteers at a fixed point in time and can be influenced by various factors, such as major external events or the ability to recall information. The agency takes into consideration both statistical and practical significance to account for variation in AVS results from year to year. Thus, nominal percentage point movements may not be practically meaningful or significant. In using AVS results, the agency reviews longer-term trends to account for normal, expected variations in responses.

#### **GLOBAL COUNTERPART SURVEY**

First launched in FY 2014, the Global Counterpart Survey is designed to provide information on the impact of Volunteers from the perspectives of the individuals with whom Volunteers work most closely. The second Global Counterpart Survey was launched in FY 2015 and consisted of a short interview of Volunteers' primary work partners administered by overseas staff. The survey methodology used in FY 2015 was replicated in the FY 2016 iteration of the Global Counterpart Survey.

The survey was administered either over the phone or in person from May 2, 2016 through July 1, 2016, by overseas staff. Global results are drawn from a randomly selected group of 400 respondents, of whom 399 were interviewed by post staff in 2016. Data quality challenges include potential interviewer error and ambiguity in the total survey population. The interviews are conducted by staff experienced in project fieldwork and counterpart communication but who may not have extensive experience in survey interviewing or data collection. Issues of translation, variation in interview styles, and accuracy of coding may have unpredictable influences on the results. The agency is addressing this challenge by providing extensive tools, training, and support to staff and by closely monitoring survey results to identify inconsistencies. Prior to initiating the interviews, three training sessions were conducted via WebEx for interested post staff. The agency also provided translations of the survey in French and Spanish.

Determining the survey population is a challenge. Since no direct sampling frame exists that lists all Volunteer counterparts at all posts, Volunteers are used as a selection proxy for the counterparts who make up the random sample. In addition, there are multiple interpretations of

the title "counterpart" across the agency, which will influence the survey population. To address this, the agency has defined counterpart as the Volunteer's primary work partner as reflected in post records for his or her primary project. In cases where a Volunteer no longer has any working relationship with their post-assigned counterpart, the Volunteer is asked to identify their primary work partner. For the purposes of Performance Goal 4.1 (reported on page 28 of this report), it is assumed that each Volunteer will have one official counterpart and results are globally representative.

#### **PEACE CORPS DATABASES**

The Peace Corps maintains several database systems to collect Volunteer and program information. In order to maintain data integrity and ensure that the appropriate data entry methodology is followed, only authorized staff who have been properly trained can access key systems. Routine reconciliation processes among agency units enable users to verify and test performance data as well as to isolate and correct data entry or transfer errors. Internal, automated system processes also ensure data is appropriately transferred among different applications. The required level of accuracy to provide current and historical information about programs and Volunteers is met through database rules and business processes. Where data limitations do exist, largely due to data-entry compliance in isolated systems, they are noted in the appropriate performance goal section.

#### **PEACE CORPS ADMINISTRATIVE RECORDS**

For some performance goals, the Peace Corps collects annual data from headquarters offices and overseas posts through an online data call (survey). Responses are housed in an external, electronic database. Data cleaning procedures are applied to the dataset prior to analysis. Staff in positions of leadership or designated delegates at all overseas posts and headquarters offices are required to complete the survey. The survey is designed with clear logic and data validation rules to minimize data entry error. The data are independently reviewed by the Office of Strategic Information, Research, and Planning and anomalies are addressed to improve data quality. Other data are collected from specific headquarters offices individually.

While these administrative records do not have the benefit of the verification and validation standards executed in Peace Corps database systems, the agency is able to ensure a high level of accuracy by working with individual offices and posts to develop reliable data collection and analysis procedures.

## APPENDIX 3 - GLOSSARY OF ACRONYMS

<b>AF</b>	Africa Region
<b>AFR</b>	Agency Financial Report
<b>ATO</b>	Authorization to Operate
<b>AVS</b>	Annual Volunteer Survey
<b>CARS</b>	Coordinated Agency Response System
<b>CIO</b>	Chief Information Officer
<b>CRM</b>	Customer Relationship Management
<b>DOL</b>	Department of Labor
<b>DOS</b>	Department of State
<b>EMA</b>	Europe, Mediterranean, and Asia Region
<b>EPIC</b>	Entry, Processing, Inquiry, and Correction
<b>FBWT</b>	Fund Balance with Treasury
<b>FECA</b>	Federal Employees Compensation Act
<b>FISMA</b>	Federal Information Security Management Act
<b>FMFIA</b>	Federal Managers' Financial Integrity Act
<b>FSN</b>	Foreign Service National
<b>FY</b>	Fiscal Year
<b>FYR</b>	Five-Year Rule
<b>GAGAS</b>	Generally Accepted Government Auditing Standards
<b>GHSP</b>	Global Health Service Partnership
<b>GSA</b>	General Services Administration
<b>HCN</b>	Host Country National
<b>HR</b>	Human Resources
<b>ISCM</b>	Information Security Continuous Monitoring
<b>IAP</b>	Inter-America and the Pacific Region
<b>IPBS</b>	Integrated Planning and Budget System
<b>IT</b>	Information Technology
<b>NFC</b>	National Finance Center
<b>OCIO</b>	Office of Chief Information Officer
<b>OGE</b>	Office of Government Ethics
<b>OIG</b>	Office of Inspector General
<b>OMB</b>	Office of Management and Budget
<b>OPM</b>	Office of Personnel Management
<b>OST</b>	Overseas Staff Training
<b>PCMO</b>	Peace Corps Medical Officer
<b>PEPFAR</b>	President's Emergency Plan for AIDS Relief
<b>PP&amp;E</b>	Property, Plant, and Equipment
<b>PSC</b>	Personal Services Contractor
<b>RMO</b>	Regional Medical Officer
<b>SA&amp;A</b>	Security Assessment and Authorization
<b>SAR</b>	Security Assessment Report
<b>SARRR</b>	Sexual Assault Risk Reduction and Response
<b>SBR</b>	Statement of Budgetary Resources
<b>TEFL</b>	Teaching English as a Foreign Language
<b>ULO</b>	Unliquidated Obligations
<b>USDH</b>	U.S. Direct Hire
<b>USAID</b>	U.S. Agency for International Development
<b>VMIS</b>	Vehicle Management Information System

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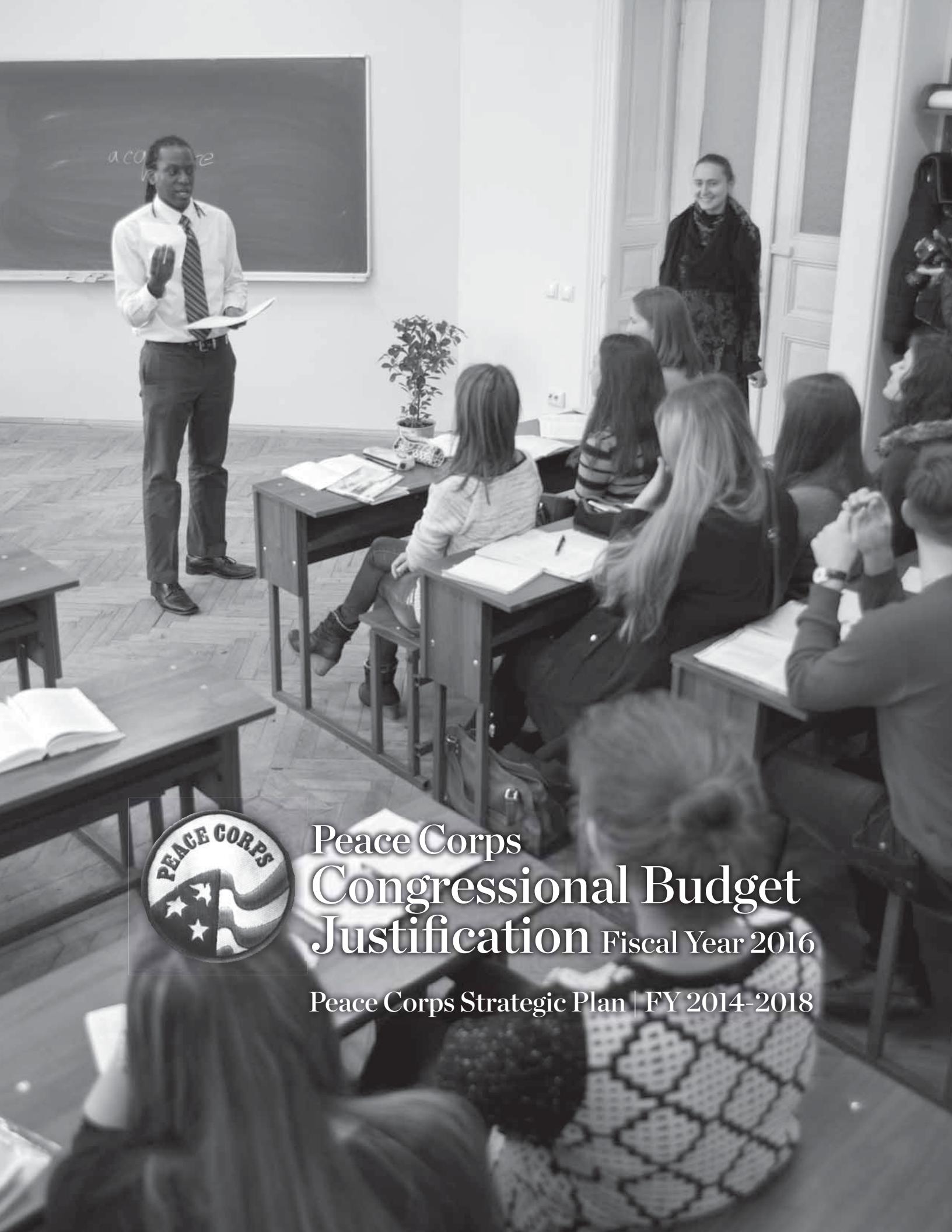


Peace Corps  
Congressional Budget  
Justification Fiscal Year 2016



# Peace Corps Congressional Budget Justification Fiscal Year 2016

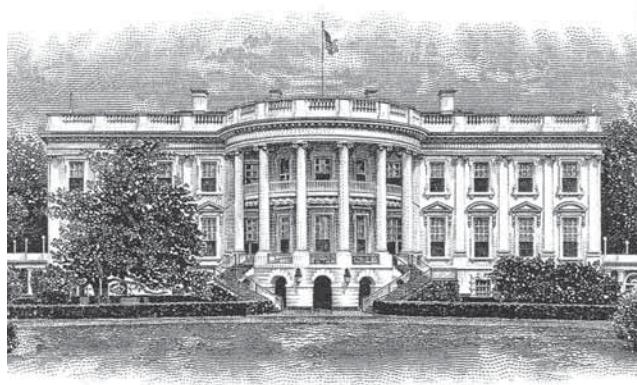
Peace Corps Strategic Plan | FY 2014-2018



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F I S C A L   Y E A R   2 0 1 5

# BUDGET

OF THE U.S. GOVERNMENT

## PEACE CORPS FY 2016 BUDGET REQUEST

The Peace Corps' budget request for FY 2016 is \$410,000,000, an increase of 7.9 percent over the FY 2015 request. The FY 2016 request will enable the Peace Corps to provide support to Americans serving as Volunteers in approximately 64 countries worldwide in FY 2016, build the necessary infrastructure to support a larger Volunteer population, and implement the President's global engagement priorities.

THE DIRECTOR OF THE PEACE CORPS  
WASHINGTON, D.C.

Dear Member of Congress:

I am pleased to submit the Peace Corps' fiscal year 2016 budget request of \$410 million. This funding level is not only fiscally responsible, but it provides taxpayers one of the best returns on investment by promoting a positive image of the United States and helping our country achieve its international development and citizen diplomacy goals in a cost-effective manner.

Since the early 1960s, the Peace Corps has brought progress to communities in developing countries and promoted friendship between the American people and the citizens of other nations throughout the world. More than 50 years later, the mission and three goals that inspired the creation of the Peace Corps are not only still relevant, they are more important than ever in this increasingly complex, interconnected, 21st century world. Never before has the national security and the economic prosperity of the United States been so tied to the fortunes of citizens of other nations. Nor has there ever been a greater need for globally competent Americans who speak other languages and understand others' perspectives in order to help the United States continue to thrive as an international leader.

Nearly 220,000 Americans have served in the Peace Corps since our inception in 1961. The legacy of our Volunteers still drives us as an agency. At the end of fiscal year 2014, more than 6,800 Volunteers were serving and inspiring their communities in 64 countries. We hear the testimony of presidents and pastors, community members and corporate leaders, adolescents and members of Parliament from the 140 nations we have served. The common thread that connects their stories is that a Peace Corps Volunteer provided them the skills and encouragement they needed to build a brighter future for themselves and their communities. In so doing, our Volunteers demonstrate the compassion, generosity, integrity, creativity, and humanity of the American people.

Over the last several years, the Peace Corps has embarked on the most comprehensive reform effort in our agency's history. After a thorough review of all aspects of our operations, we are now implementing a strategic plan to modernize agency operations, strengthen the effectiveness of our programs, and increase our ability to achieve our three goals. I'm proud to report that these efforts have already yielded significant results. By making the Peace Corps more strategic and data-driven, the agency has become more responsive to our applicants, Volunteers, and institutional partners in more cost-effective ways. These efforts are concentrated in the following four areas.

- Enhanced support to Volunteers. The Peace Corps has implemented new policies and programs to dramatically improve the quality of our support to Volunteers, particularly in the areas of health, safety, technical training, and program support. Volunteers are provided with state-of-the-art training and resources to ensure they are implementing projects that have proven, through evidence, to be most effective at achieving development impact. Our support systems for Volunteer health, safety, and security are based on our country's best practices, with a focus on continual quality improvement.
- Greater focus on strategic impact. The Peace Corps is committed to ensuring that our Volunteers are working in the areas of the world that will most benefit from their service and that they are engaged in projects that will have the greatest impact for our nation and for our host country partners. The Peace Corps continues to leverage strategic partnerships to advance community-based development. For example, through the Global Health Service Partnership (GHSP), the Peace Corps, in collaboration with Seed Global Health, sends trained health professionals to serve in one-year assignments as adjunct faculty in medical, nursing, and clinical officer training schools in partnering countries, helping to address critical shortages of qualified health professionals in areas of the world where they are most needed. By delivering targeted, high-impact assistance, GHSP Volunteers offer critical support to fragile health systems.
- Increased quality of agency operations. The Peace Corps has streamlined its management and operations by using modern technology, innovative approaches, and improved business processes. We are continuing

to utilize data to better inform our decision-making, and have strengthened the monitoring and evaluation of Volunteer projects. This has enabled the agency to better track outcomes and report on common indicators across all Peace Corps countries. These reforms, among others, have positioned our agency to have an even greater impact in the years ahead.

- Improved recruitment, application, and selection. This past year, the Peace Corps implemented historic changes to our recruitment, application, and selection process to provide more choice, increase transparency, and reduce uncertainty for those applying to serve in the Peace Corps. Applicants can now choose to apply to specific countries and programs. We have also shortened the application process to less than one hour, as opposed to eight, and have set “Apply By” and “Know By” deadlines, allowing applicants to better plan their lives around their Peace Corps application. As a result, in FY 2014, the agency received the highest number of applications for two-year service positions since 1992.

The Peace Corps is now well-positioned to grow its Volunteer force in a gradual and sustainable manner while maintaining the high quality of our work to train, safeguard, and ensure a productive service experience for our Volunteers. Our mission and impact are unique. Because our Volunteers live and work with communities at the “last mile,” they are able to build powerful relationships of trust and form strong bonds at the community level. This affords Volunteers the credibility, community support, and access they need to achieve measurable results. As a result, the investments in these communities by the Peace Corps and our partners (such as the President’s Emergency Plan for AIDS Relief and the President’s Malaria Initiative) are properly implemented, monitored, and evaluated for results, owned by the community, and sustained over time. Peace Corps Volunteers reach communities that are beyond the grasp of other development agencies. By living and working at the local level, Peace Corps Volunteers are our country’s best citizen ambassadors, promoting a positive image of the United States and furthering the cause of peace throughout the world.

I recognize the considerable challenges that you and your colleagues confront in determining the federal budget for FY 2016. I appreciate your consideration of the Peace Corps’ budget request and your ongoing support for the patriotic Americans who serve our country as Volunteers. I am continually grateful for the bipartisan support that the Peace Corps receives from Congress, and I look forward to working with you throughout the FY 2016 appropriations process.

Sincerely,



Carolyn Hessler-Radelet  
Director



## Congressional Budget Justification | Fiscal Year 2016 Overview of Peace Corps Operations and Key Initiatives

### Mission and Goals

The Peace Corps was established in 1961 by President John F. Kennedy with a mission to promote world peace and friendship. Since that time, nearly 220,000 Americans have served as Volunteers in 140 countries across the world, working to advance the agency's three goals:

1. To help the people of interested countries in meeting their need for trained men and women
2. To help promote a better understanding of Americans on the part of the peoples served
3. To help promote a better understanding of other peoples on the part of Americans

The Peace Corps has a unique, grassroots approach to development to help host countries meet their development needs in six program sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth in Development. Instead of providing monetary assistance to countries, the agency sends Volunteers to countries that have expressed a need for trained men and women. Most Volunteers serve for 27 months, integrating into local communities and sharing their skills and experience directly with host country nationals and organizations. In addition, the Peace Corps also offers shorter-term Volunteer assignments through Peace Corps Response, a program for more experienced candidates that helps meet host country requests for more highly skilled or technical needs. Volunteers' activities are designed to build capacity at the grassroots level so that communities are empowered to solve their development challenges long after the Volunteers have returned home. At the end of Fiscal Year 2014, 6,818 Volunteers were serving in 64 countries.

Peace Corps Volunteers help promote a better understanding of the United States and our country's values by serving as grassroots ambassadors around the world. By building person-to-person connections, they help to dispel misperceptions about the United States and to counter anti-American sentiment in areas of the world that may have little direct exposure to Americans. Presidents and pastors, community members and corporate leaders, adolescents and members of Parliament from 140 nations around the world have told the story of how Peace Corps Volunteers helped them imagine a different future for themselves and how they demonstrated the kindness of the American people.

Volunteers' service to our country continues long after they have left the Peace Corps by helping Americans learn about other cultures and peoples. When Volunteers return to the U.S., forever changed by their experience, they pass on their knowledge, skills, and ideas wherever they go for the rest of their lives. The skills they acquire while serving—whether it be professional growth in cross-cultural settings, a new language, or technical development expertise—are invaluable to the United States, as is the commitment to public service that the Peace Corps instills. Ultimately, the investment made in our Volunteers is re-paid many times over, at home and abroad.

The Peace Corps' FY 2016 budget request will support key initiatives, including the following:

### ***Supporting the Health, Safety, and Security of Volunteers***

The health, safety, and security of Volunteers remain the agency's highest priorities. The Peace Corps has implemented a Sexual Assault Risk-Reduction and Response (SARRR) program that includes numerous policy changes, extensive sexual assault training for Volunteers and staff, and new, clearly defined procedures for mitigating and responding to sexual assault. The SARRR program is designed to reduce the risk of sexual assault and ensure Volunteers receive compassionate, timely, and comprehensive support. It is based on a two-pronged approach: first, to reduce risks through

training for Volunteers, including bystander intervention, risk assessment, and other skill-building sessions during pre- and in-service training; and second, to ensure that Peace Corps staff responds effectively and compassionately when incidents do occur. This program meets and exceeds the requirements of the Kate Puzey Peace Corps Volunteer Protection Act of 2011, P.L. 112–57, reflecting the agency's ironclad commitment to the physical and emotional well-being of every single Volunteer.

The Peace Corps coordinates a global safety and security strategy. At every post, a specific Volunteer safety system is designed to minimize risks and promote effective and safe service. To enhance safety and security for Volunteers, the agency has trained overseas staff how to respond appropriately when Volunteers bring allegations of wrongdoing to their attention. Peace Corps staff members must take appropriate measures to ensure Volunteers' safety and confidentiality, and ensure the allegation is given serious consideration, including referral to the Office of the Inspector General as appropriate.

### ***Empowering Volunteers to Achieve Measurable Results in Their Host Communities***

Peace Corps is partnering with host governments, universities, nongovernmental organizations, and donors to ensure that Volunteers focus on those projects that are wanted by their communities, and have proven through evidence to be most effective at achieving development results. Through the Country Portfolio Review process, the agency uses specific data points to determine why it serves in the countries that it does. Moreover, the agency conducts strong monitoring and evaluation of its programs in order to gauge, with certainty, the impact of Volunteer work. By giving them the training, tools, and experience they need, Peace Corps Volunteers will increase their impact in their host communities.

### **Country Portfolio Review**

As a result of the 2010 Comprehensive Agency Assessment, the Peace Corps instituted an objective, data-driven process to guide strategic decisions regarding potential new country entries, phase-outs, and allocations of Volunteers and other resources. Through this process, called the Country Portfolio Review, the agency conducts a comprehensive review of active Peace Corps posts based on external and internal data. The agency has commenced work on its fifth review.

Due in part to the Country Portfolio Review process, the agency made several strategic decisions regarding operations in multiple countries, including opening, closing, and suspending programs. In FY 2014, the agency closed its program in Palau, opened a new program in Kosovo, re-opened its program in Mali, and notified Congress of its intent to open programs in Burma, Comoros, and Timor-Leste during FY 2015. In addition, in FY 2014, the agency suspended its programs in Kenya and Ukraine due to security concerns, and suspended its programs in Guinea, Liberia, and Sierra Leone due to the Ebola outbreak. In FY 2013, the Peace Corps notified Congress of its intent to open a program in Vietnam. However, the opening of a program in Vietnam remains indefinitely delayed. The re-opening of the program in Tunisia, anticipated in FY 2012, remains on hold due to the ongoing political landscape and security situation in-country. The program in Niger, which was suspended in FY 2011, remains suspended due to security concerns.

### **Improved Monitoring and Evaluation**

In order to ensure the agency is setting goals and achieving results, the Peace Corps has continued to strengthen its monitoring and evaluation system. In FY 2014, the Peace Corps improved existing data sources such as the Annual Volunteer Survey and the Volunteer Reporting Tool to improve data quality. The agency developed new surveys, including the Global Counterpart Survey and the Host Country Staff Survey, to provide additional perspectives on the impact of Volunteers and agency operations. The agency also instituted a new process for the collection of baseline data for new country entries and new projects to inform future impact evaluations.

## *Working in Partnership with Other U.S. Government Agencies*

Collaboration with other government agencies allows the Peace Corps and other agencies to jointly tackle complex development challenges and is critical to advancing the Peace Corps mission. The Peace Corps actively participates in Presidential and whole-of-government initiatives including the President's Emergency Plan for AIDS Relief (PEPFAR), the President's Malaria Initiative (PMI), and Feed the Future. Through these mutually beneficial partnerships, the Peace Corps expands the reach of both its strategic partners and its Volunteers by leveraging training and programmatic resources and contributing to common development goals at the local level.

- **The President's Emergency Plan for AIDS Relief:** Peace Corps Volunteers implement PEPFAR's Blueprint to an AIDS-free generation through the targeted goals of scaling up prevention and treatment; evidence-based interventions for populations at greatest risk; promoting sustainability, efficiency, and effectiveness; strengthening local health care and support systems; and driving results with science. The Peace Corps is currently active in 26 PEPFAR countries, 10 which are considered "hardest hit." In addition, all Volunteers play a special role in their contributions to PEPFAR through their ability to reach remote communities and institute sustainable programs in coordination with local leaders and change agents.
- **The President's Malaria Initiative:** Peace Corps Volunteers are advancing PMI through the agency's Stomping Out Malaria in Africa initiative. Volunteers in 22 Peace Corps programs across Africa are collaborating to eradicate malaria by carrying out malaria prevention, diagnosis, and treatment education campaigns at the community level. For example, Volunteers in Senegal, working with the President's Malaria Initiative and the Ministry of Health, conducted a pilot program using a proactive community treatment approach to prevent and control malaria. Community health workers in 15 villages were trained to do weekly sweeps of their village, testing all individuals with fever and treating all malaria cases with standard front-line drugs. When compared with other villages, the active weekly sweeps reduced malaria by 88 percent. Subsequent to the successful pilot program, the Peace Corps began assisting the Ministry of Health in its efforts to scale up the approach to cover over 140,000 individuals in late FY 14 and into FY 15. This high-impact program is now being replicated in Benin, Madagascar, Togo, and Uganda.
- **The President's Feed the Future Initiative:** Peace Corps Volunteers are supporting the President's Feed the Future initiative ([www.feedthefuture.gov](http://www.feedthefuture.gov)) by promoting sustainable methods for local people to assure their own food security through increased agricultural productivity, improved economic opportunity, and improved health and nutrition. In partnership with the U. S. Agency for International Development, the Peace Corps is equipping Volunteers with the training and resources to address food security needs at Peace Corps posts around the world and supporting, monitoring, and evaluating their contributions to this initiative.

Through these partnerships, Volunteers are able to maximize the impact of U.S. government development assistance and ensure that those projects are implemented effectively, owned by the community, and sustained over time. In FY 2016, the Peace Corps will continue, as well as expand, these partnerships, while seeking further strategic partnerships to leverage the Peace Corps' training and programmatic resources without compromising the agency's independence or mission.

## ***Revitalize Recruitment***

In FY 2014, the Peace Corps announced historic changes to its recruitment, application, and selection process, which is designed to field a Volunteer force that represents the best and the brightest our country has to offer, and is reflective of the rich diversity of the American people.

With these changes, the agency simplified the application, increased transparency, and reduced uncertainty so applicants can make Peace Corps service a part of their future plans.

The agency made three significant changes to the application and selection process:

- Choice. Peace Corps applicants can choose which specific programs and countries they want to apply to—choosing the path that best fits their personal and professional goals. Programs are now listed by country, work area, and departure date, so applicants can see what service opportunities exist. After completing a new, shorter online application, they can apply to select programs.
- Shorter application. What used to be more than 60 printed pages that took more than eight hours to complete is now a short online application that takes less than one hour. The application is focused on the most relevant information that will help the agency select the very best candidates.
- A clear path. Each service opportunity now has clearly identified Apply By and Know By deadlines, so applicants know when they can expect to receive an invitation. These deadlines give applicants more certainty and help them plan for their future.

By investing resources in changes to the recruitment, application, and selection process, the Peace Corps will be better able to meet the requests of host countries with a larger Volunteer force that reflects the rich diversity of the United States.

***Peace Corps (including transfer of funds)***

For necessary expenses to carry out the provisions of the Peace Corps Act (22 U.S.C. 2501–2523), including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States, \$410,000,000, of which \$5,000,000 is for the Office of Inspector General, to remain available until September 30, 2017: Provided, That the Director of the Peace Corps may transfer to the Foreign Currency Fluctuations Account, as authorized by 22 U.S.C. 2515, an amount not to exceed \$5,000,000: Provided further, That funds transferred pursuant to the previous proviso may not be derived from amounts made available for Peace Corps overseas operations: Provided further, That of the funds appropriated under this heading, not to exceed \$104,000 may be available for representation expenses, of which not to exceed \$4,000 may be made available for entertainment expenses: Provided further, That any decision to open, close, significantly reduce, or suspend a domestic or overseas office or country program shall be subject to prior consultation with, and the regular notification procedures of, the Committees on Appropriations, except that prior consultation and regular notification procedures may be waived when there is a substantial security risk to volunteers or other Peace Corps personnel, pursuant to section 7015(e) of this Act: Provided further, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That notwithstanding the previous proviso, section 614 of division E of Public Law 113–76 shall apply to funds appropriated under this heading.

BUDGET OF THE UNITED STATES GOVERNMENT, FISCAL YEAR 2016



## Peace Corps Budget Request by Program Operations

(in thousands of dollars)

	FY 2014 Actual	FY 2015 Estimate	FY 2016 Request
<b>DIRECT VOLUNTEER OPERATIONS</b>			
<b>Overseas Operational Management</b>			
Office of Global Operations	1,000	900	900
Africa	84,300	86,400	102,200
Europe, Mediterranean, and Asia	51,900	61,700	80,700
Inter-America and the Pacific	60,200	60,300	67,400
Office of Global Health and HIV	600	700	700
Overseas Program and Training Support	6,200	6,300	6,300
Peace Corps Response	1,500	1,500	1,500
<b>Subtotal, Overseas Operational Management</b>	<b>205,700</b>	<b>217,800</b>	<b>259,700</b>
 <b>Overseas Operational Support</b>			
Centrally Processed Overseas Equipment and Supplies	6,000	6,000	6,000
Federal Employees' Compensation Act	14,000	14,600	14,900
Medical Services Centrally Shared Resources	11,100	13,300	14,600
Office of Health Services	10,500	13,100	13,300
Office of Strategic Partnerships	2,500	3,200	3,000
Reimbursements to Department of State	14,000	14,500	15,000
Volunteer Readjustment Allowance	21,800	22,400	25,500
Volunteer Recruitment and Selection	17,800	22,600	22,800
<b>Subtotal, Overseas Operational Support</b>	<b>97,700</b>	<b>109,700</b>	<b>115,100</b>
<b>SUBTOTAL, DIRECT VOLUNTEER OPERATIONS</b>	<b>303,400</b>	<b>327,500</b>	<b>374,800</b>
 <b>VOLUNTEER OPERATIONS SUPPORT SERVICES</b>			
Office of Third Goal and Returned Volunteer Services	1,100	1,300	1,300
Office of Communications	3,200	3,000	3,000
Office of Congressional Relations	500	500	500
Director's Office and Associated Offices	3,900	4,300	4,400
Office of Victim Advocacy	300	500	500
Office of General Counsel	2,100	2,100	2,100
Office of Management	6,400	8,400	7,900
Office of Management Centrally Managed Resources	12,700	12,600	12,700
Office of the Chief Financial Officer	12,700	13,700	13,600
Office of the Chief Financial Officer Centrally Managed Resources	(13,300)	5,400	5,500
Office of the Chief Information Officer	14,900	12,600	12,500
Office of the Chief Information Officer Centrally Managed Resources	11,700	12,600	12,500
Office of Strategic Information, Research, and Planning	1,500	1,800	1,800
Office of Safety and Security	3,800	5,300	5,500

(continued)

## Peace Corps Budget Request by Program Operations

(in thousands of dollars)

Safety and Security Centrally Managed Resources	1,200	1,800	1,800
<b>SUBTOTAL, VOLUNTEER OPERATIONS SUPPORT SERVICES</b>	<b>62,700</b>	<b>85,900</b>	<b>85,600</b>
SUBTOTAL, TOTAL AGENCY EXCLUDING INSPECTOR GENERAL	366,100	413,400	460,400
<b>INSPECTOR GENERAL /<sup>1</sup></b>	<b>5,000</b>	<b>5,200</b>	<b>5,000</b>
<b>GRAND TOTAL, AGENCY</b>	<b>371,100</b>	<b>418,600</b>	<b>465,400</b>

/<sup>1</sup> See Appendix G.

## Peace Corps Resource Summary

(in thousands of dollars)

<b>AVAILABLE RESOURCES</b>	FY 2014 Actual	FY 2015 Estimate	FY 2016 Request
Unobligated balance carried forward, start of year	62,800	78,500	47,400
New budget authority (gross)	379,000	379,500	410,000
Recoveries of prior year unpaid obligations	7,800	8,000	8,000
<b>Total Budgetary Resources Available for Obligation</b>	<b>449,600</b>	<b>466,000</b>	<b>465,400</b>
<hr/>			
<b>AVAILABLE RESOURCES</b>			
Total direct obligations	360,800	408,300	455,100
Reimbursable program activity	10,300	10,300	10,300
<b>Total New Obligations</b>	<b>371,100</b>	<b>418,600</b>	<b>465,400</b>
<b>Unobligated balance carried forward, end of year</b>	<b>78,500</b>	<b>47,400</b>	<b>-</b>

**Peace Corps Authorizations and Appropriations | FY 1962–FY 2016**  
(in thousands of dollars)

Fiscal Year	Authorized	Budget Request <sup>a/</sup>	Appropriated <sup>a/</sup>	Trainee Input	Volunteers and Trainees On Board <sup>b/</sup>
1962	\$40,000	\$40,000	\$30,000	3,699	N/A
1963	63,750	63,750	59,000 <sup>c/</sup>	4,969	N/A
1964	102,000	108,000	95,964 <sup>c/</sup>	7,720	N/A
1965	115,000	115,000	104,100 <sup>c/</sup>	7,876	N/A
1966	115,000	125,200	114,000	9,216	N/A
1967	110,000	110,500	110,000	7,565	N/A
1968	115,700	124,400	107,500	7,391	N/A
1969	112,800	112,800	102,000	6,243	N/A
1970	98,450	109,800	98,450	4,637	N/A
1971	94,500	98,800	90,000	4,686	N/A
1972	77,200	71,200	72,500	3,997	6,632
1973	88,027	88,027	81,000	4,821	6,194
1974	77,000	77,000	77,000	4,886	6,489
1975	82,256	82,256	77,687	3,296	6,652
1976	88,468	80,826	81,266	3,291	5,825
Transition Qtr	27,887	25,729	24,190	—	—
1977	81,000	67,155	80,000	4,180 <sup>d/</sup>	5,590
1978	87,544	74,800	86,234	3,715	6,017
1979	112,424	95,135	99,179	3,327	5,723
1980	105,000	105,404	99,924	3,108	5,097
1981	118,531	118,800	105,531	2,729	4,863
1982	105,000	121,900	105,000	2,862	4,559
1983	105,000	97,500	109,000	2,988	4,668
1984	115,000	108,500	115,000	2,781	4,779
1984/5 Supp	2,000	2,000	2,000	—	—
1985	128,600	115,000	128,600	3,430	4,828
1986	130,000	124,400	124,410 <sup>e/</sup>	2,597	5,162
1987	137,200	126,200	130,760	2,774	4,771
1987/8 Supp	7,200	—	7,200	—	—
1988	146,200	130,682	146,200	3,360	4,611
1989	153,500	150,000	153,500	3,218	5,214
1990	165,649	163,614	165,649 <sup>f/</sup>	3,092	5,241
1991	186,000	181,061	186,000	3,076	4,691
1992	—	200,000	197,044	3,309	4,927
1993	218,146	218,146	218,146	3,590	5,414
1994	219,745 <sup>g/</sup>	219,745	219,745 <sup>h/</sup>	3,541	5,644
1995	234,000	226,000	219,745 <sup>i/j/</sup>	3,954	5,884
1996	—	234,000	205,000 <sup>k/m/</sup>	3,280	6,086
1997	—	220,000 <sup>l/</sup>	208,000 <sup>n/</sup>	3,607	5,858
1998	—	222,000	222,000 <sup>o/</sup>	3,551	5,757
1999	—	270,335	240,000 <sup>p/</sup>	3,835	5,729

**Peace Corps Authorizations and Appropriations | FY 1962–FY 2016**  
 (in thousands of dollars)

Fiscal Year	Authorized	Budget Request <sup>a/</sup>	Appropriated <sup>a/</sup>	Trainee Input	Volunteers and Trainees On Board <sup>b/</sup>
2000	270,000 <sup>a/</sup>	270,000	245,000 <sup>r/</sup>	3,919	7,164
2001	298,000	275,000	267,007 <sup>s/t/</sup>	3,191	6,643
2002	327,000	275,000	278,700 <sup>u/v/</sup>	4,047 <sup>w/</sup>	6,636
2003	365,000	317,000	297,000 <sup>x/</sup>	4,411	7,533
2004	—	359,000	310,000 <sup>y/</sup>	3,812	7,733
2005	—	401,000	320,000 <sup>z/</sup>	4,006	7,810
2006	—	345,000	322,000 <sup>aa/ab</sup>	4,015	7,628
2007	—	336,642	319,700 <sup>ac/</sup>	3,964	7,875
2008	—	333,500	333,500 <sup>ad/</sup>	3,821	7,622
2009	—	343,500	340,000	3,496	7,332
2010	—	373,440	400,000	4,429	8,256
2011	—	446,150	375,000 <sup>ae/</sup>	3,813	8,460
2012	—	439,600	375,000	3,177	7,315
2013	—	374,500	356,015	2,861	6,400
2014	—	378,800	379,000	3,108	6,010
2015	—	380,000	379,500	3,400 <sup>est</sup>	6,450 <sup>est</sup>
2016	—	410,000	—	3,430 <sup>est</sup>	7,390 <sup>est</sup>

## Notes:

- a/ Starting in FY 1992, funds to remain available for two years.
- b/ For FY 1972 through FY 1999, this is the average number of Volunteers through the year. For FY 2000 through the fiscal year of the President's budget, this is the number of trainees and Volunteers on board on September 30 of the fiscal year, including Peace Corps Response, funded through Peace Corps' appropriation.
- c/ Includes reappropriated funds in 1963 (\$3.864 million), 1964 (\$17 million) and 1965 (\$12.1 million).
- d/ Includes Trainee Input from Transition Quarter.
- e/ Excludes \$5.59 million sequestered under the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177).
- f/ Excludes \$2.24 million sequestered under the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177) and a \$725,000 reduction related to the Drug Initiative (P.L. 101-167).
- g/ Authorization included report language of a \$15 million transfer to the Peace Corps from assistance funds for the Newly Independent States (NIS).
- h/ In addition, the Peace Corps received a transfer of \$12.5 million for assistance to the NIS.
- i/ In addition, the Peace Corps received a transfer of \$11.6 million for assistance to the NIS.
- j/ Appropriation of \$219,745,000 was later reduced by a rescission of \$721,000.
- k/ In addition, the Peace Corps received a transfer of \$13 million for assistance to the NIS. An additional \$1 million of NIS funds, intended for FY 1996, was received in FY 1997.
- l/ In addition, the President requested a transfer of \$5 million for assistance to the NIS.
- m/ Appropriation of \$205 million was later reduced by a rescission of \$296,000.
- n/ In addition, the Peace Corps received a transfer of \$12 million for assistance to the NIS. An additional \$1 million of NIS funds, originally intended for FY 1996 in addition to the \$13 million received that year, was received in FY 1997.
- o/ In addition, the Peace Corps received a base transfer of \$3,581,000 from the U.S. Department of State for the Peace Corps' participation in International Cooperative Administrative Support Services.
- p/ Appropriation of \$240 million was later reduced by a rescission of \$594,000. In addition, the Peace Corps received a transfer of \$1,269,000 from Economic Support Funds for security; \$7.5 million from the FY 1999 Emergency Appropriations Act (\$7 million for security and \$500,000 related to the Kosovo conflict); \$6 million from the Central American and Caribbean Disaster Recovery Fund; and \$1,554,000 from the Business Continuity and Contingency Planning Fund for Y2K preparedness.
- q/ Four-year authorization bill by Congress, FY 2000 of \$270 million, FY 2001 of \$298 million, FY 2002 of \$327 million and FY 2003 of \$365 million.
- r/ Appropriation of \$245 million was reduced by a rescission of \$931,000.
- s/ Appropriation of \$265 million was reduced by a rescission of \$583,000.
- t/ The Peace Corps received a transfer of \$2.59 million of Emergency Response Fund monies in support of program evacuations in four countries and the relocation of the New York City regional recruiting office.
- u/ The Peace Corps received a transfer of \$3.9 million of Emergency Response Fund monies in support of potential future evacuations.
- v/ Appropriation of \$275 million was reduced by a rescission of \$200,000.
- w/ Due to the September 11<sup>th</sup> events, the departure of 417 trainees was delayed from late FY 2001 to early FY 2002.
- x/ Appropriation of \$297 million was reduced by a rescission of \$1,930,500. OMB later reallocated \$1.2 million in Emergency Response Fund monies from the Peace Corps to another U.S. government agency.
- y/ Appropriation of \$310 million was reduced by a rescission of \$1,829,000.
- z/ Appropriation of \$320 million was reduced by a rescission of \$2.56 million.
- aa/ Appropriation of \$322 million was reduced by a rescission of \$3.22 million.
- ab/ In addition, Peace Corps received \$1.1 million supplemental for Avian Flu Preparedness.
- ac/ Revised Continuing Appropriations Resolution, 2007 (H.J. Res. 20).
- ad/ Appropriation of \$333.5 million was reduced by a rescission of \$2,701,000.
- ae/ Appropriation of \$375 million was reduced by a rescission of \$750,000.

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OPERATIONAL AREAS



## Direct Volunteer Operations

Direct Volunteer Operations includes offices that manage and oversee the recruitment and placement of applicants and provide Volunteer training and support. Direct Volunteer Operations also include components related to overseas post management.

### *Office of Global Operations*

The mission of Global Operations is to manage and coordinate the agency's strategic support to Peace Corps overseas operations, ensuring that all Volunteers have a safe and productive experience. In addition to the Peace Corps' three geographic regions (see below), Global Operations also includes the Office of Overseas Programming and Training Support, the Office of Global Health and HIV, and Peace Corps Response.

### *Africa; Europe, Mediterranean, and Asia; and Inter-America and the Pacific*

Overseas operations are organized and administered through three regional offices: Africa; Europe, Mediterranean, and Asia; and Inter-America and the Pacific. These accounts fund staff overseas who work directly with Peace Corps Volunteers, as well as staff at Peace Corps headquarters who provide general oversight and direction to Peace Corps country programs. These accounts also fund Peace Corps trainees' travel expenses from the United States to their countries of service, training for Volunteers, in-country travel for Volunteers and staff, and return travel for Volunteers after they have completed their service. Additionally, these accounts provide Volunteers with a monthly allowance to cover housing, utilities, household supplies, food, clothing, and transportation.

### *Office of Global Health and HIV*

The Office of Global Health and HIV (OGHH) provides leadership and direction for all programmatic work by Volunteers in the health sector, including HIV/AIDS prevention. For information on the number of Peace

Corps Volunteers working on HIV/AIDS activities, see Global Initiatives.

OGHH also coordinates the agency's participation in PEPFAR and the Global Health Initiative. These efforts include participating in the Global Health Service Partnership, Ebola prevention, and Volunteers' work in the Saving Mothers, Giving Life effort.

### *Office of Overseas Programming and Training Support*

The Office of Overseas Programming and Training Support (OPATS) ensures that overseas staff have the training, resources, and guidance needed to prepare Volunteers to meet the three goals of the Peace Corps. OPATS develops global programming, training, and evaluation guidance; standardized training sessions and assessment tools; a knowledge-sharing platform to facilitate information exchange; and standard sector indicators and tools for monitoring, evaluating, and reporting Volunteers' work.

### *Peace Corps Response*

Since 1996, Peace Corps Response has recruited and placed over 2,500 seasoned professionals in short-term, high-impact assignments in more than 50 countries. Peace Corps Response Volunteers accomplish concrete deliverables and make a significant impact in the communities in which they serve. Assignments range from accreditation specialists in Micronesia to water system engineers in Mexico. Peace Corps Response also assists the agency with country re-entries.

In addition, Peace Corps Response is home to the Global Health Service Partnership (GHSP), an innovative partnership between the Peace Corps, PEPFAR, and SEED Global Health. In the past three years, the GHSP recruited over 70 doctors and nurses to serve as adjunct faculty in medical and nursing schools in Malawi, Tanzania, and Uganda.

### ***Centrally Processed Overseas Equipment and Supplies***

Overseen by the Office of Management, this account funds the purchase of supplies (medical kits, eyeglasses, mosquito nets, etc.) for Volunteers and vehicles to support Volunteers.

### ***Federal Employees' Compensation Act***

Under the Federal Employees' Compensation Act, the Peace Corps reimburses the Department of Labor for disability payments and medical costs for returned Volunteers and staff who experience service-related injuries or sickness. The vast majority of these costs relate to Volunteers' claims; staff claims are minimal.

### ***Medical Services Centrally Shared Resources***

These are direct Volunteer medical expenses outside of those accrued in each post's health unit. These costs include travel and care during medical evacuation to regional centers or to the United States, as well as contracts for services related to the care of Volunteers. They also include one month of after-service health insurance for returned Volunteers, as well as support to Volunteers who must travel to their home of record for family emergencies.

### ***Office of Health Services***

The Office of Health Services (OHS) provides medical and mental health support for Volunteers, medical and mental health screening and clearance of applicants, and assistance for returned Volunteers with continuing and service-related medical or mental health problems. Additionally, OHS provides initial and ongoing training for overseas medical staff and contractors. Sub-offices of OHS include the Office of Medical Services (OMS) and the Counseling and Outreach Unit (COU).

Both OMS and COU support medical care for Volunteers through the services of dedicated headquarters and overseas staff. To achieve this mission, OMS and COU support a comprehensive, accountable, and high-quality Volunteer health-care program. OMS includes the Pre-Service Unit, which provides medical and mental health screening of applicants; the In-Service Unit, which provides medical and mental health care to currently serving Volunteers; and the Post-Service Unit, which provides support to returned Volunteers.

OMS is also responsible for agency medical and mental health quality assurance and improvement activities, the selection and management of all Peace Corps medical officers assigned to overseas posts, and the supervision of regional medical officers and regional medical hubs.

COU also assists posts in the management of Volunteer mental health and adjustment issues by responding to Peace Corps medical officer consultative requests and providing counseling services to Volunteers by phone or in-person, provides support to posts related to staff and peer support training, and provides support to Volunteers and their families during crises and emergencies.

### ***Office of Strategic Partnerships***

The Office of Strategic Partnerships (OSP) brokers external collaboration to support Volunteers and enhance the capacity of the agency to more effectively execute its mission. OSP collaborates with the private sector, universities, foundations, multilaterals, non-governmental organizations, and other government agencies to combine expertise, resources, and ideas to strengthen capacity. Strategic partnerships support program priorities and objectives through every stage in the Volunteer life cycle, including recruitment, training, assignment, programming, project support, activities related to the Peace Corps' Third Goal (sharing other cultures with Americans), and returned Volunteer support. OSP includes the Office of Intergovernmental and External Affairs, the Office of Gifts and Grants Management, and the Office of University Programs.

**Office of Intergovernmental and External Affairs (IAE):** IAE promotes, develops, and manages the agency's partnerships with U.S. government agencies, international nongovernmental organizations, multilateral institutions, and corporations. Strategic partnerships bring a variety of resources to the table, including placement opportunities for Volunteers, technical staff at headquarters, training resources at overseas posts, and career opportunities for returned Volunteers.

**Office of Gifts and Grants Management (GGM):** GGM manages the solicitation and acceptance of monetary and in-kind gifts and administers the Peace Corps Partnership Program (PCPP). The office engages individual donors, foundations, and corporations in support of PCPP and other agency priorities.

**Office of University Programs (UP):** UP establishes and maintains collaborative relationships with colleges and universities through both the Master's International and Fellows programs, and domestic organizations to promote future, current, and returned Peace Corps Volunteers' career and educational opportunities.

***Reimbursements to the Department of State (International Cooperative Administrative Support Services)***

These are payments the Peace Corps makes to the Department of State for administrative support. Some financial management support is also included through these payments, although the Peace Corps has directly provided financial management support to its overseas posts since the end of FY 1998.

***Volunteer Readjustment Allowance***

An allowance of \$325 per month of service (\$425 per month for a Volunteer's third year of service and for Peace Corps Response Volunteers) is provided to Volunteers upon termination of service to assist them when they return to the United States.

***Volunteer Recruitment and Selection (VRS)***

The Office of Volunteer Recruitment and Selection (VRS) manages every step of the Volunteer recruitment process, from public outreach to pre-departure orientation. VRS is comprised of the following components:

**Recruitment:** The regional recruitment offices, located in Atlanta, Chicago, Dallas, Los Angeles, New York, San Francisco, Seattle, and Washington, D.C., promote public interest in the agency. They develop university relationships, engage with local returned Peace Corps Volunteer groups, and organizing events, such as information sessions and send-off parties for new invitees.

**Placement:** The Placement Office fills overseas posts' requests for trainees. Placement officers interview and assess all applicants for service, matching applicants' skills and preferences with the needs of posts. Each placement officer is assigned to one to three countries, depending on the number of Volunteers requested at each post.

**Office of Diversity Recruitment and National Outreach:** The Office of Diversity Recruitment and National Outreach works to support the regional recruitment offices by reaching out to groups and organizations that can assist in generating more applications from diverse populations and in specialized skill areas.

**Staging and Staff Development:** The Office of Staging and Staff Development manages the departure of each training class. At each staging event, invitees receive their passports, visas, and tickets and receive training and preparation for their arrival at post. The unit also assists VRS in coordinating staff training and development activities based on need and availability of funds.

**Office of Analysis and Evaluation:** The Office of Analysis and Evaluation supports VRS by analyzing trends in applicant numbers. The office tracks how many applicants apply to each country and sector, identify areas of need, and evaluate the impact of large-scale recruiting initiatives.

**VRS Administration:** The Administrative Unit provides the essential resources and administrative support that enables VRS to deliver Peace Corps trainees to its overseas posts. The office's primary tasks include administering VRS' finances and budget, personnel and position management, space and inventory management, and ensuring departmental compliance with Peace Corps and federal government policies and procedures.

For more information on the Peace Corps application process and phases of Volunteer service, see Appendix B.



## Volunteer Operations Support Services

Volunteer operations support services include standard components found in the administration of most federal agencies, such as administration and human resources, public outreach, and budgeting and acquisition. In addition to typical functions, such offices at the Peace Corps have the goal of supporting Volunteers in the field in order to achieve the Peace Corps mission and its three goals.

### *Office of Third Goal and Returned Volunteer Services*

The Office of Third Goal and Returned Volunteer Services supports initiatives that help achieve the Peace Corps' Third Goal: to help promote a better understanding of other peoples on the part of Americans.

The Returned Volunteer Services program develops and implements career and transition support services that help returned Peace Corps Volunteers transition back to the United States, including an interactive, online jobs board and regional, national, and online career conferences and events.

The Office of Third Goal and Returned Volunteer Services also supports the Paul D. Coverdell World Wise Schools program, which helps U.S. schoolchildren better understand the people and culture of other countries. The World Wise Schools program offers educators and students free, online curriculum materials and multi-media resources that highlight Volunteer experiences and projects. Returned Peace Corps Volunteers can also share their Peace Corps experiences through the WWS Speakers Match program by visiting and speaking in elementary, secondary, and post-secondary schools in their communities.

### *Office of Communications*

The Office of Communications manages all official agency communications, including press relations and social media, marketing, video production and photography, publications, design, printing, editorial support, and the website ([peacecorps.gov](http://peacecorps.gov)). The office's primary

responsibilities are to communicate internally and to the public the agency's priorities, to inform the public about the Peace Corps and the work of Volunteers, and to support recruitment. The office advises internal departments and produces many of the tools used to reach key external audiences, including applicants and their families, returned Peace Corps Volunteers, partner organizations, and other stakeholders.

### *Office of Congressional Relations*

This office develops the Peace Corps' legislative strategy, coordinates activities related to all legislative issues and interests, and serves as the official liaison between the Peace Corps Director and members of Congress and congressional staff.

### *Director's Office and Associated Offices*

The Office of the Director provides executive-level direction to the Peace Corps, overseeing its programs and activities and establishing agency policy in accordance with the three goals of the Peace Corps, in addition to ensuring compliance with the Peace Corps Act. The Director's Office includes the Office of Civil Rights and Diversity, the Office of Innovation, the Office of Victim Advocacy, and the Office of the Chief Compliance Officer.

### *Office of Victim Advocacy*

The Office of Victim Advocacy (OVA) ensures each Volunteer is made aware of, and receives access to, services provided by the Peace Corps in cases of sexual assault, stalking, and other crimes, and facilitates Volunteers' access to such services. Victim advocates assist current and returned Volunteers who have been the victim of, or witness to, crimes during their Peace Corps service. The assistance may include ensuring Volunteers are aware of their options so they may make informed decisions, assuring Peace Corps staff are aware of the Volunteers' choices, helping them understand the local criminal and legal systems, and safety planning. When requested,

victim advocates are available to accompany a current or returned Volunteer through the in-country criminal investigation and prosecutorial process.

OVA coordinates with other Peace Corps offices, co-manages the Sexual Assault Response Liaison program, and provides input and guidance in the development and updating of the Peace Corps' comprehensive sexual assault policy including the Sexual Assault Risk-Reduction and Response Program.

#### ***Office of the General Counsel***

The Office of the General Counsel provides legal advice and policy guidance and services to the Director and overseas and domestic staff and assists in the development of Peace Corps policies and procedures.

#### ***Office of Management***

The Office of Management provides administrative, logistics, human resources management, and general operations support to all headquarters offices, regional recruiting offices, and the agency's field posts.

The Office of Management includes a number of sub-offices. The Office of Human Resource Management manages the range of personnel support functions, including federal staff recruitment and hiring (domestic and overseas), position classification, performance management, pay and compensation, training and professional development, and employee and labor relations. The Office of Administrative Services handles facilities management, mail distribution, travel, transportation, and shipping, medical supplies acquisition and distribution, overseas vehicle procurement, and domestic vehicle fleet procurement and management. The Freedom of Information Act/Privacy Act/Records Management Office ensures agency compliance with the law and applicable guidelines in these specific areas.

#### ***Office of Management Centrally Managed Resources***

These funds are used to pay for the Peace Corps' leases for the headquarters building and the regional recruiting offices, mailroom service, warehousing, and bulk medical equipment.

#### ***Office of the Chief Financial Officer***

The Office of the Chief Financial Officer (OCFO) oversees all financial management activities relating to the programs and operations of the agency, maintains an integrated budget accounting and financial management system, provides financial management policy guidance and oversight, and monitors the financial formulation of the agency budget and the financial execution of the budget in relation to actual expenditures. In addition, the Office of Acquisitions and Contract Management, which is part of OCFO, handles all forms of procurement and assistance, including contracting, simplified acquisitions, contract administration, interagency agreements, personal services contracts, leases, strategic sourcing, and cooperative agreements/grants.

#### ***Office of the Chief Financial Officer Centrally Managed Resources***

These resources are primarily for staff costs, such as unemployment compensation, severance pay, terminal leave payments, and overseas staff medical evacuation, and also include foreign currency fluctuation.

#### ***Office of the Chief Information Officer***

The Office of the Chief Information Officer (OCIO) manages enterprise technology architecture; the development of agency information technology policies and practices; and agency applications, communications, and network connectivity technology. OCIO also works to continually modernize the agency's global IT infrastructure necessary to connect headquarters, domestic recruiting operations, and overseas posts. OCIO acquires and manages technology assets, delivers IT customer support using customer relationship managers and service desks, trains and supports overseas post IT specialists, and builds and operates systems applications and solutions.

#### ***Office of the Chief Information Officer Centrally Managed Resources***

These funds include the costs of domestic and overseas equipment and contracted services for telecommunications, data center operations, computing environments, network operations, software licensing, and the Peace Corps' disaster recovery site.

### *Office of Strategic Information, Research, and Planning*

The Office of Strategic Information, Research, and Planning guides agency strategic planning; monitors and evaluates agency-level performance and programs; conducts research to generate new insights in the fields of international development, cultural exchange, and Volunteer service; enhances the stewardship and governance of agency data; and helps to shape agency engagement on high-level, governmentwide initiatives.

### *Office of Safety and Security*

The Office of Safety and Security ensures a safe and secure operating environment for Peace Corps Volunteers and staff, both in the United States and overseas.

The Office of Safety and Security manages four operating areas: overseas safety and security for staff and Volunteers; information and personnel security; emergency management and physical security; and learning, evaluation, and design for safety and security training. The Overseas Operations division oversees the overall safety and security programs at posts, which includes ensuring the physical security of Peace Corps offices and U.S. staff residences, threat analysis, and managing the agency's incident reporting system. Overseas safety and security staff also coordinates with host country law enforcement and other federal agencies, as appropriate, to support the investigation and prosecution of crimes against Volunteers. The office coordinates closely with the Office of Global Operations to ensure the proper management of security programs.

Much of the direct support to posts overseas is provided by 10 regionally based Peace Corps safety and security officers. The officers act as security advisers for country directors and provide training; threat assessment; physical security guidance; and crisis management,

response, and support to Volunteers who have been victims of crime. The Office of Safety and Security also provides technical oversight and professional development for safety and security staff assigned to posts and the regions.

The Domestic Operations division handles the Emergency Preparedness and Physical Security (EMPS) and Information and Personnel Security (IPS) components of the office. EMPS coordinates security for the Peace Corps headquarters building and the regional recruiting offices and leads the agency's continuity of operations program and Occupant Emergency Plan. IPS manages the personnel and information security programs as well as the insider threat program.

### *Safety and Security Centrally Managed Resources*

These resources are primarily for domestic security guard contracts with the Department of Homeland Security and for personnel security expenses such as federal suitability reviews and background investigations. Crime response funds, which can be directed to any part of the world where crimes against Volunteers require a swift response, are also managed within this account.

### *Office of Inspector General*

The Office of the Inspector General (OIG) provides independent oversight in accordance with the Inspector General Act of 1978, as amended. Through audits, evaluations, and investigations, the OIG prevents and detects waste, fraud, abuse, and mismanagement; provides advice and assistance to agency management; and promotes efficiency, effectiveness, and economy in agency programs and operations. Please see Appendix G for the Office of the Inspector General's budget request.

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OVERSEAS OPERATIONS

## Peace Corps 2015 Congressional Budget Justification Volunteers and Program Funds

Regions	<i>Volunteers and Trainees on Board on September 30*</i>		<i>Program Funds (\$000)</i>	
	<i>FY 2015</i>	<i>FY 2016</i>	<i>FY 2015</i>	<i>FY 2016</i>
Africa	2,390	2,910	86,400	102,200
Europe, Mediterranean, Asia	1,890	2,210	61,700	80,700
Inter-America and the Pacific	1,980	2,080	60,300	67,400
<b>Subtotal, Country Programs</b>	<b>6,260</b>	<b>7,200</b>	<b>208,400</b>	<b>250,300</b>
Peace Corps Response	200	200	1,500	1,500
<b>Country Programs + PC Response</b>	<b>6,460</b>	<b>7,400</b>	<b>209,900</b>	<b>251,800</b>

### Volunteers and Program Funds by Post

Country	<i>Volunteers and Trainees on Board on September 30*</i>		<i>Program Funds (\$000)</i>	
	<i>FY 2015</i>	<i>FY 2016</i>	<i>FY 2015</i>	<i>FY 2016</i>
Albania	80	90	2,100	2,800
Armenia	80	110	2,300	3,000
Azerbaijan	0	0	1,600	1,900
Belize	30	50	1,600	1,900
Benin	100	120	4,800	5,500
Botswana	70	90	2,000	2,300
Burkina Faso	110	140	5,400	6,600
Burma	0	20	1,300	1,800
Cambodia	120	140	2,600	3,400
Cameroon	160	170	5,900	6,600
China	160	160	4,100	5,200
Colombia	90	90	3,000	3,300
Costa Rica	140	120	4,100	4,300
Comoros	30	50	1,400	2,000
Dominican Republic	160	170	4,300	4,800
Eastern Caribbean	50	50	2,800	3,100

\* See Note b, Page 7

**Peace Corps 2015 Congressional Budget Justification**  
**Volunteers and Program Funds**

Country	Volunteers and Trainees on Board on September 30 *		Program Funds (\$000)	
	FY 2015	FY 2016	FY 2015	FY 2016
East Timor	20	50	1,600	2,300
Ecuador	120	140	4,900	5,700
El Salvador	60	70	2,600	3,000
Ethiopia	180	190	4,600	5,500
Fiji	80	90	1,800	2,200
Gambia, The	80	100	1,800	2,300
Georgia	100	100	3,200	4,200
Ghana	130	170	4,000	4,900
Guatemala	120	150	4,500	4,900
Guinea	0	0	2,400	2,700
Guyana	60	70	2,300	2,700
Indonesia	120	130	2,600	3,400
Jamaica	50	60	2,800	3,200
Jordan	30	60	2,200	3,200
Kenya	0	0	1,900	2,100
Kosovo	50	60	1,500	2,800
Kyrgyz Republic	110	110	2,200	2,900
Lesotho	60	80	2,300	2,700
Liberia	0	0	2,200	2,500
Macedonia	120	130	3,100	4,000
Madagascar	120	150	3,800	4,200
Malawi	80	90	2,700	3,300
Mali	30	70	2,700	4,000
Mexico	70	60	2,600	2,800
Micronesia	30	40	1,700	1,800
Moldova	130	140	2,700	3,500
Mongolia	150	140	3,900	5,100
Morocco	240	260	6,000	7,000
Mozambique	160	170	3,800	4,500

\* See Note b, Page 7

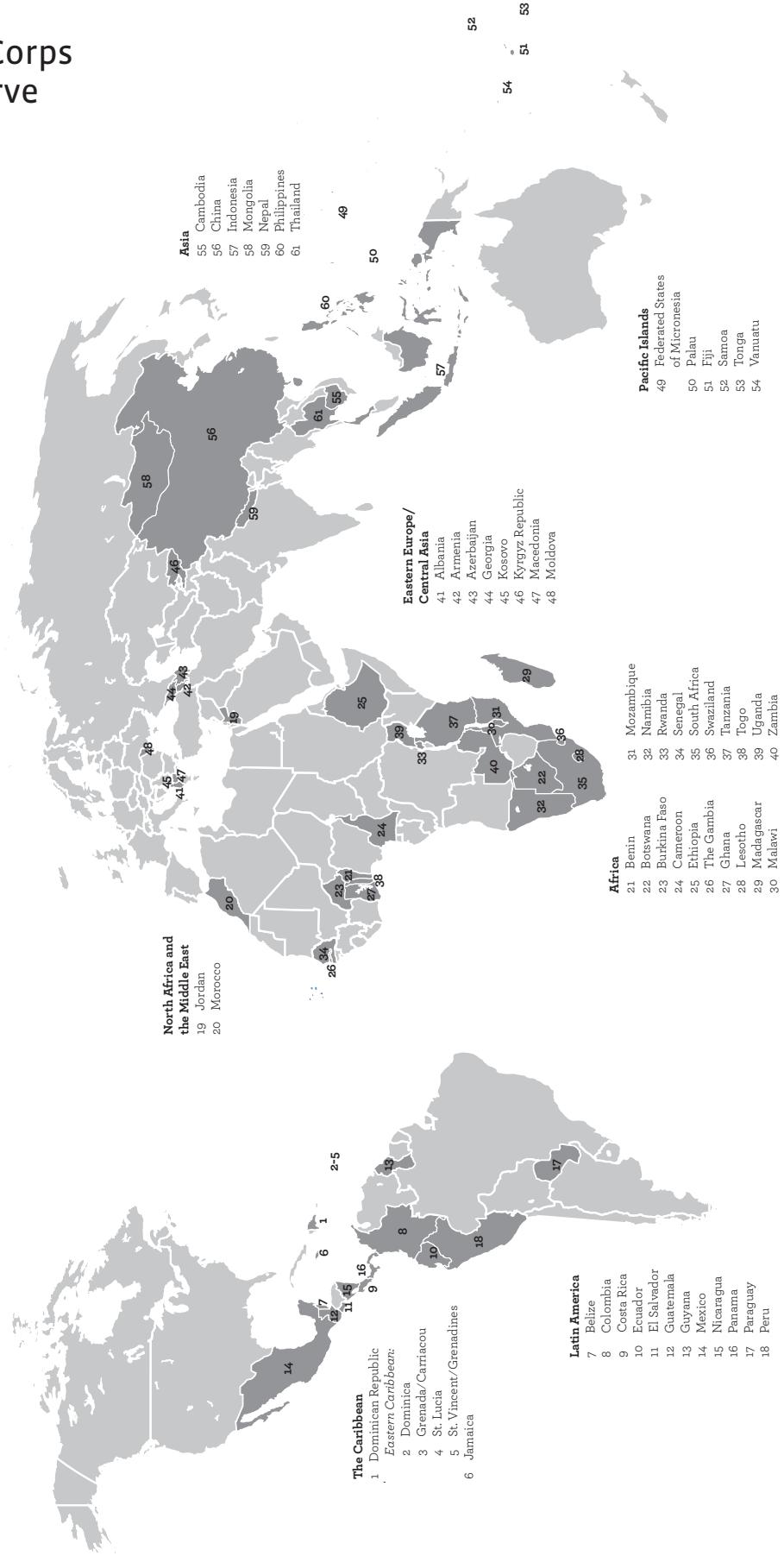
**Peace Corps 2015 Congressional Budget Justification**  
**Volunteers and Program Funds**

Country	Volunteers and Trainees on Board on September 30*		Program Funds (\$000)	
	FY 2015	FY 2016	FY 2015	FY 2016
Namibia	80	100	2,600	2,900
Nepal	80	110	2,000	3,000
Nicaragua	180	180	3,800	4,100
Panama	190	180	5,400	5,900
Paraguay	220	220	5,700	6,200
Peru	240	250	7,200	7,900
Philippines	160	170	4,100	5,500
Rwanda	90	120	2,500	3,000
Samoa	20	30	1,100	1,300
Senegal	270	320	7,500	8,700
Sierra Leone	0	0	1,400	1,600
South Africa	90	110	3,600	4,100
Swaziland	40	50	1,500	1,800
Tanzania	120	180	3,600	4,500
Thailand	110	120	3,200	4,200
Togo	80	90	3,400	3,900
Tonga	40	40	1,200	1,300
Uganda	80	90	2,700	3,100
Ukraine	110	190	3,500	5,300
Vanuatu	60	60	2,800	3,200
Zambia	120	140	5,900	6,900
<b>TOTAL</b>	<b>6,260</b>	<b>7,200</b>	<b>208,400</b>	<b>250,300</b>

\* See Note b, Page 7

# Where Peace Corps Volunteers Serve

# Where Peace Corps Volunteers Serve



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Sahel

The Gambia, Senegal

Coastal West and Central Africa

Benin, Burkina Faso, Cameroon, Ghana, Guinea, Liberia, Mali, Sierra Leone, Togo

Eastern Africa

Comoros, Ethiopia, Kenya, Madagascar, Malawi, Mozambique, Rwanda, Tanzania, Uganda

Southern Africa

Botswana, Lesotho, Namibia, South Africa, Swaziland, Zambia



AFRICA REGION

## *Africa*

Since 1961, more than 76,600 Peace Corps Volunteers have served throughout Africa. At the end of FY 2014, 3,225 Volunteers were working in 24 countries in the region, changing lives and advancing public diplomacy and understanding through the work they do in some of the poorest countries in the world. Programs in Africa cover all six of the agency's program sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth in Development. Volunteers serve primarily in rural areas, working in almost 125 languages. They are able to reach "the last mile" and address many critical, complex global development challenges, including the following:

- HIV/AIDS: About 25 million people in sub-Saharan Africa live with HIV/AIDS, accounting for nearly 70 percent of the global total. About 60 percent of those infected are women, and about 15 million African children have lost parents due to AIDS. Peace Corps Volunteers are working to stop the spread of HIV/AIDS and alleviate its impact. They promote healthy behavior among youth through life-skills education in the classroom and after-school clubs; they work with community health workers conducting house-to-house training and tracking to encourage compliance among people on anti-retroviral treatment; they promote circumcision among adult males, which can reduce HIV transmission by as much as 60 percent; and they help AIDS orphans by teaching in preschools and working in orphanages.
- Malaria: An African child dies every minute and almost 600,000 Africans die annually from this preventable and treatable disease. About 85 percent of cases and 90 percent of malaria deaths worldwide occur in sub-Saharan Africa. In response to this tragedy, the Peace Corps launched Stomping Out Malaria in Africa, which is mobilizing over 2,000 Volunteers to promote bed net use, improve environmental control of mosquitos, and ensure early detection and treatment of malaria.
- Food Security: The United Nations Food and Agriculture Organization estimates that over 200 million people in sub-Saharan Africa are chronically hungry. Peace Corps Volunteers are working with rural families and farmers to improve household food security through introducing better agronomic practices and new varieties, in collaboration with Master Farmers; training in nutrition; demonstrating school and community

gardens; improved watershed management; and tree planting for erosion control.

- Education: Literacy rates are improving globally, but youth literacy rates in sub-Saharan Africa (72 percent) are the lowest of any region: Almost 50 million youths (ages 15–24) are not able to read and write, and only one-third of adolescents are enrolled in secondary school. Peace Corps Volunteers are serving as classroom teachers of English, math, and science; tutoring students and promoting "safe school" concepts to keep students, especially girls, in school; introducing improved teaching techniques to fellow teachers; establishing school and community libraries to foster a culture of reading; and working on early literacy programs to help young children build a strong base for subsequent learning.

The Peace Corps works closely with other agencies in a whole-of-government manner to tackle these problems: with the PEPFAR country team on HIV/AIDS, with the President's Malaria Initiative on malaria, and with U.S. Agency for International Development on Feed the Future/food security and early literacy.

Because of the value attached to the work of Volunteers, the Peace Corps receives strong support from African host countries, including cash contributions from governments and in-kind contributions from communities and local partners, which provide almost 100 percent of Volunteer housing.

### *Examples of Peace Corps Volunteers' accomplishments in Africa:*

#### **Liberia—Empowering rural women**

Bosh Bosh was initiated by a Peace Corps Volunteer and her Liberian counterpart in 2012 as an after-school program designed to empower rural female students through extracurricular educational activities and vocational opportunities, focused primarily on sewing bags from African materials. In two years, it has become a registered Liberian nongovernmental organization with 15 paid employees, 20 female scholars, and myriad programs, including fully funded educational scholarships, interactive health workshops, tutoring and advising, hands-on computer classes, sewing lessons, literacy and financial planning training, life-skills workshops, and community service. When Ebola hit Liberia, Bosh Bosh Inc.'s scholars were on the front lines educating

their community and surrounding villages on how to stay Ebola-free. Currently, Bosh Bosh Inc. is funding and monitoring 100 hand-washing stations, providing hygiene lessons, leading awareness workshops, and taking care of quarantined residents suspected of Ebola. Bosh Bosh Inc. is “Sewing dreams together one stitch at a time” not only for its members but also for other local artisans, entrepreneurs, and organizations collaborating with them. The organization has international recognition for its social agenda as well as its sustainable, grass-roots approach to community economic development.

### **Zambia—Saving Mothers**

Peace Corps Zambia is an integral part of Saving Mothers, Giving Life, a global partnership established to achieve reduction in maternal and neo-natal mortality through coordinated efforts of the United States’ global health platforms including PEPFAR, U.S. Agency for International Development, Centers for Disease Control and Prevention, National Institutes of Health, Department of Defense, and the government of Zambia. With Peace Corps Volunteers spearheading community mobilization activities, this initiative achieved 35 percent reduction in maternal mortality in one year. Health facility staff have been empowered in emergency care, and communities have been sensitized on the need to have mothers deliver at health-care facilities. The program has been so successful that a number of other

partners, both international and local, have come on board to replicate the program in remaining districts across the country.

### **Uganda—Building a strong foundation for learning through early literacy**

Across Uganda, Education Volunteers increase literacy rates through teacher training, reading intervention programs, and activities that address five specific skills of literacy (phonemic awareness, alphabetic principle, fluency, vocabulary, and comprehension), while promoting a culture of reading. School libraries complement the effort: They are stocked with culturally relevant books, and community members are trained to maintain the resources and implement literacy activities. Uganda held the first annual National DEAR (Drop Everything and Read) Day under the initiative of Peace Corps Volunteers. Another first for Uganda was the My Language Spelling Bee, which included eight local languages in a national spelling competition. These low-cost, high-impact activities raise awareness, build capacity of teachers and students, and incentivize being a reader. Academic achievement is further supported by training on Student Friendly Schools and implementation of Positive Behavior Systems to create school culture and staff climate where real growth is possible.

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# EUROPE, MEDITERRANEAN, AND ASIA REGION

Balkans and North Africa	Albania, Kosovo, Macedonia, Morocco
Central and Eastern Europe	Moldova, Ukraine
Middle East and the Caucasus	Armenia, Azerbaijan, Georgia, Jordan
Central Asia	Kyrgyz Republic
Asia	Burma, Cambodia, China, Indonesia, Mongolia, Nepal, Philippines, Thailand, Timor-Leste



### *Europe, Mediterranean, and Asia*

Since the Peace Corps was established in 1961, over 58,000 Volunteers have served in the Europe, Mediterranean, and Asia (EMA) Region. At the end of FY 2014, EMA had 1,610 Volunteers and trainees working in 17 countries.

Volunteers in EMA serve in all of the agency's six program sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth in Development. In addition, many Volunteers incorporate cross-cutting sector programming priorities such as Gender Equality and Women's Empowerment, HIV/AIDS, and Volunteerism into their work with communities, schools, clinics, businesses, local non-governmental organizations, municipal governments, and universities.

Education remains the largest sector in the EMA region, with classroom-based Teaching English as a Foreign Language (TEFL) the primary activity. Volunteers are part of national and local efforts to strengthen capacities in primary, secondary, and university education through classroom instruction, professional development for teachers, and school and community resource development.

With Feed the Future project funding and cross-cutting work in other sectors, the EMA region contributes to whole-of-government efforts to improve food security for the most vulnerable populations in targeted communities. Volunteers work to help communities to improve agricultural productivity as well as nutrition, hygiene, and sanitation practices.

Volunteers in EMA were trained in approximately 30 languages during FY 2014. Volunteers receive intensive language, cross-cultural, and technical training, which enables them to integrate successfully into the communities where they live and work.

#### *Examples of Peace Corps Volunteers' accomplishments in EMA:*

##### **China—Planting a forest on Earth Day**

In the Sichuan Province of China, one Peace Corps Volunteer set out to use his degree in environmental policy to help combat air pollution in his community. Working closely with his counterpart, a soil scientist, and the university administration, the Volunteer coordinated an

Earth Day tree-planting event. Despite incredible heat, students and community volunteers planted 20 trees in three hours, working in both Chinese and English, which provided an opportunity for greater language learning. The Volunteer's use of social media to promote the event was popular on both U.S. and Chinese social media networks. Over the following two months, students, teachers, and gardeners helped to water the trees, committing to the success of the project.

##### **Albania—First national GLOW conference**

Peace Corps/Albania Volunteers and their local partners hosted the Girls Leading Our World (GLOW) National Conference in Durres, Albania, a first for the country. The program, originally started by Peace Corps/Romania in 1995, was a culmination of the first year of this project in Albania. Volunteers brought together 34 girls and nine adult leaders from 13 cities throughout the country to provide a safe space for these girls to share stories, develop ideas, and work together to empower and inspire each other in areas of leadership, self-discovery, health, advocacy, and relationship building. Working closely with the Peace Corps' partners Anti-Trafficking In Persons Albania and the Mary Ward Loretta Foundation, the participants gained knowledge and understanding of human trafficking.

As they returned home to their communities, many of the girls let their voices be heard on social media, with posts such as "Intelligence will never stop being beautiful" and "We are strong, we are beautiful, we can improve ourselves, we can improve the world."

##### **Georgia—Securing financial independence**

Over 30 women from the Samtskhe-Javakheti region of Georgia came together for a one-month program on personal and business financial management principles. With support from a USAID Small Project Assistance grant, Peace Corps Volunteers from the Community Economic Development sector provided financial education to the female beneficiaries of the region's Democratic Women's Organization and their local service providers.

During a series of workshops, participants were introduced to concepts such as budgeting, benchmarking, managing liabilities and risk, cost versus profit, and filling out basic financial forms. Participants utilized

this new information to create personal financial plans. For most women, it was the first time they had tracked monthly spending to develop a budget. At the end of the workshop, budding entrepreneurs presented basic financial plans for new business ideas, and small business owners used new models to analyze their current enterprises.

There was a wide range of experience amongst the participants and they were able to share success

stories and expand their personal and professional networks. The women also completed personal financial workbooks, which included all the information from the series of workshops to be used as a resource in their homes and communities. On the final day of the workshop, participants received financial training on Georgia-specific laws, rules, and regulations from an expert financial auditor to help them navigate the local environment.



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Central America	Belize, Costa Rica, El Salvador, Guatemala, Mexico, Nicaragua, Panama
Caribbean	Dominican Republic, Eastern Caribbean (Dominica, Grenada and Carriacou, St. Lucia, St. Vincent and the Grenadines), Jamaica
South America	Colombia, Ecuador, Guyana, Paraguay, Peru
Pacific	Fiji, Micronesia, Palau, Samoa, Tonga, Vanuatu

## INTER-AMERICA AND THE PACIFIC REGION

### *Inter-America and the Pacific Region*

More than 84,000 Volunteers have served in the Inter-America and Pacific (IAP) Region since the founding of the Peace Corps in 1961. At the end of FY 2014, 1,983 Volunteers were working in 20 posts in 23 nations (some Peace Corps posts cover more than one country). In the IAP region, the Peace Corps provides training in more than 20 languages, thereby enhancing Volunteers' effectiveness and integration into local communities.

Volunteers in IAP work in all six agency programmatic sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth in Development. Across the sectors, Volunteers also address issues related to information technology, climate change, food security, gender equality, host country volunteerism, and HIV/AIDS education. Regardless of assignment, the majority of Volunteers in the region actively engage youth in their activities.

Volunteers' activities place a high priority on working with youth because people under 25 years of age comprise a majority of the population in many IAP countries. Volunteers conduct a wide range of community-based activities that facilitate life and leadership skills development, and strengthen self-esteem, decision-making, and communication. In many countries, Volunteers organize and facilitate youth leadership camps, form youth groups, and provide technology and entrepreneurial skill-building workshops. Youth programs strengthen civic engagement and enhance economic futures for participating youth and their families and communities.

Access to basic health services, education, and sanitation systems remains a serious problem for many communities in the IAP region. Volunteers work to improve the health of communities, families, and schoolchildren by training service providers and building community awareness about the importance of basic hygiene, maternal and child health, nutrition, disease prevention, and clean water. Volunteers also support local health clinics with health education and outreach efforts and help communities promote HIV/AIDS awareness and prevention.

Deforestation and environmental degradation seriously affects air and water quality, flooding risks, and the sustainability of natural resources in the region. Volunteers who work in Environment projects engage

local youth, communities, and partner agencies in promoting environmental education and conservation. Some Volunteers also foster income generation for local communities through ecotourism, eco-business, and protected land management.

### *Examples of Peace Corps Volunteers' accomplishments in IAP:*

#### **Dominican Republic—Teacher training conferences**

Volunteers organized three regional conferences for Dominican educators. In total, 33 Peace Corps Volunteers and 61 Dominican educators participated in technical workshops with topics including classroom management, literacy promotion, lesson planning, and didactic material development. As an integral part of each conference, participants planned and conducted local teacher training workshops, reaching 30 communities and more than 300 teachers and 4,000 students. The Small Project Assistance Program was used to support this teacher training initiative.

#### **Mexico—Harvesting mountain rainwater to save potable water**

A Peace Corps Response Volunteer facilitated the design and construction of a 30,000 liter rainwater harvesting system for three university campus buildings, including installation of water-saving devices for bathroom sinks, urinals, and toilets due to the increasing potable water demands in the face of decreasing rainwater. The Volunteer trained students, faculty, and maintenance staff on how to design, construct, and maintain rainwater harvesting cistern systems for on-campus buildings.

#### **Nicaragua—Bridging communities and futures**

With the help of a Peace Corps Volunteer and a grant from Feed the Future, the two communities of Pearl Lagoon and Kukra Hill were connected with a bridge for the first time in years. Due to heavy rains, the old bridge had washed out, leaving a single 30-foot barrier along the road connecting two communities. As over-fishing has affected these two coastal communities, more residents have turned to farming to make ends meet, but they faced one problem: The only way to get their product to market was to carry it on their backs more than five kilometers. Without a bridge, fertile land was

left unplanted, and area buses had to take a significant detour to connect the two towns. The new bridge opened economic opportunities and fostered long-lasting cooperation between the two communities.

#### **Peru—Organic waste management**

A Volunteer in the Environment program developed a large-scale organic waste management system that is not only keeping his community clean but also generating nutrient-rich composted fertilizer for his com-

munity's crop gardens, fruit trees, and grass. By adding slow-release nutrients to the crops, the rich fertilizer is fostering expanded crop growth. The system currently produces more than 1,100 pounds of compost weekly through a process called vermicomposting—a fast, non-hazardous way to turn organic waste into high-quality, natural fertilizer using worms. The Volunteer's initiative is a model for the community, which is seeing the value of locally generated, organic fertilizers.



## VOLUNTEER WORK BY SECTOR

### Agriculture

Agriculture Peace Corps Volunteers help host country communities develop their agriculture sectors to improve local livelihoods and promote better nutrition. Agriculture projects are designed to promote environmentally sustainable, small-holder farming practices focused on increasing productivity, improving business practices and profitability, and sustaining the natural resource base, including effective soil and water conservation practices.

Agriculture Volunteers provide support and training to local individuals and groups in the use of intensive farming practices and techniques, such as integrated pest management, improved post-harvest management and storage, optimized use of agricultural inputs such as improved seed varieties and organic fertilizer, adoption of improved soil management methods such as no-till cultivation, and the use of more efficient water capture and delivery technologies such as micro-irrigation. Volunteers contribute to climate change preparedness by educating community members, promoting the use of “climate smart” agriculture techniques and practices, and creating sustainable and self-sufficient agricultural systems.

Using the local language, Agriculture Volunteers provide direct assistance to individual farmers and producer groups. In addition, they use nonformal education and extension methodologies, such as the “lead” farmer approach and the Farmer Field School model promoted extensively by the United Nations Food and Agriculture Organization. Volunteers also support farmers’ business practices and conduct training in basic business and organizational skills, marketing, and value chain analysis. Volunteers purposefully include women and youth in their agriculture outreach activities.

At the end of FY 2014, there were 348 Agriculture Peace Corps Volunteers worldwide.

#### Examples of Agriculture Volunteer work:

- Improving traditional crop systems by introducing farmers to better practices and technologies, such as conservation agriculture (e.g., no tillage, use of permanent soil cover using organic mulch, crop rotation) and agroforestry strategies (e.g., alley cropping, planting windbreaks and living fences, planting leguminous and multi-purpose trees)
- Encouraging home garden production while raising awareness about the nutritional advantages of pro-

ducing crops with high nutritional value, like orange-fleshed sweet potato and green leafy vegetables, as well as the advantages of growing a variety of both traditional and non-traditional vegetables and fruits

- Increasing knowledge and skills needed for small-animal husbandry, including poultry, rabbits, fish, and bees
- Helping producers increase the value of their agricultural earnings by developing new products, improving storage and packaging, expanding distribution, improving product quality, and implementing effective management and marketing strategies
- Collaborating with farmers to improve profits through a value chain approach to cash crop production and marketing of cacao, cashews, and shea
- Developing farmers’ skill in dry-season gardening, a practice that enhances food security and provides income to local communities outside of the field crop growing season

### Community Economic Development

Community Economic Development Peace Corps Volunteers build the capacity of community members to take control of their own economic futures. Peace Corps Community Economic Development projects fall into three areas: organizational development, business development, and personal money management. These areas are adapted to local conditions and priorities and depend on host country development strategies.

To enhance organizational development, Volunteers help community-based organizations and national non-governmental organizations develop mission statements and bylaws; improve board governance, internal management, and project management; and create strategic plans. Volunteers also work with these organizations to improve marketing and advocacy campaigns, raise funds and resources, network, improve client services, and use technology more effectively.

Additionally, Volunteers train and advise individual entrepreneurs and business managers in business planning, marketing, financial management, product design, distribution, and customer service. They counsel cooperatives; teach business and entrepreneurship workshops, courses, and camps; and coordinate business plan competitions for youth. Volunteers may also work with entire communities to improve market linkages for local businesses, start

## **VOLUNTEER WORK BY SECTOR, cont.**

community-run businesses, and coordinate overall community economic development.

Volunteers also engage with their local community to promote personal money management strategies. Volunteers help microfinance institutions improve their outreach to potential clients and provide would-be entrepreneurs access to microfinance services. In communities with few formal banking services, Volunteers work with community members to set up and manage their own savings and loan associations and provide financial literacy training to youth and adults regarding budgeting, savings, financial negotiations, and the safe use of credit.

At the end of FY 2014, there were 624 Community Economic Development Peace Corps Volunteers worldwide.

### **Examples of Community Economic Development**

#### **Volunteer work:**

- Building the capacity of business owners to use computer technology and the Internet to market products and services
- Organizing youth business plan competitions at the local, regional, and national levels
- Helping artisan cooperatives find new markets for their handmade goods and improve quality control
- Advising women's groups about the value of saving and the smart use of credit
- Fostering the creation of sustainable, independent community-managed savings and loan associations
- Working with local civil society groups to improve their outreach and implement awareness campaigns
- Creating leadership development opportunities for community members, especially women and youth

### **Education**

Education Volunteers work on projects that typically include a wide range of activities related to teachers, students, and communities and are linked to national priorities. Volunteers work with local teachers to teach math, science, and information and communication technologies; English; literacy/numeracy; and gender empowerment.

The Teaching English as a Foreign Language (TEFL) project focuses on helping host country counterparts improve their English proficiency, teaching skills, and participation in professional development, which in turn leads to improved English language instruction and increased English proficiency for students. In addition to formal classroom instruction, TEFL Volunteers also participate

in various informal activities, such as English camps and clubs, and adult TEFL education.

Education Peace Corps Volunteers focusing on literacy promote improvement of students' basic literacy and numeracy skills and help teachers develop remedial literacy strategies for students at risk of failing. This work takes place principally in the early primary grades, but also targets students in secondary school, as well as out-of-school youth. Projects emphasize communities of practice in which students, community members, and parents address how they can support reading and literacy development at home and in community settings.

Education Volunteers include a gender empowerment approach in their work. Volunteers start after-school clubs, work with teachers to integrate gender-equitable practices, work with school administrators and parents to promote student-friendly schools, and provide other support networks through youth programs that include girls and boys, both together and separately.

The math, science, and information and communication technologies projects focus on middle school or secondary students and include training on how to work in low-resource settings and engage students, particularly girls, by using real-life applications of these subjects. Projects promote communities of practice, particularly with other math, science, and information and communication technologies teachers, to share teaching and assessment techniques.

At the end of FY 2014, there were 2,620 Education Peace Corps Volunteers worldwide.

### **Examples of Education Volunteer work:**

- Advising communities in the development of curricula and teaching materials
- Engaging in mutual peer observation with counterparts to build trust and develop strategies for teacher improvement
- Developing hands-on projects in science and math classes and demonstrating real-world application of classroom concepts
- Facilitating learner-centered and components-based approaches to literacy in classrooms and teacher training activities
- Creating community and school-based resource centers and libraries
- Advising school-community organizations, parent-teacher groups, and community development projects

## VOLUNTEER WORK BY SECTOR, cont.

- Facilitating camps or clubs related to the Volunteer's teaching focus
- Organizing spelling bees, Model United Nations activities, math and science fairs, essay contests, field trips, and other extracurricular activities that promote community involvement in student learning
- Starting after-school literacy tutoring opportunities, pairing older youth with primary school children
- Demonstrating and integrating gender-equitable teaching practices in schools
- Working with administrators and communities to find alternative discipline techniques
- Developing classroom assessments to measure student achievement
- Supporting special-needs classes, such as deaf education, and promoting general community awareness of youth with disabilities

### Environment

Volunteers in the Environment sector collaborate with host country partners to protect the local environment. They respond to deteriorating local conditions by promoting environmental education and awareness, natural resource planning and management, and environmentally sustainable income-generating activities.

Environment Volunteers encourage sustainable natural resource planning and management by teaching others healthy conservation practices, including the production and cultivation of trees to improve soils, conserve water, and protect fields from erosion. Effective management of resources requires the cooperation of local governments, organizations, communities, and individuals. Volunteers work to build the organizational capacity of partners to plan, manage, lead, and advocate for the protection of the local environment. Volunteers help develop income-generating activities that create incentives for conservation of natural resources, such as ecotourism and crafts. They also address the rising pace of deforestation by introducing more fuel-efficient cookstoves to the local communities they serve.

Volunteers are increasingly engaged in environmental education to build awareness and initiate action on environmental issues. Volunteers train local teachers to integrate more interactive, environment-focused teaching methods into their curricula. They also collaborate with schools to promote environmental education through extracur-

ricular activities, including clubs, camps, and awareness campaigns.

At the end of FY 2014, there were 788 Environment Peace Corps Volunteers worldwide.

### Examples of Environment Volunteer work:

- Fostering environmental awareness and education through community-based eco-clubs
- Combating soil erosion and climate change by planting gardens and establishing tree nurseries with local counterparts
- Implementing school recycling programs in conjunction with classes in environmental education
- Helping to run environmental camps and excursions and sponsoring special events such as Earth Day
- Providing technical assistance to farmers in employing natural resource management methods in agro-pastoral systems
- Introducing innovative soil fertility and water conservation methods to adapt to an increasingly arid climate
- Promoting income-generating activities, such as sustainable ecotourism
- Slowing rates of deforestation and mitigating the effects of climate change through the introduction of fuel-efficient cookstoves

### Health

Almost one-fourth of all Peace Corps Volunteers work as Health Volunteers, making Health the agency's second largest sector. Volunteers work with local partners to improve health outcomes in communities where individuals tend to have the least access to health information and services. Volunteers help introduce innovation and technology while also using appropriate resources to address health needs.

The Peace Corps is a fully integrated partner in the implementation of the President's Emergency Plan for AIDS Relief (PEPFAR). As a result, a growing number of Peace Corps Volunteers work on HIV/AIDS. Volunteers' HIV/AIDS work includes prevention, care, treatment, and support services for people living with HIV and those affected. Additionally, Volunteers support programs targeting orphans and vulnerable children and other at-risk youth. Volunteers also work to support the President's Malaria Initiative (PMI), combating malaria by distributing bed nets and providing education on prevention, diagnosis, and treatment. Volunteers are frequently assigned

## VOLUNTEER WORK BY SECTOR, cont.

to health-related nongovernmental organizations to help increase their technical, managerial, and administrative capacities.

At the end of FY 2014, there were 1,632 Health Volunteers worldwide.

### Examples of Health Volunteer work:

- Facilitating health education on improved nutrition practices and behaviors
- Promoting hygiene education and pandemic preparedness in communities and schools
- Expanding peer education to urge youth and others to reduce risky behavior
- Disseminating educational information on infectious diseases, including malaria and HIV
- Assisting in promoting maternal and child health services
- Strengthening nongovernmental health-delivery systems through timely vaccination campaigns

### Youth in Development

Youth in Development Peace Corps Volunteers prepare and engage young people for their adult roles in the family, the workforce, and as active citizens. At the heart of all youth development activities, Volunteers and their partners support life skills and leadership development. Youth in Development Volunteers focus on four areas: healthy lifestyles and preparing for family life, youth professional development, active citizenship, and supporting parents and communities.

Volunteers work to develop life skills by promoting self-esteem and positive personal identity, healthy emotional practices, and communication, decision-making, and goal-setting skills. Volunteers help young people prepare for the workforce through trainings in employability, entrepreneurship, and financial literacy. Activities

include résumé development workshops, career-planning sessions, the establishment of savings groups, English and technology trainings, and micro-enterprise development. Volunteers work to help the next generation become active citizens by mobilizing them to improve their communities by promoting volunteerism and facilitating service-learning activities. Volunteers also work with youth service providers and youth-serving organizations to help implement high-quality youth programs. Volunteers and their partners also encourage parents and other community adults to play essential supporting roles for youth.

Volunteers and their partners help young people lead healthy lifestyles and prepare for family life by providing training on sexual and reproductive health, as well as by providing HIV/AIDS prevention information. They also promote extracurricular clubs and activities, including sports and exercise, health, wellness, and nutrition activities, and work to improve emotional well-being and resiliency in young people.

At the end of FY 2014, there were 618 Youth in Development Peace Corps Volunteers worldwide.

### Examples of Youth in Development Volunteer work:

- Training youth in life skills to promote self-esteem and positive identity, healthy emotional practices, and effective communication, goal-setting and action planning
- Promoting healthy lifestyles skills, such as nutrition and fitness, HIV/AIDS prevention, and sexual and reproductive health
- Conducting workshops in career planning, personal and family financial literacy, résumé writing, entrepreneurship, computer and Internet usage, and English
- Creating opportunities to volunteer and supporting young people to develop service-learning projects
- Engaging parents and other community adults who support positive youth development

## LANGUAGES TAUGHT TO VOLUNTEERS IN FY 2014

### Africa

BENIN	Adja, Ani, Bariba, Biali, Boo, Fon, French, Fulfulde, Goun, Kotokoli, Lokpa, Mahi, Mina, Nagot, Nyende, Oueme, Sahoue, Yom	MOZAMBIQUE	Portuguese
BOTSWANA	Setswana	NAMIBIA	Afrikaans, Khoekhoeogowab, Oshikwanyama, Oshindonga, Otjiherero, Rukwangali, Silozi
BURKINA FASO	Dagara, Dioula, French, Gourematche, Lobiri, Moore, Nuni, Sissala	RWANDA	Kinyarwanda
CAMEROON	French, Fulfuldé, Pidgin (Cameroon)	SENEGAL	Bambara, Fulakunda, Jaxanke, Mandinka, Pulaar du Nord, Pulafuta, Seereer, Wolof
ETHIOPIA	Afan Oromo/Oromo, Amharic, Tigrigna	SIERRA LEONE	Krio
THE GAMBIA	Jola, Mandinka, Pulaar, Sarahule, Wolof	SOUTH AFRICA	IsiNdebele/Ndebele, Siswati/IsiSwati, isiZulu, TshiVenda/Venda, Sepedi, XiTsonga
GHANA	Dagaare, Dagbani, Ewe, Gurune, Likpankalin, Mampuli, Twi	SWAZILAND	Siswati/IsiSwati, siSwati Sign Language
GUINEA	French, Kissi, Malinke, Pulaar, Soussou	TANZANIA	Swahili/Kiswahili
KENYA	Dholuo, Kamba, Kimiiru, Kenyan Sign Language, Swahili/Kiswahili	TOGO	Bassar, Ewe, French, Ikposso, Kabiye, Konkomba, Kotokoli/Tem, Lamba, Moba, Tchamba
LESOTHO	Sesotho/Suthu	UGANDA	Acholi, Alur, Ateso, Lango, Luganda, Lugbara, Lumasaaba, Lusoga, Runyankore/Rukiga, Runyoro-Rutooro
LIBERIA	Liberian English	ZAMBIA	Bemba, Chitonga/Tonga, Chitumbuka, Kaonde, Lunda, Mambwe-Lungu, Nyanja
MADAGASCAR	French, Malagasy (standard), Malagasy South East dialect (Antesaka, Antemoro, Antefasy)		
MALAWI	Chichewa, Chilambya, Chitonga, Chitumbuka		

## LANGUAGES TAUGHT TO VOLUNTEERS IN FY 2014, cont.

### Europe, Mediterranean, and Asia

ALBANIA	Albanian
ARMENIA	Armenian
AZERBAIJAN	Azerbaijani
CAMBODIA	Khmer
CHINA	Chinese/Mandarin
GEORGIA	Georgian
INDONESIA	Indonesian, Javanese, Sunda
JORDAN	Arabic (Jordan)
KOSOVO	Albanian
KYRGYZ REPUBLIC	Kyrgyz, Russian
MACEDONIA	Albanian, Macedonian
MOLDOVA	Romanian, Russian
MONGOLIA	Mongolian
MOROCCO	Arabic (Morocco), Tamazight, Tashelheet
NEPAL	Nepali
PHILIPPINES	Bicol-Albay, Bicol-Naga, Cebuano, Hiligaynon, Kinaray-a, Sorsogonon, Tagalog, Waray-Waray
THAILAND	Thai (Central)
UKRAINE	Russian, Ukrainian

## LANGUAGES TAUGHT TO VOLUNTEERS IN FY 2014, cont.

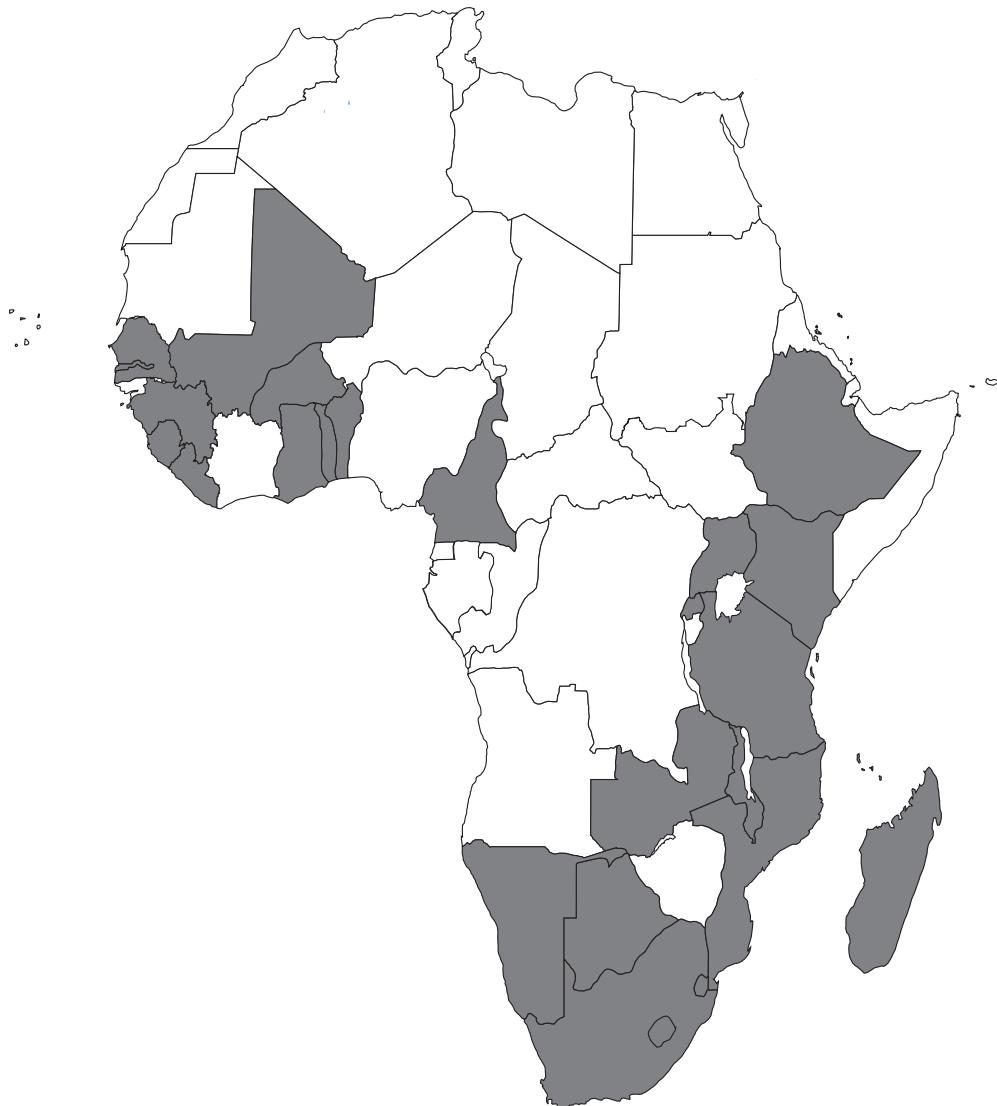
### Inter-America and the Pacific

BELIZE	Kriol (Belize), Q'eqchi (Maya), Spanish	
COLOMBIA	Spanish	
COSTA RICA	Spanish	
DOMINICAN REPUBLIC	Creole (Haiti), Spanish	
EASTERN CARIBBEAN	Kwewyol (Eastern Caribbean)	
ECUADOR	Kichwa, Spanish	
EL SALVADOR	Spanish	
FIJI	Fijian, Hindi	
GUATEMALA	Ixil, Kaqchikel, K'iche, Mam, Spanish	
GUYANA	Creolese	
JAMAICA	Patois (Jamaica)	
MEXICO	Spanish	
MICRONESIA AND PALAU	Kosraean, Mortlockese, Pohnpeian, Ulithian, Yapese	
NICARAGUA	Spanish	
PANAMA	Ngabere, Spanish	
PARAGUAY	Guaraní, Spanish	
PERU	Quechua, Spanish	
SAMOA	Samoan	
TONGA	Tongan	
VANUATU	Bislama	

## AFRICA REGION COUNTRY PROFILES

Sahel	The Gambia, Senegal
Coastal West and Central Africa	Benin, Burkina Faso, Cameroon, Ghana, Guinea, Liberia, Mali, Sierra Leone, Togo
Eastern Africa	Comoros, Ethiopia, Kenya, Madagascar, Malawi, Mozambique, Rwanda, Tanzania, Uganda
Southern Africa	Botswana, Lesotho, Namibia, South Africa, Swaziland, Zambia

*The statistical data in the following country profiles are primarily from The World Bank's latest World Development Indicators.*



## Benin

CAPITAL	Porto-Novo
POPULATION	10.3 million
GROSS NATIONAL INCOME PER CAPITA	\$790
PROGRAM DATES	1968–present
PROGRAM SECTORS	Community Economic Development Education, Environment Health Peace Corps Response

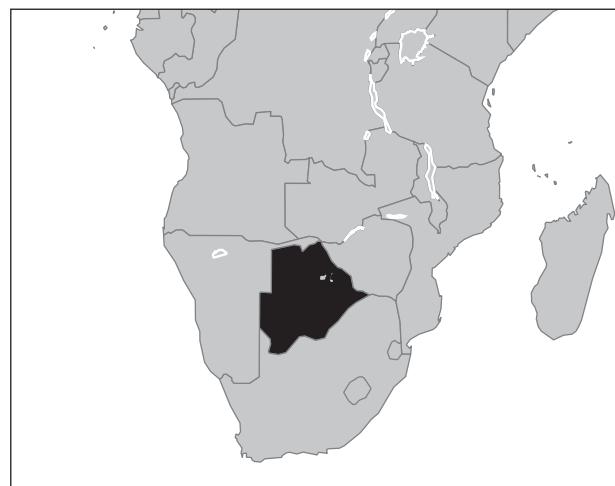


### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	100	120
Program funds (\$000)	4,800	5,500

## Botswana



CAPITAL	Gaborone
POPULATION	2.0 million
GROSS NATIONAL INCOME PER CAPITA	\$7,730
PROGRAM DATES	1966–97, 2003–present
PROGRAM SECTORS	Health

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	70	90
Program funds (\$000)	2,000	2,300

## Burkina Faso

CAPITAL	Ouagadougou
POPULATION	16.9 million
GROSS NATIONAL INCOME PER CAPITA	\$670
PROGRAM DATES	1967–87, 1995–present
PROGRAM SECTORS	Community Economic Development Education, Health Peace Corps Response



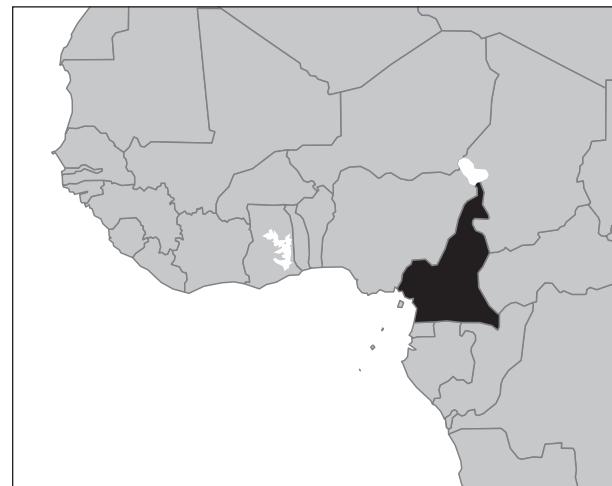
### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	110	140
Program funds (\$000)	5,400	6,600

## Cameroon

CAPITAL	Yaounde
POPULATION	21.7 million
GROSS NATIONAL INCOME PER CAPITA	\$1,270
PROGRAM DATES	1962–present
PROGRAM SECTORS	Community Economic Development Education, Environment Health, Peace Corps Response Youth in Development

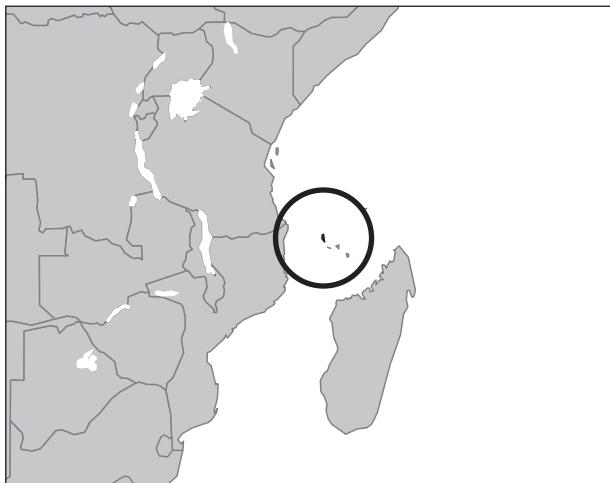


### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	160	170
Program funds (\$000)	5,900	6,600

## Comoros



CAPITAL	Moroni
POPULATION	766 thousand
GROSS NATIONAL INCOME PER CAPITA	\$1,560
PROGRAM DATES	1988–95, 2015–present
PROGRAM SECTORS	Education Environment

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	30	50
Program funds (\$000)	1,400	2,200

## Ethiopia

CAPITAL	Addis-Ababa
POPULATION	94.1 million
GROSS NATIONAL INCOME PER CAPITA	\$410
PROGRAM DATES	1962–77, 1995–99, 2007–present
PROGRAM SECTORS	Education Environment Health Peace Corps Response



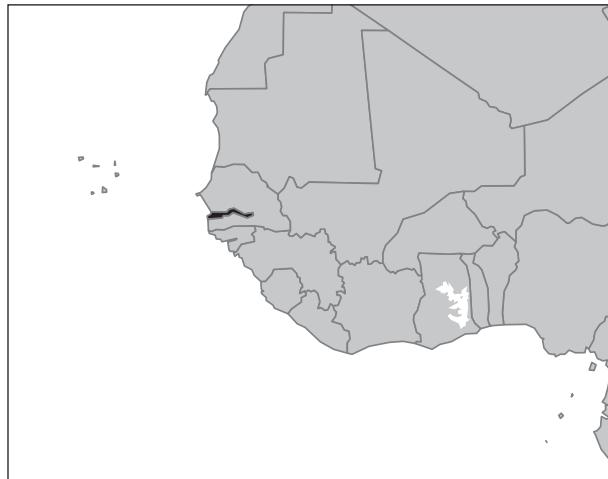
### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	180	190
Program funds (\$000)	4,600	5,500

## The Gambia

CAPITAL	Banjul
POPULATION	1.9 million
GROSS NATIONAL INCOME PER CAPITA	\$510
PROGRAM DATES	1967–present
PROGRAM SECTORS	Education Environment Health



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	80	100
Program funds (\$000)	1,800	2,300

## Ghana



CAPITAL	Accra
POPULATION	25.9 million
GROSS NATIONAL INCOME PER CAPITA	\$1,760
PROGRAM DATES	1961–present
PROGRAM SECTORS	Agriculture Community Economic Development, Education Environment, Health, Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	130	170
Program funds (\$000)	4,000	4,900

## Guinea

CAPITAL	Conakry
POPULATION	11.8 million
GROSS NATIONAL INCOME PER CAPITA	\$460
PROGRAM DATES	1963–66, 1969–71, 1985–present
PROGRAM SECTORS	Community Economic Development Education, Environment Health Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	0	0
Program funds (\$000)	2,400	2,700

## Lesotho

CAPITAL	Maseru
POPULATION	2.1 million
GROSS NATIONAL INCOME PER CAPITA	\$1,550
PROGRAM DATES	1967–present
PROGRAM SECTORS	Education Health



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	60	80
Program funds (\$000)	2,300	2,700

## Liberia



CAPITAL	Monrovia
POPULATION	4.3 million
GROSS NATIONAL INCOME PER CAPITA	\$410
PROGRAM DATES	1962–90, 2008–present
PROGRAM SECTORS	Education Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	0	0
Program funds (\$000)	2,200	2,500

## Madagascar

CAPITAL	Antananarivo
POPULATION	22.9 million
GROSS NATIONAL INCOME PER CAPITA	\$440
PROGRAM DATES	1993–present
PROGRAM SECTORS	Community Economic Development Education, Environment Health Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	120	150
Program funds (\$000)	3,800	4,200

## Malawi

CAPITAL	Lilongwe
POPULATION	16.4 million
GROSS NATIONAL INCOME PER CAPITA	\$270
PROGRAM DATES	1963–present
PROGRAM SECTORS	Community Economic Development Education, Environment Health Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	80	90
Program funds (\$000)	2,700	3,700

## Mali



CAPITAL	Bamako
POPULATION	16.5 million
GROSS NATIONAL INCOME PER CAPITA	\$670
PROGRAM DATES	1971–2012, 2014–present
PROGRAM SECTORS	Peace Corps Response

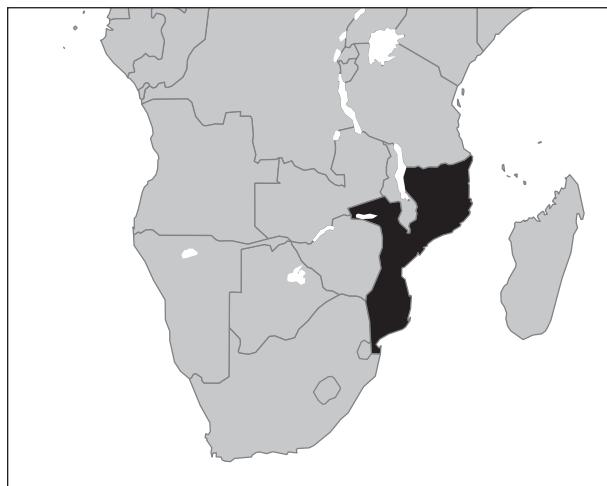
### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	30	70
Program funds (\$000)	2,700	4,100

## Mozambique

CAPITAL	Maputo
POPULATION	24.1 million
GROSS NATIONAL INCOME PER CAPITA	\$590
PROGRAM DATES	1998–present
PROGRAM SECTORS	Education



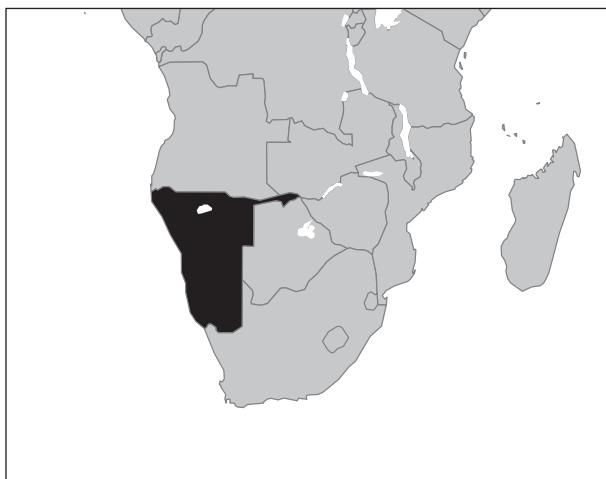
### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	160	170
Program funds (\$000)	3,800	4,500

## Namibia

CAPITAL	Windhoek
POPULATION	2.3 million
GROSS NATIONAL INCOME PER CAPITA	\$5,840
PROGRAM DATES	1990–present
PROGRAM SECTORS	Community Economic Development Education Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	80	100
Program funds (\$ooo)	2,600	2,900

## Rwanda



CAPITAL	Kigali
POPULATION	11.8 million
GROSS NATIONAL INCOME PER CAPITA	\$620
PROGRAM DATES	1975–93, 2008–present
PROGRAM SECTORS	Education Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	90	120
Program funds (\$ooo)	2,500	3,000

## Senegal

CAPITAL	Dakar
POPULATION	14.1 million
GROSS NATIONAL INCOME PER CAPITA	\$1,070
PROGRAM DATES	1962–present
PROGRAM SECTORS	Agriculture Community Economic Development Environment, Health Peace Corps Response



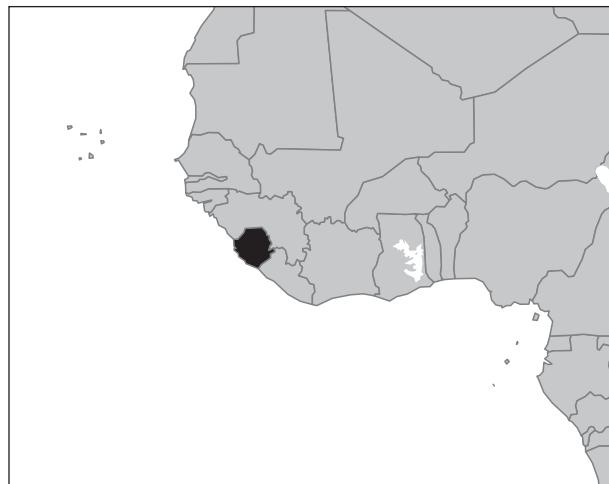
### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	270	320
Program funds (\$ooo)	7,500	8,700

## Sierra Leone

CAPITAL	Freetown
POPULATION	6.1 million
GROSS NATIONAL INCOME PER CAPITA	\$680
PROGRAM DATES	1962–94, 2010–present
PROGRAM SECTORS	Education Peace Corps Response

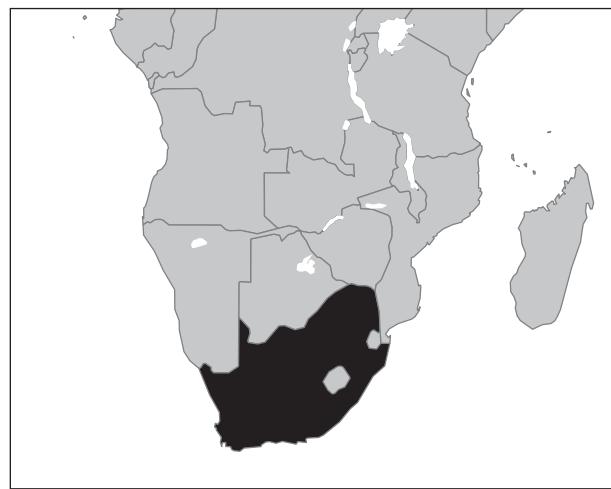


### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	0	0
Program funds (\$000)	1,400	1,600

## South Africa



CAPITAL	Pretoria
POPULATION	53.0 million
GROSS NATIONAL INCOME PER CAPITA	\$7,190
PROGRAM DATES	1997–present
PROGRAM SECTORS	Education Health Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	90	110
Program funds (\$000)	3,600	4,100

## Swaziland

CAPITAL	Mbabane
POPULATION	1.2 million
GROSS NATIONAL INCOME PER CAPITA	\$3,080
PROGRAM DATES	1968–96, 2003–present
PROGRAM SECTORS	Education Youth in Development



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	40	50
Program funds (\$000)	1,500	1,800

## Tanzania

CAPITAL	Dodoma
POPULATION	49.3 million
GROSS NATIONAL INCOME PER CAPITA	\$630
PROGRAM DATES	1961–69, 1979–present
PROGRAM SECTORS	Education Environment Youth in Development



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	120	180
Program funds (\$000)	3,600	4,500

## Togo



CAPITAL	Lome
POPULATION	6.8 million
GROSS NATIONAL INCOME PER CAPITA	\$530
PROGRAM DATES	1962–present
PROGRAM SECTORS	Education Environment Health

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	80	90
Program funds (\$000)	3,400	3,900

## Uganda

CAPITAL	Kampala
POPULATION	37.6 million
GROSS NATIONAL INCOME PER CAPITA	\$510
PROGRAM DATES	1964–72, 1991–99, 2001–present
PROGRAM SECTORS	Community Economic Development Education Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	80	90
Program funds (\$000)	2,700	3,100

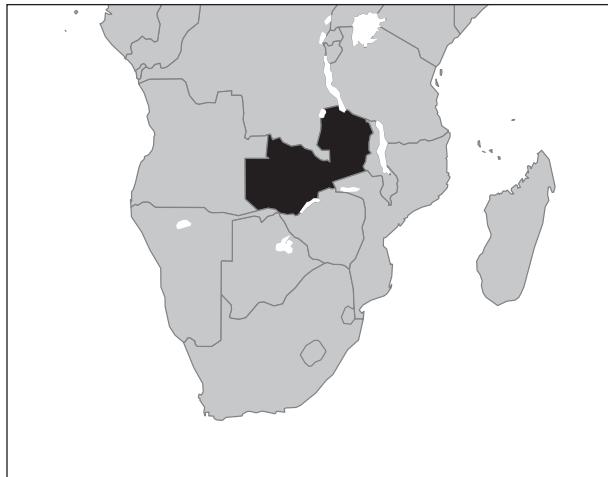
# Zambia

CAPITAL	Lusaka
POPULATION	14.6 million
GROSS NATIONAL INCOME PER CAPITA	\$1,480
PROGRAM DATES	1994–present
PROGRAM SECTORS	Agriculture Environment Health
	Peace Corps Response

## ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	120	140
Program funds (\$000)	5,900	6,900



## Europe, Mediterranean, and Asia Region Country Profiles



Balkans and North Africa	Albania, Kosovo, Macedonia, Morocco
Central and Eastern Europe	Moldova, Ukraine
Middle East and the Caucasus	Armenia, Azerbaijan, Georgia, Jordan
Central Asia	Kyrgyz Republic
Asia	Burma, Cambodia, China, Indonesia, Mongolia, Nepal, Philippines, Thailand, Timor-Leste

*The statistical data in the following country profiles are primarily from The World Bank's latest World Development Indicators.*

## Albania

CAPITAL	Tirana
POPULATION	2.8 million
GROSS NATIONAL INCOME PER CAPITA	\$4,700
PROGRAM DATES	1992–97, 2003–present
PROGRAM SECTORS	Community Economic Development Education Health

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	80	90
Program funds (\$000)	2,100	2,800



## Armenia



CAPITAL	Yerevan
POPULATION	3.0 million
GROSS NATIONAL INCOME PER CAPITA	\$3,790,
PROGRAM DATES	1992–present
PROGRAM SECTORS	Community Economic Development Education Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	80	110
Program funds (\$000)	2,300	3,000

## Azerbaijan

CAPITAL	Baku
POPULATION	9.4 million
GROSS NATIONAL INCOME PER CAPITA	\$7,350
PROGRAM DATES	2003–present
PROGRAM SECTORS	Community Economic Development Education Youth in Development



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	0	0
Program funds (\$000)	1,600	1,900

## Burma

CAPITAL	Naypyidaw
POPULATION	56 million
GROSS NATIONAL INCOME PER CAPITA	\$1,125.9
PROGRAM DATES	2015–present
PROGRAM SECTORS	Education Health



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	0	20
Program funds (\$000)	1,300	1,800

## Cambodia



CAPITAL	Phnom Penh
POPULATION	15.1 million
GROSS NATIONAL INCOME PER CAPITA	\$950
PROGRAM DATES	2007–present
PROGRAM SECTORS	Education Health

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	120	140
Program funds (\$000)	2,600	3,400

## China

CAPITAL	Beijing
POPULATION	1.4 billion
GROSS NATIONAL INCOME PER CAPITA	\$6,560
PROGRAM DATES	1993–present
PROGRAM SECTORS	Education



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	160	160
Program funds (\$000)	4,100	5,200

## Georgia

CAPITAL	Tbilisi
POPULATION	4.5 million
GROSS NATIONAL INCOME PER CAPITA	\$3,570
PROGRAM DATES	2001–present
PROGRAM SECTORS	Community Economic Development Education Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	100	100
Program funds (\$000)	3,200	4,200

## Indonesia



CAPITAL	Jakarta
POPULATION	249.9 million
GROSS NATIONAL INCOME PER CAPITA	\$3,580
PROGRAM DATES	1963–65, 2010–present
PROGRAM SECTORS	Education

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	120	130
Program funds (\$000)	2,600	3,400

## Jordan

CAPITAL	Amman
POPULATION	6.5 million
GROSS NATIONAL INCOME PER CAPITA	\$4,950
PROGRAM DATES	1997–2002, 2004–present
PROGRAM SECTORS	Education Youth in Development



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	30	60
Program funds (\$000)	2,200	3,200

## Kosovo

CAPITAL	Pristina
POPULATION	1.8 million
GROSS NATIONAL INCOME PER CAPITA	\$3,890
PROGRAM DATES	2014–present
PROGRAM SECTORS	Education



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	50	60
Program funds (\$000)	1,500	2,800

## Kyrgyz Republic



CAPITAL	Bishkek
POPULATION	5.7 million
GROSS NATIONAL INCOME PER CAPITA	\$1,200
PROGRAM DATES	1993–present
PROGRAM SECTORS	Community Economic Development Education Health

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	110	110
Program funds (\$000)	2,200	2,900

## Macedonia

CAPITAL	Skopje
POPULATION	2.1 million
GROSS NATIONAL INCOME PER CAPITA	\$4,800
PROGRAM DATES	1996–present
PROGRAM SECTORS	Community Economic Development Education, Environment Youth in Development Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	120	130
Program funds (\$000)	3,100	4,000

## Moldova

CAPITAL	Chisinau
POPULATION	3.6 million
GROSS NATIONAL INCOME PER CAPITA	\$2,460
PROGRAM DATES	1993–present
PROGRAM SECTORS	Community Economic Development Education Health Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	130	140
Program funds (\$000)	2,700	3,500



## Mongolia



CAPITAL	Ulaanbaatar
POPULATION	2.8 million
GROSS NATIONAL INCOME PER CAPITA	\$3,770
PROGRAM DATES	1991–present
PROGRAM SECTORS	Education Health Peace Corps Response Youth in Development

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	150	140
Program funds (\$000)	3,900	5,100

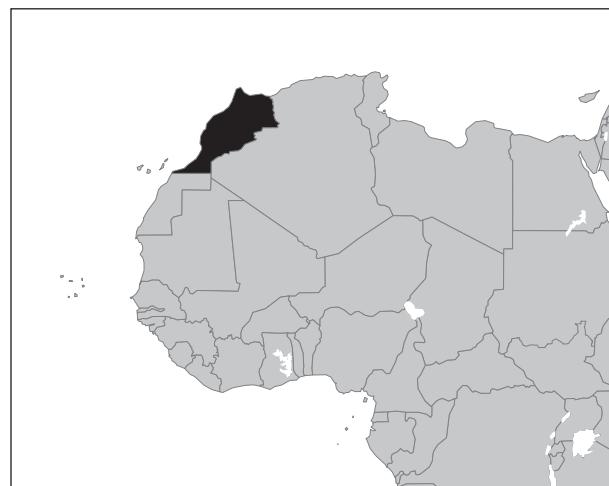
## Morocco

CAPITAL	Rabat
POPULATION	33.0 million
GROSS NATIONAL INCOME PER CAPITA	\$3,030
PROGRAM DATES	1963–present
PROGRAM SECTORS	Community Economic Development Education Environment Youth in Development

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	240	260
Program funds (\$000)	6,000	7,000



## Nepal

CAPITAL	Kathmandu
POPULATION	27.8 million
GROSS NATIONAL INCOME PER CAPITA	\$730
PROGRAM DATES	1962–2004, 2012–present
PROGRAM SECTORS	Agriculture Health



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	80	110
Program funds (\$ooo)	2,000	3,000

## Philippines



CAPITAL	Manila
POPULATION	98.4 million
GROSS NATIONAL INCOME PER CAPITA	\$3,270
PROGRAM DATES	1961–90, 1992–present
PROGRAM SECTORS	Education Environment Youth in Development Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	160	170
Program funds (\$ooo)	4,100	5,500

## Thailand

CAPITAL	Bangkok
POPULATION	67.4 million
GROSS NATIONAL INCOME PER CAPITA	\$5,370
PROGRAM DATES	1962–present
PROGRAM SECTORS	Community Economic Development Education Youth in Development



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	110	120
Program funds (\$ooo)	3,200	4,200

## Timor-Leste

CAPITAL	Dili
POPULATION	1.2 million
GROSS NATIONAL INCOME PER CAPITA	\$6,411
PROGRAM DATES	2002–06, 2015–present
PROGRAM SECTORS	Community Economic Development Health Youth in Development



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	20	50
Program funds (\$000)	1,600	2,300

## Ukraine



CAPITAL	Kyiv
POPULATION	44.5 million
GROSS NATIONAL INCOME PER CAPITA	\$3,960
PROGRAM DATES	1992–present
PROGRAM SECTORS	Community Economic Development Education Youth in Development

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	110	190
Program funds (\$000)	3,500	5,300

## Inter-America and the Pacific Region Country Profiles



Central America Belize, Costa Rica, El Salvador, Guatemala, Mexico, Nicaragua, Panama

Caribbean Dominican Republic, Eastern Caribbean (Dominica, Grenada and Carriacou, St. Lucia, St. Vincent and the Grenadines), Jamaica

South America Colombia, Ecuador, Guyana, Paraguay, Peru

Pacific Fiji, Micronesia, Palau, Samoa, Tonga, Vanuatu

*The statistical data in the following country profiles are primarily from The World Bank's latest World Development Indicators.*

## Belize

CAPITAL	Belmopan
POPULATION	.3 million
GROSS NATIONAL INCOME PER CAPITA	\$4,660
PROGRAM DATES	1962–present
PROGRAM SECTORS	Education Health



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	30	50
Program funds (\$000)	1,600	1,900

## Colombia



CAPITAL	Bogota
POPULATION	48.3 million
GROSS NATIONAL INCOME PER CAPITA	\$7,560
PROGRAM DATES	1961–81, 2010–present
PROGRAM SECTORS	Education Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	90	90
Program funds (\$000)	3,000	3,300

## Costa Rica

CAPITAL	San Jose
POPULATION	4.9 million
GROSS NATIONAL INCOME PER CAPITA	\$9,550
PROGRAM DATES	1963–present
PROGRAM SECTORS	Community Economic Development Education Peace Corps Response Youth in Development



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	140	120
Program funds (\$000)	4,100	4,300

## Dominican Republic

CAPITAL	Santo Domingo
POPULATION	10.4 million
GROSS NATIONAL INCOME PER CAPITA	\$5,620
PROGRAM DATES	1962–present
PROGRAM SECTORS	Community Economic Development Education, Environment Health, Youth in Development

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	160	170
Program funds (\$000)	4,300	4,800



## Eastern Caribbean



CAPITALS	St. John's, Hillsborough, Rouseau, St. George's, Basseterre, Castries, Kingstown
POPULATION	.6 million
GROSS NATIONAL INCOME PER CAPITA	\$9,040
PROGRAM DATES	1961–present
PROGRAM SECTORS	Community Economic Development Education Youth in Development

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	50	50
Program funds (\$000)	2,800	3,100

## Ecuador

CAPITAL	Quito
POPULATION	15.7 million
GROSS NATIONAL INCOME PER CAPITA	\$5,510
PROGRAM DATES	1962–present
PROGRAM SECTORS	Education Environment Health Youth in Development

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	120	140
Program funds (\$000)	4,900	5,700



## El Salvador

CAPITAL	San Salvador
POPULATION	6.3 million
GROSS NATIONAL INCOME PER CAPITA	\$3,720
PROGRAM DATES	1962–80, 1993–present
PROGRAM SECTORS	Community Economic Development Youth in Development Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	60	70
Program funds (\$000)	2,600	3,000

## Fiji



CAPITAL	Suva
POPULATION	.8 million
GROSS NATIONAL INCOME PER CAPITA	\$4,430
PROGRAM DATES	1968–98, 2003–present
PROGRAM SECTORS	Health Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	80	90
Program funds (\$000)	1,800	2,200

## Guatemala

CAPITAL	Guatemala City
POPULATION	15.5 million
GROSS NATIONAL INCOME PER CAPITA	\$3,340
PROGRAM DATES	1963–present
PROGRAM SECTORS	Health Youth in Development Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	120	150
Program funds (\$000)	4,500	4,900

## Guyana

CAPITAL	Georgetown
POPULATION	.8 million
GROSS NATIONAL INCOME PER CAPITA	\$3,750
PROGRAM DATES	1966-71 1995-present
PROGRAM SECTORS	Education Health Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	60	70
Program funds (\$000)	2,300	2,700

## Jamaica



CAPITAL	Kingston
POPULATION	2.7 million
GROSS NATIONAL INCOME PER CAPITA	\$5,220
PROGRAM DATES	1962-present
PROGRAM SECTORS	Education Environment Youth in Development

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	50	60
Program funds (\$000)	2,800	3,200

## Mexico

CAPITAL	Mexico City
POPULATION	122.3 million
GROSS NATIONAL INCOME PER CAPITA	\$9,940
PROGRAM DATES	2004-present
PROGRAM SECTORS	Community Economic Development Environment



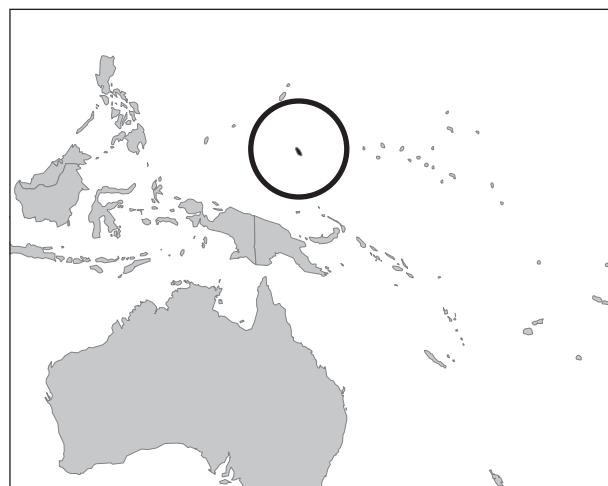
### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	70	60
Program funds (\$000)	2,600	2,800

## Micronesia

CAPITAL	Palikir
POPULATION	.1 million
GROSS NATIONAL INCOME PER CAPITA	\$3,430
PROGRAM DATES	1966–present
PROGRAM SECTORS	Education Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	30	40
Program funds (\$000)	1,700	1,800

## Nicaragua



CAPITAL	Managua
POPULATION	6.1 million
GROSS NATIONAL INCOME PER CAPITA	\$1,780
PROGRAM DATES	1968–79, 1991–present
PROGRAM SECTORS	Agriculture Community Economic Development Education, Environment, Health

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	180	180
Program funds (\$000)	3,800	4,100

## Panama

CAPITAL	Panama City
POPULATION	3.9 million
GROSS NATIONAL INCOME PER CAPITA	\$10,700
PROGRAM DATES	1963–71, 1990–present
PROGRAM SECTORS	Agriculture Education, Environment, Health Peace Corps Response



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	190	180
Program funds (\$000)	5,400	5,900

## Paraguay

CAPITAL	Asuncion
POPULATION	6.8 million
ANNUAL PER CAPITA INCOME	\$4,040
PROGRAM DATES	1966–present
PROGRAM SECTORS	Agriculture Community Economic Development Environment Health



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	220	220
Program funds (\$000)	5,700	6,200

## Peru



CAPITAL	Lima
POPULATION	30.4 million
ANNUAL PER CAPITA INCOME	\$6,390
PROGRAM DATES	1962–74, 2002–present
PROGRAM SECTORS	Community Economic Development Environment, Health Youth in Development

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	240	250
Program funds (\$000)	7,200	7,900

## Samoa

CAPITAL	Apia
POPULATION	.2 million
ANNUAL PER CAPITA INCOME	\$3,430
PROGRAM DATES	1967–present
PROGRAM SECTORS	Education



### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	20	30
Program funds (\$000)	1,100	1,300

## Tonga

CAPITAL	Nuku'alofa
POPULATION	.1 million
ANNUAL PER CAPITA INCOME	\$4,490
PROGRAM DATES	1967–present
PROGRAM SECTORS	Education

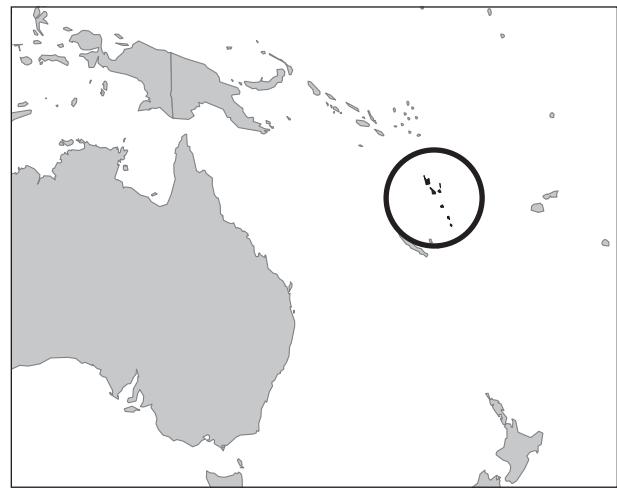


### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	40	40
Program funds (\$000)	1,200	1,300

## Vanuatu



CAPITAL	Port Vila
POPULATION	.3 million
GROSS NATIONAL INCOME PER CAPITA	\$3,130
PROGRAM DATES	1990–present
PROGRAM SECTORS	Education Health Peace Corps Response

### ANTICIPATED NUMBER OF VOLUNTEERS

*Calculated September 30 each year*

	FY 2015	FY 2016
Volunteers	60	60
Program funds (\$000)	2,700	3,200



GLOBAL INITIATIVES

## VOLUNTEERS WORKING IN HIV/AIDS ACTIVITIES DURING FY 2014

<b>Africa</b>		<b>Europe, Mediterranean, and Asia</b>		<b>Inter-America and the Pacific</b>	
<i>Country</i>	<i>Volunteers</i>	<i>Country</i>	<i>Volunteers</i>	<i>Country</i>	<i>Volunteers</i>
Benin	50	Albania	25	Belize	3
Botswana	59	Armenia	10	Colombia	10
Burkina Faso	46	Azerbaijan	4	Costa Rica	1
Cameroon	89	Cambodia	14	Dominican Republic	101
Ethiopia	94	China	3	Eastern Caribbean	13
Ghana	72	Georgia	16	Ecuador	31
Guinea	22	Indonesia	2	El Salvador	17
Kenya	52	Kyrgyz Republic	23	Fiji	19
Lesotho	62	Macedonia	3	Guatemala	37
Liberia	12	Moldova	16	Guyana	27
Madagascar	38	Mongolia	33	Jamaica	22
Malawi	69	Morocco	63	Mexico	2
Mali	12	Nepal	3	Micronesia and Palau	2
Mozambique	118	Philippines	27	Nicaragua	44
Namibia	59	Thailand	28	Panama	36
Rwanda	60	Ukraine	37	Paraguay	49
Senegal	24	<b>TOTAL</b>	<b>307</b>	Peru	33
Sierra Leone	16			Tonga	2
South Africa	73			Vanuatu	12
Swaziland	66			<b>TOTAL</b>	<b>461</b>
Tanzania	94				
The Gambia	19				
Togo	36				
Uganda	79				
Zambia	166				
<b>TOTAL</b>	<b>1,408</b>				

**Grand Total: 2,176**

\* Eastern Caribbean includes Dominica, Grenada, Carriacou, St. Lucia, St. Vincent and the Grenadines

## VOLUNTEERS WORKING IN FOOD SECURITY DURING FY 2014

<i>Country</i>	<i>Volunteers</i>
Benin	32
Burkina Faso	7
Cambodia	11
Cameroon	51
Dominican Republic	25
Ecuador	32
Ethiopia	38
Gambia, The	21
Ghana	57
Guatemala	16
Guinea	15
Guyana	6
Jamaica	20
Madagascar	26
Malawi	30
Mexico	34
Mozambique	14
Namibia	9
Nepal	27
Nicaragua	57
Panama	112
Paraguay	124
Peru	66
Rwanda	9
Senegal	174
Sierra Leone	0
Swaziland	9
Tanzania	35
Togo	29
Uganda	12
Zambia	131
<b>TOTAL</b>	<b>1,229</b>

## VOLUNTEERS WORKING IN MALARIA PREVENTION DURING FY 2014

<i>Country</i>	<i>Volunteers</i>
Benin	49
Botswana	5
Burkina Faso	51
Cameroon	29
Ethiopia	31
Gambia, The	38
Ghana	63
Guinea	45
Kenya	23
Liberia	14
Madagascar	36
Malawi	26
Mozambique	47
Namibia	4
Rwanda	45
Senegal	73
Sierra Leone	9
Swaziland	1
Tanzania	37
Togo	29
Uganda	46
Zambia	73
<b>TOTAL</b>	<b>774</b>

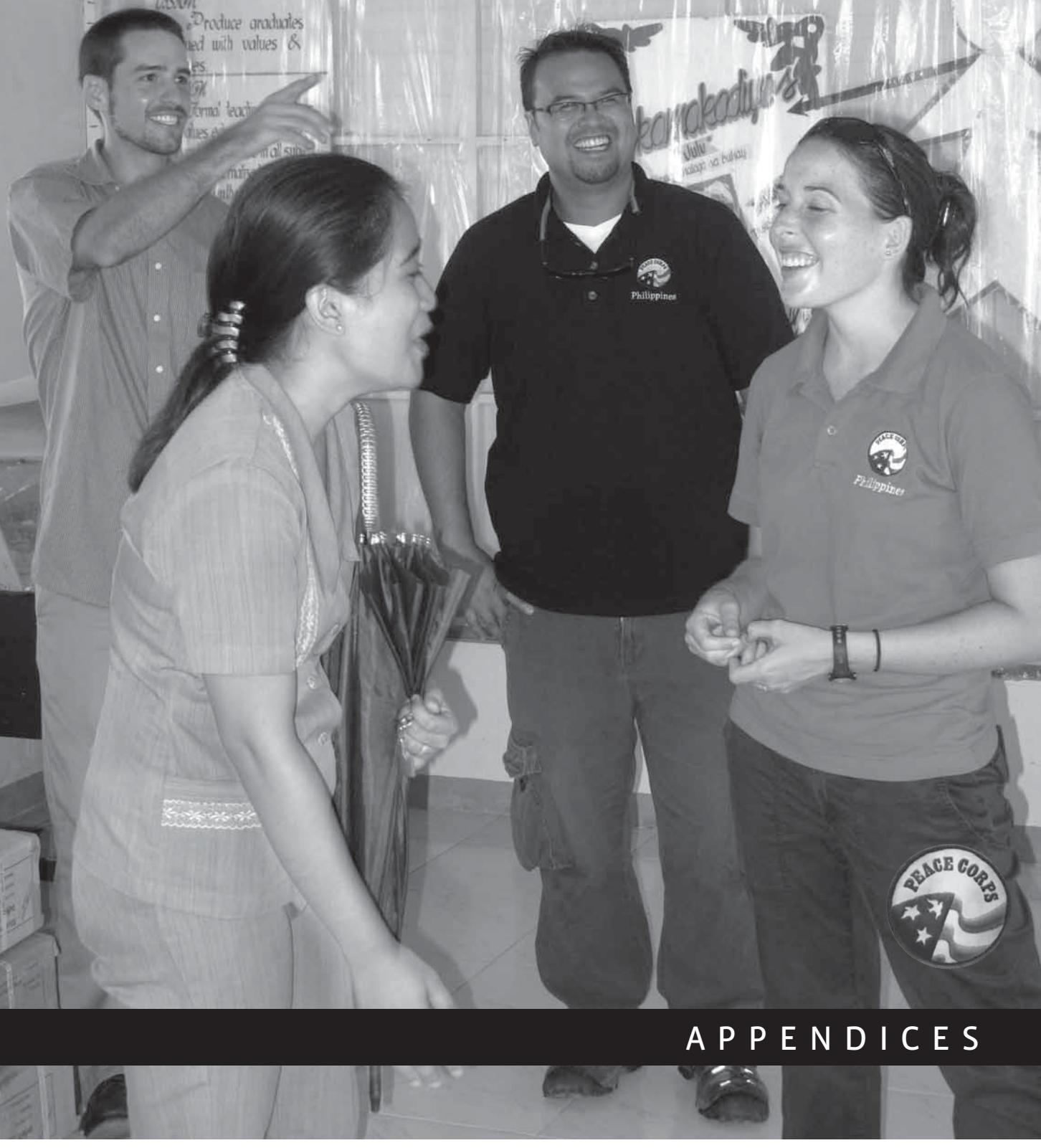
# ADVANCING BRILLIANT CHARACTER (ABC) PR

ZASATIC  
Produce graduates  
endured with values &

25%  
Formal teaching  
values and  
ethics in all subjects

bayokadiyahan

Julie  
values on behavior

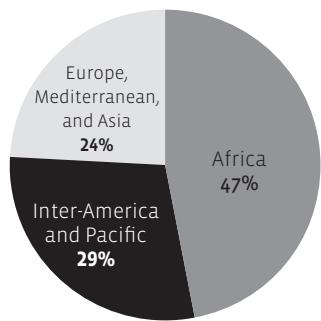


APPENDICES

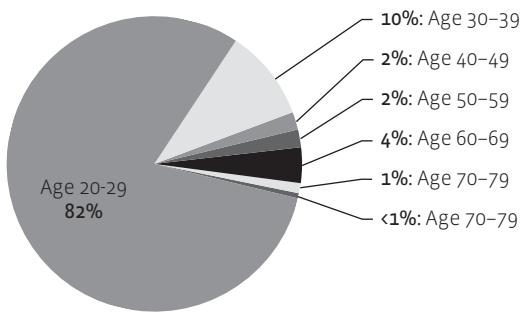
## APPENDIX A: FY 2014 VOLUNTEER STATISTICS

### Volunteer Statistics

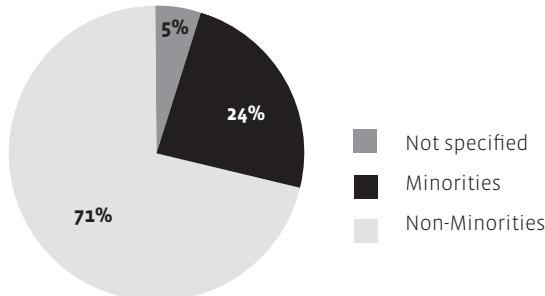
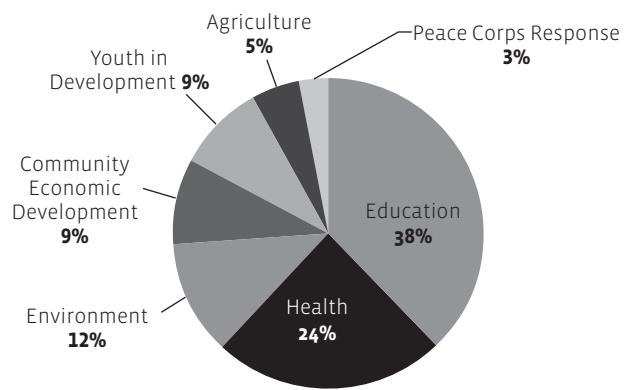
**Percentage of Volunteers  
by Peace Corps Region**



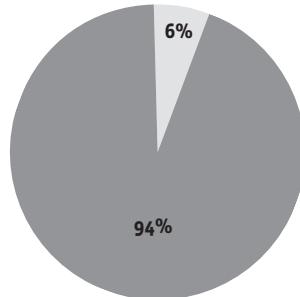
**Volunteer Profile**



**Percentage of  
Volunteers by Sector**

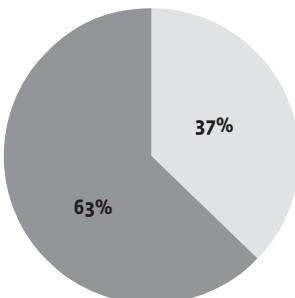


Married couples  
Single



Male  
Female

All data current as of September 30, 2014.  
Totals may not add to 100 percent due to rounding.



## **APPENDIX B: PEACE CORPS APPLICATION PROCESS AND PHASES OF VOLUNTEER SERVICE**

### **Peace Corps Application Process**

The Peace Corps application process lasts approximately 6–12 months. There are quarterly application deadlines and Know By dates, which help applicants plan according to their own schedules and needs. All applicants are notified whether or not they are invited to a program at least four months prior to the program's date of departure.

#### **Step One: Application**

The first step to become a Peace Corps Volunteer is to complete an application at [peacecorps.gov/apply](http://peacecorps.gov/apply). Once an applicant submits an application, he or she is asked to complete a Health History Form. As of July 2014, the applicant receives a country support list based on the results of the individual Health History Form. The applicant then selects the countries he or she would like to be considered for, based on where he or she can be medically supported.

#### **Step Two: Interview**

During the interview, the applicant and a Peace Corps staff member will discuss relevant skills and interests, available job opportunities, and suitability for service as a Peace Corps Volunteer, including personal attributes such as flexibility, adaptability, social and cultural awareness, motivation, and commitment to Peace Corps service. This is an opportunity for the applicant to ask questions and explore with the interviewer—who is almost always a returned Volunteer—if the Peace Corps is a good match and how the applicant might best fit into assignment openings.

#### **Step Three: Invitation**

If an applicant is among the best for a particular assignment, he or she will receive an invitation to serve. The invitation will include the date of departure, the program assignment, and links to a welcome packet with details about the country of service, the Volunteer Handbook, and more.

#### **Step Four: Medical Exam**

All invitees are required to complete a physical and dental examination. At a minimum, the physical examination includes a trip to a doctor for a medical exam with basic lab work and immunizations necessary for each assignment, as well as a visit to a dentist for X-rays. The Peace Corps offers some limited cost-sharing reimbursement according to a fee schedule.

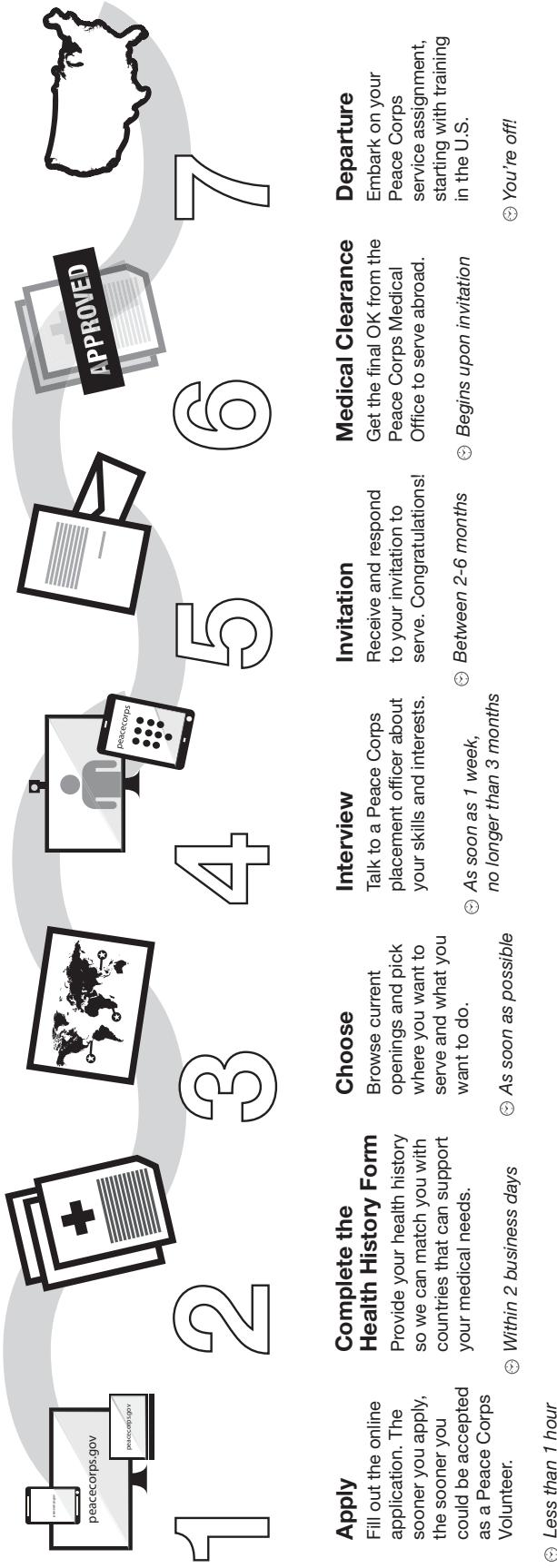
#### **Step Five: Preparation for Departure**

After the invitee has been medically cleared for service, the Peace Corps travel office will issue an electronic ticket for travel to the pre-service orientation site (also known as staging). Immediately prior to leaving for the country of assignment, Peace Corps “trainees” meet in the United States to prepare for their Volunteer service.

#### **Step Six: Departure for Service**

The invitees fly to their assigned country to begin in-country training.

## **Peace Corps Application Process:** *Easier Than Ever*



## **APPENDIX B: PEACE CORPS APPLICATION PROCESS AND PHASES OF VOLUNTEER SERVICE, cont.**

### **Phases of Volunteer Service**

#### **TRAINEE**

##### ***Orientation (Staging)***

Staff members conduct a one-day staging before trainees depart for their overseas assignments. Safety and security training is a component of this orientation.

##### ***Pre-Service Training***

Staff prepares trainees for service by conducting two to three months of training in language, technical skills, and cross-cultural, health, and personal safety and security issues. After successful completion of training and testing, trainees are sworn in as Volunteers.

#### **VOLUNTEER**

##### ***Volunteer Assignment***

The Volunteer is assigned to a project, designed by Peace Corps and host country staff, that meets the development needs of the host country.

##### ***Site Selection***

The Peace Corps' in-country staff ensures that Volunteers have suitable assignments and adequate and safe living arrangements.

##### ***Living Allowance***

The Peace Corps provides Volunteers with a monthly allowance to cover housing, utilities, household supplies, food, clothing, and transportation.

##### ***Health***

The Peace Corps' in-country medical officers provide Volunteers with health information, immunizations, and periodic medical exams.

##### ***Volunteer Safety***

Peace Corps headquarters and post staff work with the U.S. State Department to assess and address safety and security risks and to ensure Volunteers are properly trained in safety and security procedures.

##### ***In-Service Training***

Post staff conducts periodic training to improve Volunteers' technical and language skills and to address changing health and safety issues.

##### ***Service Extension***

A limited number of Volunteer who have unique skills and outstanding records of service may extend for an additional year.

#### **RETURNED VOLUNTEER**

##### ***Career, Education, and Re-Entry Planning***

Information on career, higher education, and re-entry is provided to Volunteers before the end of their service, as well as upon their return.

##### ***Readjustment Allowance***

At the end of service, Volunteers receive an allowance of \$325 per month of service (\$425 per month for a Volunteer's third year of service and for Peace Corps Response Volunteers) to help finance their transition to careers or further education.

##### ***Health Insurance***

Volunteers are covered by a comprehensive health insurance plan for the first month after service and can continue the plan at their own expense for up to two additional months.

##### ***Returned Volunteer Services***

The Peace Corps provides career, educational, and transitional assistance to Volunteers when they return to the United States following their Peace Corps service. Returned Volunteers are also encouraged to further the Peace Corps' third goal by sharing their experiences abroad with fellow Americans.

##### ***Peace Corps Response***

Headquarters staff recruits and places experienced Volunteers in short-term disaster relief and humanitarian response positions.

## APPENDIX C: HOME STATES OF PEACE CORPS VOLUNTEERS\*

<b>State</b>	<b>Currently Serving</b>	<b>Total Since 1961</b>	<b>State</b>	<b>Currently Serving</b>	<b>Total Since 1961</b>
Alabama	57	1,120	Montana	42	1,389
Alaska	24	973	Nebraska	47	1,363
Arizona	106	3,499	Nevada	32	977
Arkansas	22	952	New Hampshire	57	1,687
California	926	29,418	New Jersey	179	4,952
Colorado	236	7,024	New Mexico	60	2,154
Connecticut	107	3,318	New York	412	13,303
Delaware	12	498	North Carolina	148	4,146
District of Columbia	43	2,271	North Dakota	9	570
Florida	305	7,662	Ohio	237	7,120
Georgia	176	3,372	Oklahoma	37	1,303
Guam	1	75	Oregon	160	6,069
Hawaii	26	1,408	Pennsylvania	270	7,900
Idaho	67	1,328	Puerto Rico	15	401
Illinois	284	8,460	Rhode Island	25	1,003
Indiana	120	3,239	South Carolina	62	1,523
Iowa	68	2,316	South Dakota	17	636
Kansas	58	1,727	Tennessee	84	1,746
Kentucky	61	1,519	Texas	269	7,281
Louisiana	32	1,103	U.S. Virgin Islands	2	80
Maine	49	1,846	Utah	43	1,091
Maryland	195	5,836	Vermont	49	1,501
Massachusetts	210	8,151	Virginia	260	7,388
Michigan	233	7,107	Washington	320	9,162
Minnesota	202	6,495	West Virginia	14	656
Mississippi	10	479	Wisconsin	187	5,942
Missouri	125	3,274	Wyoming	13	516

\*Includes the District of Columbia, as well as the territories of Guam, Puerto Rico, and the U.S. Virgin Islands.  
 All data current as of September 30, 2014.

## APPENDIX D: THE PEACE CORPS' EDUCATIONAL PARTNERSHIPS IN THE UNITED STATES

Master's International graduate programs provide credit for Peace Corps service and, at times, additional financial assistance to Peace Corps Volunteers who earn a master's degree as an integrated part of their Peace Corps service. The Paul D. Coverdell Fellows graduate school programs provide financial assistance to returned Peace Corps Volunteers who work in underserved American communities while they pursue their graduate degrees.

States	Master's International Colleges/ Universities	Paul D. Coverdell Fellows Program Colleges/ Universities	Peace Corps Prep Colleges and Universities
Alabama	University of Alabama at Birmingham	University of Alabama at Birmingham	
Alaska	University of Alaska, Fairbanks	University of Alaska, Fairbanks	
Arizona	Arizona State University Northern Arizona University Thunderbird School of Global Management	Northern Arizona University University of Arizona	
Arkansas		University of Arkansas	
California	California State University, Chico California State University, Fresno California State University, Northridge California State University, Sacramento Humboldt State University Loma Linda University Monterey Institute of International Studies University of California, Davis University of the Pacific	Loma Linda University Monterey Institute of International Studies Pacifica Graduate University University of La Verne University of Southern California	
Colorado	Colorado State University University of Colorado, Boulder University of Denver Western State Colorado University	University of Colorado, Denver University of Denver	
Connecticut		Yale University	University of Bridgeport
District of Columbia	American University George Washington University	American University Catholic University of America George Washington University	
Florida	Florida International University Florida State University University of Florida University of Miami University of South Florida	Florida Institute of Technology University of Central Florida	Florida International
Georgia	Emory University Georgia State University University of Georgia	Emory University Georgia College & State University Kennesaw State University	University of North Georgia Georgia Gwinnett College
Hawaii	University of Hawaii		
Illinois	Illinois State University University of Illinois, Chicago	DePaul University Illinois State University Western Illinois University	Knox College Western Illinois University

## APPENDIX D: THE PEACE CORPS' EDUCATIONAL PARTNERSHIPS IN THE UNITED STATES, cont.

States	Master's International Colleges/ Universities	Paul D. Coverdell Fellows Program Colleges/ Universities	Peace Corps Prep Colleges and Universities
Indiana	Indiana University Valparaiso University	Indiana University, Bloomington University of Notre Dame	
Kansas			Pittsburgh State
Kentucky	Western Kentucky University		
Louisiana	Tulane University	University of New Orleans Xavier University of Louisiana	Tulane University
Maryland	Johns Hopkins University University of Maryland, College Park University of Maryland, Baltimore University of Maryland, Baltimore County	Johns Hopkins University University of Maryland, Baltimore University of Maryland, Baltimore County	University of Maryland, Baltimore County
Massachusetts	Boston University Wheelock College	Andover Newton Theological School Babson College Brandeis University Clark University Mount Holyoke College Suffolk University	
Michigan	Eastern Michigan University Michigan State University Michigan Technological University University of Michigan Western Michigan University	Michigan Technological University University of Michigan, Ann Arbor	
Minnesota	University of Minnesota, Twin Cities	St. Catherine University University of Minnesota	
Missouri	Lincoln University	University of Missouri, Columbia University of Missouri, Kansas City	University of Missouri
Montana	University of Montana		University of Montana
Nevada	University of Nevada, Las Vegas		
New Hampshire	Antioch University New England	Antioch University New England Southern New Hampshire University University of New Hampshire	
New Jersey	Rutgers, The State University of New Jersey	Drew University Monmouth University Rutgers, The State University of New Jersey	
New Mexico	New Mexico State University, Las Cruces	New Mexico State University, Las Cruces Western New Mexico University	

## APPENDIX D: THE PEACE CORPS' EDUCATIONAL PARTNERSHIPS IN THE UNITED STATES, cont.

States	Master's International Colleges/ Universities	Paul D. Coverdell Fellows Program Colleges/ Universities	Peace Corps Prep Colleges and Universities
New York	Adelphi University Bard College Clarkson University Columbia University Fordham University Cornell University State University of New York at Albany State University of New York at Downstate State University of New York at Oswego State University of New York College of Environmental Science and Forestry	Bard College Columbia University Teachers College Cornell University Manhattanville University The New School School of the Visual Arts University at Albany, State University of New York University of Rochester Yeshiva University	
North Carolina	Appalachian State University North Carolina A&T State University North Carolina Central University North Carolina State University	Duke University Wake Forest University	Elon University University of North Carolina, Wilmington
Ohio	University of Cincinnati	Bowling Green State University Case Western Reserve University University of Cincinnati	Wittenberg University Shawnee State Hiram College Wilmington College College of Wooster
Oklahoma	Oklahoma State University		
Oregon	Oregon State University Portland State University	University of Oregon Willamette University	
Pennsylvania	University of Pittsburgh	Carnegie Mellon University Drexel University Duquesne University Seton Hill University University of Pennsylvania University of Pittsburgh Villanova University	Ursinus College Arcadia University
South Carolina	Clemson University College of Charleston South Carolina State University University of South Carolina, Columbia	University of South Carolina, Columbia	
Tennessee	Tennessee State University		
Texas	Texas A&M University, College Station Texas A&M University, Corpus Christi Texas Tech University University of Texas, Austin		Austin College University of Texas, El Paso
Utah	Utah State University		Brigham Young University
Vermont	SIT Graduate Institute St. Michael's College	University of Vermont SIT Graduate Institute	
Virginia	George Mason University University of Virginia Virginia Polytechnic Institute and State University	George Mason University Virginia Commonwealth University	Virginia Wesleyan College Virginia Commonwealth University
Washington	Gonzaga University University of Washington Washington State University	University of Washington	University of Washington, Tacoma

## **APPENDIX D: THE PEACE CORPS' EDUCATIONAL PARTNERSHIPS IN THE UNITED STATES, cont.**

<b>States</b>	<b>Master's International Colleges/ Universities</b>	<b>Paul D. Coverdell Fellows Program Colleges/ Universities</b>	<b>Peace Corps Prep Colleges and Universities</b>
<b>West Virginia</b>	West Virginia University	Future Generations Graduate School	
<b>Wisconsin</b>	University of Wisconsin, Stevens Point	Marquette University University of Wisconsin, Milwaukee University of Wisconsin, Stevens Point	
<b>Wyoming</b>	University of Wyoming	University of Wyoming	

## APPENDIX E: FOREIGN CURRENCY FLUCTUATIONS ACCOUNT

In FY 2014, the Peace Corps realized \$6,596,500 in foreign currency gains and transferred \$800,000 of foreign currency fluctuation gains from its operating account into its Foreign Currency Fluctuation Account.

22 USC Sec. 2515, TITLE 22 – FOREIGN RELATIONS AND INTERCOURSE, CHAPTER 34 THE PEACE CORPS, Sec. 2515. Foreign Currency Fluctuations Account (h) Reports: Each year the Director of the Peace Corps shall submit to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives, and to the Committee on Foreign Relations and the Committee on Appropriations of the Senate, a report on funds transferred under this section.

**APPENDIX F: OBLIGATIONS OF FUNDS FROM OTHER GOVERNMENT AGENCIES BY PEACE CORPS (BUDGET)**

	FY 2013	FY 2014
<b>Total Reimbursable</b>	\$9,931,518	\$9,686,306
<b>Total PEPFAR</b>	\$28,202,979	\$34,556,117

Note: The methodology for this appendix was revised from prior similar reporting to reflect obligation (rather than funding) levels and to make it comparable to the budgetary tables on Page 4.

## APPENDIX G: OFFICE OF THE INSPECTOR GENERAL BUDGET REQUEST

### Office of Inspector General's Fiscal Year 2016 Budget Request

The Inspector General Reform Act (Pub. L. 110-409) was signed by the President on October 14, 2008. Section 6(f)(1) of the Inspector General Act of 1978, 5 U.S.C. app. 3, was amended to require certain specifications concerning Office of Inspector General (OIG) budget submissions each fiscal year.

Each Inspector General (IG) is required to transmit a budget request to the head of the establishment or designated Federal entity to which the IG reports specifying the:

- aggregate amount of funds requested for the operations of the OIG,
- the portion of this amount that is requested for all OIG training needs, including a certification from the IG that the amount requested satisfies all OIG training requirements for that fiscal year, and
- the portion of this amount that is necessary to support the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

The head of each establishment or designated Federal entity, in transmitting a proposed budget to the President for approval, shall include:

- an aggregate request for the OIG,
- the portion of this amount for OIG training,
- the portion of this amount for support of the CIGIE, and
- any comments of the affected IG with respect to the proposal.

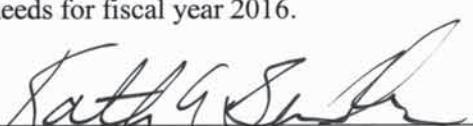
The President shall include in each budget of the U.S. Government submitted to Congress:

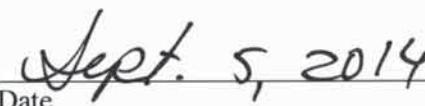
- a separate statement of the budget estimate (aggregate funds requested) submitted by each IG,
- the amount requested by the President for each IG,
- the amount requested by the President for training of OIGs,
- the amount requested by the President for support of the CIGIE, and
- any comments of the affected IG with respect to the proposal if the IG concludes that the budget submitted by the President would substantially inhibit the IG from performance of the OIG's duties.

Following the requirements as specified above, the Office of Inspector General (OIG) of the Peace Corps submits the following information relating to the OIG's requested budget for fiscal year 2016:

the aggregate budget request for the operations of the OIG is \$ 5,000,000  
the portion of this amount needed for OIG training is \$58,310 and  
the portion of this amount needed to support the CIGIE is \$13,500 (.27% of \$5,000,000).

I certify as the IG of the Peace Corps that the amount I have requested for training satisfies all OIG training needs for fiscal year 2016.

  
\_\_\_\_\_  
Kathy A. Bulter  
Inspector General  
Peace Corps

  
\_\_\_\_\_  
Date

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The Peace Corps  
Strategic Plan | FY 2014-2018  
and Annual Performance Plan | FY 2016

## Mission

### **To promote world peace and friendship** through community-based development and cross-cultural understanding

Since its establishment in 1961, the Peace Corps has been guided by a mission of world peace and friendship. The agency exemplifies the best of the American spirit by making it possible for Americans to serve—advancing development and building cross-cultural understanding around the world. Through this unique approach to development, the Peace Corps is making a difference in the overseas communities it serves, in the lives of its Volunteers, and back home in the United States. More than 215,000 Volunteers have served in 140 countries since 1961.

The Peace Corps advances its mission through the work of the Volunteers, both during and after their term of service. Rather than providing monetary assistance to countries, the agency sends Volunteers to share their skills and experience while living and working alongside local individuals and communities. This day-to-day interaction provides Volunteers with a unique perspective and the opportunity to partner with local communities to address their development challenges and to strengthen mutual understanding. After Volunteers complete their service, they return to the United States with new sets of skills, deep knowledge about different cultures, and long-lasting relationships. Returned Volunteers continue their service by promoting awareness of other cultures and global issues with friends, family, and the American public, maintaining relationships with colleagues and friends from the countries in which they served, and demonstrating a sustained commitment to volunteerism and public service.

## Core Values

The FY 2014-2018 Strategic Plan reflects the core values that shape and guide decisions at all levels in the agency:

**Volunteer Well-Being:** The Peace Corps works to provide a safe, healthy, and productive service for every Volunteer. The safety, security, and physical and emotional health of Volunteers are the agency's top priorities.

**Quality and Impact:** The Peace Corps pursues quality improvements to strengthen its programs while maintaining a meaningful global presence.

**Commitment to National Service:** The Peace Corps seeks to expand opportunities for Americans to serve their country by volunteering their time in the service of others.

**Diversity and Inclusion:** The Peace Corps actively supports a culture of inclusion that builds on the strengths of the diversity of the American public and of the countries in which we serve.

**Evidence-based Decisions:** The Peace Corps uses high-quality data and evidence to focus resources on agency priorities, inform performance improvements both in the field and at headquarters, and promote institutional learning.

**Innovation:** The Peace Corps utilizes innovative approaches and technology to solve both persistent and emerging operational challenges and to advance local development.

*“The United States will join with our allies to eradicate such extreme poverty in the next two decades by connecting more people to the global economy; by empowering women; by giving our young and brightest minds new **opportunities to serve**, and helping communities to feed, and power, and educate themselves; by saving the world’s children from preventable deaths; and by realizing the promise of an AIDS-free generation, which is within our reach.”*

*President Barack Obama  
2013 State of the Union Address*

## Plan Overview

The FY 2014–18 Strategic Plan establishes an ambitious vision for the Peace Corps over the next five years. The Strategic Plan strengthens recent far-reaching reforms, focuses on addressing decades-old challenges, and leverages promising opportunities to increase the impact of Volunteers and improve operations.

The Strategic Plan includes the long-range goals and objectives designed to advance the Peace Corps mission. The accompanying FY 2016 Annual Performance Plan lays out the strategies and activities the agency will utilize to accomplish these goals and objectives as well as the specific results the agency expects to achieve over time.

The FY 2014–18 Strategic Plan and FY 2016 Annual Performance Plan include the following components:

**Strategic Goals** reflect the broad, long-term outcomes the agency works toward to achieve the Peace Corps mission of world peace and friendship.

**Strategic Objectives** break down the high-level strategic goals to express the specific focus areas the agency will prioritize in order to achieve the strategic goals.

**Strategies and Activities** include the actions the agency intends to take to meet agency goals and objectives.

**Performance Goals** state a quantitative level of performance, or “target,” to be accomplished within a specific timeframe. In the plan, annual targets are set for FY 2016, and some initial targets are set for future years. Initial targets will be revised in future annual performance plans. Targets and actual results are provided for prior years when available. The agency uses performance goals to both drive performance improvement and to assess progress on strategic goals and objectives. Performance goals are updated each year in the annual performance plan in conjunction with the budget formulation process.

**Lead Offices** are identified for each performance goal. While several offices or overseas posts may be responsible for the individual strategies and activities that advance progress on performance goals, lead offices are given the convening authority to coordinate agencywide efforts to develop, implement, and report on plans to achieve each performance goal within a specific timeframe.

Appendices provide additional detail on the development of the FY 2014–18 Strategic Plan and FY 2016 Annual Performance Plan. Appendices include a summary of the Peace Corps’ performance management framework (Appendix A), a description of how evaluation and research informed the development of the plans (Appendix B), data validation and verification standards for the performance goals and indicators (Appendix C), and a summary of the stakeholder outreach conducted (Appendix D).

### GPRA Modernization Act of 2010

The President’s Budget identifies lower-priority program activities, where applicable, as required under the GPRA Modernization Act, 31 U.S.C. 1115(b)(10). The public can access the volume at:  
<http://www.whitehouse.gov/omb/budget>.

The Peace Corps has not been asked to contribute to the federal government’s cross-agency priority goals. Per the GPRA Modernization Act of 2010, the contributions of those agencies required to report on cross-agency priority goals can be found at <http://www.performance.gov>.

## Strategic Goals

The Peace Corps Act (1961) articulates three core goals that contribute to the Peace Corps mission of world peace and friendship:

1. To help the people of interested countries in meeting their need for trained men and women.
2. To help promote a better understanding of Americans on the part of the peoples served.
3. To help promote a better understanding of other peoples on the part of Americans.

These three core goals continue to serve as the foundation for the Peace Corps' approach to development and the three strategic goals that guide the FY 2014-18 Strategic Plan:

### Strategic Goal 1: Building Local Capacity

*Advance local development by strengthening the capacity of local communities and individuals through the service of trained Volunteers*

The Peace Corps' approach to development is local and community-based. Peace Corps Volunteers work to strengthen the capacity of host country individuals, groups, and communities to advance local development outcomes. Volunteers engage in project work and train local partners in areas such as agriculture, community economic development, education, environment, health, and youth in development. This focus on local capacity-building helps to ensure that the work of Peace Corps Volunteers is sustained long after their service is complete.

**Public Benefit:** Through Volunteers' capacity-building work, local individuals and communities strengthen the skills they need to address their specific challenges. As a result, local conditions are improved, and the American people benefit from a more stable, prosperous, and peaceful world.

### Strategic Goal 2: Sharing America with the World

*Promote a better understanding of Americans through Volunteers who live and work within local communities*

Volunteers promote a better understanding of Americans among local people through day-to-day interactions with their host families, counterparts, friends, and others. Over the course of their two years of service, Volunteers share America with the world—dispelling myths about Americans and developing deep relationships with local people. Through this approach, Volunteers also learn more about local community strengths and challenges and build trust with local partners, strengthening their project work.

**Public Benefit:** Volunteers are some of America's most effective goodwill ambassadors in local communities and areas of the world where other development or cross-cultural exchange organizations are rarely present. As the result of interactions with Volunteers, local individuals and communities gain a more complete understanding of the United States and become more willing to engage with Americans.

## Strategic Goal 3: Bringing the World Back Home

*Increase Americans' awareness and knowledge of other cultures and global issues through Volunteers who share their Peace Corps experiences and continue to serve upon their return*

During their two years of service, Volunteers learn the languages, customs, traditions, and values of the people with whom they live and work. Volunteers bring the world back home by sharing their experiences with family, friends, and the American public during and after their service. They directly connect Americans with local individuals and communities both independently and through Peace Corps-supported programs. As a result, they deepen and enrich Americans' awareness and knowledge of other countries, cultures, and global issues. Long after they return from their overseas assignments, returned Volunteers continue their service by promoting a better understanding of other cultures, encouraging and supporting volunteerism, and engaging in public service.

**Public Benefit:** Sustained interaction between Americans and other peoples engenders mutual understanding and trust, increasing respect and human dignity in world affairs at home and abroad. Additionally, through their overseas experiences, Volunteers develop language, intercultural, technical, and entrepreneurial skills that prepare them for jobs in the 21st century. They bring these skills with them to their work in both the public and private sectors, sharing their global experiences and outlook with their colleagues, friends, and family. This, in turn, helps to build a more competitive U.S. workforce.

## Strategic Objectives

The 11 strategic objectives identified in this plan constitute the roadmap for advancing the Peace Corps mission and strategic goals. Strategic objectives serve as the primary unit of analysis for assessing how the agency is performing and are measured through specific, time-bound performance goals. The table below indicates how each of the strategic objectives supports each strategic goal.

### Relationship between Strategic Goals and Strategic Objectives

Strategic Objectives	Strategic Goal 1: Building Local Capacity	Strategic Goal 2: Sharing America with the World	Strategic Goal 3: Bringing the World Back Home
1. Volunteer Well-Being	●	●	●
2. Service Opportunity of Choice	●	●	●
3. Development Impact	●	●	
4. Cross-Cultural Understanding	●	●	●
5. Continuation of Service			●
6. Diversity and Inclusion	●	●	●
7. Site Development	●	●	
8. Train-Up	●	●	
9. High-Performing Learning Organization	●	●	●
10. Global Connectivity	●	●	●
11. Measurement for Results	●	●	●

## Strategic Objective 1: Volunteer Well-Being

*Enhance the safety, security, and health of Volunteers through rigorous prevention and response systems and high-quality medical and mental health services (Supports Strategic Goals 1, 2, and 3)*

**Rationale:** The Peace Corps advances its mission through the work of the Volunteers—the most important strategic asset of the agency. Volunteers dedicate themselves to serving their country in local communities where the health-care infrastructure and security environments often differ from those of the United States. Further, Volunteers may experience a range of emotions as they address the complexities of development work and encounter unique stressors associated with living and working in local communities. Attention to the well-being of Volunteers and supporting their resiliency allows them to focus on their assignment and helps to ensure that they return home safely and in good health. Volunteer well-being is the shared responsibility of staff and Volunteers.

### Strategies and Activities:

- Finalize implementation of the Kate Puzey Peace Corps Volunteer Protection Act of 2011 and ensure its reforms continue to guide agency policy and practice
- Periodically evaluate individual experiences with health care and safety and security support
- Implement regionally approved safety and security standards for site selection and monitoring
- Train staff who interact with Volunteers on methods for mentoring, developing, and supporting Volunteers
- Improve the recruitment, retention, and support of Peace Corps medical staff
- Assess the effects of Volunteer health and safety on Volunteers' productivity at work
- Encourage a comprehensive approach to Volunteer support through agencywide initiatives such as the Sexual Assault Risk-Reduction and Response program
- Provide ongoing medical education and administrative support for Peace Corps medical officers
- Expand mental and emotional health support to provide Volunteers with the tools to cope with the challenges of service
- Establish a data management system to track critical safety and security recommendations by posts and headquarters offices
- Monitor the effectiveness of Volunteers' training related to safety, security, and health and make necessary adjustments
- Collaborate with other governmental and nongovernmental agencies on projects to improve Volunteer health outcomes

**External Factors:** Volunteers encounter a broad range of social and environmental conditions during their service. As a result, safety, security, and medical risks are an inherent part of Volunteer service.

## Performance Goals

Performance Goal 1.1: Increase Volunteer Satisfaction with Safety and Security Support

*Increase the percentage of Volunteers “satisfied” or “very satisfied”<sup>1</sup> with safety and security support to 82 percent by FY 2018*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	--	76%	78%	80%	82%
Result <sup>2</sup>	73%	68%	71%	84%				

<sup>1</sup>Includes the top two positive response options on a five-point balanced scale.

<sup>2</sup>Due to the improvements to the Annual Volunteer Survey (AVS) in FY 2014, including modifying the response scales and reducing the length of the questionnaire by half, results from FY 2011–13 (shaded in gray) may not be directly comparable to results in FY 2014 and future years. However, year-to-year comparison of results from FY 2014 and beyond will be possible. Additional information on the effects of the AVS changes on performance results is in Appendix C, Verification and Validation of Performance Data.

The agency employs a rigorous Volunteer safety and security program to reduce risk and to respond to crime and security incidents. Volunteer satisfaction with safety and security support is a direct measure of the efficacy of the agency’s safety and security prevention and response systems. The agency also monitors other indicators, including incidents of serious crime against Volunteers, to inform strategies to safeguard the well-being of Volunteers. The agency expects to identify new performance goals in FY 2017 that will provide additional tools to measure and advance the agency’s Volunteer safety and security program.

**Data Source:** Annual Volunteer Survey

**Lead Offices:** Office of Safety and Security, Office of Global Operations

Performance Goal 1.2: Reduce Volunteer Dissatisfaction with Medical and Mental Health Support

*Reduce the percentage of Volunteers “dissatisfied” or “very dissatisfied”<sup>1</sup> with medical and mental health support to 7.0 percent by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	8.2%	7.2%	7.0%
Result <sup>2</sup>	7.0%	7.4%	9.2%	8.6%		

<sup>1</sup>Includes the bottom two negative response options on a five-point balanced scale.

<sup>2</sup>Due to the improvements to the AVS in FY 2014, including modifying the response scales and reducing the length of the questionnaire by half, results from FY 2011–13 (shaded in gray) may not be directly comparable to results in FY 2014 and future years. However, year-to-year comparison of results from FY 2014 and beyond will be possible. Additional information on the effects of the AVS changes on performance results is in Appendix C, Verification and Validation of Performance Data.

Health-care research suggests a strong relationship between patient satisfaction with health care and improved health outcomes. Ensuring the percentage of Volunteers who are unsatisfied with medical and mental health support does not exceed 7.0 percent will place the Peace Corps on par with the highest-performing U.S.-based health-care providers.

**Data Source:** Annual Volunteer Survey

**Lead Office:** Office of Health Services

## Strategic Objective 2: Service Opportunity of Choice

*Position the Peace Corps as the top choice for talented Americans interested in service by reaching a new generation of potential Volunteers and streamlining the application process (Supports Strategic Goals 1, 2, and 3)*

**Rationale:** Increasing the quantity and quality of Volunteer applications is essential in order to position the agency to provide development assistance responsive to local community needs and to promote cross-cultural understanding between the United States and other countries through the work of skilled Volunteers.

### Strategies and Activities:

- Modify business processes and the application platform to allow individuals to apply to specific countries, sectors, and/or departure months to improve transparency and to better account for applicant preferences
- Implement a waitlist system to ensure posts' requests for Volunteers are filled each year
- Establish quarterly application deadlines to pool and rank candidates and select the most qualified and competitive individuals for service
- Conduct market research to better understand the goals, preferences, key motivators, and deterrents of core prospects (18- to 26-year-olds), future prospects (15- to 17-year-olds), and their primary influencers (such as family and friends)
- Invest in a national public relations and marketing campaign to build awareness of the Peace Corps among core prospects
- Improve tools for communicating service opportunities to prospective Volunteers, including redesigning the Peace Corps website and developing additional content for mobile devices
- Utilize the Peace Corps Response program to fill requests for highly skilled and experienced Volunteers
- Implement proactive recruitment strategies to encourage individuals interested in service to apply to the Peace Corps
- Fully implement applicant rating and Volunteer assessment tools
- Redesign the framework utilized by overseas posts to request Volunteers, currently the Assignment Area system, to align with Focus In/Train Up programming
- Leverage strategic interagency, university, and public-private partnerships to increase the number of Volunteers serving annually and pilot new service models
- Evaluate the effectiveness of the reforms implemented to improve the application, assessment, and placement processes

**External Factors:** The Peace Corps must be a viable and attractive service opportunity in an environment in which talented Americans have an increasingly wide array of service opportunity options.

## *Performance Goals*

Performance Goal 2.1: Volunteer Requests Met

*Field 100 percent of the Volunteers requested by overseas posts each year*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	95%	95%	95%	100%	100%	100%	100%	100%
Result	97%	97%	90%	98%				

The ultimate outcome for the Service Opportunity of Choice objective is for the agency to fully meet overseas posts' requests for skilled Volunteers. This performance goal is a direct outcome measure.

**Data Source:** Peace Corps database (DOVE/PCVDBMS)

**Lead Office:** Office of Volunteer Recruitment and Selection

Performance Goal 2.2: Increase Service Opportunities

*Increase the number of Volunteers serving annually to 10,000 by FY 2018*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	7,600	8,200	8,800	9,400	10,000
Result	9,095	8,073	7,209	6,818				

Per the Peace Corps Act, "it is the policy of the United States and a purpose of the Peace Corps to maintain, to the maximum extent appropriate and consistent with programmatic and fiscal considerations, a Volunteer corps of at least 10,000 individuals." Based upon available funding, building and maintaining an even larger Volunteer population would ensure more Americans have the opportunity to serve—a high priority for the agency.

**Data Source:** Peace Corps database (PCVDBMS/HRMS)

**Lead Office:** Office of Global Operations

## Performance Goal 2.3: Increase Applications

*Increase applications for Volunteer service to 25,000 by FY 2018*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	20,000	22,000	23,000	24,000	25,000
Result <sup>1</sup>	12,206	10,091	10,118	17,336				

<sup>1</sup>The definition of an application for Volunteer service was modified in FY 2014; results for FY 2011–13 are reported using the previous definition. The agency received 15,404 applications in FY 2014 as measured by the previous definition. Under the new definition, an “application” occurs when a qualified U.S. citizen submits a completed application for either the two-year Peace Corps Volunteer program or the short-term Peace Corps Response program. The previous definition did not include Peace Corps Response and required that individuals submit both an application and a health history form. Under the new definition, the agency received 19,151 applications in FY 2014. For comparison to the FY 2014 target, only applications from the two-year program (17,336) are reported in FY 2014. Targets for fiscal years 2015 and beyond are set based on this new definition, which includes applications from both the two-year program and the Peace Corps Response program.

An increase in the number of applications for Peace Corps service is a clear indication of the competitiveness of the Peace Corps as a service opportunity of choice.

**Data Source:** Peace Corps database (DOVE/PCVDBMS)

**Lead Office:** Office of Volunteer Recruitment and Selection

## Performance Goal 2.4: Reduce Time from Application to Invitation

*Reduce the average time from application to invitation to no more than 3 months by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	5 months	4 months	3 months
Result	10 months	11 months	6 months <sup>1</sup>	7 months		

<sup>1</sup>In FY 2013, the application and medical review processes were modified; invitations are now offered prior to medical clearance. This resulted in a reduction of the average time from application to invitation.

Prior to the reforms to the application process in FY 2014, the time required to go through the application process was much longer than other service opportunities and has been cited as a major deterrent by prospective applicants.

**Data Source:** Peace Corps database (DOVE/PCVDBMS)

**Lead Office:** Office of Volunteer Recruitment and Selection

## Strategic Objective 3: Development Impact

*Advance community-based development by strengthening the capacity of local individuals and communities, focusing on highly effective technical interventions, and leveraging strategic partnerships (Supports Strategic Goals 1 and 2)*

**Rationale:** The Peace Corps delivers development assistance to interested host countries through the work of its Volunteers. In conducting their work, Volunteers utilize effective technical interventions to share their skills and experience with local individuals and communities and work collaboratively to strengthen local capacity to address development challenges. In addition, the Peace Corps partners with other U.S. government, nongovernmental, and private sector development partners to leverage resources, knowledge, and skills to expand the reach of programs and to enhance Volunteers' impact.

### Strategies and Activities:

- Fully implement standardized technical training to ensure Volunteers have the skills required to meet community needs
- Periodically monitor community need through Project Advisory Committees to ensure project activities address local development challenges appropriately
- Expand counterpart training opportunities to provide counterparts and community members with tools to work effectively with Volunteers and to strengthen the capacity of host country individuals and communities
- Improve Volunteer training on working with communities and host country partners
- Engage with agency strategic partners to provide Volunteers with technical training, tools, and resources
- Provide monitoring and evaluation training to staff and Volunteers, including the use of the redesigned Volunteer Reporting Tool
- Develop post standards on the frequency and quality of feedback provided to Volunteers

**External Factors:** Measuring the precise impact of Volunteers in a complex development space presents unique challenges.

### Performance Goals

Performance Goal 3.1: Advance Community-Based Development Outcomes

*Increase the percentage of projects with documented gains in community-based development outcomes to 80 percent by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	--	--	80%
Result	--	--	--	76%		

Volunteer projects and activities are designed and executed alongside local partners. An increase in the percentage of projects with documented gains suggests that Volunteers are contributing to community-based development.

**Data Source:** Volunteer Reporting Tool

**Lead Office:** Office of Global Operations

#### Performance Goal 3.2: Strengthen Local Capacity

*Increase the percentage of projects with documented gains in the capacity of host country individuals*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	--	--	No target set; Baseline data collection
Result	--	--	--	--	--	

Volunteers strengthen local capacity by working closely with community partners through all phases of their project activities. This goal measures the increase in the capacity of local individuals, including counterparts—Volunteers' primary community partners.

**Data Source:** Global Counterpart Survey

**Lead Office:** Office of Global Operations

#### Performance Goal 3.3: Improve Feedback to Volunteers

*Increase the percentage of Volunteers “satisfied” or “very satisfied”<sup>1</sup> with the timeliness and quality of the feedback provided on their work to 68 percent by FY 2018*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	40%	59%	62%	65%	68%
Result <sup>2</sup>	39%	33%	38%	55%				

<sup>1</sup>Includes the top two positive response options on a five-point balanced scale.

<sup>2</sup>Due to the improvements to the AVS in FY 2014, including modifying the response scales and reducing the length of the questionnaire by half, results from FY 2011–13 (shaded in gray) may not be directly comparable to results in FY 2014 and future years. However, year-to-year comparison of results from FY 2014 and beyond will be possible. Additional information on the effects of the AVS changes on performance results is in Appendix C, Verification and Validation of Performance Data.

Volunteers live and work in local communities that are often long distances away from Peace Corps staff. When Volunteers receive timely, high-quality feedback on their work from staff via email, text messages, phone calls, responses to the Volunteer Reporting Tool, or other mechanisms, they are able to benefit from the experience and advice of staff, share successes, and address challenges. This interaction contributes to the ability of Volunteers to achieve their project outcomes.

**Data Source:** Annual Volunteer Survey

**Lead Office:** Office of Global Operations

## Strategic Objective 4: Cross-Cultural Understanding

*Build a deeper mutual understanding of other cultures by developing long-lasting connections between American and host country individuals and communities (Supports Strategic Goals 1, 2, and 3)*

**Rationale:** Volunteers advance cultural understanding between the United States and the communities where they serve by living and working in local communities and by sharing their experiences with family, friends, and the American public during their service and when they return to the United States. In this way, Volunteers create a cultural window that enables American and host country individuals and communities to have meaningful conversations, develop strong relationships, and sustain their interactions.

### Strategies and Activities:

- Develop intercultural competency training and tools for Volunteers and staff
- Encourage currently serving and returned Volunteers to leverage new technology, including social media, to facilitate communication between Americans and host country individuals and communities
- Train Volunteers on managing cultural differences during their service
- Redesign the Coverdell World Wise Schools Correspondence Match program to allow Volunteers to independently identify their own matches prior to departure and expand educator access to information based on their curriculum needs

**External Factors:** The world is interconnected today in ways vastly different from when the Peace Corps was founded in 1961. There are new opportunities to utilize modern communication tools and technologies to better connect Americans and people in the countries where Volunteers serve both during and after a Volunteer's service.

### Performance Goals

Performance Goal 4.1: Greater Understanding of Americans

*Increase the percentage of counterparts who report a greater understanding of Americans after working with a Volunteer to 95 percent by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	--	--	95%
Result <sup>1</sup>	--	--	--	94%		

<sup>1</sup>The FY 2014 result represents responses from a low percentage of Volunteer counterparts (approximately 25 percent). While FY 2014 results are not globally representative, information gathered from other sources, including the Host Country Impact Studies conducted by the agency from 2008–12 ([www.peacecorps.gov/open](http://www.peacecorps.gov/open)), provides sufficient evidence to set targets for this performance goal for FY 2015 and beyond.

Counterparts regularly work closely with Volunteers. Counterparts' increased understanding of Americans as a result of sustained day-to-day interactions with Volunteers indicates a successful partnership for building cultural understanding between the United States and the countries where Volunteers serve.

**Data Source:** Global Counterpart Survey

**Lead Office:** Office of Global Operations

Performance Goal 4.2: Increase Cross-Cultural Connections

*Increase the percentage of Volunteers who report they facilitated direct interactions between American and host country individuals and communities to 62 percent by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	--	60%	62%
Result	--	--	--	57%		

When Volunteers actively build strong connections between the United States and host countries, they are promoting mutual cultural understanding.

**Data Source:** Annual Volunteer Survey

**Lead Offices:** Office of Overseas Programming and Training Support; Office of Third Goal and Returned Volunteer Services

## Strategic Objective 5: Continuation of Service

*Support returned Volunteers' continuation of service by fostering a vibrant alumni network, providing tools and resources to ease their transition after service, and offering opportunities for them to share their experiences (Supports Strategic Goal 3)*

**Rationale:** More than 215,000 Americans have served as Peace Corps Volunteers since 1961—a significant “domestic dividend” of skilled and dedicated individuals who continue serving the American public and the overseas communities where they lived and worked long after they return home. Much of the returned Peace Corps Volunteer community’s work to advance the Peace Corps mission takes place through returned Volunteer groups or the actions of individual returned Volunteers—*independent of the agency*. However, by providing tools and resources to Volunteers to ease their transition after service, such as career services and best practices for sharing their experiences and promoting service, the Peace Corps is positioning returned Volunteers to be active contributors to the agency’s Third Goal efforts. The Peace Corps also encourages returned Volunteers to share their experiences with family, friends, and the public; build and maintain connections between Americans and host country individuals and communities; and recruit the next generation of Volunteers. Notably, a significant number of returned Volunteers continue their service as international development or foreign policy specialists.

### **Strategies and Activities:**

- Leverage email, social media, and other online tools to communicate more effectively with returned Volunteers
- Improve the quantity and quality of returned Volunteer contact information by developing a contact database where individuals can easily update their information
- Collect regular feedback from returned Volunteers through a survey to track their professional and academic progress and inform the development of tools to help them continue their service throughout their careers
- Expand returned Volunteer career services across the United States by centralizing tools and resources available to returned Volunteers through an expanded and easily accessible online job portal
- Develop a system for tracking and evaluating the results of returned Volunteer career services
- Establish a competitive internship program where exceptional returned Volunteers can compete for year-long positions within the agency and with its strategic partners
- Actively promote the non-competitive eligibility status of returned Volunteers at federal agencies for expedited hiring
- Develop a “Third Goal and Returned Volunteer Services” curriculum to be included during close-of-service training for currently serving Volunteers
- Engage the American public through strong partnerships with businesses, schools, and government agencies to provide communication platforms for returned Volunteers, increase public understanding of other cultures, and generate a commitment to public service and community development
- Support the development of independent Volunteer alumni groups by providing materials on the promotion of the Third Goal and encouraging returned Volunteers to participate in such groups

**External Factors:** Much of the returned Volunteer community's contribution to the agency's Third Goal occurs organically and outside the control of the Peace Corps. The agency will explore opportunities to build upon the returned Volunteer community's continuing efforts to advance the Peace Corps mission.

### Performance Goals

#### Performance Goal 5.1: Support Returned Volunteer Career Transition

*Increase the number of returned Volunteers who access Peace Corps' career services to 3,000 by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	2,500	2,750	3,000
Result	--	--	--	2,649		

The agency provides returned Volunteers with top-notch career services, seminars, and transition tools upon returning from service. Providing the career and personal development tools necessary for returned Volunteers' success in both professional and service opportunities will ease their transition upon returning home and facilitate an environment where they can share their experiences and promote volunteerism and public service.

*Data Source:* Peace Corps administrative records

*Lead Office:* Office of Third Goal and Returned Volunteer Services

#### Performance Goal 5.2: Increase Returned Volunteer Engagement

*Increase the number of returned Volunteers who participate in agency-supported Third Goal activities to 16,000 by FY 2018*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	8,000	10,000	12,000	14,000	16,000
Result	--	--	--	9,754				

The agency facilitates a wide array of activities to provide returned Volunteers with opportunities to share their experiences, including Coverdell World Wise Schools Speakers Match, recruitment events, and Peace Corps Week. The agency also develops materials for returned Volunteers to independently conduct Third Goal activities.

*Data Source:* Peace Corps administrative records

*Lead Office:* Office of Third Goal and Returned Volunteer Services

## Strategic Objective 6: Diversity and Inclusion

*Actively recruit, support, and retain a diverse workforce and Volunteer corps and build an inclusive culture that encourages collaboration, flexibility, and fairness (Supports Strategic Goals 1, 2, and 3)*

**Rationale:** Volunteers serve as cultural ambassadors in the local communities where they live and work. To promote a better understanding of America, it is critical that Volunteers represent the rich diversity of the U.S. population. In addition, since many staff are drawn from the pool of returned Volunteers, the diversity of the Volunteer corps contributes to building a more diverse workforce. To harness the unique perspectives of a diverse workforce and Volunteer corps, the agency will foster an inclusive organizational culture that encourages collaboration, flexibility, and fairness.

### Strategies and Activities:

- Develop a marketing, communications, and outreach strategy to increase the diversity of the Peace Corps Volunteer and staff applicant pools
- Collaborate with local and regional groups aligned with underrepresented populations to increase applications
- Identify and mitigate economic barriers to Volunteer service
- Support and monitor the implementation of the same-sex couples initiative, which allows same-sex couples to serve together as Peace Corps Volunteers
- Develop a system for field staff to recommend returned Peace Corps Volunteers who can serve as recruiters for underrepresented populations
- Engage the returned Volunteer community in recruiting underrepresented populations
- Identify, support, and implement strategic partnerships to support the Peace Corps' diversity recruitment efforts
- Develop and implement annual diversity recruitment strategies for each regional recruitment office
- Monitor applicant drop-out rates by race/ethnicity, sex, age, and other demographic elements to identify potential barriers
- Support employee resource groups to help recruit, retain, and support staff
- Provide tools and training for staff to increase their awareness and empower them to prevent the types of discrimination and harassment issues that can occur within a diverse environment
- Review and revise the eligibility standards for Volunteer service, including medical status eligibility standards, to ensure that applicants are not evaluated on the basis of any factor that is not relevant to the ability to serve effectively
- Develop an agencywide Diversity Governance Council to provide guidance and feedback on the development and implementation of Peace Corps policies and initiatives and to address systemic issues and concerns related to diversity and inclusion

**External Factors:** As the Peace Corps primarily attracts recent college graduates, efforts to increase the diversity of the Volunteer population are dependent in part on the diversity of individuals completing an undergraduate degree. Similarly, staff diversity is influenced by the diversity of both the Volunteer population and the U.S. workforce. Additionally, the lack of a commercial student loan deferment option makes it difficult for those with commercial student loan debt to serve.

## Performance Goals

### Performance Goal 6.1: Increase Applicant Diversity

*Increase applications for Volunteer service from individuals of minority racial and ethnic groups to 35 percent by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	32%	34%	35%
Result	26%	27%	30%	33%		

Increasing the number of applications from individuals of minority racial and ethnic groups—who are traditionally underrepresented in the Peace Corps—will result in a Volunteer population that more accurately reflects the diversity of America.

**Data Source:** Peace Corps database (DOVE/PCVDBMS)

**Lead Office:** Office of Volunteer Recruitment and Selection

### Performance Goal 6.2: Build an Open and Inclusive Organizational Culture

*Increase the percentage of Peace Corps Volunteers, U.S. direct hire staff, and host country national staff who “agree” or “strongly agree”<sup>1</sup> that the agency has an open and inclusive organizational culture to 90 percent by FY 2016*

		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target <sup>2</sup>		--	--	--	85%	88%	90%
Result	U.S. direct hire staff	--	--	--	88%		
	Host country staff	--	--	--	89%		
	Volunteers	--	--	--	80%		

<sup>1</sup>Includes the top two positive responses on a five-point balanced scale.

<sup>2</sup>The FY 2014 target only applies to U.S. direct hire staff and was based on an estimate derived from contextual information from the Employee Viewpoint Survey. Based on the collection of baseline data from host country staff and Volunteers through the Host Country Staff Survey and Annual Volunteer Survey, respectively (shaded in gray), targets for FY 2015 and beyond apply to all three groups.

The Peace Corps’ level of inclusivity can be largely determined by analyzing the perceptions of Volunteers and staff regarding openness and inclusion in the organization with respect to race, ethnicity, age, sex, disability, religion, sexual orientation, and gender identity/expression. This will provide a direct outcome measure that can be evaluated in detail to measure how all groups perceive the agency’s culture of inclusion and to what extent employees feel valued and productive.

**Data Sources:** Annual Volunteer Survey, Employee Viewpoint Survey, and Host Country Staff Survey

**Lead Office:** Office of Civil Rights and Diversity

## Strategic Objective 7: Site Development

*Establish an environment conducive to Volunteer success through an integrated approach to developing effective projects, preparing work sites, and successfully collaborating with local partners (Supports Strategic Goals 1 and 2)*

**Rationale:** Before a Volunteer arrives in his or her country of service, the Peace Corps works to ensure that he or she will have meaningful work opportunities that meet the development needs of the local community and that there are local partners interested in working alongside the Volunteer. The agency also verifies that each work site can support the Volunteer's safety, security, and medical and mental health needs. This foundation allows each Volunteer to focus on building relationships and strengthening local capacity both when he or she arrives in the community, and throughout service.

### Strategies and Activities:

- Develop and implement post-specific site development criteria, policies, and procedures and standardize specific criteria agencywide where appropriate
- Improve the staff-to-Volunteer ratio to provide more staff capacity for site development and to meet Volunteer support requirements
- Identify, prepare, and train host families, host agencies, and counterparts on how to live and work effectively with Volunteers, including setting clear expectations regarding the role of the Volunteer
- Establish well-defined and meaningful work opportunities for Volunteers by selecting sites with well-documented needs
- Assign Volunteers to sites where there is a good match between the Volunteers' skills and experience and the needs of local communities
- Utilize Project Advisory Committees to regularly monitor projects to ensure they address local development needs
- Develop a mobile technology solution to track and document the effective selection, documentation, and preparation of sites

**External Factors:** Each host country and individual community provides unique infrastructure and cultural challenges that limit the agency's ability to apply common site development standards uniformly across all posts.

## Performance Goals

### Performance Goal 7.1: Improve Site Development

***Increase the percentage of Volunteers “satisfied” or “very satisfied”<sup>1</sup> with site selection and preparation to 68 percent by FY 2018***

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	44%	62%	64%	66%	68%
Result <sup>2</sup>	42%	41%	42%	59%				

<sup>1</sup>Includes the top two response options on a five-point balanced scale.

<sup>2</sup>Due to the improvements to the AVS in FY 2014, including modifying the response scales and reducing the length of the questionnaire by half, results from FY 2011–13 (shaded in gray) may not be directly comparable to results in FY 2014 and future years. However, year-to-year comparison of results from FY 2014 and beyond will be possible. Additional information on the effects of the AVS changes on performance results is in Appendix C, Verification and Validation of Performance Data.

The agency has a responsibility to develop an environment for Volunteers’ success by ensuring that sites are effectively selected and prepared for their arrival.

**Data Source:** Annual Volunteer Survey

**Lead Offices:** Africa Region; Europe, Mediterranean, and Asia Region; Inter-America and the Pacific Region

### Performance Goal 7.2: Improve Counterpart Selection and Preparation

***Increase the percentage of Volunteers “satisfied” or “very satisfied”<sup>1</sup> with the community integration and project work support provided by their assigned counterpart to 61 percent by FY 2018***

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	34%	55%	57%	59%	61%
Result <sup>2</sup>	31%	32%	32%	53%				

<sup>1</sup>Includes the top two response options on a five-point balanced scale.

<sup>2</sup>Due to the improvements to the AVS in FY 2014, including modifying the response scales and reducing the length of the questionnaire by half, results from FY 2011–13 (shaded in gray) may not be directly comparable to results in FY 2014 and future years. However, year-to-year comparison of results from FY 2014 and beyond will be possible. Additional information on the effects of the AVS changes on performance results is in Appendix C, Verification and Validation of Performance Data.

While Volunteers work with a variety of local partners throughout their service, the Peace Corps selects and assigns local counterparts to Volunteers when they first arrive at their sites to help connect them to their communities and to serve as resources for their project work. Volunteers reporting that they received adequate support from their assigned counterpart indicates that posts are properly selecting and preparing local partners as a part of the site development process.

**Data Source:** Annual Volunteer Survey

**Lead Offices:** Africa Region; Europe, Mediterranean, and Asia Region; Inter-America and the Pacific Region

## Strategic Objective 8: Train-Up

*Develop a highly effective Volunteer corps through a continuum of learning throughout service  
(Supports Strategic Goals 1 and 2)*

**Rationale:** High-quality training is central to the success of Volunteers. The Peace Corps invests in technical training to ensure that Volunteers have the necessary skills to draw upon, contribute to, and support local capacity-building efforts. Training also focuses on building Volunteers' language skills and cultural acuity to ensure success in their technical work and to facilitate cultural integration and mutual understanding. Providing a continuum of learning throughout service ensures that Volunteers receive the tools and support they need at key milestones throughout their service.

### Strategies and Activities:

- Continue to evaluate and refine the training materials developed through the Focus-In/Train-Up strategy
- Develop and implement a global Volunteer continuum of learning for the six project sectors that emphasizes self-directed learning, utilizes coaching and mentoring, fosters communities of practice, and includes individual learning plans for Volunteers
- Establish terminal learning objectives and measure Volunteer's progress toward achieving them throughout service, including at the end of pre-service training and close of service
- Share training and language-learning materials through an online knowledge-sharing platform
- Develop formal training certificates and exam processes to document the training received by Volunteers and the expertise and proficiency levels achieved
- Implement mandatory close-of-service language testing and encourage posts to administer language exams to Volunteers at mid-service
- Pilot new approaches to the content, sequencing, and design of Volunteer training

**External Factors:** An increase in critical safety and security training content reduces the amount of time that can be spent on technical and language training. Additionally, trainers at some posts are temporary hires, and the retention of these experienced trainers year-to-year is challenging.

### Performance Goals

#### Performance Goal 8.1: Improve Language Learning

*Increase the percentage of Volunteers tested at close of service who achieve the "advanced" level or above on the language proficiency interview to 70 percent by FY 2018*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	50%	55%	60%	65%	70%
Result	--	--	--	63%				

Developing local language skills is critical for Volunteers' ability to integrate into their community, work effectively, and maintain their safety and security. An increase in the percentage of Volunteers who achieve a high level of language proficiency indicates the agency is providing effective language training and support throughout Volunteers' service.

**Data Source:** Peace Corps database (VIDA)

**Lead Offices:** Office of Overseas Programming and Training Support; Africa Region; Europe, Mediterranean, and Asia Region; Inter-America and the Pacific Region

Performance Goal 8.2: Increase Effectiveness of Technical Training

*Increase the percentage of Volunteers who report that their technical training was “effective” or “very effective”<sup>1</sup> in preparing them to work at their site to 67 percent by FY 2018*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	52%	64%	65%	66%	67%
Result <sup>2</sup>	44%	44%	50%	63%				

<sup>1</sup>Includes the top two positive response options on a five-point balanced scale.

<sup>2</sup>Due to the improvements to the AVS in FY 2014, including modifying the response scales and reducing the length of the questionnaire by half, results from FY 2011–13 (shaded in gray) may not be directly comparable to results in FY 2014 and future years. However, year-to-year comparison of results from FY 2014 and beyond will be possible. Additional information on the effects of the AVS changes on performance results is in Appendix C, Verification and Validation of Performance Data.

Effective technical training covers topics related to the work that Volunteers will conduct at their Volunteer site.

**Data Source:** Annual Volunteer Survey

**Lead Offices:** Office of Overseas Programming and Training Support; Africa Region; Europe, Mediterranean, and Asia Region; Inter-America and the Pacific Region

## Strategic Objective 9: High-Performing Learning Organization

*Cultivate a high-performing learning organization by investing in professional development for staff, improving staff retention, and strengthening institutional memory (Supports Strategic Goals 1, 2, and 3)*

**Rationale:** The unique law limiting the majority of U.S.-based and American overseas Peace Corps staff to five-year appointments results in a constant influx of fresh ideas and innovation. It also produces significant human capital and knowledge management challenges. At the same time, host country national staff often serve longer than American staff and have very different professional development needs. To successfully advance the Peace Corps mission, the agency must be a high-performing learning organization that invests in staff development, retains employees to the fullest extent of the law, and draws from a deep institutional memory to learn from its past and circulate best practices among Volunteers and staff.

### Strategies and Activities:

- Initiate the development of a competency and skills assessment program for Peace Corps domestic and overseas staff
- Invest in an automated system to track training events to develop a more cost-effective training program
- Pursue legislative modifications to the five-year rule, which generally limits staff to five-year appointments
- Implement development of a leadership continuum for agency supervisors
- Work with agency supervisors to develop individual development plans for staff
- Review and standardize the onboarding process for all staff, including office/post-based orientation and training beyond new employee orientation
- Implement a mentoring and coaching program for all agency staff, including a component designed for host country national staff that focuses on effective strategies for advancing their careers and for working with Volunteers
- Encourage cross-training to provide coverage and continuity of operations
- Identify agencywide training requirements and costs to develop a disciplined training budget
- Establish a pool of trained staff with the requisite clearances who are prepared to fill vacancies if overseas staff in critical positions leave unexpectedly
- Modify policy to require the development of transition documents by departing staff during the off-boarding process
- Reduce prolonged overseas staffing vacancies at posts
- Improve the off-boarding process by collaborating with federal government employers to place staff with non-competitive eligibility
- Develop a strategy for improving the retention of training staff

- Experiment with providing year-round employment opportunities for temporary host country national staff in high-turnover positions
- Increase online training to expand learning opportunities for domestic and overseas staff
- Improve the efficiency of routine tasks by developing a repository of standard operating procedures and templates for post operations
- Modify agency policy to enable managers to provide employees with early notification regarding potential extensions to their term appointments to aid in retention

**External Factors:** The law that generally limits staff to five-year appointments produces significant transaction costs and creates challenges to building a high-performing learning organization.

### *Performance Goals*

#### Performance Goal 9.1: Improve Staff Training

*Increase the percentage of staff satisfied<sup>1</sup> with the training they received to do their job to 62 percent by FY 2018*

		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target <sup>2</sup>		--	--	--	54%	56%	58%	60%	62%
Result	U.S. direct hire staff	50%	50%	57%	55%				
	Host country staff	--	--	--	62%				

<sup>1</sup>Includes the top two positive response options on a five-point balanced scale.

<sup>2</sup>The FY 2014 target only applies to U.S. direct hire staff and was based on actual results from the Employee Viewpoint Survey. Based on the collection of baseline data from host country staff through the Host Country Staff Survey (shaded in gray), targets for FY 2015 and beyond apply to both U.S. direct hire and host country staff.

An increase in staff satisfaction related to staff training indicates that staff are being provided the tools and training to do their job effectively and to develop professionally.

**Data Sources:** Employee Viewpoint Survey and Host Country Staff Survey

**Lead Offices:** Office of Human Resources Management, Office of Overseas Programming and Training Support

Performance Goal 9.2: Increase Staff Tenure

*Increase the average tenure of U.S. direct hire staff to 4 years by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	--	--	4 years
Result	--	3.3 years	4.1 years	3.7 years		

Due to the law that generally limits staff appointments to five years, the agency works to retain high-performing employees for as long as possible and to minimize staffing gaps.

*Data Source:* Peace Corps database (NFC)

*Lead Office:* Office of Human Resources Management

## Strategic Objective 10: Global Connectivity

*Enable seamless communication and collaboration for all Volunteers and staff by modernizing and integrating information technology systems and leveraging the innovation of Volunteers and staff in the field (Supports Strategic Goals 1, 2, and 3)*

**Rationale:** Information technology (IT) is changing rapidly; often, Volunteers in the field and their local partners are using a broader spectrum of technologies than the Peace Corps can support. At the same time, the agency maintains several legacy applications to manage information at headquarters and overseas posts that no longer meet the evolving needs of the Peace Corps. The confluence of these factors produces inefficiencies in how Volunteers and staff communicate and collaborate, inhibiting the agency's ability to advance its mission. A globally connected agency, supported by a flexible IT system and invigorated by field-based experimentation and problem solving, will leverage modern technology to break down barriers to communication and collaboration.

### Strategies and Activities:

- Build modern tracking, analysis, and reporting applications that enable easy database maintenance, data integration, and data access
- Modernize the Peace Corps Intranet to improve information sharing among staff
- Create a consolidated Volunteer, returned Volunteer, and staff contact database to improve data quality and access to contact information
- Establish a clearly defined, transparent risk assessment strategy related to new information technology projects and archive decisions for reference
- Provide guidance, training, and access to staff on new methods of communication commonly used by Volunteers, such as social media, to facilitate communication and collaboration
- Design flexible systems, platforms, and processes to be compatible with evolving technology (e.g., mobile devices)
- Support the development of Volunteer-driven solutions, such as those from the Peace Corps Innovation Challenge and other crowd-sourcing activities, to improve how the agency uses technology to deliver on its mission
- Encourage the use of PCLive as the Peace Corps' knowledge-sharing platform for Volunteers and staff to manage project and administrative content and identify promising practices

**External Factors:** A major IT challenge for the Peace Corps is to utilize rapidly evolving technology, such as mobile technology, to increase communication and collaboration among Volunteers, posts, and headquarters while maintaining operational stability, security, and reliability in a complex operational and regulatory environment.

## *Performance Goals*

Performance Goal 10.1: Develop an Integrated Technology Platform

*Retire all legacy applications and consolidate functions into an integrated platform by FY 2018*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target	--	--	--	10%	30%	50%	70%	100%
Result	--	--	--	15%				

Through the Platform Modernization project, legacy applications will be retired and their functions consolidated into a common, integrated platform. The project will improve data quality and facilitate increased access to data to meet the evolving information needs of the agency.

*Data Source:* Peace Corps administrative records

*Lead Office:* Office of the Chief Information Officer

Performance Goal 10.2: Facilitate Knowledge Sharing

*Increase the percentage of Volunteers who report that they use the digital materials provided by the Peace Corps in their work to 85 percent by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	--	80%	85%
Result	--	--	--	77%		

With the spread of Internet and mobile technology to many of the communities where Volunteers serve, Volunteers can collaborate with peers across projects, communities, countries, and the world. Access to digital resources through knowledge-sharing platforms facilitates this collaboration by enabling both Volunteers and staff to store and search for specific project information. As a result, Volunteers and staff can build upon already successful projects and strategies. PCLive is the Peace Corps' primary knowledge and information exchange platform for Volunteers and staff.

*Data Source:* Annual Volunteer Survey

*Lead Office:* Office of Overseas Programming and Training Support

## **Strategic Objective 11: Measurement for Results**

*Advance the agency's ability to measure progress, improve performance, and demonstrate impact through integrated monitoring, reporting, and evaluation practices (Supports Strategic Goals 1, 2, and 3)*

**Rationale:** Monitoring, reporting, and evaluation practices are conducted at all levels within the agency. A coherent, integrated approach that combines training, regular reviews of ongoing programs, the collection of baseline data, and well-documented pilots will provide staff with rigorous, high-quality data. That data can then be used to inform decision-making at both the program and agency level, identify promising practices, foster transparency, and advance performance improvement.

### **Strategies and Activities:**

- Develop an agency-level evaluation agenda each fiscal year to lay out the priorities for further exploring major management and performance challenges
- Fully implement the agencywide Evaluation Framework to provide guidance to posts and headquarters offices on monitoring, reporting, and evaluation practices, including piloting and experimentation parameters
- Provide monitoring, reporting, and evaluation training to Volunteers, overseas staff, and counterparts
- Develop the analytical skills of headquarters and overseas staff responsible for data analysis by modifying the requirements for key positions when recruiting for new positions or backfilling positions and by providing targeted training on analytical competencies
- Collect or construct baseline data prior to new country entries and the initiation of new projects to assess Volunteer impact
- Expand access to timely and high-quality data through the development of new data sources, the improvement of existing data sources, and the simplification of reports and products

**External Factors:** The federal government and the international development community have significantly expanded their emphasis on the use of research and evaluation for evidence-based decision making—supported by recent Executive Orders, the GPRA Modernization Act of 2010, and directives from the Office of Management and Budget. Further, during a time of fiscal challenges, federal agencies are expected to clearly demonstrate the impact of their programs.

## Performance Goals

### Performance Goal 11.1: Conduct Baselines

*Increase the percentage of new country entries and new Volunteer project frameworks where baseline data has been collected or compiled to 100 percent by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	50%	75%	100%
Result	--	--	--	0%		

Conducting baseline surveys or compiling baseline data from partner organizations, when combined with post-based intervention measurements, will allow the agency to demonstrate with confidence the impact of Volunteers on specific projects.

**Data Source:** Peace Corps administrative records

**Lead Offices:** Office of Global Operations; Office of Strategic Information, Research, and Planning

### Performance Goal 11.2: Increase Evidence-Based Decisions

*Increase the percentage of posts and headquarters offices that demonstrate the use of evidence in program, policy, and/or budget decisions to 100 percent by FY 2016*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Target	--	--	--	50%	75%	100%
Result	--	--	--	68%		

An increase in the use of evidence in decision-making will help posts and headquarters offices improve program performance and make more cost-effective decisions.

**Data Source:** Peace Corps administrative records

**Lead Office:** Office of Strategic Information, Research, and Planning

### Performance Goal 11.3: Using Evidence to Encourage Innovation

*Increase the percentage of pilots conducted by posts and headquarters offices that include structured monitoring and assessment methods to 100 percent by FY 2017*

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Target	--	--	--	--	50%	75%	100%
Result	--	--	--	--			

Pilot testing and experimentation encourages the development of innovative solutions to enhance the impact of the Volunteers and to address persistent and emerging operational challenges. The use of standard criteria and rigorous measurement will enable the agency to learn from these pilots and determine if the new approaches should be fully adopted.

**Data Source:** Peace Corps administrative records

**Lead Office:** Office of Strategic Information, Research, and Planning

## Appendix A: Performance Management System

The goals, objectives, and strategies included in the FY 2014–18 Strategic Plan guide the Peace Corps' efforts to advance its mission. The Peace Corps' performance management system is rooted in an inclusive and participatory culture where staff and Volunteers at all levels are invested in improving the agency.

The Peace Corps deputy director serves as the chief operating officer and oversees the agency's performance management efforts. The Office of Strategic Information, Research, and Planning (OSIRP) is responsible for strategic and performance planning and reporting and works closely with offices across the agency to collect and analyze data to improve agency operations. The director of OSIRP serves as the performance improvement officer for the agency. The agency actively participates in the federal government's Performance Improvement Council and the Small Agency Council's Performance Improvement Committee to contribute to and stay current with governmentwide performance improvement guidelines and best practices.

Several processes occur throughout the year to ensure activities align with the goals in the Strategic Plan: Evidence and data are available and used by agency leadership, managers, and staff to inform program, policy, and budget decisions and, opportunities for performance improvement are identified, tracked, and executed.

- **Integrated Planning and Budget System.** Through the Integrated Planning and Budget System (IPBS), headquarters offices and overseas posts develop strategic and operational plans to ensure their activities are aligned with and advance the agency's strategic goals. IPBS plans are developed during the agency's budget formulation process; budgets are informed by the resource requirements of the IPBS plans. Through the IPBS, the agency is working to better link performance and budgeting processes to ensure decision makers have the appropriate information to inform program, policy, and budget decisions.
- **Country Portfolio Review.** Each year, the agency conducts a comprehensive review of active and potential Peace Corps posts based on external and internal data. The Country Portfolio Review informs decisions about new country entries, country graduations (closures), and the allocation of Volunteers and other resources.
- **Quarterly Strategic Plan performance reviews.** Key officials from across the agency, including senior leadership, review performance data at the end of each quarter to share best practices and develop strategies to meet performance targets when areas for improvement are identified. A performance spotlight is identified during each quarterly meeting to highlight a particularly noteworthy use of data in program, policy, or budget decisions.
- **Annual strategic review.** Each year, the agency conducts an annual strategic review to assess the progress made on achieving the strategic objectives in the Strategic Plan. This exercise is based on IPBS submissions from every office and post and engages Peace Corps' senior leadership in a comprehensive performance review that informs annual planning and budget formulation, sets performance improvement areas for the year, and identifies potential evaluation topics to better understand the effectiveness of agency activities.

## Appendix B: Evaluation and Research

The Peace Corps is deeply committed to performance improvement through the use of high-quality data and evidence. Evaluation and research activities are conducted at overseas posts and in a variety of headquarters offices to draw conclusions from existing evidence and to develop new sources of data to better understand performance challenges and improve operations.

Evaluations and other reporting are at [www.peacecorps.gov/open/evaluations/](http://www.peacecorps.gov/open/evaluations/). The Peace Corps Office of Inspector General also conducts a variety of audits and evaluations, which can be found at [www.peacecorps.gov/about/leadership/inspgen/reports/](http://www.peacecorps.gov/about/leadership/inspgen/reports/).

### The use of evidence in the development of agency goals

The agency employed an evidence-based approach throughout the process of selecting the goals and objectives in the FY 2014–18 Strategic Plan. The agency developed or utilized evidence to inform the process through the following activities:

- **Review of existing studies.** The agency reviewed more than 40 internal and external reports and studies—including the Comprehensive Agency Assessment, host country impact studies, and Peace Corps Office of Inspector General audits and evaluations—to identify recurring challenges facing the Peace Corps as well as promising opportunities for improvement.
- **In-depth interviews.** The agency conducted over 50 individual interviews with agency employees to identify common performance themes. The agency also held conversations with returned Volunteers and overseas staff during scheduled conferences.
- **Agency work groups.** The agency convened over a dozen working groups comprised of senior managers and technical specialists from headquarters offices, overseas posts, and regional recruitment offices. More than 100 employees applied their unique technical skills and personal experience with the Peace Corps to analyze existing data on performance challenges, identify and prioritize potential goals and objectives, and detail the strategies and activities needed to address agency challenges.
- **Fieldwork at overseas posts.** Staff conducted interviews, observed Volunteer and staff operations, and held focused discussions in Morocco, Senegal, El Salvador, Guatemala, Ukraine, and Panama to gather the perspectives of overseas U.S. direct hire and host country staff, Volunteers, and beneficiaries.
- **Analysis of existing Peace Corps data sources.** The agency utilized several internal data sources to develop agency goals. For example, the agency analyzed Annual Volunteer Survey data—such as data on safety and security, health care, the site development process, access to communication technology, and Volunteer counterparts—to develop performance goals and inform strategies and activities to advance agency goals. Administrative data on posts’ use of standard sector indicators were utilized to determine which measures would best demonstrate the development impact of Volunteers. The agency analyzed data from a counterpart survey pilot to determine performance goals related to Volunteers’ contribution to local development and to the promotion of a better understanding of Americans.

## The development of new sources of evidence

The Peace Corps continues to expand its evaluation and research capabilities to satisfy a growing demand, both internally and externally, for evidence to support critical decisions and to better demonstrate the impact of the Volunteers and the effectiveness of agency operations. The agency's evaluation framework, finalized in FY 2013, provides the agency with a systematic framework for conducting evaluation and research activities across the agency. Strategic Objective 11 (Measurement for Results) in the FY 2014–18 Strategic Plan further demonstrates the agency's focus on improving and expanding its monitoring, reporting, and evaluation practices.

Efforts to enhance the use of existing data and to build the Peace Corps' evidence base will be supported by an increase in evaluation staff resources and improvements in the monitoring, reporting, and evaluation training and tools available to Volunteers and staff. New evidence will be used to inform agency decisions through the existing performance management processes detailed in Appendix A.

New sources of evidence include the following:

- **Global Counterpart Survey.** The Global Counterpart Survey was launched in FY 2014 to gather feedback on the impact of Volunteers on local development outcomes and building a better understanding of Americans from the perspective of Volunteers' primary work partners. The survey is administered continuously and throughout the year by overseas staff during regularly scheduled site visits. When fully implemented, the Global Counterpart Survey will provide the agency with timely and actionable information on the impact of Volunteers directly from the individuals that work and interact with Volunteers most frequently.
- **Host Country Staff Survey.** While the majority of U.S. direct hire staff domestically and abroad are limited to five-year appointments, host country national staff are often employed for many years and thus constitute the institutional memory at overseas posts. However, the Peace Corps has not conducted a regular survey to collect the viewpoints of these critical staff. In FY 2014, the agency initiated the Host Country Staff Survey, modeled on the Employee Viewpoint Survey administered to federal government employees annually. The survey provides data that informs the agency on how best to foster an inclusive and satisfying work environment and support the professional development of host country national staff.
- **Annual agencywide evaluation agenda.** Each year, the Peace Corps develops an agency-level evaluation agenda based on the results of the annual strategic review, the identification of topics through the quarterly strategic plan performance review process, and agency priorities and interests. Anticipated evaluation topics include an evaluation of the new business processes for Volunteer recruitment, performance evaluations on agency performance goals in which insufficient progress has been made, and a usage study of Volunteer project monitoring tools such as the Volunteer Reporting Tool. The annual agencywide evaluation agenda produces evidence about the effectiveness of agency operations.
- **Impact evaluations.** In FY 2014, the agency conducted a baseline data collection project in Kosovo. This represented a rare opportunity to collect baseline data in a country that has never before hosted Peace Corps Volunteers. When coupled with endline data collected after host country individuals and communities have interacted with Volunteers for a sustained period of time, this baseline data collection effort will allow the agency to conduct a rigorous impact evaluation on the effect of Volunteers on local development outcomes and building a better understanding of Americans. The agency plans to conduct

similar baseline data collection activities in other new country entries and when posts introduce a new Volunteer sector. The agency will also conduct structured pilots to test new approaches to increasing the impact of Volunteers and to solving management challenges.

- **Volunteer Reporting Tool.** Since FY 2008, Volunteers have been reporting on their activities electronically through the Volunteer Reporting Tool (VRT). In conjunction with the wholesale revision of Volunteer project frameworks through the Focus-In/Train-Up strategy, a major redesign of the VRT was completed in FY 2014. The redesigned VRT includes an intuitive user interface, allows for the global aggregation of Volunteer activity data, and provides for better data quality. As a result of the improved VRT and revision of Volunteer project frameworks, Volunteers will be able to report on standard indicators for each sector that are consistent with and can contribute to the development indicators of the agency's strategic partners, such as the President's Emergency Plan for AIDS Relief and Feed the Future. When the redesigned VRT is fully implemented, more data will be collected on Volunteer activities and their outcomes which can be more easily monitored, analyzed, and reported to demonstrate the impact of Volunteers.

## Appendix C: Verification and Validation of Performance Data

The performance data included in the FY 2014–18 Strategic Plan and FY 2016 Annual Performance Plan are based on reliable and valid data that are complete as of the submission of this document.

Data collection and reporting consistency is ensured by the use of detailed performance goal data reference sheets which include operational definitions, data sources, and a comprehensive methodology for measuring each performance goal. The agency ensures the data are complete and accurate through oversight and review by the Office of Strategic Information, Research, and Planning. The major data sources for performance goals in the FY 2014–18 Strategic Plan and FY 2016 Annual Performance Plan are detailed below.

### Annual Volunteer Survey

The Annual Volunteer Survey (AVS) is an anonymous, voluntary online survey of all currently serving Volunteers. This comprehensive survey provides Volunteers' assessments of the effectiveness of Peace Corps training, in-country staff support, their personal health and safety, and their overall service experience.

The 2014 AVS was fielded from June 9–August 15, 2014, and 91 percent of Volunteers completed the survey. The high response rate from Volunteers minimizes total survey error at the global level. The survey is not, however, administered to a random sample of Volunteers. As with other non-randomized surveys, the AVS is subject to non-response bias.

The demographic profile of the survey respondents is representative of the Volunteer population on key characteristics: age, gender, length of stay in country, project sector, and status as a Volunteer. Responses to all AVS questions were directly provided by the Volunteers and housed in an external, electronic survey database. To ensure data quality, rigorous data cleaning procedures were applied to the dataset prior to analysis. Analyzed data were used to inform agency leadership about the Volunteers' perspectives on key issues. The high response rate from Volunteers and the data verification and validation measures utilized ensure the high level of AVS data accuracy needed for its intended use.

The AVS reflects the experiences and opinions of Volunteers at a fixed point in time and can be influenced by various factors, such as major external events or the ability to recall information. The agency takes into consideration both statistical and practical significance to account for variation in AVS results from year to year. Thus, nominal percentage point movements may not be practically meaningful or significant. In using AVS results, the agency reviews longer-term trends to account for normal, expected variations in responses.

The AVS questionnaire underwent a significant redesign in 2014 to improve data quality and strengthen respondent confidentiality. The questionnaire length was significantly reduced—from 105 questions in 2013 to 55 questions in 2014—in order to improve data quality and the survey-taking experience. A detailed analysis of previous years' data, matched with best practices from the survey research field, guided the redesign decisions. Questions that were highly correlated, that posed respondent confidentiality concerns, and that typical respondents would not have adequate knowledge to answer were excluded from this year's survey.

To reduce measurement error and follow best survey research practices, adjectival scales (unbalanced unipolar), which had been intended to measure attributes that are bipolar in nature, were changed to more accurate Likert scales (balanced bipolar) in 2014. Adjectival scales were first introduced in the Annual Volunteer Survey questionnaire in 2010; prior to that, survey questionnaires primarily consisted of visual analog scales with only the end points labeled. The change from unbalanced to balanced scales affected 18 questions in the 55-question instrument.

To strengthen respondent confidentiality, all demographic questions were moved to the end of the survey. This change allowed respondents to make an informed decision about disclosing their optional demographic data after having answered all of the substantive questions on the survey. Consequently, the data quality of survey responses to non-demographic questions was expected to improve.

Due to these improvements to the AVS, results from prior years may not be directly comparable to results in FY 2014 and future years. Changing from unbalanced to balanced scales has the effect of drawing respondents from an unbalanced center point into well-defined scale points on either side. While the agency is not able to quantify the effect of this change on the survey results, it is clear that FY 2014 results are consistently more positive than previous year results. This may be result of the 2014 redesign (including the modification of the response scales, improvements to respondent confidentiality, and the reduction of the length of the questionnaire) and/or the implementation of agency strategies to achieve performance goals.

## Peace Corps databases

The agency maintains several database systems to collect Volunteer and program information. In order to maintain data integrity and ensure that the appropriate data entry methodology is followed, only authorized staff who have been properly trained can access key systems. Regular reconciliation processes among agency units enable users to verify and test performance data to isolate and correct data entry or transfer errors. Internal, automated system processes also ensure data is appropriately transferred among different applications. The required level of accuracy to provide current and historical information about programs and Volunteers is met through database rules and business processes. Where data limitations do exist, largely due to data-entry compliance in isolated systems, they are noted in the appropriate performance goal section.

## Peace Corps administrative records

The agency collects data annually from headquarters offices and overseas posts that do not exist in a centrally managed database through an online data call (survey). Responses are housed in an external, electronic database. Data cleaning procedures are applied to the dataset prior to analysis. Staff in positions of leadership at all overseas posts and headquarters offices are required to complete the survey. The survey is designed with clear logic and data validation rules to minimize data entry error. The data are independently reviewed by the Office of Strategic Information, Research, and Planning and anomalies are addressed to improve data quality. Other data are collected from specific headquarters offices individually.

While these administrative records do not have the benefit of the verification and validation standards executed in Peace Corps database systems, the agency is able to ensure a high level of accuracy by working with individual offices and posts to develop reliable data collection and analysis procedures.

## Employee Viewpoint Survey

The Employee Viewpoint Survey is administered to all U.S. direct hire staff annually. The survey measures employees' perceptions about how effectively the agency is managing its workforce. The agency utilizes the survey results to compare working conditions at the Peace Corps with other federal government agencies and to identify opportunities to improve workforce management.

The demographic profile of survey respondents is consistently representative of the U.S. direct hire staff. In 2014, 93 percent of employees completed the survey. The survey is administered electronically, and questions are modeled on the Federal Employee Viewpoint Survey fielded each year across the federal government by the Office of Personnel Management.

The survey is not administered to a random sample of Peace Corps employees; as a result, the survey is subject to non-response bias. Additionally, the survey represents the views of employees at a fixed point in time and can be influenced by external factors. The agency accounts for these data limitations by drawing conclusions from multiyear trends and by comparing the results with those from other federal agencies.

## Volunteer Reporting Tool

Volunteers report on their work and the progress they are making toward their project outcomes through the Volunteer Reporting Tool (VRT). The VRT is also utilized to report on Volunteers' contributions to agency strategic partners, such as the President's Emergency Plan for AIDS Relief and Feed the Future.

Since the development of the first version of the VRT, the agency has made numerous enhancements to improve the user experience, reduce data entry errors, and improve reporting. Volunteer reports are submitted to overseas post staff through the VRT on a quarterly or semi-annual basis. Staff review all reports and work with Volunteers to verify data and correct anomalies prior to end-of-year analysis. The agency provides in-depth VRT training and support to Volunteers and staff to ensure data are collected, analyzed, and reported properly. The agency has also developed data collection tools for the project indicators related to performance goal 3.1 to standardize the methods that Volunteers use to collect data prior to entry into the VRT.

The primary data quality challenge that remains is ensuring an adequate percentage of Volunteers report on the project indicators related to performance goal 3.1. The agency is addressing this challenge by working with overseas posts to encourage higher reporting rates and by appropriately documenting and considering reporting rates when conducting analyses.

## Global Counterpart Survey

The first Global Counterpart Survey was launched in FY 2014 and consists of a short interview of Volunteers' primary work partners administered by overseas staff. The 20-question survey is designed to provide information on the impact of Volunteers on local communities from the perspectives of the individuals with whom Volunteers work most closely. The survey is administered continuously throughout the year by overseas staff during regularly scheduled site visits.

Data quality challenges include potential interviewer error and ambiguity in the total survey population. The interviews are conducted by staff experienced in project fieldwork and counterpart communication but who may not have extensive survey interviewing and data collection experience. Issues of translation, variation in interview styles, and accuracy of coding may have unpredictable influences on the results. The agency is addressing this challenge by providing tools, training, and support to staff and by closely monitoring survey results to identify inconsistencies.

Determining the survey population is a challenge. There are multiple utilizations and interpretations of the title “counterpart” across the agency, which will influence the survey population. To address this, the agency has defined counterpart as the Volunteer’s primary work partner for his or her primary project. For the purposes of performance goals 3.2 and 4.1, it is assumed that each Volunteer will have one official counterpart. The agency will track survey responses and explore instances in which a post reports more counterparts than Volunteers who served during that time period.

## Host Country Staff Survey

The first systematic, global survey of Peace Corps host country staff was launched in FY 2014. The Host Country Staff Survey is a short, confidential, voluntary survey designed to gather input from host country staff for two performance goals in the agency’s strategic plan. The survey was administered online from July 31 to September 2, 2014 and was completed by 37 percent of the total host country staff population. The survey included eight questions covering topics related to building an agency more inclusive of diversity and understanding staff training needs. In future years, the agency expects to expand the survey to include additional questions to more fully capture the perspectives of host country staff on a range of topics related to post operations and support.

The primary data quality challenge with the survey in FY 2014 was the development of the sampling frame. Identifying and contacting all host country staff proved difficult; some staff members in administrative or support positions did not have official email addresses. Due to this challenge, the sampling frame only consisted of the host country staff who could be reached via email (approximately 1,850 out of 2,900 staff). Of those reached, 58 percent of the host country staff responded to the survey. Additionally, lack of computer access, differing levels of familiarity with online survey tools, and limited English ability for some staff may have contributed to non-response bias. Moving forward, the agency will explore additional methods of survey administration, such as supplementing online surveying with paper surveys and developing questionnaires in additional languages, to facilitate the participation of more host country staff.

## Appendix D: Stakeholder Engagement

The Peace Corps utilized a highly participatory and inclusive process to develop a strategic plan that includes input from a wide array of key stakeholders. The agency conducted dozens of meetings, interviews, and focused discussions with key headquarters and field-based staff, host country national staff, Volunteers, and beneficiaries to develop the goals, objectives, and strategies in the strategic plan. The agency also reached out to the returned Volunteer community and key strategic partners to ensure their inclusion in the consultative process.

The agency posted a preliminary draft of the FY 2014–18 Strategic Plan on its public website from November 8–December 2, 2013, to collect feedback from returned Volunteers, the agency’s strategic partners, and the general public. The feedback from stakeholders was incorporated into the strategic plan as appropriate.

### Congressional consultation

In September 2012, the agency conducted outreach to the appropriate Congressional committees based on the FY 2009–14 Strategic Plan. In October 2013, the draft FY 2014–18 Strategic Plan was sent to the Peace Corps’ authorizing, oversight, and appropriations committees for their review and comments. The agency engages in ongoing discussions with Congressional offices on issues of policy and budget importance and takes the views of Congress into consideration in its strategic planning.



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Paul D. Coverdell Peace Corps Headquarters

1111 20th Street NW | Washington, DC 20526