

The Peace Corps Performance and Accountability Report

Fiscal Year 2011





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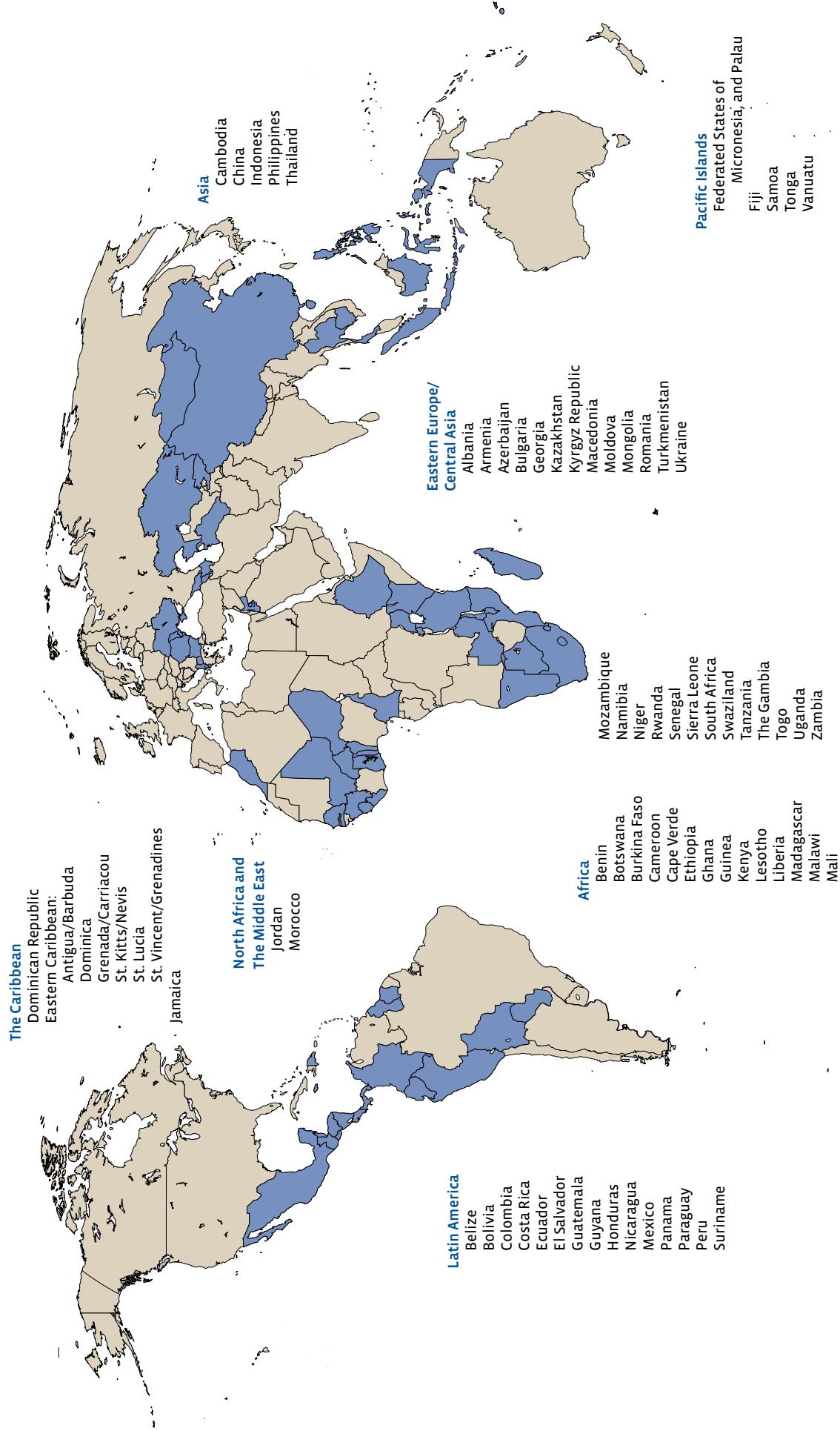
November 15, 2011



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

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Where Peace Corps Volunteers Serve



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A Peace Corps Volunteer helps build bottle schools in this Guatemalan community, comprised of people displaced during the Guatemalan Civil War. This school allows youth to continue their education beyond primary school. The school is constructed of 13,000 recycled plastic bottles, helping to solve a growing problem with trash in the area while increasing educational opportunities.

THE DIRECTOR OF THE PEACE CORPS

WASHINGTON, D.C.

In our 50th anniversary year of service, I am pleased to present the Peace Corps' Performance and Accountability Report for fiscal year (FY) 2011. This report shows how we managed our resources, highlights the major accomplishments of the Volunteers and staff serving in the Peace Corps around the world, and outlines our plans to address future challenges. The financial and performance results in this report allow the President, the members of Congress, and the American people to assess the effectiveness of the agency's operations.

In 1960 then-Senator John F. Kennedy challenged students at the University of Michigan to serve their country in the cause of peace by living and working in developing countries. Out of that inspiration, a new government agency was formed. In 1961, the Peace Corps was established with the simple but powerful mission to promote world peace and friendship. The three goals articulated at the outset continue to provide the foundation of this remarkable agency:

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.

In accordance with the commitment to its core mission, the Peace Corps consistently evaluates and updates its operations to meet the changing needs of today's world. The agency balances an adherence to tradition with strategic innovation in the 76 host countries where Volunteers serve. This year, the agency faced the challenge of continuing to provide excellent direct support services to the 9,095 Volunteers—a 40-year high level—while managing the almost \$26 million cut in appropriated budget at mid-year. We made difficult decisions that included staff reductions, reducing program size, curtailing or postponing planned systems initiatives, and delaying the entrance dates for some applicants.

Furthermore, this year the agency did not enter or re-enter additional countries but focused instead on the unique and continuing needs of our existing host country partners. The Comprehensive Agency Assessment submitted to Congress in June 2010 articulates our vision: to make the Peace Corps a leader, in partnership with others, in the global effort to further human progress and foster understanding and respect among people. In carrying out that vision, we are making strategic decisions about the countries in which we operate and focusing on selected projects in those countries where we serve. The agency's Country Portfolio Review informed our decisions to end our programs in five countries by the end of FY 2013, and we are in the process of ending our programs in two other countries. Additionally, we are developing more standardized, higher quality training for Volunteers working in high impact projects.

We continue our unwavering commitment to the health and safety of Peace Corps Volunteers as the single most important priority of the agency. To that end, this year we implemented numerous reforms to provide more effective and compassionate support to our Volunteers, including the development and rollout of enhanced training for staff and Volunteers, establishment of an external panel of national experts on sexual assault, and the hiring of a nationally-recognized Victim Advocate. We will continue to work with our communities and with Congress as we implement these reforms. I am pleased to note that our Annual Performance Plan for FY 2012 includes new performance indicators relating to improving the safety, security, and support of Volunteers.

As an agency, we remain committed to improving performance to better meet the needs of host countries and fully support the well-being of Volunteers. In the third year of implementing the FY 2009-FY 2014 Strategic Plan, the Peace Corps' three core goals remain the focus of the agency's strategic planning efforts. Overall, the Peace Corps achieved success in 72 percent of its measurable indicators, a significant increase over last year. Moving forward, the agency will utilize the first FY 2012 Strategic Plan Quarterly Performance Review to identify performance improvement priorities and approaches.

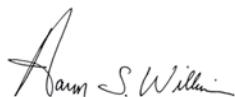
For the fifth consecutive year, independent external auditors rendered an unqualified (clean) audit opinion on the Peace Corps' financial statements, with no material weaknesses identified by the auditors or through internal managerial reviews and no instances of noncompliance with laws and regulations identified. The agency again received the Association of Government Accountants' *Certificate of Excellence in Accountability Reporting* for its FY 2010 Performance and Accountability Report. Financial and performance data presented in this report are complete and reliable due to the vigilant efforts of dedicated financial management and performance staff members throughout the agency.

Our system of internal control and the financial systems meet the Federal Managers' Financial Integrity Act (FMFIA) objectives and the framework in the Office of Management and Budget (OMB) Circular A-123, *Management's Responsibility for Internal Control*, as shown in the management assurance statement that follows in Management's Discussion and Analysis.

The Message from the Chief Financial Officer in the Financial Section shows our financial management improvements implemented during this year and those planned for future years.

Our Volunteers are America's best and most cost-effective grassroots development workers, building relationships from the ground up as partners with communities around the globe. As a Volunteer in the Dominican Republic from 1967 to 1970, I stand united with today's Volunteers in supporting their outstanding day-to-day contributions to improve lives in the local communities where they live and work.

Sincerely,



Aaron S. Williams, Director

November 15, 2011

Management's Discussion and Analysis



Sharing the importance of providing safe water sources for family gardens, a Natural Resource Management Volunteer works with her host family in Niger.



Overview of the Peace Corps at 50

Since 1961, over 200,000 Americans have served as Peace Corps Volunteers living and working side-by-side with local community members in 139 countries around the world—an extraordinary legacy of service. At the end of the agency's 50th year, 9,095 individuals, ranging in age from 20 to 84 and representing all 50 states, were working as Peace Corps Volunteers in 76 countries. Today, there are more Americans serving as Peace Corps Volunteers than at any point in the last 40 years.

Passing the torch from generation to generation, each new group of Volunteers advances Peace Corps' deep commitment to international Volunteer service. Many of the challenges that existed half a century ago are still with us today—challenges such as hunger, poverty and illiteracy. Volunteers are constantly improving the way these needs are addressed, in addition to more contemporary problems such as climate change and HIV/AIDS.

As grassroots ambassadors for the United States, Peace Corps Volunteers represent the best America has to offer. They help dispel misperceptions about the United States and counter anti-American sentiment in areas of the world that might otherwise have little direct exposure to Americans. They reflect the diversity of America and represent its values, generosity, and hope. Based on the results achieved, the Peace Corps is widely recognized as a highly efficient and cost-effective mechanism addressing host country needs and deepening cross-cultural understanding between Americans and those they serve.

Volunteers join the Peace Corps because they want to help others, but they often return convinced they received more from the experience than they gave. For the rest of their lives, they demonstrate a deep commitment to helping their fellow citizens understand people in other countries. This overseas experience leads many returned Volunteers to continue to serve—at the international, national, and community levels. Their actions reflect Peace Corps' belief that understanding and respect are indispensable ingredients of peace.

Peace Corps is the largest service model of its kind in the world, transcending national boundaries, languages, religions, and classrooms. Despite a well-deserved reputation for excellence, the agency is constantly searching for new ways in which to balance the pursuit of its long-standing mission with the spirit of innovation.

The agency begins the next 50 years dedicated to maintaining the ideals of its founders while addressing the dreams of future generations. Secretary of State Hillary Clinton expressed the nation's gratitude when she said, "On this 50th anniversary of the Peace Corps, the United States honors the over 200,000 Americans who have answered the call to serve and thanks the 139 countries that have welcomed Peace Corps Volunteers as family and friends. Let us take this opportunity to remember President Kennedy's and Sargent Shriver's vision and rededicate ourselves to a world of deeper understanding, where every man, woman, and child has the opportunity to live up to his or her potential."

President Obama and British Prime Minister David Cameron announced a formal partnership in May 2011, between the Peace Corps and the Voluntary Service Overseas to combine forces to capitalize on their joint work and increase their impact in reducing poverty, improving organizational effectiveness, and sharing best practices in training, systems, and innovation. The partnerships will target investment where it can do the most good and deliver the best results for the poorest people by developing volunteer programs that are more effective in engaging poor communities in shaping their own future.



Mission and Organizational Structure

Mission Statement

Promoting world peace and friendship—the mission of the Peace Corps—is as important today as it was 50 years ago. That mission continues to be defined by Peace Corps' three core goals, expressed in the Congressional Act that created the agency in 1961:

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.

Peace Corps' unique approach to development combines sustainable community development with the expansion of cross-cultural understanding between the American people and the countries and communities where Volunteers serve. The medium- and long-term impact of their work contributes to more stable communities and builds the number of sustainable partnerships between the United States and other countries. Through these partnerships, Volunteers help to advance collaboration on a range of critical global issues.

Since the first Volunteers heeded President Kennedy's call to service, Peace Corps has been sending talented Americans throughout the world to fulfill Peace Corps' Goal One. In response to requests for technical assistance from their host government, Volunteers carry out work that responds to the needs of host country governments and the local communities in which they serve.

Volunteers serve only in those countries where they have been invited by the host government. At the end of FY 2011, Volunteers were serving in 76 countries in Africa, Asia, the Caribbean, Eastern Europe, Central

To learn more about the Peace Corps, please visit our website: www.peacecorps.gov.

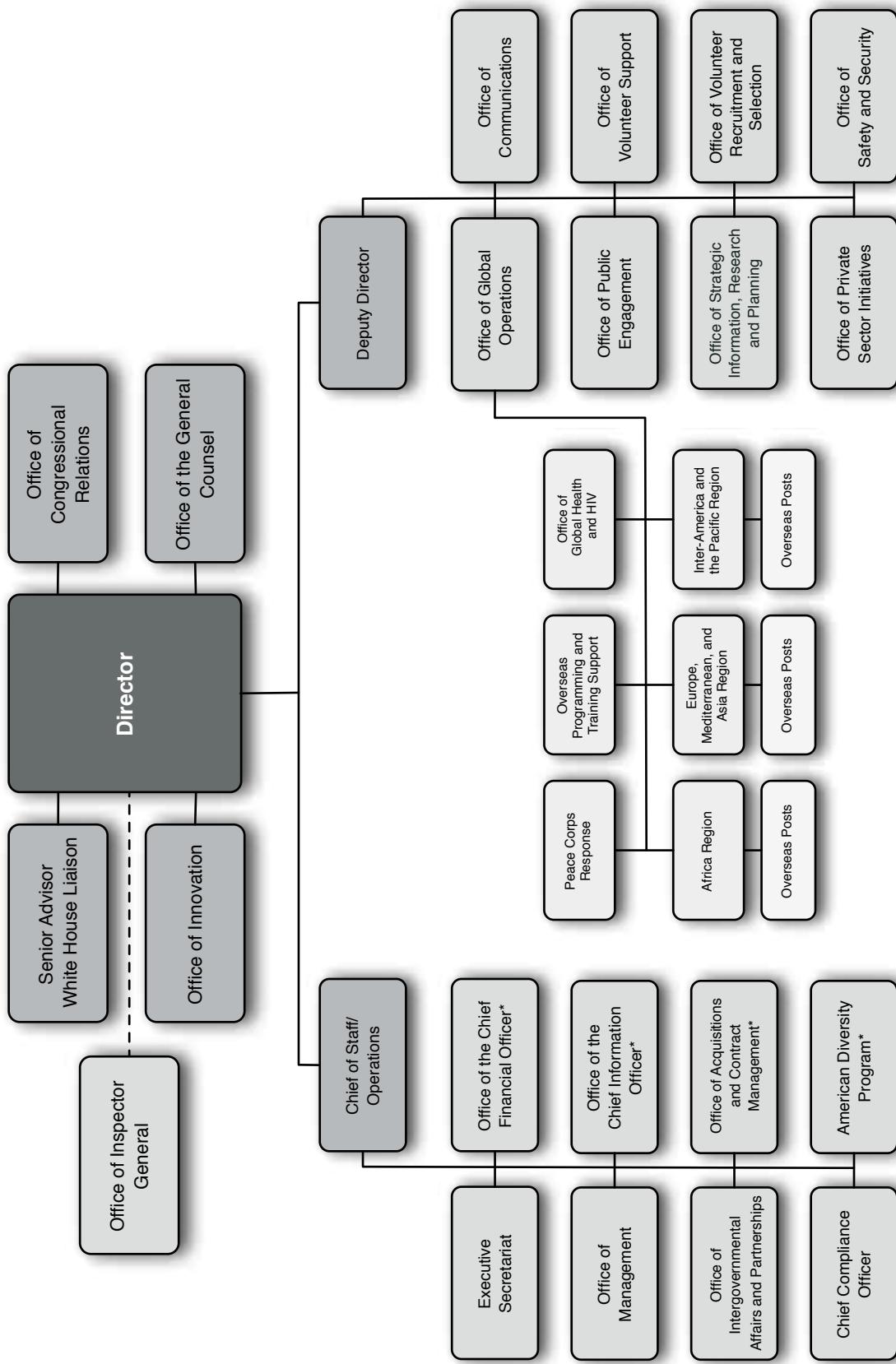
Asia, Latin America, North Africa, the Middle East, and the Pacific Islands. Requests for partnerships with new countries and for additional Volunteers from current partner countries far exceed the agency's capacity to respond within its current budget.

The Peace Corps' people-to-people development model is unique. Volunteers collaborate with local communities, strategic partners, and other U.S. government agencies to address host country development goals at both the individual and community levels. Volunteers live and work in underserved communities, speaking the local languages and learning the culture and customs of the people they serve. They support the development efforts of other U.S. government agencies at the community level.

Over their 27 months of service, Volunteers pursue the dual objectives of sustainable development and citizen diplomacy. The friendships they establish lead to better cross-cultural understanding between the Volunteers and their host families and local partners, advancing attainment of Peace Corps' Goal Two.

When Volunteers return home, their work continues. By sharing the knowledge gained from their experiences while serving in the developing nations of the world, returned Volunteers contribute to Peace Corps' Goal Three. At the same time, they help to lay a crucial foundation to the development of peace and friendship today and for generations to come. As President Obama stated in his Presidential Proclamation—50th Anniversary of the Peace Corps, “Returned Volunteers, enriched by their experiences overseas, bring a deeper understanding of other cultures and traditions back to their home communities in the United States.”

Management's Discussion and Analysis



* In their functions as Chief Financial Officer, Chief Information Officer, American Diversity Program Manager, and the Chief of Acquisitions and Contract Management, the incumbents report directly to the Director.

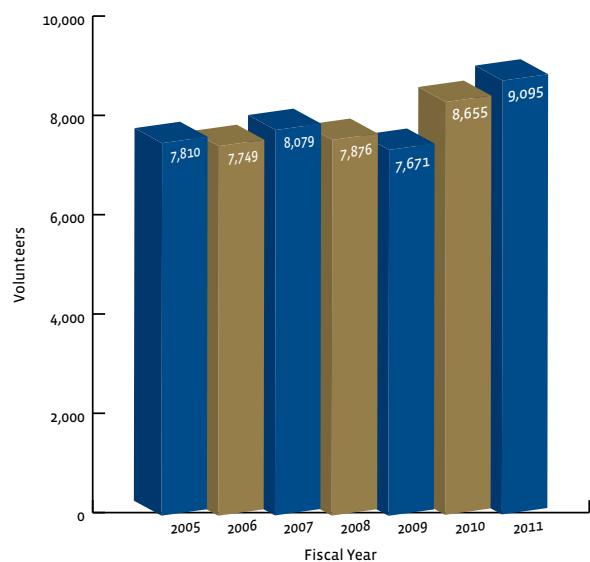


Work of the Volunteers

Overview

Volunteer activities are the primary way the Peace Corps delivers assistance to host countries and the central method for meeting the agency's three core goals. The number of Volunteers, trainees, and Peace Corps Response Volunteers serving in the Peace Corps as of September 30, 2011, was 9,095. This number included 635 Volunteers funded by the President's Emergency Plan for AIDS Relief (PEPFAR). Changes in the number of Volunteers over the last seven years are related to the available appropriated funds and agency priorities.

Number of Volunteers



The Peace Corps' Approach to Development

The main focus of Volunteer activities is to build individual capacities so community members (students, farmers, clients served by a nongovernmental organization (NGO) or others) are empowered to improve their own quality of life.

Volunteers help local stakeholders learn to identify and prioritize what they would like to change. Volunteers combine their existing knowledge and experience with the new skills they learn through

Peace Corps in order to achieve that change. As a result of this approach, development is not just about creating gardens, but organizing and working with people to establish and maintain their own gardens.

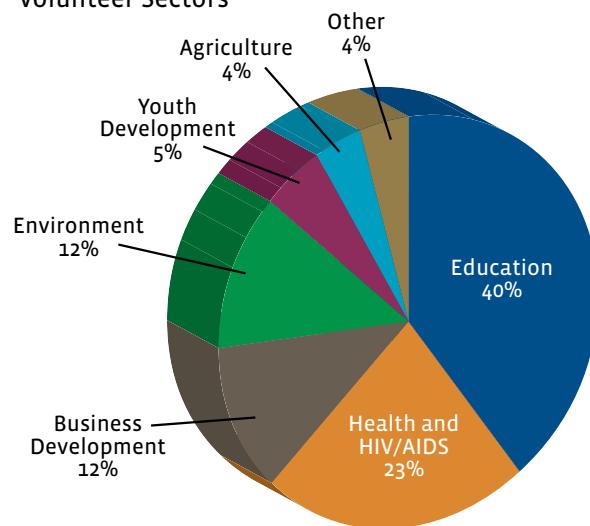
To be effective and for their work to be sustained after they leave, Volunteers design capacity-building activities at several different but integrated levels: individuals, organizations, and communities.

Volunteer Sectors

The Volunteers' work focuses on projects in six sectors:

- Agriculture
- Business Development
- Education
- Environment
- Health and HIV/AIDS
- Youth Development

Volunteer Sectors



Agriculture

Agriculture Volunteers are involved in addressing two critical global issues: food security and climate change. Their projects focus on improving the long-term productivity of

farmers' fields by promoting environmentally-sustainable and organic farming. Many of the techniques promoted by Volunteers also help communities adapt to a changing climate. Agriculture Volunteers often work with farmers' groups, nongovernmental organizations, and community-based organizations, such as women's associations or youth clubs, as their primary partners.

The sustainable production practices promoted by Volunteers help communities achieve food security. Agriculture projects address food security issues by promoting crop diversification and encouraging production and proper utilization of more nutritious foods. Volunteers work with farmers to improve soil and water management, integrate trees on farms, and use natural inputs to control pests. Volunteers work side-by-side with men and women on their field crops, testing new varieties and promoting family and school vegetable gardens. Using a value-chain approach—an analysis of the opportunities and key stakeholders involved in a particular industry from inputs to the point of sale to the customer—Volunteers help communities market and improve storage of their agricultural products, as well as develop new value-added products. In FY 2011, 372 Volunteers worked on agricultural projects.

Notable Agricultural Activities:

Selling agricultural products: Volunteers in **Nicaragua** helped implement three environmentally green markets in three local jurisdictions. Over 25 producers are participating in these markets every two weeks, obtaining better prices for their produce, and opening new market opportunities by being more visible to more clients and buyers.

A Volunteer Vignette: Changing Lives through Information

"About four years ago, the Panamanian governmental agricultural agency (MIDA) provided 18 farmers in my community with a set of tools and rice seeds to build and implement rice tanks," reported an agricul-

tural Volunteer. [A rice tank is an integrated fish and rice farming system that provides a higher-yielding and more environmentally friendly alternative to slash and burn hillside rice cultivation.] "But... there was no follow-up training on how to plant, manage, or harvest in rice tanks. The farmers planted and managed the rice tanks as they normally would [plant] rice on the hillsides. As a result, many abandoned the tanks altogether after they did not produce higher yields over traditional cultivation."

After starting service in my community, we identified the need to teach people how to manage rice tanks for a sustainable yield, so I organized a two-day Farmer Field School with MIDA. Over the two-day training, the farmers built seed beds, made organic fertilizer, prepared the rice tank, transplanted the seedlings, and managed the water level in the rice tank. A few months have passed since the training, and the farmers who participated are now putting into practice the techniques they learned. They are realizing they can cultivate rice without clearing more land or using large amounts of chemical fertilizers or pesticides. 'We simply had no idea how to work in the rice tanks,' commented one farmer. 'We were given tools and told to dig them, but nothing more.' Now, with better information and renewed motivation, farmers are planting rice tanks that sat fallow for years and are reaping better results than ever before. Farmers using the rice tank method will benefit from a healthier and more sustainable way of life for their families and the environment."



Business Development

Volunteers in the business development sector train and advise entrepreneurs in business planning, marketing, financial management, product design and distribution, and customer service. Activities to help people launch or expand a business range from teaching business and financial literacy to assisting microcredit programs, village savings and loan associations, and cooperatives in establishing or improving their operations.

Volunteers also help small businesses learn how to market their products by using websites and social media to advertise and by developing linkages to larger markets. These businesses include small-scale agribusiness (fruits, vegetables, and small livestock), ecotourism ventures, and handicrafts. Some of the activities focus on helping members of disadvantaged groups—orphans, at-risk youth, and victims of trafficking—learn new skills so they can enter the workforce.

Volunteers may also work with entire communities to improve market linkages for local businesses, to start community-run businesses—such as ecotourism initiatives—and to coordinate overall community economic development by creating partnerships among the government, NGOs, and the business sector.

Volunteers' work also focuses on strengthening organizations to increase their capacity to: improve governance (develop mission statements, strategic plans, and by-laws); improve project management; raise public awareness; raise funds; increase outreach; and improve client services.

Community projects engage citizens and municipal officials in new ways, empowering small communities to mobilize to address issues at local levels with their own resources. Volunteers are often catalysts for change and define their particular roles in response to their host communities. Community development projects may encompass any combination of disciplines depending on local priorities and resources.

The agency continues to field a significant number of business volunteers. In FY 2011, 1,140 Volunteers worked in business development. Volunteers who work in this sector have graduate or undergraduate degrees and experience in government, business, non-profit organizations, organizational development, computer sciences and liberal arts.

Notable Business Development Activities:

National Entrepreneurship Curriculum: The Nicaraguan Ministry of Education integrated Peace Corps' *La Empresa Creativa* (The Creative Business) business course into the national high school curriculum. The guide that Volunteers developed was considered more hands-on and practical than any other available materials so it was officially added to the 10th and 11th grade technical and vocational classes at all public and private schools. Students learn how to start their own businesses, generate income, and create employment. Peace Corps is working on implementing training-of-trainers sessions for teachers and is developing a certification for teachers who have been trained by Volunteers.

Improved Access to Markets: Morocco Volunteers organized craft fairs in the major cities. Participating artisans targeted a new customer base and attended workshops on product quality, marketing, cost accounting for accurate pricing, grant writing, leadership, and succession planning. Each artisan received an individual product quality consultation on the requirements for export. The fairs reached potential buyers from the expatriate, host country, and retail communities who wanted to support traditional handicrafts by buying directly from the artisans and supporting fair wages to artisans. The craft fairs helped artisans build professional networks, product development, market studies and product testing, and improved communication with customers.



Education

Education continues to be the largest technical area in which Volunteers work, with 40 percent of the Volunteers serving in educational settings. Education projects cut across all levels, from pre-school through primary and secondary schools, to universities and teacher training colleges. Often Volunteers serving in other sectors also teach classes in English, tutor students in a vari-

ety of subjects or otherwise participate in informal teaching or training.

Volunteers work with students in classrooms and/or in after-school activities; directly teach students or work with local teachers to co-teach or team teach; and provide workshops for teachers that focus on participatory and experiential learning, classroom management, and resource development. They promote strong Parent-Teachers' Associations and community involvement in education. The main goal remains the same: to better prepare students for their active participation in a globalized world.

In FY 2011, 3,654 Volunteers served in 54 education projects in posts around the world. Volunteers serving in the education sector have degrees and experience in primary education, teacher training, secondary education, special education, math, science, and English.

English teachers have always been in high demand from host country partners, as countless studies have shown the impact of having a native speaker of English in the classroom in reference to English language acquisition. Often the lessons incorporate contemporary content relevant to the development challenges facing the communities in which they live. In Africa, for example, Volunteers integrate health and HIV/AIDS prevention strategies into their lessons.

In FY 2011, the agency developed a new Teaching English as a Foreign Language (TEFL) core curriculum. The curriculum is a standardized training program to help Volunteers with little or no language teaching experience become effective English language teachers. The core curriculum provides a practicum with opportunities for practice teaching and peer observation. The TEFL curriculum was pilot-tested in four workshops around the world, receiving positive reactions and useful suggestions to make the curriculum even stronger.

Notable Education Activities:

Belize established a partnership with the Toledo Teachers for a Better Belize. This partnership works with under-resourced and low-performing rural schools. Each Volunteer works as a teacher trainer for several days each week in his/her village school. Volunteers support school-wide action plans for research-based literacy instruction, using team teaching to train teachers and develop outreach activities with community members to promote early childhood learning and school readiness programs.

Team Teaching: Several posts reported incremental success using team teaching strategies and approaches. **The Federated States of Micronesia** received positive feedback from principals and counterparts and saw requests for Volunteers increase, even with the growing presence of competing organizations such as World Teach and the Japan International Cooperation Agency. **Moldova** noted that Volunteers spent the majority of their classroom hours team-teaching with Moldovan partners, sharing duties for planning, conducting, and evaluating the learning activities for the same group of learners.

Volunteer Vignette: Educating and Empowering Girls in Burkina Faso

"My friend Zallé and I started the Association for the Promotion of Girls and Women with a simple conversation," said one Volunteer. "We had had this conversation many times during my first three months at site, but this time it was different. We were at a restaurant discussing the differences in gender roles and social issues that affect women in the United States and in Burkina Faso. On the subject of early teenage pregnancy, Zallé repeated his argument that it was the girls' fault, resulting from wearing provocative clothes. At the same time, he began listening to my perspective. 'Doesn't the problem also fall, at least somewhat, on the shoulders of the men involved?' I asked. The conversation progressed to a discussion of how low self-esteem and lack of encouragement from

family and society at large can result in girls having trouble succeeding in high school. When I explained that girls and women in America were in practically the same boat only decades ago, his surprise turned into a call for action. He began to see these social problems and sexist attitudes as something people could change rather than an unfortunate and static reality.

The end of the conversation echoed in my head for days: 'More people should know about these things.' he said. The idea proceeded, as most things do here, little by little. We settled on developing a small, diverse group of men, women, boys and girls to plan different activities to help girls and women in our community. We called ourselves the Association for the Promotion of Girls and Women. Our mix of ages and sexes gave us different perspectives and also proved that it is everyone's responsibility to work on these social problems, not just the girls and women themselves. We met regularly and hosted several events. We taught adolescent girls about reproductive anatomy and puberty, held a program for nearly two hundred adolescent girls and boys on contraception, and organized a four-day Healthy Futures Girls' Camp.

The initiatives taken by this motivated group were inspiring but what always struck me the most was that at these meetings, I often wasn't the one proposing these ideas or encouraging the members to pursue them. All that was needed was to get these people together and say 'Hey! How about we start doing things to try and help girls and women?' and off they went."



Environment

Volunteers who work on environmental activities are leaders, in collaboration with their host country partners, in grassroots efforts to protect the environment. Their work involves teaching others to produce and cul-

tivate trees, improve soils, and protect fields from erosion. Environmental education within schools is frequently part of their work. Volunteers train teachers to integrate more interactive teaching methods that focus on the environment into their curriculum. They also collaborate with schools and other organizations to promote environmental education in other ways, such as through clubs, youth camps, and awareness campaigns. Increasingly, Volunteers help communities manage solid waste. Volunteers help develop income-generation activities such as eco-tourism, products made from leaves of the shea tree, and crafts that create incentives for conservation of natural resources. In FY 2011, 1,098 Volunteers worked in environment projects.

Notable Environment Activities:

Conservation: The impact of the Volunteers in **Fiji** working in marine conservation is noteworthy. Volunteers successfully implemented and supported marine-protected areas with their community partners. Nearby villages saw an increase in fish and other marine life along their shoreline for the first time in 10 years.

Environmental Action: Volunteers' work has had a national impact. The Green Brigades (*Brigadas Verdes*) in the **Dominican Republic** were launched as environmental youth groups by Volunteers. They have since evolved into a national movement. The groups joined forces with a national youth leadership and service organization, *Sirve Quisqueya* (Serve Quisqueya), and now serve as the organization's environmental arm. The *Brigadas* help youth develop leadership and life skills while serving their community by protecting the environment. There are currently 125 groups throughout the country.

Recycling and livelihoods: In the **Philippines**, **Mali**, and a number of other countries, Volunteers have helped youth and women's groups turn plastic bags into purses. They collect and wash discarded plastic bags and crochet them into colorful handbags

and change purses. The impact on the women is significant, as they have gained financial independence by turning trash into fashion.



Health and HIV/AIDS

Health Volunteers work with local, regional, and national partners to improve both health care systems and individual health in primarily rural and periurban communities where conditions tend to be worse.

The agency's health projects target the specific health risks and needs of the various regions the agency serves. Africa health projects focus on malaria and HIV/AIDS; Inter-America and Pacific projects focus on water, sanitation and hygiene; and the Inter-America and Pacific region and the European, Mediterranean and Asia region focus on non-communicable diseases. Additionally, Volunteers address a common set of health issues, including HIV/AIDS, hygiene, maternal-child health, and healthy diets. In all of these activities, Volunteers provide assistance with problem-solving, introduce innovation and technology, and leverage appropriate resources to address health needs.

Health education benefits youth across all regions, both in and out of school. Peace Corps' core approaches include increasing knowledge about common diseases and health issues, promoting behavior change, and capacity-building among community members, community health workers, and grassroots organizations to prevent and mitigate the major causes of morbidity and mortality.

Volunteers work on HIV/AIDS prevention and care often as part of a comprehensive community health project. While the work can be their primary assignment, many work on HIV/AIDS projects as secondary projects. Life skills training continues to be at the center of Volunteers' HIV/AIDS prevention work, particularly when targeting youth. Increasingly, Volunteers are assigned to assist HIV/AIDS-related

nongovernmental organizations in increasing their technical, managerial, and administrative capacities.

The Peace Corps is collaborating with the U.S. Department of State's Office of the Global AIDS Coordinator to support the U.S. government's commitment to worldwide HIV/AIDS care, prevention, and treatment through the President's Emergency Plan for AIDS Relief (PEPFAR).

In fiscal year 2011, 2,054 health Volunteers served in 46 countries working in 48 health projects.

Notable Health Activities:

Guinea Worm Eradication: In January 2011, the government of **Ghana** and the Center for Disease Control announced that after "seven consecutive months of zero cases reported since May 2010, and 14 months after reporting its last known uncontained case in October 2009, Ghana has finally conquered Guinea worm disease." As announced on the Carter Center's website, "*The U.S. Peace Corps assisted the country's Guinea Worm Eradication Program by providing health education and social mobilization at the village level.*"

Malaria Control: In **Senegal**, due to the efforts of Volunteers and their partners, each community member in an entire district in Senegal, for the first time, received a bed net (universal coverage) and benefited from behavior change activities. The Peace Corps has been playing an instrumental role in a village-by-village follow-up campaign to ensure continued success. As a result of the bed-net distribution campaign initiated by Peace Corps, the government of Senegal and the President's Malaria Initiative adopted the Peace Corps distribution approach to support universal coverage efforts in the four regions of Senegal with the highest levels of malaria.

Infant and Young Child Nutrition: Since 2002, Volunteers in Africa have been implementing the Positive Deviance/Hearth Nutrition Model, aimed at addressing malnutrition among children and

changing infant and young child nutritional practices. Nutritional rehabilitation results collected by the Peace Corps in **Mali**, **Burkina Faso**, and **Guinea** reveal that on average, 42 percent of children gained at least 200 grams during the 12-day Hearth Nutrition intervention period. One month from the initial start date, 66 percent of children had gained at least 200 grams, with the average weight gain being 448 grams. This increase showed that care providers continued to use learned behaviors well after the end the health activity.



Youth Development

Youth development is a critical component of the Peace Corps' work. Recent figures estimate that 68 percent, or roughly

two-thirds, of all the people with whom Volunteers work are young men and women under the age of 25. Volunteers work with youth in all sectors, but youth development is unique in the Peace Corps as it is both a project sector area—designed to support the capacities of young people—and an agency initiative that promotes an asset-based approach that can be used to strengthen the overall impact of the Volunteers' work in a community.

The agency's model for working with young people emphasizes valuing youth as resources to be developed, rather than as problems to be solved; including youth in all aspects of an activity; and building on existing capacities.

In FY 2011, 444 Volunteers worked in the youth development sector in schools, communities, camps, and clubs. Volunteers work with youth in challenging circumstances, including those living in institutions, orphaned and vulnerable due to HIV/AIDS, and/or out-of-school young people.

According to the FY 2011 Annual Volunteer Survey, 10 percent of all current Volunteers indicated that working with youth is one of the primary activities of their work assignment.

Notable Youth Development Activities:

Improved Civic Awareness and Participation:

In **Moldova**, Volunteers worked with an NGO on its civic education project—*The Village*. The project develops children's understanding of democracy and civil society through a practical and interactive approach. Through the project, youth learn skills to identify and address community needs. As a result of implementing this project, the local NGO expanded its vision from reaching more than 10 kids to expanding nationwide. It has trained 25 Volunteers and more than 20 community facilitators. The organization's next project is to lobby the Ministry of Education to introduce the program into the national civic education curriculum. A website has also been set up where participants can share information and evaluate the program's impact.

In **Honduras**, the Municipal Development project has been the catalyst for the Federation of Organizations for the Development of Honduras, the *Universidad Pedagogical Nacional (Pedagogical University of Honduras)* and the Center for Civic Education to sign an agreement to integrate Project Citizen into their curricula. Peace Corps is in the process of ensuring that civic education is incorporated into the national curriculum. **Paraguay** has noted an increase in teachers' knowledge and use of participatory methods for teaching civic education, and the formation of local youth leaders.

Civic Engagement in Tonga was supported by Volunteers through the development of an NGO, the Tonga National Youth Congress. The organization promotes national youth service by Tongans. This culminated in the Tonga National Youth Congress being the only NGO to be active, staffed, and funded in all island groups of the Kingdom.

Volunteer Vignette: Bulgaria's "Circle of Friends" Builds a Spirit of Volunteerism

"I work in an orphanage with children and youth who have disabilities. Frequently, children with

disabilities are extremely isolated and do not have many opportunities to develop social relationships. I wanted to address these issues to help improve their quality of life, so I designed a 10-week summer social integration project with two other Peace Corps Volunteers and my host organization.

We called the project Circle of Friends and recruited typical teenagers from a local high school to become 'buddies' with the children in the orphanage. We had several pre-meetings with the teenagers to prepare them for what they would experience once we started going to the orphanage. We trained the teenagers how to be empathetic and to help the children complete activities instead of doing the activities for them.

Throughout the project, the children began to look forward to Wednesday afternoons and their faces lit up in recognition when their buddies arrived. The children were given the opportunity to be in a different environment, to be with different people, and to be in a happy social environment. They smiled, interacted, and created beautiful artwork that now decorates the rooms and halls of the orphanage. They were given the chance just to be kids, to make friends, and to experience social relationships they might not otherwise have been able to experience.

The project has also made an impact on the teenage volunteers. By the end of the summer, the teenager 'buddies' started coming to the orphanage to be with the children several days a week, not just on project days. The summer is over, but every Wednesday, teenagers still come to the orphanage to do art projects with the kids. They have taken over the project and lead the art sessions each week. I can see how proud they are of themselves and how much they enjoy helping the children. I know Circle of Friends will continue throughout the year."

In the Peace Corps' recent Legacy video, *50 Years of the Peace Corps*, Director Williams observed, "Peace Corps sends Volunteers into host communities to build the bridges of understanding that will foster friendship, that will foster peace and build the kind of future that we all strive for. We are not just witnesses to a country's development, we are participants. We have taught English to thousands of children and teachers, we have worked alongside farmers to improve crops, we have taught computer technology powered by solar panels in rural villages, and we have delivered HIV/AIDS prevention messages to thousands of young adults. We are on the ground changing lives and changing history."





Agency Performance Goals and Results

Annually the agency measures its performance against the indicators and targets outlined in the Peace Corps' Performance Plan for Fiscal Years 2009-2011 (available at <http://www.peacecorps.gov/open/>). Over the first three years of the Strategic Plan, the agency has steadily improved overall performance.

Year-to-Year Indicator Overview			
	FY 2009	FY 2010	FY 2011
Targets Met	23 of 36	24 of 36	26 of 36
Targets Met (Percentage)	64%	67%	72%

Strategic Goals and Agency Core Goals

The Peace Corps' Strategic Plan identifies the five strategic goals the agency seeks to achieve between FY 2009 and 2014. The first three strategic plan goals align with the agency's three core goals; strategic plan goals four and five address support for Volunteers and effective management practices.

Outcome Goals and Performance Goals

Each strategic goal is supported by outcome goals that define the results the agency expects to achieve in order to reach the long-term strategic goals. In turn, each outcome goal is supported by one or more performance goals, which define the concrete, measurable objectives the agency expects to achieve. These performance goals are in turn supported by specific performance indicators and targets.

Strategic Goal 1: Enhance the capacity of host country individuals, organizations, and communities to meet their skill needs

The agency assists host country individuals, organizations, and communities to meet their needs by providing trained Volunteers to build local capacity.

Peace Corps Volunteers work with partners to teach skills that will allow them to continue to meet their own needs. Volunteers also support the development efforts of other U.S. government agencies, reaching well beyond their geographic scope.

Public Benefit: Volunteers employ a participatory approach to development, building partnerships on a daily basis with host country individuals and communities. Americans benefit from the good will that comes from long-term friendships which contribute to creating a more stable world.

Performance at a Glance

The agency met almost all of the performance targets for this strategic goal in FY 2011. The agency sent well-trained Volunteers who reported their work successfully transferred skills to their partners.

Facilitating sustainable development outcomes: The Peace Corps made significant progress in collaborating with host country partners through annual reporting and active participation in project plan development and review. Through the expertise provided by strategic partners, the agency improved the quality of training, ensuring Volunteers have the technical skills to meet the needs of the host country.

Focusing on highly-effective, targeted Volunteer projects: The agency sharpened its programming focus, per one of the priority recommendations of the Comprehensive Agency Assessment, by identifying the most highly successful projects around the world and preparing new training materials to prepare Volunteers for service. While the unique challenges of HIV/AIDS outreach shaded Volunteers' perceptions of their effectiveness, feedback from host country nationals indicated Volunteers are indeed making a significant contribution in the fight against HIV/AIDS.



In collaboration with the President's Malaria Initiative (PMI), Peace Corps developed a campaign, "Stomp Out Malaria." More than 3,000 Volunteers in 17 high-incidence countries in Africa mobilized to engage in the fight to reduce the incidence of malaria by half.

Volunteers distributed insecticide-treated bed nets and boosted indoor residual spraying. They became involved in grassroots awareness campaigns on prevention and treatment, community-level planning and mobilization for universal bed net distribution, and, surveillance and data collection and analysis for monitoring and evaluation. The campaign takes full advantage of Peace Corps' unique "delivery capacity" at the grassroots level. Volunteers and staff participated in a two-week "malaria boot camp" in Senegal, with training provided by experts from PMI, the Center for Disease Control, U.S. Agency for International Development, Malaria No More, Johns Hopkins, the University of South Florida, and other partner organizations.

Strategic Goal 2: Promote a better understanding of Americans on the part of host country individuals, organizations, and communities served by Volunteers

One of the core expectations for Volunteers is to "Recognize that you will be perceived, in your host country and community, as a representative of the people, cultures, values, and traditions of the United States of America."

Public Benefit: The women and men who serve as Volunteers represent some of the finest characteristics of the American people: generosity of spirit, a strong work ethic, a commitment to service, and a collaborative approach to problem solving. Through

their interactions with Volunteers, host country individuals and communities gain a more complete understanding of the United States and become more willing to engage with and trust Americans.

Performance at a Glance

The agency failed to meet two of the three measured performance targets for this strategic goal. While 90 percent of the Volunteers reported satisfaction with their cross-cultural training, the target of 93 percent was not reached. The Volunteers were unsure that their work helped promote a better understanding of Americans. The original indicator measuring host country nationals' views of Americans is no longer being used. However, an alternative measure showed that 90 percent of host country nationals said their opinions of Americans were more positive after interacting with Volunteers.

Host Country Impact Studies: The studies provided evidence that host country nationals developed more realistic and well-rounded impressions of Americans from social as well as work interactions and their opinions became more positive as a result.

New cross-cultural training curriculum: The agency is developing standard cross-curriculum training for Volunteers that will help them better integrate into their communities. The curriculum is part of the Focus In/Train Up initiative and will be fully operational in FY 2012.

Strategic Goal 3: Foster outreach to Americans through agency programs that assist Volunteers and returned Peace Corps Volunteers to help promote a better understanding of other peoples on the part of Americans

Volunteers not only serve as goodwill ambassadors overseas on behalf of the American people, they also bring their experiences back home to increase Americans' awareness and knowledge of other cultures and global issues.

Public Benefit: Returned Volunteers are the domestic dividend of the Peace Corps. Volunteers who learn about another culture and then share that knowledge with Americans at home help other Americans gain cross-cultural insights. As a result, Americans may become more interested in and engaged with the global community.

Performance at a Glance

The agency met all of its performance targets.

50th Anniversary activities: Current and returned Volunteers participated in agency-initiated outreach activities in record numbers in FY 2011. The agency's 50th anniversary activities provided unique opportunities for the Peace Corps community to engage with the American public.

New Third Goal strategies: The agency developed several new strategic approaches to reaching out to the American public. The new *Engage. Expand. Enlighten.* campaign encouraged returned Volunteers to share their Peace Corps experiences in elementary, secondary, and post-secondary classrooms in their communities and help recruit the next generation of Volunteers through local recruitment events. The strategy also included an online "Increase Peace" referral program (www.peacecorps.gov/increasepeace/) and an invitation to upload a story and/or photo to the Peace Corps Digital Library (<http://collection.peacecorps.gov/>).

Strategic Goal 4: Provide Volunteers who represent the diversity of Americans to meet the evolving technical needs of host countries

This strategic goal contributes to Peace Corps' core goals one and two by improving systems that manage the supply and demand of Volunteers, managing efficient and effective Volunteer recruitment processes, and increasing the recruitment of diverse individuals who meet the demand for specific skill sets.

Public Benefit: When Volunteers are recruited who have the skills and experience requested by host countries, they are better positioned to work with host communities to improve local conditions and build capacity for communities to solve their own problems.

Performance at a Glance

The agency met half of its performance targets. The Peace Corps was able to provide Volunteers to posts that met their countries' technical needs; however, the decrease in the number of Volunteers requested, due to mid-year budget cuts, caused high levels of inefficiency in agency operations. While the recruitment of mid-career to age 50 and older applicants was limited, the agency surpassed the target for attracting applicants from diverse ethnicities.

Volunteer Delivery System improvements: The development of new technologies to improve the efficiency of Volunteer recruitment and selection was advanced. The agency moved ahead with changes—strategic, structural, and process—to recruit and retain talented and diverse applicants. These reforms, in response to the Comprehensive Agency Assessment, included: realigning regional offices; analyzing the diversity of the agency's applicant pool and developing new initiatives to increase the numbers of ethnically diverse Volunteers; and improving the application process to provide applicants with more choice concerning their country of service. These changes will take effect in FY 2012.

Strategic Goal 5: Implement the Peace Corps mission in an effective and efficient manner through the provision of high quality Volunteer support with optimal health care, safety and security support, and effective management of resources

The effective management of Peace Corps' domestic and overseas operations, including human and financial resources, is critical to carrying out the mission

of the agency. Providing high quality support for the Volunteers ensures they can successfully meet their project objectives.

Public Benefit: Effective management practices ensure that the agency is utilizing the resources of the American taxpayers to achieve optimal performance. Providing high quality support for the Volunteers ensures they are safe and healthy during their service and can successfully meet their project objectives.

Performance at a Glance

In two of the goal areas, provision of health care and management effectiveness, the agency met its performance targets. Performance targets were not met for some safety and security indicators, and the agency has strengthened safety and security measures to better protect Volunteers.

Safety and Security reforms: The far-reaching reforms reflect the agency's emphasis on a victim-centered approach to safety and security and incident response, which includes how post and headquarters staff members handle all crimes. The agency collaborated closely with the Department of Justice and the Department of Defense in the development of these reforms.

Strengthened management and operations: This fiscal year the agency implemented many of the operational reforms recommended by the Comprehensive Agency Assessment, including a country portfolio review process to better inform financial and Volunteer allocation decisions at each post. As a result, key agency stakeholders collaborated to make informed resource allocation decisions. Further, with the dissemination of a staff handbook to posts, all operating units are now covered by standardized personnel practices.



An Education Volunteer in China shares a lesson with her students.

FY 2011 Performance Summary		
Performance Goal	Description	Targets Met
	Strategic Goal 1: Enhance the capacity of host country individuals, organizations, and communities to meet their skill needs	9 of 10
1.1.1	Ensure the effectiveness of in-country programs	3 of 3
1.2.1	Ensure the effectiveness of in-country training	3 of 3
1.3.1	Increase the effectiveness of skills transfer to host country individuals, organizations, and communities	3 of 4
	Strategic Goal 2: Promote a better understanding of Americans on the part of host country individuals, organizations, and communities served by Volunteers	1 of 3
2.1.1	The work and life experiences of Volunteers in-country promote host country national learning about Americans	1 of 3
	Strategic Goal 3: Foster outreach to Americans through agency programs that assist Volunteers and returned Peace Corps Volunteers to help promote a better understanding of other peoples on the part of Americans	5 of 5
3.1.1	Volunteers share their in-country experiences with family, friends, and the American public	3 of 3
3.1.2	Increase returned Peace Corps Volunteers' cultural outreach to the American public through Peace Corps programs	2 of 2
	Strategic Goal 4: Provide Volunteers who represent the diversity of Americans to meet the evolving technical needs of host countries	3 of 6
4.1.1	Recruit Volunteers who balance the needed manpower and technical needs at posts with the available applicant pool and its skills	2 of 2
4.1.2	Manage Volunteer recruitment functions in an effective and efficient manner	0 of 2
4.2.1	Recruitment and Volunteer placement efforts reflect the diversity of Americans	1 of 2
	Strategic Goal 5: Implement the Peace Corps mission in an effective and efficient manner through the provision of high quality Volunteer support with optimal health care, safety and security support, and effective management of resources	8 of 12
5.1.1	Enhance the safety and security of Volunteers	1 of 4
5.1.2	Provide quality medical and mental health services to trainees and Volunteers	3 of 3
5.2.1	Provide effective and responsive financial management that accurately reflects domestic and overseas operations	1 of 2
5.2.2	Ensure the effective management of Peace Corps resources	2 of 2
5.2.3	Ensure the optimal performance of critical Peace Corps processes	1 of 1



Looking Forward

The Peace Corps is dedicated to combining innovative approaches, a commitment to performance improvement, and the knowledge and skills gained through a five-decade record of achievement to ensure that its next 50 years are even better than the last. Priority safety and security reforms introduced for Volunteers in FY 2011 will be further expanded and institutionalized. The Comprehensive Agency Assessment (www.peacecorps.gov/open) continues to inform the vision for improving Peace Corps operations and, alongside implementation of the agency's Annual Performance Plan, will advance agency objectives in key areas.

Volunteer Health, Safety, and Security

The safety and security of Peace Corps Volunteers will continue to be the agency's highest priority. Numerous reforms were introduced in FY 2011 to better protect the health, safety, and security of Volunteers and provide compassionate support to Volunteers who are victims of crime.

In FY 2012, the agency will build upon these improvements to further strengthen the Volunteer safety and security system. Partnerships with key organizations such as the Department of Defense, the Department of Justice, and the Rape, Abuse and Incest National Network will be deepened and expanded. A new safety and security survey for Volunteers will be designed and fielded in FY 2012 to gather additional data regarding unreported crimes and Volunteers' satisfaction with safety and security measures. The information provided by Volunteers from this survey will be used in on-going efforts to ensure their safety.

The agency will also improve the oversight of key safety and security efforts through new indicators in its Annual Performance Plan for FY 2012. Revised safety and security indicators will directly measure the effectiveness of safety and security training, prevention, and response systems in each Peace Corps country; compliance with agency policies; and the changing security conditions in each country.

Importantly, a new performance indicator will gauge Volunteer confidence in reporting serious crime incidents. Several indicators will also provide proxy measures of Volunteer safety and security, including a new indicator to set targets for Volunteer satisfaction with site selection and preparation.

New Performance Indicators

A major emphasis in FY 2012 will be the implementation of new performance indicators, which will appear in the agency's Annual Performance Plan for FY 2012. The changes in the agency's performance indicators are designed to accomplish several key objectives: integrating the Comprehensive Agency Assessment into Peace Corps' performance management system; raising the standard of performance measurement on safety and security to better reflect the agency's emphasis on Volunteer safety and security; aligning activities with the U.S. government's new Global Development Policy; and, advancing evidence-based monitoring and evaluation. The agency's Annual Performance Plan for FY 2012 is ambitious in scope and reflects the emphasis the agency places on performance improvement across all five strategic goals.

The agency will ensure the indicators modified, replaced, or added for FY 2012 are well understood by the responsible units at headquarters and in the field and that programs are in place to respond to new challenges and opportunities.

Presidential Policy Directive on Global Development

The agency is strategically aligned with the U.S. government's Global Development Policy (GDP) announced in September 2010. The Annual Performance Plan is designed to advance the GDP's emphasis on performance improvement and evidence-based management. New indicators focus on two specific areas emphasized by the GDP: strategic partnering (with other U.S. government agencies,

NGOs, and multilateral organizations) and monitoring and evaluation. In addition, the agency will continue to sharpen its programmatic focus on highly effective, targeted interventions, an overarching priority of the new policy.

In FY 2012, the agency will ensure its programming is serving to advance the Administration's Partnership for Growth initiative—a key component of the GDP. Peace Corps Volunteers extend the impact of U.S. development programs to the most remote corners of the world and currently serve in all four Partnership for Growth countries: El Salvador, Ghana, the Philippines, and Tanzania. For example, the agency will consider the feasibility of providing additional Teaching English as a Foreign Language education Volunteers in El Salvador to respond to the perceived lack of vocational education aimed at developing skills needed in the labor market, particularly English language skills. Engagement in the education and youth sectors in the Philippines will continue to provide direct support to the human capacity development priority of the policy. Finally, two Host Country Impact Studies will be completed in FY 2012 in Ghana and El Salvador (studies in the Philippines and Tanzania were completed in 2011 and 2010 respectively).

Focus In/Train Up

Peace Corps is working aggressively to focus on key development sectors and train our Volunteers for excellence. A limited number of the most highly-effective projects will be scaled up to maximize the skills and enthusiasm of the Volunteers, 85 percent of whom are young professionals. In support of this initiative, Peace Corps is designing world-class training and comprehensive support to prepare its Volunteers in these sectors. Measurement of the outcomes will be increasingly rigorous as the standard indicators for each sector, based on the state-of-the art in the field, are finalized and put into place.

Recommendations from the Comprehensive Agency Assessment included in the Annual Performance Plan will be further institutionalized into agency opera-

tions. One of the most significant recommendations is to focus on a smaller number of highly-effective, targeted technical interventions and to improve training to prepare Volunteers for their work. This initiative, Focus In/Train Up, will be the major focus of programming and training in FY 2012.



The graphic features a red and blue horizontal bar. On the left, there is a small circular icon with a globe and a magnifying glass. To its right, the words "FOCUS IN" are written in white capital letters on a red background. To the right of a thin blue vertical line, the words "TRAIN UP" are written in white capital letters on a blue background.

Peace Corps is working aggressively to focus on key development sectors and train our Volunteers for excellence. A limited number of the most highly-effective projects will be scaled up to maximize the skills and enthusiasm of the Volunteers, 85 percent of whom are young professionals. In support of this initiative, Peace Corps is designing world-class training and comprehensive support to prepare its Volunteers in these sectors. Measurement of the outcomes will be increasingly rigorous as the standard indicators for each sector, based on the state-of-the art in the field, are finalized and put into place.

The Focus In/Train Up initiative will institute standard global development indicators to better gauge the impact of development work abroad. The agency is making strategic investments to improve training for Volunteers at every stage, to ensure they are well-prepared to excel in meaningful jobs.

Strategic Partnerships

Moving forward, the agency will continue to strengthen its relationships with strategic partners developed over the last two years and engage others in an effort to expand Volunteers' impact abroad and enhance Volunteer recruitment and cross-cultural outreach to Americans.

Peace Corps Volunteers support the development efforts of other U.S. government agencies, reaching well beyond their geographic scope. One area

of programming that will receive priority attention in FY 2012 is the Stomp Out Malaria initiative in Africa. This campaign takes full advantage of the Peace Corps' unique "delivery capacity" at the grassroots level and will continue to be implemented at the country-level by Peace Corps and the President's Malaria Initiative in conjunction with other partners. In FY 2012, the program will be extended to other countries in the region. In addition, the agency will continue implementing the Energy and Climate Partnership of the Americas, an interagency agreement with the State Department that provides \$1 million to the Peace Corps to address energy and climate problems. Three Peace Corps countries have been added to the initial list of eight countries participating in this partnership.

Monitoring and Evaluation

The agency is moving decisively into a new era of measuring and evaluating impact to improve performance. Major advances were made in the monitoring and evaluation processes under the FY 2009-FY 2014 Strategic Plan (www.peacecorps.gov/open). The challenge going forward is to coordinate and integrate the monitoring and evaluation activities undertaken at various levels within the agency and to standardize the collection and consistent use of data to inform management decisions across all posts and headquarters offices. These actions will support the Comprehensive Agency Assessment's recommendation that the agency continue improving its ability to demonstrate the impact of its work.

Looking forward, the agency will develop an agency-wide evaluation policy that articulates the Peace Corps' philosophy of participation, transparency, and local engagement to generate and apply knowledge. The agency will build Volunteers' evaluation capacity with a mandatory monitoring and evaluation course included as a core competency in the Volunteers' training and improve data collection and analysis tools for capturing the work of the Volunteers. The monitoring and evaluation capacity of host country staff and

project partners will also be strengthened. Further, standard outcome indicators will be developed for Volunteer work activities in all six major sectors allowing the agency to aggregate the results of its work across the world.

This increased focus on monitoring and evaluation will create a learning environment in the agency, supporting improved performance and further facilitating evidence-based management.

Volunteer Delivery System Improvements

The agency is developing innovative ways to adapt its Volunteer recruitment and assignment models in order to better meet host country skill needs and offer Volunteer opportunities to a greater number of Americans. The redesign of the Volunteer Delivery System will reach a major milestone in FY 2012 when the new platform for the Peace Corps and Peace Corps Response Volunteer applications goes live. The new system, the Database of Volunteer Experience (DOVE), will improve the transparency, speed, and efficiency of the application process. It will also ensure that the agency has better information regarding Volunteer requests from overseas posts and that overseas posts are better informed about the available applicant supply.

The agency has been moving to a more decentralized recruitment model that allows service opportunities to be offered to more Americans. More college and field-based recruiters will place recruitment staff closer to the populations they are recruiting. The field-based recruiters will also be more cost-effective, as the travel costs to reach prospective applicants will be reduced.

The agency's Peace Corps Response program provides posts with highly-skilled Volunteers for short-term, high-impact assignments. Currently, the program is open only to returned Volunteers. Moving forward, Peace Corps Response opportunities will be expanded beyond the returned Volunteer community,

based upon a Comprehensive Agency Assessment recommendation. Short-term assignments will be offered to individuals with more than 10 years of professional experience and the unique specialized skills host countries are requesting. Opening Peace Corps Response to all skilled and experienced Americans will help the agency better respond to the need for higher technical skills. In addition, this move will provide service opportunities to individuals who are skilled and motivated to serve but who cannot devote two years to service.

Summary

The strength of the Peace Corps is its Volunteers. The planned improvements and initiatives outlined here are designed to support the work they do in serving communities across the world. Volunteers represent the best of America—exemplifying in action the American value of helping people build better lives for themselves. Looking forward, the agency recommits itself to providing Volunteers with the skills and support they need to carry out this important work.



Spending time with children in a library, this Jamaica Volunteer shares the importance of reading.



Analysis of Financial Statements

Overview

An unqualified (clean) audit opinion was achieved on the FY 2011 financial statements for the fifth sequential year. The Congressional appropriation totaled \$375 million less the enacted reduction of \$750,000 in FY 2011 and \$400 million in FY 2010. The overall decrease of \$25.8 million in appropriated funds at mid-year caused the agency to reduce staff, reduce program size, curtail or postpone planned systems initiatives, and delay the reporting dates for some applicants. The accounting system continues to be constrained and cannot accurately correlate actual costs with applied overhead to the agency strategic goals and outputs. The agency has two years in which to obligate appropriated funds and another five years in which to complete the payout process.

Analysis of Financial Results

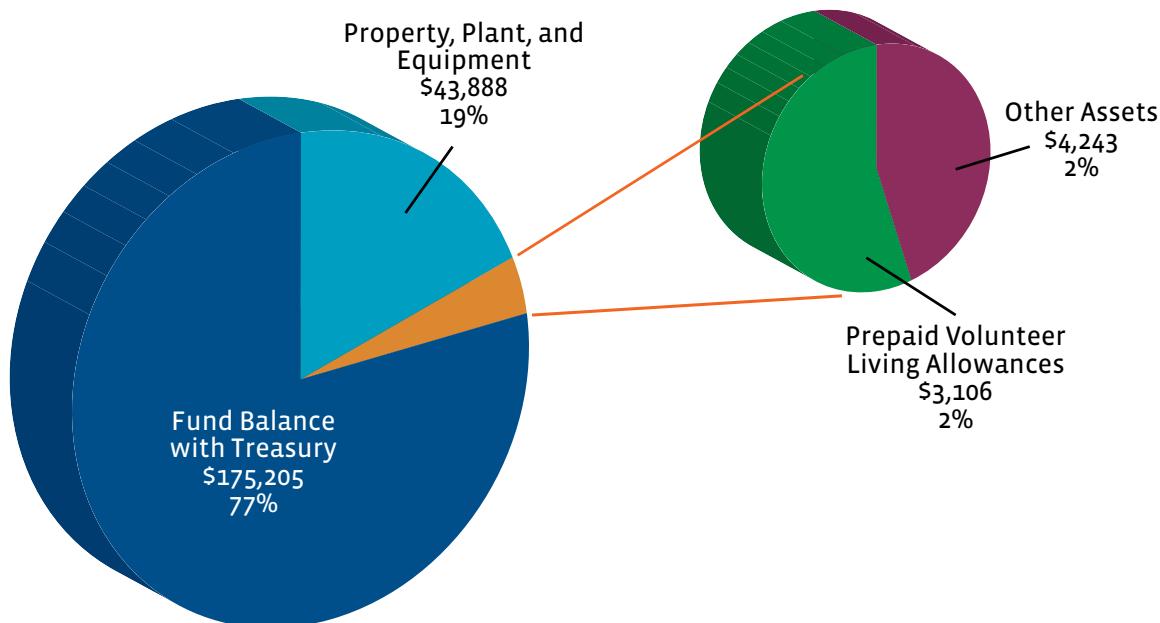
Assets – What We Own and Manage. As of September 30, 2011, the Peace Corps' total assets were \$226.4 million on the Balance Sheet. Almost all of the assets, 77 percent, were in the Fund Balance with Treasury with 19 percent of the assets being in Property, Plant, and Equipment (PP&E). The overall asset decrease of \$2.7 million when compared to the FY 2010 total assets of \$229.1 million was due to the decrease in appropriated funding for FY 2011.

Within the Fund Balance with Treasury, the \$14.5 million decrease was mainly due to the reduction in appropriated funding for FY 2011. This decrease in Assets was partially offset by the \$12.0 million increase in PP&E as a result of improvements to the Peace Corps headquarters facility and an increase in equipment.

Agency assets are shown in the chart below:

FY 2011 Assets by Type

(\$ in Thousands)



Liabilities – What We Owe. Total liabilities of \$256.8 million were reflected on the Balance Sheet at the end of FY 2011. Liabilities increased \$6.8 million from the FY 2010 level of \$250.0 million primarily due to increased funding of Personal Services Contractor (PSC) Severance liability and Estimated Severance of Foreign National PSCs (\$7.2 million) plus an increase in the Volunteer Readjustment Allowance of \$6.6 million to support the higher number of Volunteers in service. These increases were partially offset by decreases of \$5.8 million in Accounts Payable and \$5 million in employee benefits.

Net Cost – Results of Operations. The net cost of operations increased from \$386.4 million in FY 2010 to \$390.3 million in FY 2011. The gross costs of the agency increased by \$4.9 million during FY 2011 due to an increase of almost \$900,000 in Unfunded Federal Employees Compensation Act (FECA) Liability and increases in personnel costs, medical care, and medical personal services contracts.

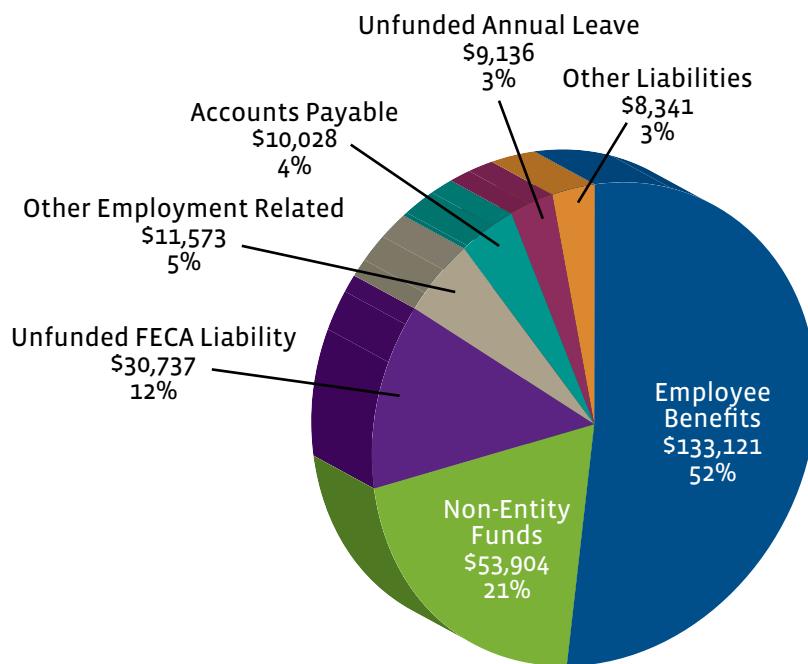
Limitations of the Principal Financial Statements

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 entity's books and records in accordance with generally accepted accounting principles for federal entities and the formats prescribed by the Office of Management and Budget (OMB), 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.

FY 2011 Liabilities by Type

(\$ in Thousands)





Analysis of Systems, Controls, and Legal Compliance

Management Assurances

Federal Managers' Financial Integrity Act

The Federal Managers' Financial Integrity Act (FMFIA) of 1982 requires agencies to establish accounting and administrative controls to include program, operational, and administrative areas, in addition to accounting and financial management. The implementation of internal accounting and administrative controls must provide reasonable assurance that (i) obligations and costs are in compliance with applicable law; (ii) funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and (iii) 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. The FMFIA establishes overall requirements for internal control and requires that the agency head evaluate and report annually on the control and financial systems that protect the integrity of federal programs (Section 2 and Section 4 of FMFIA, respectively). OMB Circular A-123, *Management's Responsibility for Internal Control*, implements the FMFIA and defines management's responsibility for internal control in federal agencies. Further, OMB Circular A-127, *Financial Management Systems*, prescribes policies and standards to follow in managing financial management systems.

Financial Management Systems

The agency has a highly automated globally deployed multi-currency financial system, Odyssey, encompassing budgeting, projects, financials, procurement, cashiering, human resources, and payroll. This system significantly reduced duplicate data entry and continues to enforce standard business processes, workflows, data validation and funds control

throughout the agency. Odyssey is in the process of being upgraded to the latest version of the software product available from the commercial vendor. The financial system upgrade will further improve financial and budget management agencywide and allow uninterrupted vendor technical support. This upgrade will also leverage support for new integration and reporting requirements of the Treasury, OMB, and the General Services Administration. When the agency's recently purchased inventory management system becomes operational in FY 2012, the financial system will be integrated, reducing manual reporting data entry for capital assets and improving internal controls over those assets. Long-term financial management system plans include continuing to make strides to reduce paper-based processes through the implementation of a document scanning and management system. Other long-term plans include expanding project and performance-based budgeting capability through the agencywide deployment of a commercial time keeping system integrated with Odyssey.

The Peace Corps carries the torch of President Kennedy's dream, and responds to President Obama's call to service—for, in President Obama's words during his campaign, "Change will not come if we wait for some other person or some other time. We are the ones we've been waiting for. We are the change that we seek."

Internal Control within the Peace Corps

The Peace Corps achieved its fifth consecutive unqualified (clean) financial audit opinion during the FY 2011 annual financial statement audit. No material weaknesses or instances of noncompliance with laws and regulations were identified. The assurance

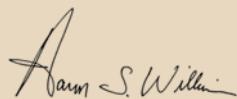
statement is consistent with the FY 2011 audit report. The agency's internal control program is governed internally by Manual Section 784, *Internal Control System*, in addition to guidance reflected above. The reviews, audits, investigations and evaluations conducted by the Office of Inspector General during FY 2011 further supported the agency's internal control program. Significant deficiencies and audit recommendations were monitored through the

agency's corrective action plan in meetings and documents. Assessments of risk by the department and office heads across the agency identified no material weaknesses during FY 2011. Annual management assurance statements completed by the department and office heads as of September 30, 2011, attested to the adequacy of internal controls and did not reveal any material weaknesses.

FY 2011 Annual FMFIA Assurance Statement

The Peace Corps assessed the effectiveness of internal controls to support effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations in accordance with the Federal Managers' Financial Integrity Act (FMFIA) of 1982 Section 2 and OMB Circular A-123. Based on this assessment, the Peace Corps can provide reasonable assurance for FY 2011 that its internal control over the effectiveness and efficiency of operations, financial reporting, and compliance with applicable laws and regulations was operating effectively and no material weaknesses were found in the design or operation of the internal controls.

The Peace Corps conducted its assessment of whether the financial management systems conform to government-wide 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-127 for FY 2011.



Aaron S. Williams, Director
November 15, 2011



Joseph L. Hepp, Jr., Chief Financial Officer
November 15, 2011

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Performance Section



An Education Volunteer teaches English to students during a summer school session in Sierra Leone.



Agency Performance

Introduction to Agency Performance

The Performance Section presents the agency's performance in Fiscal Year 2011—the third year of agency operations under the FY 2009-FY 2014 Strategic Plan. This section discusses the agency's progress on the five strategic goals and 38 performance indicators outlined in the agency's Performance Plan for Fiscal Years 2009-2011.

The rationale for each indicator describes how it measures strategic, outcome, and performance goals. Subsequent discussion links the major agency activities associated with the indicator to the results achieved. Finally, information is provided on how the agency will strengthen performance moving forward. The data source for each performance indicator also is included.

Plans and schedules for achieving performance indicators where the targets were not met are presented in the appropriate sections where available. Moving forward, the agency will utilize the first Strategic Plan Quarterly Performance Review session to discuss areas of improvement and will monitor progress in quarterly sessions throughout the year.

Trend data from FY 2009 to FY 2011—comparing performance targets to results—is included, and where available, baseline data from FY 2008 is also provided. Since the agency only started to use the current performance indicators in FY 2009, performance data prior to FY 2009 is not available for these indicators.

The agency developed some new and revised performance indicators, which will be introduced in the Annual Performance Plan for FY 2012, along with updated targets for some of the other performance indicators.

Performance Improvement and Data Quality

The agency is strongly committed to performance improvement through the use of high quality performance data. The Office of Strategic Information, Research and Planning (OSIRP) is responsible for performance planning and reporting and works closely with agency stakeholders to collect and analyze performance data to improve operations of the agency. Additionally, the director of OSIRP serves as the performance improvement officer for the agency. The agency ensures data are accurate and used by leaders to inform decision making through the following steps:

- **Strategic Plan Quarterly Performance Review sessions.** Key agency stakeholders, including senior management, review performance data at the end of each quarter to ensure data collection standards are followed and to develop strategies to meet performance targets when areas for improvement are identified.
- **Performance indicator data reference sheets.** Data collection and reporting consistency is ensured by the use of detailed indicator data reference sheets, which include operational definitions, data sources, and a comprehensive methodology for measuring each performance indicator.
- **Independent data quality checks.** OSIRP independently reviews the completeness and accuracy of performance data submitted from business units.

Verification and Validation of Performance Data

The agency utilizes several data sources to measure performance indicators. The Annual Volunteer Survey (AVS) provides data for 12 indicators. Overseas posts submit data for six indicators, and headquarters offices supply data for the remaining 20 indicators through Peace Corps Enterprise Database systems.

Annual Volunteer Survey

The AVS is a voluntary survey and provides feedback directly from the Volunteers regarding agency activities. The consistently high response rate from Volunteers (86 percent in FY 2011) ensures the responses reliably represent the Volunteers.

The demographic profile of respondents is compared to all Volunteers in service to confirm respondents are representative of the Volunteer population as a whole. In FY 2011, the AVS respondents were appropriately representative of the Volunteers. Responses to AVS questions are entered by Volunteers and housed in an external, electronic survey database. Faulty data are cleaned prior to analysis and constitute only a small percentage of overall responses. Analyzed data are used to inform management of the Volunteers' perspective on key issues. The high response rate from Volunteers and verification and validation measures ensure the high level of AVS data accuracy needed for its intended use.

Peace Corps Enterprise Database Systems

The agency maintains several enterprise database systems to collect Volunteer and program information. Only authorized staff members who have been properly trained can access key systems, maintaining data integrity and ensuring data entry methodology is followed. Regular reconciliation processes between agency units enable users to verify and test performance data to isolate and correct errors. Internal, automated system processes also ensure data are appropriately transferred between 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 indicator section.

Overseas posts

Overseas posts submit data for six performance indicators through an online survey at the end of the fiscal year. Senior leaders from all overseas posts responded to the survey in FY 2011, providing valid performance data. The survey was designed with clear logic to minimize data entry error. Data were independently reviewed and anomalies were addressed and corrected to improve data quality. The survey gathers the activities of overseas posts. As all posts responded to the survey in FY 2011 and high data quality was established, the required level of accuracy was met.

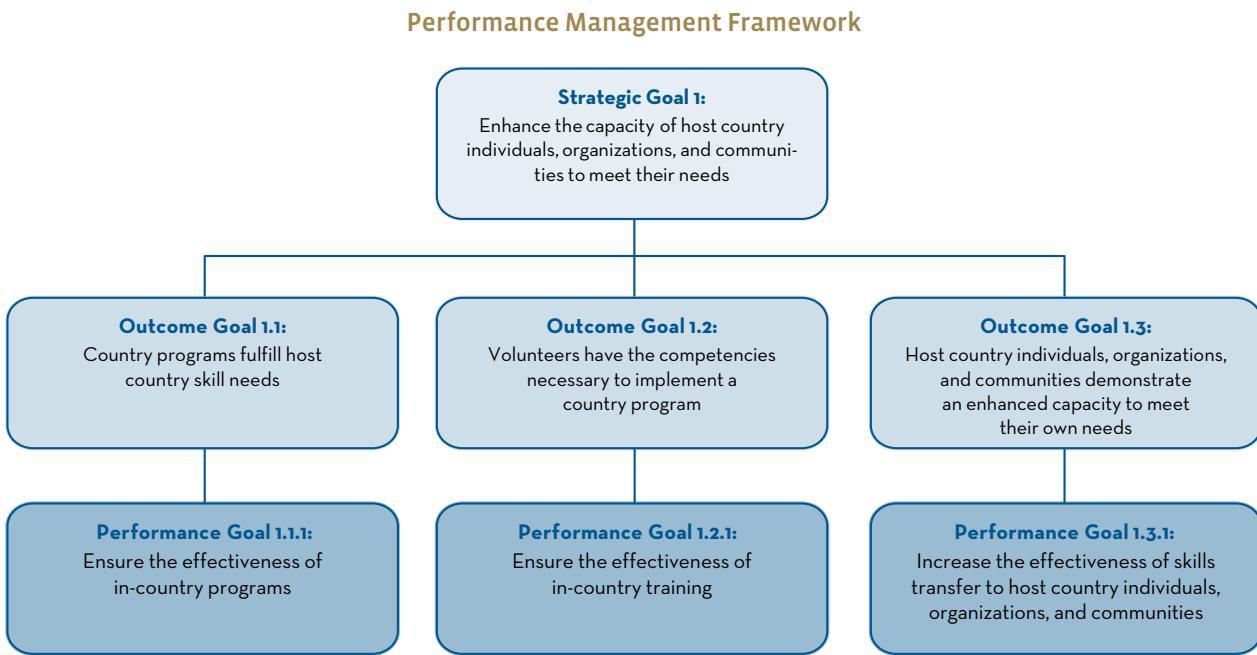
Summary

The agency's FY 2011 performance results are based on reliable and valid data that are complete as of the compilation of results at the end of the fiscal year. The agency places great value and emphasis on continuously improving its performance reporting procedures and processes.



Annual Performance Results

Strategic Goal 1: Enhance the capacity of host country individuals, organizations, and communities to meet their skill needs



Performance Summary:

The agency met all but one of the 10 performance targets for this strategic goal in FY 2011.

Outcome Goal 1.1: Country programs fulfill host country skill needs

The agency met the technical skill needs of the host country by facilitating active local participation in the design of all Volunteer projects, a key step in garnering local support. The Volunteers chosen to serve were well-supported by the agency ensuring that they served the essential amount of time to fill the skill needs of the host country. Finally, post staff continued its collaboration with partners and stakeholders by reporting on the results of the work through annual progress reports.

Outcome Goal 1.2: Volunteers have the competencies necessary to implement a country program

The agency successfully provided Volunteers with the needed technical and language training to ensure they had the necessary skills to serve their host communities.

Outcome Goal 1.3: Host country individuals, organizations, and communities demonstrate an enhanced capacity to meet their own needs

Significant improvement was made in building local capacity in FY 2011. The agency continued to measure the results of the Volunteers' work. Volunteer-reported data on the effectiveness of skills transfer were validated

through objective Host Country Impact Studies, with 86 percent of host country national respondents reporting Volunteers helped them build their capacity. While the unique challenges of HIV/AIDS outreach shaded Volunteers' perceptions of their effectiveness, feedback from host country nationals indicated Volunteers are making a significant contribution in the fight against HIV/AIDS—an observation that Volunteers are often not able to make because impacts are often seen after they leave service.

Performance Indicator Summary

	Performance Indicator	FY 2009 Target Met	FY 2010 Target Met	FY 2011 Target	Result	Target Met
1.1.1.a	Percentage of project plans that meet the expressed needs of the host country	Yes	Yes	95%	100%	Yes
1.1.1.b	Percentage of posts that provide annual progress reports to their host country agency sponsors and partners	No	No	85%	87%	Yes
1.1.1.c	Enhance the average length of service of Volunteers to equal or exceed 21 months	Yes	Yes	21 mo	22.3 mo	Yes
1.2.1.a	Percentage of Volunteers who meet local language requirements for service per post testing standards	Yes	Yes	85%	85%	Yes
1.2.1.b	Percentage of Volunteers reporting training as adequate or better in preparing them technically for service	Yes	Yes	75%	79%	Yes
1.2.1.c	Percentage of Volunteers reporting training as adequate or better in preparing them to work with their counterparts	Yes	Yes	65%	78%	Yes
1.3.1.a	Percentage of Volunteers reporting that their work transferred skills to host country individuals and organizations adequately or better	Yes	Yes	75%	86%	Yes
1.3.1.b	Percentage of Volunteers who report their HIV/AIDS education and outreach work is effective or better	No	No	85%	59%	No
1.3.1.c	Percentage of projects that document increases in host country national capacity	Yes	Yes	80%	97%	Yes
1.3.1.d	Percentage of partner organizations reporting their assigned Volunteer fulfilled their requested need for technical assistance	Yes	Yes	70%	82%	Yes

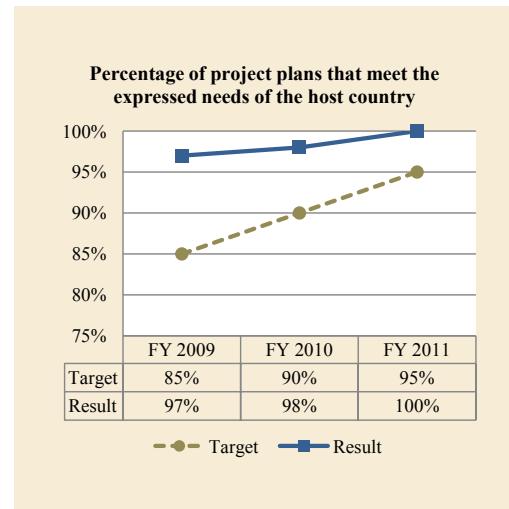
Performance Goal 1.1.1: Ensure the effectiveness of in-country programs

Indicator 1.1.1.a: Percentage of project plans that meet the expressed needs of the host country

FY 2011 Target	Result	Target Met
95%	100%	Yes

Rationale: Effective programs address the expressed needs of the host country. When Peace Corps engages host country nationals in identifying the areas in which Volunteers will work, local support is higher and projects are more likely to succeed.

Discussion of Result: *The target was met.* In FY 2011, all Peace Corps projects were developed jointly with host country stakeholders. Project plans were designed in collaboration with the Peace Corps and host country agencies' staff. Once Volunteers were assigned to local communities, they continued to define the activities with their local work partners. Most plans were also periodically reviewed by Project Advisory Committees whose members represent Peace Corps staff, Volunteers, and host country partners. This fiscal year, Peace Corps implemented the Focus In/Train Up recommendation of the FY 2010 Comprehensive Agency Assessment by reviewing all projects and identifying the most highly effective to scale up worldwide.



Strengthening Future Performance: The indicator has been revised to measure the percentage of posts that meet annually with host country Project Advisory Committees. This change ensures local partners are continuously consulted throughout the life of a project, not just at the design phase. The agency will continue to analyze the posts' portfolios to focus on the most effective methods used. In addition, updated guidance on designing project plans will be published in FY 2012.

Data Source: Peace Corps Enterprise Database

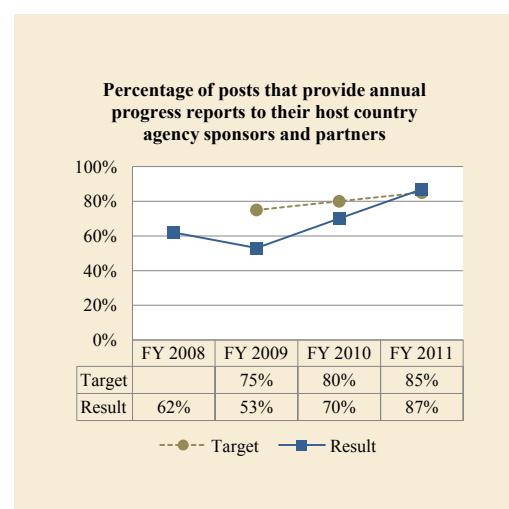
Indicator 1.1.1.b: Percentage of posts that provide annual progress reports to their host country agency sponsors and partners

FY 2011 Target	Result	Target Met
85%	87%	Yes

Rationale: The agency collaborates with partners and increases the agency's accountability to the host country by reporting progress annually to host country partners.

Discussion of Result: *The target was met.* The number of posts providing annual reports to their host country partners significantly increased this fiscal year, jumping to 87 percent from 70 percent in FY 2010.

The annual reports, completed in the host country language and in English, summarized the results of the program, using information from Volunteers' quarterly reports, site visits by project managers, and program evaluations.



The reports took different forms from post to post, ranging from highlights of the projects to sector-specific reports with photographs and testimonials from beneficiaries.

Several posts cited the benefit of meeting with partners to present their report. Posts that have been preparing reports for several years noted the best use of the report is to view it as a process of dialogue with partners throughout the year, culminating in a final report.

High performance for this indicator in FY 2011 can be attributed to the importance agency senior leadership, including country directors, placed on sharing annual results with partners. Also, the agency shared promising practices identified from an analysis of posts' performance on this indicator in FY 2010. The report also described solutions from posts that had fully met this indicator and overcame resource constraints. Finally, this indicator received particular attention at each Strategic Plan Quarterly Performance Review.

Strengthening Future Performance: The agency will continue to share the successful strategies among posts to increase communications with and accountability to host country partners. Regional managers will continue to reinforce this message with post staff.

Data Source: Overseas posts

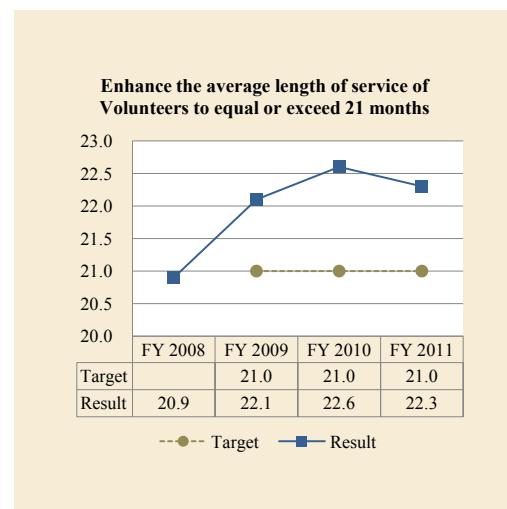
Indicator 1.1.1.c: Enhance the average length of service of Volunteers to equal or exceed 21 months

FY 2011 Target	Result	Target Met
21 months	22.3 months	Yes

Rationale: Projects are designed to require a specific amount of Volunteer service time for effective implementation. Volunteers who complete their service are more fully integrated into their communities, acquire greater language proficiency, and report higher rates of success and satisfaction with their work.

Discussion of Result: *The target was met.* To maximize performance on this indicator, the agency fosters an environment where Volunteers receive the necessary support to do their work. The support ranges from developing projects that offer satisfying work and address host country needs, to providing training and in-country support to be safe, healthy, and successful. Appropriate site selection and preparation is also important to ensure the local community is supportive of working with a Volunteer.

Strengthening Future Performance: A revised indicator will focus on completion of service rather than number of months served. Some projects are designed for more or less time than the typical two years of Volunteer service. Additionally, Volunteers can extend their service for several months to complete projects which can drive up the months-of-service average. The revised indicator will measure the percentage of service completed by Volunteers to tie the measure more closely to program effectiveness.



Data Source: Peace Corps Enterprise Database

Performance Goal 1.2.1: Ensure the effectiveness of in-country training

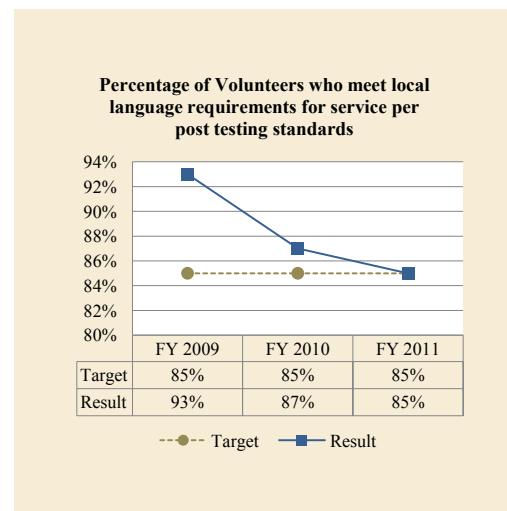
Indicator 1.2.1.a: Percentage of Volunteers who meet local language requirements for service per post testing standards

FY 2011 Target	Result	Target Met
85%	85%	Yes

Rationale: Volunteers who speak the language of the community in which they are working are more sensitive to the culture, more integrated into their community, and more effective in their work.

Discussion of Result: *The target was met.* All Volunteers who have studied a language at post are tested by a certified language instructor at the end of pre-service training to determine their language proficiency. This year, the agency introduced several innovations in the language training program:

- Implemented a French language immersion program for Volunteers with minimal French skills who are assigned to Francophone Africa
- Disseminated best practices to language coordinators through a bimonthly newsletter
- Facilitated workshops on language materials development to build the skills of local language teachers



The agency has improved compliance with this indicator by collecting language testing information directly from posts through a new reporting system. However, technical issues related to a new reporting tool, as well as a lack of reporting by some posts meant performance data was incomplete and results not representative.

Strengthening Future Performance: The agency is exploring methods for improving language instruction, including providing language training that would extend beyond pre-service training; increasing language tester workshops and consulting with posts to develop language training materials. Further, data quality will improve as the reporting tool is upgraded.

Data Source: Peace Corps Enterprise Database

Indicator 1.2.1.b: Percentage of Volunteers reporting training as adequate or better in preparing them technically for service

FY 2011 Target	Result	Target Met
75%	79%	Yes

Rationale: Volunteers who have been adequately trained in technical areas have the competencies necessary to address host country needs.

Discussion of Result: *The target was met.* The agency responds to host country needs by recruiting Volunteers who have excellent skills and experience in broad content areas. In addition, they receive technical training from Peace Corps to prepare for their local, project-specific work.

In FY 2011, the agency provided posts with regional training workshops, general staff development, and individual staff training opportunities. Posts conduct training design evaluations each year to measure the effectiveness of training.

The agency's strategic partners also contributed specialized technical training in FY 2011. For example, 28 posts implemented 121 training activities on the capacity-building of local partners through the agency's agreement with the U.S. Agency for International Development. Other partners provided technical training during pre-service training in addition to focused technical training workshops, field exercises, and on-site visits from staff and technical experts during the Volunteers' service.

Strengthening Future Performance: Updated programming and training guidance will be published in FY 2012 to help post staff improve programming, training, and evaluation. The Focus In/Train Up initiative will also improve training materials and delivery.

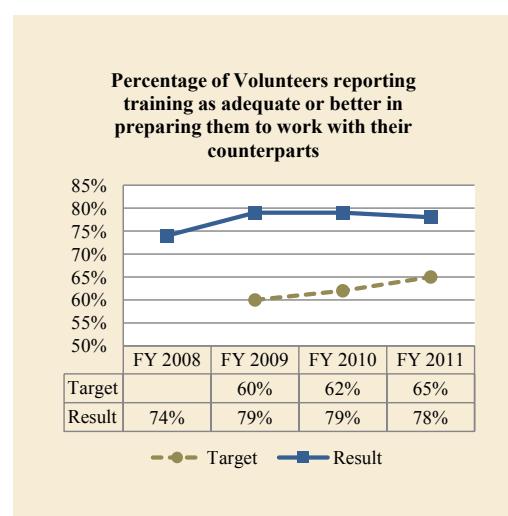
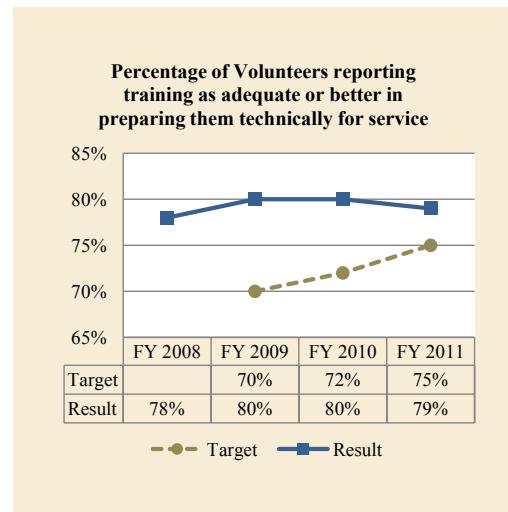
Data Source: Annual Volunteer Survey

Indicator 1.2.1.c: Percentage of Volunteers reporting training as adequate or better in preparing them to work with their counterparts

FY 2011 Target	Result	Target Met
65%	78%	Yes

Rationale: Volunteers work with local counterparts to address host country needs by building local capacity. Volunteers who are well-prepared to work with counterparts are more successful in their projects.

Discussion of Result: *The target was met.* In FY 2011, the agency developed a new training module on working with counterparts. The module is taught during pre-service training and features a combination of real-life training activities and community involvement that simulates the actual environment in which the Volunteers will be working with their counterparts.



Strengthening Future Performance: Posts will continue to improve training packages to Volunteers as the Focus In/Train Up initiative is rolled out. Best practices will be shared across posts and will improve the effectiveness of training. Targets will be increased for future years.

Data Source: Annual Volunteer Survey

Performance Goal 1.3.1: Increase the effectiveness of skills transfer to host country individuals, organizations, and communities

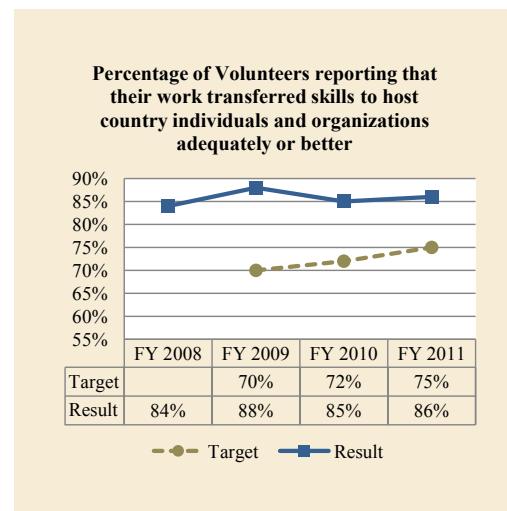
Indicator 1.3.1.a: Percentage of Volunteers reporting that their work transferred skills to host country individuals and organizations adequately or better

FY 2011 Target	Result	Target Met
75%	86%	Yes

Rationale: Volunteers build local capacity by transferring new skills to host country individuals and organizations. Their observations on the changes in the skills of their community partners as a result of their work are one measure of the agency's impact.

Discussion of Result: *The target was met.* Various factors play a part in a Volunteer's ability to transfer skills to others, including training, assignment, site selection, and staff support. The information provided by the Volunteers indicates that they are effectively prepared and are teaching new skills to their partners.

The Host Country Impact Studies, which provide information from host country counterparts and beneficiaries, corroborate the Volunteers' perceptions. In seven Host Country Impact Studies completed in FY 2011 (Botswana, Cape Verde, Fiji, Peru, the Philippines, Thailand, Togo), 86 percent of host country national respondents said Volunteers had helped them to build their capacity.



In FY 2011, a standardized monitoring and evaluation training package for Volunteers was introduced to posts as part of the Focus In/Train Up initiative. This training will improve Volunteers' ability to empirically measure their impact and the effectiveness of capacity building. The training package, which supports the agency's initiative to establish global indicators for project outcomes, includes a global reporting mechanism.

Strengthening Future Performance: As the performance targets were exceeded for this indicator, targets will be increased for FY 2012 and beyond. Improved training, along with improved reporting methods, will allow the agency to aggregate data and more accurately report on the outcomes of Volunteer activities.

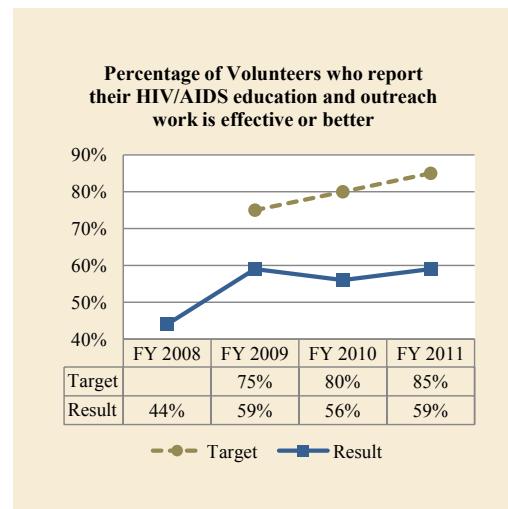
Data Source: Annual Volunteer Survey

Indicator 1.3.1.b: Percentage of Volunteers who report their HIV/AIDS education and outreach work is effective or better

FY 2011 Target	Result	Target Met
85%	59%	No

Rationale: As the focus of the HIV/AIDS program is transferring education skills to local people, Volunteers reporting their HIV/AIDS work is effective is one indication the program is achieving the desired results.

Discussion of Result: *The target was not met.* In FY 2011, 52 percent of the Volunteers reported conducting HIV/AIDS activities and slightly more than half (59 percent) reported their work was often or almost always effective or better. However, 66 percent of Volunteers whose HIV/AIDS activities were part of their primary activities report their work was often or almost always effective or better. In contrast, 44 percent of Volunteers who conducted HIV/AIDS activities only occasionally reported their HIV/AIDS work was often or almost always effective or better. While all Volunteers conducting HIV/AIDS work receive training, Volunteers primarily focused on HIV/AIDS outreach and education activities receive more comprehensive training and are better able to measure their effectiveness.



HIV/AIDS prevention outreach and education is a difficult assignment due to the taboo of discussing sex and sexuality in many of the communities in which Volunteers work. The stigma that people living with HIV/AIDS encounter also makes effective engagement with these vulnerable populations very difficult.

Many Volunteers report challenges in measuring the effectiveness of their HIV/AIDS interventions; they know they taught the lesson, but are unsure if that knowledge resulted in behavior change. While it may be difficult for individual Volunteers to determine the impact of their HIV/AIDS activities, information from the agency's Host Country Impact Studies indicate that Volunteers' prevention and education activities are making an impact.

Results from the Botswana Host Country Impact Study, for example, show the following significant influence of Volunteers' work:

- 81 percent of counterparts and beneficiaries reported the training they received from the Volunteer significantly enhanced their skills and knowledge of HIV prevention
- 88 percent of counterparts reported local organizations were better able to provide HIV/AIDS related prevention, care, and treatment services
- 87 percent of counterparts revealed that the stigma related to HIV/AIDS and discrimination against people living with HIV/AIDS had declined due to the work of the Volunteers
- 86 percent of counterparts and 76 percent of beneficiaries reported that more community members are being tested for HIV/AIDS after working with the Volunteers

- 72 percent of counterparts reported that having the Volunteer live in their community was the most significant difference compared to other programs and the key factor in changing attitudes and behaviors.

Strengthening Future Performance: To improve Volunteer readiness to implement effective HIV/AIDS programs, the agency is developing new training packages and continuing its partnership with the Presidents' Emergency Plan for AIDS Relief throughout FY 2012. This indicator will be reviewed in FY 2012 to determine if it is a practical and feasible measure.

Data Source: Annual Volunteer Survey

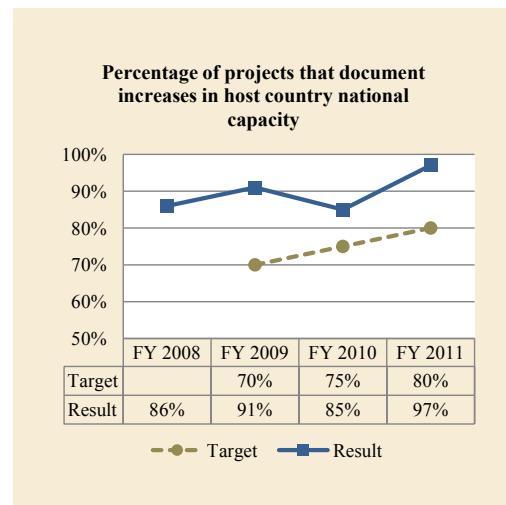
Indicator 1.3.1.c: Percentage of projects that document increases in host country national capacity

FY 2011 Target	Result	Target Met
80%	97%	Yes

Rationale: Objective information collected about increases in the capacity of host country nationals is evidence that sustained results have been achieved. The indicator measures the capacity-building work of the Volunteer through information collected directly from host country nationals and independent measures.

Discussion of Result: *The target was met.* Nearly all of the posts where Volunteers served in FY 2011 documented an increase in host country national capacity for all of their projects (97 percent of all posts). This represents a large increase from the baseline (86 percent) and from last year (85 percent).

The significant increase is attributed to the growing emphasis the agency has placed on measuring the results of the Volunteer's work. The technical teams at posts and headquarters have identified measurement tools for each major project and increased the training provided to Volunteers and partners. This year, posts reported using a variety of methods to measure capacity building, ranging from Volunteer reports (97 percent of posts) to documented observations (67 percent), interviews, and some pre- and post-testing (29 percent). Posts with more projects used a greater variety of methods to measure changes in capacity building.



The first training package developed for the Focus In/Train Up initiative was the monitoring and evaluation package for Volunteers. The course was tested in FY 2011 and will be used by all posts in FY 2012.

Strengthening Future Performance: This indicator has been revised to ask posts to provide multiple sources to validate their capacity-building data. All posts will begin reporting on standardized global indicators in FY 2012. The Volunteer reporting tool also will be improved to better capture the data collected.

Data Source: Overseas Posts

Host Country Impact Studies

The Host Country Impact Studies provide direct evidence of how Volunteers accomplish Goal One. The Philippines Impact Study of the education project interviewed 245 teachers, students, principals, and host families to evaluate the long-term impact of working with a Peace Corps Volunteer. The study showed that Volunteers are increasing capacity not only in the intended outcomes, but are also building capacity in unexpected and positive ways.

Students and teachers who worked with a Volunteer increased their self-confidence and competence in speaking English, and students improved their reading comprehension enough to reach or exceed their grade level. After working with a Volunteer, teachers had better access to educational resources and used interactive, student-centered methods in their classrooms. These changes represent the primary intended outcomes of the project.

Students and teachers also reported two significant unintended changes. First, teachers and principals explained that students had increased their self-confidence in general, not just in speaking English. Students reported that working with a Volunteer had increased their sense of self-worth and led them to try new academic activities and challenges.

Second, students and teachers reported an improved student-teacher relationship in school. According to respondents, Volunteers were more approachable outside of class, as this Filipino student detailed:

“Every time you greet [Volunteers, they] always start a conversation with you, while the other teachers when you say ‘Good morning’ or ‘Good afternoon’ they only reply but don’t talk to you and they don’t make conversation.”

After working with a Volunteer, some teachers adopted this more approachable demeanor. As a result, students reported they studied harder for these teachers and teachers commented that students show up for class and are more engaged in learning. Both students and teachers believed that a new student-teacher relationship emerged and felt the Volunteers had helped not only academically but also emotionally.

Indicator 1.3.1.d: Percentage of partner organizations reporting their assigned Volunteer fulfilled their requested need for technical assistance

FY 2011 Target	Result	Target Met
70%	82%	Yes

Rationale: Positive feedback from partner organizations about a Volunteer’s work demonstrates that Peace Corps is responding to host country needs.

Discussion of Result: *The target was met.* Volunteers worked with more than 6,500 partners in FY 2011; 82 percent of these partner organizations reported their assigned Volunteers fulfilled their requested needs for technical assistance, a significant increase from previous years.

Many posts gathered information about this topic directly from local beneficiaries and counterparts during site visits (94 percent), through training or other events (75 percent), or during program advisory committee meetings (46 percent). Thirty-five percent of posts used evaluations to learn how Volunteers were meeting host country needs.

Host Country Impact Studies provided insights into the ways in which host country organizations' needs are met through the work of the Volunteers. In the Philippines study, for example, 79 percent of counterparts and beneficiaries reported their students' improved confidence and competence in using English best met their needs.

Strengthening Future Performance: The validity and reliability for this indicator are currently strong. In the Annual Performance Plan for FY 2012, posts will collect data for this indicator using more formal collection methods and analyses. Post staff members will improve their skills in data collection and analysis, and the agency will improve the global reporting tool and database used by posts.

Data Source: Overseas posts

Strategic Goal 2: Promote a better understanding of Americans on the part of host country individuals, organizations, and communities served by Volunteers

Performance Management Framework

Strategic Goal 2:

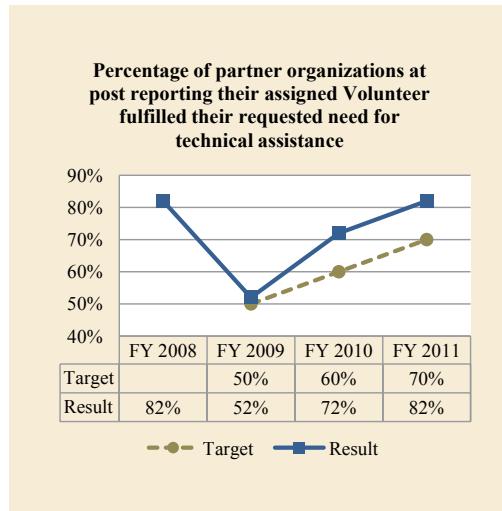
Promote a better understanding of Americans on the part of host country individuals, organizations, and communities served by Volunteers

Outcome Goal 2.1:

Host country individuals and communities learn about Americans through shared experiences with Peace Corps Volunteers

Performance Goal 2.1.1:

The work and life experiences of Volunteers in country promote host country national learning about Americans



Performance Summary:

The agency failed to meet two of the three measured performance targets for this strategic goal. While 90 percent of the Volunteers reported satisfaction with their cross-cultural training, the target of 93 percent was not reached. The original indicator measuring host country nationals' views is no longer being used. However, an alternate measure provided objective information that Volunteers' work helped promote a better understanding of Americans.

Outcome Goal 2.1: Host country individuals and communities learn about Americans through shared experiences with Peace Corps Volunteers

One of the agency's primary activities for achieving the strategic goal is cross-cultural training for Volunteers, staff, and host country counterparts and supervisors. There were no significant changes to the content or delivery of cross-cultural training in FY 2011.

Results from the studies conducted in FY 2011 indicate that host country nationals' interactions with Volunteers helped them develop more realistic and well-rounded impressions of Americans and their opinions became more positive as a result.

Performance Indicator Summary

	Performance Indicator	FY 2009 Target Met	FY 2010 Target Met	FY 2011 Target	Result	Target Met
2.1.1.a	Percentage of Volunteers reporting that training prepared them to manage cultural differences during service adequately or better	Yes	No	93%	90%	No
2.1.1.b	Percentage of posts conducting supervisory/counterpart training on working effectively with Volunteers	Yes	Yes	95%	99%	Yes
2.1.1.c	Percentage of host country nationals who have interacted with Volunteers who believe that Americans are committed to assisting other peoples	Not measured				
2.1.1.d	Percentage of Volunteers reporting that their work helps promote a better understanding of Americans on the part of the peoples served	No	No	85%	65%	No

Performance Goal 2.1.1: The work and life experiences of Volunteers in-country promote host country national learning about Americans

Indicator 2.1.1.a: Percentage of Volunteers reporting that training prepared them to manage cultural differences during service adequately or better

FY 2011 Target	Result	Target Met
93%	90%	No

Rationale: To effectively communicate with host country nationals and share information about Americans in ways that are culturally appropriate, Volunteers need to understand and function in the culture of their host country. Training increases Volunteers' understanding of the culture in which they will live and work, builds skills for managing cultural differences, and establishes a framework for processing what they are experiencing in their host country.

Discussion of Result: *The target was not met.* While the target of 93 percent was not met, a high number, 90 percent, of Volunteers reported their training prepared them to manage the cultural differences they would encounter during their service. The agency will continue to provide cross-cultural training to Volunteers during their pre-service training and will reinforce the importance of being aware of cross-cultural differences.

Strengthening Future Performance: The Focus In/Train Up initiative identified "integrating into the community" as a core competency for all Volunteers. The agency is developing a standard curriculum for all Volunteers that focuses on building these core competencies, and the complete training package will be built into each posts' pre-service training in FY 2012.

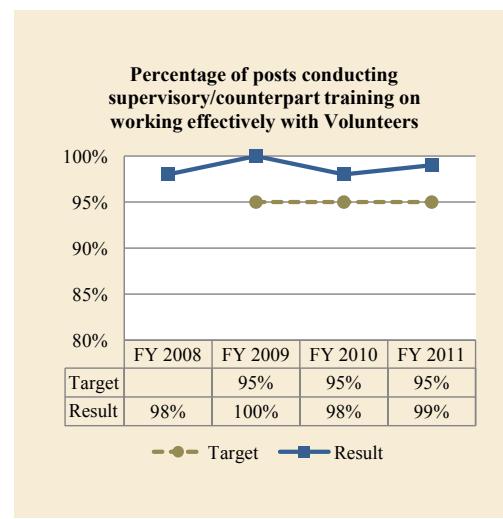
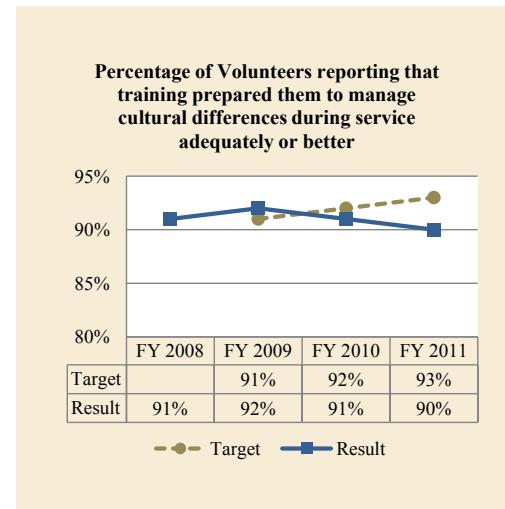
Data Source: Annual Volunteer Survey

Indicator 2.1.1.b: Percentage of posts conducting supervisory/counterpart training on working effectively with Volunteers

FY 2011 Target	Result	Target Met
95%	99%	Yes

Rationale: Supervisors and counterparts who receive training on working effectively with Volunteers will better understand American culture and therefore be better positioned to help Volunteers adjust to the local community.

Discussion of Result: *The target was met.* Nearly all posts (99 percent) conducted training for counterparts and supervisors. The agency values mutual learning, thus, most posts chose to train counterparts and Volunteers together. The workshops used a participatory approach where the counterpart and the Volunteer worked together to prepare a work plan for the Volunteer's first six months to a year in service. This practice provides a foundation for the counterpart and the Volunteer to establish mutually agreed-upon expectations and work objectives, while also creating team spirit and a system of accountability. Counterparts expressed their support for the workshop format due to the personal and professional benefit derived through exchanging ideas not only with the Volunteers and training facilitators, but from their peers as well.



Strengthening Future Performance: The agency plans a new counterpart survey in FY 2012 to collect data on a number of issues, including the effectiveness of counterpart training.

Data Source: Overseas posts

Indicator 2.1.1.c: Percentage of host country nationals who have interacted with Volunteers who believe that Americans are committed to assisting other peoples

FY 2011 Target	Result	Target Met
	Not measured	

Rationale: The indicator was intended to measure host country individuals' willingness to trust and work with Americans.

Discussion of Result: *No targets were set for this indicator.* The agency is not reporting on this indicator. The indicator was established in the agency's FY 2009-2011 Performance Plan as the Host Country Impact Studies were under development in FY 2008. Upon completion of the pilot studies, the agency determined that the indicator was not a valid measure of host country nationals' perceptions of Americans after interacting with Volunteers. Instead, this question was replaced with a different measure: Percentage of respondents who report a positive opinion of Americans after interacting with a Volunteer.

The new measure has been included in the Host Country Impact Studies since 2009 and provides valuable information on host country national perceptions about Americans. The findings from seven studies completed in FY 2011 show that 87 percent of host country nationals reported developing a more thorough understanding of Americans after interacting with Volunteers. Ninety percent said their opinions of Americans were more positive after interacting with Volunteers.

Strengthening Future Performance: To reflect the changes made in the impact studies, the indicator will be modified to "percentage of host country nationals who report positive opinions of Americans through their interactions with Volunteers."

Data Source: Host Country Impact Studies

Indicator 2.1.1.d: Percentage of Volunteers reporting that their work helps promote a better understanding of Americans on the part of the peoples served

FY 2011 Target	Result	Target Met
85%	65%	No

Rationale: When Volunteers work with host country partners they interact with host country individuals who then can learn more about Americans.

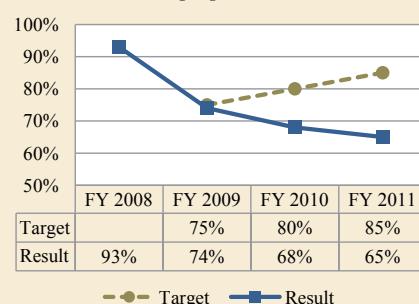
Discussion of Result: *The target was not met.* Volunteers promote a better understanding of Americans through their work and by living and interacting with the people they serve. By only focusing on Volunteer "work," the full range of Volunteer work and social interactions with host country individuals is not captured.

Earlier analysis of data from the Host Country Impact Studies found that people who had worked and interacted on a social level with Volunteers knew them better and were more likely to change their opinions of Americans, compared with those who only worked with the Volunteer. It remains unclear, however, why Volunteer perceptions of host country nationals' understanding of Americans are declining.

Strengthening Future Performance: A revised indicator will include the “activities and interactions” of Volunteers rather than just interactions at “work” to measure the full range of their interaction with host country nationals.

Data Source: Annual Volunteer Survey

Percentage of Volunteers reporting that their work helps promote a better understanding of Americans on the part of the peoples served



Strategic Goal 3: Foster outreach to Americans through agency programs that assist Volunteers and returned Peace Corps Volunteers to help promote a better understanding of other peoples on the part of Americans

Performance Management Framework

Strategic Goal 3:

Foster outreach to Americans through agency programs that assist Volunteers and returned Peace Corps Volunteers to help promote a better understanding of other peoples on the part of Americans

Outcome Goal 3.1:

Americans have increased awareness and knowledge of other cultures and global issues

Performance Goal 3.1.1:

Volunteers share their in-country experiences with family, friends, and the American public

Performance Goal 3.1.2:

Increase returned Peace Corps Volunteers' cultural outreach to the American public through Peace Corps programs

Performance Summary:

The agency achieved a high level of performance for this strategic goal, leading to raising the performance targets for some of the indicators in FY 2012, to encourage innovation.

Outcome Goal 3.1: Americans have increased awareness and knowledge of other cultures and global issues

Current and returned Volunteers participated in agency-initiated outreach activities in record numbers in FY 2011. The agency's 50th anniversary provided a unique opportunity to engage the Peace Corps community in reaching out to the American public. Each year, Americans have more opportunities to learn about other cultures and global issues through Volunteers. Looking forward, the agency has committed to expanding its focus on this cross-cultural outreach by developing a new agencywide strategy, increasing resources, and developing other innovative programs.

Performance Indicator Summary

	Performance Indicator	FY 2009 Target Met	FY 2010 Target Met	FY 2011 Target	Result	Target Met
3.1.1.a	Percentage of Volunteers participating in the Coverdell World Wise Schools Program	No	Yes	64%	69%	Yes
3.1.1.b	Number of individuals and organizations supporting the Peace Corps Partnership Program	Yes	Yes	9,000	12,079	Yes
3.1.1.c	Number of youth-serving programs hosting Volunteer activities	Yes	Yes	4,800	6,270	Yes
3.1.1.d	Monitor the percentage of Volunteers who report sharing their experiences with family, friends, and the American public	N/A	N/A	Monitored	99%	N/A
3.1.2.a	Number of returned Peace Corps Volunteers participating in agency-initiated activities	Yes	Yes	8,600	18,792	Yes
3.1.2.b	Number of schools impacted by the activities of returned Peace Corps Volunteers	No	Yes	650	920	Yes

Performance Goal 3.1.1: Volunteers share their in-country experiences with family, friends, and the American public

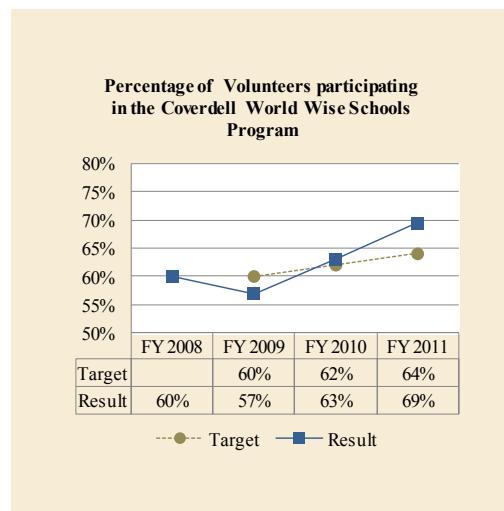
Indicator 3.1.1.a: Percentage of Volunteers participating in the Coverdell World Wise Schools Program

FY 2011 Target	Result	Target Met
64%	69%	Yes

Rationale: The Coverdell World Wise Schools Program provides opportunities for American youth and teachers to learn about the customs and cultures of different countries through the experiences of Volunteers.

Discussion of Result: *The target was met.* The Coverdell World Wise Schools Program connects currently serving Volunteers with American classrooms through the Correspondence Match Program. This program also

develops cross-cultural educational curriculum for classroom teachers to facilitate interaction between currently-serving Volunteers and students. To encourage Volunteer participation in the program in FY 2011, the agency developed an incentive program with overseas posts. The posts with the highest percentage of Volunteer participation in the program were formally recognized and were provided with special Peace Corps promotional materials. The agency also increased publicity about the program through a monthly newsletter, *Peace Corps Update*, which promotes all Goal Three and career/education initiatives to current and returned Peace Corps Volunteers. These new initiatives increased participation in the program, enabling the agency to exceed the performance target for a second consecutive year.



Strengthening Future Performance: The measurement of this indicator will be improved beginning in FY 2012. Currently, the agency defines “participation” as Volunteer enrollment in the program. Moving forward, the agency will measure “active participation.” This shift will allow the indicator to measure the achievement of an outcome, rather than an output.

Data Source: Peace Corps Enterprise Database

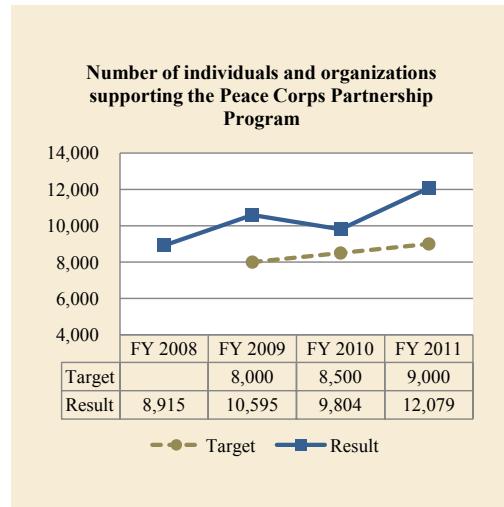
Indicator 3.1.1.b: Number of individuals and organizations supporting the Peace Corps Partnership Program

FY 2011 Target	Result	Target Met
9,000	12,079	Yes

Rationale: Individuals and organizations donating to a community-driven, Volunteer-developed Peace Corps Partnership Program project learn about host country communities and the issues they face. Donors build an understanding of different cultures and global development issues.

Discussion of Result: *The target was met.* The Peace Corps Partnership Program connects donors in the United States with Volunteers and their host communities overseas. Donors contribute to various types of projects initiated by communities and supported by Volunteers across the world. In FY 2011, 12,079 donors to the program made 12,730 donations for a total of over \$2.14 million. Notably, the number of Volunteer projects submitted under the Peace Corps Partnership Program increased from 670 in FY 2010 to 822 in FY 2011.

The 50th anniversary of Peace Corps provided a unique opportunity to introduce the Peace Corps Partnership Program to new audiences and expand the donor base. While the current economic climate presents fundraising challenges for many



organizations, the agency expects to continue maintaining and expanding its donor base in the coming years due to the unique giving and cross-cultural opportunity offered by the program.

Strengthening Future Performance: Due to the high level of performance over the last three years, the agency will increase the targets for future years to further drive performance. In addition, the agency is developing an industry-standard customer relationship management tool to more effectively and efficiently track donors and engage in targeted outreach. The tool will be operational in FY 2012.

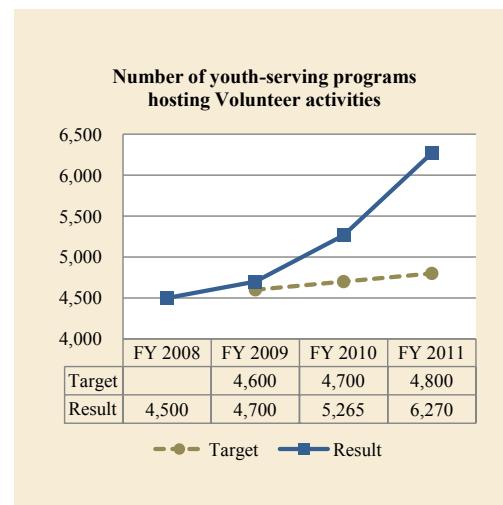
Data Source: Peace Corps Enterprise Database

Indicator 3.1.1.c: Number of youth-serving programs hosting Volunteer activities

FY 2011 Target	Result	Target Met
4,800	6,270	Yes

Rationale: Youth-serving programs that host Volunteer activities expose American youth to other cultures through correspondence with Volunteers. Through this introduction to other cultures, American youth become interested in global affairs and learning more about people from different countries.

Discussion of Result: *The target was met.* Youth-serving programs, including schools, host Volunteer activities through the Coverdell World Wise Schools Program. In FY 2011, the agency increased the visibility of the program with teachers and schools by attending 13 professional educator conferences, including local school districts and content-specialized associations. Further, the agency continued developing rich and authentic cross-cultural curriculum for teachers in the program. The curriculum retains teachers in the program by providing them with free, accessible materials that offer innovative methods for teaching students about the world throughout the school year.



Strengthening Future Performance: Through consistent performance improvement from FY 2009-2011, the optimal level of performance for this indicator has been reached. As a result, this indicator will not be measured in future years. Performance improvement in the Coverdell World Wise Schools Program is assured through the addition of a more rigorous indicator measuring the “active” participation of Volunteers in that program (see 3.1.1.a) in the Annual Performance Plan.

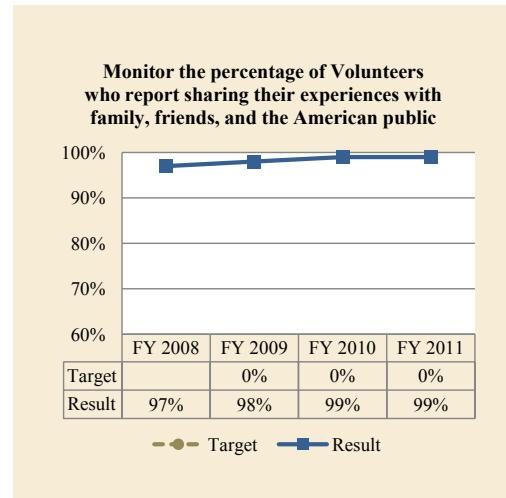
Data Source: Peace Corps Enterprise Database

Indicator 3.1.1.d: Monitor the percentage of Volunteers who report sharing their experiences with family, friends, and the American public

FY 2011 Target	Result	Target Met
N/A	99%	N/A

Rationale: Family, friends, and the American public are exposed to different countries and cultures when Volunteers share their experiences. As a result, Americans build a better understanding of other people.

Discussion of Result: *Currently, the agency monitors this indicator but does not set a target.* At the beginning of the strategic plan, many forms of social media now available were relatively new and not formally endorsed by the agency. With increasing connectivity across the world, Volunteers are able to share their experiences more readily, utilizing a variety of new social media technologies. Eighty-eight percent of Volunteers shared their experience through electronic updates, and more than 53 percent of Volunteers educated Americans at home about life in their host countries through personal websites or blogs. In addition, six of every ten Volunteers shared their experiences and understanding of their host countries by hosting American visitors in their host community or host country.



Strengthening Future Performance: To encourage high achievement, specific performance targets will be set for future years. As Peace Corps continues to strengthen its social media presence, future reporting will also include Volunteer outreach through social media.

Data Source: Annual Volunteer Survey

Performance Goal 3.1.2: Increase returned Peace Corps Volunteers' cultural outreach to the American public through Peace Corps programs

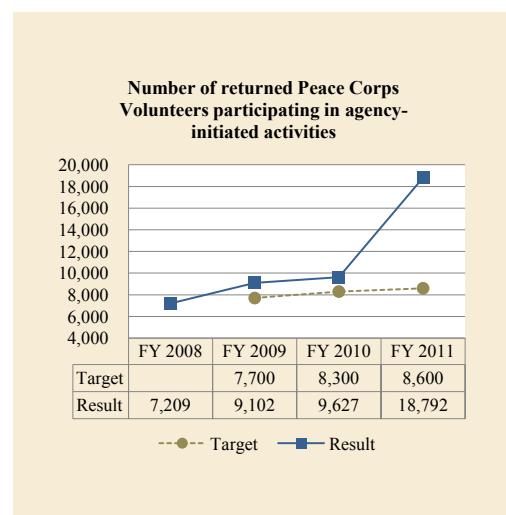
Indicator 3.1.2.a: Number of returned Peace Corps Volunteers participating in agency-initiated activities

FY 2011 Target	Result	Target Met
8,600	18,792	Yes

Rationale: When returned Peace Corps Volunteers participate in agency-initiated activities, they share their Peace Corps experiences with the American public, increasing awareness of other cultures and global issues.

Discussion of Result: *The target was met.* Returned Volunteers are energetic promoters of Peace Corps' mission. The agency provides numerous opportunities for returned Volunteers to share their experiences, including online resources (<http://www.peacecorps.gov/index.cfm?shell=resources.returned>).

In FY 2011, Peace Corps' 50th anniversary galvanized the returned Volunteer community across the world, resulting in a



high level of participation in agency-initiated activities. The highlight was the 2011 Smithsonian Folklife Festival on the National Mall in Washington, D.C. which featured Peace Corps and drew an estimated one million participants, many of whom were returned Volunteers. Several other 50th anniversary events were organized by the National Peace Corps Association and by the agency domestically and abroad and featured returned Volunteers sharing their stories with the public. A recent returned Volunteer shared with participants in the International Visitors Leadership Program that social media has allowed Volunteers to stay in touch more frequently and to sustain longer-term relationships now with their community partners than previous Volunteers.

The newly-initiated online newsletter, *Peace Corps Update*, is emailed monthly to returned Volunteers and many articles feature ways they can become involved in outreach activities. In addition, the agency hosted eight regional conferences for returned Volunteers, providing tools to utilize in sharing their experiences with the public. Returned Volunteers also spoke in classrooms and to youth organizations and participated in Peace Corps recruitment events across the country. This allowed them to share their experiences with students, teachers, and Americans interested in serving as Volunteers.

Strengthening Future Performance: Due to the high level of performance from FY 2009-2011, the agency will increase the targets for this indicator to encourage even greater participation from returned Volunteers.

Data Source: Peace Corps Enterprise Database

Indicator 3.1.2.b: Number of schools impacted by the activities of returned Peace Corps Volunteers

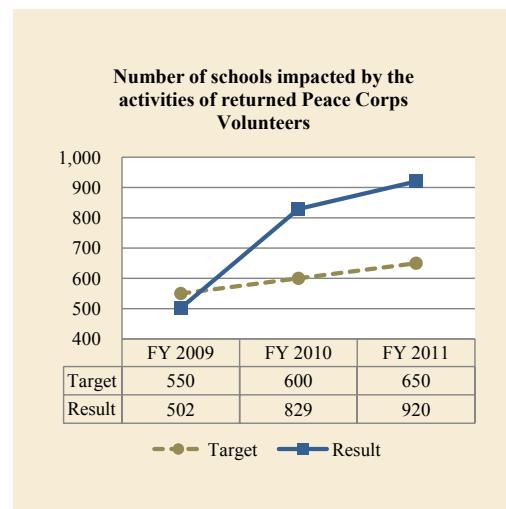
FY 2011 Target	Result	Target Met
650	920	Yes

Rationale: Through Peace Corps programs, youth, students, and faculty are exposed to different cultures and build a better understanding of global issues and other cultures.

Discussion of Result: *The target was met.* Returned Volunteers share their experiences with K-12 schools, colleges, and universities through the Coverdell World Wise Schools Speakers Match Program and the Coverdell Fellows Program.

In FY 2011, outreach to educators through professional conferences and the development of cross-cultural curriculum increased the number of schools participating in the Speakers Match Program, while fostering the active engagement of existing partners.

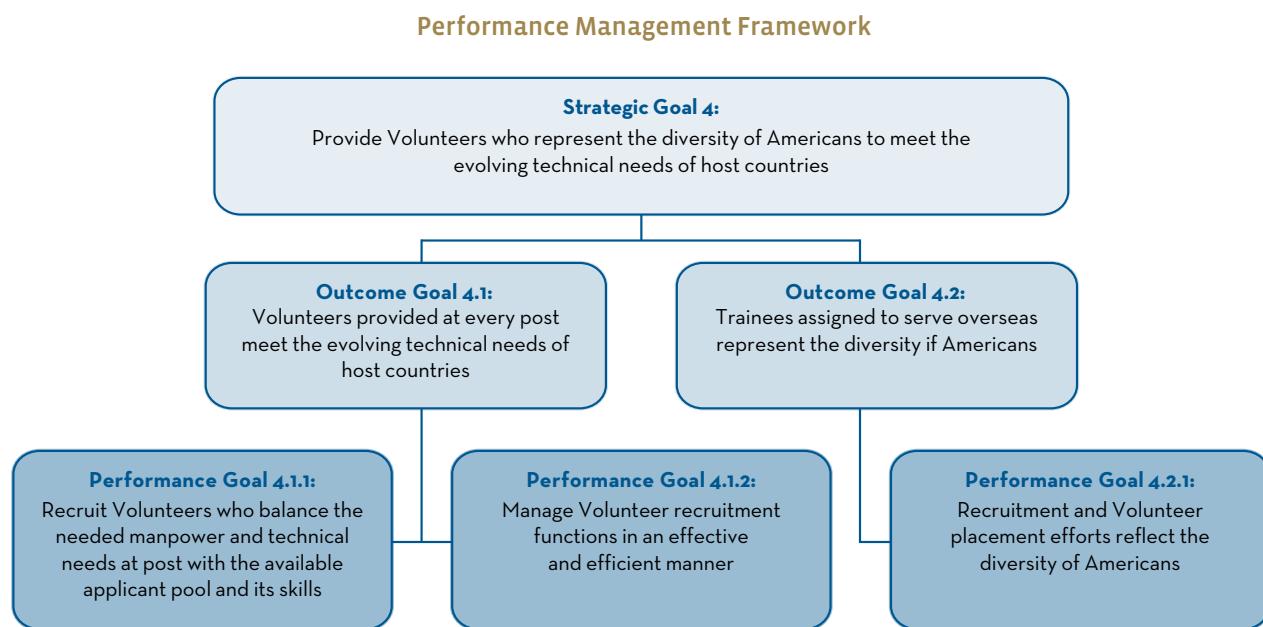
The Coverdell Fellows Program is a graduate fellowship program that offers financial assistance to returned Volunteers. Through the program, returned Volunteers earn a graduate degree while completing an internship in an underserved American community. In the process, they share their Peace Corps experience with their colleagues and friends. In FY 2011, the agency approached several prospective partners and increased the number of Coverdell Fellows Program graduate schools from 55 to 72.



Strengthening Future Performance: The agency will continue outreach to schools to encourage participation in the Speakers Match and Coverdell Fellows programs. Further, the agency will broaden the indicator definition to include the number of “educational institutions” where returned Volunteers engage in Third Goal activities to better capture the breadth of youth-serving and educational institutions where returned Volunteers share their experiences.

Data Source: Peace Corps Enterprise Database

Strategic Goal 4: Provide Volunteers who represent the diversity of Americans to meet the evolving technical needs of host countries



Performance Summary:

In FY 2011, the expansion and contraction of the Peace Corps in response to varying funding levels caused volatility in the Volunteer Delivery System (VDS), the agency’s system for requesting, recruiting, and selecting Volunteers. The systems that had been developed to respond to growing requests for Volunteers in FY 2010 and early FY 2011 were adjusted later in the year in response to a reduction in anticipated resources. The agency was able to provide Volunteers to posts that met their technical needs and reflected the diversity of Americans; however, the changes in the numbers of Volunteers requested caused high levels of inefficiency in the VDS.

Outcome Goal 4.1: Volunteers provided at every post meet the evolving technical needs of host countries

Progress was made in redesigning the VDS in order to improve its effectiveness and efficiency in the future. The new VDS includes the Database of Volunteer Experience (DOVE)—a state-of-the-art recruitment management system that will improve communication between Peace Corps and applicants throughout the entire Volunteer lifecycle, reducing the time that applicants must wait to be accepted and assigned to a country. The DOVE system will also enhance the process that posts follow to request Volunteers and that the agency follows to invite

individuals to serve. The expected result is greater transparency and better management of applicant supply and demand—a critical system improvement.

Outcome Goal 4.2: Trainees assigned to serve overseas represent the diversity of Americans

The Peace Corps continues to prioritize the recruitment of under-represented groups to better reflect the face of America. While the recruitment and support of mid-career to age 50 and older applicants have been limited, the agency has made steady progress in attracting applicants from diverse ethnicities.

Performance Indicator Summary

	Performance Indicator	FY 2009 Target Met	FY 2010 Target Met	FY 2011 Target	Result	Target Met
4.1.1.a	Maximize the number of Volunteers serving annually based on available funding and the provision of support to ensure their optimal effectiveness	Yes	Yes	8,100	9,095	Yes
4.1.1.b	Number of trainees and skills sought annually are met	Yes	Yes	95%	96%	Yes
4.1.2.a	Redesign the Volunteer Delivery System and implement recommendations to improve its effectiveness	Yes	No	100%	N/A	No
4.1.2.b	Reduce the response time to applicants	No	No	80 days	172 days	No
4.2.1.a	Number of mid-career to age 50 and older applicants	Yes	No	1,900	1,361	No
4.2.1.b	Number of applicants of diverse ethnicities	Yes	Yes	2,300	2,912	Yes

Performance Goal 4.1.1: Recruit Volunteers who balance the needed manpower and technical needs at posts with the available applicant pool and its skills

Indicator 4.1.1.a: Maximize the number of Volunteers serving annually based on available funding and the provision of support to ensure their optimal effectiveness

FY 2011 Target	Result	Target Met
8,100	9,095	Yes

Rationale: Host country partners consistently request additional Volunteers to serve in their countries. Maximizing the number of Volunteers serving annually, while considering available funding and the agency's ability to provide quality Volunteer support, allows the Peace Corps to better meet host countries' manpower and technical needs.

Discussion of Result: *The target was met.* At the end of FY 2011, 9,095 Volunteers were serving in posts across the world. Following the recommendations of the growth task force in FY 2010, the agency expanded programs and developed infrastructure to support higher numbers of Volunteers. While the scope of growth was scaled back in

FY 2011 in response to an unanticipated reduction in resources, the increased trainee inputs in FY 2010 and early FY 2011 will continue to produce a high number of Volunteers until they finish their normal tour of service. The agency is committed to providing a high level of support to the historic high number of Volunteers serving around the world.

Strengthening Future Performance: The number of Volunteers serving annually is largely based on Peace Corps' annual appropriation. Given the uncertain budgetary climate, the agency has minimal control over improving performance on this indicator. In the future, additional indicators will be utilized to focus the agency on balancing the needed manpower and technical needs at posts with the available applicant pool. Such indicators will also measure appropriate support to Volunteers, including adequate site selection and preparation, training improvements, and provisions to ensure the health, safety, and security of Volunteers.

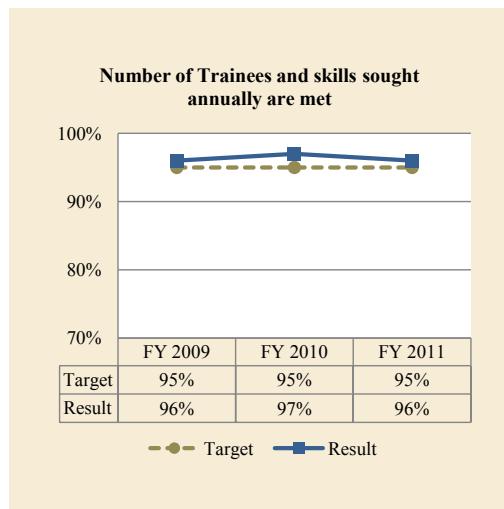
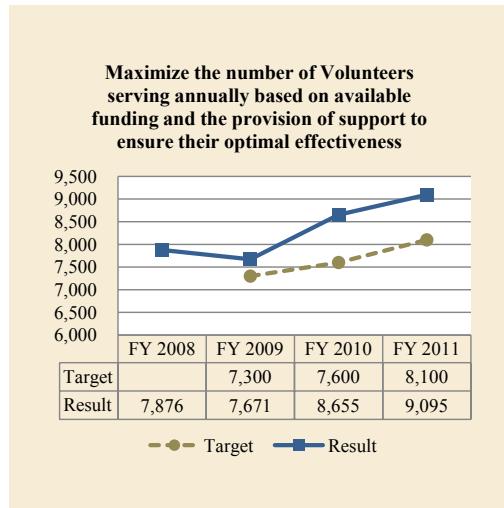
Data Source: Peace Corps Enterprise Database

Indicator 4.1.1.b: Number of Trainees and skills sought annually are met

FY 2011 Target	Result	Target Met
95%	96%	Yes

Rationale: The indicator measures both the quantity and type of trainees provided to overseas posts to ensure their technical needs are met.

Discussion of Result: *The target was met.* The agency responded to an anticipated increase in Peace Corps' budget and an emphasis on quality growth with increased trainee requests in FY 2010 and the beginning of FY 2011. Strategic recruitment campaigns resulted in a high number of qualified applicants for assignments departing for host countries in FY 2011. When trainee requests were reduced in mid- to late-FY 2011 as a result of reduced funding, the supply of applicants for FY 2011 assignments far exceeded the demand for trainees in most assignment areas. The trainees and skills sought by posts were met in this performance year; however, the process of increasing and decreasing trainee requests caused shifts in recruitment campaigns, resulting in a high level of inefficiency in meeting the skill needs of posts. The drop in applications during the second half of FY 2011 was the result of reduced recruitment resources. Unless the trainee request process is normalized through a consistent funding level and recruitment resources are restored, the agency will face challenges in meeting this indicator in future years.



Strengthening Future Performance: This indicator is effective in measuring trainee supply; however, an additional indicator has been developed to set targets for trainee demand. A new indicator for FY 2012 will set trainee demand targets to efficiently and effectively balance trainee supply and demand.

Data Source: Peace Corps Enterprise Database

Performance Goal 4.1.2: Manage Volunteer recruitment functions in an effective and efficient manner

Indicator 4.1.2.a: Redesign the Volunteer Delivery System and implement recommendations to improve its effectiveness

FY 2011 Target	Result	Target Met
100%	N/A	No

Rationale: The indicator measures the implementation of the VDS process recommendations. When the implementation is completed, the efficiency and effectiveness of Volunteer request, recruitment, and selection functions will be improved.

Discussion of Result: *The target was not met.* This indicator prioritizes the redesign of VDS processes and ensures recommendations are implemented. Potential process changes were initially identified in FY 2008 and culminated in the creation of the VDS redesign project—a major change in technology and business processes designed to build a state-of-the-art recruitment and placement management system. As the project moves forward, some initial recommendations for VDS process changes are no longer relevant to the VDS project and the needs of the agency. Therefore, the indicator no longer measures the performance of the project. However, significant progress was made in FY 2011 on the VDS redesign project.

The contract for the redesign of VDS was awarded in the fourth quarter of 2010; in FY 2011, the Peace Corps Response application was developed. The application for Peace Corps Volunteers is currently undergoing user acceptance testing and will be production ready in early FY 2012.

The agency has awarded contracts for organizational implementation and technical training for staff on the operation of the new system.

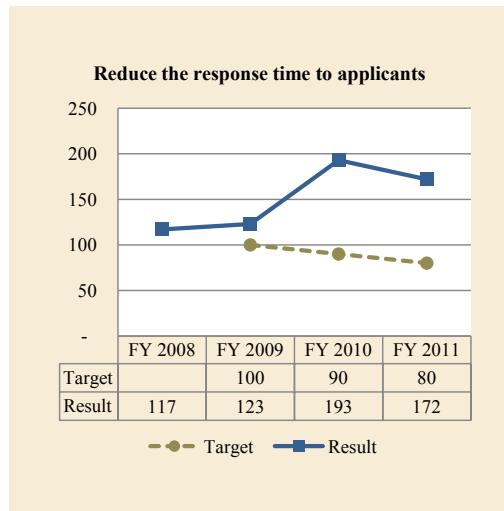
Strengthening Future Performance: As the VDS redesign project nears completion, a new indicator will track the effectiveness and efficiency of Volunteer recruitment functions.

Indicator 4.1.2.b: Reduce the response time to applicants

FY 2011 Target	Result	Target Met
80 days	172 days	No

Rationale: Responding to applicants quickly at all stages of the VDS ensures effectiveness by improving retention of applicants and efficiency by reducing congestion in the system.

Discussion of Result: *The target was not met.* This indicator measures the average number of days applicants wait for disposition from Peace Corps in the recruitment, medical, and placement review process. As noted last year, faulty methodology was used in originally setting the baseline targets for this indicator, resulting in overly aggressive targets based on poor data quality. Thus, the targets have not been met. Agency departments responsible for the recruitment, medical, and placement process set operational targets through improved reporting tools to reduce the response time to applicants. However, mid-year changes in the number of Volunteers requested by posts resulted in applicants waiting longer for their assignments.



Strengthening Future Performance: The baseline for future years will be established using an improved methodology. Additionally, the redesign of VDS through the DOVE project will streamline recruitment, medical, and placement review processes to reduce wait time and improve communication with applicants.

Data Source: Peace Corps Enterprise Database

Performance Goal 4.2.1: Recruitment and Volunteer placement efforts reflect the diversity of Americans

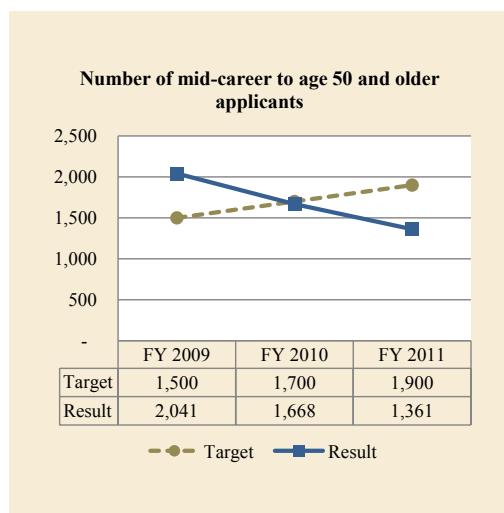
Indicator 4.2.1.a: Number of mid-career to age 50 and older applicants

FY 2011 Target	Result	Target Met
1,900	1,361	No

Rationale: The majority of Peace Corps applicants are recent college graduates with limited professional experience. Increasing applications from mid-career to age 50 and older individuals will provide posts with Volunteers with more professional experience and better represent the diversity of America.

Discussion of Result: *The target was not met.* In FY 2011, 1,361 mid-career to age 50 and older individuals applied for Peace Corps service, 11 percent of all applicants. Mid-career to age 50 and older applicants have different needs than the majority of Peace Corps applicants and require specialized recruitment and retention efforts. At the time this indicator was developed, recruitment of mid-career to age 50 and older individuals was a high priority. A reduction in resources and shifting agency priorities resulted in less attention being devoted to this initiative in FY 2011 than had been the case in previous years.

At the same time, in FY 2011, agency staff members took part in several conferences in order to attract mid-career professionals with specialized skills, including agriculture, forestry, and



Teachers of English to Speakers of Other Languages. The agency also signed a Memorandum of Understanding with AARP and participated in their annual conference in order to increase Peace Corps' exposure to potential applicants age 50 and older.

Strengthening Future Performance: To account for fluctuating application numbers, the measure for this indicator will change to a percentage rather than an absolute number in future reports. This measurement change will provide the agency with more accurate performance data to inform decision making. The agency will also explore additional cost-effective methods for providing the unique support required for mid-career and age 50 and older applicants.

Data Source: Peace Corps Enterprise Database

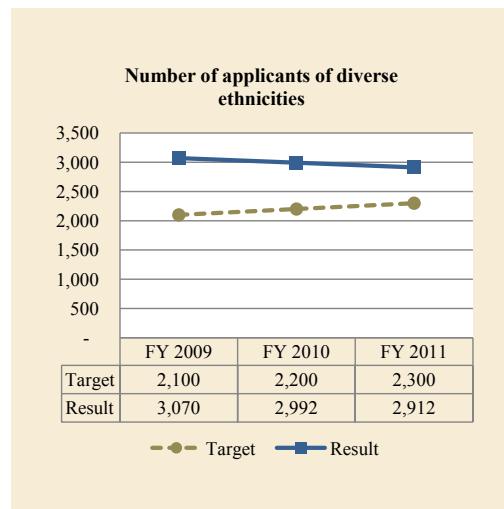
The oldest serving Volunteer at age 86 completed her service in Morocco earlier this year.
Today the oldest serving Volunteer is an 84-year old man serving in Botswana.

Indicator 4.2.1.b: Number of applicants of diverse ethnicities

FY 2011 Target	Result	Target Met
2,300	2,912	Yes

Rationale: When more Volunteers of diverse ethnic backgrounds serve in Peace Corps, the agency more accurately reflects the diversity of America.

Discussion of Result: *The target was met.* The number of applicants of diverse ethnicities applying for Peace Corps service was 2,912—24 percent of all applicants. The agency continues to aggressively recruit individuals of diverse ethnicities. In FY 2011, the agency signed an additional Memorandum of Understanding with a minority educational institution and strengthened relationships with eight existing partners to increase awareness of Peace Corps among diverse populations. The agency also increased Masters International's presence in Historically Black Colleges and Universities and Hispanic Serving Institutions and developed strategic recruitment contracts with these institutions including Morehouse College, Clark-Atlanta University, Spellman College, and Howard University. Diversity recruitment staff members at headquarters and the nine regional recruitment offices continue to develop innovative strategies for recruiting diverse individuals.

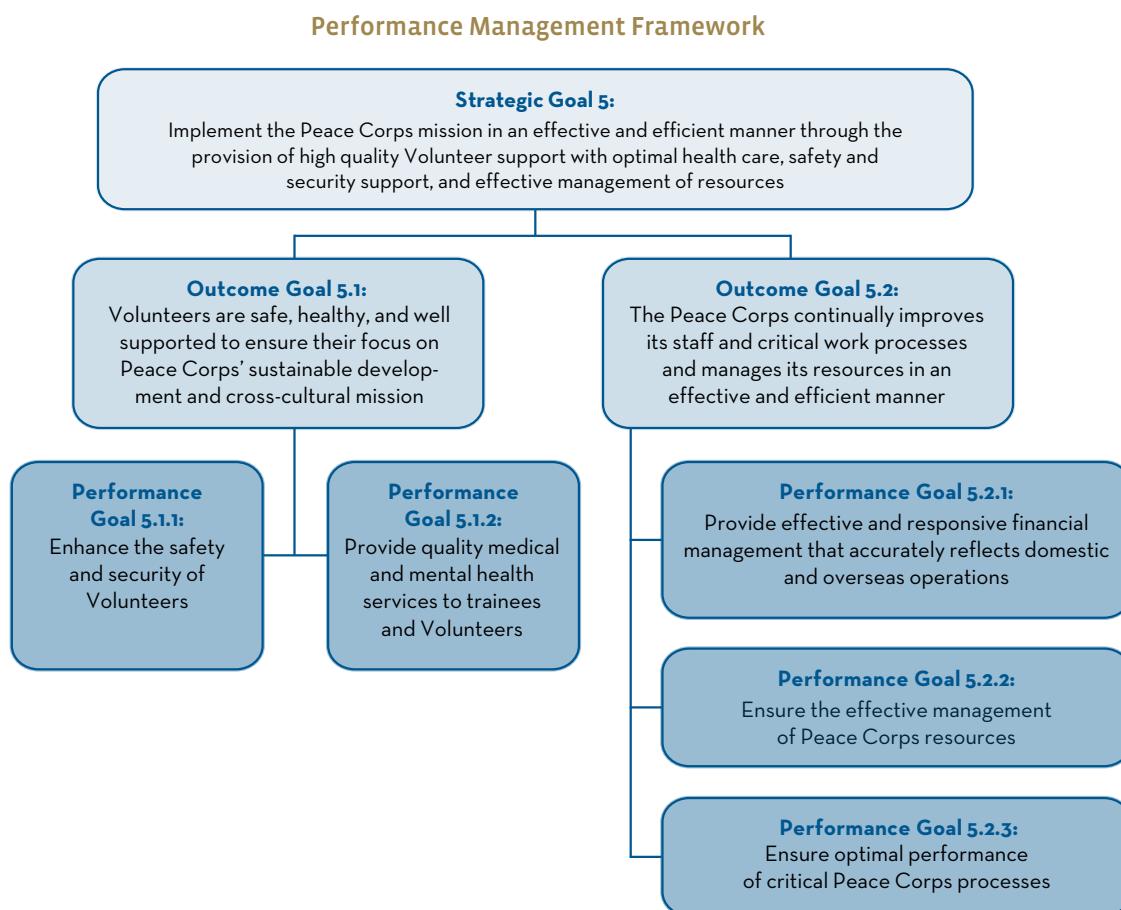


While the target for applicants of diverse ethnicities is consistently met, the retention of diverse applicants from application to Volunteer enter-on-duty remains a challenge and will require a more hands-on approach to communicate and support these applicants.

Strengthening Future Performance: To account for fluctuating application numbers, the measure for this indicator will change to a percentage rather than an absolute number in future reports. To address the challenge of retaining applicants of diverse ethnicities, a new applicant retention indicator will be utilized to set targets for overall retention.

Data Source: Peace Corps Enterprise Database

Strategic Goal 5: Implement the Peace Corps mission in an effective and efficient manner through the provision of high quality Volunteer support with optimal health care, safety and security support, and effective management of resources



Performance Summary:

The agency met the performance indicators for the provision of health care and met almost all of the indicators for management effectiveness. In the area of safety and security, the Peace Corps did not meet several of the performance targets. Nevertheless, the agency took decisive steps to institute critical reforms and new policies and practices to protect Volunteers.

Outcome Goal 5.1: Volunteers are safe, healthy, and well supported to ensure their focus on Peace Corps' sustainable development and cross-cultural mission

The security risks associated with being a Volunteer have changed dramatically since the inception of the Peace Corps and the agency's policies and practices continued to evolve in FY 2011 to adjust to these shifts. The agency has implemented most of the recommendations of the Inspector General for improving Volunteer safety and security. In addition, the agency's guidelines for responding to victims of rape and sexual assault were revised, new training was implemented, and the agency's first Victim Advocate was hired. These reforms reflect the agency's emphasis on a victim-centered approach whenever a Volunteer is a victim of sexual assault or when there are other safety and security incidents.

Significant reforms to the way in which health services are provided to Volunteers continued to be implemented this year. Among other actions, the agency established a health care Quality Assurance Council to oversee the delivery of medical and mental health services to Volunteers.

Outcome Goal 5.2: The Peace Corps continually improves its staff and critical work processes and manages its resources in an effective and efficient manner

This fiscal year the agency implemented several operational reforms recommended by the Comprehensive Agency Assessment. A country portfolio review process was conducted to better inform decisions by headquarters on allocating resources to each post. As a result, key stakeholders collaborated to make informed resource allocation decisions. All the agency's operating units have documented practices in three major areas of resource management.

Performance Indicator Summary

	Performance Indicator	FY 2009 Target Met	FY 2010 Target Met	FY 2011 Target	Result	Target Met
5.1.1.a	Percentage of Volunteers reporting that their safety and security training is adequate or better	Yes	Yes	95%	95%	Yes
5.1.1.b	Percentage of posts having their safety and security plans reviewed annually by Peace Corps safety and security officers	No	Yes	33%	28%	No
5.1.1.c	Percentage of posts that implement critical recommendations focused on Volunteer/trainee safety and security on a timely basis	No	No	100%	79%	No
5.1.1.d	Percentage of Volunteers reporting they feel "usually safe" or "very safe" where they live and work	No	No	90%	79%	No
5.1.2.a	Percentage of Volunteers rating their satisfaction with health care received from Peace Corps medical officers as adequate or better	Yes	Yes	90%	93%	Yes

5.1.2.b	Percentage of Volunteers reporting the emotional support they received from Peace Corps staff as adequate or better	Yes	Yes	80%	80%	Yes
5.1.2.c	Percentage of Volunteers reporting adequate or better support in coping with stress issues such as food insecurity, HIV/AIDS and other stressors in their community	Yes	Yes	70%	74%	Yes
5.2.1.a	Percentage of posts and headquarters offices managing resources within approved budgets and operational plans	No	No	95%	85%	No
5.2.1.b	Percentage of posts and headquarters offices annually reviewing resource management ratios for improvement	No	No	95%	100%	Yes
5.2.2.a	Percentage of post projects engaging host country officials in their formulation and implementation	No	Yes	95%	96%	Yes
5.2.2.b	Percentage of posts and headquarters offices with documented personnel practices that include staff development, performance management, and awards and recognition policies	No	No	90%	100%	Yes
5.2.3.a	Annually review, streamline, and implement improvements to at least one agency critical work process	Yes	Yes	Y/N	Achieved	Yes

Performance Goal 5.1.1: Enhance the safety and security of Volunteers

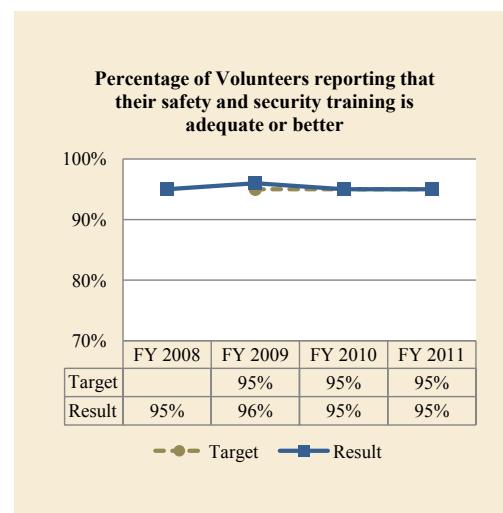
Indicator 5.1.1.a: Percentage of Volunteers reporting that their safety and security training is adequate or better

FY 2011 Target	Result	Target Met
95%	95%	Yes

Rationale: Volunteers' reporting their safety and security training as adequate or better indicates they are aware of cross-cultural issues related to personal safety, in-country risks and ways to mitigate those risks, and reporting procedures should a crime occur.

Discussion of Result: *The target was met.* Over the last three years, Volunteers have indicated high satisfaction with their safety and security training.

In FY 2011, the agency rewrote the training program, making the information more relevant and up-to-date. The new training includes sessions on sexual assault awareness, risk reduction strategies, agency reporting and response protocols,



and bystander intervention. Staff training was completed in 2011 and all incoming Volunteers will receive the new training in 2012.

Strengthening Future Performance: The agency revised this indicator for future performance. In order to ensure the highest quality training in the future, the Peace Corps will measure the percentage of Volunteers who report their safety and security training is effective or very effective, instead of the lesser standard of adequate or better.

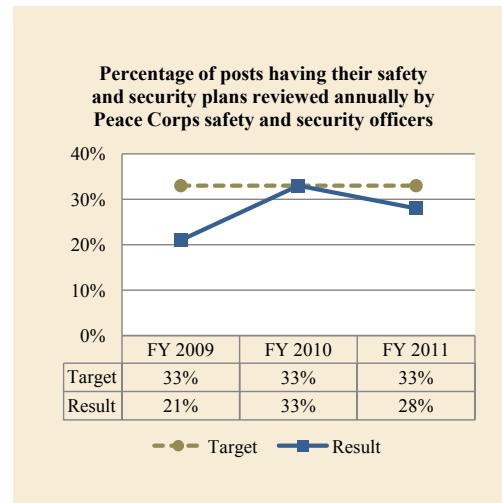
Data Source: Annual Volunteer Survey

Indicator 5.1.1.b: Percentage of posts having their safety and security plans reviewed annually by Peace Corps safety and security officers

FY 2011 Target	Result	Target Met
33%	28%	No

Rationale: Reviewing a post's safety support plan ensures that Peace Corps staff are knowledgeable about the current safety conditions of the country and Peace Corps systems are implemented in accordance with agency policy.

Discussion of Result: *The target was not met.* Regional Peace Corps safety and security officers reviewed the safety and security plans at 19 posts in FY 2011, representing 28 percent of posts. Agency policy describes the basic components of the Volunteer safety support system that each overseas post is required to maintain including: site selection, preparation and monitoring; incident management; training; and emergency planning and communication. The complete review of a post's plan involves multiple activities, not all of which can be completed in a single visit. Some posts only received a partial review of their safety and security plans; as a result, the indicator was not met. However, final review activities are scheduled for FY 2012 to complete the reviews.



Strengthening Future Performance: A revised indicator will measure the entire safety and security system at a post, rather than just the safety and security plan. By refocusing the indicator on the system, safety and security officers will review a broader scope of post activities and the effectiveness of their implementation related to Volunteer safety.

Data Source: Office of Safety and Security

Indicator 5.1.1.c: Percentage of posts that implement critical recommendations focused on Volunteer/trainee safety and security on a timely basis

FY 2011 Target	Result	Target Met
100%	79%	No

Rationale: Following the review of a post's safety and security systems, it is essential that posts implement the critical recommendations generated from the review in order to protect the Volunteers.

Discussion of Result: *The target was not met.* The review of safety and security plans generated 105 recommendations at 19 posts; 79 percent of posts implemented all of the critical recommendations due this year. Some posts reported that implementation was taking longer than the allotted time due to in-country conditions. In other cases, posts will implement the recommendations once they receive additional funding. In addition, a few posts recently hired safety and security coordinators (the key staff person responsible for implementing the recommendations) to fill vacated positions.

This year Peace Corps recognized methodological errors in the calculation of the data for this indicator in FY 2009 and FY 2010. In FY 2009, the agency reported the percentage of critical recommendations implemented, not the percentage of posts that implemented the critical recommendations. For FY 2010, the agency reported all recommendations, not solely those due in FY 2010.

As a result, the agency revised the percentages reported in FY 2009 and 2010. In FY 2009, 65 percent of posts implemented the critical recommendations due that fiscal year. In FY 2010, 59 percent of posts implemented the critical recommendations due that fiscal year.

Strengthening Future Performance: For FY 2012, this indicator has been revised to measure the percentage of all critical recommendations marked for implementation in a specific fiscal year, rather than the percentage of posts implementing them. The timely implementation of critical recommendations is a high priority for the agency.

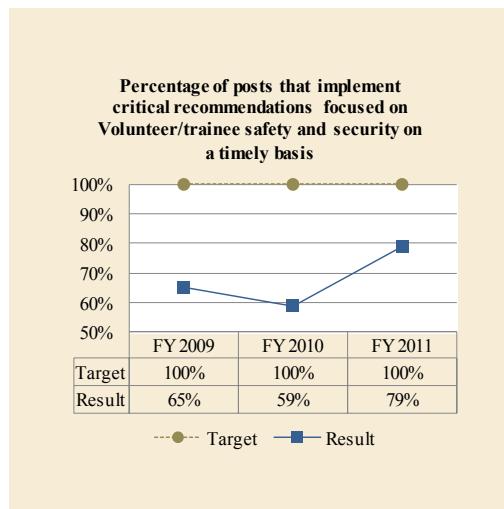
Data Source: Office of Safety and Security and overseas posts

Indicator 5.1.1.d: Percentage of Volunteers reporting they feel “usually safe” or “very safe” where they live and work

FY 2011 Target	Result	Target Met
90%	79%	No

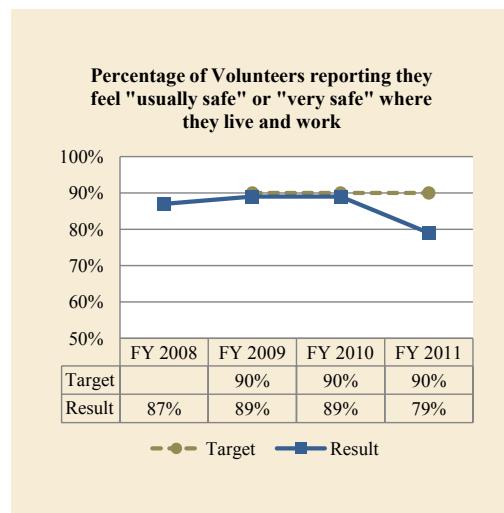
Rationale: Volunteers reporting that they feel safe where they live and work demonstrates appropriate site development, adherence to agency policies, and satisfactory safety and security training.

Discussion of Result: *The target was not met.* Volunteers' sense of personal security remained constant over the past three years, but dropped this year to 79 percent. Volunteers' perception of their own safety at home and work is based on several factors such as site development, safety and security training, the acquisition of language skills, and integration into local communities.



This year the agency made significant improvements in how posts implement these aspects of Volunteer service, such as improved standard operating procedures for many critical elements of safety and security and standardized training for staff and Volunteers.

The agency is responsible for adequately selecting and preparing Volunteer sites to ensure that there is a job, a work counterpart, and a community that wants to work with a Volunteer to promote their development objectives. The agency is also responsible for training Volunteers and equipping them with the skills to enable them to integrate into the community and develop respectful relationships.



However, Volunteer perceptions of personal safety are also based on events outside the control of the Peace Corps. These factors include civil strife within the host country as well as global events and activities in the United States. Throughout the year, significant media attention was given to safety and security concerns within the agency and two Volunteer homicides within the last 30 months. While other Volunteers were not at increased risk due to either of these factors, these events may have increased Volunteers' perception of insecurity. One potentially positive result of the increased public attention to safety and security is that some Volunteers who might otherwise have been complacent about this issue in the past may be more alert to any potential risks.

Strengthening Future Performance: This indicator has been revised to raise the performance level. The indicator will measure the percentage of Volunteers who report they feel "more than adequately safe" or "very safe" where they live and work.

Data Source: Annual Volunteer Survey

Performance Goal 5.1.2: Provide quality medical and mental health services to trainees and Volunteers

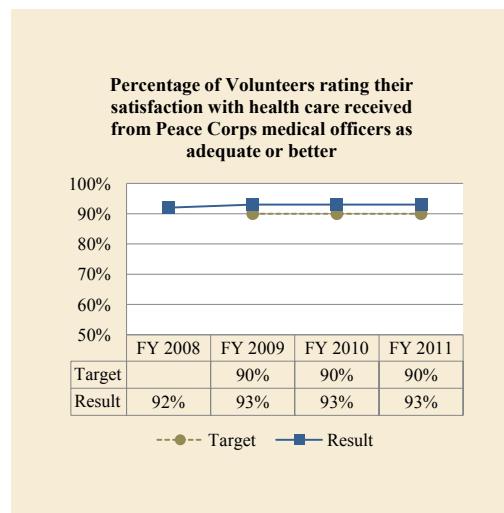
Indicator 5.1.2.a: Percentage of Volunteers rating their satisfaction with health care received from Peace Corps medical officers as adequate or better

FY 2011 Target	Result	Target Met
90%	93%	Yes

Rationale: Volunteers reporting on their satisfaction with the health care they receive from Peace Corps medical officers is one important measure of the quality of medical and mental health care being provided by the Peace Corps.

Discussion of Result: *The target was met.* Peace Corps medical officers are the primary caregivers of medical and mental health services to Volunteers. The high level of Volunteer satisfaction with medical officers is a result of the agency's sustained focus on maintaining an up-to-date high quality of medical services. The agency implemented several strategies in FY 2011 to enhance Volunteer medical support, including:

- Establishment of the health care Quality Assurance Council comprised of agency leaders and co-chaired by the Director and Deputy Director
- Improvement in the hiring, training, and evaluation process for medical officers
- Enhanced clinical oversight of medical officers
- Implementation of an email box so Volunteers can email quality improvement nurses based at Peace Corps headquarters if they have concerns with their health care. Concerns are investigated and steps are taken to resolve issues.
- Completion of cost-benefit analyses to determine the most effective methods to deliver health care to Volunteers



Each agency unit responsible for providing health care support to Volunteers is held accountable by performance indicators designed to improve health care delivery. Progress is reviewed at monthly meetings and actions are identified to address the issues.

Strengthening Future Performance: The agency will continue to improve medical and mental health services to trainees and Volunteers under the guidance of the Quality Assurance Council.

Data Source: Annual Volunteer Survey

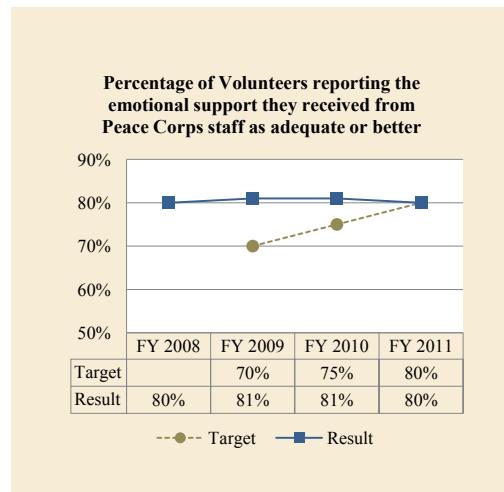
Indicator 5.1.2.b: Percentage of Volunteers reporting the emotional support they received from Peace Corps staff as adequate or better

FY 2011 Target	Result	Target Met
80%	80%	Yes

Rationale: A high level of satisfaction indicates quality mental health services are being provided to Volunteers.

Discussion of Result: *The target was met.* All agency staff members are responsible for providing emotional support to Volunteers, including country directors, program managers, and medical officers. Volunteers consistently rate the emotional support received from staff as adequate or better. The agency continues to drive performance in this area by improving the curriculum for staff training. Medical officers are trained through continuing medical education sessions and medical overseas staff training on how to work with and provide support for Volunteers from diverse backgrounds and with different personalities.

The agency sends headquarters-based counselors to posts when major events require additional Volunteer support. Specialized



The Department of State's International Visitors Leaders Program partnered with the Peace Corps in September 2011 to honor outstanding participants from 51 Peace Corps countries by inviting those 51 outstanding leaders to the United States and Peace Corps Headquarters.

support is provided by the agency's Victim Advocate, a new position created in FY 2011 to support Volunteers who are victims of crime.

Volunteers also provide emotional support for their peers through agency-initiated peer support networks.

Strengthening Future Performance: In FY 2012, training on providing emotional support to Volunteers will be expanded to country directors, program managers, and other key staff at post.

Data Source: Annual Volunteer Survey

Indicator 5.1.2.C: Percentage of Volunteers reporting adequate or better support in coping with stress issues such as food insecurity, HIV/AIDS and other stressors in their community

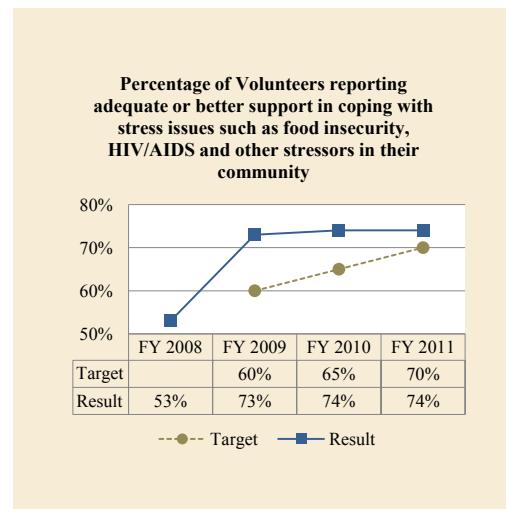
FY 2011 Target	Result	Target Met
70%	74%	Yes

Rationale: Peace Corps Volunteers reporting they receive support in coping with the stresses encountered during Peace Corps service indicates that Peace Corps staff is providing quality medical and mental health care.

Discussion of Result: *The target was met.* Volunteers encounter several stressors while living and working in their communities. The agency has met this indicator for the last few years by providing direct support to Volunteers having difficulty dealing with stressors. This role is fulfilled by medical officers and counseling staff and by training Volunteers on appropriate coping mechanisms at pre-service and in-service trainings.

The agency has improved the direct support it provides by:

- Locating accredited mental health consultants in host countries to provide direct counseling support in the field
- Including more sexual assault content in medical officer continuing medical education sessions
- Improving the site evaluation process by properly screening a site for major stressors and preparing the community for the joint responsibilities of hosting a Volunteer
- Identifying countries where individuals with mental health conditions can be best supported by analyzing the stressors and the support and facilities available in each country



Strengthening Future Performance: For future performance, this indicator will capture Volunteer responses regarding coping with a larger group of stressors, including the stress of living and working in their communities.

Stressors like working with counterparts and harassment consistently rank higher than food insecurity and HIV/AIDS stress. Expanding the indicator to include all stress associated with the Volunteer experience will provide a more robust view of the support provided by the agency. The Annual Volunteer Survey also provides responses on individual stressors.

Data Source: Annual Volunteer Survey

Performance Goal 5.2.1: Provide effective and responsive financial management that accurately reflects domestic and overseas operations

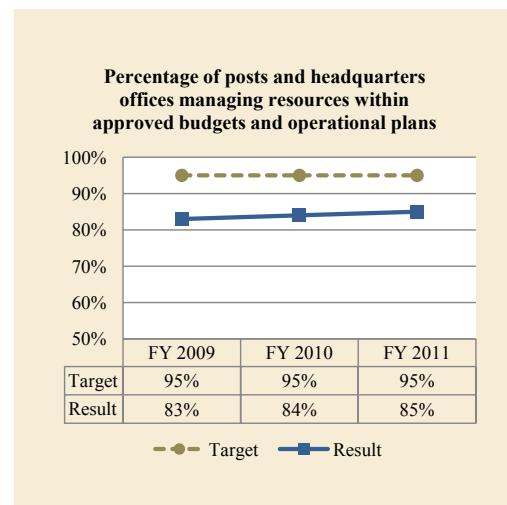
Indicator 5.2.1.a: Percentage of posts and headquarters offices managing resources within approved budgets and operational plans

FY 2011 Target	Result	Target Met
95%	85%	No

Rationale: By managing financial resources within approved budgets and operational plans, the Peace Corps demonstrates effective financial management.

Discussion of Result: *The target was not met.* In FY 2011, the agency did not initially anticipate as constrained a fiscal environment as it experienced once the final appropriation passed. At that point, agency leadership worked with headquarters offices and posts to adjust their operating plans accordingly. The agency was ultimately appropriated a budget that was almost \$26 million lower than FY 2010, a dramatic shift from the prior fiscal year's increase of \$60 million. Additionally, FY 2011 funds were appropriated seven months into the fiscal year, requiring posts and offices to again adjust their operating plans within the remaining five-month timeframe.

Strengthening Future Performance: Agency leadership will work with regions, posts, and domestic offices to identify planned reductions or additions to the appropriated budget as early in the fiscal year as possible, thereby mitigating fluctuating adjustments to operating plans.



Data Source: Peace Corps Enterprise Database

Indicator 5.2.1.b: Percentage of posts and headquarters offices annually reviewing resource management ratios for improvement

FY 2011 Target	Result	Target Met
95%	100%	Yes

Rationale: Annual reviews of resource management ratios demonstrate a focus on effective and accurate financial management.

Discussion of Result: *The target was met.* The indicator has been fully implemented. Resource management ratios for each post and headquarters office have been built into the agency's new financial resource management software. Development and review of the management resource ratios are now standard operating procedure through the financial management software.

Strengthening Future Performance: In light of this achievement, the agency will no longer measure this indicator. A new indicator will measure the degree to which the tasks and activities funded by the agency are those that support achievement of the agency's mission through the Integrated Planning and Budget System.

Data Source: Peace Corps Enterprise Database

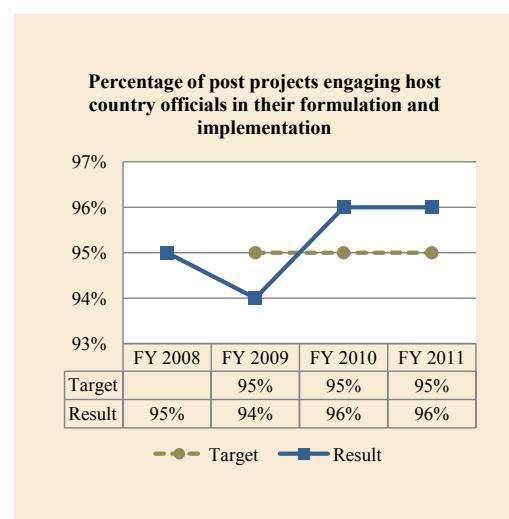
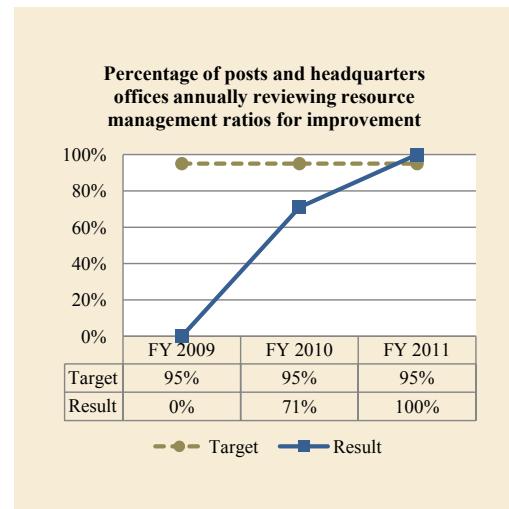
Performance Goal 5.2.2: Ensure the effective management of Peace Corps resources

Indicator 5.2.2.a: Percentage of post projects engaging host country officials in their formulation and implementation

FY 2011 Target	Result	Target Met
95%	96%	Yes

Rationale: Host country participation in the project design and implementation demonstrates a committed partnership between Peace Corps and the host country to work in areas that most meet the host country needs.

Discussion of Result: *The target was met.* Nearly all posts (96 percent) engaged host country officials in formulating and implementing projects, signifying a strong and continuing collaboration to meet the technical needs of host countries. The agency first establishes this relationship with each host country by signing a Memorandum of Understanding prior to the entry of Volunteers. The most common strategies that posts employed to maintain this collaboration were national-level meetings and Project Advisory Committees, which engage host country partners with post staff and Volunteers to ensure dialogue throughout the life of a project. Several posts also held local or regional meetings in order to collect cross-sectional input, understand competing interests, and gain insight into the unique needs of different communities.



Strengthening Future Performance: Due to consistently high performance in this area, this indicator will be replaced with a new indicator to focus on improving performance in the area of resource allocation. The management of financial and Volunteer resource allocations through a standardized country portfolio review process will contribute to ever more effective and better informed management of the agency's limited resources.

Data Source: Overseas posts

Indicator 5.2.2.b: Percentage of posts and headquarters offices with documented personnel practices that include staff development, performance management, and awards and recognition policies

FY 2011 Target	Result	Target Met
90%	100%	Yes

Rationale: The documentation of staff development policies, awards and recognition policies, and transparent personnel practices for post and headquarters staff demonstrate the agency's ability to effectively manage its human capital.

Discussion of Result: *The target was met.* A significant achievement was reached this year as all operating units are now covered by standardized personnel practices.

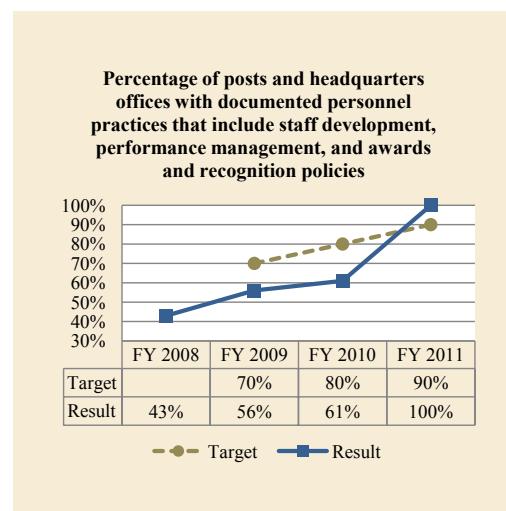
The dramatic increase in performance on this indicator is due to the development of the *Overseas Staff Handbook*, which established personnel standards for all staff working at posts. This key achievement is the result of a concerted effort that began in the Strategic Plan Quarterly Performance Reviews and led to an important collaboration between Global Operations and Management Offices.

The agency also revised the policy on the incentive awards program. The policy details the agency's program for providing monetary awards to high-performing employees.

All of the agency's operating units now have documented practices in three major areas of human resource management: staff development, performance management, and awards and recognition policies.

Strengthening Future Performance: Due to the significant progress achieved during FY 2011 in clarifying personnel policy for all headquarters and overseas staff, the agency will raise the performance level for this indicator. The new indicator will shift the agency's focus from having written personnel policies to measuring the degree to which the policies are put into practice. The selected benchmarks for this indicator will center on transparent staffing policies and procedures, including new employee orientation at both the agency and post levels, and mid-year and annual employee performance reviews for all post and headquarters staff.

Data Source: Headquarters offices



Performance Goal 5.2.3: Ensure the optimal performance of critical Peace Corps processes

Indicator 5.2.3.a: Annually review, streamline, and implement improvements to at least one agency critical work process

FY 2011 Target	Result	Target Met
One critical process	Achieved	Yes

Rationale: An annual review and improvement of a mission critical work process indicates that the agency regularly monitors itself to ensure optimal performance.

Discussion of Result: *The target was met.* The agency's annual Integrated Planning and Budgeting System (IPBS) was redesigned as part of a performance improvement initiative undertaken in FY 2011. The IPBS process is the agency's primary program and resource management planning mechanism. In response to post feedback and findings from the Comprehensive Agency Assessment, the agency redesigned the guidance that instructs headquarters offices and posts to strategically plan future operations and allocate resources based on current budget realities and agency initiatives.

In FY 2011, the agency issued its first IPBS pre-guidance to posts, which provided tools and suggested data sources for developing an IPBS submission. The revised guidance was more strategic in nature, sharpening the focus on critically analyzing and considering financial and programmatic improvements to post operations. The guidance to headquarters office was also redesigned. Each Peace Corps' operating unit developed a strategic plan and logical framework model to construct its office's three-year vision and to guide work activities. Finally, the IPBS review and feedback process was formalized to ensure transparency and interactivity among all stakeholders.

Overall, the redesign of the IPBS process solidified the agency's commitment to improving its programs by creating a mechanism for assessing effectiveness and efficiency at the post and office level. The process improvement allows the agency to carry out its planning and budget functions in a more strategic and participatory manner that stresses accountability at all levels.

Strengthening Future Performance: To strengthen the monitoring of this indicator in future years, the mission-critical process will be chosen prior to the completion of the Strategic Plan Quarterly Performance Review in the first quarter of the fiscal year. Offices identified as responsible entities will be responsible for the fiscal year scope of work and for reporting on its review and implementation progress.

Data Source: Office of Strategic Information, Research and Planning



Program Evaluation

Introduction

Evaluating Volunteer impact abroad and at home is a high priority for the agency. In FY 2011, the Peace Corps conducted evaluations at a variety of levels within the agency. The specific purposes of these evaluations varied, but they were similar in that they were designed to encourage data-driven decision making and the dissemination of best practices.

In FY 2011, the agency conducted the following evaluations:

- Annual Country Portfolio Review
- Annual Volunteer Survey
- Host Country Impact Studies
- Headquarters and Post Program Evaluations
- Program Evaluations by Office of Inspector General

Annual Country Portfolio Review

The Peace Corps completed an inaugural Country Portfolio Review in the first quarter of FY 2011. The agency used the review to inform decisions about country phase-outs, as well as the allocation of Volunteers among regions and within each region. Data were collected in areas such as country needs, safety and security, and host country commitment and engagement.

The Country Portfolio Review responds to a recommendation in the FY 2010 Comprehensive Agency Assessment to “Target resources and country presence across countries according to specific country selection criteria to maximize grassroots development impact and strengthen relationships with the developing world.” The assessment recommended that the portfolio review take place prior to the start of the annual planning and budgeting cycle and be used to inform, in one integrated process, decisions on potential new country entries, possible country phase-outs, as well as the allocation of Volunteers.

This annual review has now been integrated into Peace Corps’ standard operating procedures. The agency’s Annual Performance Plan for FY 2012 includes a performance indicator linked to the review.

Annual Volunteer Survey

The Annual Volunteer Survey (AVS) is the agency’s primary vehicle for ensuring that the voice of the Volunteer is heard at headquarters. The results help the agency assess progress toward its goals and identify needed improvements. The global response rate for the FY 2011 survey was a historically high 86 percent.

The AVS asks Volunteers to assess the impact of their work; the effectiveness of their Peace Corps’ training, in-country staff support, and their personal health and safety; and their overall satisfaction with their Volunteer service. In FY 2011, the AVS included an expanded set of safety and security questions and new questions about the materials and activities that helped prepare Volunteers for service before they left home.

Each year, the results of the survey provide the agency with critical insights into Volunteers' views. Analysis of the results is used for multiple purposes, including identifying trends and best practices, as well as successful programs and areas for improvement.

In FY 2011, the agency continued to expand the ways in which the information collected from the survey was disseminated to policymakers, program managers at headquarters and in the field, and to the Volunteers. A series of presentations on the FY 2010 survey findings emphasized the following key components of successful service:

1. Work that meets community needs
2. Well-prepared sites (locations where Volunteers live and work)
3. Productive relationships with host country counterparts
4. Targeted technical and language training
5. Feedback on Volunteers' work reports

Improving these components of service supports the findings of the Comprehensive Agency Assessment as steps for strengthening Goal One.

Findings

Most Volunteers confirmed that their overall Peace Corps service was personally rewarding and that their training and support helped prepare them to stay safe, healthy, and actively engaged in their primary assignment and secondary project activities. Findings on key variables follow:

Overall Volunteer Satisfaction

- 72 percent of the Volunteers expressed overall satisfaction with their Peace Corps service.
- 68 percent of the Volunteers found their experiences with host country individuals to be very rewarding.

Meeting the Challenges of Peace Corps Service

- Almost all (97 percent) of the Volunteers reported that they were adequately or better prepared to meet the challenges of Peace Corps Service.
- More than half (58 percent) of the Volunteers felt very integrated into their communities.
- About one in five Volunteers mentioned considerable stress as a result of the challenges associated with their primary assignments, their work with their host country counterparts/community partners, and the isolation/loneliness at their sites.

Actions Taken

Posts used the AVS results to identify needed program improvements, inform their annual planning process, and initiate a dialogue with Volunteers about how to ensure that Volunteers have a productive and rewarding service experience.

Based on AVS trends over time, the Peace Corps developed a new performance indicator on Volunteers' satisfaction with staff support for site selection and preparation in order to better monitor Volunteer feedback on whether the people in their community are prepared for and committed to working with Volunteers.

Host Country Impact Studies

In FY 2011, the Peace Corps continued the series of Host Country Impact Studies initiated in FY 2008. These country-specific impact evaluations measure how effectively Volunteers' activities are meeting two of the agency's three goals: Goal One –“To help the people of interested countries in meeting their need for trained men and women,” and Goal Two –“To help promote a better understanding of Americans on the part of the peoples served.”

The evaluations provide agency managers with an independent assessment of Peace Corps' programs. The studies are conducted by teams of host-country researchers who interview local counterparts, host families, and beneficiaries who lived and worked with Volunteers. The interviewers ask host country individuals for their views on the changes that have occurred within their communities as a result of the work of Volunteers, as well as the degree to which local needs were met and changes were sustained. They also ask about host country individuals' changes in opinion about Americans. This approach ensures that the information about the impact of Volunteers' work is gathered from the most direct source: the individuals who worked and/or lived with Volunteers.

Peace Corps' cutting-edge program of Host Country Impact Studies is significantly enhancing the agency's capacity to document its results for Goals One and Two. In just a short time, the impact studies have become an important tool that enhances the decision-making process used to allocate Volunteers and other resources within countries and they provide information from a previously untapped source to help make decisions. The impact evaluations have led to change in post administration of Volunteer training and program design.

Findings

The FY 2011 study in Cape Verde was completed. Additional FY 2011 studies in Ghana, El Salvador, and Paraguay are underway and will be finalized in FY 2012. In addition, six studies that started last year were completed in FY 2011 (Botswana, Fiji, Peru, the Philippines, Thailand, and Togo).

A total of 3,083 local stakeholders have been interviewed since the studies were first launched, including 1,606 host country individuals in the seven countries in which studies were completed during FY 2011. The studies confirm that those closest to Peace Corps' work—local community members—believe Volunteers are accomplishing Goal One of the agency.

Volunteers strengthened host country individuals' technical capacity, according to 86 percent of the individuals interviewed in FY 2011. Seventy-seven percent of the host country respondents said they use new skills learned from the Volunteers daily or weekly in their work; 83 percent use the new skills daily or weekly in their personal lives.

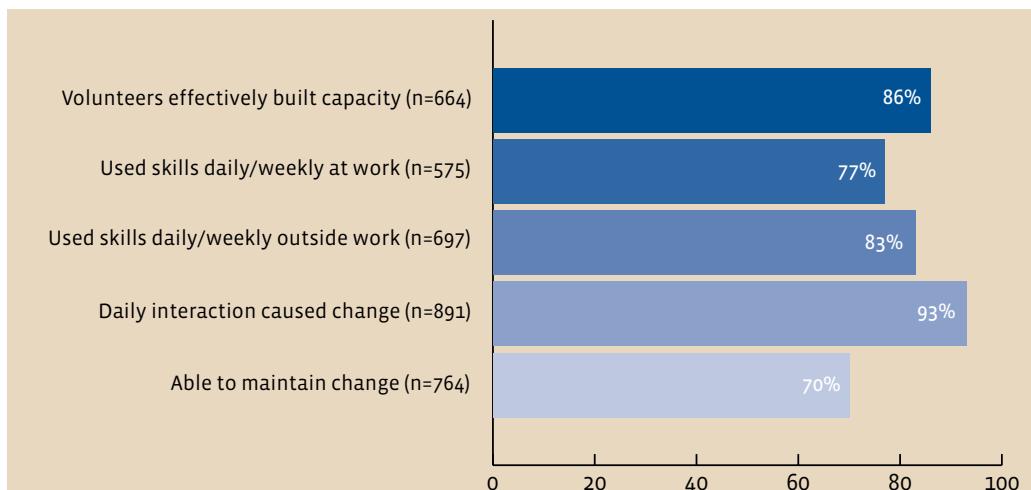
Ninety-three percent attributed the positive changes and new skills capacity building to their daily interaction with the Volunteer and reported the changes were largely-to-completely sustained after the Volunteers left (70

percent). Ninety-three percent were satisfied with the Volunteers' work and overwhelmingly want to work with a Volunteer again (97 percent).

Teachers in the Philippines basic education program studied this year described the impact of working with Volunteers. The teachers had access to more classroom resources (96 percent), such as books and teaching aids, and witnessed increased confidence and greater competence in their students' English speaking skills (96 percent). Volunteers introduced interactive, student-centered teaching methods and 87 percent of teachers participating in the project adopted these methods.

Teachers reported they are not only using new teaching methods and feeling more confident in their work, but that they have adopted a new set of values in their personal lives, including better time management. Students reported that after working with a Volunteer, they wanted to "become somebody" and felt more motivated to study.

Impact of Volunteers on Goal One Indicators



The studies also demonstrated that Volunteers are accomplishing Goal Two: improving understanding of Americans among the people in the countries where they work. Ninety percent of the people participating in the studies completed in FY 2011 reported gaining a more positive view of Americans after interacting with Volunteers. The sustained interaction between Volunteers and host country nationals led to significant gains in improved understanding (87 percent).

Participants in the Philippines described how their opinions of Americans changed from viewing Americans as powerful military or colonial rulers to seeing them as hard-working, kind people who are not materialistic and who value family. Reasons listed for the increased positive opinions included: "the Volunteers' demeanor and personality, being hard-working, friendly, and sociable [and] being willing to adapt to local Filipino culture." Students' responses indicated that their Volunteer's attitude had changed their opinions. The students said the Volunteers were approachable, friendly and kind during and outside of class and, as a result, students reported they had learned that Americans are caring and non-judgmental.

Monitoring and Evaluation Training

In FY 2011, the agency moved to strengthen its program evaluation capacity through an increased emphasis on monitoring and evaluation training for Volunteers, staff, and partners.

Posts

Ninety-one percent of the posts provided some training in monitoring and evaluation to Volunteers, primarily during their pre-service training. Fifty-six percent of posts provided monitoring and evaluation training to staff and 53 percent provided this training to counterparts or project partners.

The training provided by posts to Volunteers, staff, and partners included sessions on the use and benefits of monitoring and evaluation (81 percent), how to collect data (76 percent), and how to use project indicators (75 percent). Other topics included how to report on findings (60 percent), collecting baseline data, and using participatory monitoring and evaluation techniques (50 percent each). In FY 2011, monitoring and evaluation training was a typical part of Project Design and Management workshops that many posts held for Volunteers and their community counterparts.

Volunteers are key to collecting project level information since they work with communities on a daily basis. They provide a significant portion of the project data used by managers at posts and headquarters to make decisions. In order to increase Volunteers' ability to demonstrate the results of their work, the agency prepared a monitoring and evaluation training package for all Volunteers. This training supports the agency's Focus In/Train Up strategy, a key recommendation of the 2010 Comprehensive Agency Assessment. The training courses were introduced at regional conferences and will be used by all posts in FY 2012.

The training provides a standard curriculum that all posts will use to train Volunteers. The monitoring and evaluation training package builds the capacity of Volunteers to accurately measure and report the results of their work with community partners at the grassroots level. In addition, the training allows Peace Corps staff at posts and headquarters to have confidence in stating the impact of agency programs.

Headquarters

Staff in five of the 23 headquarters offices attended monitoring and evaluation training during FY 2011. The training covered data collection methods, survey design, data analysis and data analysis software, and the principles of monitoring and evaluation.

Program Evaluations Conducted by Posts

Peace Corps continually works to increase the effective use of evaluation at its posts. In FY 2011, posts participated in primarily two types of evaluations: project reviews and impact studies.

Project reviews normally assess whether a project is operating as intended and if it is meeting community needs. These process evaluations are requested by the posts and conducted by headquarters technical staff and post staff

at the mid-point in the five-year project cycle. In FY 2011, a number of posts were asked to review their projects in anticipation of implementation of the comprehensive assessment's recommendation to focus the agency's efforts on a limited and targeted number of specific technical interventions.

Impact studies provided an independent assessment of the agency's programs to determine whether projects were meeting their intended outcomes.

Findings

Fifty-one percent of posts (35) conducted project reviews in FY 2011 and most (31) were conducted by post staff. Headquarters staff assisted 16 posts with their reviews. They recommended revisions to project objectives and indicators to narrow the project's focus and better target community needs or match Volunteers' skills. In several cases, the project reviews recommended merging or eliminating projects.

Sixteen percent of posts (11) conducted an impact study. Seven posts participated in the Host Country Impact Studies and four posts (China, Ecuador, Georgia, and Guatemala) conducted their own impact evaluations. The majority of posts found that their projects met their project goals.

Actions Taken

Posts used the findings of these evaluations to:

- Revise project objectives and indicators to better meet the needs of communities
- Reduce or merge projects to focus activities in core areas
- Improve site selection and partner training
- Improve project processes such as information sharing among partners
- Revise technical and cross-cultural training for Volunteers
- Bring projects more in-line with host country national priorities

Program Evaluations Conducted by Headquarters Offices

Peace Corps operations serve a single program objective: to provide trained Volunteers to host countries to promote its mission of world peace and friendship. Most headquarters' offices provide support to the Volunteers and field offices or conduct essential government functions. As a result, headquarters' offices tend to conduct process and cost benefit analysis evaluations more than programmatic evaluations. Management assessments of headquarters' offices are also conducted and are not included as program evaluations.

Findings

Eight headquarters offices conducted process evaluations during FY 2011. These evaluations examined the clinical accommodation and medical evacuation procedures, headquarters' support to one of the regions, the organizational structure of the country desks in a region, diversity in hiring, and a grants program to Volunteers.

- Medical Accommodations Designation: determined the type of medical accommodations each post is able to provide to Volunteers in order to streamline the new Volunteer Delivery System

- Medical Evacuation Process: found ways to improve transition of medical evacuations between the field, Washington, D.C., and the Volunteer's home
- Assessment of Support from Region: found gaps in support to posts within this region
- Organizational Assessment of Region: found that better use of resources and support could be provided to posts by reorganizing the country desk units
- Cost Benefit Analysis of Medical Records Contract: found that contracting out the records management was not cost-effective
- Cost Benefit Analysis of Federal Employees Compensation Act (FECA) Case Management Program: found that the program reduced the cost of care and overpayments by over \$2 million dollars
- Cost Benefit Analysis of Malaria Prophylaxis: found Mefloquine remains the most cost-effective suppressive therapy for malaria after examining all recommended suppressive therapies
- EEO Compliance Report: showed that Peace Corps does not have policies, practices or procedures that create significant barriers to workplace diversity; however, the five-year limit for staff employment at Peace Corps limits the agency's ability to provide career status to new federal employees
- Small Project Assistance Grants Program: the evaluation uncovered inconsistencies in how the program is run across posts and several challenges in implementing the program; the challenges include complex paperwork and lack of funds for monitoring and evaluating the projects funded by the grant

Actions Taken

- Medical Accommodations Designation: recommendations made to include comprehensive data on medical accommodation capacity of posts in the new Volunteer Delivery System
- Medical Evacuation Process: recommendations received and implementation plan developed that will create a more customer-driven process
- Assessment of Support from Region: the region implemented a plan to close the gaps in support; a further assessment of the implemented resolutions showed improvement in support
- Organizational Assessment of Region: responsibilities of the country desk unit were redistributed, and recruitment and training of new staff was initiated
- Cost Benefit Analysis of Medical Records Contract: contract not re-bid, resulting in a 30 percent savings; experienced staff hired to manage medical records
- Cost Benefit Analysis of FECA Case Management Program: program continued
- Cost Benefit Analysis of Malaria Prophylaxis: Mefloquine continued as suppressive therapy for malaria
- EEO Compliance Report: developed strategies to recruit more Hispanic applicants and applicants with disabilities
- Small Project Assistance Grants Program: actions underway to simplify paperwork and other administrative processes and develop training support for project implementation and monitoring and evaluation

Office of Inspector General Audits and Evaluations

The Peace Corps' Office of Inspector General (OIG) regularly conducts audits and evaluations of the effectiveness of programs that support Volunteers. OIG audits focus on fiscal accountability and the effectiveness of internal

controls over worldwide and domestic Peace Corps resources. OIG evaluations analyze the program operations of the Peace Corps at both overseas posts and domestic offices. Both audits and evaluations analyze compliance with laws, regulations, and Peace Corps' policies, in addition to identifying internal control weaknesses and best practices, and recommending program improvements and the means to comply with Peace Corps policies. OIG audits and evaluations are submitted to agency management, which then takes appropriate action to address the concerns that have been identified.

During FY 2011, the OIG issued nine audit reports and six evaluation reports concerning 14 country programs. The audits were conducted in Albania, Belize, Ethiopia, Mexico, Mozambique, Panama, Rwanda, Togo and Ukraine. These reports covered administrative and financial operations at overseas posts. Other OIG FY 2011 audit work included: an audit of the mid-Atlantic regional recruiting office, a review of the agency's compliance with the Federal Information Security Management Act, and oversight of the independent auditor's annual audit of the agency's financial statements.

OIG country program evaluations were conducted in Cambodia, Ethiopia, Jamaica, Liberia, Romania and Swaziland. The program evaluation reports addressed issues such as the extent to which the post has developed and implemented programs that met agency goals and provided adequate training, health care, and support and oversight to Volunteers to enable them to increase host country capacity and promote cross-cultural understanding. During FY 2011, the OIG evaluations unit also issued a follow-up evaluation report on the agency's 2003 evaluation of the Volunteer Delivery System.

Program Evaluations Conducted by Office of Inspector General

Major Findings and Recommendations:

Cambodia

- The Cambodia program, long requested by the government of Cambodia, was launched in 2006 by experienced staff with regional expertise. The program has been successfully established with a solid base of programmatic operations; the host government, both at national and local levels, has embraced the country program.
- The Volunteers are well-integrated with their communities and are accomplishing project goals. Successful community integration has been a keystone to the Volunteers' sense of satisfaction with service and their personal safety.
- Many of the areas of Cambodia operations that require attention can be attributed to new staff members still learning their roles and responsibilities. The OIG directed recommendations to improve pre-service safety and security training, which was largely ineffective, and to upgrade and strengthen Volunteer safety and security support.
- A prolonged vacancy in the director of programming and training position during 2010 affected key operations including Volunteer programming support and medical support. The post has been taking steps to address these issues and regain the positive momentum established in its first years of operation.
- The Volunteer Assignment Descriptions issued to incoming Volunteers failed to set appropriate expectations and did not fully describe the challenges of working in Cambodia or within a loosely managed secondary

education system. The OIG recommended that training programs better address the program and other challenges that Volunteers may face during service in Cambodia.

Ethiopia

- The country program was first launched in 1962, but was closed twice due to security concerns. It reopened in 2007 with Volunteer assignments focusing on community health and prevention of HIV/AIDS. The post is coordinating well with project partners, and its project goals are appropriately aligned with host country development priorities.
- The post has made progress in establishing health and HIV/AIDS projects and building relationships with partner organizations by placing Volunteers in health centers, community-based organizations, and Ministry of Health regional offices. However, the OIG recommended that the post more effectively balance planning and budgeting of its own agency appropriated funds with the President's Emergency Plan for AIDS Relief funding.
- Volunteers are well-supported by programming, training, and administrative staff members. Leadership at the post was weak when it reopened in 2007, and has clearly improved with the arrival of a successor in December 2008. Communication remained an issue, often due to staff language skills; the OIG recommended that this be addressed through staff English language classes.
- The post has focused its energies on quality improvements to its Volunteer training programs. The addition of a community-based training program—to include training outside the classroom while living with a host family—has better prepared Volunteers to integrate into their communities.
- The OIG identified a number of management issues or recommendations discussed in agency re-entry assessments, an Internal Management Assessment, and Peace Corps safety and security officer reports that remained unaddressed. A complete country risk assessment has not been conducted for the post; procedures for responding to security incidents or crimes committed against Volunteers have not been finalized.

Jamaica

- Beginning in 2009, and over two successive years, the post experienced leadership and programming changes that significantly impacted the stability of the country program.
- Over several years, organizational and programming changes were not carried out in a participatory manner nor supported by staff or Volunteers. The post closed its health project without the input of project partners, staff, and Volunteers, or data to support the project closure. Staff and Volunteer morale declined. The OIG recommended that the post review and finalize its project plans and that headquarters managers develop and communicate guidelines to posts for discontinuing a project or sector.
- The Peace Corps Response (PCR) program was not well planned or implemented. Volunteers were unhappy with their sites because they did not have specific job assignments that could achieve measurable outcomes in a short time frame, which is a basic element of the short-term PCR Volunteer assignment. The OIG recommended that the post, PCR office, and region develop and implement a manageable PCR strategy, improve position descriptions for the Volunteers, and assign them to meaningful short-term assignments.
- The post's President's Emergency Plan for AIDS Relief (PEPFAR) program which increased from \$50,000 to \$500,000 was not well-planned or well-implemented. The OIG recommended that the post work with the Office of AIDS Relief and the region to develop and implement a manageable PEPFAR strategy.

- The post has a high-performing safety and security coordinator who is trusted by Volunteers. Volunteers and staff are well-prepared for emergencies, and the post is prepared to respond if a crime occurs against a Volunteer.

Liberia

- The program has been well-received by the Liberian government since reopening in 2008. The secondary education project is aligned with host country need, and the post has developed a good working relationship with the Ministry of Education.
- Liberia is still rebuilding its educational system after years of civil war, and Volunteers faced significant challenges in effectively carrying out their primary assignments. The OIG recommended that the post and headquarters offices develop a strategy and plan to improve Volunteer effectiveness in their primary assignments, as well as a plan to prepare invitees and Volunteers for post-conflict-related challenges.
- The staff has been resolving issues caused by opening the post under an accelerated schedule without sufficient financial and physical resources. The post also suffered some confusion about the roles various headquarters offices would play in providing management support and oversight. The OIG directed recommendations intended to address weaknesses in staffing resources, staff role clarification, and the emergency action plan, among other aspects of program or office operations.
- The evaluation uncovered programming issues with the newly-opened two-year Volunteer program because the agency did not fully prepare the post to transition from PCR to a two-year program. The OIG recommended that the appropriate headquarters offices assess the results of Peace Corps Response pilot programs before launching two-year Volunteer programs.

Romania

- During 2010 and 2011, the post closed three Volunteer project sectors and the country program shifted from a projected “moderate” growth plan to “no growth.” A decision was ultimately made to close the country program when the current group of Peace Corps Volunteers completes their service. These events negatively affected staff morale and the workplace environment.
- Despite the atmosphere of uncertainty about the program’s future and significant staff and programmatic changes, the OIG found that Romania was a strongly performing post. It maintained positive and stable relationships with government ministry partners. The Volunteers feel well-supported by staff and believe the staff is responsive to the issues they raise.
- The post’s comprehensive work site selection process results in multiple potential sites and places Volunteers in receptive communities and meaningful assignments. The post had shifted its program focus to more of the rural underserved communities. The OIG recommended that the post review project management and Volunteer support practices to ensure that Volunteers in new work sites continued to receive adequate support.

Swaziland

- Swaziland has positioned itself for growth, while also preparing for an uncertain budget picture and a changing host country political and economic climate. A new education sector was added to the country program in 2010 and the post purchased its office building.

- The OIG found many elements of a high performing post at Swaziland. The staff works together to ensure that Volunteer support needs are addressed; and Volunteers have a high level of trust in staff with regard to their safety and security, health training, and support.
- The post's practices for developing and placing Volunteers at approved sites, including sound housing assessment procedures, the use of site histories to inform placements, and orienting host families and counterparts, are all highly effective. Volunteers receive the appropriate training at the right time and appreciate the quality of both the trainers and materials.
- Project goals and objectives are aligned with the Kingdom of Swaziland's priorities to combat HIV/AIDS. However, the OIG found that 2010 post reports were missing PEPFAR-related data, so it is difficult to determine whether Volunteers are meeting all project objectives at this time.
- Twenty-two Swaziland Volunteers did not complete their service between 2008 and 2010. Project-related stress—including working with HIV/AIDS populations—was a contributing factor to these early departures. The OIG recommended that headquarters offices assess Volunteer early termination data and, if deemed appropriate, use these findings to inform its process for the medical clearance and applicant selection process.

Consolidated Incident
Reporting System

CIRS



The Office of Safety and Security and the Office of the Chief Information Office released Consolidated Incident Report System version 3.0 in August 2011 to improve reporting, tracking, and analysis of safety and security incidents. The upgrade expanded the system to include vehicular accidents and also now includes incidents affecting both Volunteers and staff. It also added a new case management function to help ensure consistent, on-going support to Volunteers who are victims of crime.

Financial Section



An Education Volunteer teaches physics in Tanzania.



Message from the Chief Financial Officer

An unqualified (clean) audit opinion was issued by external auditors Clifton Gunderson LLP during the FY 2011 financial statement audit. This was the fifth consecutive year in which no material weaknesses or federal system noncompliances were identified. The Peace Corps was honored to receive, for the fourth time, the coveted Association of Government Accountants' *Certificate of Excellence in Accountability Reporting* for quality reporting in the FY 2010 Performance and Accountability Report.

After receiving its highest ever appropriation of \$400 million in FY 2010, the Peace Corps operated under continuing resolutions at that funding level for more than half of the fiscal year before receiving the FY 2011 appropriation of \$375 million (less the enacted reduction of \$750,000)—\$25.8 million less than the FY 2010 funded level and \$72 million less than the requested appropriation. It was, and will continue to be, difficult to provide the necessary full support for the increased number of Volunteers for their period of service (generally 27 months) and yet work with the FY 2010 Comprehensive Agency Assessment that provided a spending blueprint for needed quality improvements. Agency management absorbed the mid-year budgetary cuts by reducing staff, reducing program size, curtailing or postponing planned systems initiatives, and delaying the reporting dates for some applicants.

We provided budget, finance, and accounting support, including the processing of hundreds of thousands of financial transactions in 77 currencies in order to sustain headquarters and post operations in support of the more than 9,000 Volunteers in 76 countries in FY 2011. We effectively managed these operations with 6 percent fewer staff members in the Office of the Chief Financial Officer due to the efforts of my dedicated financial management staff and those supporting financial management throughout the three regions and the worldwide posts.

In this environment, managers were challenged to work through the corrective action plan toward resolution of the two significant deficiencies and 12 audit recommendations in our internal controls identified during the FY 2010 audit in Property, Plant, and Equipment and Information System Security. Rather than planned systems implementations, postponements and curtailments of systems implementations occurred. Despite best agency efforts, not all audit recommendations could be resolved.

The FY 2011 audit identified two significant deficiencies in our internal controls for Property, Plant, and Equipment and Information System Security. The 26 audit recommendations for these significant deficiencies and the estimated completion dates for the corrective actions are addressed in Appendix 1, Summary of Audit Significant Deficiencies.

Financial management improvements include:

- Implementing a Vendor Maintenance application that allowed posts to create vendors directly on the Web after security and banking reviews, eliminating a previous paper-based process
- Integrating an electronic savings bond process for the Volunteers that eliminated the need to secure, track, and mail hundreds of paper bonds annually
- Implementing a Web-based application that enabled our posts to report Volunteer end-of-service information directly, eliminating manual re-entry and data inconsistencies
- Recovering \$12.6 million through open obligation reviews by closing or adjusting obligations in current and expired funds

Hyperion Planning, partially implemented during the fourth quarter of FY 2010, was fully implemented during FY 2011 for all aspects of budget formulation, budget review, scenario analysis, and resource request management for the agency's appropriated funding. Hyperion is now fully integrated with the General Ledger for execution reporting and analytical purposes.

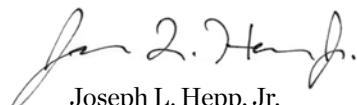
An automated adaptive voucher sampling application was implemented during FY 2011 that substantially reduced the time and associated cost required to certify payment vouchers, allowing the reduction of three full-time employees. The application implemented a standard sampling methodology for low-dollar low-risk payment vouchers. This eliminated the need to perform a detailed review of 56 percent of all international payment vouchers, while still reviewing payment vouchers representing 83 percent of the dollars expended. This sampling program generated greater efficiency and reinforced internal control and accounting standards while allowing auditing resources to focus on payment types that require greater scrutiny on high-risk high-dollar vouchers.

As part of the continuing effort to ensure the suitability of locally engaged overseas staff, my Financial Systems Division developed a new database and user application for the Office of Safety and Security to track and review employment security certifications. Beginning in FY 2012, the system will eliminate the labor-intensive manual tracking clearance process and allow electronic review and approval of initial documentation and certification renewals. The database will be linked to the financial system and validation of active security certifications will be performed prior to the release of payments to overseas staff.

The agency continues to operate as one program with the single purpose of providing trained Volunteers to host countries to promote world peace and friendship. The Peace Corps' accounting system continues to be constrained and cannot accurately correlate actual costs with applied overhead to the agency strategic goals and outputs.

The audited financial statements and notes that follow in this section are reliable and complete and were prepared in accordance with generally accepted accounting principles for federal government entities.

My staff and I look forward to implementing new financial management operational and systems improvements in FY 2012 as we continue to promote effective internal controls, working toward securing future unqualified audit opinions.



Joseph L. Hepp, Jr.
Chief Financial Officer
November 15, 2011



Financial Statements

**Peace Corps
Balance Sheet
As of September 30, 2011 and 2010
(In Thousands)**

	<u>2011</u>	<u>2010</u>
Assets		
Intragovernmental		
Fund Balance With Treasury (Note 2 and 3)	\$ 175,205	\$ 189,675
Accounts Receivable (Note 4)	1,336	780
Total Intragovernmental	<u>176,541</u>	<u>190,455</u>
Accounts Receivable, Net (Note 4)	72	26
General Property, Plant, and Equipment, Net (Note 5)	43,888	31,869
Other		
Prepaid Volunteer Living Allowances (Note 6)	3,106	3,907
Other Assets (Note 7)	2,835	2,835
Subtotal Other	<u>5,941</u>	<u>6,742</u>
Total Assets	<u><u>\$ 226,442</u></u>	<u><u>\$ 229,092</u></u>
Liabilities		
Intragovernmental		
Accounts Payable	\$ 2,937	\$ 2,590
Other		
Unfunded FECA Liability (Note 8)	30,737	29,871
Other Liabilities (Note 9)	785	-
Subtotal Other	<u>31,522</u>	<u>29,871</u>
Total Intragovernmental	<u><u>34,459</u></u>	<u><u>32,461</u></u>
Accounts Payable	7,091	13,190
Federal Employee and Veterans Benefits (Note 8)	133,121	138,157
Other		
Other Employment Related Liability (Note 8)	11,573	9,319
Non-Entity Funds (Note 2)	53,904	41,880
Accrued Funded Payroll and Leave	6,786	6,268
Unfunded Annual Leave (Note 8)	9,136	8,675
Other Liability (Note 9)	770	46
Subtotal Other	<u>82,169</u>	<u>66,188</u>
Total Liabilities	<u><u>256,840</u></u>	<u><u>249,996</u></u>
Commitments and Contingencies (Note 10)		
Net Position		
Unexpended Appropriations	97,955	121,532
Cumulative Results of Operations	(128,353)	(142,436)
Total Net Position	<u><u>\$ (30,398)</u></u>	<u><u>\$ (20,904)</u></u>
Total Liabilities and Net Position	<u><u>\$ 226,442</u></u>	<u><u>\$ 229,092</u></u>

The accompanying notes are an integral part of these statements

Peace Corps
Statement of Net Cost
For the Periods Ended September 30, 2011 and 2010
(In Thousands)

	<u>2011</u>	<u>2010</u>
Program Costs:		
Gross Costs	\$ 395,293	\$ 390,374
Less: Earned Revenue (Note 11)	<u>5,033</u>	<u>4,000</u>
Net Cost of Operations	<u>\$ 390,260</u>	<u>\$ 386,374</u>

The accompanying notes are an integral part of these statements

Peace Corps
Statement of Changes in Net Position
For the Periods Ended September 30, 2011 and 2010
(In Thousands)

	<u>2011</u>	<u>2010</u>
Cumulative Results of Operations:		
Beginning Balances	\$ (142,436)	\$ (121,454)
Beginning Balances, As Adjusted	<u>(142,436)</u>	<u>(121,454)</u>
Budgetary Financing Sources:		
Appropriations Used	397,809	358,442
Other Financing Sources (Non-Exchange):		
Donations and Forfeitures of Property	170	-
Transfers-In/Out Reimbursement	(154)	387
Imputed Financing (Note 15)	<u>6,518</u>	<u>6,563</u>
Total Financing Sources	404,343	365,392
Net Cost of Operations	<u>390,260</u>	<u>386,374</u>
Net Change	<u>14,083</u>	<u>(20,982)</u>
Cumulative Results of Operations	(128,353)	(142,436)
Unexpended Appropriations:		
Beginning Balances	121,532	80,239
Beginning Balances, As Adjusted	<u>121,532</u>	<u>80,239</u>
Budgetary Financing Sources:		
Appropriations Received	375,000	400,000
Other Adjustments	(767)	(265)
Appropriations Used	<u>(397,810)</u>	<u>(358,442)</u>
Total Budgetary Financing Sources	(23,577)	41,293
Total Unexpended Appropriations	<u>97,955</u>	<u>121,532</u>
Net Position	\$ (30,398)	\$ (20,904)

The accompanying notes are an integral part of these statements

Peace Corps
Statement of Budgetary Resources
For the Periods Ended September 30, 2011 and 2010
(In Thousands)

	<u>2011</u>	<u>2010</u>
Budgetary Resources:		
Unobligated Balance, Brought Forward, October 1	\$ 58,532	\$ 29,980
Recoveries of Prior Year Unpaid Obligations, Actual	12,594	8,919
Budget Authority		
Appropriation	375,000	400,000
Spending Authority From Offsetting Collections		
Earned		
Collected	5,331	6,554
Change in Receivables from Federal Sources	556	(98)
Change in Unfilled Customer Orders		
Advance Received	785	(2)
Without Advance from Federal Sources	(349)	38
Subtotal	381,323	406,492
Permanently Not Available	(770)	(574)
Total Budgetary Resources	<u>\$ 451,679</u>	<u>\$ 444,817</u>
Status of Budgetary Resources:		
Obligations Incurred:		
Direct (Note 12)	\$ 395,309	\$ 382,380
Reimbursable (Note 12)	5,281	3,905
Subtotal	400,590	386,285
Unobligated Balance:		
Apportioned	46,240	48,292
Unobligated Balance Not Available	4,849	10,240
Total Status of Budgetary Resources	<u>\$ 451,679</u>	<u>\$ 444,817</u>
Change in Obligated Balance:		
Obligated Balance, Net		
Unpaid Obligations, Brought Forward, October 1	\$ 90,315	\$ 70,481
Uncollected Customer Payments from Federal Sources, Brought Forward, October 1	(1,026)	(1,085)
Total Unpaid Obligated Balance, Net	89,289	69,396
Obligations Incurred, Net		
Gross Outlays	400,590	386,285
Recoveries of Prior Year Unpaid Obligations, Actual	(407,145)	(357,533)
Change in Uncollected Customer Payments from Federal Sources	(12,594)	(8,919)
Obligated Balance, Net, End of Period	(207)	60
Unpaid Obligations	71,165	90,315
Uncollected Customer Payments from Federal Sources	(1,233)	(1,026)
Total Unpaid Obligated Balance, Net, End of Period	<u>\$ 69,932</u>	<u>\$ 89,289</u>
Net Outlays:		
Gross Outlays	\$ 407,145	\$ 357,533
Offsetting Collections	(6,116)	(6,553)
Net Outlays	<u>\$ 401,029</u>	<u>\$ 350,980</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.

The core mission of the Peace Corps is to promote world peace and friendship by making available to interested, less developed countries men and women of the United States qualified for service abroad and willing to serve, even under conditions of hardship if necessary. The Peace Corps' goals are to help the people of interested countries in meeting their need for trained men and women; to help promote a better understanding of Americans on the part of the peoples served; and 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 September 2010. The statements should be read with the realization that they are for a component of the U.S. government, a sovereign entity.

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 are subdivided in two categories: intragovernmental and public. 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.

Federal Financial Statements	
Statement	Federal Objective
Balance Sheet	Reflects the agency's financial position as of the statement date. The assets are the amount of 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 earned from its activities.
Statement of Changes in Net Position	Explains how the net cost for the agency's operations was funded, and reports other changes in 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 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 U. S. Treasury Appropriation Fund Symbol. 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 government 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 government 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. The balances in the agency's trust funds are non-entity assets and are included in the financial statements.

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 included in the financial statements.

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.

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 funds.

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.

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 the Treasury

The Fund Balance with the U. S. Treasury consists of appropriated 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 cash in commercial bank accounts for the funds reported in the balance sheet. 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 small-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 paying for any losses incurred by the cashiers that would normally fall on the account holder. All international payments made by DOS on behalf of the Peace Corps are charged to the Peace Corps and reduce the applicable Peace Corps' appropriation unexpended balance in U.S. Treasury records. As of September 30, 2011, cashier imprest funds represented by cash on hand, checks on hand, interim advances, and cashier checking account balances totaled approximately \$1.2 million 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. Foreign currency payments are made by the U.S. disbursing officers located at the Department of State Financial Service Centers in Charleston, South Carolina; and Bangkok, Thailand.

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 nonfederal (public) debt exceeding \$30,000. The agency recognizes an Allowance for Doubtful Accounts when it is determined that the amounts are more likely than not to be totally uncollected. 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, not intended for sale in the ordinary course of business, and intended to be used or available for use by the entity. Aggregate purchases of General Property, Plant, and Equipment in the amount of \$500,000 or greater are capitalized. 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 3 to 9 years). Vehicles in the amount of \$10,000 and over are capitalized. 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. The agency has established a policy that uses an estimated salvage value of 40 percent for the agency's vehicles based on their resale value in recent years.

Nonexpendable personal property is depreciated over 3 to 15 years. The agency operates land, buildings, and equipment that are provided by the General Services Administration and overseas. Rent for General Services Administration property is expensed. Deferred maintenance amounts are immaterial with respect to the financial statements.

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 a two year lag. 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 the 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 are covered under a variety of local government 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 host country resident personal services contractors (PSCs) in countries that require payments under local labor laws. Until systems are in place to track this liability in a timely manner, the estimate of the current and future costs of the severance and retirement liability is determined annually.

n) Commitments and Contingencies

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

o) 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.

p) 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, P.L. 97-177, as amended.

q) 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.

r) Adjustments to Maintain Inherent Account Relationship Integrity

In order to correct the relationships between the proprietary and budgetary accounts, a high-level analysis was performed. Cash balances were adjusted to align with the U.S. Treasury fund balance to permit the agency to pass edit checks and submit FACTS II reports to Treasury. All of the adjustments for fiscal year 2011 were immaterial.

s) Allocation Transfer

The Peace Corps is a party to allocation transfers with the Department of State 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 (Department of State) 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.

t) 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 USC 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 US Treasury. Any funds not used are returned to the host country.

Note 2 Non-Entity Assets

Non-entity assets are composed of trust fund, special fund, deposit funds, 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, 2011 (in thousands)	September 30, 2010 (in thousands)
Trust Fund		
FSN Separation Liability Trust Fund	\$ 6,972	\$ 7,309
Special Fund		
Host Country Residents Contractors Separation Liability Fund	18,140	13,102
Deposit Funds		
Volunteer Readjustment Allowance	27,712	21,093
Clearing Accounts	1,080	376
Total Non-Entity Assets	53,904	41,880
Total Entity Assets	172,538	187,212
Total Assets	\$ 226,442	\$ 229,092

Trust Fund—The FSN Separation Liability Trust Fund represents the estimated accrued liability for separation pay (based on local labor law) of the FSN employees.

Special Fund— Host Country Residents Contractor Separation Liability Fund represents the estimated accrued liability for separation pay (based on local labor law) of the personal services contractors.

Deposit Funds—The Volunteer readjustment allowance is an allowance earned by Volunteers for each month of satisfactory service and payable upon their return to the United States. The Volunteer payroll allotment account reflects the value of held U. S. government bonds purchased by the Volunteers through allotments from the readjustment allowance. The bonds allow the Volunteers to earn interest on their earnings while in service overseas.

Clearing Accounts—The proceeds of sales funds represent cash received from the sale of assets, primarily vehicles, and available 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, 2011 (in thousands)	September 30, 2010 (in thousands)
Appropriated Funds	\$ 121,301	\$ 147,795
Total Non-Entity Assets (Note 2)	53,904	41,880
Total	\$ 175,205	\$ 189,675

Status of Fund Balance with Treasury	September 30, 2011 (in thousands)	September 30, 2010 (in thousands)
Unobligated Balance		
Available	\$ 46,240	\$ 48,292
Unavailable	4,849	10,240
Obligated Balance Not Yet Disbursed	124,116	131,143
Total	\$ 175,205	\$ 189,675

The 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.

Note 4 Accounts Receivable, Net

Accounts Receivable as of September 30, 2011 (in thousands)	Accounts Receivable, Gross	Allowance for Doubtful Accounts	Accounts Receivable, Net
Intragovernmental	\$ 1,336	\$ -	\$ 1,336
Other	72	-	72
Total	\$ 1,408	\$ -	\$ 1,408

Accounts Receivable as of September 30, 2010 (in thousands)	Accounts Receivable, Gross	Allowance for Doubtful Accounts	Accounts Receivable, Net
Intragovernmental	\$ 780	\$ -	\$ 780
Other	26	-	26
Total	\$ 806	\$ -	\$ 806

Intragovernmental receivables are due from other federal agencies for services provided per reimbursable agreements.

Other accounts receivable are due from nonfederal entities, consisting primarily of receivables from employees.

Annually, a determination of the amount of the Allowance for Doubtful Accounts will be established for material amounts exceeding \$30,000. The agency recognizes an Allowance for Doubtful Accounts when it is determined that the amounts of nonfederal (public) debts are more likely than not to be totally uncollected. An allowance was not required by the agency as of September 30, 2011, since the threshold was not exceeded.

Note 5 General Property, Plant, and Equipment, Net

Components of Fixed Assets as of September 30, 2011 (in thousands)	Useful Life in Years	Cost	Accumulated Depreciation	Net Book Value
Land	10	\$ 83	\$ -	\$ 83
Buildings	10	234	10	224
Construction in Progress		10,798	-	10,798
General Property, Plant, and Equipment	5–10	4,240	1,374	2,866
Vehicles	5	22,767	7,598	15,169
IT Hardware	3–15	16,406	9,898	6,508
Leasehold Improvements	10	402	221	181
Internal-Use Software in Development		248	-	248
Internal-Use Software	3–9	33,722	25,911	7,811
Total		\$ 88,900	\$ 45,012	\$ 43,888

Components of Fixed Assets as of September 30, 2010 (in thousands)	Useful Life in Years	Cost	Accumulated Depreciation	Net Book Value
Land	10	\$ 15	\$ -	\$ 15
Buildings	10	15	1	14
Construction in Progress		640	-	640
General Property, Plant, and Equipment	5–10	3,165	2,780	385
Vehicles	5	21,785	6,792	14,993
IT Hardware	3–15	15,035	9,393	5,642
Leasehold Improvements	10	402	180	222
Internal Use Software in Development		1,058	-	1,058
Internal-Use Software	3–9	31,180	22,280	8,900
Total		\$ 73,295	\$ 41,426	\$ 31,869

As of September 30, 2011, Peace Corps' fixed assets include internally developed software and those assets that are reflected as active in the property management databases. These assets are located at headquarters in Washington, D.C., the nine regional offices, and the overseas posts. Values for all assets other than internally developed software were obtained from data extracted from the databases. Values for internally developed software were derived from the most reliable available data for each system. Peace Corps acquired land and building in Swaziland during FY 2010. Renovation of the headquarters building, which began in FY 2010, is classified as Construction in Progress. There are no restrictions on the use or convertibility of General Property, Plant and Equipment owned by the Peace Corps.

Note 6 Prepaid Volunteer Living Allowances

	September 30, 2011 (in thousands)	September 30, 2010 (in thousands)
Prepaid Volunteer Living Allowances	\$ 3,106	\$ 3,907

Prepaid Volunteer Living Allowances—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

	September 30, 2011 (in thousands)	September 30, 2010 (in thousands)
Travel Advances to Employees	\$ 382	\$ 216
Relocation Advances to Employees	35	13
Prepaid Rent	2,418	2,461
Prepaid PSC Payroll		145
Total Other Assets	\$ 2,835	\$ 2,835

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

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.

Note 8 Liabilities not Covered by Budgetary Resources	September 30, 2011 (in thousands)	September 30, 2010 (in thousands)
Intragovernmental Liabilities		
Unfunded FECA Liability	\$ 30,737	\$ 29,871
Liabilities		
Unfunded Annual Leave	9,136	8,675
Unfunded Employment-Related Liability	11,573	9,319
Federal Employee and Veterans Benefits	133,121	138,157
Total Liabilities Not Covered by Budgetary Resources	\$ 184,567	\$ 186,022

Unfunded FECA Liability—A liability for the direct dollar costs of compensation and medical benefits paid on the agency's behalf by the Department of Labor. 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 for U.S.-hired employees earned but not used on September 30, 2011. Payments are charged to the appropriation current at the time of payment. The valuation of the accrued annual leave for foreign service national employees and the foreign national PSCs has been estimated for this financial statement. There were 206 foreign service nationals and 2,031 foreign national PSCs working for the Peace Corps at the fiscal year end. 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 Veterans Benefits—Liability for the actuarial value of future payments for FECA as estimated by the Department of Labor for the agency.

Note 9 Other Liabilities	September 30, 2011 (in thousands)	September 30, 2010 (in thousands)
Intragovernmental		
Advances from Others	\$ 785	\$ -
Other Liabilities		
Contingent Liability-General Counsel Cases	770	46
Total Other Liabilities	\$ 1,555	\$ 46

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).

Contingent Liability—See Note 10.

Note 10 Commitments and Contingencies
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In the opinion of the management and legal counsel, the agency is liable for contingent liabilities related to administrative proceedings, legal actions, or claims that are probable and measurable in the amount of \$770,000 as of September 30, 2011.

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 is estimated to be \$450,000 as of September 30, 2011.

Note 11 Exchange Revenues

	September 30, 2011 (in thousands)	September 30, 2010 (in thousands)
Intragovernmental Earned Revenues	\$ 4,671	\$ 3,751
Earned Revenues from the Public	362	249
Total Exchange Revenues	\$ 5,033	\$ 4,000

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 12 Apportionment Categories of Obligations Incurred: Direct vs. Reimbursable

	September 30, 2011 (in thousands)	September 30, 2010 (in thousands)		
	Direct	Reimbursable	Direct	Reimbursable
Category A	\$ 395,309	\$ 5,281	\$ 382,380	\$ 3,905
Total Obligations Incurred	\$ 395,309	\$ 5,281	\$ 382,380	\$ 3,905

All obligations incurred are Category A. The Peace Corps does not have any Category B or Exempt apportionments.

Note 13 Undelivered Orders at the End of the Period

	September 30, 2011 (in thousands)	September 30, 2010 (in thousands)
Undelivered Orders – End of Period	\$ 60,588	\$ 74,987

The undelivered orders are budgetary obligations with and without advances/prepayments placed against federal budget authority where no goods or services have been received.

Note 14 Fiduciary Activities

Schedule of Fiduciary Activity (in thousands)	HCC Cash 2011	HCC Cash 2010	HCC In-Kind 2011	HCC In-Kind 2010
Fiduciary Net Assets, Beginning	\$ 970	\$ 1,049	\$ -	\$ -
Contributions	1,173	1,090	4,523	4,684
Disbursements	(1,374)	(1,169)	(4,523)	(4,684)
Increase/(Decrease) in Fiduciary Net Assets	201	(79)	-	-
Fiduciary Net Assets, Ending	\$ 769	\$ 970	\$ -	\$ -

Schedule of Fiduciary Net Assets (in thousands)	HCC Cash 2011	HCC Cash 2010	HCC In-Kind 2011	HCC In-Kind 2010
Fiduciary Net Assets				
Cash and Cash Equivalents	\$ 655	\$ 975	\$ -	\$ -
Less: Liabilities	114	5	-	-
Total Fiduciary Net Assets	\$ 769	\$ 970	\$ -	\$ -

Host Country Contributions (HCC) are provided to Peace Corps by the host government and are accepted under the authority of section 22 USC 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 US Treasury. In the event the funds are not used, funds are returned to the host country.

The agency received cash and in-kind contributions from host countries. In-kind contributions estimated at \$4.5 million in fair market value were received at posts through the end of September 30, 2011, for services, supplies, equipment, and facilities. The host country cash balance is \$.8 million as of September 30, 2011.

Note 15 Reconciliation of Net Cost to Budget

	FY 2011	Direct	Reimbursable (\$ in thousands)	Total
Net Obligations Incurred		\$ (382,881)	\$ (5,107)	\$ (387,988)
Less: Undelivered Orders		14,836	(436)	14,400
Total Expended Obligation Authority		<u>(397,717)</u>	<u>(4,671)</u>	<u>(402,388)</u>
Financing Sources Used		<u>(397,717)</u>	<u>(4,671)</u>	<u>(402,388)</u>
Obligations Not Resourced		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Adjustments Reconciling Obligations To Costs Included in Obligations Not in Costs				
Acquisition of Assets		22,948	-	22,948
Subtotal		22,948	-	22,948
Included in Costs Not in Obligations				
Future Funded Expenses		3,481	-	3,481
Depreciation, Amortization, and Depletion		9,081	-	9,081
Employer Contributions to Employee Benefit Programs		824	-	824
Changes in Actuarial Liabilities		(5,036)		(5,036)
Offsetting Revenues		-	(4,671)	(4,671)
Imputed Financing		6,518	-	6,518
Nonfederal Receivables		(48)		(48)
Net Change on Dispositions		655	-	655
Other Financing Sources		16	-	16
Subtotal		15,491	(4,671)	10,820
Adjusted Expended Obligation Authority		<u>(390,260)</u>	<u>-</u>	<u>(390,260)</u>
Statement of Net Costs		<u>390,260</u>	<u>-</u>	<u>390,260</u>
Unexplained Differences		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	FY 2010	Direct	Reimbursable (\$ in thousands)	Total
Net Obligations Incurred		\$ (372,236)	\$ (3,787)	\$ (376,023)
Less: Undelivered Orders		(13,794)	(37)	(13,831)
Total Expended Obligation Authority		<u>(358,442)</u>	<u>(3,750)</u>	<u>(362,192)</u>
Financing Sources Used		<u>(358,442)</u>	<u>(3,750)</u>	<u>(362,192)</u>
Obligations Not Resourced		<u>-</u>	<u>-</u>	<u>-</u>
Adjustments Reconciling Obligations To Costs Included in Obligations Not in Costs				
Acquisition of Assets		10,280	-	10,280
Subtotal		10,280	-	10,280
Included in Costs Not in Obligations				
Future Funded Expenses		5,158	-	5,158
Depreciation, Amortization, and Depletion		7,952	-	7,952
Employer Contributions to Employee Benefit Programs		2,327	-	2,327
Offsetting Revenues		-	(3,750)	(3,750)
Imputed Financing		6,563	-	6,563
Nonfederal Receivables		(10)		(10)
Net Change on Dispositions		(15)	-	(15)
Other Financing Sources		(18)	-	(18)
Subtotal		38,212	(3,750)	34,462
Adjusted Expended Obligation Authority		<u>(386,374)</u>	<u>-</u>	<u>(386,374)</u>
Statement of Net Costs		<u>386,374</u>	<u>-</u>	<u>386,374</u>
Unexplained Differences		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note 16 Imputed Financing

	September 30, 2011 (in thousands)	September 30, 2010 (in thousands)
Federal Employees Health Benefit Program	\$ 4,681	\$ 4,372
Federal Employees Group Life Insurance Program	14	13
Civil Service Retirement System	775	816
Federal Employees Retirement System	974	1,227
Foreign Service Retirement and Disability System	74	135
Total Imputed Costs	\$ 6,518	\$ 6,563

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 that are paid by other federal entities.

Note 17 Disclosure on Contributions to the Peace Corps

Media Contributions Received –The agency was provided free donated space equivalent to \$15.9 million in print, radio, and television media through public service announcements for FY 2011. These donations are not included in the financial statements.



Inspector General's Audit Transmittal Letter



Since 1961.

Office of Inspector General

To: Aaron S. Williams, Director
From: Kathy A. Buller, Inspector General 
Date: November 11, 2011
Subject: Audit of Peace Corps' Fiscal Year 2011 Financial Statements

This letter transmits the reports of Clifton Gunderson LLP (CG) on its audit of the Peace Corps' Fiscal Year (FY) 2011 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.

Audit Reports on Financial Statements, Internal Control, and Compliance and Other Matters

We contracted with CG, an independent certified public accounting firm, to audit the Peace Corps' financial statements as of September 30, 2011 and 2010. The contract required that the audit be done in accordance with U.S. generally accepted government auditing standards, OMB audit guidance, and the *Government Accountability Office/President's Council on Integrity and Efficiency Financial Audit Manual*.

CG's audit report for FY 2011 includes: (1) an opinion on the financial statements, (2) conclusions on internal control over financial reporting, and (3) a section addressing compliance and other matters. In the audit of the Peace Corps, CG found:

- The financial statements were fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles,
- There were no material weaknesses in internal control.¹

² 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 statement will not be prevented, or detected and corrected on a timely basis.

- CG's report on internal control identified two significant deficiencies²
 - Internal control over property, plant, and equipment needs to be improved. Improvements needed are related to recording, tracking, and physical verification of certain assets.
 - Information system security controls need improvement. The auditor cited security management, contingency planning, access controls, and configuration management as areas needing improvement.
- CG found no instances of reportable noncompliance with laws and regulations it tested or other matters that are required to be reported under Government Auditing Standards or OMB guidance.

OIG Evaluation of CG's Audit Performance

In connection with the contract, we reviewed CG's reports and related documentation and inquired of its representatives. Our review, as differentiated from an audit in accordance with U.S. generally accepted government auditing standards, was not intended to enable us to express, and we do not express, opinions on Peace Corps' financial statements or conclusions about the effectiveness of internal control or conclusions on compliance with laws and regulations. CG is responsible for the attached auditor's reports dated November 11, 2011 and the conclusions expressed in the reports. However, our review disclosed no instances where CG did not comply, in all material respects, with U.S. generally accepted government auditing standards.

We would like to extend our thanks to the Peace Corps staff involved in issuing the financial statements within the established OMB milestones. Their professionalism, courtesy, and cooperation allowed us to overcome the many challenges associated with performance of the audit and our oversight of the audit process. If you or a member of the Peace Corps staff has any questions about CG's audit or our oversight, please contact me or Assistant Inspector General for Audit Bradley Grubb, at 202-692-2914.

Attachments

cc: Carrie Hessler-Radelet, Deputy Director
Stacy Rhodes, Chief of Staff
Joseph Hepp, Chief Financial Officer
Daljit Bains, Chief Compliance Officer

² 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.



Auditor's Report



Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

To the Director and Inspector General
Peace Corps

In our audit of Peace Corps for fiscal year (FY) 2011, we found:

- The balance sheets as of September 30, 2011 and 2010, and the related statements of net cost, changes in net position, and budgetary resources for the years then ended (hereinafter referred to as "financial statements"), are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America;
- No material weakness in internal control over financial reporting (including safeguarding assets) and compliance with laws and regulation;
- Two significant deficiencies in internal control over financial reporting; and
- No instances of reportable noncompliance with selected provisions of laws and regulations tested.

The following sections discuss in more detail: (1) above conclusions, (2) our conclusions on Management's Discussion and Analysis (MD&A) and other supplementary information, (3) our audit objectives, scope and methodology, and (4) Peace Corps comments and our evaluation.

OPINION ON FINANCIAL STATEMENTS

The accompanying financial statements including the accompanying notes present fairly, in all material respects, in conformity with accounting principles generally accepted in the United States, Peace Corps' assets, liabilities, and net position as of September 30, 2011 and 2010, and net costs; changes in net position; and budgetary resources for the years then ended.

CONSIDERATION OF INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE

In planning and performing our audit, we considered Peace Corps' internal control over financial reporting by obtaining an understanding of the design effectiveness of internal controls, determined whether these controls had been placed in operation, assessed control risk, and performed tests of controls as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Peace Corps' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Peace Corps' internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or

4250 N. Fairfax Drive, Suite 1020
Arlington, Virginia 22203

tel: 571-227-9500
fax: 571-227-9552

www.cliftoncpa.com



material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 a 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. We believe that none of the significant deficiencies described below is a material weakness.

A significant deficiency is 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. We consider the deficiencies described below to be significant deficiencies.

Significant Deficiencies

These control deficiencies, detailed in Exhibit I are summarized as follows:

1. Controls over property plant and equipment need improvement
2. Information systems security controls need improvement

We noted certain other nonreportable matters involving internal control and its operations that we plan to communicate in a separate letter to Peace Corps management.

COMPLIANCE WITH LAWS AND REGULATIONS

Our tests of Peace Corps' compliance with selected provisions of laws and regulations for FY 2011 disclosed no instances of noncompliance that would be reportable under United States generally accepted government auditing standards or OMB audit guidance. However, the objective of our audit was not to provide an opinion on overall compliance with laws and regulations. Accordingly, we do not express such an opinion.

STATUS OF PRIOR YEAR'S CONTROL DEFICIENCIES AND NONCOMPLIANCE ISSUES

As required by United States generally accepted government auditing standards and OMB Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended, we have reviewed the status of Peace Corps' corrective actions with respect to the findings and recommendations included in the prior year's Independent Auditor's Reports dated November 9, 2010. Many of the weaknesses described in the significant deficiencies (Exhibit I) are repeat findings over a number of years. Peace Corps has been unable to remediate these weaknesses in a timely manner. Exhibit II provides a detailed discussion on the status of prior year findings and recommendations.

CONSISTENCY OF OTHER INFORMATION

Peace Corps' MD&A contains a wide range of information, some of which is not directly related to the financial statements. We compared this information for consistency with the financial statements and discussed the methods of measurement and presentation with Peace Corps officials. Based on this limited work, we found no material inconsistencies with the financial

statements; accounting principles generally accepted in the United States, or OMB guidance. However, we do not express an opinion on this information.

The Message from the Director, Performance Section, Other Accompanying Information and Appendices listed in the table of contents are presented for additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

OBJECTIVES, SCOPE AND METHODOLOGY

Peace Corps management is responsible for (1) preparing the financial statements in conformity with accounting principles generally accepted in the United States, (2) establishing, maintaining, and assessing internal control to provide reasonable assurance that the broad control objectives of the Federal Managers' Financial Integrity Act (FMFIA) are met, and (3) complying with other applicable laws and regulations.

We are responsible for obtaining reasonable assurance about whether the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States. We are also responsible for: (1) obtaining a sufficient understanding of internal control over financial reporting and compliance to plan the audit, (2) testing compliance with selected provisions of laws and regulations that have a direct and material effect on the financial statements and laws for which OMB audit guidance requires testing, and (3) performing limited procedures with respect to certain other information appearing in the Annual Report.

In order to fulfill these responsibilities, we (1) examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements; (2) assessed the accounting principles used and significant estimates made by management; (3) evaluated the overall presentation of the financial statements; (4) obtained an understanding of Peace Corps and its operations, including its internal control related to financial reporting (including safeguarding assets) and compliance with laws and regulations (including execution of transactions in accordance with budget authority); (5) tested relevant internal controls over financial reporting and compliance, and evaluated the design and operating effectiveness of internal control; (6) considered the design of the process for evaluating and reporting on internal control and financial management systems under FMFIA; and (7) tested compliance with selected provisions of certain laws and regulations.

We did not evaluate all internal controls relevant to operating objectives as broadly defined by the FMFIA, such as those controls relevant to preparing statistical reports and ensuring efficient operations. We limited our internal control testing to controls over financial reporting and compliance. Because of inherent limitations in internal control, misstatements due to error or fraud, losses, or noncompliance may nevertheless occur and not be detected. We also caution that projecting our evaluation to future periods is subject to risk that controls may become inadequate because of changes in conditions or that the degree of compliance with controls may deteriorate. In addition, we caution that our internal control testing may not be sufficient for other purposes.

We did not test compliance with all laws and regulations applicable to Peace Corps. We limited our tests of compliance to selected provisions of laws and regulations that have a direct and material effect on the financial statements and those required by OMB audit guidance that we

deemed applicable to Peace Corps' financial statements for the fiscal year ended September 30, 2011. We caution that noncompliance with laws and regulations may occur and not be detected by these tests and that such testing may not be sufficient for other purposes.

We performed our audits in accordance with auditing standards generally accepted in the United States; the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB audit guidance. We believe that our audits provide a reasonable basis for our opinion.

AGENCY COMMENTS AND OUR EVALUATION

In commenting on a draft of the findings in this report, Peace Corps management concurred with the facts and conclusions in our report.

This report is intended solely for the information and use of Peace Corps' management, Peace Corps Office of Inspector General, OMB, the Government Accountability Office, and the U.S. Congress, and is not intended to be, and should not be, used by anyone other than these specified parties.



Arlington, Virginia
November 11, 2011

EXHIBIT I**SIGNIFICANT DEFICIENCY 1****CONTROLS OVER PROPERTY PLANT AND EQUIPMENT NEED IMPROVEMENT**

Throughout FY2011, the Office of Management worked to clarify property accountability policies and procedures. They issued a revised manual section and property accountability handbook in August 2011. Our audit procedures showed that asset additions and disposals are not reported timely and accurately to the Office of the Chief Financial Officer. Costs for internal-use software in development and construction-in-progress are not completely and accurately reported to the Office of the Chief Financial Officer. The Office of the Chief Information Officer continued to experience difficulties in properly reporting and tracking domestic and overseas capitalized Information Technology (IT) equipment. We observed several assets that could not be located in the capitalized asset listing. Peace Corps determined that these assets may not have been capitalized and therefore, would not be on the listing.

We found four assets out of thirteen tested were not tagged with a Peace Corps property tag number. There were also instances where some assets had two tag numbers. We were informed that sometimes the vendor sends the assets already tagged with a Peace Corps tag, but that the Office of Management retags the pre-tagged asset thereby creating two tags.

We also found that the asset listing contained numerous assets without identification numbers.

Recommendations

We recommend the Peace Corps Director ensure that:

- 1a. Current policies designed to ensure complete and accurate asset listing are enforced. Procedures should be developed to ensure assets are properly tagged upon receipt and that OCIO, Office of Management and the Office of the Chief Financial Officer are provided with complete and timely data to record additions.
- 1b. Roles and responsibilities outlined on Peace Corps Standard Operating Procedures (SOP) are carried out by posts and HQ for property accounting and financial reporting personnel that perform accuracy, verification, and completeness checks on the capitalized property listings. Office of Management and OCIO should determine the responsible party for managing and maintaining the records of overseas IT assets.
- 1c. Procedures are developed to ensure that additions and disposals are recorded accurately and timely. OCIO should provide OCFO with timely disposal data to ensure the property balances are not overstated.
- 1d. Timekeeping policies and procedures are implemented to adequately track, capture and record hours worked on capital projects such as internal-use software in development and construction-in-progress.

SIGNIFICANT DEFICIENCY 2

INFORMATION SYSTEM SECURITY CONTROLS NEED IMPROVEMENT

Peace Corps made improvements to its information systems control environment during FY 2011. However, we found that certain internal control weaknesses related to Peace Corps' overall IT environment continued to exist at September 30, 2011. Our evaluation of the general and application controls of Peace Corps' key IT infrastructure and financial systems identified the following conditions.

Control Weaknesses

Security Management

- As reported under the FY 2011 Federal Information Security Management Act (FISMA) evaluation, the Global Infrastructure Risk Assessment dated September 20, 2010 did not include the Europe, Mediterranean, and Asia (EMA) Region component general support system or the Africa Region component general support system.
- As reported under the FY 2011 FISMA evaluation, the Global Infrastructure System excluded major components. Therefore, this agency system had not been fully certified and authorized.
- As reported under the FY 2011 FISMA evaluation, an updated version of MS 542 had not been published since January 26, 2006. Overall formal policies and procedures regarding local and remote maintenance were not in place. Peace Corps did not conduct routine preventative maintenance and records were not kept when maintenance was performed. Additionally, MS 542 did not include policies and procedures regarding the monitoring and oversight of external systems used by the agency.
- As reported under the FY 2011 FISMA evaluation, the following System Security Plans had deficiencies including the following:
 - The security plan for the Global Network System did not follow National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53, Revision 3, *Recommended Security Controls for Federal Information Systems and Organizations*.
 - The security plan for the Financial Management System follows NIST Special Publication 800-53, Revision 3; however, did not include all revisions, such as the new Program Management section.
 - The security plan for the Global Infrastructure System excluded the Europe, Mediterranean, and Asia Region as well as the Africa Region. The security plan also did not contain the most up-to-date information. For example, the plans stated that no privacy impact assessment had been identified for the information system; however, one was posted to the Peace Corps website.

Contingency Planning

As reported under the FY 2011 FISMA evaluation, the following deficiencies were noted with regards to Peace Corps' contingency planning:

- The Peace Corps agency-wide Business Impact Analysis (BIA) had not been updated since 2006 to reflect the current system environment and address the weaknesses identified during subsequent disaster recovery tests.
- CG visited the following Peace Corps posts during 2011: Dominican Republic, Guatemala, Philippines, Sierra Leone, and Benin and noted that contingency procedures were not tested.

Access Controls

- As reported under the FY 2011 FISMA evaluation, Peace Corps had not implemented multifactor authentication for network and local accounts.
- As reported under the FY 2011 FISMA evaluation, overall formal policies and procedures regarding the control of Peace Corps issued laptops and remote access tokens had not been effectively implemented for the agency.
- Deficiencies were identified regarding access controls (inactive accounts and accounts that did not require a password) surrounding Active Directory accounts.

Configuration Management

- As reported under the FY 2011 FISMA evaluation, although system level configuration management policies and procedures have been developed, they did not exist at the agency level.
- As reported under the FY 2011 FISMA evaluation, Peace Corps has not implemented all of the requirements of OMB Memorandum M-08-22, *Guidance on the Federal Desktop Core Configurations (FDCC)*. For example, workstations were lacking centrally managed controls such as session locking. Additionally, the Peace Corps Microsoft Windows Servers did not have mandatory security settings and related baseline configurations and were not currently documented.

These findings highlight the Peace Corps' lack of compliance with various NIST publications, OMB Circulars, and FISMA requirements as listed below:

OMB Circular A-130, *Management of Federal Information Resources* Appendix III Section B, states "Rather than continue to try to precisely measure risk, security efforts are better served by generally assessing risks and taking actions to manage them. While formal risk analyses need not be performed, the need to determine adequate security will require that a risk-based approach be used. This risk assessment approach should include a consideration of the major factors in risk management: the value of the system or application, threats, vulnerabilities, and the effectiveness of current or proposed safeguards."

NIST SP 800-53 Revision 3, control RA-3, states the following regarding risk assessments, "The organization reviews risk assessment results [Assignment: organization-defined frequency] and updates the risk assessment [Assignment: organization-defined frequency] or whenever there are significant changes to the information system or environment of operation (including the identification of new threats and vulnerabilities), or other conditions that may impact the security state of the system."

As required by the OMB Circular A-130, Appendix III on security authorization provides a form of quality control and challenges managers and technical staff at all levels to implement the most effective security controls possible in an information system.

NIST SP 800-53 Revision 3, control CM-1, states the following regarding configuration management policy and procedures, "The organization develops, disseminates, and periodically reviews/updates: (i) a formal, documented, configuration management policy that addresses purpose, scope, roles, responsibilities, management commitment, coordination among organizational entities, and compliance; and (ii) formal, documented procedures to facilitate the implementation of the configuration management policy and associated configuration management controls."

NIST SP 800-12, *An Introduction to Computer Security: the NIST Handbook* states: "A management official, normally the head of the organization or the senior administration official, issues program policy to establish (or restructure) the organization's computer security program and its basic structure. This high-level policy defines the purpose of the program and its scope within the organization; assigns responsibilities (to the computer security organization) for direct program implementation, as well as other responsibilities to related offices (such as the Information Resources Management [IRM] organization); and addresses compliance issues. Program policy sets organizational strategic directions for security and assigns resources for its implementation."

FISMA states: "Each agency shall develop, document, and implement an agency-wide information security program, approved by the Director under section 3543(a)(5), to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source."

NIST SP 800-53 Revision 3, control SA-9, states, "The organization requires that providers of external information system services comply with organizational security requirements and employ appropriate security controls in accordance with applicable federal laws, Executive Orders, directives, policies, regulations, standards, and guidance. The organization also defines and documents oversight and user roles and responsibilities with regard to external information system services and monitors security control appliance by external service providers."

NIST SP 800-53 Revision 3, control MA-1, MA-2, MA-4, states the following regarding Controlled Maintenance, "The organization develops, disseminates, and reviews/updates: (a) a formal, documented, information system maintenance policy that addresses purpose, scope, roles, responsibilities, management commitment, coordination among organizational entities, and compliance; and (b) formal, documented procedures to facilitate the implementation of the information system maintenance policy and associated system maintenance controls. The organization schedules, performs, documents, and reviews records of routine preventative and regular maintenance (including repairs) on the components of the information system in accordance with manufacturer or vendor specifications and/or organizational requirements. The organization authorizes, monitors, and controls non local-maintenance and diagnostic activities."

NIST SP 800-53 Revision 3, control CM-2, states the following regarding baseline configurations, "The organization develops, documents, and maintains under configuration control, a current baseline configuration of the information system."

OMB Memorandum M-08-22, *Guidance on the Federal Desktop Core Configurations (FDCC)*, states “Microsoft Windows XP and Windows Vista are desktop operating systems. Accordingly, FDCC is applicable to all computing system using Windows XP and Windows Vista, including desktops and laptops but not including servers. It is important for the collective security of the Federal Government for all the Windows XP and Windows Vista computers to meet or exceed FDCC, regardless of function.”

NIST SP 800-53, Revision 3 control CP-1 Contingency Planning Policy and Procedures states: “The organization develops, disseminates, and periodically reviews/updates [Assignment: organization defined frequency]: (a) a formal, documented, contingency planning policy that addresses purpose, scope, roles, responsibilities, management commitment, coordination among organizational entities, and compliance; and (b) formal, documented procedures to facilitate the implementation of the contingency planning policy and associated contingency planning controls.”

NIST SP 800-53, Revision 3 control PL-2 states: “The organization develops and implements a security plan for the information system that is consistent with the organization’s enterprise architecture, explicitly defines the authorization boundary for the system, describes the operational context of the information system in terms of missions and business processes, provides the security category and impact level of the information system including supporting rationale, describes the operational environment for the information system, describes relationships with or connections to other systems, provides an overview of the security requirements for the system, describes the security controls in place or planned for meeting those requirements including a rationale for the tailoring and supplementation decisions, is reviewed and approved by the authorizing official or designated representative prior to plan implementation, reviews the security plan for the information system, and updates the plan to address changes to the information system/environment of operation or problems identified during plan implementation or security control assessments.”

NIST SP 800-53 Revision 3, control AC-19, states the following regarding Access Control for Mobile Devices, “The organization: (a) Establishes usage restrictions and implementation guidance for organization-controlled mobile devices; (b) Authorizes connection of mobile devices meeting organizational usage restrictions and implementation guidance to organizational information systems; (c) Monitors for unauthorized connections of mobile devices to organizational information systems; (d) Enforces requirements for the connection of mobile devices to organizational information systems; (e) Disables information system functionality that provides the capability for automatic execution of code on mobile devices without user direction; (f) Issues specially configured mobile devices to individuals traveling to locations that the organization deems to be of significant risk in accordance with organizational policies and procedures; and (g) Applies [Assignment: organization-defined inspection and preventative measures] to mobile devices returning from locations that the organization deems to be of significant risk in accordance with organizational policies and procedures.”

NIST SP 800-53 Revision 3, control AC-2, states the following regarding account management, “The organization manages information system accounts, including: (d) Requiring appropriate approvals for requests to establish accounts; (e) Establishing, activating, modifying, disabling, and removing accounts; (i) Granting access to the system based on: (i) a valid access authorization; (ii) intended system usage; and (iii) other attributes as required by the organization or associated missions/business functions.”

NIST SP 800-53 Revision 3, control IA-2, states the following regarding identification and authentication, “The information system uniquely identifies and authenticates organizational users (or processes acting on behalf of organizational users). And applicable control enhancements: “(1) The information system uses multifactor authentication for network access to privileged accounts. (2) The information system uses multifactor authentication for network access to non-privileged accounts. (3) The information system uses multifactor authentication for local access to privileged accounts. (8) The information system uses [Assignment: organization-defined replay-resistant authentication mechanisms] for network access to privileged accounts.”

Recommendations

We recommend the Peace Corps Director ensure that:

- 2a. The system configuration management procedures are integrated fully with the agency-wide configuration management plan.
- 2b. The impact analyses, test plans, and test results for system changes are completed prior to component migration to production and documentation is maintained of the system changes.
- 2c. All stages of the configuration management process include methodologies for approving specific change types, identifying the use of the varying change types, and identifying the process flows for each type of change.
- 2d. The change control policies are updated to ensure that formal procedures for requesting, approving, coding, testing and promoting a change are appropriately documented.
- 2e. Formal risk assessments are completed for all Peace Corps major applications and general support systems.
- 2f. A risk assessment review process is developed and implemented to include frequency of reviews and updates.
- 2g. Full certification and authorization is completed for all Peace Corps information systems in accordance with Peace Corps policy, NIST Special Publication 800-37 guidance, and OMB Circular A-130.
- 2h. Manual Section 542: Information Technology Security Policies is completed, approved and updated.
- 2i. Procedures for the monitoring and security oversight of external systems are documented.
- 2j. Formal local and remote maintenance policies and procedures, including the logging of maintenance is developed and implemented.
- 2k. The agency Business Impact Analysis is reevaluated and updated to ensure that it accurately represents the current Peace Corps environment and addresses the deficiencies noted in the disaster recovery tests.

- 2l. All system Contingency Plans are tested to ensure procedures for reconstitution and recovery of the systems are adequate.
- 2m. Guidance to posts regarding development of post contingency plans and testing of contingency scenarios is provided to determine if procedures for reconstitution and recovery of the post systems are adequate.
- 2n. System security plans for Peace Corps systems are completed and updated in accordance with OMB Circular A-130, NIST SP 800-18, and NIST SP 800-53 Revision 3.
- 2o. System Computer Security Coordinators review and update System Security Plans on an annual basis to ensure that the security requirements and controls for the system are adequately documented and reflect current operating environment.
- 2p. Formal procedures for requesting access to portable and mobile devices are implemented and include management approved access request forms that document each user's approval and assigned device.
- 2q. Policies and procedures for portable and mobile devices which travel to locations that the organization deems to be of significant risk are implemented.
- 2r. A method to track the assignments of portable and mobile devices by specific equipment identifiers and individual assigned is developed.
- 2s. Procedures are developed and implemented to ensure the timely return of portable and mobile devices and updating of equipment inventories to reflect current possession.
- 2t. Implement multifactor authentication for local access to privileged accounts, network access to privileged accounts, and network access to non-privileged accounts.
- 2u. Periodically audit network user accounts, specifically (a) accounts not used in over 90 days, (b) accounts that do not require passwords, and (c) accounts with passwords set not to expire.
- 2v. Mandatory security settings and baseline configurations are maintained for Microsoft Windows Servers.

EXHIBIT II**STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS**

Prior Year Condition	Status As Reported at September 30, 2011	Status as of September 30, 2011
Controls over Property Plant and Equipment Need Improvement	<p><u>Significant Deficiency:</u></p> <p>Throughout FY2011, the Office of Management worked to clarify property accountability policies and procedures. They issued a revised manual section and property accountability handbook in August 2011. Our audit procedures showed that asset additions and disposals are not reported timely and accurately to the Office of the Chief Financial Officer. Costs for internal-use software in development and construction-in-progress are not completely and accurately reported to the Office of the Chief Financial Officer. The Office of the Chief Information Officer continued to experience difficulties in properly reporting and tracking domestic and overseas capitalized Information Technology (IT) equipment. We observed several assets that could not be located in the capitalized asset listing. Peace Corps determined that these assets may not have been capitalized and therefore, would not be on the listing.</p> <p>We found four assets out of thirteen tested were not tagged with a Peace Corps property tag number. There were also instances where some assets had two tag numbers. We were informed that sometimes the vendor sends the assets already tagged with a Peace Corps tag, but that the Office of Management retags the pre-tagged asset thereby creating two tags.</p> <p>We also found that the asset listing contained numerous assets without identification numbers.</p>	This is a repeat finding – See Significant Deficiency 1
Information System Security Controls Need Improvement	<p><u>Significant Deficiency:</u></p> <p>Peace Corps made improvements to its information systems control environment during FY 2011. However, we found that certain internal control weaknesses related to Peace Corps' overall IT environment continued to exist at September 30, 2011. Our evaluation of the general and application controls of Peace Corps' key IT infrastructure and financial systems identified weaknesses in the areas of security management, contingency planning, access controls and configuration management.</p>	This is a repeat finding – See Significant Deficiency 2

Other Accompanying Information



A Youth Development Volunteer in Ecuador works with children to create a small business bakery project.



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

Office of Inspector General

TO: Aaron S. Williams, Peace Corps Director

FROM: Kathy A. Buller, Inspector General 

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

DATE: October 19, 2011

In accordance with the Reports Consolidation Act of 2000, we are submitting what we have determined to be the most significant management and performance challenges facing the Peace Corps. Our challenges, discussed in the attachment to this memo, are to be included in the Agency's *Performance and Accountability Report* for fiscal year 2011 (FY 2011). We believe that three of the five areas we identified in our FY 2009 challenges and one of the areas in our FY 2010 challenges continue to present significant management and performance challenges at the Peace Corps so we are presenting them again as part of this year's challenges. In addition, we have identified one new challenge that crosses a number of important functional areas.

In our FY 2010 challenges we identified the need to improve the agency's business operations at both agency headquarters and field locations in order to accommodate growth and expansion. While Volunteer growth has not matched expectations, there is still a need for the agency to modernize and enhance its business tools and processes. Therefore we have included many of the same elements related to that specific challenge in our new challenge on streamlining business processes and modernization of information systems.

This year's challenge areas are listed below:

- Information Technology Management (FY 2009)
- Property Management (FY 2009)
- Protection of Personally Identifiable Information (FY 2009)
- Remediation of Audit Findings and Recommendations (FY 2010)
- Business Processes and Information Systems (New)

These challenges illustrate the most significant areas we believe need improvement for Peace Corps to effectively manage its resources and minimize the potential for fraud, waste, and abuse occurring in its operations. By addressing the issues related to our challenge areas the agency could potentially achieve operational efficiencies and improve mission effectiveness.

Attachment

Challenge Information Technology Management

In last year's Challenges, we indicated that the agency's most significant risks have been, and continue to be, associated with ensuring that the agency places limited resources where they are most needed; that funds spent on contracts consistently meet requirements; and that the information technology (IT) infrastructure effectively supports the Peace Corps mission. The Office of the Chief Information Officer (OCIO) has made progress in strengthening IT management through significantly improving its investment review board process, developing an IT strategic plan, and updating its systems development lifecycle process. Further, management has performed significant IT upgrades at overseas locations and made a number of other operational improvements. However, the agency lacks a documented comprehensive enterprise architecture to assist in guiding and making decisions impacting IT.

Although management continues to also make progress in strengthening Peace Corps' IT security management, some issues associated with Federal Information Security Management Act compliance that were discussed in prior IG Challenges have not been fully resolved. For example, the processes for configuration management have not been fully implemented and contingency plan testing is not being accomplished at overseas posts. Achieving full compliance with federal laws and regulations that apply to managing the Peace Corps' IT infrastructure are critical management challenges. OCIO is further challenged by high personnel turnover in key technical areas resulting, at least, in part from term limit assignments imposed by law and the availability of qualified resources. It is also having difficulty filling vacancies due to budget constraints. As a result, OCIO is presently down to 80 percent of its authorized full time equivalent personnel strength and is projected to be at about 71 percent by fiscal year end 2012.

Challenge Property Management

Accountability over Peace Corps property continues to present challenges for management. The agency's FY 2011 (Third Quarter) balance sheet indicates the agency's general property, plant, and equipment (PP&E) has a net book value of about \$41.3 million. Peace Corps' general PP&E includes primarily vehicles, office furniture, computer equipment, and software. Property management involves organizational activities related to acquiring, tracking, controlling, and disposing of these items. In last year's Challenges, we reported that issues with overall property accountability have continued to impact operations.

We noted, during the last 12 months, there were significant problems with accountability of certain assets, managing excess property, and recording and tracking. For example, we found at some Peace Corps posts that records were not being updated to reflect all property that had been disposed and/or added to inventory and periodic required physical counts were not being conducted. Our external auditors reported that the agency had not taken the necessary corrective actions that were recommended last year to ensure accurate tracking of assigned laptop computers at headquarters. As a result, there were still problems determining the location of these assets.

Other examples of deficient property management include failing to dispose of property identified as "excess to needs" in a timely manner and inadequate physical control. Ineffective

property management unnecessarily exposes the agency to risks associated with fraud, waste, and abuse and drives up operating costs. The new property accountability software began pilot implementation in the Fourth Quarter of FY 2011 and is expected to be fully implemented and utilized in time for the annual property inventory in First Quarter of FY 2012. The capabilities for improving accountability will not be known until the new system has been fielded and an assessment of its effectiveness is made. As a result, improving overall property management and strengthening internal control related to property accountability continues to be a management challenge.

Challenge Protection of Personally Identifiable Information

We first identified this challenge during FY 2009 and we continue to identify problems with the agency's management and control over Personally Identifiable Information (PII). The Peace Corps routinely receives, processes, and maintains significant amounts of PII. PII includes information that can be used to distinguish or trace an individual's identity, such as name, Social Security Number, or biometric records. This information can be used to link to other data such as bank accounts and other financial or personal information that can assist perpetrators in committing crimes associated with identity theft. The Office of the Chief Information Office reported there were nine separate breaches in PII during FY 2011. The breaches were compromised of PII data associated with over 180 individuals.

Since FY 2009, we have identified the protection of PII as a management challenge that called for enhanced management practices and more effective internal control. In June 2009, OIG investigated and issued investigative reports on the breach of more than 495 medical files that included applicant's names, Social Security Numbers, addresses, dates of birth, dental records, lab reports, and medical questionnaires. In FY 2010, a Peace Corps recruiter reported that her laptop and 10 applicant files was stolen during a visit to a university campus. Later that same year a country director reported that two Peace Corps USB drives containing PII for 52 trainees were stolen when a vehicle was broken into.

In last year's management response to this issue, the implementation of the Volunteer Life Cycle System and electronic medical records systems were mentioned as measures that should significantly reduce the risk of PII security breaches. However, neither system has been implemented. Until these improvements are made and the systems described are fully operational, we believe that PII will remain potentially vulnerable to breaches. As a result, it will continue to be a challenge for management to ensure Peace Corps personnel consistently comply with applicable federal and agency guidance governing managing PII data.

Challenge Remediation of OIG Findings and Recommendations

In FY 2010 we reported a challenge related to untimely remediation of OIG findings and recommendations, which continues to be a challenge. We reviewed some of the agency's key headquarters' level business processes and made a number of recommendations in three separate OIG audit reports issued in FY 2010. These recommendations would improve efficiencies and effectiveness associated with supporting Volunteers in the field; strengthening internal control;

and ensuring compliance with applicable Federal laws, regulations, and Peace Corps policy. The reports are listed below:

- Office of the Chief Information Officer Budget Formulation and Management
- Process for Soliciting, Awarding, and Administering Contracts
- Volunteer Safety and Security Program

Although management has made progress in remediating some of the associated findings and recommendations, it continues to not be effective or timely in taking corrective actions necessary to remediate the deficiencies noted in the related reports. Management was initially notified regarding the reports' findings and recommendations 17 to 20 months ago (two Preliminary Audit Reports were issued in January 2010 and one was issued in April 2010). As of the end of FY 2011, management had taken sufficient corrective actions to enable us to close 43 of the 68 recommendations included in the three reports.

In addition, we issued an evaluation report on the Volunteer Delivery System (VDS) in October 2010 (Follow-up Evaluation of the VDS). The VDS is mission critical because it is used as a repository for data on recruiting, selecting, and placing Volunteers in the field. The evaluation followed up on a prior OIG evaluation related to VDS that was performed in 2003. Based on our follow-up effort, we determined that many of the corrective actions agreed to by management in 2003 were either not initiated or were not fully carried out. To date, management has remediated only two of the 23 recommendations contained in the follow-up report.

This lack of timely remediation of OIG findings and recommendations by senior management is a trend that has continued through FY 2011. Despite the best efforts made by the chief compliance officer over the last 12 months to facilitate remediation, a significant number of audit and evaluation findings and recommendations remain in an open status. As of September 30, 2011, there were 125 recommendations open for more than 180 days, including 42 that were issued two to seven years ago.¹ As mentioned in the FY 2010 Challenges, timely remediation of findings and recommendations is dependent on senior management's full attention and support in correcting known deficient conditions, as well as ensuring that there is a priority placed on compliance. We believe agency management needs to place greater emphasis on remediating findings and implementing recommendations.

Challenge Business Processes and Information Systems

Although the Peace Corps is continuing to streamline operations and improve the technology that supports key business processes and critical Volunteer support functions, it is constrained by limited resources and inadequate planning. Given new fiscal realities, the Peace Corps prospects for growth and expansion are uncertain. However, the number of Volunteers serving at the end of FY 2011 reached nearly 9,100. This figure represents the highest Volunteer strength in 40

¹ Outstanding recommendations include post audits, country program evaluations, financial statement audit, information security program audit, and special reviews. Recommendations issued in conjunction with the financial statement and the information security program audits are part of a normal 12-month audit cycle. As a result, recommendations made during a given fiscal year will remain in an open status during the entire subsequent fiscal year. Prior year findings and recommendations may be reissued if management has not taken sufficient corrective actions.

years. The Peace Corps operates using a decentralized organizational structure, relying on country directors at overseas posts to implement the policies established by headquarters. A decentralized organizational structure requires clear and concise policies and procedures that are consistently applied; open lines of communication; effective planning and budgeting for needed resources; and strong management oversight to ensure that the agency's mission is effectively accomplished throughout the world. In addition, IT should facilitate the processes by automating workflow and controls to provide managers with the data necessary to efficiently monitor and manage operations. A responsive management team that provides quality support services to Volunteers will require enhanced business processes and modern IT systems.

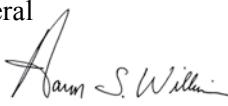
In response to several OIG audits and evaluations, the Peace Corps has made improvements to its operations, including: IT governance, acquisition planning and contracting, safety and security support, and medical support. However, some important initiatives to improve business processes have been delayed or postponed. As a result, although progress has been made, the agency still requires improvements in critical mission areas such as:

- Medical Care – In response to an OIG special review the Peace Corps Office of Volunteer Support/Office of Medical Services (OMS) developed a Quality Improvement Plan. The plan included a series of technical guidance intended to raise the standards of medical care for Volunteers, enhance the credentialing process, and reform the scope of practice policies for medical professionals. However, because of resource constraints OMS could not move forward during FY 2011 on acquiring systems that better manage pharmaceutical supply inventory and enable electronic filing of health records. Further, although a medical chart review process intended to increase clinical oversight was made more rigorous and expanded, only a fraction of charts are being submitted by posts and reviewed by OMS because it presently lacks the capability to review the number deemed necessary to impact improvement. In addition, the agency is challenged to ensure medical officers are properly trained and fully comply with the large volume of new technical guidance that ranges from new or revised treatment options to mandatory medical documentation standards.
- Safety and Security – The agency took steps to improve the adequacy and consistency of Volunteer safety and security by increasing lines of communication between headquarters safety and security management and the safety and security coordinators overseas. The agency developed an agency-wide plan, specific security procedures, and a Volunteer safety and security handbook. The agency continues to train overseas staff on the policies and procedures. Improving Volunteer safety and security will continue to be a challenge without the establishment and effective implementation of a Memorandum of Understanding with the Department of State on roles and responsibilities for responding to Volunteer safety and security incidents overseas. Further, to ensure they continue to make progress the agency will need to monitor the success and pitfalls of the newly established process and make additional improvements, such as developing a system for ensuring safety and security recommendations are implemented.

- Volunteer Delivery System – In 2009, the Peace Corps began revising the Volunteer Delivery System (VDS) technology system. The goal of the redesign was to develop and upgrade the core business systems and associated business practices required to manage all stages of the Volunteer lifecycle. This redesign effort is ongoing. The agency's commitment to implementing a new system, including modernizing the VDS and successfully completing related long-term projects that require both human and capital resources, will determine whether it can achieve its goals. Also critical to the effectiveness of the redesigned VDS is maintaining Volunteer quality and putting in place processes and data measurement systems to ensure the Peace Corps is selecting and placing Volunteers who can help the people of interested countries in meeting their need for trained men and women.
- Document Management – Several key functions including travel authorizations, vouchering, contract management, and leave requests, remain largely paper-based. Streamlining and integrating these functions through an IT solution would reduce data entry error, improve efficiency, reduce paper dependency, and provide greater storing and retrieving capabilities. The Peace Corps recognizes the need for enhanced document management systems, but has not sufficiently prioritized and allocated resources to implement significant improvements. The agency is exploring options such as Microsoft SharePoint to provide greater automation and document control.
- Accessibility of Useful and Accurate Data – While conducting audits and evaluations, OIG continues to encounter problems obtaining significant data for key business processes. For example, OIG has had difficulty accessing summary data related to employee retention and turnover, as well as cost and cumulative impact of Volunteer medical accommodations. Moreover, up until this year, the Peace Corps did not maintain a central database to capture formal resource allocation requests submitted by its component offices to management for review and approval. As a result, prior year data was not readily available for review and analysis and any data assembled was potentially incomplete or inaccurate. Access to accurate data related to headquarters and international operations informs and guides program budgeting, strategic planning, program development and management, as well as responses to critical issues concerning program effectiveness, efficiency, and waste. Without timely access to relevant data the agency cannot easily make informed management decisions and assess whether it is meeting its performance goals.



Agency Response to Inspector General's Statement on the Peace Corps' Management and Performance Challenges

TO: Kathy A. Buller, Inspector General
FROM: Aaron S. Williams, Director 
SUBJECT: Agency Response to Inspector General's Statement on the Peace Corps'
Management and Performance Challenges
DATE: November 9, 2011

Thank you for your October 19, 2011 memorandum and attachment presenting Office of Inspector General's (OIG) management and performance challenges for the agency.

I am addressing the five challenge areas identified by the OIG:

Challenge Information Technology Management (FY 2009)

Despite budget constraints, the groundwork for the formal documentation of a comprehensive enterprise architecture for the Peace Corps is underway. The business process and inventory elements will be completed by the end of the second quarter in FY 2012. The remaining elements can only be addressed as budgetary resources become available.

In FY 2011, the Office of the Chief Information Officer (OCIO) provided a template for posts to use in the development of their IT contingency plans. Contingency planning policy will be established in FY 2012 requiring posts to conduct annual tests of their IT contingency plans and submit test results to the OCIO. Resolution of the remaining Federal Information Security Management Act (FISMA) compliance issues will be dependent on the availability of additional budgetary resources.

Challenge Property Management (FY 2009)

The agency's new property accountability software system, Bar Tracks, was fully deployed in the fourth quarter of FY 2011. In conjunction with this deployment, all offices and posts completed property management training in preparation for the agency-wide annual inventory in November 2011. With this new automated tool, headquarters will have the capability to provide significantly improved oversight of post property and posts will be able to properly account for their assets. When IT assets are fully incorporated in Bar Tracks by the end of FY 2012, adequate controls will be in place to track all laptops.

In September 2011, the agency revised Manual Section 527, *Vehicle Acquisition, Disposal, and Management*, and the *Vehicle Fleet Management Handbook* to strengthen its policies for the purchasing and disposal of vehicles. These new policies provide for increased oversight from headquarters when posts procure vehicles locally or dispose of vehicles without the assistance of

a third party auction house. In addition, the agency recently approved the purchase of a vehicle fleet management software system. This is expected to be implemented in FY 2012 and will provide headquarters with improved oversight capabilities for vehicle usage and disposals.

In August 2011, the agency's policies and procedures for the accountability of property were updated with the issuance of revised Manual Section 511, *Property Management*, and the *Personal Property Accountability Management Handbook*.

Challenge Protection of Personally Identifiable Information (FY 2009)

When the new automated Volunteer Delivery System, Database of Volunteer Experience System (DOVE) is fully implemented in FY 2012, much of this challenge should be resolved. DOVE includes both the subsystems of Volunteer Life Cycle Management and Medical Pre-Service Screening that will reduce manual processing. Medical applications and correspondence will then be processed through a secure portal, replacing the current paper system that is more prone to breach via nurse error. Training for DOVE implementation is already underway. Funding for an electronic medical record system was recently approved. Development of that system will start immediately and our expectation is that the system will be fully deployed and in operation in FY 2014.

The FY 2011 security breaches reported to OIG were caused by human error and manual processing. The OCIO and Office of Volunteer Recruitment and Selection switched to using electronic mail communications to eliminate the paper processing that caused the problem that affected 177 of the 180 individuals cited by OIG. To further improve PII handling during FY 2011, the agency created several standard operating procedures, instituted orientation and training sessions, eliminated PII on many Peace Corps forms, further restricted access to medically confidential information, and implemented data encryption on laptops.

Challenge Remediation of Audit Findings and Recommendations (FY 2010)

The agency is committed to the timely remediation of OIG findings and recommendations and believes that there has been significant progress in FY 2011.

While 43 recommendations in the three audit reports cited by OIG have been closed, another 12 have been implemented by the agency and submitted to OIG for review. This leaves just 13 recommendations that have not yet been implemented. Department heads as well as senior management of the agency are committed to full implementation and closure of these OIG recommendations.

With respect to the Volunteer Delivery System evaluation report, many of the remaining recommendations will be addressed when DOVE is fully implemented in FY 2012.

Of the 182 recommendations that were open at the end of FY 2010, 138 have been closed by OIG and another 14 have been implemented by the agency and submitted to OIG for review. This leaves only 30 recommendations that have not yet been implemented. This is an implementation rate of 76 percent for OIG recommendations that were open at the end of FY 2010.

In FY 2011, 296 new recommendations were generated by OIG audits, evaluations and special reviews. Of those recommendations, 196 have already been implemented and closed by OIG, for an implementation rate of 66 percent.

Based on the data provided, the agency and its senior management have made substantial improvement in the timely remediation of OIG findings and recommendations in FY 2011.

Of the 42 recommendations that were issued two to seven years ago, 10 are from the Financial Statement Audit and 19 are from the Information Security Program Audits. Those recommendations for which remediation was not dependent upon future events or availability of additional resources have largely been addressed and are awaiting OIG review. Of the remaining 13 recommendations, two have now been closed, two more have been implemented and submitted for OIG review, and the remaining nine are being addressed.

Notwithstanding the progress that has been made in FY 2011 in implementing OIG recommendations and, in particular, to address the backlog of OIG recommendations from past years, further steps are planned to address the concerns raised by OIG. Therefore, additional processes and procedures will be put in place in FY 2012 by the Chief Compliance Officer to ensure that all OIG recommendations are fully implemented by senior management in conjunction with the Chief Compliance Officer.

Challenge Business Processes and Information Systems (New)

The completion of initiatives to improve business processes will continue to be dependent on the availability of appropriated funding and agency priorities. In FY 2011, the agency received a mid-year appropriated funding cut of almost \$26 million. This required the agency to make difficult decisions on the allocation of limited resources, including a significant reduction in the planned rate of growth in number of volunteers as well as the postponement of some planned initiatives to improve business processes. With continuing budget uncertainties, the agency is prioritizing the most critical areas.

Medical Care. Funding for an electronic medical record system was recently approved. Development of the system will start immediately and our expectation is that the system will be fully deployed and in operation in FY 2014. A workbook designed to help posts with pharmaceutical inventory management was sent to posts in January 2011. An updated policy on Medical Supplies and Equipment, along with technical guidelines implementing that policy, have been approved by the agency's Senior Policy Committee. All Peace Corps Medical Officers were invited to regional continuing medical education conferences in FY 2011 at which training on new medical technical guidelines was provided. Funding for FY 2012 was recently approved to hire additional nurses and medical officers for the Quality Improvement Unit. This will enable the Office of Volunteer Support to better implement the medical chart review process.

Safety and Security. The agency is currently in discussion with the Bureau of Diplomatic Security in the Department of State on the terms of a formal Memorandum of Understanding

documenting their respective roles in ensuring the safety and security of Peace Corps Volunteers. It is expected that this Memorandum of Understanding will be completed in the first half of FY 2012. Though Peace Corps and Diplomatic Security have already been working together closely, this Memorandum of Understanding will document procedures for cooperation between the Peace Corps and Diplomatic Security.

The agency has systems in place to ensure that safety and security improvements are being implemented. In FY 2011, an improved system was put in place through which the regions and the Office of Safety and Security jointly review, prioritize, and track the implementation of recommendations of Peace Corps Safety and Security Officers who make regular on-site visits to posts. In addition, the agency's safety and security staff conducts systematic reviews using incident and trend analysis, the crime victimization survey, and feedback from staff members and Volunteers.

Volunteer Delivery System. The agency expects the new automated Volunteer Delivery System, DOVE, will be fully implemented in FY 2012. This system will, among other things, make applicant data more readily available and, together with associated changes to the Volunteer application process, enable more effective matching of applicants with the needs of the countries being assisted.

Document Management. The agency is currently piloting two demonstration business modernization projects (contract document management and regional recruiting office leave approval) using the Microsoft Office 365 (SharePoint) cloud solution. In the second half of FY 2012, the OCIO should be able to begin an agency-wide SharePoint document management system if resources become available.

Accessibility of Useful and Accurate Data. The agency is lacking a central authoritative source to obtain data for some key business processes. The summary data related to employee retention and turnover issue experienced by the OIG in FY 2010 was due to human error and that data can be accessed by system query. The new electronic medical record system to be fully deployed in FY 2014 will have a component giving the agency access to data on medical expenditures. With the full implementation of Hyperion Planning in FY 2011, budgetary and resource allocations are available in real time.



Summary of Financial Statement Audit and Management Assurances Tables

Summary of Financial Statement Audit					
Audit Opinion	Unqualified				
Restatement	No				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Ending Balance
Total Material Weaknesses	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
Total Non-Conformances	0	0	0	0	0	0



Improper Payments Information Act

The Peace Corps has no programs and activities that are risk-susceptible to “significant improper payments” as defined in the Improper Payments Information Act of 2002, Public Law No. 107-300, as amended by Public Law No. 111-204, Improper Payments Elimination and Recovery Act, or the implementing OMB Memorandum, M-11-16, Subject: Issuance of Revised Parts I and II to Appendix C of OMB Circular A-123, *Management’s Responsibility for Internal Control*. No improper payments were identified this fiscal year through internal management review or by the external auditors that would meet the threshold of both (1) 2.5 percent of program outlays and \$10,000,000 of all program or activity payments made during FY 2011 or (2) \$100,000,000 (regardless of the improper payment percentage of total program outlays).

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Appendices



An Education Volunteer conducts a laboratory activity with students in Kenya. Students were given the opportunity to apply their knowledge of gaseous exchange in fish by dissecting and observing the gills.



Appendix 1

Summary of Audit Significant Deficiencies

Independent auditor Clifton Gunderson LLP, through the Inspector General, issued the FY 2011 financial statement audit report beginning on Page 99. This audit report did not identify any material weaknesses but did identify two significant deficiencies in internal control. Significant Deficiency 1, Controls over Property, Plant, and Equipment Need Improvement, consists of four audit recommendations shown in the table below, along with the estimated dates for resolution of the recommendations. Significant Deficiency 2, Information System Security Controls Need Improvement, consists of 22 audit recommendations shown in the table below, along with the estimated dates for resolution. Audit recommendations issued in prior years that remain unresolved are shown below as Prior Year (PY).

Significant Deficiency 1 – Controls over Property, Plant, and Equipment Need Improvement

Audit Recommendations	Estimated Completion
Ensure asset listings are complete; tag assets upon receipt; and record timely (PY)	2nd Qtr FY 12
Perform accuracy, verification, and completeness checks on capitalized property listings; determine responsibility for managing and maintaining records of overseas IT assets (PY)	3rd Qtr FY 12
Develop procedures to ensure additions and disposals are recorded accurately and provide timely disposal data (PY)	2nd Qtr FY 12
Implement timekeeping policies and procedures to track, capture, and record hours worked on capital projects (internal-use software in development and construction-in-progress)	4th Qtr FY 13

Significant Deficiency 2 – Information System Security Controls Need Improvement

Audit Recommendations	Estimated Completion
Fully integrate system configuration management procedures with agencywide configuration management plan	1st Qtr FY 13
Complete impact analyses, test plans, and test results for system changes prior to migration to production and maintain documentation	4th Qtr FY 12
Include methodologies for approving specific change types for all stages of the configuration management process, identifying the use of varying change types and the process flows	1st Qtr FY 13
Update change control policies to ensure that formal procedures for requesting, approving, coding, testing, and promoting are appropriately documented	4th Qtr FY 12
Complete formal risk assessments for all major applications and general support systems	4th Qtr FY 12
Develop/implement risk assessment review process to include frequency of reviews and updates	4th Qtr FY 12

(continued)

Audit Recommendations	Estimated Completion
Complete full certification and authorization for all information systems (PY)	4th Qtr FY 12
Complete/update/approve Manual Section 542, <i>Information Technology Security Policies</i> (PY)	1st Qtr FY 12
Document procedures for monitoring and security oversight of external systems	3rd Qtr FY 12
Develop/implement formal local and remote maintenance policies and procedures, including maintenance logging	4th Qtr FY 12
Re-evaluate/update agency Business Impact Analysis to ensure that it accurately represents the current environment and addresses deficiencies noted in disaster recovery tests (PY)	1st Qtr FY 12
Test all system Contingency Plans to ensure procedures for reconstitution and recovery of systems are adequate	4th Qtr FY 12
Provide guidance to posts regarding development of contingency plans and testing of scenarios to determine if reconstitution and recovery of posts systems are adequate	4th Qtr FY 12
Complete/update system security plans	4th Qtr FY 12
System Computer Security Coordinators review/update System Security Plans annually to ensure security requirements and controls are adequately documented and reflect current operating environment	4th Qtr FY 12
Implement formal procedures for requesting access to portable and mobile devices and include management approved access request forms documenting user's approval and assigned device	2nd Qtr FY 12
Implement policies and procedures for portable and mobile devices that travel to locations deemed by the organization to be of significant risk	2nd Qtr FY 12
Develop a method to track assignments of portable and mobile devices by specific equipment identifiers and individual assigned	4th Qtr FY 12
Develop/implement procedures to ensure the timely return of portable and mobile devices and updating of equipment inventories to reflect current possession	2nd Qtr FY 12
Implement multifactor authentication for local access to privileged accounts, network access to privileged accounts, and network access to non-privileged accounts	4th Qtr FY 13
Periodically audit network user accounts, specifically (a) accounts not used in over 90 days, (b) accounts that do not require passwords, and (c) accounts with passwords set not to expire (PY)	2nd Qtr FY 12
Maintain mandatory security baseline configurations for Microsoft Windows servers (PY)	3rd Qtr FY 12

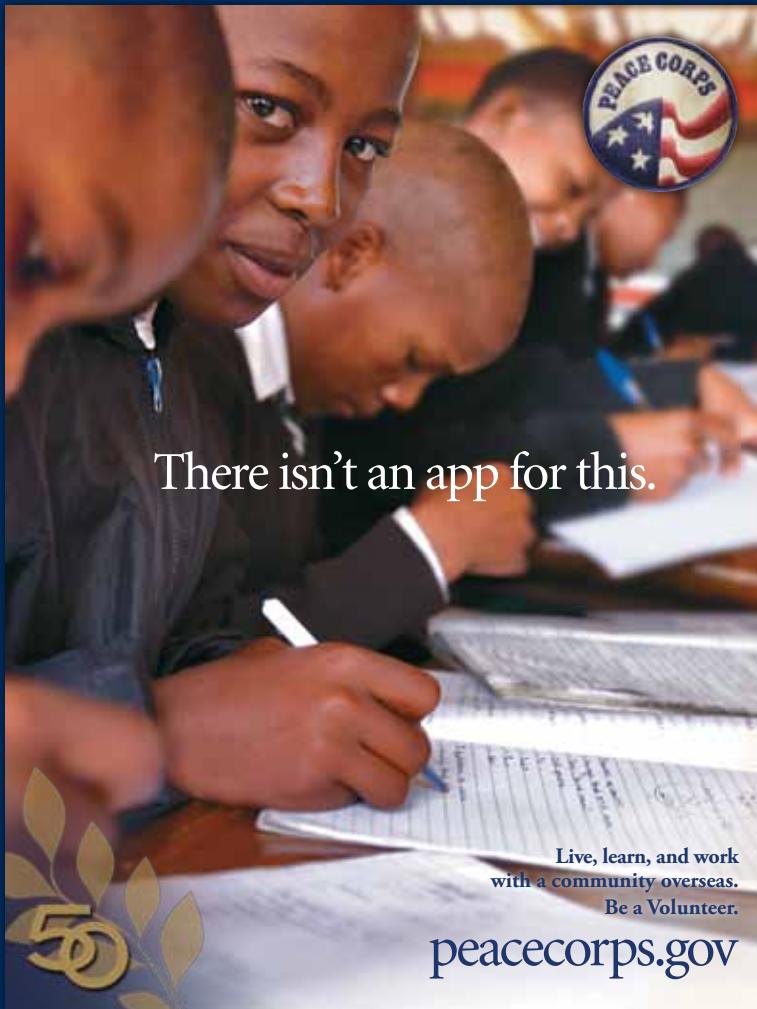


Appendix 2

Glossary of Acronyms

AC-2	Account Management*	MA-2	Controlled Maintenance*
AC-19	Access Control for Mobile Devices*	MA-4	Non-Local Maintenance*
AVS	Annual Volunteer Survey	MD&A	Management's Discussion and Analysis
BIA	Business Impact Analysis	MS	Manual Section
CG	Clifton Gunderson LLP	NGO	Nongovernmental Organization
CM-1	Configuration Management Policy and Procedures*	NIST	National Institute of Standards and Technology
CM-2	Baseline Configuration*	NIST SP	National Institute of Standards and Technology Special Publication
CP-1	Contingency Planning Policy and Procedures*	OCFO	Office of the Chief Financial Officer
DOL	Department of Labor	OCIO	Office of the Chief Information Officer
DOS	Department of State	OIG	Office of Inspector General
DOVE	Database of Volunteer Experience	OMB	Office of Management and Budget
EMA	Europe, Mediterranean, and Asia	OMS	Office of Medical Services
FDCC	Federal Desktop Core Configurations	OPM	Office of Personnel Management
FECA	Federal Employees Compensation Act	OSIRP	Office of Strategic Information, Research and Planning
FISMA	Federal Information Security Management Act	PCR	Peace Corps Response
FMFIA	Federal Managers' Financial Integrity Act	PEPFAR	President's Emergency Plan for AIDS Relief
FSN	Foreign Service National	PII	Personally Identifiable Information
FY	Fiscal Year	PL-2	System Security Plan*
GDP	Global Development Policy	PMI	President's Malaria Initiative
HQ	Headquarters	PP&E	Property, Plant, and Equipment
IA-2	Identification and Authentication*	PSC	Personal Services Contractor
IPBS	Integrated Planning and Budgeting System	RA-3	Risk Assessment*
IRM	Information Resources Management	SA-9	External Information System Services*
IT	Information Technology	SOP	Standard Operating Procedure
MA-1	System Maintenance Policy and Procedures*	TEFL	Teaching English as a Foreign Language
		VDS	Volunteer Delivery System

*NIST SP 800-53



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*Front Cover: President John F. Kennedy sought to encourage mutual understanding between Americans and people of other nations and cultures. The Peace Corps marks 50 years of service in FY 2011 and continues to promote world peace and friendship.
Back Cover: A component of the 2011 Peace Corps recruitment ad series promotes hands-on experience.*

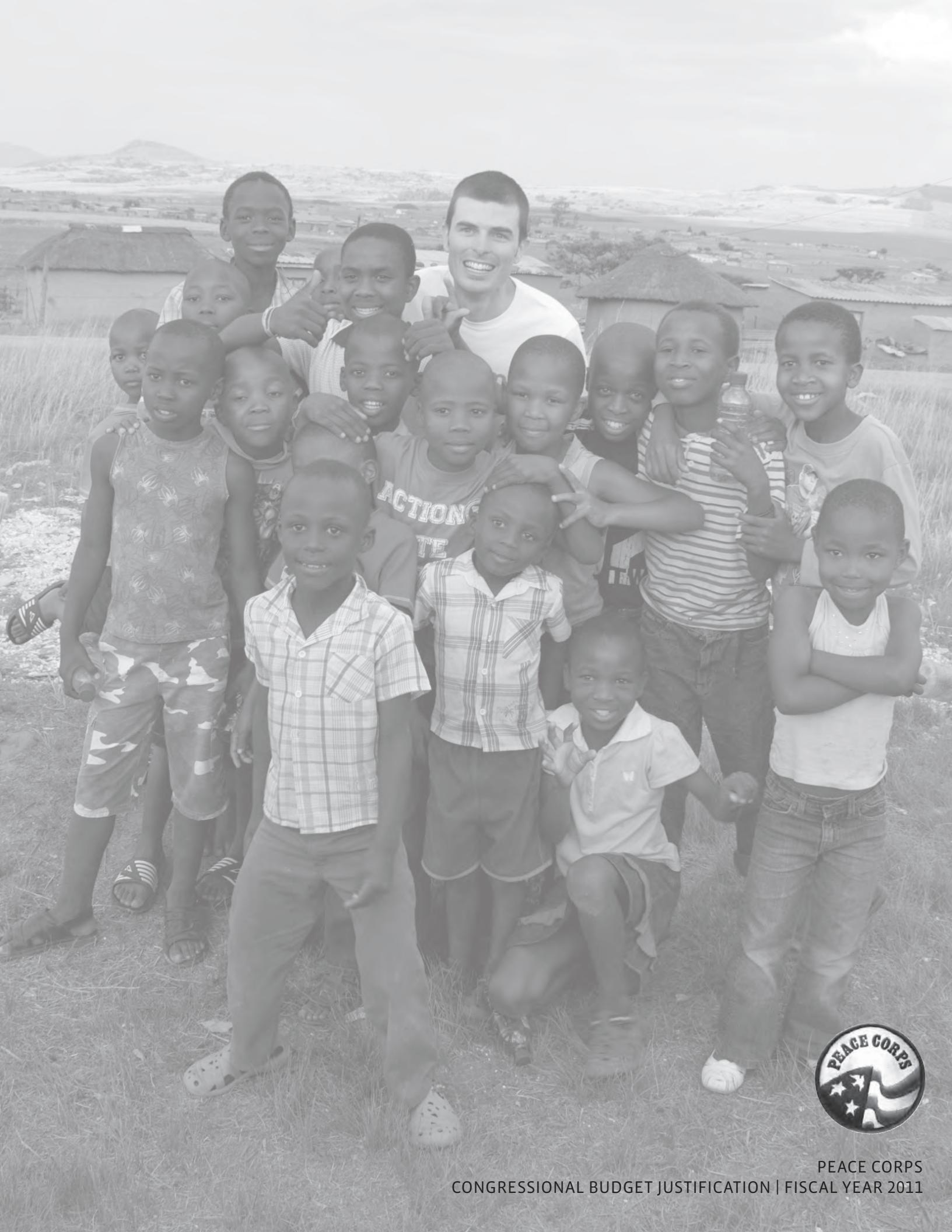


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Paul D. Coverdell Peace Corps Headquarters
1111 20th Street NW | Washington, DC 20526



Peace Corps
Congressional Budget Justification | Fiscal Year 2011



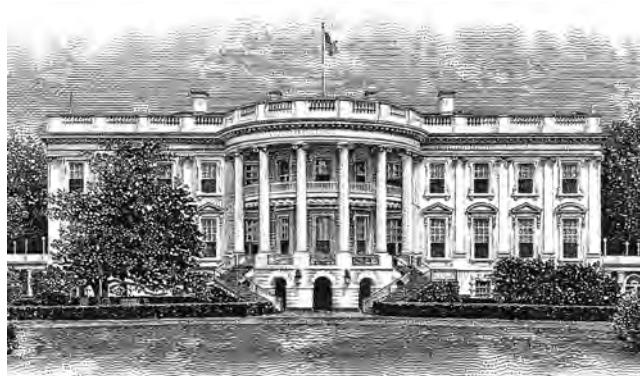


PEACE CORPS
CONGRESSIONAL BUDGET JUSTIFICATION | FISCAL YEAR 2011

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F I S C A L Y E A R 2 0 1 1

BUDGET

O F T H E U . S . G O V E R N M E N T

PEACE CORPS FY 2011 BUDGET REQUEST

The Peace Corps budget request for FY 2011 is \$446,150,000, an increase of \$46,150,000 over the FY 2010 appropriation of \$400,000,000. The FY 2011 request will enable the Peace Corps to provide support to Americans serving as Volunteers in approximately 79 countries worldwide in FY 2011. The Peace Corps' FY 2011 budget request represents the second year of the President's initiative to significantly increase the number of Americans serving as Peace Corps Volunteers to 9,400 by the end of FY 2012 and 11,000 by the end of FY 2016.

THE DIRECTOR OF THE PEACE CORPS
WASHINGTON, DC

Dear Member of Congress:

I am pleased to submit the Peace Corps' FY 2011 budget request of \$446.15 million. In FY 2011, strategic and cost effective growth will remain a top agency priority. These funds will be used to continue to increase the number of Peace Corps Volunteers in a manner that places Volunteers safely and with sufficient training and support to meet the development aims of Peace Corps host countries.

In 2011 we mark our 50th year. President Kennedy established the Peace Corps to challenge Americans to serve their country in the cause of peace by living and working in developing countries. The Peace Corps is a simple but monumental idea that continues to capture the imagination of Americans. Since 1961, nearly 200,000 Volunteers have served in 139 countries.

The Peace Corps has become an enduring symbol of our nation's commitment to public service, innovation, and compassion at the grassroots level in the developing world.

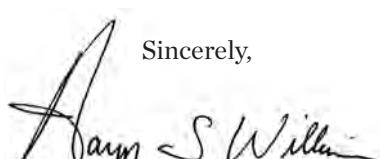
Although the agency's mission to promote world peace and friendship has not changed, Peace Corps' global presence and programming areas have evolved to meet the changing needs of our host countries. I strongly believe Peace Corps priorities should reflect current global realities and the developmental priorities of the countries in which Volunteers work. In FY 2011, Peace Corps growth will focus on sectors such as food security, education including teaching English as a foreign language, health and HIV/AIDS, and renewable energy.

Additionally, the agency will seek to create new ways to harness the technological skills and creativity of our Volunteers to enhance Peace Corps' impact and project sustainability. The agency's Office of Innovation will manage a bottom-up process and challenge staff to work on the issues that will promote change and support growth. The Peace Corps will also encourage the sharing of ideas and best practices from the field that might be "low-tech" but high-impact and "green."

I recognize the considerable challenges that you and your congressional colleagues confront in determining the federal budget for FY 2011. These are difficult times in many ways, yet they are also times that present new opportunities to serve our country. Peace Corps' mission is relevant and represents the best America has to offer—our commitment to service, generosity, and openness to new ideas.

I envision a Peace Corps that remains vibrant for another 50 years; one that grows, adapts, and continues to carry the torch of President Kennedy's dream and responds to President Obama's call to service. I thank you for your consideration and look forward to working with you on increasing opportunities for Americans to engage in meaningful public service opportunities abroad through the Peace Corps.

Sincerely,



Aaron S. William
Director



Congressional Budget Justification | Fiscal Year 2011

EXECUTIVE SUMMARY

The Peace Corps provides practical assistance to developing countries by sharing America's most precious resource—its people. The close interaction between Peace Corps Volunteers and local host communities has allowed the Peace Corps to establish an admirable record of service that is recognized around the world. For nearly 50 years, Peace Corps Volunteers have helped build the path to progress through cooperation with people who want a better life for themselves, their children, and their communities.

Volunteers live and work in other cultures, make a significant impact on local communities at the grassroots level, and develop invaluable leadership skills. Peace Corps Volunteers return from service as global citizens. Nearly 200,000 Americans have served in 139 countries since the agency's establishment.

While times have changed since the Peace Corps' founding in 1961, the agency's mission—to promote world peace and friendship—has not. The three core goals of the Peace Corps are as relevant today as they were 49 years ago:

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' FY 2011 budget request of \$446.15 million represents the second year of President Obama's initiative to significantly increase the number of Peace Corps Volunteers serving around the world. These additional funds will be used to continue to increase the number of Peace Corps Volunteers in a manner that places Volunteers strategically, safely, and with sufficient training and support. The FY 2011 budget request for the Peace Corps will support growth initiatives that began in the previous fiscal year, which will enable the entry of the Peace Corps into approximately three new countries in order to have 9,400 Americans serving in the Peace Corps by 2012 and 11,000 by 2016.

The Peace Corps FY 2010 appropriation was an unprecedented expression of support and confidence by Congress. With increased resources, and a desire to grow, the Peace Corps must be able to articulate and communicate sound plans. A comprehensive agency-wide assessment is currently underway. This assessment will provide critical information and guidance to position the agency for strategic growth. The goal of the assessment team is to ensure that the agency is on a path for quality expansion that is measured and sustainable. The Peace Corps will submit the findings of the comprehensive assessment and a strategy for reforming agency operations to Congress in June 2010. The results of the assessment will serve as a guide for agency programming and infrastructure investment in FY 2011 and future fiscal years.

The Peace Corps' FY 2011 budget request will support key initiatives, including:

Quality Volunteer Growth

There are two ways the Peace Corps can grow. One is by adding Volunteers to programs in existing host countries and the other is to expand the number of host countries where Volunteers serve.

The Peace Corps will increase the number of Volunteers and trainees to 8,500 by September 30, 2011. This will be accomplished by expanding existing programs and with the addition of approximately three new country entries. This will be an increase of nine percent over the number of Volunteers projected to be serving at the end of FY 2010. This puts the Peace Corps well on the way to achieving its target of 9,400 Volunteers and trainees by September 30, 2012.

In FY 2011, the Peace Corps will significantly increase the number of Peace Corps Response Volunteers (PCRV), nearly tripling the number of PCRVs that served in recent budget years. Peace Corps Response has been a successful program for the agency and one that features prominently in growth plans. As the agency seeks to strategically grow its presence around the world, the Peace Corps Response program provides the agency with multiple benefits. For instance, Peace Corps Response has been utilized successfully as a catalyst for new country entries and allows the agency to nimbly respond to relief efforts around the world with trained Volunteers. Following the tragic earthquake in Haiti, the Peace Corps has been working with the Haitian government and U.S. agencies to determine how the Peace Corps can best assist in ongoing relief efforts. Peace Corps Response will play a prominent role in the agency's pending reentry into Haiti. Peace Corps Response Volunteers, many of whom have Haitian Creole language skills, are currently awaiting departure for Haiti where they will support the national recovery and reconstruction efforts.

In FY 2011, the Peace Corps will continue to seek to increase strategic partnerships with local non-governmental organizations (NGO) and community-based organizations (CBO). The agency will ensure that such partnerships remain consistent with the Peace Corps' grassroots community-based approach to development and its statutory authority as an independent U.S. government agency. Through these efforts to explore innovative, strategic partnerships the agency will expand its geographic reach and enhance the development impact of Peace Corps Volunteers.

Strategic Volunteer Recruitment, Selection, and Placement

Volunteer applications increased by 18 percent in FY 2009, with over 15,000 Americans applying to the Peace Corps. The agency anticipates a continuing increase in the level of interest in Peace Corps service. To reach targeted growth numbers and to ensure that the agency continues to identify the best possible candidates to represent the United States abroad, the Peace Corps is engaging in an intensified strategic recruitment campaign. In FY 2011, the agency will utilize new and innovative recruitment strategies including the use of social media, targeted recruitment efforts and collaborative partnerships with outside groups. The recruitment approach will continue to rely heavily on the person-to-person efforts of the field based recruiters in the nine regional offices in order to build a volunteer corps that reflects the diversity of America.

Peace Corps Innovation and IT Infrastructure

Throughout its history, the Peace Corps has adapted and responded to the issues of the times. In an ever-changing world, Peace Corps Volunteers have met new challenges with innovation, creativity, determination, and compassion. Peace Corps priorities should reflect current global realities and the developmental priorities of the countries in which Volunteers work. In FY 2011, Peace Corps growth will focus on sectors such as food security, education (including teaching English as a foreign language), health and HIV/AIDS, environment, and renewable energy. Volunteers face many of the same challenges in the field today as Volunteers did in Peace Corps' initial days. Poverty, disease, famine, and illiteracy are issues that continue to challenge developing countries and in some cases are exacerbated by current problems like climate change, government instability, and natural disasters. However, the tools that Volunteers utilize have changed. Today, nearly 90 percent of Volunteers in the field have cell phones. Volunteers are using this type of technology to provide health information through mobile phone based SMS messaging and to assist farmers to identify the best market prices in their area. In FY 2011, the agency will seek to create new ways to harness the innovation and creativity of our Volunteers to enhance Peace Corps Volunteers' impact and project sustainability.

In an effort to support the President's priorities for information technology, the Peace Corps will emphasize innovation and transparency through the utilization of new technology and the modernization of the agency's information technology platform. In order to support growth in the coming years, investments in information technology and overseas staff and infrastructure will be made in FY 2011.

Peace Corps' 50th Anniversary

In 2011, the Peace Corps will celebrate its 50th anniversary. The Peace Corps' legacy of public service is in great measure due to the individuals who have dedicated themselves to promoting world peace and friendship. The agency will use this historic occasion to increase public awareness and further support for the agency's mission by honoring its past, spotlighting its current programs, and advancing the agency's third goal through enhanced education and engagement of the American public. In 2011, the Peace Corps will honor the contributions and accomplishments of Volunteers, staff, and host countries over the last five decades. Encouraging public service among the American people has a long tradition in the United States and is a priority of this administration. The Peace Corps has played a critical role in that tradition for nearly 50 years and will continue to do so in the coming years.

Peace Corps Appropriations Language

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, \$446,150,000, to remain available until September 30, 2012: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, 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 of the funds appropriated under this heading, not to exceed \$4,000 may be made available for entertainment expenses.

BUDGET OF THE UNITED STATES GOVERNMENT, FISCAL YEAR 2011



BUDGET INFORMATION

Peace Corps FY 2011 Budget Request by Program Operations
 (in thousands of dollars)

	FY 2009 Actual	FY 2010 Estimate	FY 2011 Estimate
DIRECT VOLUNTEER OPERATIONS			
Overseas Operational Management			
Office of Global Operations	-	500	600
Africa	72,000	93,000	106,000
Europe, Mediterranean, and Asia	48,900	69,000	76,000
Inter-America and Pacific	57,900	73,000	79,000
Office of AIDS Relief	200	300	300
Overseas Program and Training Support	4,800	6,000	6,200
Peace Corps Response	700	1,500	2,500
United Nations Volunteers	100	100	100
Subtotal, Overseas Operational Management	184,600	243,400	270,700
Overseas Operational Support			
Centrally Processed Overseas Equipment and Supplies	3,800	5,200	5,200
Federal Employees' Compensation Act	10,800	11,100	12,000
Medical Services Centrally Shared Resources	8,900	10,600	10,800
Private Sector Initiatives	500	600	700
Reimbursements to Department of State	7,700	8,500	8,800
Volunteer Readjustment Allowance	20,600	22,800	27,900
Volunteer Recruitment and Selection	13,800	16,900	17,300
Volunteer Support Operations	7,400	9,900	10,500
Subtotal, Overseas Operational Support	73,500	85,600	93,200
SUBTOTAL, DIRECT VOLUNTEER OPERATIONS	258,100	329,000	363,900
VOLUNTEER OPERATIONS SUPPORT SERVICES			
Third Goal Programs			
Public Engagement			
Returned Volunteer Services	500	800	900
University Programs	500	800	900
World Wise Schools	500	700	800
Subtotal, Third Goal Programs	1,500	2,300	2,600
Agency Administration			
Acquisitions & Contracts	1,600	2,200	2,300
Communications	2,300	2,800	3,500
Congressional Relations	200	300	300
Director's Office	2,100	3,300	3,500
General Counsel	1,300	2,000	2,100
Inspector General	3,300	3,800	4,600
Office of Management	5,700	6,500	6,500
Office of Management Centrally Managed Resources	13,700	20,500	15,000

(continued)

Peace Corps FY 2011 Budget Request by Program Operations
 (in thousands of dollars)

Office of the Chief Financial Officer	14,600	12,900	14,100
Office of the Chief Financial Officer Centrally Managed Resources	7,400	2,500	2,500
Office of the Chief Information Officer	9,100	10,800	11,600
Office of the Chief Information Officer Centrally Managed Resources	10,200	14,400	14,700
Office of Strategic Information, Research, and Planning	1,100	1,700	1,800
Peace Corps National Advisory Council	-	600	600
Safety and Security	2,800	3,400	3,800
Safety and Security Centrally Managed Resources	1,100	1,400	1,500
Subtotal, Agency Administration	76,500	89,100	88,400
SUBTOTAL, VOLUNTEER OPERATIONS SUPPORT SERVICES	78,000	91,400	91,000
GRAND TOTAL AGENCY	336,100	420,400	454,900

Appropriated Resources	340,000	400,000	446,150
TOTAL ENACTED	340,000	400,000	446,150

Reimbursements	3,000	4,000	4,000
Unobligated Balance from Previous Year	11,700	21,000	10,000
Unobligated Balance from Avian Flu Preparedness	400	200	-
Resources Available from Recovery of Prior Year Obligations	5,500	5,500	5,000
Total Appropriated Resources	360,600	430,700	465,150
Miscellaneous Resources	1,500	1,500	1,550
Reserve for Unrecorded Obligations	(800)	(800)	(800)
Transfer To Foreign Currency Fluctuation Account	(2,000)	(1,000)	(1,000)
Estimated Unobligated Balance Avian Flu Preparedness	(200)	-	-
Estimated Unobligated Balance at the End of Year	21,000	(10,000)	(10,000)
Unobligated Balance Expiring/ Withdrawn	(2,000)	-	-
Total Available Budgetary Resources	336,100	420,400	454,900

Note: The FY 2011 budget estimates for the Africa; Europe, Mediterranean, and Asia; and Inter-America and Pacific regions as well as the Office of the Inspector General (along with corresponding subtotals and totals) have been changed from the budget figures submitted in the Preview Copy of the Peace Corps' Congressional Budget Justification. These changes were made to comply with the Inspector General Reform Act which requires that agencies fund their OIGs at the levels requested. Funding for this office as printed in the Preview Copy had been inadvertently changed from the OIGs original request as the agency's budget was being finalized for publication.

PEACE CORPS
FY 2010–11 Volunteers and Program Funds

Regions	On Board Strength on September 30		Program Funds (\$000)	
	FY 2010	FY 2011	FY 2010	FY 2011
Africa	2,620	2,940	93,000	106,300
Europe, Mediterranean, and Asia	2,616	2,865	69,000	76,200
Inter America and Pacific	2,564	2,695	73,000	79,100
REGIONAL TOTAL	7,800	8,500	235,000	261,600
Peace Corps Response Volunteers	50	125	1,500	2,500
United Nations Volunteers	1	1	100	100
GRAND TOTAL	7,851	8,626	236,600	264,200

Volunteers and Program Funds by Post

Country	On Board Strength on September 30		Program Funds (\$000)	
	FY 2010	FY 2011	FY 2010	FY 2011
Albania	69	79	2,769	3,250
Armenia	85	91	3,076	3,400
Azerbaijan	167	153	3,021	2,800
Belize	82	75	2,988	2,800
Benin	103	110	4,962	5,300
Bolivia	0	0	500	500
Botswana	51	73	1,638	2,400
Bulgaria	149	165	4,208	4,700
Burkina Faso	127	143	4,869	5,550
Cambodia	88	105	2,037	2,500
Cameroon	176	183	5,276	5,600
Cape Verde	58	56	2,429	2,400
China	129	155	2,718	3,400
Costa Rica	94	113	2,839	3,500
Dominican Republic	204	190	4,989	4,700
Eastern Caribbean	103	99	3,830	3,700

PEACE CORPS
FY 2010–11 Volunteers and Program Funds

Country	On Board Strength on September 30		Program Funds (\$000)	
	FY 2010	FY 2011	FY 2010	FY 2011
Ecuador	173	214	4,383	5,450
El Salvador	142	140	3,912	3,800
Ethiopia	45	79	1,560	2,750
Fiji	52	55	2,293	2,450
Gambia, The	80	82	2,640	2,800
Georgia	49	63	1,964	2,550
Ghana	152	148	3,567	3,500
Guatemala	215	230	6,074	6,500
Guinea	12	0	1,154	1,000
Guyana	55	60	2,153	2,350
Honduras	164	185	4,793	5,500
Indonesia	22	55	3,077	2,500
Jamaica	64	84	2,772	4,300
Jordan	35	76	2,258	3,850
Kazakhstan	171	172	4,412	4,600
Kenya	68	92	3,133	4,200
Kyrgyz Republic	99	123	2,488	3,200
Lesotho	76	85	2,250	2,500
Liberia	13	41	1,441	2,450
Macedonia	106	96	2,552	2,000
Madagascar	96	105	2,401	2,700
Malawi	123	122	3,077	3,150
Mali	149	160	6,646	7,250
Mauritania	0	0	1,000	800
Mexico	73	102	1,928	2,650
Micronesia	68	61	2,016	1,850
Moldova	108	119	3,161	3,550
Mongolia	128	146	2,761	3,100
Morocco	264	261	5,964	6,200
Mozambique	161	152	3,774	3,800

PEACE CORPS
FY 2010–11 Volunteers and Program Funds

Country	On Board Strength on September 30		Program Funds (\$000)	
	FY 2010	FY 2011	FY 2010	FY 2011
Namibia	101	109	2,898	3,100
Nicaragua	216	213	3,782	3,700
Niger	58	61	4,050	4,200
Panama	180	181	4,657	4,800
Paraguay	232	236	5,255	5,600
Peru	250	256	6,015	6,400
Philippines	239	263	5,195	5,900
Romania	80	92	3,322	3,800
Rwanda	53	83	2,175	3,450
Samoa	29	37	1,331	1,700
Senegal	210	213	5,749	5,900
Sierra Leone	30	72	3,770	5,100
South Africa	121	156	4,445	5,700
Suriname	37	43	2,224	2,650
Swaziland	69	71	1,919	2,000
Tanzania	153	149	3,829	3,900
Thailand	91	112	3,295	4,100
Togo	117	114	3,957	4,000
Tonga	35	42	1,370	1,700
Turkmenistan	84	84	1,951	1,900
Uganda	87	110	2,889	3,700
Ukraine	453	455	8,773	8,900
Vanuatu	96	81	2,894	2,500
Zambia	131	168	5,502	7,100
TOTAL	7,800	8,500	235,000	261,600

Peace Corps Authorizations and Appropriations | FY 1962–FY 2011
(in thousands of dollars)

Fiscal Year	Authorized	Budget Request ^{a/}	Appropriated ^{a/}	Trainee Input	Volunteers and Trainees On Board ^{b/}
1962	\$40,000	\$40,000	\$30,000	3,699	N/A
1963	63,750	63,750	59,000 ^{c/}	4,969	N/A
1964	102,000	108,000	95,964 ^{c/}	7,720	N/A
1965	115,000	115,000	104,100 ^{c/}	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 ^{d/}	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 ^{e/}	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 ^{f/}	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 ^{g/}	219,745	219,745 ^{h/}	3,541	5,644
1995	234,000	226,000	219,745 ^{i/j/}	3,954	5,884
1996	—	234,000	205,000 ^{k/m/}	3,280	6,086
1997	—	220,000 ^{l/}	208,000 ^{n/}	3,607	5,858
1998	—	222,000	222,000 ^{o/}	3,551	5,757
1999	—	270,335	240,000 ^{p/}	3,835	5,729
2000	270,000 ^{q/}	270,000	245,000 ^{r/}	3,919	7,164
2001	298,000	275,000	267,007 ^{s/t/}	3,191	6,643
2002	327,000	275,000	278,700 ^{u/v/}	4,047 ^{w/}	6,636
2003	365,000	317,000	297,000 ^{x/}	4,411	7,533
2004	—	359,000	310,000 ^{y/}	3,812	7,733
2005	—	401,000	320,000 ^{z/}	4,006	7,810
2006	—	345,000	322,000 ^{aa/ab}	4,015	7,628
2007	—	336,642	319,700 ^{ac/}	3,964	7,875
2008	—	333,500	333,500 ^{ad/}	3,821	7,622
2009	—	343,500	340,000	3,496	7,332
2010	—	373,440	400,000	4,400 ^{est.}	7,800 ^{est.}
2011	—	446,150	—	5,000 ^{est}	8,500 ^{est}

NOTES:

- a/ Starting in FY1992, funds to remain available for two years.
- b/ For FY 1972 through FY 1999, this is the average number of Volunteers throughout 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 30 September of the fiscal year, including Peace Corps Response and United Nations Volunteers.
- 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 thousand 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 thousand was later reduced by a rescission of \$721 thousand.
- 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 \$205,000 thousand was later reduced by a rescission of \$296 thousand.
- 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 thousand from the Department of State for the Peace Corps' participation in International Cooperative Administrative Support Services.
- p/ Appropriation of \$240,000 thousand was later reduced by a rescission of \$594 thousand. In addition, the Peace Corps received a transfer of \$1,269 thousand from Economic Support Funds for security; \$7,500 thousand from the FY 1999 Emergency Appropriations Act (\$7,000 thousand for security and \$500 thousand related to the Kosovo conflict); \$6,000 thousand from the Central American and Caribbean Disaster Recovery Fund; and \$1,554 thousand from the Business Continuity and Contingency Planning Fund for Y2K preparedness.
- q/ Four-year authorization bill by Congress, FY 2000 of \$270M, FY 2001 of \$298M, FY 2002 of \$327M and FY 2003 of \$365M.
- r/ Appropriation of \$245,000 thousand was reduced by a rescission of \$931 thousand.
- s/ Appropriation of \$265,000 thousand was reduced by a rescission of \$583 thousand.
- t/ The Peace Corps received a transfer of \$2,590 thousand 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 \$3,900 thousand of Emergency Response Fund monies in support of potential future evacuations.
- v/ Appropriation of \$275,000 thousand was reduced by a rescission of \$200 thousand.
- w/ Due to the September 11th events, the departure of 417 trainees was delayed from late FY 2001 to early FY 2002.
- x/ Appropriation of \$297,000 thousand was reduced by a rescission of \$1,930.5 thousand. OMB later reallocated \$1,200 thousand in Emergency Response Fund monies from the Peace Corps to another U.S. government agency.
- y/ Appropriation of \$310,000 thousand was reduced by a rescission of \$1,829 thousand.
- z/ Appropriation of \$320,000 thousand was reduced by a rescission of \$2,560 thousand.
- aa/ Appropriation of \$322,000 thousand was reduced by a rescission of \$3,220 thousand.
- ab/ In addition, Peace Corps received \$1,100 thousand supplemental for Avian Flu Preparedness.
- ac/ Revised Continuing Appropriations Resolution, 2007 (H.J. Res. 20).
- ad/ Appropriation of \$333,500 thousand was reduced by a rescission of \$2,701 thousand.



PEACE CORPS OPERATIONAL AREAS

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DESCRIPTION OF THE PEACE CORPS' OPERATIONAL AREAS

Direct Volunteer Operations

The Direct Operations components of the budget enhance Volunteers' abilities to successfully serve in host communities around the world. Funding supports offices that manage and oversee Volunteers' work in the field and provides Volunteers with living allowances and medical support. Direct Operations funding also prepares Volunteers for their service through recruitment, training, and transportation.

Overseas Operational Management

Office of Global Operations

In 2009, the Office of Global Operations was created to provide overarching strategic support and management for several aspects of the agency's direct Volunteer operations. This new office is intended to encourage efficiencies by streamlining agency operations, disseminating best practices among the regions, providing an organized, cohesive voice to agency leadership, and coordinating the activities of all overseas operations.

The Office of Global Operations provides leadership, staffing, and resources to foster alignment, manage development, coordinate programming initiatives, and track both progress and impact of Peace Corps overseas operations. In addition to the Peace Corps' three geographic regions Africa; Europe, Mediterranean, and Asia; and Inter-America and the Pacific, the Office of Global Operations also includes the Office of Overseas Program and Training Support; the Office of AIDS Relief; and Peace Corps Response.

Sahel

Cape Verde, The Gambia, Mali, Mauritania, Niger, Senegal

Coastal West and Central Africa

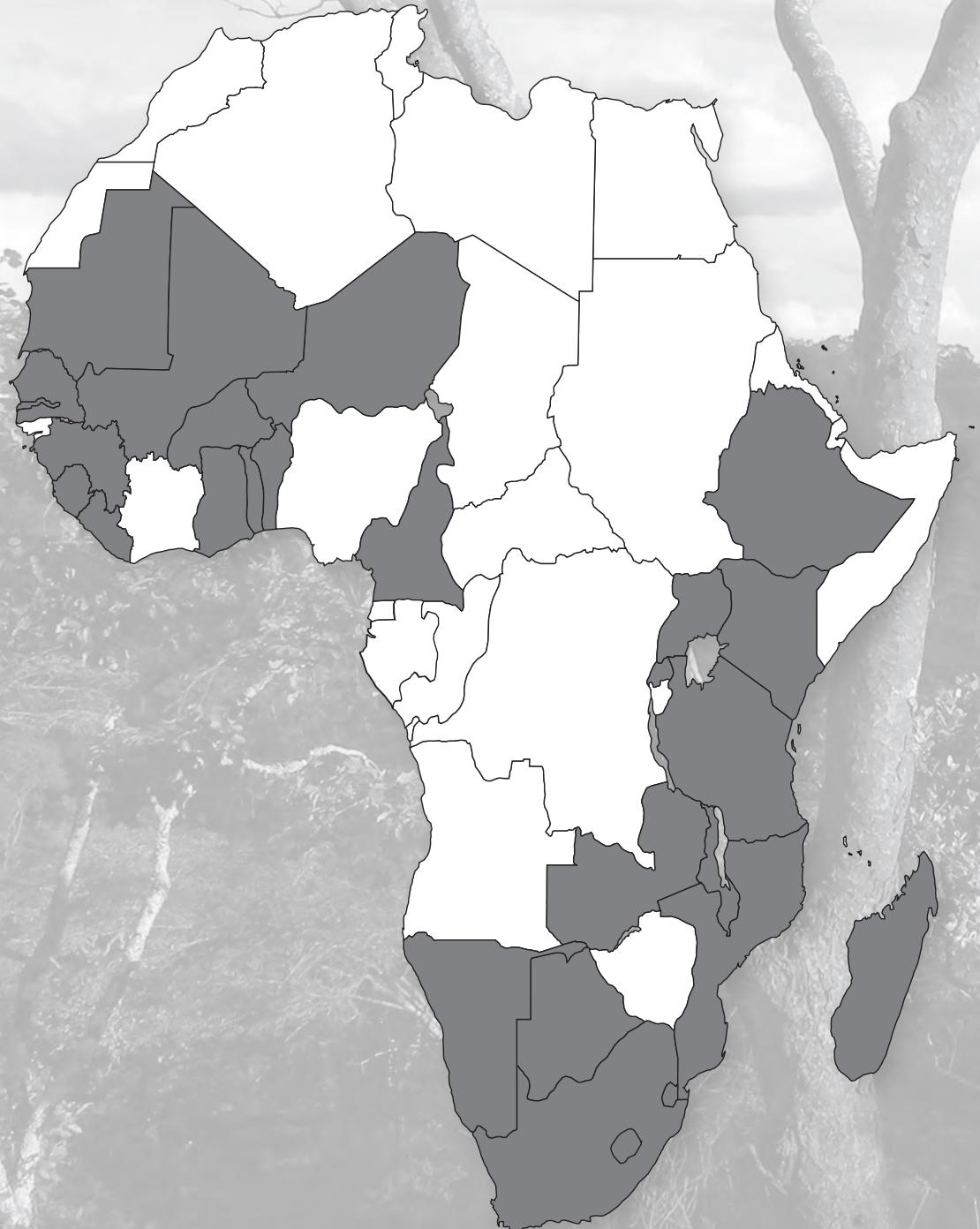
Benin, Burkina Faso, Cameroon, Ghana, Guinea, Liberia, Sierra Leone, Togo

Eastern Africa

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

Southern Africa

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



AFRICA REGION

Africa Region

Since 1961, more than 67,000 Peace Corps Volunteers have served in countries throughout Africa. At the end of FY 2009, Africa had 2,860 Volunteers working in 27 countries. In October 2009 the Peace Corps signed a country agreement to re-enter Sierra Leone. The first Volunteers are expected to arrive in mid-2010.

Programs in Africa cover all six of the agency's program sectors—agriculture, business development, education, environment, health and HIV/AIDS, and youth. Many Volunteers add a cross-sectorial dimension by incorporating information and communication technology (ICT), girls' education, and food security. In addition to French and Portuguese, the Peace Corps provides training for Volunteers in over 150 local languages and in sign language in Kenya and Ghana. (See Appendix C for details.)

Agriculture sector Volunteers work to improve agricultural practices. Volunteers provide assistance in sustainable agriculture, agroforestry, and gardening technologies by helping rural communities and groups to improve soil fertility and production, training farmers in natural resource management and conservation techniques, and promoting micro-gardening innovations in urban areas. These new methods help provide greater food security.

Peace Corps Volunteers are involved with business development throughout Africa. Volunteers work with savings and credit clubs, handicraft associations, and agribusiness cooperatives to improve business practices and the viability of commercial activities. Their efforts focus on teaching business skills to youth, farmers, artisans, nongovernmental organizations (NGOs), credit institutions, and ICT-related businesses. Volunteers train associations and cooperative members to market crafts and agribusiness products such as locally produced soap and Shea butter.

Education remains one of the Peace Corps' largest program sectors in Africa. Among the subjects taught by Volunteers are English, mathematics, science, the arts, ICT, and life skills. Volunteers use community content-based instruction to incorporate HIV/AIDS, environmental, and gender-specific themes into their lesson plans and presentations.

Volunteers in the environment sector work to reduce degradation of natural resources and promote environmentally friendly farming methods. Volunteers and their local counterparts promote environmental education in schools, educate farmers about sustainable practices, develop eco-tourism opportunities, and work with national parks conservation.

The Peace Corps trains all Volunteers serving in Africa, regardless of their primary assignment, in HIV/AIDS prevention and awareness. Volunteers are uniquely suited to educate others about HIV/AIDS because they live and work in the communities where they serve. They are trained to communicate AIDS prevention messages in local languages, and share information in a culturally sensitive manner. Volunteers also help build capacity for local service organizations to support people living with HIV/AIDS and to care for orphans and vulnerable children who feel the effects of the pandemic.

Volunteers also coach and mentor youth in a variety of themes and often focus on gender equity and inclusion of women. Volunteers at many posts organize annual GLOW (Girls Leading Our World) camps. The content of each camp is adapted to reflect the realities of the young women participating. These camps include activities designed to develop leadership skills and improve self-esteem. In the long term, this project will help foster equitable and sustainable capacity building for girls, increasing their participation in the economic and political lives of their communities and countries.

EUROPE, MEDITERRANEAN, AND ASIA REGION

Balkans and North Africa	Albania, Bulgaria, Republic of Macedonia, Morocco
Central and Eastern Europe	Moldova, Romania, Ukraine
Middle East and the Caucasus	Armenia, Azerbaijan, Georgia, Jordan
Central Asia	Kazakhstan, Kyrgyz Republic, Turkmenistan
Asia	Cambodia, China, Indonesia, Mongolia, Philippines, Thailand



Europe, Mediterranean, and Asia

Since the Peace Corps' inception in 1961, more than 52,000 Volunteers have served in the Europe, Mediterranean, and Asia (EMA) region. At the end of FY 2009, EMA had 2,331 Volunteers and trainees working in 18 countries. In December 2009 the Peace Corps signed a country agreement to establish a program in Indonesia. The first Volunteers are expected to arrive in March 2010.

Volunteers in EMA serve in five of the agency's program sectors—business development, education, environment, health and HIV/AIDS, and youth. In addition, many Volunteers add a cross-sectorial dimension by incorporating information and communication technology (ICT), girls' education, and food security as they work with communities, schools, clinics, businesses, cooperatives and local nongovernmental organizations (NGOs), municipal governments, and universities. In addition, the Peace Corps provides training for Volunteers in more than 30 languages. (See Appendix C for details.) This enables Volunteers to effectively live and work in their communities.

Over the last 10 years, Volunteers' efforts in the business sector have evolved from business consulting to an increase in community economic development, emphasizing sustainability, transparency, community volunteerism, and leadership training. This includes working directly with entrepreneurs, governmental organizations and NGOs, educational institutions, community groups, and motivated individuals.

Education continues to be the largest sector in the

region, with teaching English as a foreign language (TEFL) identified as the primary activity. Volunteers are part of national and local efforts to strengthen primary, secondary, and university education capacity through classroom instruction, professional development for teachers, and community resource development.

Working with schools, youth groups, and nonprofit organizations, environment sector Volunteers in the EMA region promote a greater understanding of local ecology and environmental issues. Volunteers increase awareness through eco-clubs, camps, tree-planting campaigns, and similar community efforts. They also address ecological issues such as safe water, erosion, and overuse of pesticides and fertilizers. Other Volunteers work to improve rural fuel and energy usage through the promotion of alternative fuel options, train guides at national parks, or improve sanitation.

Health Volunteers educate individuals, households, service providers, and communities about the importance of health promotion and disease prevention. The main focus is on strengthening health education—whether in schools, teaching institutions, or communities—by using a preventative health care approach. Most Volunteer projects attempt to include HIV/AIDS prevention and life skills education.

Youth development activities are increasingly important in the EMA region, where half the population is under the age of 25. Important areas of activity include life-skills training for employment, entrepreneurship and leadership training, promoting tolerance and self-esteem, and conflict resolution.



Central America	Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama
Caribbean	Dominican Republic, Eastern Caribbean (Antigua/Barbuda, Dominica, Grenada/Carriacou, St. Kitts and Nevis, St. Lucia, St. Vincent/Grenadines), Jamaica
South America	Bolivia, Ecuador, Guyana, Paraguay, Peru, Suriname
Pacific	Federated States of Micronesia and Palau, Fiji, Samoa, Tonga, Vanuatu

INTER-AMERICA AND THE PACIFIC REGION

Inter-America and Pacific

Since the Peace Corps' inception in 1961, more than 78,000 Volunteers have served in the Inter-America and Pacific (IAP) region. At the end of FY 2009, 2,480 Volunteers were working in 22 posts in 28 countries.

Volunteers in IAP work in all six of the agency's sectors—agriculture, business development, education, environment, health and HIV/AIDS, and youth. In addition, many Volunteers add a cross-sectorial dimension to their primary project by incorporating information and communication technology (ICT), girls' education, food security, and a push toward greater volunteerism among host country nationals. In addition to Spanish, the Peace Corps provides training in over 50 languages, enabling Volunteers to effectively live and work at the grassroots level. (See Appendix C for details.)

Through the introduction of sustainable agriculture techniques, Volunteers help communities protect the rich diversity of natural resources and improve the living conditions of rural families. By giving farmers more options, Volunteers help communities to improve their farming practices, reducing the destruction of forests, soils, and watersheds. The additional food produced through improved, sustainable techniques helps to increase the food security of surrounding communities.

Volunteers often coordinate activities with other Volunteers and government counterparts working in community small business programs to promote integrated rural development, assuring sustainability. Through the transfer of business management knowledge and skills, Volunteers provide technical assistance to individual entrepreneurs, as well as to organizations

providing credit, training, and technical assistance to small businesses.

Volunteers seek to improve the professional development of host country teachers by introducing new teaching methodologies and curriculum. Volunteers also help build libraries and resource centers, promote adult literacy, and encourage parents and communities to become more involved in the education of their children.

Communities where Volunteers serve are increasingly affected by environmental degradation, which impacts air quality as well as water and land resources. Volunteers engage national and local partners in environmental education and conservation. Additionally, many Volunteers integrate economic development interests with environmental sustainability through ecotourism and eco-business projects.

Access to basic health care remains a serious problem for many communities in the region. Volunteers work to improve the health of individuals and families in the communities where they serve by training health care providers, teaching disease prevention techniques, and providing nutrition information. With the increasing threat of HIV/AIDS in the region, Volunteers help their communities gain a better understanding of HIV/AIDS by integrating awareness and prevention messages into their work.

Youth under the age of 25 account for over half of the population in many IAP countries. Peace Corps programs target youth in order to develop life and leadership skills and to improve employability. In several countries, Volunteers organize and facilitate camps for girls, leading sessions on self-esteem, healthy life skills, HIV/AIDS awareness and prevention, leadership, and personal development.

Overseas Operational Management (Continued)

Office of AIDS Relief (OAR)

This office provides agency-level policy, overall leadership, and general supervision, direction, and coordination of all domestic and foreign HIV/AIDS activities relating to agency programs. The Office of AIDS Relief is also responsible for coordinating the agency's participation in the President's Emergency Plan for AIDS Relief (PEPFAR).

For more than two decades, Peace Corps Volunteers have been working with populations affected by HIV/AIDS, turning hope into action through the promotion of behavior change and the development of sustainable, culturally appropriate solutions to the pandemic. In fiscal year 2009, Volunteers' HIV/AIDS efforts reached over 1 million individuals, trained nearly 43,000 service providers, and provided assistance to over 3,000 organizations. The tireless efforts and dedication of Volunteers and staff have made the Peace Corps a key partner in national responses to HIV/AIDS around the world, while the unique role of the Peace Corps has enabled Volunteers to mobilize isolated communities and difficult to reach populations that would otherwise remain unreached.

Attainable goals are established in the area of HIV/AIDS, with a clear framework of accountability. Much of this direction comes through the agency's participation in PEPFAR. The Office of AIDS Relief reviews, interprets, and recommends policies related to PEPFAR and provides guidance for post participation in interagency teams, utilization of funds, and compliance with requirements and guidance. In order to attain its goals, OAR works in close collaboration with the regions and the Office of Overseas Programming and Training Support to provide programming and training support related to HIV/AIDS. The number of Volunteers who worked in HIV/AIDS during 2009 is presented in Appendix E.

Overseas Programming and Training Support (OPATS)

This office supports programming and training in the field. It identifies and disseminates best practices in Volunteer programs and training, collects and analyzes

data from Peace Corps projects, applies technology to the promotion of innovation and learning, and provides training and development opportunities to overseas staff.

Volunteers are involved in a variety of host country projects because they speak the local languages, appreciate the cultural traditions, and are eager to respond to local community needs. This office provides the necessary programming and training support for Volunteers and staff to accomplish these goals. Currently, the Peace Corps' work worldwide falls into six general sectors: agriculture, business development, education, environment, health and HIV/AIDS, and youth.

Additionally, Volunteers in all sectors incorporate meaningful work in information and communication technology (ICT), women in development/gender and development (WID/GAD), HIV/AIDS, and youth development into their primary and secondary activities. A discussion of each sector's work objectives and examples of Volunteer activities appear in Appendix D.

Peace Corps Response

Peace Corps Response provides returned Peace Corps Volunteers the opportunity to serve again in rewarding, short-term assignments. Since its inception as the Crisis Corps in 1996, Peace Corps Response has sent over 1,200 returned Volunteers to more than 46 countries. In FY 2009, Peace Corps Response fielded 78 Volunteers. In FY 2011, the Peace Corps will significantly increase the number of Peace Corps Response Volunteers (PCRVs), nearly tripling the number of PCRVs that served in recent budget years.

Peace Corps Response provides qualified returned Peace Corps Volunteers the opportunity to gain additional international experience while imparting technical expertise critical for partner organizations and the communities in which they serve. Peace Corps Response Volunteers are able to make valuable contributions because they come equipped with the language, technical, and cross-cultural skills needed to have an immediate impact. Assignments range from three months to one year—averaging six months in duration—with a brief orientation upon arriving in-country. Volunteers work with host country government institutions such as ministries of education and ministries of health. They may also work

with international and NGO partners such as CARE, the United Nations Children's Fund (UNICEF), and Project HOPE.

The six main program areas for Peace Corps Response are: agriculture and environment; business/NGO development and information technology; community and youth development; disaster preparedness and response; education and teacher training; and HIV/AIDS and health. As the agency seeks to strategically grow its presence around the world, the Peace Corps Response program provides the agency with multiple benefits. For instance, Peace Corps Response has been utilized successfully as a catalyst for new country entries and allows the agency to nimbly respond to relief efforts around the world with trained Volunteers.

In 2009, Peace Corps Response sent Volunteers to Burkina Faso and Peru in response to disasters; conducted disaster preparedness and relief activities in the Eastern Caribbean; and responded to Typhoon Ondoy in the Philippines. For the second straight year, PCRVs in Liberia assisted with the reconstruction of the country's health and education systems by mentoring teacher trainers, training health professionals, and strengthening community partnerships through Parent Teacher Associations and resource libraries for teachers. In 2010, PCRVs will be among the first Volunteers to arrive in Indonesia and Sierra Leone. Peace Corps Response will also play a prominent role in the agency's pending reentry into Haiti. Peace Corps Response Volunteers, many of whom have Haitian Creole language skills, are currently awaiting departure for Haiti where they will support the national recovery and reconstruction efforts.

Additionally, Peace Corps Response continues to strengthen its participation in the fight against HIV/AIDS through the President's Emergency Plan for AIDS Relief (PEPFAR) program. PCRVs strengthen the initiatives of local NGOs, community- and faith-based organizations, and government entities. PCRVs with advanced degrees in public health, social work, and related fields provide technical expertise in the areas of monitoring and evaluation, strategic planning, community-based organizations' coordination efforts, training/workshop facilitation, data analysis, and reporting.

United Nations Volunteers

The Peace Corps participates in the United Nations Volunteer program by recruiting American volunteers and providing them with some financial and logistical support.

Overseas Operational Support

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 (FECA)

Under FECA, 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. A vast majority of these costs relate to Volunteers' claims. Staff claims are minimal.

Medical Services Centrally Shared Resources

These are direct Volunteer medical expenses, including care and travel for medical evacuations and the costs of pre- and post-service physical examinations.

Private Sector Initiatives (PSI)

This office manages private sector funds and in-kind contributions received by the Peace Corps. These funds are used to support Volunteer projects.

The Peace Corps Partnership Program (PCPP) is a tool by which Volunteers may receive funding for project work. The Office of Private Sector Initiatives manages PCPP and ensures contributions are in compliance with relevant policies and procedures. All donations are tax deductible and 100 percent of donations made to the Partnership Program are used for project purposes.

Partnership Program projects have made a tremendous impact in communities across the globe since the program was launched in 1964. In FY 2009, PCPP received donations from 10,595 donors—an increase of 9.5 percent over FY 2008—totaling \$1.8 million. These funds were applied to 639 community-initiated

projects in 60 countries. A minimum 25 percent community contribution is required for a project to receive Partnership Program assistance. In FY 2009, the actual community contributions were nearly 45 percent of the total project costs, with approximately \$1.6 million in cash and in-kind community contributions.

Partnership Program projects benefited over 642,000 individuals, ensuring that Peace Corps Volunteers can continue to promote sustainable development, peace, friendship, and understanding in the communities they serve.

Reimbursements to the Department of State (ICASS)

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 most financial management support to its overseas posts since the end of FY 1998.

Volunteer Readjustment Allowance

An allowance of \$275 per month of service is provided to Volunteers upon termination of service to assist them when they return to the United States. The allowance was increased in FY 2010 from \$225.

Volunteer Recruitment and Selection (VRS)

This office oversees the recruitment of Volunteers through nine offices across the United States. This office assesses the technical and personal skills of applicants and matches qualified persons to specific Volunteer projects. Applicants go through a multifaceted and competitive screening process that includes interviews, evaluations, and reference checks.

The Office of Volunteer Recruitment and Selection is responsible for every phase of recruitment, placement, and staging, beginning with an applicant's first inquiries about the Peace Corps until the moment the invitee boards an airplane to begin his or her service overseas.

Many applicants' first introduction to the Peace Corps is through the activities of one of the nine regional recruiting offices (RROs). The RROs promote public interest in the agency and recruit qualified and suitable applicants to fill host country requests

for Volunteers. These offices reach out to targeted populations of potential Volunteers, publicizing the agency and its mission and promoting university and community-based Peace Corps recruitment programs. Regional offices assist candidates during the initial stages of the application process and interview and nominate applicants for further consideration. (The Application and Volunteer Cycles are explained in Appendix F.)

The Master's International (MI) program is a highly attractive recruitment tool that targets individuals with scarce skills who are interested in combining graduate study and Peace Corps Volunteer service in such assignment areas as agriculture, business development, education, public health and environment, and natural resources. The program develops and maintains partnerships with 61 universities, offering 105 different graduate degrees. (Universities participating in the MI program are listed by state in Appendix G.)

Volunteer Support Operations

This office provides medical support for Volunteers, medical screening oversight for applicants, and initial and ongoing training for medical staff and contractors. Sub-offices of Volunteer Support Operations include the Office of Medical Services and the Office of Special Services.

The Office of Medical Services (OMS)

This office supports medical care for Volunteers through the services of a dedicated headquarters and overseas staff. To achieve this mission, OMS supports a comprehensive, accountable, and quality Volunteer health care program.

The Office of Special Services

The Office of Special Services assists posts in the management of Volunteer behavioral and adjustment challenges; provides consultation throughout the agency so lessons learned from the field can be adapted to enhance Volunteer and Staff support; and serves as a liaison for Volunteers and their families during crises or emergencies.



VOLUNTEER OPERATIONS SUPPORT SERVICES

Volunteer Operations Support Services includes standard components found in the administration of most federal agencies, such as administration and human resources, public outreach, and budgeting and acquisitions. In addition to typical functions, such offices at the Peace Corps have the additional goal of supporting Volunteers in the field in order to achieve the Peace Corps mission.

Third Goal Programs

Office of Public Engagement

The Office of Public Engagement, formerly the Office of Domestic Programs, manages initiatives that help the Peace Corps meet its third goal—to help promote a better understanding of other peoples on the part of Americans—and helps returned Peace Corps Volunteers (RPCVs) transition back to the United States after their service. The Office of Public Engagement is placing renewed emphasis on harnessing the potential and enthusiasm of the nearly 200,000 Americans who have served as Peace Corps Volunteers since 1961.

Returned Volunteer Services (RVS)

This office develops and implements the agency's career and transition support services for returned Peace Corps Volunteers. RVS works directly with current Volunteers, returned Volunteers, Peace Corps staff, and public and private sector leaders to develop career-related publications, career events, and career bulletins that help returned Volunteers transition back to the United States.

Fellows/USA

The Fellows/USA program provides an opportunity for returned Volunteers to work toward graduate degrees and to gain professional experience concurrently in such fields as teacher education, community/economic development, nursing and public health, and environmental studies.

The Peace Corps celebrates the Fellows/USA program's 25th anniversary in 2010. Participating graduate schools provide financial assistance to returned Volunteers enrolled in various advanced degree programs. At the same time, returned Volunteers make a commitment to work in an underserved local community as they pursue their graduate degrees. Volunteers can participate in the Fellows/USA program at any point after they finish their Peace Corps service. In FY 2009, 472 returned Volunteers were enrolled in graduate degree programs at Fellows/USA partner schools. Since the program's inception in 1985, nearly 3,000 returned Volunteers have worked to improve the lives of tens of thousands of Americans and to raise their understanding of other cultures while studying at 52 participating graduate schools in 27 states and the District of Columbia. (Universities participating in the Fellows/USA program are listed by state in Appendix G.)

Coverdell World Wise Schools (CWWS)

This program allows current and former Peace Corps Volunteers to share their overseas experiences with American schoolchildren and young adults. Since the program's inception in 1989, nearly 3 million students in all 50 states have communicated directly with Volunteers serving in 100 countries.

Worldwise Schools provides a variety of services and materials to help American schoolchildren learn about the world's diverse peoples, cultures, and geography. Through the correspondence match program, current Volunteers communicate with U.S. teachers and students through letters, photos, artifacts, telephone calls, and emails. The speakers match program connects U.S. educators with returned Volunteers who agree to share their Peace Corps experiences in elementary and secondary schools in their communities.

Through the development of publications and multimedia tools for U.S. classrooms, CWWS promotes cross-cultural understanding, global issues awareness,

and the value of community service. Among tools used are an award-winning series of country-specific videos with accompanying teachers' guides, Volunteer-written literature supported by standards-based lesson plans, podcasts, and narrated slide shows.

Each of these CWWS programs enjoyed success in FY 2009. Nearly 5,000 Volunteers shared their Peace Corps experiences with over 400,000 students in all 50 states and the District of Columbia through the CWWS Correspondence Match program; more than 500 returned Volunteers participated in the CWWS Speakers Match program; and the Peace Corps' CWWS website attracted more than 2.5 million visitors.

Agency Administration

Acquisitions and Contracts

This office is responsible for agency procurement policies and procedures, ensuring compliance with Federal Acquisition Regulations and the Peace Corps Act. It provides technical guidance and advice to agency staff worldwide on procurement matters and handles all procurement actions for domestic offices.

Communications

The Office of Communications manages all official communications, including marketing and advertising, video production and photography, an external website, press relations, and agency publications. In addition, the office produces recruitment tools that support the Office of Volunteer Recruitment and Selection (VRS). The office provides editorial guidance for the agency and manages design, production, and delivery of all recruitment and other promotional products, including national advertisements and all collateral materials. Communications personnel also work with public affairs specialists in the nine regional recruitment offices.

Congressional Relations

The Office of Congressional Relations 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 also includes the Office of American Diversity Programs, the Office of Intergovernmental Affairs, and the Office of Innovation.

The Office of American Diversity Programs

This office develops and carries out the agency's affirmative employment program; ensures equal opportunity for Volunteers, employees, and applicants for Volunteer service or employment; and provides guidance to management to do the same.

The Office of Intergovernmental Affairs (IGA)

This office is responsible for developing and implementing the Director's policy and strategy for building and maintaining relationships with other U.S. government agencies in order to cultivate new agreements and partnerships. The IGA contributes to agency growth by identifying potential partners and synergies to maximize the Peace Corps' contribution to ongoing international development efforts. An example is an agreement that the Peace Corps entered into with USAID following the earthquake in Haiti to assign Peace Corps staff and Volunteers to support U.S. government relief efforts there.

The Office of Innovation

This office will focus on how the agency can utilize modern technology to enhance Volunteer impact and project sustainability. The office will serve as an internal resource that manages a bottom up process that challenges staff to innovate and promotes change that supports growth. Additionally, it will identify best practices that have a major impact when shared widely throughout the agency.

General Counsel

The Office of the General Counsel provides legal advice and services to the Director and overseas and domestic staff and assists in the development of agencywide policies.

Inspector General

This office fulfills the mandates of the Inspector General Act of 1978, as amended.

Office of Management

This office provides administrative support for headquarters, nine regional recruiting offices, and international operations. Management includes three offices: Human Resource Management, Administrative Services, and the Freedom of Information/Privacy Act/Records Management Office.

Office of Management Centrally Managed Resources

These funds include General Services Administration rent for headquarters and domestic recruiting offices, mail services, and building maintenance and refurbishment.

Office of the Chief Financial Officer (OCFO)

The OCFO oversees all financial management activities relating to the programs and operations of the agency; maintains an integrated agency 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.

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, foreign currency fluctuations, and overseas staff medical evacuation.

Office of the Chief Information Officer (OCIO)

This office is responsible for the development and application of information technology in support of the Peace Corps' mission at headquarters, U.S. regional recruiting offices, and overseas posts.

The OCIO provides connectivity, security, collaboration, and information technology (IT) solutions that enable posts and Volunteers to perform their functions. The OCIO oversees global technical assets (hardware, software, and communications), IT plan-

ning and training (including training for overseas IT specialists), and application systems development and maintenance.

Office of the Chief Information Officer Centrally Managed Resources

These funds include the costs of telecommunications, data center operations, mainframe and distributed computing environments, overseas equipment, disaster recovery, and enterprise information architecture.

Office of Strategic Information, Research, and Planning (OSIRP)

This office measures agency performance, enhances the stewardship and governance of data, and measures and evaluates agency-level programs. OSIRP performs three key agency-level functions: performance planning and reporting, evaluation and measurement, and data management.

Peace Corps National Advisory Council

Under the Peace Corps Act, the Peace Corps National Advisory Council is a Presidential advisory committee appointed by the President with the advice and consent of the Senate. Given the anticipated significant growth in the activities and programs of the Peace Corps, as well as the financial resources being devoted to the Peace Corps, over the next few years, the President believes it is important to have an advisory council in place. Members of the Council are responsible for reviewing the activities of the Peace Corps to evaluate the accomplishments and potential capabilities of the agency. The Council is also charged with making recommendations for the purpose of guiding the future direction of the Peace Corps and of helping to ensure that the purposes and programs of the Peace Corps are carried out in ways that are economical, efficient and responsive to changing needs of, and relationships with, the countries and peoples being served.

The Council will consist of fifteen voting members and four ex-officio non-voting members consisting of the Secretary of State and the USAID Administrator (or their designees) along with the Director and Deputy Director of the Peace Corps. Seven of the voting members must be returned Peace Corps Volunteers and no more than eight voting members may be from

the same political party. In addition, no voting member of the Council may be an officer or employee of the United States Government. The two-year terms of voting members are staggered and no voting member may serve longer than two consecutive two-year terms.

Safety and Security

This office coordinates and promulgates all worldwide Peace Corps safety and security policies, with the exception of IT systems security which, by law, is the domain of the chief information officer.

The Office of Safety and Security is charged with monitoring and mitigating the risks faced by Peace Corps Volunteers, agency personnel and facilities, both domestically and overseas. The office operates both within the structure of complex federal requirements and in the realm of crisis response to provide timely and appropriate guidance to Volunteers and agency leadership alike.

The Peace Corps devotes significant resources to minimize safety risks to Volunteers and to give them the training, support, and information they need for a safe experience. The Office of Safety and Security collaborates closely with Peace Corps' three regions and provides support directly to posts through 10 regionally-based Peace Corps safety and security officers (PCSSOs). These officers serve as security consultants for country directors and the Office of Safety and Security, providing training, threat assessment, physical security guidance, crisis management, and support to Volunteers who have been victims of crime. At each post, the Safety and Security unit is responsible for setting up systems to maximize and define every staff member's respective responsibility for the safety and security of Volunteers. Each post has a detailed emergency action plan that is developed in coordination with Peace Corps headquarters, the regional security office of the U.S. Embassy, and Peace Corps host country counterparts.

Emphasis is placed on Volunteer responsibility and extensive training in sound safety practices. This approach is based on the fact that Volunteers can most effectively minimize their safety risks by building respectful relationships with those in their community. The Peace Corps has instituted a broad and systematic approach to increase Volunteers' capacity to keep

themselves safe during their service. This approach is based on several fundamental tenets of Volunteer safety and security, including building relationships, sharing information, training, site development, incident reporting and response, and emergency communications and planning. (See Appendix H for the safety and security overview that is provided to Volunteers, via the *Volunteer Handbook*.)

The Operations Support Division manages the crime incident reporting program and coordinates with posts, diplomatic security, and host country law enforcement to support the investigation and prosecution of crimes against Volunteers. The division also serves as the agency's focal point for physical security of overseas offices and residences.

Safety and Security Centrally Managed Resources

These resources are primarily for domestic security guard contracts with the Department of Homeland Security. Crime response funds are also managed within this account. Such funds can be directed to any part of the world where crimes against Peace Corps Volunteers require a swift response.



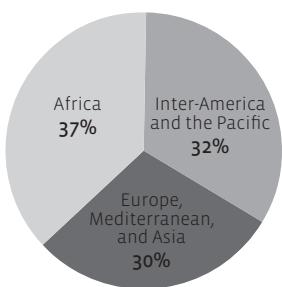
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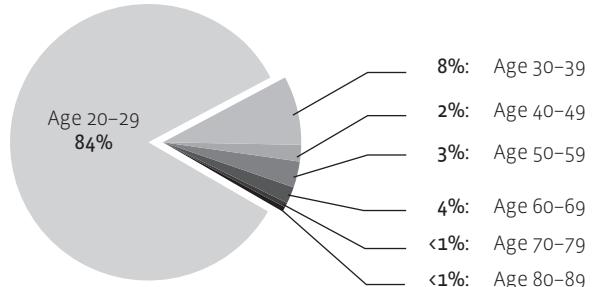
APPENDIX A

Volunteer Statistics

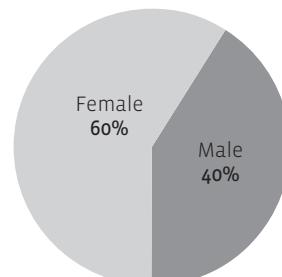
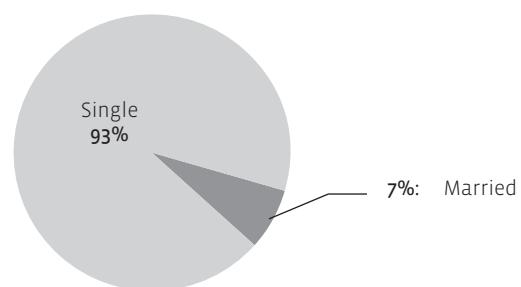
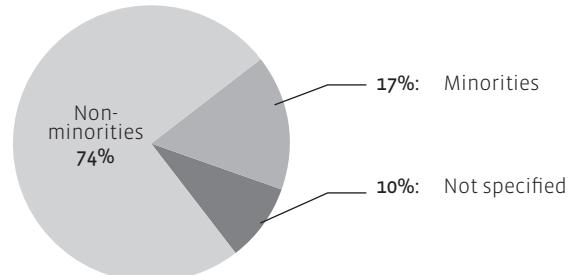
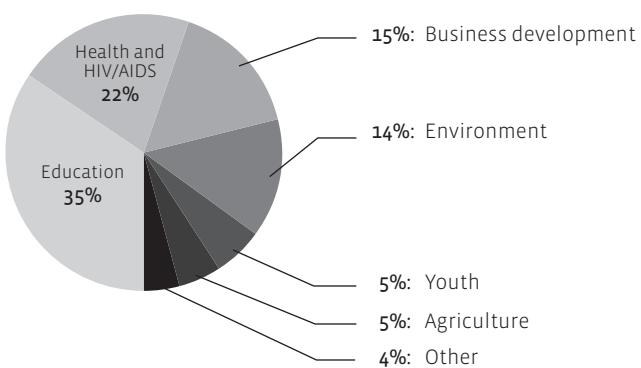
Volunteers by Region



Volunteer Profile



Volunteer Projects



Totals may not add to 100 percent because of rounding.

All data current as of September 30, 2009.

APPENDIX B

Home States* of Peace Corps Volunteers

State	Currently Serving	Total Since 1961	State	Currently Serving	Total Since 1961
Alabama	37	977	Montana	52	1,249
Alaska	31	902	Nebraska	62	1,226
Arizona	134	3,145	Nevada	34	879
Arkansas	34	874	New Hampshire	46	1,513
California	920	26,734	New Jersey	201	4,482
Colorado	275	6,322	New Mexico	47	1,994
Connecticut	108	3,003	New York	432	12,194
Delaware	26	448	North Carolina	210	3,639
District of Columbia	46	2,128	North Dakota	16	530
Florida	272	6,786	Ohio	317	6,417
Georgia	172	2,874	Oklahoma	49	1,188
Guam	0	73	Oregon	210	5,508
Hawaii	34	1,317	Pennsylvania	294	7,075
Idaho	41	1,180	Puerto Rico	6	367
Illinois	378	7,635	Rhode Island	33	931
Indiana	146	2,905	South Carolina	78	1,339
Iowa	99	2,117	South Dakota	25	582
Kansas	77	1,550	Tennessee	81	1,500
Kentucky	64	1,346	Texas	318	6,389
Louisiana	35	997	Utah	48	977
Maine	75	1,705	Vermont	60	1,380
Maryland	192	5,285	U.S. Virgin Islands	4	73
Massachusetts	225	7,552	Virginia	335	6,644
Michigan	309	6,382	Washington	343	8,244
Minnesota	226	5,930	West Virginia	23	607
Mississippi	20	433	Wisconsin	207	5,426
Missouri	129	2,940	Wyoming	19	475

* 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, 2009.

APPENDIX C

Languages Spoken by Peace Corps Volunteers Across the World: Africa

BENIN

Adja, Bariba, Batonu, Biali, Dendi, Fon, French, Goun, Idatcha, Lokpa, Mina, Nagot, Nateni, Peulh, Sola, Wama, Yende, Yoruba, Zarma

BOTSWANA

Setswana

BURKINA FASO

Bissa, French, Fulfuldé, Gulmancema, Gurunssi, Hidi, Itanikom, Jula, Kanuri, Kapsiki, Karunfe, Katsena, Lobiri, Lyele, Mandara, Mooré, Mungaka, Siamou, Yemba

CAMEROON

Bamun, Bassa, Bayaa, Bulu, Pidgin English Fang, French, Fulfuldé, Ghom alà, Hausa

CAPE VERDE

Barlavento Criolu, Portuguese, Sotavento Criolu

ETHIOPIA

Amharic, Oromifa, Tigrinya

THE GAMBIA

Jola, Mandinka, Pulaar, Sarahule, Sereer, Wolof

GHANA

Buli, Dagare, Dagbani, Dangme, Ewe, Fanté, Ga, Ghanaian Sign Language, Gonja, Guruni, Hausa, Kasem, Kusaal, Likipakpaalu, Mampruli, Moar, Nankam, Nzema, Sisaali, Taleni, Twi, Waale, Wassा

GUINEA

French, Kissie, Kpele, Loma, Malinke, Pulaar, Soussou

KENYA

Kalenjin, Kenyan Sign Language, Kikuyu, Kiswahili, Luo, Luyha

LESOTHO

Sesotho

LIBERIA

Liberian English

MADAGASCAR

French, Malagasy

MALAWI

Chichewa, Chilambia, Chilomwe, Chindali, Chisena, Chitonga, Chitumbuka, Chiyao

MALI

Bambara, Bomu, Dogon, French, Fulfuldé, Khassonke, Malinke, Minianka, Senoufou, Sonrai, Soninke, Tamashéké

MAURITANIA

Arabic, French, Hassynia, Pulaar, Soninke, Wolof

MOZAMBIQUE

Chopi, Chuabo, Koti, Lomwe, Makhuwa, Makonde, Ndaú, Nhungwe, Nyanja, Portuguese, Ronga, Sena, Shangana, Shona, Tewe, Tsáwa

NAMIBIA

Afrikaans, Khoekhoe Gowab, Oshikwanyama, Oshindonga, Otijherero, Rukwangali, Thimbukusha

NIGER

French, Fulfuldé, Hausa, Kanuri, Tamashéké, Zarma

RWANDA

Kinyarwanda

SENEGAL

Bambara, Diahonke, French, Fula Kunda, Malinke, Mandinka, Pulaar du Nord, Pula Fuuta, Sereer, Soussou, Wolof

SIERRA LEONE

Krio

SOUTH AFRICA

Afrikaans, isiNdebele, isiZulu, Sepedi, Setswana, siSwati, Northern Sotho, Venda, XiTsonga

SWAZILAND

siSwati

TANZANIA

Kiswahili

TOGO

Akebou, Akposso, Balanka, Bassar, Bissa, Ewe/Watchi, French, Gourma, Haoussa, Ifé (Ana), Kabiyé, Kabole, Komkonba, Kotokoli, Lamba, Mina, Moba, Naodem (Losso), Tamberma, Tchamba, Tchokossi (Anoufo)

UGANDA

Ateso, Dhopadhola, Luganda, Lugwere, Lumasaaba, Lusoga, Runyakore, Runyole, Runyoro-Rutoro, Uhopadholo

ZAMBIA

Bemba, Chisoli, Kaonde, Lunda, Luvale, Mambwe, Nyanja, Nsenga, Tonga, Tumbuka

Languages Spoken by Peace Corps Volunteers Across the World: Europe, Mediterranean, and Asia

ALBANIA	Albanian	Macedonia	Albanian, Macedonian
ARMENIA	Armenian	MOLDOVA	Romanian, Russian
AZERBAIJAN	Azerbaijani (Azeri)	MONGOLIA	Kazakh, Mongolian
BULGARIA	Bulgarian	MOROCCO	Arabic, French, Tamazight, Tashelheet
CAMBODIA	Khmer	PHILIPPINES	Aklanon, Bikol-Albay, Bikol-Naga, Cebuano, Hiligaynon, Ibaloi, Ilokano, Kankana-ey Kinaray-a, Pangasinan, Tagalog, Waray
CHINA	Mandarin	ROMANIA	Hungarian, Romanian
GEORGIA	Azeri, Georgian	THAILAND	Thai
INDONESIA	Bahasa Indonesian	TURKMENISTAN	Russian, Turkmen
JORDAN	Arabic	UKRAINE	Russian, Ukrainian
KAZAKHSTAN	Kazakh, Russian		
KYRGYZ REPUBLIC	Kyrgyz, Russian		

Languages Spoken by Peace Corps Volunteers Across the World: Inter-America and the Pacific

BELIZE	Garifuna, K'ekchi, Kriol, Mopan Maya, Spanish	
BOLIVIA	Guarani, Quechua, Spanish	
COSTA RICA	Spanish	
DOMINICAN REPUBLIC	Spanish	
EASTERN CARIBBEAN	English Creole, French Creole (Kwéyol)	
ECUADOR	Kichwa, Spanish	
EL SALVADOR	Spanish	
FIJI	Fijian, Hindi	
GUATEMALA	Awakateco, Ixil, Jacalteco, Kakchiquel, Mam, P'comchi', Popti', Poqomam, Q'anjob'al, Qe'qchí', Quiché, Spanish, Tzutuhil	
GUYANA	Creole	
HONDURAS	Spanish	
JAMAICA		Patois
MEXICO		Spanish
MICRONESIA and PALAU		Chuukese, Kosraean, Mortlockese, Mwoakilese, Palauan, Pingelapese, Pohnpeian, Sapwuahfik, Ulithian, Woleaian, Yapese
NICARAGUA		Spanish
PANAMA		Embera, Ngabe, Spanish, Wounaan
PARAGUAY		Guaraní, Spanish
PERU		Quechua, Spanish
SAMOA		Samoan
SURINAME		Aucan, Dutch, Saramaccan, Sranan Tongo
TONGA		Tongan
VANUATU		Bislama

APPENDIX D

Volunteer Activities by Program Area

Agriculture

The Peace Corps' agriculture projects are designed to promote environmentally sustainable farming practices. Along with their environment-sector counterparts, many agriculture Volunteers help farmers focus on long-term productivity by maintaining and improving soils and managing water. They demonstrate the importance of working with local, natural inputs to control pests and erosion. Increasingly, Volunteers and their partners are promoting approaches to farming that are both sustainable and organic as they continue to work with a broad range of agricultural products. Volunteers are also helping their host-country communities develop their agriculture sectors to improve income levels and promote better nutrition. Volunteers systematically include women and youth in their agriculture extension activities. Today, a Volunteer is as likely to be working with a women's association or youth club as with a male head of household.

At the end of FY 2009, there were 407 agriculture Volunteers providing assistance through 10 projects.

Examples of Volunteer work include:

- Training farmers and extension agents to develop and disseminate successful farming practices
- Improving traditional field-crop systems by introducing farmers to better practices and technologies such as new soil conservation techniques, crop diversification, and agro-forestry strategies
- Expanding the availability and acceptance of non-traditional crops by promoting and strengthening vegetable gardening and fruit tree production while raising awareness about the nutritional value of the foods produced
- Increasing knowledge and skills needed for small-animal husbandry, such as poultry, rabbits, fish, and honey production
- Helping producers increase the value of their agricultural products by developing new products such as jams and dried fruit, as well as improving storage, expanding distribution, and implementing more effective management and marketing

Business Development

The business development sector includes four subsectors: community, municipal, business, and organizational development. Volunteers with a variety of business education and professional experiences are assigned to projects that focus on business, organizational, and communication skills in local government offices, nonprofit agencies, and for-profit businesses. The focus of work in this sector has shifted from business consulting to more community economic development, emphasizing sustainability, transparency, community volunteerism, and leadership training. In response to the needs of a global economy, the Peace Corps will increase the number of business Volunteers in an expanded effort to assist underserved communities and enhance entrepreneurial skills for women and youth.

At the end of FY 2009, there were 1,141 business development Volunteers providing assistance through 45 projects worldwide.

Examples of Volunteer work include:

- Training activities in computer and Internet use
- Training entrepreneurs in marketing, business planning, and bookkeeping
- Helping artisan cooperatives market their handmade goods
- Advising women's groups about access to savings and credit opportunities, including creating independent village savings and loan associations
- Educating young people to enter the work force and participate in the market economy
- Helping businesses find markets for traditional and value-added products
- Counseling businesses, including microfinance institutions, on organizational issues
- Teaching financial management to nongovernmental organizations (NGOs)
- Working with communities to plan ecotourism project planning through community-based resource management

Education

Education remains the Peace Corps' largest program sector. In reality, all Volunteers are, to some extent, educators. Many host country nationals describe how a Volunteer who taught them years ago opened new vistas for their future and empowered them to make a difference. Education projects include team-teaching courses in math, science, health, environment, and civics or skills-based classes in English and literacy. Education Volunteers strengthen local capacity by training and mentoring teachers in K-12 schools, teacher-training colleges, and universities. Based on the needs of host communities, Volunteers support programs for vulnerable, marginalized or other special-needs children. They also create after-school programs, clubs, and camps for boys and girls to promote HIV/AIDS prevention and life skills. Education Volunteers train teachers to expand learning opportunities through the use of information and communications technology (ICT), including radio, video, and computers, which are increasingly important for accessing information, communicating professionally, and equipping students with 21st-century skills. Improved ICT broadens access to education, makes learning more interactive, provides teachers with access to classroom materials, and enables classrooms around the world to communicate and collaborate.

Volunteers are also making significant contributions to girls' education and gender awareness. Around the world, Volunteers promote activities that help expand educational opportunities for females in both formal and nonformal settings. For example, Volunteers conduct summer leadership camps for girls, support community awareness of girls' achievements and potential, encourage their participation in the classroom, establish safe environments for after-school study, and organize career fairs for women. Similarly, Volunteers are working with boys and men to explore gender roles, expectations, and opportunities in a rapidly changing world.

At the end of FY 2009, there were 2,719 education Volunteers providing assistance through 54 projects worldwide.

Examples of Volunteer work include:

- Teaching students through classes and extracurricular activities
- Mentoring counterparts and training teachers
- Advising in the development of curricula and teaching materials
- Promoting community and school-based resource centers
- Advising school-community organizations, parent-teacher groups, and community development projects
- Supporting adult education
- Promoting distance learning
- Supporting special-needs classes, such as deaf education, and promoting general awareness in the community for children and youth with disabilities
- Encouraging early childhood education
- Working with radio stations to teach English and HIV/AIDS prevention

Environment

Volunteers working on environment projects help strengthen a community's ability to sustainably conserve and use natural resources. They work primarily at the grassroots level, focusing on human needs and sustainable alternatives. Volunteers focusing on agroforestry, for example, identify and train local leaders so they can teach other farmers how to use forestry to improve the productivity and resource sustainability of their fields and gardens. Similarly, Volunteers implement education activities outside the classroom through environmental clubs and eco-camps. At some posts, schools and communities are connected as parents and youth work together to identify joint projects, such as bottle recycling or community cleanup days.

At the end of FY 2009, there were 1,052 environment Volunteers providing assistance through 30 projects worldwide.

Examples of Volunteer work include:

- Promoting reforestation and soil and water conservation with individual farmers
- Co-teaching classes in schools, conducting teacher-training seminars, and developing curricula related to environmental topics
- Promoting nonformal environmental education (e.g., summer camps, eco-clubs, Earth Day events, and theater dramas) and working with entrepreneurs and associations to develop or strengthen alternatives to unsustainable harvesting and cultivation practices, such as generating income from renewable natural resources

Health and HIV/AIDS

Volunteers work in health projects to promote preventive health education and practices with an emphasis on overall health and well-being. The scope of these projects includes: hygiene and sanitation; water systems development and enhancement; nutrition and food security; maternal and child health; reproductive health; communicable diseases; chronic illnesses; and healthy lifestyles, exercise, and decision making. Volunteers and their counterparts address these issues in a variety of ways, including formal classroom instruction from kindergarten to the university level; community-based behavior change communication activities through the use of theater, radio, television, puppet shows, murals, etc.; educational and training materials development and distribution; training for and technical support to health care providers, peer educators, teachers, and nonformal community health volunteers; and sessions using murals, theater, radio, television, and puppet shows.

Many Volunteers work to mitigate the devastating impact that malaria has on many communities, particularly young children. Volunteers fill a needed niche in carrying out grassroots community-based education and salient health education activities focused on malaria control. Health sector Volunteers, working alongside their counterparts, focus on malaria control through improving knowledge and behavior related to malaria transmission, underscoring the importance of intermittent presumptive treatment for prenatal care and facilitating the distribution and utilization of insecticide treated nets.

In water, sanitation and hygiene, Volunteers work to increase the capacity of local people to build, manage, and

sustain their own water supply and sanitation infrastructure. Volunteers also promote hygiene behaviors, such as hand washing with soap, that have been shown to reduce the incidence of diarrhea and pneumonia.

Many Volunteers focus on HIV/AIDS prevention and care exclusively or as part of a comprehensive community health project. Life skills training continues to be at the center of much of Volunteers' HIV/AIDS prevention work, particularly when targeting youth. Increasingly, Volunteers are assigned to HIV/AIDS-related NGOs and assist in increasing the technical, managerial, and administrative capacities of such groups. Volunteers are uniquely suited to work in HIV/AIDS prevention because they live and work in local communities and can present information in culturally sensitive ways. The Peace Corps is collaborating with the U.S. Department of State's Office of the Global AIDS Coordinator to support the U.S. government's commitment to worldwide HIV/AIDS care, prevention, and treatment through the President's Emergency Plan for AIDS Relief (PEPFAR). In FY 2009, ninety-five percent of all Peace Corps posts around the world conducted HIV/AIDS activities. Over one million people, including service providers, benefited from Volunteer interventions.

At the end of FY 2009, there were 1,708 health and HIV/AIDS Volunteers providing assistance through 54 projects worldwide.

Examples of Volunteer work include:

- Facilitating health education on nutrition (breastfeeding, growth monitoring and promotion, weaning, three food groups, etc.) and nutritional rehabilitation
- Promoting hygiene education and pandemic preparedness (i.e., H1N1 awareness) in communities and schools
- Teaching about health and HIV/ AIDS prevention and care
- Expanding peer education to urge youth and others to reduce risky behavior
- Promoting healthy lifestyles, especially for youth
- Supporting youth and orphan activities and care
- Providing hygiene education classes in communities
- Promoting education about infectious diseases, including malaria control prevention

- Assisting in promoting maternal and child health clinics
- Strengthening NGO health-delivery systems; constructing and managing water systems; and promoting practices and services such as timely vaccination control
- Supporting community sanitation efforts
- Strengthening local and international NGO service delivery systems
- Constructing and maintaining clean water systems
- Building the capacity of health and water, sanitation committees

Youth

Since the inception of the Peace Corps in 1961, Volunteers have had great success working with youth. It is often young people in a community who are the Volunteers' first language coaches and cultural interpreters. In turn, young people value the opportunity to learn from Peace Corps Volunteers. In many of the countries in which Peace Corps works, nearly 50 percent of the population is under the age of 25. Volunteers in the youth sector are guided by three key principles: promoting positive youth development, facilitating a greater level of youth participation, and approaching community development from an asset-based point of view. Volunteers and their partners integrate these approaches into stand-alone youth development projects and into projects that cross all program sectors. The Peace Corps' approach to youth development supports effective, sustainable work with young people, their families, and their communities. Projects also aim to build the capacity of youth-serving organizations and the host country professionals who work with young people. Critical issues affecting youth throughout the world include successfully making the transition from school to work, developing relevant skills to prepare them for family life, and becoming engaged and active citizens in their communities.

Volunteers are uniquely positioned to provide learning opportunities to girls and boys at the grassroots level. Volunteers also serve a valuable role in reaching special populations, such as children orphaned due to HIV/AIDS, street children, and other vulnerable young people. Volunteers work with their partners to improve employment skills for disenfranchised and out-of-school young

men and women, and provide support to at risk youth. Many Volunteers serve as mentors for young people and as counterparts in youth service organizations.

At the end of FY 2009, there were 358 youth development Volunteers providing assistance through 18 projects worldwide.

Examples of Volunteer work include:

- Increasing employability skills, career planning, and entrepreneurship training
- Supporting training for computer skills and Internet use
- Developing leadership, communication, and teamwork skills through sports, recreation, drama, and arts opportunities
- Providing environmental education and community service opportunities
- Providing life skills through family life and healthy lifestyles training, including HIV/AIDS prevention
- Promoting positive leadership and citizenship development
- Developing the skills of teachers, youth promoters, and social workers to better facilitate participatory learning opportunities for youth
- Working to encourage parents and other community adults to support youth priorities

APPENDIX E

Volunteers Working in HIV/AIDS Activities During FY 2009

Africa		Europe, Mediterranean, and Asia		Inter-America and the Pacific	
<i>Country</i>	<i>Volunteers</i>	<i>Country</i>	<i>Volunteers</i>	<i>Country</i>	<i>Volunteers</i>
Benin	47	Albania	15	Belize	21
Botswana	112	Armenia	14	Costa Rica	21
Burkina Faso	59	Azerbaijan	11	Dominican Republic	63
Cameroon	67	Bulgaria	60	Eastern Caribbean*	43
Cape Verde	11	Cambodia	11	Ecuador	75
Ethiopia	60	China	22	El Salvador	75
Ghana	115	Kazakhstan	42	Fiji	20
Guinea	16	Kyrgyz Republic	19	Guatemala	65
Kenya	21	Macedonia	11	Guyana	39
Lesotho	85	Moldova	54	Honduras	43
Malawi	134	Mongolia	32	Jamaica	47
Mali	8	Morocco	32	Micronesia and Palau	4
Mauritania	24	Philippines	24	Nicaragua	68
Mozambique	101	Romania	8	Panama	36
Namibia	132	Thailand	25	Paraguay	43
Niger	48	Turkmenistan	6	Peru	17
Rwanda	13	Ukraine	103	Suriname	18
Senegal	72	TOTAL	489	Tonga	20
South Africa	51			Vanuatu	17
Swaziland	32			TOTAL	735
Tanzania	42				
The Gambia	47				
Togo	48				
Uganda	144				
Zambia	134				
TOTAL	1,623				

Grand Total: 2,847

NOTES

* Eastern Caribbean includes Antigua and Barbuda, Dominica, Grenada, Carriacou, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines

APPENDIX F

Peace Corps Application Process and Phases of Volunteer Service

Peace Corps Application Process

The Peace Corps application to invitation process usually takes from six to 12 months to complete, but may take longer in certain cases. This is due to a number of factors, including turnaround time for reference checks, a medical evaluation, determining applicant suitability for assignments, the availability of assignments, and whether an applicant needs additional time to obtain experience to be a more competitive candidate. After receiving an invitation, most people depart for their country assignment within two to three months.

Step One: Application

The first step toward becoming a Peace Corps Volunteer is to provide preliminary information. Most people complete the application within two weeks. During this stage applicants submit a completed application form that includes two essays, three references, employment history, resume, community and volunteer activities, and educational background; a copy of college transcripts—unless there are 10 years applicable professional experience; outstanding financial obligations; and a complete Health Status Review form.

Step Two: Interview

For applicants deemed as potentially qualified candidates, an interview generally takes place after all application materials, including references, have been returned. During the interview, applicants discuss with a recruiter their skills and interests, job opportunities available, and issues such as flexibility, adaptability, social and cultural awareness, motivation, and commitment to Peace Corps service.

Step Three: Nomination

A nomination is a recommendation that an applicant move on to the next stage of consideration, which includes medical, legal, suitability, and competitive reviews. After an interview is complete and all

requested documents are received, the recruiter evaluates an applicant's candidacy. If the recruiter determines an applicant is qualified for Peace Corps service, the applicant is nominated to serve in a general work area and region of the world with an approximate departure date.

Step Four: Medical, Legal, Suitability, and Competitive Reviews

Once an applicant has been nominated, he or she is mailed a Medical Forms package that outlines requirements for physical, dental, and eye exams. It is best to return all material from the Medical Forms package within 45 days. While a majority of applicants are deemed medically qualified for Peace Corps service, some applicants may be disqualified, deferred, or limited to placement in certain countries. After the medical review, applications are reviewed for eligibility based on the Peace Corps' legal guidelines. Medically qualified and legally cleared applicants are then evaluated by a Peace Corps placement officer for suitability and their skills are compared with those of other candidates. Competitive and suitable candidates are then matched to openings.

Step Five: Invitation

For qualified and competitive candidates, the placement officer will extend an invitation in writing for a specific country and provide a detailed job description. Invitations are typically sent out two to three months (at least six weeks) in advance of the program start date.

Step Six: Preparation for Departure

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 a country of assignment, Peace Corps trainees meet in the U.S. to prepare for their Volunteer service. A short time later, they fly to the assigned country to begin in-country training.

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 Security

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 Volunteers 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 careers, 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 \$275 per month 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 18 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 their fellow Americans.

Peace Corps Response

Headquarters staff recruits and places experienced Volunteers in short-term disaster relief and humanitarian response positions.

APPENDIX G

The Peace Corps' Educational Partnerships in the United States

States	Master's International Colleges/Universities	Fellows/USA Colleges/Universities
Alabama	University of Alabama at Birmingham	University of Alabama at Birmingham
Alaska	University of Alaska–Fairbanks	
Arizona	Arizona State University Northern Arizona University	Northern Arizona University University of Arizona
California	California State University at Sacramento Humboldt State University Loma Linda University Monterey Institute of International Studies University of California–Davis University of the Pacific	Humboldt State University Loma Linda University University of Southern California
Colorado	Colorado State University University of Denver	University of Colorado Denver University of Denver
Connecticut		Yale University
Florida	Florida International University Florida State University University of South Florida	Florida Institute of Technology
Georgia	Emory University Georgia State University University of Georgia	Georgia College and State University Kennesaw State University
Illinois	Illinois State University University of Illinois–Chicago	Illinois State University Western Illinois University
Indiana	Indiana University	Indiana University
Kansas		Wichita State University
Louisiana	Tulane University	University of New Orleans Xavier University of Louisiana
Maryland	Johns Hopkins University University of Maryland University of Maryland–Baltimore County	Johns Hopkins University University of Maryland University of Maryland–Baltimore University of Maryland–Baltimore County
Massachusetts	Boston University	
Michigan	Michigan State University Michigan Technological University Western Michigan University	University of Michigan
Minnesota	University of Minnesota–Twin Cities	
Missouri		University of Missouri University of Missouri–Kansas City
Montana	University of Montana	
Nevada	University of Nevada–Las Vegas	

The Peace Corps' Educational Partnerships in the United States

States	Master's International Colleges/Universities	Fellows/USA Colleges/Universities
New Hampshire	Southern New Hampshire University	Southern New Hampshire University
New Jersey	Rutgers, The State University of New Jersey–Camden	Drew University Monmouth University Rutgers, The State University of New Jersey–Camden
New Mexico		New Mexico State University Western New Mexico University
New York	Bard College Cornell University University at Albany–State University of New York	Columbia University Teachers College Cornell University Fordham University The New School University of Rochester
North Carolina	Appalachian State University North Carolina A&T State University North Carolina State University	Duke University
Ohio	University of Cincinnati	Bowling Green State University University of Cincinnati
Oklahoma	Oklahoma State University	
Oregon	Oregon State University	University of Oregon
Pennsylvania	University of Pittsburgh	Carnegie Mellon University Duquesne University Seton Hill University University of Pennsylvania
South Carolina	Clemson University University of South Carolina	University of South Carolina
Texas	Texas A&M University Texas Tech University	
Vermont	SIT Graduate Institute St. Michael's College	University of Vermont
Virginia	George Mason University University of Virginia Virginia Polytechnic Institute and State University	George Mason University
Washington	Gonzaga University University of Washington Washington State University	
Wisconsin	University of Wisconsin University of Wisconsin–Stevens Point	Marquette University University of Wisconsin–Milwaukee University of Wisconsin–Stevens Point
Wyoming	University of Wyoming	University of Wyoming
District of Columbia	American University George Washington University	George Washington University

APPENDIX H

Volunteer Safety and Security

Note: This text is taken directly from the Volunteer Handbook that each Volunteer receives prior to departure to his or her country of service.

Personal Safety

Volunteers serve worldwide, sometimes in very remote areas. Subsequently, health and safety risks are an inherent part of Volunteer service. Living and traveling in an unfamiliar environment (often alone), having a limited understanding of local language and culture, and being perceived as wealthy are some of the factors that can put a Volunteer at risk. Many Volunteers experience varying degrees of unwanted attention and harassment. Petty thefts and burglaries are not uncommon and incidents of physical and sexual assaults do occur. Volunteer deaths during service, including homicides, are rare but have occurred during the almost 50 years the Peace Corps has been in existence.

The Peace Corps has established policies and procedures to help Volunteers reduce their risks and enhance their safety and security. At the same time, the Volunteer's own conduct is the single most important factor in ensuring his or her own safety and well-being. Staying safe and secure during Peace Corps service requires Volunteers to take personal responsibility for following the guidance provided during training concerning the importance of observing locally appropriate behavior, exercising sound judgment, and abiding by Peace Corps' policies and procedures.

Personal safety is enhanced by mature behavior and the exercise of sound judgment. As a Volunteer, it is essential to be aware of your surroundings, understand how your conduct and actions may be perceived, and be sensitive to the effect your behavior has on your personal safety. Often Volunteers must change a range of behaviors they have grown accustomed to in the United States—including dress, living arrangements, exercise, consumption of alcohol, socializing with members of the opposite sex, going out alone at night, etc.—to minimize risks to their safety and security. The challenge is to find the right balance and comport yourself in a manner that enables you to have a safe, productive experience. Peace

Corps staff members are committed to helping Volunteers meet this challenge.

Throughout service, Volunteers strive to achieve competency in various areas. During pre-service training, the Peace Corps provides training and resources to help each Volunteer develop language, technical, and cross-cultural proficiency, and acquire personal safety knowledge and skills. Volunteer sites are chosen according to specific safety criteria that consider housing, transportation, communication, access to services, and proximity to fellow Volunteers. You will be expected to strictly abide by the Peace Corps post's policies regarding travel notification and leave authorization.

Crimes do sometimes happen to Volunteers overseas and if it happens to you, your local Peace Corps post and the Peace Corps Office of Safety and Security are ready to support you. Immediate reporting to Peace Corps officials is essential so Peace Corps can provide you with the support you deserve. It may also be critical to the preservation of evidence and the apprehension of a suspect, if you choose to pursue prosecution through local authorities.

The decision to report an incident to local authorities is entirely yours; Peace Corps will ensure that you are fully informed of your options and will help you through the process and procedures involved, should you wish to do so. The responsibility for investigation and prosecution rests with the host country government, not with the Volunteer or the Peace Corps. However, in the event of a serious crime against a Volunteer, the Peace Corps may be able to retain a local attorney to counsel and assist the post and represent the interests of the victim.

If you do become a victim of a violent crime, first make sure you are in a safe place and with people you trust, and second, contact the country director or the Peace Corps medical officer. Immediate reporting is important to the preservation of evidence and the chances of apprehending the suspect. Country directors and medical officers are required to report all crimes to the Peace Corps Office of Safety and Security. In addition, the U.S. Embassy regional security officer (RSO) will also be informed. This information is protected from unauthorized disclosure by the Privacy Act.

Emergency Action Plans

The Peace Corps addresses larger security concerns through country-specific emergency action plans (EAPs). These plans, developed to address natural disasters, political unrest, serious accidents, etc. set forth the strategies developed by the Peace Corps in each country to prepare for, respond to, and recover from such crises. You will receive an EAP orientation during pre-service training and subsequent in-service trainings. You will also receive a copy of the EAP and be expected to familiarize yourself with the plan and your roles and responsibilities during times of crisis.

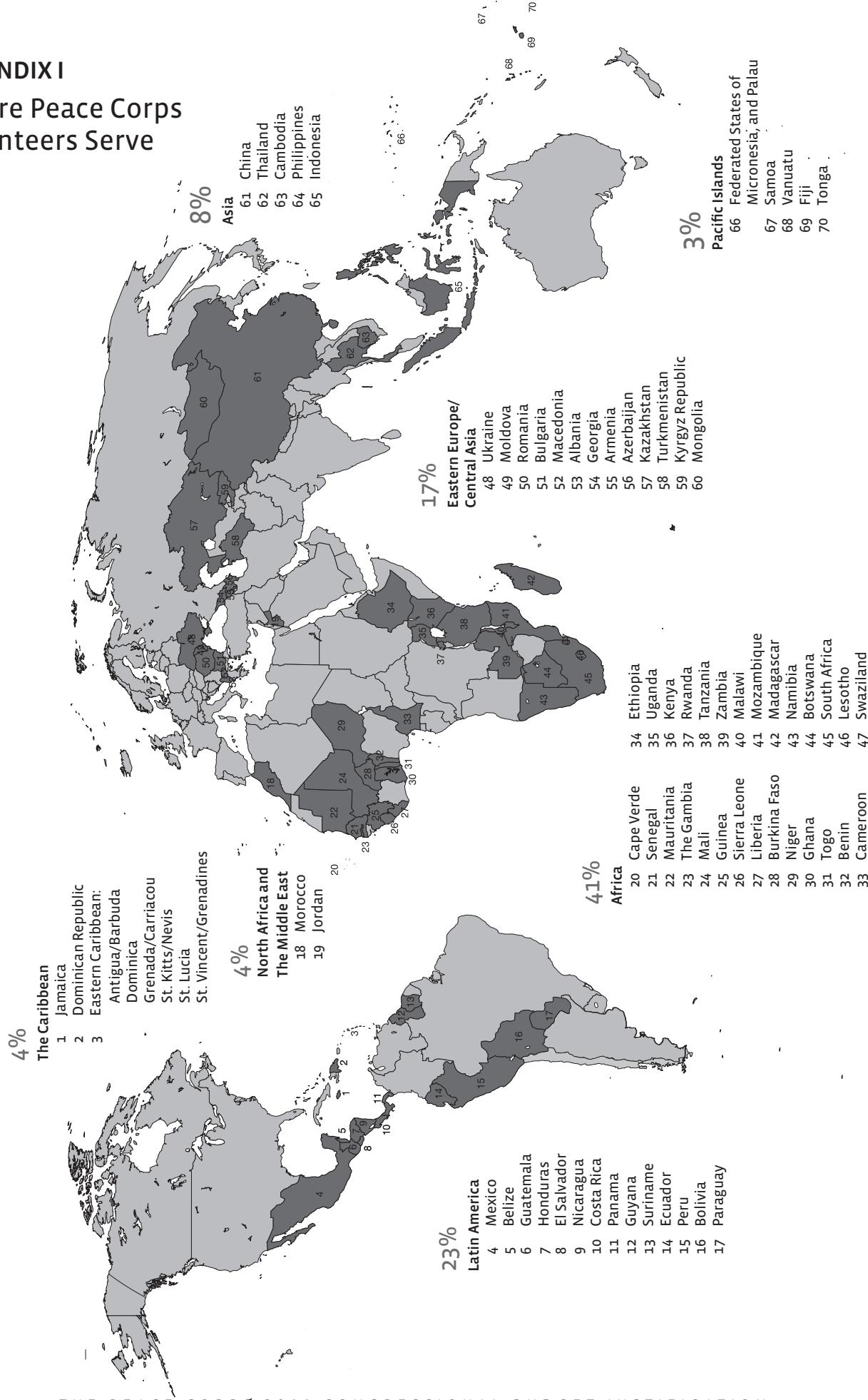
The Peace Corps works very closely with the U.S. ambassador and the embassy's regional security officer on matters of Volunteer safety and crisis management. Copies of the EAP are submitted to the U.S. Embassy and Peace Corps headquarters. If a situation arises in-country that poses a potential threat to Volunteers,

It is essential to always be aware of your surroundings, understand how your conduct and actions may be perceived, and be sensitive to the effect your behavior has on your personal safety. The challenge is to find the right balance.

the Peace Corps will respond immediately to assess the nature of the threat and respond in a manner that maximizes Volunteers' safety and well-being. Under some circumstances, Volunteers may be removed from their sites (temporarily or permanently) or removed from the country altogether. If the decision is made to evacuate a country, the Peace Corps will commit every resource at hand to safeguard the well-being of each Volunteer and staff member.

APPENDIX I

Where Peace Corps Volunteers Serve



APPENDIX J

Africa Region

Sahel	Cape Verde, The Gambia, Mali, Mauritania, Niger, Senegal
Coastal West and Central Africa	Benin, Burkina Faso, Cameroon, Ghana, Guinea, Liberia, Sierra Leone, Togo
Eastern Africa	Ethiopia, Kenya, Madagascar, Malawi, Mozambique, Rwanda, Tanzania, Uganda
Southern Africa	Botswana, Lesotho, Namibia, South Africa, Swaziland, Zambia



Benin

CAPITAL	Porto-Novo
POPULATION	8.9 million
ANNUAL PER CAPITA INCOME	\$1,608
PROGRAM DATES	1968–present
PROGRAM SECTORS	Business Development Education Environment Health and HIV/AIDS

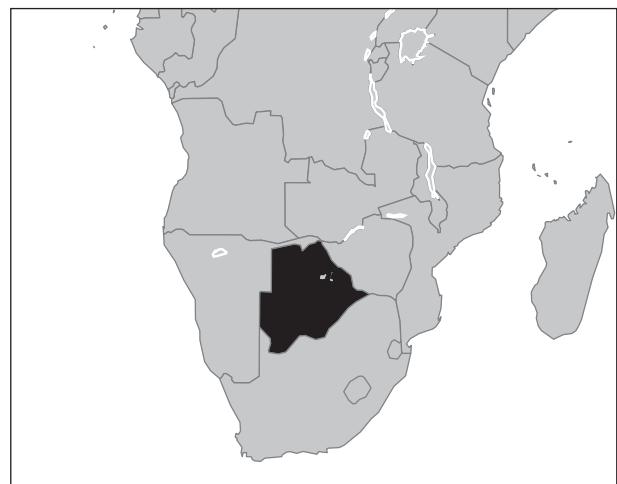


ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	103	110
Program funds (\$000)	4,962	5,300

Botswana



CAPITAL	Gaborone
POPULATION	2.0 million
ANNUAL PER CAPITA INCOME	\$14,907
PROGRAM DATES	1966–1997 2003–present
PROGRAM SECTORS	Health and HIV/AIDS Education

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	51	73
Program funds (\$000)	1,638	2,400

Burkina Faso

CAPITAL	Ouagadougou
POPULATION	15.8 million
ANNUAL PER CAPITA INCOME	\$1,268
PROGRAM DATES	1966–1987 1995–present
PROGRAM SECTORS	Business Development Education Health and HIV/AIDS



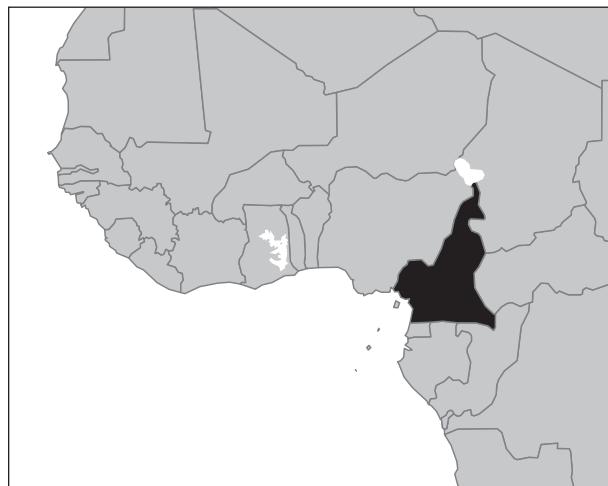
ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	127	143
Program funds (\$000)	4,869	5,550

Cameroon

CAPITAL	Yaounde
POPULATION	19.5 million
ANNUAL PER CAPITA INCOME	\$2,139
PROGRAM DATES	1962–present
PROGRAM SECTORS	Agriculture Business Development Education Health and HIV/AIDS

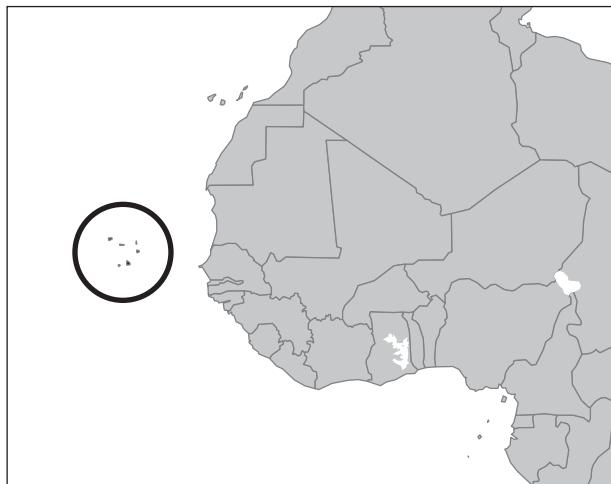


ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	176	183
Program funds (\$000)	5,276	5,600

Cape Verde



CAPITAL	Praia
POPULATION	.506 million
ANNUAL PER CAPITA INCOME	\$3,472
PROGRAM DATES	1988–present
PROGRAM SECTORS	Business Development Education

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	58	56
Program funds (\$000)	2,429	2,400

Ethiopia

CAPITAL	Addis Ababa
POPULATION	82.8 million
ANNUAL PER CAPITA INCOME	\$898
PROGRAM DATES	1962–1977 1995–1999 2007–present
PROGRAM SECTORS	Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	45	79
Program funds (\$000)	1,560	2,750

The Gambia

CAPITAL	Banjul
POPULATION	1.7 million
ANNUAL PER CAPITA INCOME	\$1,395
PROGRAM DATES	1967–present
PROGRAM SECTORS	Education Environment Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	80	82
Program funds (\$000)	2,640	2,800

Ghana



CAPITAL	Accra
POPULATION	23.8 million
ANNUAL PER CAPITA INCOME	\$1,518
PROGRAM DATES	1961–present
PROGRAM SECTORS	Business Development Education Environment Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	152	148
Program funds (\$000)	3,567	3,500

Guinea

CAPITAL	Conakry
POPULATION	10.1 million
ANNUAL PER CAPITA INCOME	\$1,014
PROGRAM DATES	1962–1966, 1969–1971 1985–present
PROGRAM SECTORS	Business Development Education, Environment Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	12	0
Program funds (\$000)	1,154	1,000

Kenya

CAPITAL	Nairobi
POPULATION	39.8 million
ANNUAL PER CAPITA INCOME	\$1,712
PROGRAM DATES	1965–present
PROGRAM SECTORS	Business Development Education Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	68	92
Program funds (\$000)	3,133	4,200

Lesotho



CAPITAL	Maseru
POPULATION	2.1 million
ANNUAL PER CAPITA INCOME	\$1,305
PROGRAM DATES	1967–present
PROGRAM SECTORS	Business Development Education Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	76	85
Program funds (\$000)	2,250	2,500

Liberia

CAPITAL	Monrovia
POPULATION	4 million
ANNUAL PER CAPITA INCOME	\$373
PROGRAM DATES	1962–1990
	2008–present
PROGRAM SECTORS	Education



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	13	41
Program funds (\$000)	1,441	2,450

Madagascar

CAPITAL	Antananarivo
POPULATION	19.6 million
ANNUAL PER CAPITA INCOME	\$996
PROGRAM DATES	1993–present
PROGRAM SECTORS	Education Environment Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	96	105
Program funds (\$000)	2,401	2,700

Malawi



CAPITAL	Lilongwe
POPULATION	15.3 million
ANNUAL PER CAPITA INCOME	\$836
PROGRAM DATES	1963–1969, 1973–1976 1978–present
PROGRAM SECTORS	Education Environment Health and HIV/AIDS

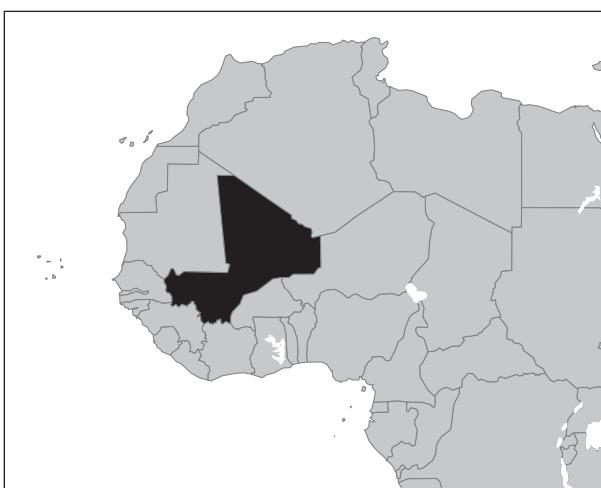
ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	123	122
Program funds (\$000)	3,077	3,150

Mali

CAPITAL	Bamako
POPULATION	13 million
ANNUAL PER CAPITA INCOME	\$1,129
PROGRAM DATES	1971–present
PROGRAM SECTORS	Business Development Education Environment Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	149	160
Program funds (\$000)	6,646	7,250

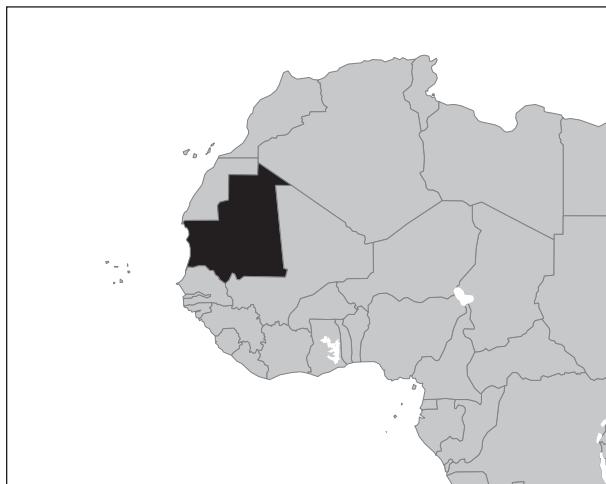
Mauritania

CAPITAL	Nouakchott
POPULATION	3.3 million
ANNUAL PER CAPITA INCOME	\$2,055
PROGRAM DATES	1967; 1971–1991 1991–present
PROGRAM SECTORS	Agriculture, Business Development Education, Environment Health and HIV/AIDS, Youth

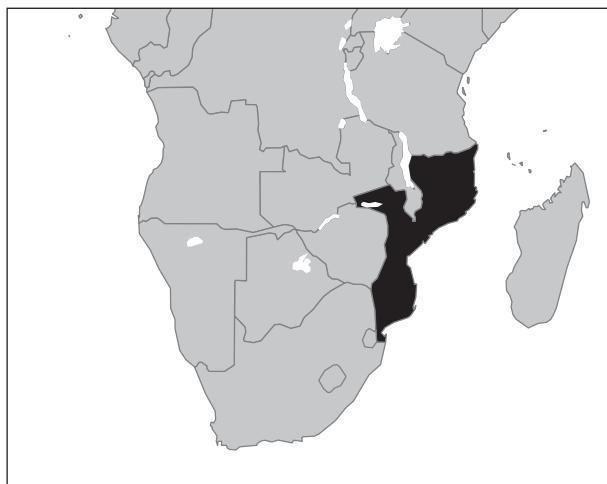
ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	0	0
Program funds (\$000)	1,000	800



Mozambique



CAPITAL	Maputo
POPULATION	22.9 million
ANNUAL PER CAPITA INCOME	\$903
PROGRAM DATES	1998–present
PROGRAM SECTORS	Education Health and HIV/AIDS

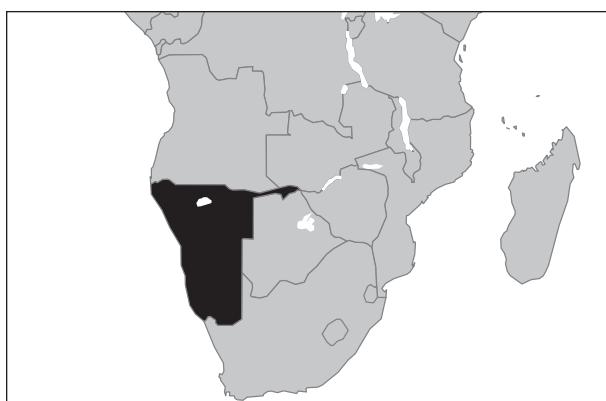
ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	161	152
Program funds (\$000)	3,774	3,800

Namibia

CAPITAL	Windhoek
POPULATION	2.2 million
ANNUAL PER CAPITA INCOME	\$6,612
PROGRAM DATES	1990–present
PROGRAM SECTORS	Education Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	101	109
Program funds (\$000)	2,898	3,100

Niger

CAPITAL	Niamey
POPULATION	15.3 million
ANNUAL PER CAPITA INCOME	\$740
PROGRAM DATES	1962–present
PROGRAM SECTORS	Agriculture Business Development, Education Environment, Health and HIV/AIDS Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	58	61
Program funds (\$000)	4,050	4,200



Rwanda



CAPITAL	Kigali
POPULATION	10 million
ANNUAL PER CAPITA INCOME	\$1,043
PROGRAM DATES	1975–1993 2008–present
PROGRAM SECTORS	Education

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	53	83
Program funds (\$000)	2,175	3,450

Senegal

CAPITAL	Dakar
POPULATION	12.5 million
ANNUAL PER CAPITA INCOME	\$10,810
PROGRAM DATES	1963–present
PROGRAM SECTORS	Agriculture Business Development Environment Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	210	213
Program funds (\$000)	5,749	5,900



Sierra Leone

CAPITAL	Freetown
POPULATION	5.7 million
ANNUAL PER CAPITA INCOME	\$725
PROGRAM DATES	1962–1992, 1992–1994 2009–present
PROGRAM SECTORS	Education



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	30	72
Program funds (\$000)	3,770	5,100

South Africa



CAPITAL	Pretoria
POPULATION	50.1 million
ANNUAL PER CAPITA INCOME	\$10,136
PROGRAM DATES	1997–present
PROGRAM SECTORS	Education Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	121	156
Program funds (\$000)	4,445	5,700

Swaziland

CAPITAL	Mbabane
POPULATION	1.2 million
ANNUAL PER CAPITA INCOME	\$5,749
PROGRAM DATES	1968–1996 2003–present
PROGRAM SECTORS	Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	69	71
Program funds (\$000)	1,919	2,000

Tanzania

CAPITAL	Dar Es Salaam
POPULATION	43.7 million
ANNUAL PER CAPITA INCOME	\$1,353
PROGRAM DATES	1962–1969, 1979–1991 1991–present
PROGRAM SECTORS	Education Environment Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	153	149
Program funds (\$000)	3,829	3,900



Togo



CAPITAL	Lome
POPULATION	6.6 million
ANNUAL PER CAPITA INCOME	\$812
PROGRAM DATES	1962–present
PROGRAM SECTORS	Business Development Education Environment Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	117	114
Program funds (\$000)	3,957	4,000

Uganda

CAPITAL	Kampala
POPULATION	32.7 million
ANNUAL PER CAPITA INCOME	\$1,147
PROGRAM DATES	1964–1973, 1991–1999 2000–present
PROGRAM SECTORS	Business Development Education Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	87	110
Program funds (\$000)	2,889	3,700



Zambia

CAPITAL	Lusaka
POPULATION	12.9 million
ANNUAL PER CAPITA INCOME	\$1,482
PROGRAM DATES	1993–present
PROGRAM SECTORS	Agriculture Education, Environment Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	131	168
Program funds (\$000)	5,502	7,100



APPENDIX K

Europe, Mediterranean and Asia Region



Balkans and North Africa

Albania, Bulgaria, Republic of Macedonia, Morocco

Central and Eastern Europe

Moldova, Romania, Ukraine

Middle East and the Caucasus

Armenia, Azerbaijan, Georgia, Jordan

Central Asia

Kazakhstan, Kyrgyz Republic, Turkmenistan

Asia

Cambodia, China, Indonesia, Mongolia, Philippines, Thailand

Albania

CAPITAL	Tirana
POPULATION	3.2 million
ANNUAL PER CAPITA INCOME	\$6,897
PROGRAM DATES	1992–1997 2003–present
PROGRAM SECTORS	Business Development Education Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	69	79
Program funds (\$000)	2,769	3,250



Armenia



CAPITAL	Yerevan
POPULATION	3.1 million
ANNUAL PER CAPITA INCOME	\$5,792
PROGRAM DATES	1992–present
PROGRAM SECTORS	Business Development Education Environment Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	85	91
Program funds (\$000)	3,076	3,400

Azerbaijan

CAPITAL	Baku
POPULATION	8.8 million
ANNUAL PER CAPITA INCOME	\$8,634
PROGRAM DATES	2003–present
PROGRAM SECTORS	Business Development Education Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	167	153
Program funds (\$000)	3,021	2,800



Bulgaria

CAPITAL	Sofia
POPULATION	7.5 million
ANNUAL PER CAPITA INCOME	\$12,322
PROGRAM DATES	1991–present
PROGRAM SECTORS	Business Development Education Youth



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	149	165
Program funds (\$000)	4,208	4,700

Cambodia



CAPITAL	Phnom Penh
POPULATION	14.8 million
ANNUAL PER CAPITA INCOME	\$2,082
PROGRAM DATES	2006–present
PROGRAM SECTORS	Education Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	88	105
Program funds (\$000)	2,037	2,500

China

CAPITAL	Beijing
POPULATION	1345.7 million
ANNUAL PER CAPITA INCOME	\$5,970
PROGRAM DATES	1993–present
PROGRAM SECTORS	Education



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	129	155
Program funds (\$000)	2,718	3,400

Georgia

CAPITAL	Tbilisi
POPULATION	4.3 million
ANNUAL PER CAPITA INCOME	\$4,869
PROGRAM DATES	2007–present
PROGRAM SECTORS	Business Development Education



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	49	63
Program funds (\$000)	1,964	2,550

Indonesia



CAPITAL	Jakarta
POPULATION	230 million
ANNUAL PER CAPITA INCOME	\$3,980
PROGRAM DATES	1963–1965 2009–present
PROGRAM SECTORS	Education

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	22	55
Program funds (\$000)	3,077	2,500

Jordan

CAPITAL	Amman
POPULATION	6.3 million
ANNUAL PER CAPITA INCOME	\$5,536
PROGRAM DATES	1997–present
PROGRAM SECTORS	Education Youth



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	35	76
Program funds (\$000)	2,258	3,850

Kazakhstan

CAPITAL	Astana
POPULATION	15.6 million
ANNUAL PER CAPITA INCOME	\$11,434
PROGRAM DATES	1993–present
PROGRAM SECTORS	Education Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	171	172
Program funds (\$000)	4,412	4,600

Kyrgyz Republic



CAPITAL	Bishkek
POPULATION	5.4 million
ANNUAL PER CAPITA INCOME	\$2,185
PROGRAM DATES	1993–present
PROGRAM SECTORS	Business Development Education Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	99	123
Program funds (\$000)	2,488	3,200

Macedonia

CAPITAL	Skopje
POPULATION	2 million
ANNUAL PER CAPITA INCOME	\$9,163
PROGRAM DATES	1996–present
PROGRAM SECTORS	Business Development Education



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	106	96
Program funds (\$000)	2,552	2,000

Moldova

CAPITAL	Chisinau
POPULATION	3.6 million
ANNUAL PER CAPITA INCOME	\$2,984
PROGRAM DATES	1993–present
PROGRAM SECTORS	Agriculture Business Development Education Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	108	119
Program funds (\$000)	3,161	3,550



Mongolia



CAPITAL	Ulaanbaatar
POPULATION	2.7 million
ANNUAL PER CAPITA INCOME	\$3,547
PROGRAM DATES	1991–present
PROGRAM SECTORS	Business Development Education Health and HIV/AIDS Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	128	146
Program funds (\$000)	2,761	3,100

Morocco

CAPITAL	Rabat
POPULATION	32 million
ANNUAL PER CAPITA INCOME	\$4,362
PROGRAM DATES	1963–present
PROGRAM SECTORS	Business Development Environment Health and HIV/AIDS Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	264	261
Program funds (\$000)	5,964	6,200



Philippines

CAPITAL	Manila
POPULATION	92 million
ANNUAL PER CAPITA INCOME	\$3,515
PROGRAM DATES	1961–1990 1992–present
PROGRAM SECTORS	Education Environment Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	239	263
Program funds (\$000)	5,195	5,900



Romania



CAPITAL	Bucharest
POPULATION	21.3 million
ANNUAL PER CAPITA INCOME	\$12,600
PROGRAM DATES	1991–present
PROGRAM SECTORS	Business Development Education Environment Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	80	92
Program funds (\$000)	3,322	3,800

Thailand

CAPITAL	Bangkok
POPULATION	67.8 million
ANNUAL PER CAPITA INCOME	\$8,239
PROGRAM DATES	1962–present
PROGRAM SECTORS	Business Development Education Environment Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	91	112
Program funds (\$000)	3,295	4,100



Turkmenistan

CAPITAL	Ashgabat
POPULATION	5.1 million
ANNUAL PER CAPITA INCOME	\$5,757
PROGRAM DATES	1993–present
PROGRAM SECTORS	Education Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	84	84
Program funds (\$000)	1,951	1,900

Ukraine



CAPITAL	Kiev
POPULATION	45.7 million
ANNUAL PER CAPITA INCOME	\$7,342
PROGRAM DATES	1992–present
PROGRAM SECTORS	Business Development Education Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	453	455
Program funds (\$000)	8,773	8,900

APPENDIX L

Inter-America and the Pacific Region



Central America Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama

Caribbean Dominican Republic, Eastern Caribbean (Antigua/Barbuda, Dominica, Grenada/Carriacou, St. Kitts and Nevis, St. Lucia, St. Vincent/Grenadines), Jamaica

South America Bolivia, Ecuador, Guyana, Paraguay, Peru, Suriname

Pacific Federated States of Micronesia and Palau, Fiji, Samoa, Tonga, Vanuatu

Belize

CAPITAL	Belmopan
POPULATION	.307 million
ANNUAL PER CAPITA INCOME	\$7,954
PROGRAM DATES	1962–present
PROGRAM SECTORS	Business Development Education Health and HIV/AIDS Youth



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	82	75
Program funds (\$000)	2,988	2,800

Bolivia



CAPITAL	La Paz
POPULATION	9.8 million
ANNUAL PER CAPITA INCOME	\$4,345
PROGRAM DATES	1962–1971 1990–present
PROGRAM SECTORS	Agriculture Business Development, Education Environment, Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	0	0
Program funds (\$000)	500	500

Costa Rica

CAPITAL	San Jose
POPULATION	4.6 million
ANNUAL PER CAPITA INCOME	\$10,735
PROGRAM DATES	1963–present
PROGRAM SECTORS	Business Development Youth



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	94	113
Program funds (\$000)	2,839	3,500

Dominican Republic

CAPITAL	Santo Domingo
POPULATION	10.1 million
ANNUAL PER CAPITA INCOME	\$8,619
PROGRAM DATES	1962–present
PROGRAM SECTORS	Business Development Education, Environment Health and HIV/AIDS, Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	204	190
Program funds (\$000)	4,989	4,700



Eastern Caribbean



CAPITALS	Saint John's, Roseau, Saint George's Basseterre, Castries, Kingstown
POPULATION	.592 million
ANNUAL PER CAPITA INCOME	\$12,613
PROGRAM DATES	1961–present
PROGRAM SECTORS	Business Development Education, Health and HIV/AIDS Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	103	99
Program funds (\$000)	3,830	3,700

Ecuador

CAPITAL	Quito
POPULATION	13.6 million
ANNUAL PER CAPITA INCOME	\$7,786
PROGRAM DATES	1962–present
PROGRAM SECTORS	Agriculture Environment Health and HIV/AIDS Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	173	214
Program funds (\$000)	4,383	5,450



El Salvador

CAPITAL	San Salvador
POPULATION	6.2 million
ANNUAL PER CAPITA INCOME	\$7,564
PROGRAM DATES	1962–1980 1993–present
PROGRAM SECTORS	Agriculture Business Development, Environment Health and HIV/AIDS, Youth

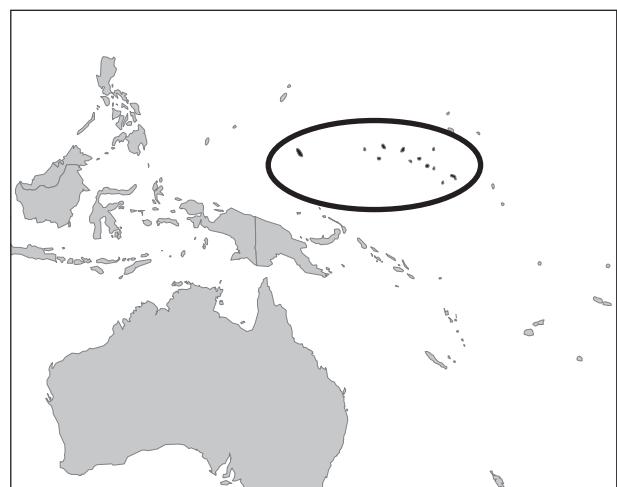
ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	142	140
Program funds (\$000)	3,912	3,800



Federated States of Micronesia and Palau



CAPITAL	Palikir, Melekeok
POPULATION	.131 million
ANNUAL PER CAPITA INCOME	\$5,161
PROGRAM DATES	1966–present
PROGRAM SECTORS	Education Environment, Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	68	61
Program funds (\$000)	2,016	1,850

Fiji

CAPITAL	Suva
POPULATION	.849 million
ANNUAL PER CAPITA INCOME	\$4,196
PROGRAM DATES	1968–1998 2003–present
PROGRAM SECTORS	Environment Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	52	55
Program funds (\$000)	2,293	2,450

Guatemala

CAPITAL	Guatemala City
POPULATION	14 million
ANNUAL PER CAPITA INCOME	\$4,907
PROGRAM DATES	1963–present
PROGRAM SECTORS	Agriculture Business Development Environment Health and HIV/AIDS, Youth



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	215	230
Program funds (\$000)	6,074	6,500

Guyana



CAPITAL	Georgetown
POPULATION	.762 million
ANNUAL PER CAPITA INCOME	\$4,029
PROGRAM DATES	1967–1971 1995–present
PROGRAM SECTORS	Education Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	55	60
Program funds (\$000)	2,153	2,350

Honduras

CAPITAL	Tegucigalpa
POPULATION	7.5 million
ANNUAL PER CAPITA INCOME	\$4,275
PROGRAM DATES	1963–present
PROGRAM SECTORS	Agriculture Business Development Health and HIV/AIDS Youth



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	164	185
Program funds (\$000)	4,793	5,500

Jamaica

CAPITAL	Kingston
POPULATION	2.7 million
ANNUAL PER CAPITA INCOME	\$8,967
PROGRAM DATES	1962–present
PROGRAM SECTORS	Agriculture Environment Health and HIV/AIDS Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	64	84
Program funds (\$000)	2,772	4,300



Mexico



CAPITAL	Mexico City
POPULATION	106.6 million
ANNUAL PER CAPITA INCOME	\$14,534
PROGRAM DATES	2004–present
PROGRAM SECTORS	Business Development Environment

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	73	102
Program funds (\$000)	1,928	2,650

Nicaragua

CAPITAL	Managua
POPULATION	5.7 million
ANNUAL PER CAPITA INCOME	\$2,698
PROGRAM DATES	1968–1979 1991–present
PROGRAM SECTORS	Agriculture Business Development, Education Environment, Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	216	213
Program funds (\$000)	3,782	3,700



Panama

CAPITAL	Panama City
POPULATION	3.5 million
ANNUAL PER CAPITA INCOME	\$11,361
PROGRAM DATES	1963–1971 1990–present
PROGRAM SECTORS	Agriculture Business Development, Education Environment, Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	180	181
Program funds (\$000)	4,657	4,800



Paraguay



CAPITAL	Asuncion
POPULATION	6.3 million
ANNUAL PER CAPITA INCOME	\$4,786
PROGRAM DATES	1967–present
PROGRAM SECTORS	Agriculture Business Development, Education Environment Health and HIV/AIDS, Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	232	236
Program funds (\$000)	5,255	5,600

Peru

CAPITAL	Lima
POPULATION	29.2 million
ANNUAL PER CAPITA INCOME	\$8,594
PROGRAM DATES	1962–1975 2002–present
PROGRAM SECTORS	Business Development Environment, Health and HIV/AIDS Youth

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	250	256
Program funds (\$000)	6,015	6,400



Samoa

CAPITAL	Apia
POPULATION	.179 million
ANNUAL PER CAPITA INCOME	\$5,674
PROGRAM DATES	1967–present
PROGRAM SECTORS	Education Youth



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	29	37
Program funds (\$000)	1,331	1,700

Suriname



CAPITAL	Paramaribo
POPULATION	.520 million
ANNUAL PER CAPITA INCOME	\$8,188
PROGRAM DATES	1995–present
PROGRAM SECTORS	Business Development Health and HIV/AIDS

ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	37	43
Program funds (\$000)	2,224	2,650

Tonga

CAPITAL	Nuku'alofa
POPULATION	.104 million
ANNUAL PER CAPITA INCOME	\$5,382
PROGRAM DATES	1967–present
PROGRAM SECTORS	Education Youth



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	35	42
Program funds (\$000)	1,370	1,700

Vanuatu

CAPITAL	Port-Vila
POPULATION	.240 million
ANNUAL PER CAPITA INCOME	\$4,251
PROGRAM DATES	1990–present
PROGRAM SECTORS	Business Development Education Health and HIV/AIDS



ANTICIPATED NUMBER OF VOLUNTEERS

Calculated September 30 each year

	FY 2010	FY 2011
Volunteers	96	81
Program funds (\$000)	2,894	2,500

APPENDIX M

Foreign Currency Fluctuation Account

During FY 2009, the Peace Corps transferred a total of \$4,000,000 from its operating account to the Foreign Currency Fluctuations Account.

1 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 N

Government Performance and Results Act

*The Peace Corps' Performance Plan as Required
Under the Government Performance and Results Act*

FY 2009–2011 PERFORMANCE PLAN

The agency has developed a FY 2009–2014 Strategic Plan. The following FY 2009–2011 Performance Plan provides guidance and targets compatible with the new Strategic Plan.

Strategic Goal 1

Enhance the capacity of host country individuals, organizations, and communities to meet their skill needs.

Outcome Goals:

- 1.1 Country programs fulfill host-country skill needs
- 1.2 Volunteers have the competencies necessary to implement a country program
- 1.3 Host country individuals, organizations, and communities demonstrate an enhanced capacity to meet their own needs

Performance Goal 1.1.1:

Ensure the effectiveness of in-country programs

Agency Level Performance Indicators:

- a. Percentage of projects plans that meet the expressed needs of the host country

Targets	FY 2009	FY 2010	FY 2011
	85%	90%	95%

- b. Percentage of posts that provide annual progress reports to their host country agency sponsors and partners

Targets	FY 2009	FY 2010	FY 2011
	75%	80%	85%

- c. Enhance the average length of service of Volunteers to equal or exceed 21 months

Targets	FY 2009	FY 2010	FY 2011
	A minimum of 21 months		

Note: For the full text of *The Peace Corps Strategic Plan Fiscal Years 2009–2014 and Performance Plan Fiscal Years 2009–2011* referenced in this report, please see: http://multimedia.peacecorps.gov/multimedia/pdf/policies/pc_strategic_plan_081409.pdf

Performance Goal 1.2.1:

Ensure the effectiveness of in-country training

Agency Level Performance Indicators:

- a. Percentage of Volunteers who meet local language requirements for service per post testing standards

Targets	FY 2009	FY 2010	FY 2011
	A minimum of 85%		

- b. Percentage of Volunteers reporting training as adequate or better in preparing them technically for service

Targets	FY 2009	FY 2010	FY 2011
	70%	72%	75%

- c. Percentage of Peace Corps Volunteers reporting training as adequate or better in preparing them to work with counterparts

Targets	FY 2009	FY 2010	FY 2011
	60%	62%	65%

Performance Goal 1.3.1

Increase the effectiveness of skills transfer to host country individuals, organizations, and communities

Agency Level Performance Indicators:

- a. Percentage of Volunteers reporting that their work transferred skills to host country individuals and organizations adequately or better

Targets	FY 2009	FY 2010	FY 2011
	70%	72%	75%

- b. Percentage of PCVs reporting their HIV/AIDS education and outreach is effective

Targets	FY 2009	FY 2010	FY 2011
	75%	80%	85%

- c. Percentage of projects that document increases in host country national capacity

Targets	FY 2009	FY 2010	FY 2011
	70%	75%	80%

- d. Percentage of partner organizations that report their assigned PCV fulfilled their requested need for technical assistance

Targets	FY 2009	FY 2010	FY 2011
	50%	60%	70%

Means and Strategies

The Peace Corps will:

- Utilize e-learning to enhance early language acquisition and ensure language learning techniques are appropriate for Volunteers with diverse learning needs
- Promote communications between staff and host country partners through Project Advisory Committees, progress reports and annual updates
- Enhance staff effectiveness in training and supporting Volunteers through increased staff training
- Utilize technology to promote and support the exchange of field resources for enhancing programming and training effectiveness
- Train Volunteers in effective ways to build capacity by increasing knowledge, improving skills, and promoting behavior change of individuals and families in the countries they serve
- Enable Volunteers to effectively learn the local language and community engagement so local partners can learn skills to manage their own development in a sustainable manner
- Use more effective Volunteer reporting tools to ease the collection and analysis of Volunteer project, capacity building, and skills transfer activities

Verification and Validation:

Overseas Programming, Training, and Support (OPATS) and the regions, through their annual Project Status Review (PSR) and Training Status Review (TSR) processes, will compile annual data and review observations related to programming and training as submitted by the field; identify general trends and promising practices; and make information available to Peace Corps field staff to help them improve their programming and training.

The capacity-building efforts of Volunteers are a central component of the project goals, and the projects will be reviewed, analyzed, and provided specific feedback for improvement. OPATS will also monitor the production and quality of programming and training materials with the regions through review of annual reports and project evaluations. Furthermore, the language testing data that is collected at post will funnel in to OPATS for evaluation and review.

The Office of Strategic Information, Research, and Planning (OSIRP) will provide oversight of data and information quality, will analyze Volunteer survey data, conduct agency level evaluations, and will provide information to Peace Corps management to enable the improvement of programming and training. OSIRP will also collect data on reasons for resignations and the average length of service for Volunteers.

Strategic Goal 2

Promote a better understanding of Americans on the part of host country individuals, organizations, and communities served by Volunteers.

Outcome Goal:

- 2.1 Host country individuals and communities learn about Americans through shared experiences with Peace Corps Volunteers

Performance Goal 2.1.1:

The work and life experiences of Volunteers in-country promote host country national learning about Americans

Agency Level Performance Indicators:

- a. Percentage of Volunteers reporting training prepared them to manage cultural differences during service adequately or better

Targets	FY 2009	FY 2010	FY 2011
	91%	92%	93%

- b. Percentage of posts conducting supervisory/counterpart training on working effectively with Volunteers

Targets	FY 2009	FY 2010	FY 2011
	A minimum of 95% annually		

- c. Percentage of host country nationals who have interacted with Volunteers who believe that Americans are committed to assisting other peoples

Targets	FY 2009	FY 2010	FY 2011
	Under development based on ongoing field evaluations		

- d. Percentage of Volunteers reporting that their work helps promote a better understanding of Americans on the part of the peoples served

Targets	FY 2009	FY 2010	FY 2011
	75%	80%	85%

Means and Strategies:

The Peace Corps will:

- Maintain and improve systems to ensure appropriate site preparation for Volunteers, including the selection and training of host country counterparts
- Ensure that effective cross cultural orientation of host families, counterparts, and community partners takes place
- Effectively train Volunteers in the cross-cultural component of Peace Corps service
- Implement field evaluations to obtain feedback from host country national individuals

Verification and Validation:

The Office of Strategic Information, Research, and Planning (OSIRP) will collect and analyze Volunteer survey data to provide Volunteer feedback on the effectiveness of the training and support they receive to enable them to carry out their cross-cultural mission. Overseas Programming, Training, and Support, Regions, and OSIRP will work together on collecting, reviewing, and verifying data on various counterpart trainings that take place at post. OSIRP will also review overall data and information quality.

Additionally, OSIRP is overseeing a series of country level studies to evaluate the impact of Volunteers on the host country nationals with whom they live and work. The study will use a multi-method approach to gather information, and will include outreach to counterparts, host families, and community members, as well as host country ministries and other organizations. The result of these studies will provide more third-party data and provide a deeper perspective on the views of host country partners.

Strategic Goal 3

Foster outreach to Americans through agency programs that assist Volunteers and Returned Peace Corps Volunteers to help promote a better understanding of other peoples on the part of Americans.

Outcome Goal:

3.1 Americans have increased awareness and knowledge of other cultures and global issues

Performance Goal 3.1.1:

Volunteers share their in-country experiences with family, friends, and the American public

Agency Level Performance Indicators:

a. Percentage of Volunteers participating in the Coverdell World Wise School Program

Targets	FY 2009	FY 2010	FY 2011
	52%	54%	56%

- b.** Number of individuals and organizations supporting the Peace Corps Partnership Program

<i>Targets</i>	FY 2009	FY 2010	FY 2011
	8,000	8,500	9,000

- c.** Number of youth-serving programs hosting Volunteer activities

<i>Targets</i>	FY 2009	FY 2010	FY 2011
	4,600	4,700	4,800

- d.** Monitor the percentage of Volunteers that report sharing their experiences with family, friends, and the American public

<i>Targets</i>	FY 2009	FY 2010	FY 2011
	None, this is a monitoring activity		

Performance Goal 3.1.2:

Increase Returned Peace Corps Volunteers (RPCV) cultural outreach to the American public through Peace Corps programs

Agency Level Performance Indicators:

- a.** Number of RPCVs participating in agency-initiated activities

<i>Targets</i>	FY 2009	FY 2010	FY 2011
	7,700	8,300	8,600

- b.** Number of schools impacted by the activities of RPCVs

<i>Targets</i>	FY 2009	FY 2010	FY 2011
	550	600	650

Means and Strategies:

The Peace Corps will:

- Promote Volunteer awareness and participation in the Peace Corps' Coverdell World Wise program
- Use innovative marketing to promote awareness of the Peace Corps' educational programs and materials to U.S. educators
- Raise awareness of the Peace Corps Partnership Program as a vehicle through which private sector entities (RPCV groups, civic/community organizations, faith-based organizations, schools, businesses, etc.) and individuals can connect with and support Volunteer projects

- Improve communication with, and information services to, returned Volunteers, especially through the use of technology, to increase their awareness of Peace Corps activities and engagement in third goal initiatives
- Implement an RPCV survey to obtain feedback and input on agency outreach efforts

Verification and Validation:

The Office of Domestic Programs will collect data, monitor, and assess implementation of events and delivery of services, furthering the Peace Corps' third goal of improving Americans' understanding of other peoples. This includes participation of Volunteers, returned Volunteers, and classrooms and youth programs in events and programs throughout the country.

Furthermore, the Office of Private Sector Initiatives will monitor and report on private sector individuals and organizations who support Peace Corps Volunteer projects through the Peace Corps Partnership Program. The Office of Strategic Information, Research and Planning will review data and information quality.

Strategic Goal 4

Provide Volunteers, who represent the diversity of Americans, to meet the evolving technical needs of host countries.

Outcome Goals:

- 4.1 Volunteers provided at each post meet the evolving technical needs of host countries
- 4.2 Trainees assigned to serve overseas represent the diversity of Americans

Performance Goal 4.1.1:

Recruit Volunteers that balance the needed manpower and technical needs at post with the available applicant pool and its skills

Agency Level Performance Indicator:

- a. Maximize the number of Volunteers serving annually based on available funding and the provision of support to ensure their optimal effectiveness

Targets	FY 2009	FY 2010	FY 2011
	7,300	7,600	8,100

- b. At least 95% of the number of trainees and skills sought annually are met

Targets	FY 2009	FY 2010	FY 2011
	A minimum of 95%		

Performance Goal 4.1.2:

Manage Volunteer recruitment functions in an effective and efficient manner

Agency Level Performance Indicators:

- a. Redesign the Volunteer Delivery System and implement recommendations to improve its effectiveness

	FY 2009	FY 2010	FY 2011
<i>Targets</i>	Complete redesign of critical processes and prioritize implementation of recommendations	Implement top 50% of recommendations	Implement balance (50%) of recommendations

- b. Reduce the response time to applicants from 100 days in FY 2009 to 80 days by the end of FY 2011

	FY 2009	FY 2010	FY 2011
<i>Targets</i>	100 days	90 days	80 days

Performance Goal 4.2.1:

Recruitment and Volunteer placement efforts reflect the diversity of Americans

Agency Level Performance Indicators:

- a. Number of midcareer and age 50 and older applicants

	FY 2009	FY 2010	FY 2011
<i>Targets</i>	1,500	1,700	1,900

- b. Number of applicants of diverse ethnicities

	FY 2009	FY 2010	FY 2011
<i>Targets</i>	2,100	2,200	2,300

Means and Strategies:

The Peace Corps will:

- Strengthen staffing capabilities to provide the level of support needed for the planned increases in the number of Volunteers
- Encourage operational alignment for filling skill needs through periodic Program Advisory Group (PAG) meetings
- Have the team evaluate and make recommendations for the Volunteer Delivery System redesign
- Institutionalize and enhance Web-based application procedures for prospective recruits
- Continue to modify the Peace Corps' external website to provide a more citizen-centered experience
- Use the website as a tool in training, educating, and preparing Volunteers for service
- Develop market forecasting capabilities to seek out recruitment opportunities in niche markets
- Reach target populations of strategic skills, minorities, and mid-career and older Americans using creative recruiting tools that are cost-effective and productive

Verification and Validation:

Trainee input, which directly affects the number of Peace Corps Volunteers in the field, will be tracked by the Program Advisory Group (PAG). The PAG reports to the Volunteer Delivery System steering committee and is composed of staff from each of the three overseas regions, the Office of Volunteer Recruitment and Selection, Volunteer Support, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, the Office of Strategic Information, Research, and Planning, and Peace Corps Response. The group will meet regularly to manage issues related to meeting the agency's annual goals for trainees and Volunteers-on-board, as well as to develop strategies for balancing supply, demand, and strategic skill issues.

The Office of Volunteer Recruitment and Selection (VRS) will monitor its recruitment efforts and improvement strategies using a standardized system that tracks Peace Corps applications from the initiation of the application process to submission and throughout the subsequent phases. VRS will track applicants from diverse ethnicities and mid-career and older applicants in quarterly minority recruitment reports, as well as utilize placement reports to capture skills matches. Similarly, the Office of Medical Services will utilize tracking mechanisms to monitor the timeliness of the key steps needed for an applicant to be medically evaluated for Peace Corps service.

The Office of Strategic Information, Research, and Planning will utilize the process definitions of the Enterprise Architecture team to assess and report on the progress of the Volunteer Delivery System redesign. OSIRP will also review data and information quality.

Strategic Goal 5

Implement the Peace Corps mission in an effective and efficient manner through the provision of high quality Volunteer support with optimal health care, safety and security support, and effective management of resources.

Outcome Goals:

- 5.1 Volunteers are safe, healthy, and well supported to ensure their focus on Peace Corps' sustainable development and cross-cultural mission
- 5.2 Peace Corps continually improves its staff and critical work processes and manages resources in an effective and efficient manner

Performance Goal 5.1.1:

Enhance the safety and security (S&S) of Volunteers

Agency Level Performance Indicators:

- a. Percentage of Volunteers reporting that their S&S training is adequate or better

Targets	FY 2009	FY 2010	FY 2011
	A minimum of 95% annually		

- b. Percentage of posts that have their S&S plans reviewed annually by Peace Corps safety and security officers

Targets	FY 2009	FY 2010	FY 2011
	A minimum of 33% annually		

- c. Percentage of posts that implement critical recommendations focused on Volunteer/Trainee safety and security on a timely basis

Targets	FY 2009	FY 2010	FY 2011
	100% annually		

- d. Percentage of Volunteers who report they feel usually safe and very safe where they live and work

Targets	FY 2009	FY 2010	FY 2011
	A minimum of 90% annually		

Performance Goal 5.1.2:

Provide quality medical and mental health services to trainees and Volunteers

Agency Level Performance Indicators:

- a. Percentage of PCVs reporting their satisfaction with health care received from PC medical officers as adequate or better

Targets	FY 2009	FY 2010	FY 2011
A minimum of 90% annually			

- b. Percentage of Volunteers reporting the emotional support they received from PC staff as adequate or better

Targets	FY 2009	FY 2010	FY 2011
	70%	75%	80%

- c. Percentage of PCVs reporting adequate or better support in coping with stress from issues such as food insecurity, HIV/AIDS and other stressors in their community.

Targets	FY 2009	FY 2010	FY 2011
	60%	65%	70%

Performance Goal 5.2.1:

Provide effective and responsive financial management that accurately reflects domestic and overseas operations

Agency Level Performance Indicators:

- a. Percentage of posts and HQ offices that manage resources within approved budgets and operational plans

Targets	FY 2009	FY 2010	FY 2011
A minimum of 95% annually			

- b. Percentage of posts and HQ offices that annually review resource management ratios for improvement

Targets	FY 2009	FY 2010	FY 2011
A minimum of 95% annually			

Performance Goal 5.2.2:

Ensure the effective management of Peace Corps resources

Agency Level Performance Indicators:

- Percentage of post projects that engage host country officials in their formulation and implementation

Targets	FY 2009	FY 2010	FY 2011
	A minimum of 95% annually		

- Percentage of posts and HQ offices with documented personnel practices that include staff development, performance management, and awards and recognition policies

Targets	FY 2009	FY 2010	FY 2011
	70%	80%	90%

Performance Goal 5.2.3

Review and improve critical Peace Corps work processes to ensure optimal performance

Agency Level Performance Indicator:

- Annually review, streamline, and implement improvements to at least one agency mission critical process

Targets	FY 2009	FY 2010	FY 2011	
	Volunteer Delivery System and Human Capital Management	A minimum of one critical process per year		

Means and Strategies:

The Peace Corps will:

- Conduct safety and security training for both overseas staff and Volunteers
- Through the Peace Corps safety and security officers, provide training and technical assistance so posts meet their safety and security needs
- Conduct country risk assessments on safety and security concerns utilizing Peace Corps safety and security officers in the field
- Review post compliance with Peace Corps Manual Section 270 (MS 270)—Volunteer Safety and Security, and the timely implementation of critical recommendations
- Use information technology to improve the health care system
- Implement resource management practices that improve budget planning and execution, post management
- Create working groups to redesign and improve the Volunteer Delivery System and the Human Capital Management processes

Verification and Validation:

The Peace Corps will track its progress in meeting safety and security requirements through post reports on safety compliance and through assessment of Peace Corps safety and security officers on the implementation of recommendations to posts to enhance post safety and security training and processes. In addition, the agency will monitor survey results, as well as information reported in *Safety of the Volunteer*, the Peace Corps' annual report on safety and security incidents

involving Volunteers.

The Office of Medical Services will collect, analyze, and monitor statistics on specific health indicators to gauge the health of Volunteers and monitor the impacts of improvement strategies through the annual *Health of the Volunteer*, Peace Corps Volunteer surveys, and other reports.

The Office of the Chief Financial Officer (OCFO) will utilize its financial management systems to monitor resource management. Furthermore, through its annual Project Status Review process, Overseas Programming, Training, and Support and the regions will collect and report on host country official engagement in project formulation and implementation. The regions will work with the Office of Strategic Information, Research, and Planning (OSIRP) to document post efforts for effective post management.

OSIRP will collect and analyze Volunteer survey data to provide Volunteer feedback on safety and health issues. OSIRP will work with the Enterprise Architecture team in reporting progress on improving critical work processes. OSIRP will also review data and information quality.

AGENCY PERFORMANCE

Introduction

In FY 2009, Peace Corps focused on translating the new Strategic Plan into action. The agency was re-energized at all levels to achieve the three core goals of the agency, in particular by strengthening the collaboration, communication, and partnerships with the countries in which Volunteers serve. In an environment of resource challenges and other external constraints, the agency also strove to create effective management mechanisms and support for Volunteers.

The agency met 23 of the 36 measurable performance indicators for FY 2009 due to the dedicated work of the Volunteers and the staff around the world who support them. Of the 13 indicators where performance was not met, eight achieved substantial results. Two monitoring indicators also achieved substantial results and gave the agency new baseline data in order to set future targets.

Status of FY 2009 Performance Measures

FY 2009 is the first year the agency is reporting on the new set of performance goals and indicator targets outlined in the Peace Corps' FY 2009–2014 Strategic Plan. Overall, the agency achieved success in four of the five strategic goals, and met or exceeded targets in 64 percent of the 36 performance indicators.² The analysis of the indicators by performance goal is provided in this Agency Performance Section. The agency will continue to examine and hone its performance management system in FY 2010 to best measure and report on its work.

The chart below presents the agency's FY 2009 achievements as measured by performance goals and indicators.

² The agency established success in a strategic goal by achieving targets in two-thirds of the performance indicators under each strategic goal.

PERFORMANCE GOAL		Indicators	Reached
1.1.1	Ensure the effectiveness of in-country programs	3	2
1.2.1	Ensure the effectiveness of in-country training	3	3
1.3.1	Increase the effectiveness of skills transfer to host country individuals, organizations, and communities	4	3
2.1.1	The work and life experiences of Volunteers in-country promote host country national learning about Americans	3	2
3.1.1	Volunteers share their in-country experiences with family, friends, and the American public	3	2
3.1.2	Increase returned Peace Corps Volunteers' cultural outreach to the American public through Peace Corps programs	2	1
4.1.1	Recruit Volunteers who balance the needed manpower and technical needs at posts with the available applicant pool and its skills	2	2
4.1.2	Manage Volunteer recruitment functions in an effective and efficient manner	2	1
4.2.1	Recruitment and Volunteer placement efforts reflect the diversity of Americans	2	2
5.1.1	Enhance the safety and security of Volunteers	4	1
5.1.2	Provide quality medical and mental health services to trainees and Volunteers	3	3
5.2.1	Provide effective and responsive financial management that accurately reflects domestic and overseas operations	2	0
5.2.2	Ensure the effective management of Peace Corps resources	2	0
5.2.3	Review and improve critical Peace Corps work processes to ensure optimal performance	1	1
TOTAL INDICATORS		36	23

Strategic Goal 1: Enhance the capacity of host country individuals, organizations, and communities to meet their skill needs.

In order to enhance the capacity of host country individuals, organizations, and communities, the agency must first work with the host country to identify its needs. To do this, the agency must have open communication and a positive working relationship at all levels—with the host country governments, partner organizations, communities, and counterparts.

The project framework and activities are designed, in collaboration with national sponsoring agencies, to meet the development needs of the country. Additionally, numerous cross-cutting initiatives are integrated into all sectors, as appropriate, and allow for agility in recognizing shifts in skills needed on the ground. During the time horizon of this Strategic Plan, the agency will place greater attention on the environmental, educational, and food security issues that are critically important and interrelated to addressing the basic development issues in the countries served by Peace Corps. Once country needs are identified, the agency must provide appropriate Volunteers who are trained to effectively build individual and organizational capacity through the transfer of skills. Thus, it is essential to provide Volunteers with adequate language, cultural, technical, and capacity-building training.

Throughout the year, Peace Corps posts collect detailed qualitative and quantitative data from all Volunteers about their activities via the Volunteer reporting tool, an electronic data management system. Each Volunteer reports on his/her activities and the outcomes, with the objectives in the sector-specific projects. Measuring host country capacity building is a major activity within each project and Volunteers report on these results in the reporting tool.

Additionally, the Peace Corps is conducting field evaluations to assess Peace Corps' success in transferring needed skills to, and building the capacity of, host country nationals. The evaluations identify in what way and to what degree skills transfer and capacity building occur as Volunteers work alongside their host country counterparts and community members.

Outcome Goals:

- 1.1 Country programs fulfill host country skill needs.
- 1.2 Volunteers have the competencies necessary to implement a country program.
- 1.3 Host country individuals, organizations, and communities demonstrate an enhanced capacity to meet their own needs.

Performance Goal 1.1.1:

Ensure the effectiveness of in-country programs.

Agency Level Performance Indicators:

Performance Indicators 1.1.1	FY 09 Target	FY 09 Result
a. Percentage of project plans meeting the expressed needs of the host country	85%	97%
b. Percentage of posts providing annual progress reports to their host country agency sponsors and partners	75%	53%
c. Enhance the average length of service of Volunteers to equal or exceed 21 months	21 months	22.1 months

Results and Analysis:

A well-designed development program should include active participation and collaboration on the part of host country agency sponsors. This practice is the foundation of Peace Corps' work, beginning with the invitation from the host country to Peace Corps to work with them and continuing through the community-based participatory assessments of assets and needs with local partners.

At the beginning of the fiscal year, Peace Corps posts reported a total of 204 projects worldwide. Of those, 97 percent report that the plans reflect the development needs of the country, thus exceeding the target. The reasons for achieving this high number are twofold: first, regional management emphasized to the field the importance of completing the project documentation, and second, the agency provided training and technical assistance to project managers and other staff on ways to achieve compliance with the Peace Corps' approach to participatory development for capacity building. In August 2008, the agency reviewed all project plans and identified those that required a more detailed explanation of the consultation process with host country partners. Throughout the year, headquarters technical staff worked with Peace Corps overseas staff to both improve the consultative process and improve the description of the process.

Reporting annually to host country agency sponsors on the progress of the program is another important aspect of collaboration and increases accountability of the Peace Corps to the host country. The agency did not meet the target for this indicator. In 2009, 53 percent of posts shared with host country partners the annual reports that described all post projects. An additional 20 percent prepared reports on some, but not of all their projects. Annual reports are prepared in the host country language and English, are often shared on post websites, and are welcomed by host country agencies.

Typically, posts reported they combined information from firsthand Volunteer reports, site visits by in-country technical staff, and photos and vignettes to produce a printed brochure that was shared with government ministries and other host country sponsors. An alternate approach used by one post was to ask all Volunteers leaving service during the year to prepare a booklet of photos and descriptions of their work for the sponsoring agencies and their host communities. Some posts that previously had shared annual program achievements informally moved in FY 2009 to more structured reports and used the opportunity to engage in a dialogue with partners.

Two constraints were reported by posts that did not prepare annual reports: budgetary limits and staff shortages.

The effectiveness of Peace Corps' in-country programs is directly related to the length of service of a Volunteer. Longer-serving Volunteers are more fully integrated into their communities, have acquired greater language proficiency, and report higher rates of satisfaction with their work as they have become more comfortable with, and rewarded by, their Peace Corps service.

The average length of service in FY 2009 improved above the target to 22.1 months and the annual resignation rate decreased to 7.3 percent, the lowest in 10 years.

Performance Goal 1.2.1:

Ensure the effectiveness of in-country training.

Agency Level Performance Indicators:

Performance Indicators 1.2.1	FY 09 Target	FY 09 Result
a. Percentage of Volunteers meeting local language requirements for service, per post testing standards	85%	93%
b. Percentage of Volunteers reporting training as adequate or better in preparing them technically for service	70%	80%
c. Percentage of Volunteers reporting training as adequate or better in preparing them to work with counterparts	60%	79%

Results and Analysis:

Proficiency in the language of the host community is a core competency for all Volunteers. Peace Corps' certified language instructors test Volunteers on language training at the end of the pre-service training. The agency language scores show that the agency met its target.

In FY 2009, Volunteer satisfaction with technical training exceeded the target. Eighty percent of Volunteers reported technical training as adequate or better. Technical training to prepare Volunteers to meet the specific needs of their communities is a key component of the preparation Peace Corps provides trainees prior to beginning service in-country. Volunteers participate in additional technical training sessions throughout their service, through formal and informal workshops and site visits from staff and technical experts.

The target was exceeded because of the efforts of the training staffs at post and at headquarters. In early FY 2009, several agencywide workshops were held to respond to the findings of the FY 2008 Volunteer survey. The Peace Corps held development and evaluation workshops in the field for overseas staff in all geographic regions, and increased post technical consultancies from the headquarters' sector specialists. Guidance provided to posts via electronic workshops, additional support through e-learning portals, and the conduct of workshops in training design and evaluation contributed to this improvement. Additionally, the agency created a partnership with USAID to provide a senior food security advisor to strengthen training in food security, an area of increasing importance in Peace Corps programming.

Volunteers report they are well prepared to work with counterparts during their service, demonstrating that training has been effective in enabling them to gain critical skills needed for their assignments. Working with host country counterparts can be a rewarding and challenging aspect of a Peace Corps Volunteer's experience. Volunteers and counterparts connect through their jobs and community activities and the counterparts are key community members with whom Volunteers share knowledge and skills.

Volunteers' satisfaction with the training on how to work with their host country counterparts significantly exceeded the target. Three regional workshops sponsored by headquarters brought overseas training staff together to share best practices among posts. The Strategic Plan indicators were featured at the workshops and staff members were encouraged to identify practical ways posts had developed to train Volunteers.

The agency also made improvements in FY 2009 in the way it measures, assesses, and supports overseas staff capacity and performance. This was done to improve the training of Volunteers, as the Volunteers work directly to build the capacity of host country staff, organizations, and communities. Moreover, the agency conducted an internal assessment of the effectiveness of the office responsible for providing programming and training support to overseas staff at post. In response to the assessment, the agency is implementing numerous recommendations, including substantial organizational and functional changes so the office engages in overseas staff capacity building in addition to traditional functions of supporting Volunteer programming and training. Specifically, overseas staff training shifted from a four-week general orientation to more targeted training for different categories of overseas staff.

The agency continues to look to technology to assist in effectively leveraging expertise and knowledge through online collaboration and knowledge management platforms. The agency is exploring pre-departure online training for "invitees" to enhance language, cross-cultural, and other skills prior to departing for their country of service. Additionally, the agency's new online collaboration program is used by staff worldwide to share best practices and acquire information.

Performance Goal 1.3.1:

Increase the effectiveness of skills transfer to host country individuals, organizations, and communities.

Agency Level Performance Indicators:

Performance Indicators 1.3.1	FY 09 Target	FY 09 Result
a. Percentage of Volunteers reporting that their work transferred skills to host country individuals and organizations adequately or better	70%	88%
b. Percentage of Volunteers reporting their HIV/AIDS education and outreach is effective	75%	59%
c. Percentage of projects documenting increases in host country national capacity	70%	91%
d. Percentage of partner organizations reporting their assigned Volunteers fulfilled their requested need for technical assistance	50%	52%

Results and Analysis:

Transferring skills and building the capacity of host country partners is the key result expected of Peace Corps work. In order to build sustainable local capacity, Peace Corps Volunteers' assignments focus on transfer of skills to host country individuals and organizations in such areas as teaching and teacher training, community development, and health.

In FY 2009, the number of Volunteers reporting in the agency's annual survey of Volunteers that they had transferred skills to host country individuals significantly exceeded the target. The agency emphasized to Volunteers and overseas staff the importance not only of achieving results, but measuring the outcomes of the activities. Volunteers received additional training through evaluation workshops and WebEx sessions. In FY 2009, the new electronic Volunteer reporting tool was deployed, which greatly increased Volunteers' ability to track the number of individuals who may have gained new skills and knowledge. Significant training was provided during the roll-out of this tool, which also included training on methods to measure capacity building and skills transfer.

The target established for Volunteer achievements in HIV/AIDS activities was not reached. In FY 2009, all Volunteers were encouraged to conduct activities related to education and outreach on HIV/AIDS. Results from the Volunteer survey show that Volunteers whose primary assignment was in the health/HIV/AIDS sector reported being more effective than Volunteers who participated in HIV/AIDS activities after work and on weekends.

Nevertheless, prevention outreach and education is a difficult assignment for all Volunteers because of the taboo of discussing sex and sexuality in the communities in which they work. More than one-third of Peace Corps posts (26) reported their Volunteers face difficulties discussing HIV/AIDS because of stigma and/or religious beliefs and cultural sensitivities surrounding the disease and sexuality in general. A Peace Corps staff member in one African post wrote, "In rural communities, HIV/AIDS is still a taboo subject. ... It is difficult for [Volunteers] to easily talk about it with target populations." The stigma that people living with HIV/AIDS encounter also makes effective engagement with these vulnerable populations very difficult for Volunteers.

Even when Volunteers are able to impart HIV/AIDs information, they are not able to predict how effectively the students will use the information. Said one Volunteer, "While students involved seem enthusiastic about the (HIV/AIDS) message and grasp the material, it is difficult to tell what they will do with it."

Many Volunteers report challenges in measuring the effectiveness of their HIV/AIDS interventions; they know they taught the lesson, but are unsure if that knowledge results in behavior change. To address this, Peace Corps is placing an emphasis on integrating behavior change concepts into programming and training. Beginning in FY 2009, Peace Corps strengthened field staff capacity to train Volunteers in behavior change communication. In FY 2009, the Peace Corps organized six subregional workshops to introduce the concept of behavior change communication to staff. In FY 2010, additional behavior change communication workshops, using a training-of-trainer model, are planned. In addition to focusing on how to train Volunteers to design and implement appropriate HIV/AIDS outreach activities, these workshops will incorporate monitoring and evaluation methods to enable Volunteers and their counterparts to more ably measure the effectiveness of their work.

All project plans have indicators for measuring capacity building. The methods used to measure capacity building, however, are different across the six sectors in which Peace Corps operates. Some have yet to identify the most effective ways to measure skills transfer. Of those reporting that they document capacity building, all rely on Volunteers' reports. Seventy-two percent used "documented observations" to demonstrate changes; 47 percent conducted project

evaluations. Another 30 percent used pre- and post- tests, most often in the English language programs, though not exclusively. In some countries, Peace Corps works within the national testing system, such as in Ukraine, where the government requires Peace Corps to collect this information from Volunteers' worksites.

Constraints to documenting capacity building and skills transfer exist. Cultural barriers sometimes restrict the type of information that can be collected and partner organization feedback is often not timely. Nevertheless, the Peace Corps staff in one country creatively overcame this reluctance and developed a culturally sensitive questionnaire for host schools that allowed counterparts and school directors to assess Volunteers' impact.

Finally, a Peace Corps Volunteer serves for two years and may not observe the changes resulting from his/her work within that period. The agency's impact studies report that host country nationals, many of whom are interviewed several years after a Volunteer served in their community, are more positive about the new skills learned and maintained than the Volunteer observed.

The agency met the target for requesting information concerning the degree to which Volunteers fulfilled the organization's needs. Most frequently (98 percent) posts sought the partners' feedback during visits to the Volunteers' worksites, a Peace Corps best practice. Post staff also solicited feedback during training courses that partners were invited to join (88 percent). Nearly half (42 percent) of posts convened project advisory committees—a working group of host country sponsors, such as government ministries and district officials, Volunteers, and Peace Corps staff.

Strategic Goal 2: Promote a better understanding of Americans on the part of host country individuals, organizations, and communities served by Volunteers.

The Peace Corps sends Volunteers to countries around the globe to help promote a better understanding of Americans on the part of the host country individuals, organizations, and communities they serve. A key to effectively sharing about Americans is to ensure that Volunteers learn the local language, customs, and culture, and can live and work alongside host country nationals in a manner that builds trust and a willingness to work together. Thus, the Peace Corps structures its program to maximize a Volunteer's ability to integrate into the local community, earning a trust and ability to share a better understanding of Americans.

Cross-cultural training for both the Volunteers and their counterparts, the specific host country nationals with whom the Volunteers work on a regular basis, is another key factor in providing the groundwork for positive interactions in which Volunteers share a better understanding of Americans. Effective training can break down cultural barriers that exist through lack of knowledge of cultural norms. The Peace Corps strives to ensure that the pre-service and in-service training prepares Volunteers to integrate into their communities and work with their counterparts to build cross-cultural understanding, in addition to carrying out development projects.

Volunteers help promote a better understanding of Americans through their service in host country communities. While Volunteers experience the same living conditions as the host people they serve, Volunteers also exemplify the diversity, characteristics, and values of the American people. As one of the expectations set out for Volunteers, they realize they represent Americans in their community and are mindful of that responsibility.

Outcome Goal:

- 2.1 Host country individuals and communities learn about Americans through shared experiences with Peace Corps Volunteers.

Performance Goal 2.1.1:

The work and life experiences of Volunteers in-country promote host country national learning about Americans.

Agency Level Performance Indicators:

Performance Indicators 2.1.1	FY 09 Target	FY 09 Result
a. Percentage of Volunteers reporting that training prepared them to manage cultural differences during service adequately or better	91%	92%
b. Percentage of posts conducting supervisory/counterpart training on working effectively with Volunteers	95%	100%
c. Percentage of host country nationals who have interacted with Volunteers who believe that Americans are committed to assisting other peoples	Target not set. Under development based on ongoing field evaluations	44%
d. Percentage of Volunteers reporting that their work helps promote a better understanding of Americans on the part of the peoples served	75%	74%

Results and Analysis:

In FY 2009, two of the three measurable targets set for this outcome goal were met. A high number of Volunteers report they feel well-prepared for the cross-cultural part of their service, that they have observed changes in their counterparts' attitudes toward Americans, and that their perceptions of the host country individuals with whom they interacted have changed.

Volunteers reported high satisfaction with cross-cultural training provided by the agency. Such training increases the Volunteers' understanding of the culture in which they will live and work and teaches a set of skills and establishes a framework so they can make sense of what is experienced. Volunteers who report that they are well prepared to work with counterparts demonstrate that training was effective in enabling them to gain critical skills needed for their assignment.

Of equal importance for the Peace Corps is providing training for the counterparts or partners of the Volunteers, so they can understand American culture to better understand the Volunteer, and to help the Volunteers adjust to the local culture and integrate into their communities. All posts conducted training for counterparts and supervisors. The training ranged from a counterpart orientation when Volunteers moved to their sites to technical training conducted jointly with the Volunteers.

The Peace Corps began conducting field evaluations in FY 2009 to obtain host country national perspectives of their understanding of Americans as a result of interacting with Peace Corps Volunteers. The goal of the research is to learn the extent to which host country partners, with whom Volunteers live and work, exhibit a willingness to learn from the Volunteer, observe and learn about Americans, have new perceptions about Americans, and increasingly trust the Volunteer. The evaluations examine the experience from various angles, seeking to understand the knowledge, attitude, and behavior changes that occur within host country populations through their work and contact with Volunteers.

Baseline data from the FY 2008 pilot phase (144 individuals from three countries) indicated that 81 percent spontaneously reported they thought Volunteers exhibited a caring attitude toward the community.

Nine studies were initiated in 2009. At the end of FY 2009, complete data had been analyzed from three country studies (Bulgaria, Burkina Faso, and Nicaragua) and partial data from two (Jamaica and Romania). Of the 339 individuals for whom data are available, 44 percent spontaneously mentioned that after living or working with Volunteers, they thought Volunteers exhibited a caring attitude toward the community. This data should be read with caution because the data is based on host country nationals' responses to a general question: "Can you briefly describe what you think of Americans as a result of working with Peace Corps Volunteers?" Eighty-six percent reported having a more positive view as a result.

Peace Corps Volunteers promoted a better understanding of Americans in a variety of ways, from sharing the customs of American holidays and food to discussing current events and geography. One said, "I think the issue of time and accountability are good examples of how host country nationals have gained a better understanding of Americans. There are also the general cultural differences in terms of food, music, language, and dress that are good examples. Host country nationals are constantly surprised by my ability to eat the local food. I am often asked questions about the geographical makeup of America or if Americans own cattle. I have been given many opportunities to talk about my upbringing; how the school system operates in America. Host country nationals have shown interest in these broad details, as well as wanting to know about my personal life."

Strategic Goal 3: Foster outreach to Americans through agency programs that assist Volunteers and returned Peace Corps Volunteers to help promote a better understanding of other peoples on the part of Americans.

Volunteers and returned Peace Corps Volunteers (RPCVs) support Peace Corps' third goal "to promote a better understanding of other peoples on the part of Americans," through formal and informal interactions during and after their Peace Corps service. The agency supports such interactions by establishing programs that encourage outreach to the American public through a variety of means, such as personal interaction, electronic communication, and cross-cultural education curricula. The interactions are both one-on-one and in large group settings in classrooms, schools, civic clubs, and with other audiences.

The Peace Corps' education partners at the K-12 and university levels are emphasizing global awareness and 21st century skills, creating a positive environment in which to expand Peace Corps' programs. The programs target different segments of the population, ranging from age-based curricula to a Correspondence Match program that connects a Peace Corps Volunteer with an American classroom, to a master's level program in which a Peace Corps Volunteer's service helps make progress toward his or her degree. Additionally, the Peace Corps Partnership Program, in which students, clubs, individuals, and organizations provide funds to assist a Peace Corps Volunteer and his or her host community in completing a community driven project, creates a strong connection between the American public and communities overseas.

Outcome Goal:

3.1 Americans have increased awareness and knowledge of other cultures and global issues.

Performance Goal 3.1.1:

Volunteers share their in-country experiences with family, friends, and the American public.

Agency Level Performance Indicators:

Performance Indicators 3.1.1	FY 09 Target	FY 09 Result
a. Percentage of Volunteers participating in the Coverdell World Wise School program	60%	57%
b. Number of individuals and organizations supporting the Peace Corps Partnership Program	8,000	10,595
c. Number of youth-serving programs hosting Volunteer activities	4,600	4,700
d. Monitor the percentage of Volunteers who report sharing their experiences with family, friends, and the American public	No target. Agency is monitoring the activities	99%

Results and Analysis:

Volunteers' participation in Peace Corps' Coverdell World Wise Schools Correspondence Match program (a program that matches Volunteers with American school children and other correspondents) didn't grow as expected in FY 2009. The major challenges the program faced were minimal resources for marketing a speakers match program and inadequate data management resources that constricted tracking of users of the program and requests coming through the regional recruiting offices for speakers match. Coverdell World Wise Schools plans to collaborate closely with a third goal specialist from Returned Volunteer Services to conduct outreach to, and track, external groups to increase the number of speakers matching RPCVs with school-based groups. Coverdell World Wise Schools will continue its three-year project to work with various agency offices to secure the necessary technology resources to manage its speakers match data.

Nevertheless, increased outreach during Volunteers' in-country training helped motivate them to correspond with American students about life in their host countries. One Volunteer stated, "It has been very rewarding communicating with a high school class in Kentucky. I think I have opened a window to the world for them and they have helped me view Moldova from their fresh perspective."

Comments received from teachers in FY 2009 show the impact Volunteers have on broadening students' world view. "The Correspondence Match program has been a unique way for the students of one high school to connect with the world beyond the confines of our small town," a teacher said. "So why is the World Wise Schools program important? My students learn more than geography and language arts: They learn perspective and empathy."

The number of programs served through the Correspondence Match program nearly met the target. Continued outreach with professional education organizations increased the number of schools aware of the program and interested in participating. Topics remain timely and relevant to today's challenges.

The Peace Corps Partnership Program helped achieve results in the agency's first and third core goal areas, increasing Americans' understanding of other cultures by inviting individuals or groups to donate funds to specific Peace Corps projects. In FY 2009 the number of U.S. donors, who collectively contributed \$1.7 million, surpassed the target.

The Partnership Program links donors in the United States with Volunteers and their host communities overseas.

For example, a Peace Corps Volunteer in Togo initiated a “Take Our Daughters to Work Week,” with Peace Corps Partnership funds. The project successfully addressed gender and development issues in the Plateaux Region of the West African country.

The funds gave the Volunteer a mechanism to work with community members to identify local development needs, then raise funds and find creative ways to meet those needs. It also allowed family, friends, and community to connect in a meaningful way with people in Togo.

The agency’s third goal is furthered as currently-serving Volunteers communicate in “real time” about daily life in their host countries. Technology use, such as podcasts, blogs, Twitter, and personal websites, increased in FY 2009 and allowed even more Volunteers to share their Peace Corps experience with friends and family back home.

Performance Goal 3.1.2:

Increase returned Peace Corps Volunteers’ cultural outreach to the American public through Peace Corps programs.

Agency Level Performance Indicators:

Performance Indicators 3.1.2	FY 09 Target	FY 09 Result
a. Number of RPCVs participating in agency-initiated activities	7,700	9,102
b. Number of schools impacted by the activities of RPCVs	550	502

Results and Analysis:

RPCVs participating in agency-initiated activities are the strongest promoters of the third goal. These headquarters-sponsored programs exceeded the target in FY 2009.

Sharing Volunteer experiences helped to promote an increased awareness of other countries, cultures, and global issues on the part of Americans. In FY 2009, RPCVs shared their Peace Corps’ experiences in classrooms, with youth and other civic groups, and at community events nationwide. The number of RPCVs enrolled in the Fellows/USA graduate program reached an all-time high and the program added six new universities. RPCVs also served as cultural resources to support Peace Corps recruiters when they hosted informational meetings with potential applicants to Peace Corps.

The number of schools reached through the agency-sponsored program to match RPCVs with schools requesting speakers fell slightly below the target due primarily to inflated baseline figures that included one-time focused events for groups such as the Girl Scouts.

Strategic Goal 4: Provide Volunteers who represent the diversity of Americans to meet the evolving technical needs of host countries.

The Peace Corps is charged with helping host countries meet their needs for trained men and women. Essentially, the agency must recruit the “supply” to meet the “demand” for specific skill sets. Thus, it is important to have well refined systems in place to help synchronize the recruitment of individuals with appropriate skill sets with the evolving technical needs of host countries throughout the world. Moreover, since the agency also has a critical cross-cultural component to its mission, it is important that the Volunteers recruited reflect the rich diversity of America.

The Volunteer Delivery System (VDS) is the continuous cycle of Volunteer recruitment, screening, and placement that allows the Peace Corps to deliver the best qualified Volunteers to meet the needs of the agency’s host countries. The Peace Corps has strategically aligned its VDS with the agency’s mission, modernizing its processes to speed up the delivery process and to reach diverse groups more effectively.

Peace Corps Volunteers are the face of America in the communities in which they serve. When Volunteers reflect the rich diversity of our multicultural society, they help their host communities gain a better understanding of the United States and the values of the American people. Furthermore, more experienced Volunteers often bring skill sets and life experience that can also bring a different perspective to host communities.

Outcome Goals:

- 4.1 Volunteers provided at every post meet the evolving technical needs of host countries.
- 4.2 Trainees assigned to serve overseas represent the diversity of Americans.

Performance Goal 4.1.1:

Recruit Volunteers who balance the needed manpower and technical needs at posts with the available applicant pool and its skills.

Agency Level Performance Indicators:

Performance Indicators 4.1.1	FY 09 Target	FY 09 Result
a. Maximize the number of Volunteers serving annually based on available funding and the provision of support to ensure their optimal effectiveness	7,300	7,671
b. At least 95% of the number of trainees and skills sought annually are met	95%	96%

Results and Analysis:

The agency achieved its target for the number of Americans serving in the field at the end of the fiscal year, with 7,671 Volunteers serving in 68 posts worldwide. In FY 2009, 3,694 new trainees were sent around the world, and almost every one met the specific request of a host country. The agency continues to find ways to balance the supply and demand of Volunteers in order to best serve its partners abroad.

Volunteer on-board strength in FY 2009 was slightly lower than in FY 2008. This decrease was largely due to budget constraints that forced the agency to trim training classes in order to maintain quality and support Volunteers already in the field. As such, the agency took FY 2009 as an opportunity to reflect on how best to ensure quality growth and strong Volunteer support in order to expand training input to overseas posts in FY 2010 and beyond.

Headquarters works closely with overseas posts and the regions to best match the supply of qualified applicants to the needs of our overseas partners. The majority of positions requested by the overseas posts are directly matched by individuals with the requested skills.

The degree to which Volunteers' skills meet host country needs is corroborated by information in the agency's impact evaluations, gathered from host country partners. In the evaluations, partners were asked to comment on the extent to which Volunteers' projects meet their needs. In three of four countries in which evaluations were conducted in FY 2009, the partners said the Volunteers met their needs to a large extent. In one country, the needs were met on a smaller scale.

Performance Goal 4.1.2:

Manage Volunteer recruitment functions in an effective and efficient manner.

Agency Level Performance Indicators:

Performance Indicators 4.1.2	FY 09 Target	FY 09 Result
a. Redesign the Volunteer Delivery System and implement recommendations to improve its effectiveness	Complete redesign of critical processes and prioritize implementation of recommendations	Achieved
b. Reduce the response time to applicants from 100 days in FY 2009 to 80 days by the end of FY 2011	100 days	123 days

Results and Analysis:

The agency initiated a major effort to redesign the Volunteer Delivery System (VDS). This modernization will bring the Peace Corps into the 21st century with an integrated, efficient and comprehensive life cycle management system—from applicant to returned Peace Corps Volunteer (RPCV)—providing new and better tools to recruit and place highly qualified, service-oriented individuals. The first step, analysis of a redesign and prioritizing the implementation of recommendations, was completed in FY 2009. Plans are underway to develop and implement the first phase of the new system in FY 2010.

Customer service, in the form of responsiveness to interested Americans during the Peace Corps application process, has long been a priority. In FY 2009, the agency nearly achieved its target in response time by continuing to improve its internal business processes, improving technology use to track applicants, and automating steps whenever possible. The timeliness data analyzed in FY 2009 is even more accurate than in past years, which in turn uncovered faulty methodology for setting the baseline targets, one of the main reasons the target was not met. Thus, the improved data collection and analysis suggests that the baseline mapped to set the new targets may have been too aggressive based on poor data quality. The improved data will allow the agency to better monitor and make improvements in this area.

Performance Goal 4.2.1:

Recruitment and Volunteer placement efforts reflect the diversity of Americans.

Agency Level Performance Indicators:

Performance Indicators 4.2.1	FY 09 Target	FY 09 Result
a. Number of mid-career and age 50 and older applicants	1,500	2,041
b. Number of applicants of diverse ethnicities	2,100	3,070

Results and Analysis:

FY 2009 saw a second straight year of increased applications, with a total of over 15,000 (an all-time high in total applications since the agency went to electronic records). While the bulk of applicants are near college age, among those Americans desiring a chance to serve in the Peace Corps were a number of experienced individuals, as well as an increasingly diverse pool of applicants.

With the strong increase in total applications, the agency met its FY 2009 goals for both experienced and ethnically diverse applicants. The likely impetus for the increase in applications among this demographic is President Obama's call to service and the continued efforts for the agency to recruit skilled and experienced Americans. In addition, results were seen from the combined efforts of agency field-based recruiters, strategic recruiters, and the strategic planning that consolidated the efforts on national outreach and diversity.

As the Peace Corps looks to build a more ethnic, skill-specific, and age diverse corps of Volunteers, the agency will employ broad-based recruiting efforts, strategic planning, and innovative marketing. The agency will use specific research data for appropriate targeting of messages to specific populations, such as students, diverse populations, and more mature audiences. Targeted skill-specific outreach will take place through industry associations, federal agencies, and campus communities.

Strategic Goal 5: Implement the Peace Corps mission in an effective and efficient manner through the provision of high quality Volunteer support with optimal health care, safety and security support, and effective management of resources.

Peace Corps Volunteers serve at the grassroots level worldwide and experience the broadest range of social and environmental conditions, making health and safety risks an inherent part of Volunteer service. Staff and Volunteers work together to create a framework that maximizes, to the extent possible, Volunteers' well-being, enabling them to focus on their work. Furthermore, the effective management of resources ensures an excellent level of support to Volunteers in all aspects of their service.

Volunteer safety and security is the agency's highest priority. The agency has dedicated safety and security personnel at each post and headquarters who are part of an extensive safety and security support network. The agency enhances the safety and security of Volunteers by identifying risks, developing mitigation strategies, educating personnel, evaluating effectiveness, and incorporating feedback and appropriate policy revisions. Adequate training of staff and Volunteers and continual assessment are key factors in ensuring that Volunteers are well supported to carry out their work in a safe manner.

The agency is responsible for all aspects of a Volunteer's health care during Peace Corps service. The Peace Corps provides a comprehensive Volunteer health care program that focuses on the delivery of high quality care and service and addresses both the physical and mental health of Volunteers. This includes training, access to counseling, and the provision of medical services. Peace Corps Volunteers work in very demanding environments; thus, the agency focuses on issues of Volunteer resiliency and coping with stress, especially since some Volunteers experience the emotional challenges of working with communities affected by HIV/AIDS.

Effective management of Peace Corps' domestic and overseas operations, including human and financial resources, is critical to carrying out the mission of the agency. The agency has a mechanism in place to send management assessment teams to support posts or offices in need of review and to make recommendations for improvement. Furthermore, the posts must work to integrate the many perspectives of their stakeholders —Volunteers, staff, and host country partners—in ensuring that their programs are on target and serving host country needs.

The Peace Corps strives for constant improvement to provide the most efficient and effective services to Volunteers, staff, host country partners, and in the fulfillment of its mission to the American people. In addition to the continual efforts to evaluate and enhance staff effectiveness throughout the agency, the Peace Corps regularly reviews its business processes.

Outcome Goals:

- 5.1 Volunteers are safe, healthy, and well supported to ensure their focus on Peace Corps' sustainable development and cross-cultural mission.
- 5.2 Peace Corps continually improves its staff and critical work processes and manages its resources in an effective and efficient manner.

Performance Goal 5.1.1:

Enhance the safety and security of Volunteers.

Agency Level Performance Indicators:

Performance Indicators 5.1.1	FY 09 Target	FY 09 Result
a. Percentage of Volunteers reporting that their safety and security training is adequate or better	95%	96%
b. Percentage of posts having their safety and security plans reviewed annually by Peace Corps safety and security officers	33%	21%
c. Percentage of posts implementing critical recommendations focused on Volunteer/trainee safety and security on a timely basis	100%	84%
d. Percentage of Volunteers reporting they feel "usually safe" or "very safe" where they live and work	90%	89%

Results and Analysis:

In FY 2009, 82 percent of the posts worldwide received visits from Peace Corps safety and security officers (PCSSOs). For much of the year, two positions were vacant in the field, which led to the agency not meeting the goal of PCSSOs carrying out full safety and security assessments at 33 percent of posts. It can be expected, however, that the agency will be able to meet a much higher percentage of full post assessments in FY 2010, as most of the remaining posts have already substantially met the requirements.

The percentage of Volunteers who rated their pre-service safety and security training as “adequate” to “very effective” was 96 percent, exceeding the goal set for FY 2009 (95 percent). Additionally, the percentage of Volunteers reporting that they feel safe where they live and work was 89 percent, missing the targeted goal for FY 2009 by less than 1 percent.

While the agency goal of 100 percent implementation of PCSSO recommendations was not met, the agency achieved an implementation rate of approximately 84 percent. It is anticipated that the few unresolved recommendations will be cleared within the first months of FY 2010.

Performance Goal 5.1.2:

Provide quality medical and mental health services to trainees and Volunteers.

Agency Level Performance Indicators:

Performance Indicators 5.1.2	FY 09 Target	FY 09 Result
a. Percentage of Volunteers rating their satisfaction with health care received from Peace Corps medical officers as adequate or better	90%	93%
b. Percentage of Volunteers reporting the emotional support received from Peace Corps staff as adequate or better	70%	81%
c. Percentage of Volunteers reporting adequate or better support in coping with stress issues of HIV/AIDS in their community	60%	73%

Results and Analysis:

The health of Volunteers is one of the agency’s top priorities, with individuals serving around the world in a variety of challenging environments. Volunteer satisfaction is just one of many components of health that the agency monitors and evaluates.

Further, the Peace Corps is working to utilize information technology to create an integrated health information management system. This will enhance the agency’s ability to provide exceptional customer service and an effective and efficient Volunteer health system from the application process through the post-service phase of a Volunteer’s experience.

As with safety and security, the health of the Volunteer is a major focus of the Peace Corps staff. The agency exceeded its targets on all three indicators, showing Volunteers feel satisfied with the health support they receive from the Peace Corps. The fact that satisfaction is high is significant. The Peace Corps works to ensure that the quality of physical and mental health care provided to Volunteers remains high and that the quantity is appropriate.

In open-ended responses in the annual Volunteer survey, Volunteers expressed satisfaction with the resources that Peace Corps staff have in place to cope with stress issues. A Volunteer in Eastern Europe said, “Peace Corps has made me well aware that there are extensive networks in place for me to use and have made sure that I am aware of how to get in contact with the right people.” A Volunteer in Africa said, “They do make sure we know ways to overcome food insecurity at least in our compounds. They also treat HIV/AIDS very seriously.” Further, 80 percent of the Volunteers said they were satisfied with the time and resources that Peace Corps allocates to issues of mental health.

Performance Goal 5.2.1:

Provide effective and responsive financial management that accurately reflects domestic and overseas operations.

Agency Level Performance Indicators:

Performance Indicators 5.2.1	FY 09 Target	FY 09 Result
a. Percentage of posts and headquarters offices managing resources within approved budgets and operational plans	95%	83%
b. Percentage of posts and headquarters offices annually reviewing resource management ratios for improvement	95%	Not fully implemented

Results and Analysis:

New to the FY 2009-2014 Strategic Plan are indicators focusing on financial management of the agency. An important component to the quality growth and support of Volunteers, fiscal responsibility is an agency priority.

All major offices and overseas posts are required to operate within their approved budgets and plans. In this first year of measuring this indicator, overseas posts, in general, met their targets. Major domestic offices were under budget due mainly to unfilled staff positions caused by budget challenges early in the year and to staff departing and not being replaced with the arrival of a new administration.

In FY 2008, the agency began a systematic review of resource management ratios in order to identify and monitor efficiency and effective management. Each department began a review, analyzed its operations and identified the best measurements for their particular organization. The process was not completed in time to implement during FY 2009, so the agency will review and implement the ratios during FY 2010 and report results in next year's performance report.

Performance Goal 5.2.2:

Ensure the effective management of Peace Corps resources.

Agency Level Performance Indicators:

Performance Indicators 5.2.2	FY 09 Target	FY 09 Result
a. Percentage of post projects engaging host country officials in their formulation and implementation	95%	94%
b. Percentage of posts and headquarters offices with documented personnel practices that include staff development, performance management, and awards and recognition policies	70%	56%

Results and Analysis:

The agency fell just below the target for engaging host country officials in project design and implementation. Peace Corps executes a memorandum of understanding with the host country when entering a country. This indicator measures the degree to which this initial step of collaboration continues as the projects unfold. A frequent vehicle for engaging local stakeholders is the process of identifying where a Volunteer will work and what activities they will undertake. Another productive area for engaging local partners comes during joint training, with supervisors,

partners, and Volunteers learning together.

The project advisory committee is an established practice at Peace Corps as a method to engage host country partners with staff and Volunteers. This ensures continuing dialogue over the life of a project. Formal briefings are often appropriate for higher level officials and were mentioned by some posts as an additional method for engaging officials.

Budgetary constraints restricted the number of project advisory committee meetings some posts could convene and they relied, instead, on informal dialogues through phone conversations, focus groups, and other informal meetings with stakeholders. Frequent turnover in government agencies was also mentioned as a constraint by a few posts.

The agency did not achieve the target for documenting personnel practices. Fifty-six percent of the agency's operating units have documented practices in the three major areas of human resource management—performance, staff development, and awards. An additional 22 percent have documented practices in two of the three required areas. Headquarters staff operated under guidance from the human relations staff and the Peace Corps Manual section policy. Overseas posts operate in compliance with the local laws and regulations of each country. Nevertheless, in FY 2010 the agency will convene a working group to review and make recommendations on how posts can meet the requirements of this indicator.

Performance Goal 5.2.3

Review and improve critical Peace Corps work processes to ensure optimal performance.

Agency Level Performance Indicator:

Performance Indicator 5.2.3	FY 09 Target	FY 09 Result
a. Annually review, streamline, and implement improvements to at least one agency mission critical process	Minimum of one critical process per year	Achieved

Results and Analysis:

The Peace Corps, in its work to review and make changes to the cross-cutting agency processes, has ensured that the proper communication mechanisms and advisory councils are in place to review and recommend improvements to its programs. Several critical processes were reviewed by the agency during FY 2009.

Three areas of focus were listed in the FY 2009 Strategic Plan: the Volunteer Delivery System, a review of the human resource management strategy, and a review of the logistics of the medical supply inventory of the agency.

The first contribution to this performance measure is the completion of the new online Volunteer application, which contains a more comprehensive and visible understanding of the skills sets needed, clearer communication of the expectations of service and core values, and increased transparency of the medical clearance process. These changes will have a positive impact on many aspects of agency business.

The second set of processes reviewed relate to human resource management. The agency reviewed the processes for position management, performance appraisal management, professional development, recruitment, and continuity of information and guidance for organizational administrative staff. A number of changes were implemented. Posted on the agency Intranet were a comprehensive list of low- and no-cost training resources for use by employees and

management; refreshing and standardizing position descriptions of record; and innovative recruitment practices (such as shortened and streamlined questionnaires for gathering applicant qualifications, sending out recruitment “tweets” on Peace Corps’ Twitter site, analyzing applicant and manager surveys on the applicant process, and tracking results of recruitment events).

The third process review was to improve the way the agency procures medical supplies (drugs, vaccines, nonprescription drugs). Medical supplies make up one of the agency’s largest procurement categories. A survey of all posts was conducted to determine current sources of supplies, as well as the availability and cost of supplies from local sources and regional or third-country sources. The purpose of the survey was to determine if using regional supply sources and relying less on the headquarters would produce cost-savings (save money, shorten lead times, and improve fulfillment rates). The data are being analyzed to determine if it is appropriate to consider establishing regional supply sources.



Peace Corps
Congressional Budget Justification
Fiscal Year 2011