



# Office of Inspector General

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**To:** Carol Spahn, Director  
David White, Deputy Director  
Allison Blotzer, Acting Chief Financial Officer  
Emily Haimowitz, Chief Compliance and Risk Officer

**From:** Joaquin Ferrao, Inspector General

**Date:** April 30, 2024

**Subject:** Review of the Peace Corps' Compliance with the Payment Integrity Information Act for Fiscal Year 2023 (IG-24-03-SR)

The Payment Integrity Information Act of 2019 (Public Law 116-117) (PIIA) requires the Office of Inspector General (OIG) to annually review its agency's improper payment and payment reporting made in the annual Performance and Accountability Report (PAR) or Agency Financial Report (AFR) to determine compliance.<sup>1</sup>

## Results

Our review determined that the Peace Corps complied with PIIA for fiscal year (FY) 2023.

We analyzed the agency's estimate of improper and unknown payments and risk assessment for FY 2023 and found that the agency managed its financial information in accordance with PIIA requirements. The agency also provided payment integrity information through Office of Management and Budget's (OMB) FY 2023 annual data call; published its improper payment information in the AFR for FY 2023; and posted that report on the Peace Corps' website.

Based on the results of our review, we concluded that it is unlikely that the Peace Corps reached the significant improper or unknown payment threshold.<sup>2</sup> We noted that the dollar values of the individual payments are considerably lower than the significant improper payment threshold amounts.

We did not identify any significant improper payments that met or exceeded the PIIA-established threshold in our FY 2023 audits, the audit of the agency's FY 2023 financial statements, or other audits or reviews conducted during FY 2023.

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<sup>1</sup> Further guidance on PIIA compliance requirements is included in Office of Management and Budget's Circular M-21-19, Transmittal of Appendix C to OMB Circular A-123, Requirements for Payment Integrity Improvement.

<sup>2</sup> Significant improper payments are defined as annual improper payments and unknown payments (the sum of monetary loss improper payments, non-monetary loss improper payments, and unknown payments) in the program exceeding (1) both 1.5 percent of program outlays and \$10,000,000 of all program or activity payments made during the fiscal year reported or (2) \$100,000,000 (regardless of the improper payment percentage of total program outlays).

## Prior Year Recommendation Related to Analysis of Collections Transactions

We reviewed Peace Corps management’s response and the actions taken to implement the recommendation pertaining to analysis of collections transactions. We concluded that Peace Corps management implemented this recommendation. We consider this recommendation to be closed.

**Table 1: The Peace Corp’s FY 2023 Compliance with PIIA Requirements**

| PIIA Requirements   | Did the Agency Comply? |
|---|------------------------|
| Published payment integrity information with the annual financial statement   | ✓                      |
| Posted the annual financial statement and accompanying materials on the agency website  | ✓                      |
| Conducted improper payment (IP) risk assessments for each program with annual outlays greater than \$10,000,000 at least once in the last 3 years                                       | ✓                      |
| Adequately concluded whether the program is likely to make IPs and unknown payments (UP) above or below the statutory threshold   | ✓                      |
| Published IP and UP estimates for programs susceptible to significant IPs in accompanying materials to the annual financial statement   | N/A                    |
| Published corrective action plans for each program for which an estimate above the statutory threshold was published in accompanying materials to the annual financial statement        | N/A                    |
| Published IP and UP reduction target for each program for which an estimate above the statutory threshold was published in the accompanying materials to the annual financial statement | N/A                    |
| Demonstrated improvements to payment integrity or reached a tolerable IP and UP rate  | N/A                    |
| Developed a plan to meet the IP and UP reduction target   | N/A                    |
| Reported an IP and UP estimate of less than 10% for each program for which an estimate was published in the accompanying materials to the annual financial statement                    | N/A                    |

Source: PC OIG prepared, based on PC data

N/A: Not Applicable

## Conclusion

We concluded the Peace Corps complied with the PIIA for FY 2023 under OMB circular M-21-19.

The agency complied with the applicable PIIA requirements by providing payment integrity information through the OMB annual data call, publishing its AFR, and conducting an improper payments risk assessment. We determined that it is unlikely that Peace Corps' total improper or unknown payments reached the significant improper or unknown payment threshold.

**cc:** Ruchi Jain, General Counsel  
Lauren Stephens, Chief of Staff  
Jennifer Piorkowski, Executive Secretariat  
Francisco Reinoso, Associate Director, Office of Management  
Clark Presnell, Deputy Director, Office of Management  
Juan Garcia, Jr., Chief, Administrative Services  
Joseph O'Farrell, Chief, Transportation Division  
Paul Richter, Expert, Office of the Chief Financial Officer  
Eva Piszczek, Director, Global Accounts Payable

# Appendix A: Agency Response



## MEMORANDUM

**To:** Joaquin Ferrao, Inspector General

**Through:** Lauren Stephens, Chief of Staff (Deputy Director TDY 5/5-5/20) Digitally signed by LAUREN STEPHENS  
Date: 2024.05.13 12:54:09 -04'00'

**From:** Allison Blotzer, Acting Chief Financial Officer Digitally signed by ALLISON BLOTZER  
Date: 2024.05.13 15:30:22 -04'00'  
Emily Haimowitz, Chief Compliance and Risk Officer Digitally signed by EMILY HAIMOWITZ  
Date: 2024.05.06 13:19:13 -04'00'

**Date:** May 6, 2024

**CC:** Carol Spahn, Director  
Lauren Stephens, Chief of Staff  
Ruchi Jain, General Counsel  
Francisco Reinoso, Associate Director for Management  
Clark Presnell, Deputy Director, Office of Management  
Juan Garcia, Jr., Chief, Administrative Services  
Joseph O'Farrell, Chief, Transportation Division  
Paul Richter, Office of the Chief Financial Officer  
Eva Piszczek, Director, Global Accounts Payable

**Subject:** Agency Response to the Preliminary Report: Review of the Peace Corps' Compliance with the Payment Integrity Information Act for Fiscal Year 2023 (IG-24-03-SR)

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Thank you for the opportunity to respond to this preliminary report from the Office of Inspector General. We appreciate the Office of Inspector General's insight and collaboration to maintain and improve agency operations, and we look forward to continued refinement of payment integrity reporting processes in the future.