PEACE CORPS
Office of
INSPECTOR
GENERAL

Management and Performance Challenges

Fiscal Year 2024

In accordance with the Reports Consolidation Act of 2000, the Peace Corps Office of Inspector General (OIG) is submitting what it has determined to be the most significant management and performance challenges facing the Peace Corps.

Management and performance challenges are based on the Inspector General's observations from the work performed by OIG, as well as information uncovered during OIG's oversight responsibilities.

Significant Management and Performance Challenges Facing the Peace Corps

OIG identified the Peace Corps' most significant challenges based on the results and findings of its audit, evaluation, and investigation work, as well as the information uncovered from OIG's oversight responsibilities:

- Volunteer Delivery System;

- Volunteer Healthcare and Safety;

- Human Capital Management; and

- Information Technology Security Management

Addressing the issues related to these challenge and performance areas will enhance the agency's operational efficiencies, minimize potential fraud, waste, and abuse, and improve mission effectiveness.

Challenge:

Volunteer Delivery System

Why This Is a Challenge

As the Peace Corps continues to return Volunteers to the field following the COVID-19 global pandemic, Volunteer applicant numbers are low compared to years prior to the 2020 global evacuation of Volunteers. In its Fiscal Year (FY) 2025 Congressional Budget Justification (CBJ), the Peace Corps reported that "application numbers remain well below pre-pandemic levels and are insufficient to fully meet the robust demand for Volunteers worldwide."

Based on agency reporting, the Peace Corps has seen a steady decline in the agency's global fill rate[1] at enter-on-duty, from 94 percent in FY 2019 to 63 percent in FY 2023. The fill rate for FY 2024 was recorded as 45 percent. During this period, the Peace Corps had a total of 1,577 Volunteers who entered on duty; however, participating countries requested a combined total of 3,508 Volunteers.

In the past few years, the Peace Corps has not met its own Volunteer and Trainee onboard strength expectations. In March 2023, the agency reported in its FY 2024 CBJ that it expected a total of 5,180 Volunteers by the end of FY 2024. However, the agency lowered its expected numbers in the FY 2025 CBJ, stating that they planned to onboard 3,620 Volunteers instead; a more than 30 percent decrease from initial expectations.

At the end of FY 2024,the agency had only 3,338 Volunteers in service. The Peace Corps is currently projecting 4,590 Volunteers by the end of FY 2025. However, if current trends do not improve, the agency again risks not meeting its expectations.[2]

The agency explained in its FY 2025 CBJ that: "In the face of robust economic growth and one of history's most competitive job markets, the Peace Corps is experiencing the same recruiting headwinds that have negatively affected other service-focused organizations. As trends show volunteerism is on the decline in the U.S., effective recruitment and marketing are more critical than ever to inspire the next generation of Volunteers to serve."

The Council of the Inspectors General on Integrity and Efficiency's (CIGIE) 2023 Top Management and Performance Challenges Facing Multiple Federal Agencies (herein CIGIE's Top Challenges Report) also noted that the competitive labor market poses a challenge for hiring within the Federal Government, as private sector positions can be more attractive to new and established professionals.

The Peace Corps' personnel turnover and vacancies have also hampered the agency's ability to recruit and place returned Volunteers into available agency positions. Staff in the Office of Volunteer Recruitment and Selection (VRS) report that there are widespread and longstanding vacancies for Peace Corps Recruiter positions. In FY 2024, the agency reported that it did not meet its related strategic plan performance goal to make improvements to the Volunteer Delivery

---

[1] Fill rates reflect the number of invitees as a percentage of the total Volunteer requests.

[2] Additionally, in March 2022, according to its FY 2023 CBJ, the Peace Corps expected to have 3,900 Volunteers and Trainees onboard by the end of FY 2023. According to its FY 2024 CBJ, the agency lowered its expectations to only 2,530 by the end of FY 2023.

System (VDS)[3] due to high turnover and understaffing.

Progress in Addressing the Challenge

The VDS Steering Committee, a group consisting of agency senior leadership from each office that oversees the VDS, developed 12 priorities to help with Volunteer recruitment and selection challenges.

In 2023, the agency hired and onboarded a new Associate Director of VRS who has engaged in a review on how to improve VRS's Federal Employee Viewpoint Survey (FEVS) results. Between 2022 and 2023, staff ratings on leadership improved somewhat. In 2022, nearly half (47.5 percent) of staff in VRS had a negative response to the statement, "In my organization, senior leaders generate high levels of motivation and commitment in the workforce." In 2023, the percentage of staff who provided a negative response went down to 36.1 percent.

In FY 2024, the Peace Corps Director announced the agency will launch three recruitment pilots in select Posts in the Africa region to gauge whether these changes will increase the number of approved applications and accepted invitations. The first pilot is a one-year service model; the second pilot will allow Volunteers to take 15 days of leave midway through service; and the third pilot will increase the readjustment allowance for Volunteers.

The agency also established a performance goal to recruit and retain Volunteer candidates by updating the VDS and related processes to align with the Posts' desired Volunteer competencies and technical experiences. In August 2023, the agency

reviewed this goal and subsequently readjusted it to focus on retention by strengthening recruitment and outreach activities across VRS and the Peace Corps Response Office (which includes Response Volunteers and Virtual Service Pilot operations). The Peace Corps has taken actions to integrate Peace Corps Response Volunteer recruitment, placement, and pre-departure activities into agency operations to streamline the process for the Posts to request and receive Volunteers for all service types.

Additionally, OHS worked with a process improvement contractor to enhance its medical clearance process. In July 2024, the Peace Corps reported that the process improvements implemented thus far have resulted in a reduction in time it takes to clear invitees.

In FY 2023, the Peace Corps unveiled a new marketing campaign, entitled "Bold Invitation," which called on "motivated changemakers to advance the agency's mission to spread world peace and friendship through international service." In the FY 2025 CBJ, the Peace Corps reports that the Bold Invitation campaign supported an 82 percent increase in applications compared to FY 2022 applications.

However, the agency recognizes that it needs to continue its targeted marketing campaign. Peace Corps included an increased request of $2.5 million in its FY 2025 CBJ to "continue investments to attract and recruit talented and motivated Volunteers who represent the wide diversity of our nation's communities, geographies, and cultures. The additional investment will allow the Peace Corps to conduct more targeted outreach and meet

---

[3] The FY 24 CBJ states, "VDS includes the agency's processes, tasks, tools, and cycles from initial potential applicant engagement to Enter on Duty (EOD) and includes activities to recruit, place, and retain candidates for service and deliver Volunteers to Posts."

potential Volunteers where they are: traditional media, social media, colleges, universities, professional organizations, and communities across the U.S."

What Needs to Be Done

To ensure that the Posts' requests for Volunteers are met, the agency should prioritize improvements to VRS's programmatic deficiencies, including staffing shortages and turnover, as well as address leadership and management concerns expressed in the FEVS results. In FY 2024, OIG launched an evaluation to assess the challenges impacting VDS.

The Peace Corps Director has emphasized that the agency's goals are not just about the Volunteer numbers, but also in the quality of Peace Corps' systems, its programs, and in meeting the needs of its host country partners. The agency established "Reimagine Service" as one of its three strategic objectives in the Peace Corps' Strategic Plan FY 2022 - 2026 in response "to evolving host country priorities by returning skilled Volunteers to service and expanding service models."

For example, the agency reports that it is planning to continue its virtual service pilot in 52 Posts in FY 2025, allowing qualified U.S. citizens who cannot currently serve overseas to support the Peace Corps by donating their voluntary services, and allowing the agency to partner with communities where in-person service is not possible.

The agency should continue to communicate its expectation to implement new service models, closely coordinate with stakeholders, and align its authorities, resources, and policies to effectively advance its mission and vision. As the agency makes progress with its goals to return skilled Volunteers to service and expand its service models, it is critical that the agency continues to address the

challenges that impact the deployment of Volunteers to the Posts.

Key OIG Resources:

Final Report on Evaluation of the Volunteer Delivery System (2003)

Evaluation of Impacts of the Five-Year Rule on Operations of the Peace Corps (2012)

Final Program Evaluation Report: Follow-up Evaluation of the Volunteer Delivery System (2010)

Evaluation of Peace Corps/Medical Clearance System (2008)

Challenge: Volunteer Health and Safety

Why This Is a Challenge

Since the Peace Corps' establishment in 1961, Volunteer healthcare has been a critical component of agency operations. The variability in health conditions and medical infrastructure among the 61 countries where Volunteers currently serve will always present significant challenges for the agency. In addition, post-pandemic mental health issues have further strained the agency's capacity to support Volunteers. According to Peace Corps' FY 2025 CBJ, the Peace Corps requested an additional $2.7 million due to an increased need to provide Volunteers with mental health services.

Volunteer Healthcare

Recent OIG findings on Volunteer healthcare have highlighted issues with medical emergency preparedness. In the re-entry health and safety reviews of six Posts that OIG completed between FYs 2022 and 2024, OIG found that three of the Posts had Medical Action Plans that did not fully comply with agency policies. OIG also found that four of the six Posts reviewed did not meet agency requirements to assess its medical providers and facilities at least once every 3 years.

In 2024, OIG issued a Management Advisory Report (MAR) that reviewed a sample of nine Posts' Medical Action Plans and provider and facility assessments. OIG found that the Posts reviewed were out of compliance with agency guidelines for completing Medical Action Plans and provider and referral facility assessments. OIG found several reasons for noncompliance, to include the following: 1) headquarters did not provide clear instructions on their implementation; 2) the guidance itself was not clear and consistent,

and 3) there was inconsistent oversight of Posts' OHS compliance.

Medical Technical Guidelines

OIG also completed an evaluation of the Peace Corps Office of Health Services' (OHS) policies and procedures for updating Medical Technical Guidelines (TG) in FY 2024 (herein TG evaluation).

OHS operates the healthcare delivery systems for Trainees and Volunteers serving abroad, and the Peace Corps Medical Officers (PCMO) act as the primary healthcare providers for Volunteers and Trainees overseas. OHS issues TGs to provide programmatic and clinical guidance for operating the Volunteer Health System. According to one staff member interviewed by OIG, TGs are the "backbone" of OHS and provide a structure by which care is delivered to Volunteers.

The TG evaluation found that the TGs are a valuable tool for PCMOs, but OHS's process for updating TGs could be improved. At the time of our review, OHS staff reported that consistently a significant number of TGs were out of date, and that it was hard to ensure TGs were updated every three years, as required by agency policy.

OIG found that only one person was responsible for tracking TG updates and was doing so by manually maintaining the information on a spreadsheet. Many of the interviewed staff indicated that the agency needs an automated system to manage the TGs and support their updating process, which the agency has been in the process of developing.

OIG has found through previous work that outdated TGs pose a risk to the agency and to the health and safety of Volunteers. OIG concluded that PCMOs rarely report problems regarding the TG's informational content or accessibility, and that the PCMOs do not have a clear process for flagging TGs that need to be reviewed for updates.

Sexual Assault Prevention and Response

For more than a decade, the Peace Corps has engaged in work to minimize the risk of sexual assault and improve its response and victim support when crimes occur. Recently, the agency expanded its approach to address root causes of sexual violence and fully participate in global efforts to prevent sexual assault. Peace Corps' responsiveness and support for Volunteers who report sexual assault remain focal points in OIG's work.

Last year, OIG reported on its completion of eight Management Implication Reports (MIR) issued between FYs 2021 and 2023. These reports assessed the agency's compliance with its requirements for supporting sexual assault victims after a news outlet published a story in 2021 that was critical of Peace Corps' response to Volunteers reporting sexual assaults.

These MIRs did not include any recommendations, however, they did note some instances of noncompliance with the provision of services required by the Kate Puzey Peace Corps Volunteer Protection Act of 2011 (Kate Puzey Act). Specifically, due to gaps in agency records, OIG was unable to determine whether the services requested on the Volunteer Preference Forms were provided.

The agency reported on the various actions it has taken to address these issues, to include implementing a performance goal to enhance sexual assault prevention and response in its 2022- 26 Strategic Plan. The agency continues to allocate resources that will develop tools and increase the staffs' capacity to respond to Volunteer sexual assaults effectively and ensure Volunteers are supported, per the requirements of the Kate Puzey Act.

While OIG did not identify new or unresolved concerns in FY 2024, our prior work has highlighted the importance of sustained management attention and oversight to address this challenge. As Volunteers continue to return to the field, sexual assault prevention and response will require the agency to maintain its focus on these critical issues to sustain its commitment to Volunteer health and safety.

Progress in Addressing the Challenge

Volunteer Healthcare

In FY 2024, the Peace Corps made considerable progress in closing OIG recommendations that impact Volunteer healthcare. OIG closed the last two recommendations from its post re-entry health and safety review of Morocco. The recommendations were for the post to assess medical facilities and providers at least once every 3 years to ensure Volunteers receive safe and effective care that meet their needs and to require that all staff receive Emergency Action Plan refresher training.

Additionally, from its post re-entry health and safety review of Cambodia, OIG closed five recommendations that focused on the post's adherence to requirements related to Medical Action Plan and healthcare facility and provider assessments.

OIG's 2021 review of the death of a Volunteer from Ghana found that the agency and post staff emergency response actions did not fully comply with Peace Corps procedures due to unclear guidelines on emergency staff roles and responsibilities. In FY 2024, OIG

closed the report's final recommendation after OHS updated MS 264, which revised procedures that defined staff roles and responsibilities.

OIG closed three of the seven recommendations from a MAR issued in FY 2024, which assessed Post re-entry reviews' findings on Volunteer health and safety. To close these recommendations, the agency updated the Health Unit Assessment Checklist and SOPs to ensure that referral facility and consultant assessments are certified; updated TGs 204 and 385 to clarify requirements for completing assessments of community and referral facilities; and provided training to PCMOs on the appropriate use of TG attachments for assessing consultants.

In addition, the agency has issued guidance requiring Quality Assurance Specialists at all Posts to help manage and track site management processes and procedures, as well as address consistent implementation of related OIG recommendations, among other duties. After the specialists had worked at the Posts for a year, the Peace Corps administered a survey and found that Posts consider the Quality Assurance Specialists an important resource for monitoring and tracking compliance deadlines, spearheading process improvement initiatives, and maintaining and reinforcing agency policies. At the end of FY 2024, the agency had Quality Assurance Specialists at 48 Posts, and officials report they will continue to fill positions at the remaining Posts through FY 2025.

OIG is encouraged to learn that the agency has taken additional steps to improve Volunteer healthcare. To increase Volunteer mental health resources, the agency developed a program to improve the availability of Volunteer behavioral health services and has requested an additional $2.7 million in the FY25 CBJ to expand capacity and staffing to accommodate the projected growth in Volunteer numbers.

Sexual Assault Prevention and Response

The Peace Corps recently reaffirmed its commitment to continue strengthening sexual assault prevention and response services for Volunteers; understanding and breaking down the real and perceived barriers in reporting assault; and ensuring that agency staff with primary responsibilities for sexual assault response have advanced training in trauma-informed approaches to helping victims.

Additionally, the agency is training Volunteers on risk reduction strategies tailored to their host country's norms, which was updated in FY 2024, to include trauma-informed prevention. The Peace Corps is also working to ensure that systems and support structures are in place to provide the quality medical, legal, and psychosocial services to Volunteer sexual assault survivors.

In April 2024, the Peace Corps issued a report that reviewed its sexual assault prevention and response performance between FYs 2021 and 2023. The report details the enhancements the Peace Corps made to its sexual assault prevention and response; outlines the measures in which the agency can better support Volunteer survivors of assault; and suggests improvements to ensure that Peace Corps systems are strengthened and integrated with the agency's Sexual Assault Prevention and Response (SAPR) program. Following the Peace Corps' announcement in 2022 to implement a roadmap to invest and expand its SAPR program, the report stated that all components of the roadmap have been completed.

In 2024, the Office of Safety and Security's Crime Response and Analysis Unit announced

that they updated three forms that are used when responding to sexual assault reports. They updated the Volunteer Preference Form to include Respite Leave as an available service for sexual assault victims/survivors and added a Privacy Act statement. In addition, the agency introduced an electronic version of the Volunteer Preference Form in the Security Incident Management System and provided training to designated staff on its use. This new form seeks to address the deficiencies OIG noted in related MIRs.

Similarly, the agency integrated the Serious or Imminent Threat Assessment Tool and the Post Incident Assessment Tool into the Security Incident Management System, ensuring that these forms are completed for sexual assault reports. The agency reports that these two assessment aids were updated in July 2024. Furthermore, the agency introduced a new form, the Site Management Review Tool, which Safety and Security Managers use to review site-specific safety and security incidents at Volunteer sites, to determine ongoing threats that would prevent the future placement of Volunteers at those sites.

These efforts seek to address the deficiencies noted in past OIG reports. Complete, accurate, and timely documentation of the agency's response to incidents improves the quality of incident response and facilitates effective oversight and accountability.

What Needs to Be Done

Volunteer Healthcare

To further improve Volunteer healthcare, OHS needs to continue its efforts to close the four remaining recommendations from the 2024 Post re-entry MAR, which include: 1) detail the

MAP review process at the Post level; 2) implement a uniform tracking system to ensure facility and consultant assessments comply with guidance; 3) ensure Posts develop schedules to complete assessments; and 4) train PCMOs on the appropriate use of each TG 204 attachment.[4]

The Peace Corps should also address the 2024 TG evaluation recommendations to improve the management of its TGs, which include developing a plan to automate the Quality Improvement Unit's update process and TG management as well as creating a process or mechanism for PCMOs and other users to follow when TGs need to be flagged for review. Additionally, the agency should continue to build its behavioral health program to address Volunteers' increased need for mental health services and ensure the overall well-being of Volunteers.

Sexual Assault Prevention and Response

The Peace Corps should continue to comply with the Kate Puzey Act requirements. Providing compassionate and trauma-informed responses to Volunteers who have been sexually assaulted is of paramount importance.

The agency needs to continue to make progress on the performance goals related to the strengthening of the SAPR program in its FY 2022-26 Strategic Plan. Moreover, the Peace Corps needs to continue incorporating new research and promising practices to prevent sexual assault from happening, while supporting Volunteer sexual assault survivors in a timely and effective manner. It is essential that staff are properly trained to ensure that all sexual assault cases are appropriately addressed and accurately documented.

---

[4] In October 2024, the agency submitted documentation to the OIG to close all four recommendations, but they are still under review to ensure all actions have been taken to address the recommendations.

Key OIG Resources:

[Evaluation of the Office of Health Services' Technical Guidelines' Revision and Implementation Process (2024)](#)

[Management Advisory Report: Assessment of Post Re-entry Health and Safety Reviews' Findings (2024)](#)

[Post Re-Entry Health and Safety Review of Peace Corps/Cambodia (2024)](#)

[Semiannual Report to Congress, April 1, 2024, to September 30, 2024](#)

[Post Re-Entry Health and Safety Review of Peace Corps/Morocco (2023)](#)

[Post Re-Entry Health and Safety Review of Peace Corps/Dominican Republic (2023)](#)

[Post Re-Entry Health and Safety Review of Peace Corps/Colombia (2022)](#)

[Post Re-Entry Health and Safety Review of Peace Corps/Zambia (2022)](#)

[Post Re-Entry Health and Safety Review of Peace Corps/Ecuador (2022)](#)

[Review of the Facts and Circumstances Surrounding the Death of a Peace Corps/Ghana Volunteer (2021)](#)

[Follow-Up Evaluation of Issues Identified in the 2010 Peace Corps/Morocco Assessment of Medical Care (2016)](#)

Challenge: Human Capital Management

Why This Is a Challenge

Developing a cohesive and effective approach to managing human capital resources in the Federal environment, particularly in the aftermath of the pandemic, is a significant challenge for many Federal agencies, including the Peace Corps. Strategic human capital management has been listed in the U.S. Government Accountability Office's annual high-risk report[5] as one of the highest-risk areas facing the Federal Government since 2001. Additionally, CIGIE highlighted human capital management in its Top Challenges Report. The report noted that "the inability to hire required staff directly impacts agency operations, often leading to heavy workloads and burnout, further exacerbating attrition, and the need to fill vacancies. In addition, high turnover compromises an agency's ability to retain qualified personnel."

The Peace Corps is a relatively small agency that manages diverse staffing systems domestically and abroad. Changes in demographics, skills, technology, budget, employee satisfaction, and workplace expectations impact the systems and the staff under these systems differently. Both the Office of Management and Budget and the Office of Personnel Management (OPM) have issued numerous memorandums and guidelines on approaches and tools for managing the changing human capital landscape.

Among the Federal Government workforce priorities is developing a capacity for strategic foresight. Strategic foresight calls for a detailed and systematic analysis of the driving forces and trends of change before developing strategies or plans. This approach, which is proactive, rather than reactive, allows agencies to prepare different business forecasts, envisioning what is possible, plausible, and preferred.

Hiring and Retaining Qualified Staff

OIG has repeatedly reported over the years how excessive turnover has impacted Peace Corps' programs and operations. The FY 2012 Management Challenges report identified excessive personnel turnover as a significant management and performance challenge facing the Peace Corps. In July 2017, OIG issued a MIR that outlined the negative effects the agency's high staff turnover rate had on its ability to maintain high-quality Volunteer support and improve core business functions.

OIG's Recurring Issues Report on Common Challenges Facing Peace Corps Posts found that from FYs 2016 through 2019, staff turnover and staffing gaps impaired emergency medical preparedness, led to ineffective Volunteer technical training, and resulted in heavy staff workloads that, in some cases, left required tasks incomplete.

The OPM 2019 Human Capital Framework's assessment of the agency's organizational design and performance found that the five-year rule (FYR) contributed to increased turnover and extended vacancies that resulted in a lack of continuity and decreased productivity.

During its conception, Congress intended for

---

[5] GAO-23-106203, High-Risk Series: Efforts Made to Achieve Progress Need to Be Maintained and Expanded to Fully Address All Areas, April 20, 2023, page 46.

the FYR to "permit a constant inflow of new blood and ideas," give the agency "administrative flexibility which is not possible under the restrictions of the civil service system," and make sure that Peace Corps staff will "not be organized on a career basis."[6]

The FYR was specifically crafted to ensure that the Peace Corps recruited its headquarters staff from the hiring pools of returned Volunteers and former overseas staff. The high rate of staff turnover driven by the FYR has enabled the agency to hire extensively from the returned Peace Corps Volunteer (RPCV) population. The agency recruits RPCVs who earn noncompetitive eligibility (NCE) after successfully serving as Volunteers. NCE appointments streamline the Office of Human Resources' (OHR) hiring process by bypassing competitive-based personnel actions while providing the agency with talented, mission-driven workers.

The global evacuation of all Volunteers following the onset of the COVID-19 pandemic resulted in a nearly empty RPCV hiring pipeline. OHR has struggled to keep up with the agency's excessive turnover and was inadequately staffed to process the rising agency vacancies through competitive-based personnel actions.

Moreover, as discussed in CIGIE's Top Challenges Report, Federal agencies are challenged by a "...competitive labor market wherein multiple organizations are contending for the same limited pool of highly skilled candidates." Following the agency's return to service, currently serving Volunteers are again able to apply to the RPCV roster. However, according to the September 2024 RPCV roster, only 64 RPCVs applied to the Peace Corps, which may signal the need to further diversify in staff recruitment and hiring

strategies, as well as OHR hiring processes.

A 2023 OIG evaluation of human resources management for overseas contract staff found that the agency needed to improve its management coordination to hire, train, and retain quality overseas personal service contractors (PSC). These staff members help execute the Peace Corps mission abroad and serve on the front lines of the Volunteer experience. At the time of the evaluation, approximately 92 percent of staff at overseas Posts were PSCs, who also make up 70 percent of all Peace Corps staff.

As of August 2024, the agency reports that its staff vacancy rate (excluding PSCs) is at 16.9 percent, compared to 19.6 percent in August 2023 and 15.8 percent in August 2022. Two offices that have key roles in supporting the VDS reported experiencing significant staffing gaps. The agency reported staff vacancy rates of 24.2 percent for VRS and 25.6 percent for OHS in August 2024, a decrease from last year's rate of 26.7 percent.

OIG notes that OHS and VRS are among the top five offices in the agency recording overtime and compensatory time.[7] The combination of high vacancy rates, elevated overtime, and compensatory time for existing staff risks creating a negative impact for Volunteer delivery and health services.

The 2023 FEVS[8] results indicated the overall agency Global Satisfaction Index was 71 percent, where the Employee Engagement Index was 74 percent. However, OHS, which is responsible for Volunteer Healthcare, reported a significantly lower satisfaction index result at 46 percent, while the OHR result was at 56 percent. Both areas are critical agency support functions and need agency leadership attention to bring these

---

[6] IG-12-05-E, Impacts of the Five-Year Rule on Operations of the Peace Corps, June 20, 2012, p. 3.

[7] Of Peace Corps' total reported overtime and compensatory time, 28 percent was reported by OHS, 10 percent by VRS, and 7 percent by OHR.

[8] 2023 is the most recent FEVS result available for analysis. Staff were surveyed May-July 2023.

suboffices' FEVS results more in line with agency- wide results.

Without significant improvements to Human Resources (HR) management, staffing, and processes, the Peace Corps will continue to face challenges in effectively staffing positions, should they succeed in addressing the current Volunteer recruitment and placement challenge.

Knowledge Management

Knowledge management remains a significant challenge for the agency because information is scattered across the globe at Posts that differ in infrastructure, connectivity, language, culture, legal frameworks, and other local considerations. Moreover, operations are executed by three human capital cohorts–personal service contractors, direct U.S. Government hires (USDH), and Peace Corps Volunteers–each is supported by their own systems, tools, and processes.

Though the Peace Corps celebrates the uniqueness of its operating environments and the diversity of its team members, the agency risks inefficiencies and incurring unnecessary expenses if it cannot leverage information and resources that can be easily identified and used by thousands of actors spread across the world.

The agency's challenge with retaining institutional memory is often presented in the context of the agency's "five-year" rule, however, the frequency of staff turnover is only a part of this challenge. The Peace Corps is divided into offices that are geographically separated over multiple time zones, and the successful execution of the agency's mission depends on a coherent and implementable knowledge management strategy and architecture. Over the last year, the agency has incorporated tools and systems that should help with knowledge management at the Peace Corps, however, the agency lacks a documented, comprehensive strategy that

addresses the scope of the challenge.

Payroll and Benefits

In November 2022, OIG issued The Peace Corps Management of Payroll and Benefits for U.S. Direct Hires audit report (herein payroll audit). The payroll audit found that OHR and the Office of the Chief Financial Officer (OCFO) did not establish effective oversight procedures to reconcile payroll transactions or remediate deficiencies in payroll adjustments. This report outlined that OHR lacked a process to resolve erroneous payroll submissions reported from the National Finance Center (NFC). The audit also found that management had not established the policies, procedures, or monitoring systems necessary to effectively identify any inaccuracies related to employee salary and benefits. OIG's payroll audit recommended that OCFO establishes adequate monitoring structures over USDH payroll transactions to mitigate the effects of these risks.

Progress in Addressing the Challenge

Hiring and Retaining Qualified Staff

The 2018 Sam Farr and Nick Castle Peace Corps Reform Act (herein Reform Act) authorized the agency to extend the appointments of certain exempt positions designated by the Director as critical management or management support. Exempt positions require specialized technical or professional skills, as well as knowledge of agency operations, and may be exempted from the FYR term limitations of the Peace Corps Act.

The agency reports that its review of all offices and positions to identify which will be designated by the Director as exempt positions is nearly completed. To date, the agency has identified and exempted approximately 30 percent of all agency positions from the FYR using the Reform Act

authority.[9] About 40 percent of the exempted positions are in OHS, and in offices where staff are responsible for the safety and security of Volunteers. In addition, the exempted positions in OHR, OCFO, Office of the Chief Information Officer (OCIO) and Office of General Counsel represent 42 percent of the agency's exempted positions.

During FY 2024, the agency exempted 211 positions. As of August 2024, the agency has identified 301 positions as exempt from the FYR, including 55 positions that have been exempt since 2019. Critically, this includes several staffing positions in HR, which has permitted the HR Staffing and Recruitment team to begin to recruit and retain experienced HR Specialists. As a result of this work, OIG closed the final two recommendations from its 2012 evaluation report on the FYR's impact on the agency.

In May 2023, OHR issued an internal assessment of the agency's Human Capital Framework.[10] OHR reports that it is tracking its progress with the 70 actions that were identified in this assessment, and that 37 actions are ahead of schedule, on track, or completed. OHR also reported that 33 of the recommended actions are being reviewed to determine applicability or have a planned completion date in calendar year 2024.

HR reports that it has renewed its efforts to develop and publish internal HR Standard Operating Procedures (SOP). As the HR team underwent significant turnover, it became evident that a lack of operational SOPs led to inefficiencies, inconsistencies, and a consistent need for training. To date, 27 SOPs have been published and an additional 45 SOPs have been developed and are under review.

In anticipation of more Volunteers completing their service, at the beginning of 2024 OHR posted a continually open job announcement on USAJobs.gov that is only available to RPCVs. Currently serving Volunteers can apply to this announcement within 90 days of completing their Volunteer assignment, and RPCVs can apply within the 3 years following their completion of service.

The agency reported that it had established a FEVS working group to analyze the survey results and make recommendations to improve the agency's employee engagement, job satisfaction, and retention. The group split into five focus areas: 1) marketing training resources and increasing learning management system and individual development plan usage; 2) improving its Diversity Equity Inclusion and Accessibility Index; 3) providing additional supervisory and leadership training; 4) incorporating FEVS into agency plans; and 5) sharing best practices. The agency reports that each subgroup developed recommendations for actionable items to improve the job environment at the Peace Corps, which will be briefed to senior leadership for review and approval.

It is important for the Peace Corps to have an effective and integrated HR information technology (IT) infrastructure. OHR collaborated with the OCIO to develop an HR Information System strategy, which was briefed to agency leadership in February 2024. OHR launched an electronic SF-52[11] SharePoint solution that reduces data entry, captures electronic signatures, and allows HR to track the status of an SF-52 form throughout its life cycle.

Some other HR Information System solutions implemented include the eNomination tool for incentive awards and Front-End System

---

9 Positions in the OIG and the Office of Victim Advocacy are excluded from this percentage because they have been exempted by statute rather than at the Director's discretion.

10 OHR, Fiscal Year 2022 Human Capital Framework (HCF) Evaluation Report, May 3, 2023.

11 The SF-52 is a form that is used to create a Request For Personnel Action, such classifications, promotions, and other personnel determinations.

Interface (FESI)[12] for batch processing of payroll and other HR actions with the NFC.

Additionally, OHR reports that it is implementing a new tool to replace an outdated and manual process to manage personnel actions. This new tool provides the full processing capabilities for all personnel actions, payroll transactions, and benefits management. OHR conducted a gap analysis with the NFC to determine the extent to which the new tool meets Peace Corps business requirements.

Knowledge Management

The Director continues to use the authorization from the Reform Act to exempt agency positions from the FYR, which helps the agency maintain continuity in its mission and critical operational knowledge management.

The agency has also replaced its Administrative Management Control Survey (AMCS) with the new Post Self-Assessment Tool (PSAT). As with the AMCS, the PSAT helps Posts, regions, and agency offices identify risk areas and enhance informed decision-making.

In addition, a stated purpose of the PSAT is to provide data rollup so that agency risks and challenges can be identified globally and regionally, rather than confining data and knowledge to a singular Post, as was the practice with the AMCS. This new tool should help the agency capture and use extensive information to improve operations across Posts. The PSAT is currently in the piloting stage and, once finalized and approved, will be required at every Post in FY 2025.

Finally, the agency has made progress with two systems that will help manage critical

human capital information processes and reduce challenges created by the various operational and office silos and unintegrated systems. The first system, the Persons Employed and Engaged with Peace Corps Systems (PEEPS), is the agency's human capital management system. PEEPS is designed to integrate with the NFC and the OPM systems. In addition to capturing up-to-date information formerly housed in multiple databases, PEEPS should execute automated workflows and reduce reliance on manual processes.

The second system-related initiative underway is a joint Office of Global Operations-OCIO project aimed at granting Volunteers access to the agency's SharePoint system, with the intention to allow Volunteers to share information within and across Posts on one platform, rather than through the multiple platforms Volunteers currently use, such as Google Docs or WhatsApp. This initiative seeks to address gaps in the management of critical knowledge by leveraging Volunteer input to support Volunteers and Posts and help execute the agency mission.

The two system initiatives started after the Peace Corps successfully integrated its Volunteer population into the agency's Learning Management System, expanding access to both Volunteers and staff for critical training resources and modules.

Payroll and Benefits

During FY 2024, the Peace Corps established an OHR and OCFO working group, developed SOPs related to retirement plan determinations, published an updated waiver policy, and worked with the Office of General Counsel to resolve prior unauthorized waivers.

---

[12] Front-end entry systems are used by NFC customer agencies to transmit batches of data to NFC for processing in its Payroll/Personnel System in lieu of entering it in an NFC-maintained entry system.

What Needs to Be Done

Hiring and Retaining Qualified Staff

The Peace Corps should develop a data-informed strategy that addresses the agency's diminished source of RPCV talent and its impact on OHR operations. OHR needs to address the recommendations made in OPM's 2019 Human Capital Framework review while also implementing the recommendations from its internal assessment. The agency should prioritize and take both short- and medium-term steps to substantially reduce the Peace Corps' vacancy rate while incorporating strategies to attract and retain qualified staff. In prioritizing actions, the agency should consider the resources that are available for OHS to obtain and what measures would have the greatest impact.

The Peace Corps needs to consider leveraging additional strategic human capital resources and flexibilities issued by OPM based on the President's Management Agenda priority focus to strengthening and empowering the Federal workforce.

One suggested OPM tool is strategic foresight. The Peace Corps strategic plan already cites this approach to identify global trends and host country priorities (performance goal 1.3). By using strategic foresight to tackle the challenges of human capital management planning, the Peace Corps will advance its goal of addressing risk in the organization and further the agency's workforce development goals.

The agency should develop concrete actions to improve employee engagement and satisfaction, which are key components in retaining staff and reducing turnover rates. The recommendations of the FEVS working groups, specifically involving HR and OHS staff, should be addressed and implemented as soon as possible.

Knowledge Management

The Peace Corps should work to meet its 2022-26 strategic performance goals that will help the agency collect, organize, and apply institutional knowledge. The agency can also improve its human capital management by addressing OIG's recommendations on standardization and knowledge management from the September 2023 Evaluation of Human Resources Management for Overseas Contract Staff.

Payroll and Benefits

The agency has not yet addressed 22 recommendations from OIG's 2022 payroll audit. Specifically, the agency did not ensure its policies and procedures are effectively designed or implemented to prevent and detect payroll transaction errors or establish payroll reconciliation procedures. Further, the OCFO should be involved in payment reconciliation processes to improve its monitoring system. The Peace Corps must establish sufficient oversight and coordination structures for its core business functions, especially those requiring resources from multiple offices.

Key OIG Resources:

Evaluation of Human Resources Management for Overseas Contract Staff (2023)

Final Audit Report: The Peace Corps Management of Payroll and Benefits for U.S. Direct Hires (2022)

Recurring Issues Report: Common Challenges Facing Peace Corps Posts (2020)

Management Implication Report: Challenges Associated with Staff Turnover (2017)

Final Report on the Program Evaluation of the Peace Corps' Training of Overseas Staff (2014)

Final Audit Report: Peace Corps Overseas Staffing (2013)

Evaluation of Impacts of the Five-Year Rule on Operations of the Peace Corps (2012)

Challenge: Information Technology Security Management

Why This Is a Challenge

As the role of technology continues to grow, protecting agency data and the security of information systems is critical.

System outages and data loss can have a catastrophic impact on the agency, compromise Volunteer safety, staff productivity, and affect the Peace Corps' reputation. According to the Cybersecurity and Infrastructure Security Agency,[13] cyberattacks are ever evolving and are becoming increasingly complex and harder to detect. Cyber incidents can cause harm to national security interests, foreign relations, and the United States' economy.

Federal Information Security Modernization Act of 2014

The Federal Information Security Modernization Act of 2014 (FISMA) is designed to ensure agencies develop, document, and implement agencywide programs that provide comprehensive security for the information and systems that support their operations and assets. OIG's annual review of the agency's compliance with FISMA results in a score that is used as a consistent and comparable metric across Government agencies. The five-level maturity model scale ranges from Level 1, Ad hoc, to Level 5, Optimized.[14]

In FY 2024, the agency maintained its prior FY 2023 status at Level 2, Defined, as measured against the set of core FISMA and supplemental OIG metrics. Although the agency's overall FISMA score remained the same in FY 2024, it has made significant progress in enhancing its security posture since FY 2023 by addressing recommendations from the prior year's report and improving several individual metric scores.

Despite the improvements made in the agency's information security program, there are still issues identified in the FY 2024 FISMA review that need to be resolved, to include the following:

- Lack of a fully integrated agencywide Risk Management and Information Security Continuous Monitoring (ISCM) program.

- Lack of a fully updated and implemented Supply Chain Risk Management (SCRM) program which includes component authenticity policies and procedures.

- Insufficient progress in periodically reviewing and updating its policies and procedures related to risk, access, and permissions for access to data and systems to align with an issued and approved Identity Credential and Access Management (ICAM) strategy.

- Undeveloped agency-level Business Impact Analysis (BIA).

- Cybersecurity risks not fully incorporated into an Enterprise Risk Management (ERM) program.

The agency has not consistently implemented its ISCM strategy to incorporate

---

[13] The Cybersecurity and Infrastructure Security Agency sits within the United States Department of Homeland Security and is responsible for strengthening cybersecurity and infrastructure protection across all levels of government, coordinating cybersecurity

programs with U.S. states, and improving the Government's cybersecurity protection against hackers.

[14] In the context of the maturity models, Level 4, managed and measurable, is considered to be an effective level of security at the domain, function, and overall program level.

cybersecurity risks into the enterprise risk program. Without a comprehensive continuous monitoring program, the Peace Corps is prevented from clearly understanding the security state of all its systems in its IT environment. This also prevents the agency from effectively monitoring a dynamic IT environment with changing threats, vulnerabilities, technologies, business processes and functions, and critical missions.

In addition, the agency does not have an up-to-date, fully implemented SCRM program. Without an implemented SCRM strategy, the Peace Corps may experience an increased risk of attacks or disruptions in the supply chain caused by reliance on third-party or external providers and commercial "off the shelf" products, systems, and services.

The agency has not made sufficient progress in establishing or finalizing an ICAM strategy. Although the agency developed an ICAM strategy roadmap in FY 2022, many of the deliverables (policies and procedures) are still in progress. This strategy should also be aligned with updated policies and procedures related to risk, access, and permissions for access to Peace Corps data and systems.

Additionally, the Peace Corps has not fully developed an agency-level BIA or integrated the BIA's results into a strategy or other plan development efforts. Without effective and integrated contingency plans, the agency may be unable to access important information and resources to perform mission-critical business functions in the event of an extended outage or disaster.

While the agency improved its ERM program by defining its risk appetite and tolerance and holding monthly ERM meetings, it still has not fully implemented cybersecurity risks into the ERM program or used technology to provide an enterprise-wide view of cybersecurity risk management activities.

Cybersecurity Breaches

In the first quarter of FY 2024, OIG issued a MAR assessing Peace Corps' response to three security incidents. The incidents occurred from 2022 through 2023. OIG found that the Peace Corps did not have a sufficient incident response plan to detect threat activity, respond to a threat incident, or contain it. The report noted that the Peace Corps was not compliant with Federal requirements or Peace Corps' policy for timely notification of cyber breaches. Moreover, the report outlined that the agency's network monitoring software was not effective in detecting malicious activity within the Peace Corps IT environment.

The report also found that since the first incident in June 2022, the agency had improved its cybersecurity incident response capabilities.

Progress in Addressing the Challenge

Federal Information Security Modernization Act of 2014

For FY 2024, the Peace Corps has made significant progress enhancing its information security posture since FY 2023, which includes closing four prior year recommendations in previous years' FISMA reports. OIG identified improvements in various FISMA domains in FY 2024 which reflect a stronger commitment to meeting FISMA requirements.

The four prior recommendations that were closed related to the ERM council, incident response, IT inventory management, and cyber vulnerability management. Specifically, since the 2022 and 2023 security breaches, the Peace Corps has worked with a third-party cybersecurity contractor to strengthen its incident response program's detection and response mechanisms. Additionally, the OCIO has obtained software to assist in detecting future cybersecurity attacks. The software

effectively detected that an unrelated cybersecurity incident occurred in the third quarter of FY 2023 and the agency was able to timely mitigate the threat. In FY 2024, the Chief Information Security Officer was added to the ERM Council to provide insights on cybersecurity risks.

Cybersecurity Breaches

The agency has strengthened its incident response program since the cybersecurity breaches occurred by implementing and closing five of the seven recommendations from the FY 2024 MAR. Those recommendations included configuring network monitoring software, establishing an incident response plan, updating incident response policy, ensuring timely notification of incidents, and configuring software to use available data logs.

What Needs to Be Done

Federal Information Security Modernization Act of 2014

The agency needs to address OIG's FY 2024 FISMA report recommendations to continually cultivate an improved IT environment and establish a foundation for long-term success. This will help the Peace Corps move towards a Level 3, Consistently Implemented, maturity level for its information security program.

By integrating its ISCM program, updating and implementing its SCRM program, finalizing its ICAM strategy, developing its BIA, and improving cybersecurity integration with the ERM, the Peace Corps will be able to foster a culture that fully integrates information security into its business operations. These enhancements will allow the Peace Corps to proactively mitigate vulnerabilities and address any weaknesses before they are exploited.

Cybersecurity Breaches

The agency needs to address the two remaining recommendations from the MAR that will further strengthen its ability to respond to cybersecurity incidents. The lack of continuous monitoring within the Peace Corps network directly affects the agency's ability to identify, detect, protect, and respond to a cybersecurity threat in the event of an attack.

Key OIG Resources:

Review of the Peace Corps' Information Security Program for FY 2024 (2024)

Management Advisory Report: Cybersecurity Breaches Highlight a Need for Improvement in Peace Corps' Incident Response (2023)

Review of the Peace Corps' Information Security Program (2023)

Audit of the Peace Corps' FY 2023 Financial Statements (2023)