

**ENHANCING THE PEACE CORPS EXPERIENCE: S.
732, THE PEACE CORPS VOLUNTEER EMPOWER-
MENT ACT**

HEARING

BEFORE THE

SUBCOMMITTEE ON WESTERN HEMISPHERE,
PEACE CORPS AND NARCOTICS AFFAIRS

OF THE

COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

—————
JULY 25, 2007
—————

Printed for the use of the Committee on Foreign Relations



Available via the World Wide Web:
<http://www.gpoaccess.gov/congress/index.html>

U.S. GOVERNMENT PRINTING OFFICE

45-008 PDF

WASHINGTON : 2008

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

COMMITTEE ON FOREIGN RELATIONS

JOSEPH R. BIDEN, JR., Delaware, *Chairman*

CHRISTOPHER J. DODD, Connecticut	RICHARD G. LUGAR, Indiana
JOHN F. KERRY, Massachusetts	CHUCK HAGEL, Nebraska
RUSSELL D. FEINGOLD, Wisconsin	NORM COLEMAN, Minnesota
BARBARA BOXER, California	BOB CORKER, Tennessee
BILL NELSON, Florida	JOHN E. SUNUNU, New Hampshire
BARACK OBAMA, Illinois	GEORGE V. VOINOVICH, Ohio
ROBERT MENENDEZ, New Jersey	LISA MURKOWSKI, Alaska
BENJAMIN L. CARDIN, Maryland	JIM DEMINT, South Carolina
ROBERT P. CASEY, JR., Pennsylvania	JOHNNY ISAKSON, Georgia
JIM WEBB, Virginia	DAVID VITTER, Louisiana

ANTONY J. BLINKEN, *Staff Director*

KENNETH A. MYERS, JR., *Republican Staff Director*

SUBCOMMITTEE ON WESTERN HEMISPHERE, PEACE
CORPS AND NARCOTICS AFFAIRS

CHRISTOPHER J. DODD, Connecticut, *Chairman*

JOHN F. KERRY, Massachusetts	BOB CORKER, Tennessee
BILL NELSON, Florida	JOHNNY ISAKSON, Georgia
ROBERT MENENDEZ, New Jersey	NORM COLEMAN, Minnesota
JIM WEBB, Virginia	JOHN E. SUNUNU, New Hampshire

CONTENTS

	Page
Corker, Hon. Bob, U.S. Senator From Tennessee	3
Dodd, Hon. Christopher, U.S. Senator From Connecticut	1
Fiol, Nicole, applicant to the Peace Corps, Bayamon, Puerto Rico	73
Prepared statement	75
Kotz, David, inspector general, Peace Corps, Washington, DC	41
Prepared statement	44
Ludlam, Chuck, volunteer, Senegal, Peace Corps, Washington, DC; accom- panied by Paula Hirschhoff, volunteer, Senegal, Peace Corps, Washington, DC	60
Prepared statement	63
Quigley, Kevin, president, National Peace Corps Association, Washington, DC	68
Prepared statement	70
Raftery, Kate, country director, Eastern Caribbean, Peace Corps, Washington, DC	66
Schneider, Hon. Mark L., former director of the Peace Corps; senior vice president and special advisor on Latin America, International Crisis Group, Washington, DC	35
Prepared statement	38
Tschetter, Hon. Ronald A., director, Peace Corps, Washington, DC	4
Prepared statement	7

**ENHANCING THE PEACE CORPS EXPERIENCE:
S. 732, THE PEACE CORPS VOLUNTEER EM-
POWERMENT ACT**

WEDNESDAY, JULY 25, 2007

U.S. SENATE,
SUBCOMMITTEE ON WESTERN HEMISPHERE,
PEACE CORPS, AND NARCOTICS AFFAIRS,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:33 a.m., in room SD-419, Dirksen Senate Office Building, Hon. Christopher J. Dodd (chairman of the subcommittee) presiding.

Present: Senators Dodd, Coleman, and Corker.

**OPENING STATEMENT OF HON. CHRISTOPHER DODD,
U.S. SENATOR FROM CONNECTICUT**

Senator DODD. The committee will come to order.

Let me thank all of you for being here this morning, than the Director, as well, for coming out.

I'm pleased to convene the Subcommittee on Western Hemisphere, Peace Corps, and Narcotics Affairs. I'd like to welcome my ranking member, Senator Bob Corker, from Tennessee, who's with us, who's joined me this morning's hearing to receive testimony and ask questions on a very important topic, one very important to me, personally: The Peace Corps.

Since its establishment in 1961, the Peace Corps has been held in high regard by the United States Congress and the American people and, I might add, the global community, as well. That has been the case because it has always been a nonpartisan and apolitical institution, able to stay out of political maelstrom of the moment, at home and abroad; and that remains the case today, and we're all grateful for that.

The mission of the Peace Corps has always been clear and straightforward; namely, to promote world peace and friendship. Central to that mission of the Peace Corps has been the volunteer, 187,000 of us who have served in more than 139 countries since 1961, and the 7,700 who are currently serving in more than 70 nations around the world.

I have the honor and privilege of being a member of the Peace Corps alumni, having served as a volunteer in the Dominican Republic from 1966 to 1968. Peace Corps service, for me, was a life-changing experience that cemented my belief and commitment to public service. I'm certain that many of the witnesses who will tes-

tify this morning, a number of them with Peace Corps experiences of their own, share my belief that the volunteer experience has had a profound impact on our lives and our life decisions to follow, and not to mention one's world view.

Since 1961, successive generations of Peace Corps volunteers have been challenged to strive to accomplish three goals: To help others help themselves; to help others understand our country; and to help America understand others around the world. I'm convinced that today, more than ever before, the importance and necessity for Peace Corps to promote global understanding and friendship could not be greater. Bad policy choices and neglected opportunities have tarnished our Nation's reputation and weakened our alliances at a moment in history when both are critical to promoting and protecting our national interests and security.

In order to ensure that the Peace Corps is well prepared to carry out its mission in the 21st century, I believe it's vitally important, from time to time, to assess how effectively Peace Corps management and staff are recruiting, training, and serving the volunteers as they carry out the core mission of the Agency. It also means exploring ideas and suggestions for changing the way that the Peace Corps operates that will enhance the ability of volunteers to carry out the goals they charged within statute. And it means finding ways to expand the reach of the Peace Corps at home and abroad by providing additional resources and doubling the number of volunteers, to give it more firepower to do so. S. 732, The Peace Corps Volunteer Empowerment Act, which I introduced on March 1 after extensive consultation with volunteer and returned-volunteer communities, is an effort to begin that brainstorming process.

Let me mention the key provisions of this legislation:

It designates a small portion of the annual Peace Corps budget for use as seed moneys for active Peace Corps volunteers for demonstration projects on their sites.

It authorizes \$10 million in additional annual appropriations, to be distributed by Peace Corps's grants, to return to Peace Corps volunteers interested in undertaking the third-goal projects in their local communities.

It would authorize active Peace Corps volunteers to accept, under very carefully defined circumstances, private donations to support their development projects.

It would establish mechanisms for more volunteer input into the Peace Corps operations, including staffing decisions, site selection, language training, and country programs.

It would bring the Peace Corps into the digital age by establishing Web sites and e-mail links for use by volunteers in country.

It would authorize active recruitment from 185,000 returned Peace Corps volunteer—from the Peace Corps volunteer community for second tours as volunteers and as participants in third-goal activities in the United States.

It would remove certain medical, healthcare, and other impediments that discourage older individuals from becoming Peace Corps volunteers.

It would create more transparency in the medical screening and appeals process, require a report on costs associated with extending postservice health coverage from 1 month to 6 months, protect cer-

tain rights of Peace Corps volunteers with respect to termination of service and whistleblower protection, and, most important of all, include annual authorizations for fiscal year 2008–2011, consistent with the goal of doubling the number of volunteers to 15,000 by 2011.

This bill set out a very ambitious list of issues to begin to explore ways to strengthen the volunteer experience. I stress the word “begin,” because this bill is meant to be the jumping-off point for discussing how the Peace Corps can do better, not finish the line.

I am somewhat disappointed, I must say, that the testimony of our distinguished friend, the Director of the Peace Corps, does not seem to reflect that understanding. I would also have to say that I believe that no matter how well an agency or program is functioning, there should always be an open mind as to how it can be made more effective. I hope, over the course of this morning’s hearing, that is the mindset that we will all adopt.

I want to welcome and thank, of course, all of our witnesses who are here this morning: Director Ron Tschetter; former Peace Corps Director and return volunteer Mark Schneider; Peace Corps Inspector General David Kotz. I want to welcome all of you.

I would also like to offer special recognition and thanks to Chuck Ludlam and his wife, Paula Hirschhoff, who are currently on their second tour as volunteers in Senegal, and who, on their own time and expense, have come from Senegal to testify this morning. Their input into the development of this bill has been very helpful, and I look forward to hearing your testimony this morning.

With that, let me turn to my colleague, the ranking member of this committee, Senator Corker, for any opening comment you’d like to make.

**STATEMENT OF HON. BOB CORKER,
U.S. SENATOR FROM TENNESSEE**

Senator CORKER. Mr. Chairman, I’ll be somewhat more informal, but I want to say to you that it’s an honor for me to serve on this committee with you, and I certainly appreciate the background that you bring here to the Senate, having been a Peace Corps volunteer, and certainly applaud you for that, and was asking, earlier, if you think that’s what may have ended up bringing you to the U.S. Senate. My guess is, it probably had some effect. I know that, in my own life, going out to another country and offering assistance certainly inspired me and, I think, caused me to ultimately end up here in the Senate.

And I want to, certainly, welcome Mr. Tschetter, who I know is here for the same reason, certainly as a volunteer many, many years ago.

Our State has about 73 volunteers for the Peace Corps right now, one of which is Marty Landis, who I worked with as a community activist years ago, and we did a lot of great things here in our city, in Tennessee, and certainly is doing great things overseas now.

And I just want to thank you for the focus that you have brought to the Peace Corps. I know that—all of us know—it’s one of those prized organizations that has so many wonderful volunteers that seem to represent our country so well. And, while I know that Senator Dodd has brought forth some legislation—and I like the way

he characterized it, as a discussion point—I also know that there’s always a balance that needs to exist between running an organization well, management objectives, and certainly, at the same time, taking into account the many people that make the organization so great.

I actually enjoyed your testimony. I read it extensively over the last day or so, and certainly this morning. And what I liked about it was the fact that—so many of the hearings that we have here in Foreign Relations, there’s a lot of diplomacy, a lot of talk that sometimes doesn’t mean a great deal because people are being so nice to each other. You were pretty clairvoyant in some of the criticisms that you brought forth. And I actually look forward to hearing your testimony today.

My sense is that there is a tremendous respect by members of our committee for the Peace Corps. I think that we all want to do the right thing. And I think this testimony today will help us do that.

So, welcome. We look forward to your testimony.

Senator DODD. Mr. Director, thank you, welcome, nice to have you with us, be glad to receive your testimony.

**STATEMENT OF HON. RONALD A. TSCHETTER, DIRECTOR,
PEACE CORPS, WASHINGTON, DC**

Mr. TSCHETTER. Chairman Dodd, thank you for your commitment to the Agency, for your commitment to grow the Agency, to keep it relevant in the 21st century, and your dedication to the quality of the volunteer experience.

As a fellow returned volunteer, I share those goals, and I had exactly the same experience as you had. It was a life-changing experience that has certainly impacted my wife and me for the last 40 years subsequent to our service.

So, I’m pleased to be able to share with you my opinions, and I would add that this is an opportunity not only to differ with those opinions, but also to share with you the succinct perspectives that I have as the Peace Corps is moving forward.

And I’d also ask that my written statement be submitted for the record.

Senator DODD. All testimony will be included.

Mr. TSCHETTER. Thank you.

I’m pleased to report that the Peace Corps is doing very well. There are currently 7,749 volunteers serving in the 73 countries. As of September 30 of this year, we anticipate that this number could reach 8,000, which would be a 31- to a 32-year high.

In the 20 countries that I’ve been privileged to visit in the last 10 months, I can see that our volunteers are fulfilling their assignments. They are resilient, they are creative, and they are passionate about what they are doing.

This year alone, 250 volunteers have extended into a third year, the highest number of extensions in 4 years. In 2006, a new program opened in Cambodia. I was privileged and honored to be there to swear in the first group, to see their excitement, but, more importantly, to feel the warmth and the appreciation of the senior leadership of that country for the entrance of the Peace Corps.

This fall, we will reopen in Ethiopia. That's our 10th PEPFAR country. Additionally, over 20 percent of our volunteers are working in 15 predominantly Muslim countries. As we speak, we have just completed assessments in Sierra Leone and Liberia, and today, our assessment team is in Rwanda.

I would also like to add that increasing the diversity of the Peace Corps is a very high priority. Currently, 16 percent of our volunteers are from ethnic minority groups. This is an all-time high. However, we are striving to increase that percentage even further.

There are several new initiatives underway that I unveiled earlier this year, and I'd like to spend just a moment to share with you what they are.

First of all, I would like to see the number of 50-plus volunteers increased, as I believe they represent an incredible opportunity for the Peace Corps, for America, and for service around the world. All three of our regions have identified pilot posts to make recommendations to better support the needs of 50-plus volunteers.

Another initiative is to measure our successes and our quantifiable impact in the world. To this end, I recently established the Office of Strategic Information, Research, and Planning.

Finally, I believe that the Peace Corps is the gold standard of voluntarism. As I have traveled the globe—and we all know that there are many, many opportunities to volunteer around the world—I have found nothing that compares to what the Peace Corps does. And so, as we assist our interested host countries around the world in promoting voluntarism among their own people, it's a legacy that we can leave behind, as well.

From my perspective, as a returned Peace Corps volunteer, former chairman of the National Peace Corps Association, and current Peace Corps director, it's evident to me that those consulted in the bill S. 732 believe that there are parts of the Peace Corps that need fixing. I'm here to tell you that the Agency is thriving. In our recent volunteer survey, 74 percent of our volunteers reported that their service was personally rewarding, 84 percent would recommend service to others, and 95 percent said that they have been successful in helping people from other cultures better understand Americans. That is our second goal.

With that being said, I also realize that we can improve. And I do agree with you, Senator Dodd, that the initiatives in your bill are ways of improving. And I would like to encourage all of us to work together to make the Peace Corps better.

By the way, many elements of S. 732 are already underway. For example, this legislation would allow volunteers to raise funds to use seed funding for demonstration projects. This provision is against the Agency's basic philosophy of helping others help themselves. The Agency already has a proven vehicle to allow volunteers to accept funds, through our Office of Private Sector Initiatives and the Peace Corps Partnership Program.

Another point I'd like to raise is mandating that each post has a Volunteer Advisory Committee, a VAC, as we call it. As envisioned by this legislation, these VACs would make recommendations regarding post staff. At this time, volunteers unhappy with the report or conduct they receive from post staff may contact their regional director, or even the Director of the Peace Corps, to share

their concerns. On numerous occasions, VAC recommendations, along with the results of the biennial volunteer survey, which I earlier referred to, have resulted in changes at posts pertaining to personnel matters or communications issues. We do have VAC committees in place, actively, positively functioning today, and a vast majority of our volunteers are satisfied with this process. We have VAC committees in every country except one, that country being Cambodia, because of our recent entrance. In September, a VAC committee will begin functioning in that country, as well.

By mandating certain initiatives of S. 732, I think it hampers the Agency's ability to respond to changing world events and lock in funds to programs that may prove unworkable. Additionally, initial budget estimates find the legislation could cost us between \$20 and \$30 million. Let me be clear on this. If the bill, as written, was implemented, our projection is that it would be a cost the Agency between \$20 and \$30 million. Ten million dollars of this would be for covering the costs of all medical tests for applicants, alone. The Agency currently reimburses applicants for medical expenses in the area of \$1 million. Under the Peace Corps Act, it states that the Congress declares that the Agency should maintain a volunteer corps of around 10,000 volunteers. I want to uphold this declaration and increase the number of volunteers in service. As such, I genuinely appreciate and am enthused about the authorization levels that are in the bill in section 401. We do not want to see a drop in volunteers. However, mandates in the bill could force the Agency to close programs and cut volunteer numbers. These areas on which I trust we can continue to dialog.

I'm pleased to see, Chairman Dodd, your concern for the third-goal initiative. This bill would authorize the Agency to distribute up to \$10 million in grants per year for this initiative. Today, we spend about \$2 million on third-goal activities. We would welcome the discussions with the subcommittee on ways to enhance RPCV engagement once the volunteers have come back to America. This is the third goal of the Peace Corps. However, I have real concerns about the Agency becoming a grantmaking organization. We need to have extensive dialog about the "whys" and the "hows" of implementing such a program.

There is an idea that we have tossed around that I would like to share with you this morning. It's in the preliminary stages of discussion. But I am intrigued with the concept of creating the Peace Corps Foundation, a foundation structured with well-known board members, such as those from the RPCV communities, corporate leaders, those from the nonprofit sector, those from government leadership positions. The Foundation's mission could be to support third-goal activities by a raising private funds. With more corporations recognizing the value of global responsibility, this could be a marvelous tool to raise the Agency's visibility and to broaden and deepen our third-goal initiatives.

Mr. Chairman, I thank you for the opportunity to be here today, for the opportunity to testify, and I genuinely look forward to working with you and your subcommittee on all of the issues that we are so passionate about on behalf of the Peace Corps.

I am pleased to answer any questions that you may have.

[The prepared statement of Mr. Tschetter follows:]

PREPARED STATEMENT OF RONALD A. TSCHETTER

Good morning. I am pleased to join you today, and I would like to thank Chairman Dodd and Senator Corker, as well as the other members of the subcommittee, for giving me the opportunity to testify at today's hearing. Senator Dodd, it is wonderful to have a returned Peace Corps volunteer such as yourself serving in the U.S. Senate and chairing this important subcommittee. Thank you for your continued commitment to the volunteers and the growth of this agency. I know that many RPCVs and current volunteers in the Dominican Republic appreciated the videotaped message that you prepared earlier this year in honor of that nation's 45th anniversary of its Peace Corps program. It was very well received.

I would also like to thank all the members of the subcommittee for the bipartisan support they provided me during my nomination proceedings last September. As a returned Peace Corps volunteer who served in India with my wife in the 1960s, it is an honor to be the director of the Agency.

We also appreciate, Senator Dodd, your focus on strategically expanding the Agency with the desire to maintain a quality volunteer experience and increasing the number of volunteers in predominantly Muslim countries. I can verify during my recent travels that a vast majority of the 20 countries, which I visited, would welcome additional volunteers.

Before I comment on S. 732, the "Peace Corps Volunteer Empowerment Act," I am pleased to report that the Peace Corps is in great shape, and I wish to share with the subcommittee some recent agency highlights and accomplishments. I would also like to note that as director, my goal is to ensure that the Peace Corps remains an effective agency as it continues into the 21st century.

Today, there are currently 7,749 volunteers serving around the globe in 73 countries. And, as of September 30, 2007, we anticipate that this number could reach 8,000. Mr. Chairman, our volunteers are doing amazing work—critical work—and in the 20 countries I have visited thus far as Director—I can see that they are happy and are fulfilled by the constructive work they are accomplishing. In fact, this year alone we have had 250 volunteers extend into a third year so that they continue working on their projects—the highest number of extensions in four years—which reflects the satisfaction that many volunteers have found in their service.

In 2006, a new country program was opened in Cambodia and the first group of Cambodian volunteers were sworn-in in April 2007. A program in Ethiopia will be reopened in September, with a focus on HIV/AIDS, bringing the Peace Corps' involvement with the President's Emergency Plan for AIDS Relief (PEPFAR) countries up to 10. Additionally, country assessments were performed in Sierra Leone and Liberia last month, an assessment team departed for Rwanda last week, and over 20 countries are interested in having a Peace Corps program. Volunteers continue to excel in such project areas as education, health and HIV/AIDS, the environment, youth, and business development, and over 20 percent of volunteers are working in 15 predominately Muslim countries such as Morocco, Jordan, and Kazakhstan—presenting the face of America abroad. The Peace Corps and the unique programs we offer are in just as great of demand today as they were in the 1960s.

There are also several new initiatives underway at the Agency, unveiled in February of this year, that I am passionate about and would like to share with you briefly. The three initiatives are: strategic recruitment and outreach, measuring success and impact, and promoting volunteerism.

To enhance our current recruitment and outreach efforts, there are three areas I believe the Agency should focus on: 50+ outreach, organizational outreach, and returned Peace Corps volunteer (RPCV) outreach.

As I noted in my nomination hearing last year, the 50+ population represents a tremendous opportunity for the Peace Corps. I meet with older volunteers every opportunity I have during my travels, and I am always extremely impressed with the work they are doing and the lifetime of experience they offer to our host countries. In fact, during a recent trip to South Africa, I was able to meet with 18 of them. They are an energetic and passionate group and are always eager to share their views and thoughts with me.

The Europe, Mediterranean and Asia (EMA), Inter-America and Pacific (IAP), and Africa regions have each identified pilot posts, for a total of 10 pilots, to make recommendations to better support the needs of potential 50+ volunteers. Assessments have also been conducted at headquarters of our recruiting process, medical care, and language training to better accommodate prospective 50+ volunteers. As a result of these internal evaluations, many recommendations are now in the process of implementation, such as the hiring of two additional screening nurses dedicated to 50+ applicants. Currently, five percent of all volunteers are 50+, and I am committed to increase this percentage over the next few years.

We are also becoming more creative in how we work and partner with organizations. We have developed strategic partnerships throughout our history with organizations to expand our recruitment efforts—particularly among minorities—and, we are going to do more of this. We already have collaborated with many groups including AARP, Hispanic Association of Colleges and Universities, and Historically Black Colleges and Universities, among others. From relationships like this we have already seen results such as our Peace Corps Baccalaureate program, which allows those with a degree from a community college to obtain a bachelor's degree in conjunction with their Peace Corps service, and the Peace Corps Prep program that enables college students to take a specialized curriculum promoting international volunteerism.

We are continuing, as well, with our efforts to increase diversity in the Peace Corps. Since last year, we have expanded our recruiting brochures to include American Indian and Asian Americans, launched a new Spanish radio PSA, and enhanced our level of participation at conferences attended by diverse populations. New print PSAs geared toward Hispanic and African American audiences will be released shortly and we are always seeking ways to reduce barriers for service and to increase the number of diverse applications received.

Additionally, we need to ensure that the RPCV community is engaged and ready to assist us in recruitment as active alumni. I was chairman of the National Peace Corps Association (NPCA) in the 1990s, and I see many opportunities for increased involvement, like the mentoring program between returned volunteers and recently returning volunteers.

With regard to the second initiative, while all of us have an intrinsic understanding of the great value the Peace Corps brings to the world, we need to better measure our success and impact in quantifiable ways. Congress is always asking for greater accountability, and we at the Peace Corps have heard that call. To add to our current performance measures and the abundant stories of transformation—such as individuals influenced by the work and lives of Peace Corps volunteers going on to become Presidents, Ministers, and business and cultural leaders in their countries—the Agency is looking to bolster its ability to capture our impact in more measurable terms.

To this end, I recently established the Office of Strategic Information, Research and Planning to focus on the Agency's performance planning and reporting, evaluation and measurement, and data management needs. Technology will be a key tool and our new interactive database, called Magellan, will provide the Peace Corps with a global infrastructure, greater information access, and create a seamless system for the entire agency (resulting in greater connectivity between posts, recruiting offices, and headquarters). I look forward to the consistency of information that Magellan will bring the Agency, and I am pleased with the progress, the attention, and the energy this new office is bringing to this important endeavor.

Finally, regarding my third initiative, I believe the Peace Corps is the gold standard for volunteerism, and we can assist our host country partners around the world in promoting volunteerism among their own people. I created a volunteerism task force to carry forward the vision of promoting volunteerism at the community and national levels in countries in which we serve. It is actually part of our mandate in the Peace Corps Act “to encourage less developed countries or areas to establish programs under which their citizens and nationals would volunteer to serve in order to meet their needs for trained manpower.” I am enthusiastic about this renewed effort to support countries, such as Benin, and Jordan, which have recently asked for our assistance in exploring the creation of their own national service corps.

Additionally, at the community level, I want to encourage volunteers to multiply their ongoing efforts to promote volunteerism, and leave a legacy of communities organizing themselves to address local needs. Volunteerism can be an especially powerful agent of change amongst youth, and in most of the countries where we serve; over 50 percent of the population is under 25. What better legacy for the Peace Corps to leave behind than helping countries and communities work to address their own challenges?

With regard to S. 732, I would like to thank the Chairman for his clear and continued interest in the Peace Corps and for his desire, one I also share, to keep the Peace Corps relevant in the 21st century. The bill would authorize the Peace Corps for fiscal years 2008 through 2011 and provide a variety of new initiatives, reports, and modifications to the Peace Corps Act. And, while I appreciate efforts to evaluate and improve the Agency, something I am always striving to do as the director, I am also committed to maintaining the Agency's flexibility to adjust to changing dynamics in the world without losing the passion President Kennedy envisioned when he founded the Peace Corps 46 years ago.

I have not been in Washington that long. But, I have been here long enough to know that when this committee asks for testimony on legislation you would like to get straight answers. I am here to provide you with my frank assessment of this bill.

From my perspective as an RPCV, the former chairman of the NPCA, and the current director of the Peace Corps, it is evident to me, after a thorough analysis of this bill, that those consulted in its drafting believe that certain parts of the Peace Corps are broken. Well, I am here to tell you that the Peace Corps is actually thriving. In fact, in our recent volunteer survey 74 percent of volunteers reported that their service was personally rewarding, 84 percent would recommend Peace Corps service to others, and 95 percent said that they have been personally successful in meeting the second goal of the Peace Corps of helping people from other cultures better understand Americans. Moreover, the Peace Corps is a relevant and vital agency with a strong sense of purpose and one blessed with a dedicated and energetic staff, many of whom are RPCVs. With that being said, I also realize that we can do better, and the initiatives that I have just outlined for you are intended to provide for an improved and more vital Peace Corps. As I strive, along with my staff, to build upon the past successes of the Agency, I welcome and embrace constructive efforts that would contribute to an improved Peace Corps.

Quite frankly, I do not believe that S. 732, with its constrictive provisions, would contribute to an improved Peace Corps, and let me explain to you why I believe that: While the legislation may have laudable intentions, many aspects of the bill would: 1) create unforeseen administrative burdens and consequences; 2) raise significant safety and security concerns; and 3) would be costly for the Peace Corps to implement.

By mandating certain programs and initiatives, such as the development of 20 new sectors in 20 countries, it will hamper the agility of the Agency to respond to changing circumstances or events, and lock-in funds to programs that may prove unworkable. In effect, this legislation would likely force the Agency to close programs, reduce the number of volunteers, and be locked in to initiatives without a proven track record. The Agency estimates that the Peace Corps would see total volunteers on board drop to approximately 6,000 in FY 2008, back to FY 1999 levels, and approximately 7,400 in FY 2009. Volunteer numbers would only begin to increase again in FY 2010, provided that full funding was received.

Take for example, our work in HIV/AIDS. In the late 1980s, the pandemic of HIV/AIDS was just beginning to surface. Because of the flexibility in programming that presently exists within the Peace Corps Act, the Agency was able to adjust its focus, work with host countries, and meet the challenge of the pandemic head on. Now 90 percent of all Peace Corps posts are involved in HIV/AIDS activities and in FY 2006, volunteers provided assistance to one million individuals, over 84,000 HIV/AIDS service providers, and 3,800 organizations. Had the Peace Corps been locked into statutory mandates, the likelihood of the Agency achieving this impact, at this magnitude, would have been lost.

This bill also raises safety and security concerns. The Agency's number one priority is maintaining the safety of our volunteers, and we have undergone a tremendous number of changes in this post 9/11 world to ensure that they are as safe as they can possibly be. As such, I do not believe the bill, as currently written, is in the best interests of the Peace Corps and its volunteers, particularly in pushing volunteers to become fundraisers or grant makers.

With regard to costs, initial budget estimates find that the legislation could cost the Peace Corps between \$20 and \$30 million to implement. As the committee may be aware, since FY 2003, the Peace Corps has not received the President's full budget request for the Agency. And, increases for the past two years have been relatively flat. While the FY 2008 House mark has met the President's request, the Senate Appropriations Committee mark is \$10 million below the President's request. Therefore, even if the Agency were to be authorized at the levels provided in S. 732, there is no guarantee that it would be appropriated such amounts in future years.

Additionally, the President's FY 08 request of \$333.5 million would simply allow the Peace Corps to maintain its current number of volunteers in the field and perhaps open one new program. It would not enable the Agency to accommodate any projects or programs of the legislation's magnitude.

I would now like to make the committee aware that there are many elements of the "Peace Corps Volunteer Empowerment Act," that are already underway at the Agency.

1. The first point I would like to raise is that this legislation would mandate that each post have a Volunteer Advisory Committee (VAC). As envisioned by the legislation, these VACs would make recommendations regarding post staff,

which post would be required to take into consideration. At this time, volunteers unhappy with the support they receive from post staff may contact the Regional Director, or even the Director of the Peace Corps, to share their concerns. On numerous occasions, VAC recommendations—along the results of the biennial volunteer survey—have resulted in changes at post pertaining to personnel matters or communications issues. The current VAC system is working and a vast majority of volunteers are satisfied with the process.

To mandate a VAC each post would also trigger the application of the Federal Advisory Committee Act (FACA) and could reduce the effectiveness of post staff in implementing rules that, for example, may not be liked by volunteers but are necessary for their safety and security. Furthermore, the VACs established by volunteers at posts are already working, and are extremely active and vocal with their views. I always make an effort to meet with the country VACs during my travels and carefully listen to their perspectives. To date, I have met with at least a half dozen VACs and each time I have appreciated their insights and suggestions. Headquarters staff also speak with VAC members, and often listen to them before making decisions on whether or not to extend Country Directors or other host country staff.

2. The bill would also mandate that the Agency provide full reimbursement for all medical tests it requires of an applicant. The reimbursement of all medical tests could cost the Agency upwards of \$10 million, vs. under \$1 million the Agency is currently spending. In addition to the standardized tests required of all applicants based on gender and age, if an applicant indicates that they have had medical problems in a particular area then this can often lead to additional tests. Such tests are required to ensure an applicant's suitability to the often extreme conditions a volunteer may incur, and for their own safety should they be chosen to serve as a Peace Corps volunteer.

While we certainly want to help cut down the cost of medical tests for applicants, and do provide a reimbursement based on age and gender, (the Agency now pays between \$125 to \$290 for physical exams and lab work and up to \$72 for dental and eye examinations) the focus of our limited budget dollars needs to be designated to the support of our volunteers in the field.

With regard to the publication of the Peace Corps' medical screening guidelines on its website, and a listing of countries available to accept volunteers with certain medical conditions, among other medical process details, this would unfortunately lead to confusion for applicants as the countries that can accommodate different volunteer health situations frequently change. Additionally, each applicant's health is assessed individually as diseases and ailments can have varying affects on different people. One person with asthma, for example, might be capable of serving but another may not due to the severity of their case. We do, however, post on the Peace Corps website a list of typical ailments that are difficult to accommodate as a reference for applicants.

A comprehensive review by the Peace Corps' inspector general is currently underway to evaluate the (a) medical screening aspects of the volunteer delivery system—the Agency's mechanism for bringing volunteers in the door, (b) the transparency, information and communication, efficiency, timeliness, and the cost of the medical screening process—particularly as they relate to older applicants, and (c) to review impediments in the process—including those relating to medical and health care costs. I look forward to reviewing the final report, as I am serious about addressing these issues. However, it may be premature to mandate any legislative changes until the Office of the Inspector General has had the opportunity to finish its research and issue its findings.

3. The legislation mandates that the Director shall set a goal of doubling by December 31, 2009, the number of volunteers with at least five years of relevant work experience serving in the Peace Corps. As I mentioned earlier, I have already launched an initiative to recruit older volunteers that would presumably have such work experience, and those efforts are currently being implemented.

However, with that being said, it should be noted that younger volunteers with presumably "less work experience" are the Agency's main staple, and it is through their eagerness to serve their communities, that the Peace Corps is what it is today. Many of us were those inexperienced volunteers many years ago, and are proud of our volunteer service and contribution. I want to make sure that having the opportunity to be a Peace Corps volunteer is available to everyone interested and eligible to serve.

4. The legislation would mandate better promotion of electronic communication among volunteers, such as password protected websites & e-mail links that they can use to discuss development strategies, funding sources, etc. The Agen-

cy is already in the process of making the Peace Corps digitally streamlined for the 21st century. There are several projects underway. These include a pilot program to enable each post to have its own website and an online program called "PeaceWiki," which will allow volunteers to share their best practices with other volunteers around the world.

5. This legislation would allow volunteers to either raise funds or use seed funding for demonstration projects. This component of the bill really shifts one of the main tenants of volunteer service from coming along side a community and providing the impetus for developing their own funding sources to being viewed as a source of cash. According to one, seasoned country director, "I have never worked in a country where a volunteer couldn't help a local community come up with money if the volunteer and local community were sufficiently enterprising. Once a volunteer and local community or organizations come up with local funding, two fundamental lessons are learned: that money could be found and that the process whereby money can be found becomes known." In other words, sustainable development skills are transferred and something is left behind when the volunteer is no longer there.

Additionally, the Peace Corps already has a proven vehicle to allow volunteers to accept funds for specific projects through the Office of Private Sector Initiatives (OPSI) and its Peace Corps Partnership Program (PCPP).

In FY 2006, the PCPP received over \$1.4 million worth of donations supporting 435 volunteer projects and representing 50 different countries. The projects in FY 2006 ranged in size from \$62 to over \$24,000. A new Director of OPSI has been hired, and is in the process of streamlining the PCPP process reflecting recent recommendations from the field. The Agency has taken these recommendations seriously, and consequently, has taken action to reorganize. We are looking forward to increasing the value of this resource to our volunteers.

Additionally, raising funds outside of PCPP increases legal problems, accountability concerns, safety and security issues for volunteers, and is opposed by nearly every Peace Corps Country director we have spoken to. One of a Peace Corps volunteer's main objectives is to integrate into a community and work among its host country citizens at the grassroots level. They are not encouraged to give out money or be seen as a constant source of funds; nor are they allowed to sell personal items for cash. Allowing volunteers to either raise funds or use seed funding for demonstration projects diminishes their primary objectives.

This provision goes against the Agency's basic philosophy of helping others to help themselves. The Peace Corps has never been a funding institution and plays a unique role in the world of development that should be maintained. Volunteers should not be requested by host countries or placed in a particular community for their ability to bring money to the table.

6. This bill would allow volunteers to write articles for publication without their Country Director's approval (unless it pertained to the Peace Corps program or the country, specifically). At this time, volunteers/trainees may write articles for publication; however these should be discussed in advance with the country director. Publication of material contrary to the advice of the Country Director that subsequently results in adverse consequences for the volunteer/trainee or the Peace Corps program may be grounds for administrative separation. Often seemingly benign comments made about the society, food, customs, or local community in which a volunteer might serve could have an adverse reaction and affect the reputation of the Peace Corps in the country, or could even impact the safety and security of volunteers.

I would doubt that many Senators would allow members of their staff to publish material without prior approval. For even though that staff member may not be writing on policy issues, staff members are always a reflection on the Senator—whether on the clock or not. The same applies for a Peace Corps volunteer.

Finally, a volunteer should not be placed in a position where they are forced to make a decision on whether or not a matter may have an effect on Peace Corps programs or policies, and therefore, whether it requires prior approval.

I would now like to discuss a few of the bill's components which could cause unforeseen consequences for the Peace Corps.

Section 104 calls for the creation of at least 20 new sector-specific programs in 20 different countries for those of "substantial work experience." Such a mandate would be a heavy burden for programming and management staff. It would also dilute the effectiveness of existing programs within host countries and may force post

staff to spend an inordinate amount of time on creating new sectors that may or may not be effective. It is also very unclear what would connote "substantial work experience" and how the Agency would define it without creating legal challenges in the recruitment process.

As President Kennedy declared, we will continue to only send abroad Americans who are wanted by the host country, who have a real job to do, and who are qualified to do that job. Programs have been, and should continue to be, developed with care and after full negotiation with the host government to ensure that the Peace Corps' efforts are assisting those in need. We should not arbitrarily develop 20 new project-area programs and insist that a host country work with us to accept additional projects if these programs are not something they want or need. We can't be effective without host country "buy-in."

Furthermore, the Peace Corps' six main program sectors (education, health and HIV/AIDS, business development, environment, youth, and agriculture) are not narrowly defined. There are currently already many opportunities for volunteers to work on projects that are requested by the host country that may loosely fall into one of the above categories. Some examples include, but are not limited to, deaf education in Kenya and ecotourism in the Dominican Republic.

Under Section 306 of the bill, volunteers can only be administratively separated for specific conduct violations found in Peace Corps Manual Section 204. By mandating this section in statute, this eliminates the possibility of administrative separation for, among other things, lying on the application, poor performance, and other factors, which could hinder the ability of post to manage a program or cause safety and security issues. An example of a safety and security issue, not covered in MS 204, is that volunteers can currently be administratively separated for leaving their site without first notifying the country director. For example, a country director must know where volunteers are in case of evacuation, civil strife, or natural disasters.

This bill would also authorize the Agency to distribute up to \$10 million in grants per year for RPCVs to carry out third goal activities. The Agency supports third goal activities and is open to discussing with the Subcommittee ways to enhance RPCV engagement. In FY 2007, the Peace Corps expects to spend just over \$2 million on third goal activities, such as the Paul D. Coverdell World Wise Schools Program, University Programs, Returned Volunteer Services, and Peace Corps Week activities. New projects include the launch of a Web-based pilot program in 2006 with audio and visual pod casts by Peace Corps volunteers and narrated slide shows. The response has been tremendous. The Agency's ability, however, to administer a grant program comes with a great deal of regulation and oversight. Additionally, a whole new division would have to be created within the Agency which would require additional resources and staff. The Agency is not a grant making organization and is not, nor should be, in the grant making business.

Finally, I would like to note that the Peace Corps takes volunteer feedback very seriously. Every two years, the Peace Corps conducts a survey of its volunteers to obtain a comprehensive picture of the Agency's operations and performance and a better understanding of volunteers' personal experiences. The survey covers such topics as training, work assignments, safety and security, life at post, third goal activities, and overall Peace Corps service. It is a very effective and valuable rating tool.

In 2006, 75 percent of volunteers currently in service completed the survey representing 4,482 participants. Volunteers are not shy and offer valuable insights in the surveys. It is through these surveys that the Peace Corps measures its effectiveness and makes adjustments to its operations. In addition, volunteers are also given a Close of Service survey when they leave post, which provides another opportunity for direct feedback. Volunteers are welcome to provide their thoughts and concerns to Country Directors and other staff at any time. A 50+ survey was also recently conducted, and the Agency continues to study its results to see how older volunteers currently rate their time in the Peace Corps and what can be done to improve their experience.

In conclusion, I would like to reiterate and re-emphasize that many aspects of S. 732 would be costly for the Peace Corps to implement; create unforeseen administrative burdens and consequences; and raise significant safety and security concerns. Moreover, other aspects of the legislation are unnecessary because they are already being implemented, and still others could be accomplished administratively-without legislation.

Furthermore, as stated earlier, it will hamper the agility of the Agency to respond to changing circumstances or events, such as we saw with the fall of the Soviet Union in the early 1990s or the growing HIV/AIDS pandemic, and lock-in funds to programs that may prove unworkable and could force the Agency to close pro-

grams and reduce the number of volunteers. In fact, the Agency estimates that the Peace Corps would see the total volunteers drop to approximately 6,000 in FY 2008, way back to FY 1999 levels, and approximately 7,400 in FY 2009, under the proposed authorization levels in the legislation. Volunteer numbers would only begin to increase again in FY 2010, provided that full funding was received. As Director, I want to see the number of volunteers serving overseas increase, not decrease. I believe the Committee wants that also.

The Peace Corps is a resourceful federal agency and whenever Members of Congress travel overseas, we receive nothing but praise for the great work our volunteers are doing in the field. They see the return on their investment and that the Agency is truly the “best bang for the buck.” Majority Leader Harry Reid recently noted after returning from a CODEL that instead of the current 7,000 volunteers we have in the field, that there should be 70,000.

Thank you again for allowing me the opportunity to testify on behalf of the Agency. Let me close by saying that the two years my wife Nancy and I spent in India as health volunteers had a tremendously positive impact on our lives and, for that, I am forever indebted to the Peace Corps. Those two years changed our lives and values significantly. Now, as Director of the Agency, I wake up every day committed to the goal of ensuring that future generations of Americans will have the opportunity to experience what Nancy and I experienced.

My promise to you is to work as hard as I possibly can to support our volunteers, to strengthen the systems and programs of the Agency, and to ensure that the Agency’s presence remains a benefit to the United States and to countries around the world—all while protecting its original mission and goals. I know that there are many returned Peace Corps volunteers who share my passion for the Agency, and I ask you to join with me in guiding the Peace Corps forward. There is much to be accomplished, and I am confident we can be successful if we work together in constructive engagement.

As we strive to ensure a better future for the Peace Corps, while continuing to adapt to the 21st century, we must remain true to the principles that President Kennedy and Sargent Shriver established more than four decades ago.

I am pleased to answer any questions and address any issues or concerns the committee may have.

Senator DODD. Thank you very much. Thank you, again, for your testimony. We appreciate your being here.

What I’m going to do is ask the clerk to put us on about 10 minutes, here, being as there are just the two of us here right now. Others may come, and this way we can move along.

But I thank you for your testimony. And any supporting documents. As I said, any of our witnesses here this morning, your full testimony and supporting documents will be included in the record.

Mr. Tschetter, let me, if I can, just get through a couple of matters before getting to the substance of the bill, that I’d be remiss if I didn’t bring up here this morning to you, since they’ve been current events that have occurred with the Peace Corps. In at least one instance recently, the Peace Corps—the United States Ambassador clearly, in my view, had not read the Peace Corps statute governing the Peace Corps, what makes clear that the organization is not part of the State Department, while, I’ll quickly add, it must act in a way consistent with U.S. foreign policy goals and objectives. But the day-to-day management of the Peace Corps programs in the field are the responsibility of the Peace Corps.

Would you share with us what you’re doing to ensure that the Peace Corps independence is respected? You, of course, are familiar with the case I’m talking about here. We recently went through here. And I’m glad that it finally worked out where there was a letter directly sent to the Peace Corps director that I’m referring to here. But would you mind just sharing with us your views on that kind of a matter here, and what you understand those statutes to mean? And, again, I don’t expect you to have to get in the weeds

in the particular case, but on—specifically on this importance of the independence of the Peace Corps from our State Department, not to digress, of course, from the foreign policy goals.

Mr. TSCHETTER. Right. Thank you for that question. And the Peace Corps is in a unique position worldwide, as we serve at the grassroots level. We are not foreign policymakers. We ask our volunteers to not get involved in foreign policy situations, discussions or issues, in whichever country we may be serving in. We enjoy the relationship we have with the State Department, and particularly with our Embassies around the globe. And our Ambassadors, for the most part, are extremely supportive of the activities that the Peace Corps perform in the various countries that we're serving in. And I have endless dialog with Ambassadors and am grateful for their deep appreciation of our work. Our Ambassadors understand the difference between the role of a Peace Corps volunteer versus what they may do through the Embassy relative to their relationships in foreign diplomacy.

We protect, passionately, the separation of the role of the Peace Corps in the countries we serve in, versus the foreign policy initiative of the countries that we may be in. And, as per the regulation, and as per the Peace Corps Act, we are separate. We keep separate office space. We don't office on Embassy compounds. We really operate autonomously. And that keeps us in a unique position in the country. And, ultimately, as we're fulfilling goal two—goal one and goal two in the countries we're serving in, we are working at the grassroots level, living at the level of the people, and becoming integrated members of those communities. We do this by living there. We do this by learning the language. We do this by serving the tasks that we're assigned to do. But then, also we encourage our volunteers to look around their communities, see other needs, and have a secondary project, a tertiary project, whatever it may be. And most of our volunteers are doing a number of initiatives in addition to the actual task that they've been sent over to do, just like probably you and I did when we were volunteers.

So, our position is to maintain that autonomy, but also cooperate and work as closely as possible with our Embassy people, because we believe that they represent America, as well. And it works very, very well. And rarely, but we have had a few issues pertaining to that, as you alluded to, but we were able to work through them, and I think we're moving forward amicably in that situation, as well.

Senator DODD. Are you satisfied that the State Department understands their role, vis-a-vis Peace Corps country directors?

Mr. TSCHETTER. Yes, I am satisfied with that. As a matter of fact, I have personally had conversations with Secretary Rice, and she has actually sent a new cable out, within the last 60 days now, articulating that to her entire Embassy team around the globe.

Senator DODD. And the person involved is, I gather, satisfied with the letters that have gone back, in terms of her own career?

Mr. TSCHETTER. Yes. Everything is moving forward positively in that realm.

Senator DODD. I hope you'll keep us informed if there's any change in that policy or any other examples that come up. I'd like

to know about them before they become a news story, if at all possible, so that we can have a possibility of stepping in earlier.

Mr. TSCHETTER. Right. Thank you. And we will absolutely do that.

Senator DODD. I appreciate that.

The Washington Post reported, yesterday, that, following the 2002 congressional elections, the White House conducted what it called political briefings for political appointees, including Ambassadors and Peace Corps personnel. In your June 15 letter to Senator Biden, you confirmed that on March 6, 2003, a political briefing took place at the Peace Corps, and it was approved by, "former senior officials." You also state that, "it was not run through the Office of the General Counsel for approval." I'm quoting from your letter, in both those lines there. I want to know who, specifically, approved the political briefing. Was it the Peace Corps director, the chief of staff? Did either of these individuals attend the briefings? At what time was there guidance available from the Office of the General Counsel as it relates to political activities and the Hatch Act requirements? Was the general counsel aware of the briefing at the time? And did he attend?

Mr. TSCHETTER. OK. I am aware of the situation. Obviously, that was before my time. And, when the letter was received from Senator Biden. I've asked my chief of staff and other staffer members to research it. There is no list of who attended. I've asked for that, and no roster was kept or anything of that nature. This was an informational meeting, a courtesy meeting that was held voluntarily for whomever wanted to attend. Most of them were the people that were appointed politically to roles at the Peace Corps.

Senator DODD. Was the general counsel aware of this?

Mr. TSCHETTER. You know, I don't know.

Senator DODD. Has that question been asked of him?

Mr. TSCHETTER. That question has not been asked of me.

Senator DODD. Well, I'll ask it of you to ask it of your general counsel.

Mr. TSCHETTER. Excuse me?

Senator DODD. I'd like to know if the general counsel was aware of that meeting.

Mr. TSCHETTER. Yes, he was aware—I believe he was aware of the meeting, yes.

Senator DODD. Did he approve of it?

Mr. TSCHETTER. I don't know. I was not there at the time, as you—

Senator DODD. Did the director participate in the meeting at the time?

Mr. TSCHETTER. I believe that the director did participate in the meeting, yes.

Senator DODD. And the chief of staff?

Mr. TSCHETTER. I don't know about that one.

Senator DODD. Did anyone go out and ask who attended?

Mr. TSCHETTER. Yes, I have asked who attended, but the answer has been, "We don't have a list."

There was no roster kept or anything of—

Senator DODD. No one's been forthcoming to say, "Well, I was at the meeting?"

Mr. TSCHETTER. Well—yes, I—a couple of people have told me that they were at the meeting.

Senator DODD. Who else was at the meeting?

Mr. TSCHETTER. The director's executive assistant, I've talked with her, and she was at the meeting. I know that. And there were approximately—maybe 15 people that attended the meeting.

Senator DODD. From Peace Corps personnel.

Mr. TSCHETTER. From Peace Corps personnel, that's correct.

Senator DODD. Yes. Do you think this is an appropriate use of Peace Corps personnel, a meeting like that?

Mr. TSCHETTER. Well, it was a voluntary and courtesy meeting. It was not a required meeting. And it was just informational in nature.

Senator DODD. Did it occur on the Peace Corps property? Was it in the Peace Corps building, this meeting occurred?

Mr. TSCHETTER. It was held in the Peace Corps building, that's correct.

Senator DODD. But what is your views, generally, about the idea of a political meeting in the Peace Corps?

Mr. TSCHETTER. My view would be that I would not condone that, personally.

Senator DODD. Would you tolerate that from occurring?

Mr. TSCHETTER. I would not encourage that to take place, no.

Senator DODD. No?

Mr. TSCHETTER. No.

Senator DODD. Well, I'm troubled by it. I mean, this is—you know, we talked earlier about the State Department and the Peace Corps. That's one separate matter. But, in my experience, and I want to be careful here because I don't know every circumstance that's happened, but the idea that Peace Corps—the Peace Corps director, the senior people at the Peace Corps, would be involved in a political briefing prior to congressional elections is something that we've never, never tolerated in the past. Now, maybe it's occurred. And if it has, I'd like to know about it. But I'm not aware of any other circumstance, over the years, that that's happened. And I'm pleased with your response here this morning regarding it, and I think all of us, regardless of political persuasion up here, this is just not an appropriate activity to the Peace Corps. We've tried, over the years, for 40 years, to maintain the reputation—

Mr. TSCHETTER. Right.

Senator DODD [continuing]. —of this organization. And every—almost every administration, without exception, has really made an effort to do that. And, at this particular juncture, to watch this administration move us in a different direction, I'm deeply, deeply troubled by it, and would hope that there may be some directive from you to Peace Corps staff and others admonishing anyone from engaging in political activities like this, particularly on Peace Corps property. The reputation of this institution suffers when that happens. We have a reputation, and we've built a good one over the years.

Mr. TSCHETTER. Yes.

Senator DODD. And to have it soiled because people want to turn it into a political operation is something I'm not going to tolerate at all. And I'll call for heads if people are involved in that thing

are still there, and are involved in these things. They should know better than this, than to engage in that kind of activity.

Mr. TSCHETTER. Thank you. And I concur with your opinion that this should not have happened. And I would not condone it, as I said, and I will look into the possibility, through the advice of my general counsel, as to a directive that would be appropriate, at this time.

Senator DODD. Well, thank you for that. Why don't you prepare a letter for Senator Biden, if you haven't already, or to me, and Senator Corker, just expressing those views, so we have something on file regarding that. It would be helpful.

Mr. TSCHETTER. Okay.

Senator DODD. And I'd like to know if there are people at the Peace Corps today who were involved in that meeting, because I'd like to know who they were. I'd like some explanation from them as to why they attended.

Mr. TSCHETTER. We will. Let me work on that.

Senator DODD. All right.

Mr. TSCHETTER. We'll get back to you.

[The information referred to above follows:]

Response from Mr. Tschetter:

As noted in my June 15th letter to Chairman Biden (copy attached), no record was kept of the political appointees who attended the briefing. On July 18, the Peace Corps received a request from the Office of Special Counsel (OSC) regarding this matter. We are fully cooperating with their inquiry at this time and would direct any further questions to OSC.

Let me just ask one additional question here, and then——

Mr. TSCHETTER. Sure.

Senator DODD [continuing]. ——turn to my colleague.

I sat there in the Chamber of the House, for the State of the Union message, back in 2002, and you can only imagine the sense of pride to hear the President get up and talk about wanting to double the size of the Peace Corps. Now, we've heard this in the past. Well, that's now 5 years ago. And, where it's 7,000—we were at 6,600, roughly, in those days, and so, we're pretty short, with about 18 months to go before the end of this administration. Can you share with us whether or not the President still continues to hold the view of doubling the size? Although, obviously, that's going to be impossible, given the time that remains here. And, if he still does, can you give us some indication of what's happened here in the midst of all of this, as to why we haven't gotten to that 14 or 15,000 level we were talking about 5 years ago?

Mr. TSCHETTER. Thank you. First of all, I vividly remember that address. Although I was not a part of the administration, I certainly cheered when I heard of the goal. And I would fully support it. We're not going to make it, however, as you mentioned. We have about 18 months, and it's going to be far from double.

As I see it, the major encumbrance to the doubling of the Peace Corps has been a budgetary issue. We have plenty of opportunities to serve. As I mentioned earlier, I've had the opportunity to visit 20 Peace Corps countries in the last several months, and in almost every country, as I meet with the heads of the state or with other officials from the ministry, the request is made for more. And so, when I just look at the infrastructure of the countries where we are

serving, in the 73 countries we're serving in, I see that we could significantly add more volunteers.

Additionally, we have several requests for Peace Corps programs from new countries, approximately 20 countries with requests in right now. We're doing three assessments, as we speak, as I mentioned to you. I'm hopeful that we can enter all three of these countries, assuming they pass the various assessment criteria. The major one of which is safety and security. And as I consider the 20 requests that have come through the Peace Corps, many of those would not pass the safety and security, but many would.

So, my point is, there are plenty of opportunities for us to grow the Peace Corps.

Furthermore, on the supply side, our recruitment efforts have been stellar, and we've had significant growth in recruitment activity. We accept about one in three applicants today. So, I see potential for growth on that side, as well.

And, in addition to that, as I mentioned earlier, I've launched an initiative to attract more of the baby-boomer generation, the 50-plus generation, into the Peace Corps, and I see tremendous potential for service and impact there, as well. So, the growth potential is there, both from the supply side as well as the needs from countries around the globe. Therefore, it becomes a budgetary matter. And only two times in the last decade has the Peace Corps received the full funding request that has gone to the Hill. Therefore, therein lies probably our largest challenge.

Even today, as we sit here, the President's request was \$333.5 million, up from \$319 million. And the House has—House has recommended that the request be fully funded. The Senate's preliminary appropriations work has cut that amount from \$333 to \$323.5 million. That's a massive cut that would impact us significantly. We would be able to maintain what we're doing now, much less add to it, if we don't receive more than the \$323 million.

So, I am so pleased with the thoughts you have with regard to the Peace Corps's growth over the next 5 years, and if we can begin to advance that initiative, from a budgetary standpoint, I believe that we can grow the Peace Corps significantly.

Senator DODD. If our recruiting is going pretty well, why are you projecting a decline, actually, in volunteers in 2008?

Mr. TSCHETTER. In 2008, with the appropriation of \$323 million, we probably would not be able to grow.

Senator DODD. If I'm not mistaken, I think that number was rejected at the administration's request, not at the Senate's appropriations mark. They talked about a decline in, actually, the number of volunteers in 2008.

Mr. TSCHETTER. Well, the other part of that is, if the bill, as proposed, was signed into law, we would have to make a number of adjustments.

Senator DODD. Even from the administration's standpoint, now, at their request.

Mr. TSCHETTER. No. No, the administration's request was \$333.5 million—

Senator DODD. Right.

Mr. TSCHETTER [continuing]. Which is what the House Appropriations Committee has recommended, and now the Senate Appro-

priations has recommended \$323.5 million—\$10 million below the administration request. The \$333.5 million would give us the ability to slightly grow the Peace Corps and to add one, possibly two, new countries.

Senator DODD. Yes.

Mr. TSCHETTER. The \$333.5 million. With \$323.5 million, we could not do that.

Senator DODD. Yes. Well, I'll come back to this in a minute, here. Obviously, looking at the various numbers show a decline, even at that. And I gather it's based on the request. And I presume the request, because you go through the budget— in actuality, your number projects a drop of—

Mr. TSCHETTER. A slight decline, that's correct.

Senator DODD. Yes.

Mr. TSCHETTER. Yes.

Senator DODD. OK.

Senator Corker.

Senator CORKER. Thank you, Mr. Chairman.

And obviously, Ms. Tschetter, you're here during a period of time where the issue of the day is—has been a little bit of involvement, if you will, in some of our foreign policy areas. And I just want to say that I, too, would want to know if there's any involvement in that regard, and I do hope you'll send a letter regarding what may have occurred and what your position regarding that is. I think all of us want to make sure that the Peace Corps is the gold standard as it relates to being very nonpartisan, and, certainly, acting appropriately.

Let me talk to you. This—I actually really appreciate our chairman putting forth this bill, and I appreciate the way you've responded so directly. And, as I look at the components of the bill, it looks like it had a great deal of volunteer input from individuals. And now I look at your response, and obviously it's a response that would come from management. And, again, I really appreciate how direct you were in that response.

I guess I'd like to begin with—is there some dynamic that exists right now within the Peace Corps organization between volunteers and management that is an issue? Is there some rub there that you'd like to cause us to be illuminated by explanation?

Mr. TSCHETTER. Well, certainly not that I'm aware of, nor that I've encountered or observed as I've had the opportunity to travel to various Peace Corps countries. In most of the countries that I've visited, I actually meet with the VAC committees, as many as possible, to find out matters such as that. Issues that, you know, sitting in Washington, we aren't aware of. And I have not encountered that. Our VAC process works very well. The volunteers feel like they have open opportunity to dialog with the country director, with country staff, with the regional director, and all the way up to my office. I have received e-mails from volunteers, and we do respond to those gratuitously and as rapidly as possible. So, I really don't see any issues of major matter at all.

Now, we have 73 countries, and each country director is fully responsible for all operations of the Peace Corps in that country. I can't tell you that there isn't a country director somewhere that might have issue. Actually, I can think of one example, where, from

VAC feedback, we became concerned about a country director's style and approach. We researched it thoroughly, and we did not give that country director a second term—called a second tour—because of his style and the impact that we felt was negative in terms of supporting the volunteers in that particular country. So, we have responded, and will respond, to situations such as that. That's normal, typical of the management challenges that come before most of us in various ways.

So, there are really no major rubs that I know of at all. The one message I try to deliver consistently as I travel and as I meet with staff in Washington is: This is really all about the volunteer, and they are our client, and let's make sure that we are supporting them in every way possible.

Senator CORKER. Now, speaking along those lines, we—I know that Senator Dodd asked something about financial support, and I know there's a \$10 million difference, I guess, between what the President asked for and what currently looks like it's going to be appropriated. Explain the relationship, if you will, between those moneys and how it directly affects the number of volunteers, if you will, you're able to put in place, how the volunteer's supported, and talk a little bit about the direct relationship there.

Mr. TSCHETTER. Well, in the 73 countries we're in, every country requires a certain infrastructure of support and staffing. Whether there are 100 or 120 volunteers oftentimes doesn't have a major, major economic impact. And so, I've asked our financial staff, "What does \$10 million mean to the agency?" The response is with an additional \$10 million, the Peace Corps can add something in the neighborhood of 150 to 200 volunteers and open at least one new country with that amount of money. So, that kind of puts in perspective the relevancy of how \$10 million impacts the Peace Corps.

You know, we have a small budget, and we do an amazing amount of work with that money, and having a tremendous impact around the globe, with almost 8,000 volunteers serving in the countries that we're in.

Senator CORKER. It looks to me that the bill itself, again, was put forth, I know, for discussion and to try to strengthen the Peace Corps, but looks like the bill, in many ways, codifies things that may otherwise be, sort of, management types of issues. And one of the things that I've seen a great deal of, more than any of us, I think, would like to see within much of what we do in foreign relations and this type of work, is tremendous bureaucracies and hands being tied and inabilities to do things. And it looks like your major criticism of this bill, as drafted, is that, in many ways, it does even more of that than already exists. And I wonder if you would expand a little bit on that.

Mr. TSCHETTER. Well, as I mentioned in my brief opening remarks, there are a number of initiatives in the bill that the agency is already involved in and is already doing. You know, that we have VAC committees, we have the Peace Corps Partnership Program, which gives access to funds in a controlled and managed way. And I think that's really important, because, we are not a funding agency, we are a grassroots agency serving the people at the local level, building those relationships and understandings,

and leaving behind a better environment, whether it's in a classroom or in a health initiative or in an agricultural initiative or an HIV/AIDS educational initiative, which, as you know, are some of the major programs that we're involved in.

So, to open up the funding to a point where we become viewed as a funding agency really changes a lot of the dynamics of what the Peace Corps is all about and what the Peace Corps is really supposed to be accomplishing in the countries we serve.

So, in my opinion is that we have a mechanism in place—by the way, my opinion is also that we have not leveraged that mechanism to the maximum, that there is more potential in the Peace Corps Partnership Program yet to be expanded on. And, as a consequence of that, matter of fact, within the last few weeks I have installed new leadership to take us to new levels of progress and success there, as an example.

Senator CORKER. On the funding piece, give us a vivid example, if you will, of—if the funding mechanism that's been contemplated in this bill were in place, and volunteers were able to do some of things it contemplates, give us a—sort of, an example of the type of management issue or, let me say, divergence from the Peace Corps mission that might create.

Mr. TSCHETTER. Yes. Well, I guess, as proposed, it would be a grantmaking initiative, and that takes a whole different kind of expertise, and we'd have to set up a separate department to manage—

Senator CORKER. Let me just—I'm not clear about—is it grantmaking or is it volunteers raising money to do specific projects in areas that they're working on, that they'd like to see done that, otherwise, they wouldn't have the resources to do?

Mr. TSCHETTER. They can do that today through the Peace Corps Partnership Program. Currently, we have on our Web site 80 requests from Peace Corps volunteers in the field for moneys for various projects. We're actually in the process of fulfilling over 300 requests right now. So, there's a lot of activity. Last year, we fulfilled 435 requests, and the total amount that was handed out, if you will, that was raised, was \$1.4 million. This money came in from the private sector—primarily from individual donations that were then doled out to the volunteers, as per their requests.

I'll give you an example of one that I observed. I was in Swaziland, in a very remote part of the country. I was taken to a really shoddy small two-room school for AIDS victims, and it was an environment that you wouldn't want children to be in. The volunteer, a young lady from Iowa, by the way, saw the need for a very simple two-room classroom. The cost of this was going to be around \$10,000, so she posted her request. Word about her project got back to her friends in Iowa and other people around the globe. And one of the things that we require when funding like this takes place is that the community becomes involved in the giving, as well. And so, in this case, about half of the money came from the Peace Corps Partnership Program through contributions of individuals in America, and the other half was sweat equity that the local community provided, as well as materials that the local community provided, in addition to the moneys that were used to buy materials. I observed not only the young volunteer carrying bricks up the ladder

but I observed grandmothers doing it and others with great pride. And the reason the grandmothers were doing it is because the mothers had passed on as a result of AIDS.

And so, it's just one example of the kinds of projects that our volunteers get—become involved in and make a tremendous difference in the service around the world.

The size of our Peace Corps Partnership donations last year ranged from \$64 to about \$24,000, so that gives you an idea of the wide array of projects that are supported through this program.

Senator CORKER. And—

Mr. TSCHETTER. So, my position is, we have a mechanism in place. It works well. We have accountability that goes with it and all the aspects from the legal perspective are taken care of. As such, I think there's more potential within this program.

Senator CORKER. But how would that be—again, I'm unclear as to how it would be changed, per the way this bill contemplates. I know, right now you obviously—it's an empowering deal, it's teaching people how to fish instead of giving them fish. It's that same mentality that's been so successful in many other areas. But I'm not clear as to what changes this legislation creates that dampens that. And if you would illuminate that, I'd appreciate it.

Mr. TSCHETTER. As I understand the language in the bill, the volunteers would be able to solicit funds directly from family at home, which would come directly to them. There would be no control, no oversight or management of those moneys. They'd flow directly from the source to the volunteer, as opposed to through a mechanism that can have oversight to make sure that the monies are appropriately placed.

Senator DODD. If I could—since I'm the author of it, it would require the director of the Peace Corps program per country to have to approve it coming in. This has been a longstanding practice, I'm sure you probably did the same thing I did. I can tell you, as a volunteer, I solicited support—in my case, it was baseball equipment from Connecticut to my mountain village in the Dominican Republic. It wasn't exactly a grant application. The Peace Corps didn't approve it, 40 years ago. A bunch of local people back home got together and packaged up some stuff and sent it down. Now, obviously that's one example. That's gone on in literally thousands and thousands of cases over the years. And a lot of this has happened over the years. I know of examples where people did this without Peace Corps approval—but I am certainly aware that volunteers were soliciting support back home from groups to support an activity in their community.

So, we thought, rather than just having this go on this way, Senator, to try to set up some mechanism in many of these cases here, because there is a danger—and you're right to raise questions, this could get out of hand here and cause some problems under my legislation, the country director would have to approve this. So, it wouldn't be just a question of the volunteer bringing that in without some authorization being given in order to get some control over this, if we could. So, that's the idea.

Senator CORKER. And since you're the author, but not the witness, but I've got—let me ask, would it—and you would contemplate in this that the same type of balance, where there had to

be sweat equity, there would have to be the same type of formula—is that what you would contemplate?

Senator DODD. That's the idea of having the country director being involved in this way, so that you'd have some supervision over what was occurring here. And, obviously, those kinds of considerations, I presume, will be taken into consideration. We should try not to be so rigid in this process. The whole idea is to solicit additional funds for the Peace Corps. You know, when we talk about the money for this annual budget for the Peace Corps here—just to put it in perspective for you—this is one day in Iraq. The entire budget for the Peace Corps for a year, is one day. It's \$300 million a day in Iraq. So, we're talking about, you know, \$10 and \$20 million to do something here. That's a matter of hours here. For 7,000 volunteers in 70 countries to make a difference in the world, one day in Iraq—\$10 billion a month.

So, with all due respect, we're spending a lot of time on this stuff, and when you start talking about it, and I want to be careful about comparisons here, but too often I think we fail to understand the value of what a program like this can mean to us around the world. We're trying to regain the moral authority and the respect that we need to achieve here.

But obviously, this is a beginning, and any ideas and suggestions you might have in trying to make this work right would be welcomed—I just tried to come up with a system here that's been going on for basically the length of the Peace Corps, where people have been supporting and contributing to projects on site. We need to address how they can do it in a way that makes sense and furthers the goals and helps volunteers achieve their goals here. That was the idea, really—

Senator CORKER. And I know my time's up. I'd just make one—I don't know if we're going to come back around for second rounds or not, but, you know, I think this is actually a really interesting exercise, I do. And, again, I appreciate the contributions the Senator has made in proposing this bill, and your contributions and leadership.

I'm wondering if you would consider, in a, you know, paragraph-by-paragraph way, to sort of respond to some of the kind of things that Senator Dodd just laid out, and ways of taking what he has done, which obviously has a large volunteer slant to it, which is not bad, not bad at all, and take that and, maybe, massage it in such a way, in response back to us, that we could look at it and, maybe, potentially make changes to the legislation that really created what, in your opinion, would be a balance to really empower the volunteers to do the best job they can possibly do, at the same time keep within the Peace Corps the ability to actually run the organization and cause it to have the mission that it's set out to do. Yeah, I wonder if you could do that.

Mr. TSCHETTER. Absolutely. I would welcome the opportunity.

[The information referred to above, follows:]

Response from Mr. Tschetter:

With regard to Senator Corker's request to expand on the Chairman's comments regarding funding for volunteer projects, the Agency shares the Chairman's sentiments about the need to support volunteers in their work and the incredible impact they make every day around the world. However, the Agency cannot support Title

I, Sec. 101 of S. 732: "Seed Funding for Volunteer Projects," as written, as the additional funding sources detailed in this bill for volunteer projects could create legal problems, accountability concerns, safety and security issues for volunteers, and is opposed by nearly all Peace Corps country directors surveyed about the proposal.

While applying for funds through approved sources (such as the Peace Corps Partnership Program, U.S. Agency for International Development, U.S. Embassy funds, etc.) for a particular project is acceptable, a volunteer should not be seen as a constant source of funds. One of a Peace Corps volunteer's main objectives is to integrate into a community and work among its host country citizens at the grassroots level and to help the community help themselves. When a volunteer raises money through the Peace Corps Partnership Program, they are required to have community buy-in for the project, meaning the community raises the matching funds required. When a volunteer eventually leaves the community they have left not only a water well, for example, but a valuable lesson to the community on how they can raise their own funds to achieve something and how to become more sustainable. Simply allocating additional funds to a community may not leave the lesson behind on which no dollar value can be placed. The Peace Corps has never been a funding institution and plays a unique role in the world of development that should be maintained. Volunteers should not be requested by host countries or placed in a particular community for their ability to raise funds.

As mentioned earlier, the Peace Corps Partnership Program, administered by the Office of Private Sector Initiatives (OPSI) at the Peace Corps, is already a proven vehicle to allow volunteers to accept appropriate funds for specific projects.

Additionally, the Agency has made some recent changes to the Partnership Program over the last several months, such as the revision of the manual section setting out the policies and procedures for the program in order to make it more user friendly; the creation of a Peace Corps Partnership Program volunteer handbook; several new forms, including the application form for funding that has been updated and made more accessible for volunteers; an updated website that has become more user friendly and easier for donors to give money on-line: <http://www.peacecorps.gov/index.cfm?shell=resources.donors>; creation of a quarterly newsletter to share current news about the office to RPCV groups, posts, regional offices, and donors; and a video is being produced about the Peace Corps Partnership Program to share with all interested individuals (expected completion date: end of 2007).

Mr. TSCHETTER. In fact, I was thinking, as Senator Dodd was explaining, his approach to this part of the bill, about what we're doing already, through the Peace Corps Partnership Program, for example, and concept that Senator Dodd presented—we need to sit down and talk about the give-and-take of making this work better all around. That's really what we're suggesting, and I'd be more than happy—

Senator DODD. We'd welcome that, as well.

Mr. TSCHETTER [continuing]. To do that.

Senator DODD. Senator Coleman has been a chairman of this subcommittee, and did a lot of work when he was in that capacity, and we thank him. Thank you for coming this morning.

Senator COLEMAN. Thank you, Mr. Chairman. And I have a deep interest in the success of the Peace Corps. Minnesota—the director comes as a Minnesotan, and we have, I think, one of the strongest Peace Corps alumni associations in the country. It's very, very important to my State, and I think this is kind of part of the Minnesota fabric of who we are.

I will say, Mr. Chairman, my concern about—as I look at this bill—and let me first ask you, Director, were you at all involved in the writing of this bill?

Mr. TSCHETTER. No.

Senator COLEMAN. Were your—

Mr. TSCHETTER. I had no involvement.

Senator COLEMAN. Were your opinions solicited before provisions were written? Did you have discussion with staff? Did you have any opportunity to have input—

Mr. TSCHETTER. No.

Senator COLEMAN [continuing]. To the development of the bill?

Mr. TSCHETTER. No.

Senator COLEMAN. My concern, Mr. Chairman, of—Senator Corker talking about a volunteer slant—Director, you were a volunteer, is that correct?

Mr. TSCHETTER. Yes; I was.

Senator COLEMAN. And your wife is a volunteer?

Mr. TSCHETTER. Yes.

Senator COLEMAN. And many folks in management were volunteers?

Mr. TSCHETTER. Yes.

Senator COLEMAN. So, I'm confused as to whether there is a volunteer slant or perhaps particular—I have—let me step back.

I presume, among volunteers, there are different perspectives on how to do things. Kind of, if you had a group of—if I got a group of farmers together—I get three together, I often get four opinions.

Mr. TSCHETTER. Right.

Senator COLEMAN. But they're all farmers. And so, I would just question whether this is a "volunteer slant" or simply the slant of particular volunteers who were involved of the writing of the bill. And what I would hope—and I want to follow up on the comments of Senator Corker—that you do come back and present the perspective—but I'm not saying this is one of management versus volunteers. I don't want to testify for you, but I—would it be fair to say that—Director Tschetter, as you look at what volunteers do, you do—do you do it with a concern about the perspective of volunteers and—

Mr. TSCHETTER. Absolutely.

Senator COLEMAN [continuing]. Safety of volunteers?

Mr. TSCHETTER. Absolutely.

Senator COLEMAN. You mention in your testimony that you'd be—you're concerned that some of the provisions of the bill could potentially undermine the safety of Peace Corps volunteers. And I know that's a critical issue. We addressed it during my chairmanship. There were a series of articles written, I think, in an Ohio paper, about the safety issue. And we had hearings about that. Can you talk a little bit about—a little more detail as to what in this bill, from your perspective—

Mr. TSCHETTER. Right. Well—

Senator COLEMAN [continuing]. Would undermine safety?

Mr. TSCHETTER [continuing]. Certainly, safety and security is our No. 1, No. 2, and No. 3 priority at the Peace Corps. And it is something that is addressed and talked about and paid attention to literally every day. And one of the things I look for when I visit countries and I ask volunteers about their feelings about safety and security as it pertains to their particular volunteer work in the community they're living in, in the transportation they have to use, etc.—so, it's a major issue that we have at the Peace Corps.

There are two or three components of the bill that do concern me, from a safety and security standpoint. One is the whole fundraising

issue. And we are an agency of people that give of themselves and their expertise, and that's the fundamental groundwork of what we do and how we do it. If, now, this shifts because the volunteers are spending more of their time raising money, it changes the whole perspective of the volunteers in the communities they're serving in, and I would be concerned about how they're viewed. This could ultimately lead to a safety and security issue.

There's another matter in the bill, that talks about publishing of articles and the open-endedness of that, without scrutiny, if you will—and those are my words, the bill doesn't use those words—and that is so critically important to us at the Peace Corps, what our volunteers say and write. And it goes back to the 1960s. And you might recall the Nigeria postcard of the 1960s that a volunteer wrote from his hotel room that created an immense stir in that country. And so, our country directors are fully responsible to make sure that we have sound relationships as we work within the countries we serve in, that we do not offend the culture, that relationally we are appropriately operating. And that's why we require volunteers to run past their country director the concept and the idea of what they want to publish, what they want to put on their blog, what they want to send on their e-mails. And it's all with regards to the relationship within the countries we're serving in, and being sensitive to those cultures. Things that may look innocuous, that may look innocent from a volunteer's perspective, might appear differently to our country director and their staff, and they would need to dialog with the volunteer on it. So, that's another area of safety and security that I think could pose a degree of risk, actually.

Then, there's some administrative separation language that is in the bill that does concern me, as well, and primarily as it pertains to what a volunteer would not be able to be separated for. For example, from a safety and security standpoint, we require that when a volunteer is away from his or her site that the country director is informed of that, so they know exactly where our volunteers are all the time. And it's a clear safety and security issue. And if the language, as it pertains to administrative separation, prevents that, that creates a safety and security issue that I would be quite concerned about, actually.

So, those are the kinds of issues that we would need to address, and I am more than happy and willing to sit down and dialog about these at whatever length necessary so that we understand each other and we can amicably and mutually agree on the right way that these issues should be resolved.

Senator COLEMAN. In regard to the issue about what volunteers can publish, do you know what the—I'd be interested, but I don't know what the answer to this—in the State Department, do you know whether there are similar limitations for State Department personnel on things that they write or they publish?

Mr. TSCHETTER. I really do not know, but I would assume there is.

Senator COLEMAN. Probably worth looking at, just——

Mr. TSCHETTER. Yes.

Senator COLEMAN [continuing]. To see——

Mr. TSCHETTER. We will do that.

Senator COLEMAN [continuing]. And to check with the policy. Again, I have no idea what those policy—I presume it's the same thought. In fact, I could tell you, I had some deep disagreement with the State Department, who took some action against an ambassador who published and said something that was contrary to policy and created great difficulty then, within that country, and—but I—in speaking with the Secretary and the Under Secretary, they expressed to me their concern about having one Secretary of State and one policy, and the complications that can arise from that. So, I think it's worth—I think it's certainly worth looking at.

I would hope that you sit down with, by the way, volunteers. And so, it's—this is not—you know, in some instances, you may have a director who's got perspectives very separate from all the volunteers. My sense here, as I look at this and I listen to your testimony, that there are some very good ideas that have come from some volunteers. I presume that's a source of what this—these—this bill—you know, from whence this bill flows. On the other hand, I suspect that there are other volunteers—and you being a former volunteer, as well as the director—who have different perspectives and have different concerns. And certainly, before I can move forward on this, I'd really like to make sure that it has—that we get a full vetting, that you sit down—but it's not just management versus—

Mr. TSCHETTER. Right.

Senator COLEMAN [continuing]. Volunteer, that it is from a volunteers' perspective that we get some feedback, and then, in the end, figure out what the right policy is. But I—again, I think it would be critically important to have your insight and response and participation.

Senator DODD. What do you think this hearing's about?

Senator COLEMAN. Part of it, and we'll get where it—

Senator DODD. Who is this person, right here?

Senator COLEMAN [continuing]. I—Mr. Chairman—

Senator DODD. He's the director.

Senator COLEMAN [continuing]. I do have the floor, and I—

Senator DODD. Is that the director?

Senator COLEMAN. That is the director, and I—

Senator DODD. All right.

Senator COLEMAN [continuing]. And I've got my—but I'm just saying, and I'll say it very clearly, I think it's rather absurd to be—to have a director coming up here and not participating in a bill that's talking about volunteer empowerment.

Senator DODD. Is the Senator telling me that all the bills he's written over the years, he's always contacted everyone in every agency that he's writing the bill about?

Senator COLEMAN. I—

Senator DODD. Have you done that all the time?

Senator COLEMAN. I don't know about every time, but—

Senator DODD. Of course not.

Senator COLEMAN [continuing]. I think if I—I'm just telling you what I need. I'm telling you what I need. And what I need is—if I'm going to be acting and responding to a bill on the Peace Corps, it's supposed to be the Peace Corps Volunteer Empowerment Act, I'd like to know the—from the head of the Peace Corps—and so,

we're getting it, and I'm making the request, that, beyond just this written testimony, that, in fact—plus his oral testimony—that, in fact, you come back, as Senator Corker has raised—and, I also want to make it clear—not just you. What I'm looking for is—I'd like to make sure that there is, you know, further input from other volunteers, and then, in the end, I'll be able to make a judgment about that.

Senator DODD. Well, I hope the Senator will stay for the whole hearing; he'll hear a lot of people here this morning.

And, by the way, volunteers are not employees of the Federal Government. Surprising, the former chairman of the committee would understand that the Peace Corps volunteer is a very different creature than the State Department employee here. And just basic understanding of the Peace Corps Act and the role of volunteers and the purpose of volunteers is very fundamentally different than a State Department employee, and how they're treated, and how they're helped, and how they work with the director of the country, and what responsibilities they have, as well.

Let me, if I can, go into the medical screening issue, Mr. Director. Based on the input from applicants and volunteers, most of the criticism we received centers on the medical screening portions of the application process. I'd like to know what—the average length of medical screening phase of the application process is, and what's the average cost?

Mr. TSCHETTER. First of all, Senator Dodd, the medical screening process is probably our biggest challenge in the whole volunteer application process, no question about that. And, it was brought home to bear as we sat down and talked about the 50-plus initiative with our recruiting people—now that there are baby boomers that have 30 years in service of expertise in whatever profession they've been in.

And when they have to fill out that medical clearing questionnaire, clearly they will have more yeses when the questions are asked, "Have you ever had," or, "Have you ever encountered," or "experienced," or whatever the medical question is. And anytime there's a yes, it needs to be followed up on. We have some real challenges in front of us with regard to streamlining the medical clearing process, I recognize that. And what the 50-plus initiative has done has really caused us to sit down and take a look at the process, whether it's 50-plus or 20-plus in age. And so, it's going to help us throughout the entire screening process, not just the 50-plus initiative.

We also have an investigation, if you may, going on through the Office of the Inspector General right now—their work is not yet complete—but I am eagerly awaiting their response and their report, and will certainly take the findings that they have encountered and come up with ways to resolve some of these matters.

A typical Peace Corps application, across the board today, is about a 9-month process, the turnaround time, the average. That's long. And I'd like to shorten that, as well. And clearly the medical screening part of it is the longest single consumer of time in that process. And it's longer when you're 50-plus, because there are just more issues that need to be followed up on.

So, the request to pay for all of the additional tests is the one that is the largest single budgetary item of cost. That's about a \$10 million cost, versus today we spend about \$1 million a year on additional tests that are requested, and the rest is either borne by the applicant or by their insurance carrier.

Senator DODD. Do you have any idea what those costs are to the applicant?

Mr. TSCHETTER. On average?

Senator DODD. On average.

Mr. TSCHETTER. I really don't have a good average number on that. We have an amount that we pay for the initial appointment with the doctor and for the dental checkup and the eye checkups and so on, but the additional tests, on average, I do not know what that cost is; no.

Senator DODD. It may be worthwhile—because, again, we talked about this, and you're concerned about some of the costs associated with that—and, again, anecdotal evidence is exactly what it is, anecdotal evidence. But having a nephew now serving in the Peace Corps in Africa, knowing that months that were delayed because of a medical question that just took forever to get resolved back and forth—one which turned out not to be a serious one in the end—but, nonetheless, this might have discouraged another applicant from continuing the process, taking as long as it does. And, of course, we're talking about recruiting people across the economic spectrum, those that are not as well off, and we're trying to attract more and more volunteers coming from the communities that aren't necessarily in a position as to afford the additional costs associated with the kind of additional medical examinations that are required here, so I would strongly urge, as a way to try to bring down that cost, not miss people who might otherwise be willing to continue the process. This is something very, very valuable.

Mr. TSCHETTER. It is a major issue with us, and I fully would agree with you, that we need to review and look at all components of this process, and we are doing that. And the other part of it, that our IG's office is looking into, is why those 50-plusers that have, somewhere along the process, decided not to go forward, it'll be of value for us to understand why and when they dropped out, and may give us some insight into how we may change some of this process. This is work in progress, and this is—

Senator DODD. Yes.

Mr. TSCHETTER [continuing]. Work that needs to be done, there is no question about it.

Senator DODD. And particularly with a lot of the older volunteers, as well, obviously, as you point out what happens with the aging process. But, nonetheless, considering the tremendous abilities and talents that retirees or people who want to take their life experiences and share them, it seems to me that looking for ways in which that person might be able to fit into a situation that would be less medically challenging than others would be very worthwhile here. And I just can't tell you the number of people I've encountered who would love to have that experience, would like to do it, but feel as though they're going to not be able to get through this process because of medical issues that arise.

Now, some are so serious, obviously you can't run the risk, but with others, it seems to me we ought to try and have much more flexibility in order to take advantage of these talents out there, and considering the value they can provide for these communities or people where we want to serve, have some way to judge that a bit differently, again, so that we're not losing the talents of people who might otherwise serve. What are we doing about that? What steps has the Peace Corps taken to try and have some sort of differentiating criteria when it comes to older people? Are we setting the same standard for the 22-year-old we do for the 65-year-old?

Mr. TSCHETTER. No. We do have some flexibility and do make exceptions, and—there's two or three things that we're doing. First of all, we have 9—I'm sorry, we have 10 pilot countries that are part of the 50-plus initiative guidance. And so, we're relying heavily on those countries with regard to the 50-plus people that they have. And, for example, South Africa is one of them. And I've met with 18 50-plus volunteers in Johannesburg not too long ago. We had a delightful, insightful conversation about, first of all, the challenges that they had to go through medically as they were applying, and now the experiences they're having in country.

So, we try to be real flexible with regards to the medical issue that's there, and, if possible, make an exception, to place them near the kinds of medical help that they may need.

So, we're paying a lot of attention to the medical issues, especially in the 50-plus area, and it is not, across the board, the same standard that a 22-year-old would be required to have, medically. So, there's work in progress on that right now.

Senator DODD. I know one of the things we're trying to do, obviously, is to try and recruit, where we can, some more experienced—

Mr. TSCHETTER. Yes.

Senator DODD [continuing]. Volunteers, and obviously the very effort to achieve that goal depends upon the ability to attract people who have experience.

Mr. TSCHETTER. Right.

Senator DODD. And so, the medical issue becomes a barrier, in a sense, to achieving that goal. So, my hope is, you'll continue to pursue that. And I'd like to know exactly what those medical costs are, being borne by an applicant, and whether or not that's having any adverse effect on the number of people, we're trying to recruit from various sectors of our economy and country here, from actually completing the process or even beginning the process, to begin with.

Mr. TSCHETTER. I'll get some answers for you.

Senator DODD. All right. And that will be helpful.

[The information referred to above, follows:]

Response from Mr. Tschetter:

At present, the agency only tracks the cost of the fixed reimbursement amounts given to applicants for required medical tests based on gender and age. These tests cost the Agency approximately one million dollars annually. We understand that the OIG in its evaluation of the Peace Corps' medical clearance process may have sought to obtain anecdotal information on this subject. We have no way of knowing, outside of the fixed reimbursements that Peace Corps pays, how much an applicant may have paid for additional medical exams or tests needed as part of the medical screening process.

Senator DODD. Let me raise, if I can with you, the third-goal issue. And, again, this is an issue that's been talked about since the Peace Corps's inception—

Mr. TSCHETTER. Yes.

Senator DODD [continuing]. A way to try and take advantage of the 180,000 of us that have come back, and who want to find ways to participate. And so, it's always been a struggle to find ways to give fulfillment to that third goal. I was talking to Harris Wofford, who was actually with President Kennedy the day they launched off the first volunteers from the South Lawn of the White House. And according to Harris Wofford, they walked back into the Oval Office that day, and President Kennedy turned to whoever was gathered there and said, "You know, this is going to be remarkable," words to that effect, "that in—40 or 50 years from now, there'll have been a million returned volunteers. Obviously, the number is far short of that goal, at 180,000. But the point he wanted to make was what a valuable asset this will be, to have that many people in the country who will have had experience in other nations, bringing that back, and giving this country a better opportunity to have a world view, to understand what other people's aspirations and hopes are, and the like.

And so, to a large extent, that idea of not only volunteers, giving the world a better view of who we are, as Americans, but, of course, coming back and giving Americans a better opportunity to view what the rest of the world was like, has been critically important.

And so, I wonder what we can do here. The provisions in this bill that we would establish to fund a—dedicated to supporting the third-goal activities I've laid out here. What is your reaction to that, Mr. Director?

Mr. TSCHETTER. I was really encouraged to see third goal as a part of the bill. I clearly believe that the third goal is our weakest link in the Peace Corps's 46 years of success. However, I will add that I think there's a lot more that has happened, positively, with regard to the third goal in America than any of us realize. It's immeasurable. As an example, I can think of my wife's and my experiences as returned volunteers. I don't know how many talks we've given on the Peace Corps in our Peace Corps experience. Hundreds over the 40 years.

Senator DODD. Yes.

Mr. TSCHETTER. Did we keep track of them? No, not really.

Senator DODD. Yes.

Mr. TSCHETTER. But, as recently as 2 months before I came—became director of the Peace Corps, I gave a talk at a service club, on the Peace Corps. And the people were as interested then as they—had I walked off the airplane from India the day before, and it was 40 years of stories.

So, there's a real opportunity here, and a real challenge. So, I really look forward to the opportunity to sit down with the subcommittee or the appropriate group to talk about how we can strengthen the third-goal success. The \$10 million, of course, would need to come from somewhere, if we went forward with that, so we'd need to wrestle that issue to the ground. I'm intrigued, however, with the idea of a foundation and attracting outside funds to create a Peace Corps Foundation that could then be utilized in

third-goal initiatives. So, I'm very supportive of it. It is not one of my three major initiatives that I launched earlier this year, but I can easily be talked into putting that high on my list of matters to give attention to, so I welcome the opportunity.

Senator DODD. Well—

Mr. TSCHETTER. I think, together, we can figure out something that will make sense, and make a difference.

Senator DODD. Yes. And I want to come back to the issue of dealing with the communications and comments and so forth. I'm a little concerned that if we end up having sort of a policy, here, given this day and age, of limiting, in some ways, people's ability to communicate freely as volunteers, we'll end up causing some restraints here that I would be worried about. Again, given the nature of what a Peace Corps volunteer is, and I think that there is some confusion about the role of volunteers in this organization—an organization dedicated, as you pointed out appropriately in your opening comments here, to the volunteer. This is a whole different concept compared to the relationship between Federal agencies and Federal employees. And getting people to understand that fundamental distinction sometimes is difficult. Dealing with a volunteer is different than dealing with employees involved in an agency, or a congressional office, for that matter. And with that in mind, we have to be wary of excessive restraint on communication. This is something that I'm very worried about. And I gather you are, as well, so—

Mr. TSCHETTER. Yes. And may I just comment; that, again, I think it is an issue that we should sit down and try to resolve it in a way that makes sense both from a first amendment standpoint, as well as from the issues that our country directors face with regards to the impact they may have on the country. So, it's certainly a resolvable matter that we'd be willing to wrestle to the ground.

Senator DODD. Thanks very much.

Senator Corker.

Senator CORKER. Mr. Chairman, I know we have some other witnesses, and probably need to move on to them. I'm going to just be fairly brief, anyway, and that is to, first of all, say, I think we have a person heading the Peace Corps that is unique, from the standpoint of how they've arrived at the Peace Corps. He's been there 10 months. And I know that the way that we, as Senators, deal with issues is through legislation. That's just what we do. And the way that management deals with issues is through making sure they have good management principles in place, and guidelines, and those kinds of things. And I think that sometimes in our striving to make an organization better, from the Senate side, if you will, we can create laws that can, in fact, have a good purpose, but maybe hamstring. And I think what we have here is someone who can give us constructive input. I think that the bill that you've put forth has truly caused us to raise some good questions, but I think they're questions that Mr. Tschetter can respond to. And what I hope will happen, and I know will happen, is that hopefully he'll respond and we'll have the opportunity to, maybe, look at this legislation, amended, if you will, to really take into account the balance between some goals that the legislation has, but balance that

with some management objectives, to really give it the flexibility to bring out the best in the organization and truly empower the volunteers. So, I look forward to that.

I would like to say that, in this testimony—and this is certainly my first with the Peace Corps—I am struck by the length of time that it takes to become a Peace Corps volunteer. If I had had 9 months to think about running for the Senate, I am sure I would be doing something else. That's a long time. [Laughter.]

I'm very glad to be here, but—it seems that people do, in their life, reach a point where they want to do something meaningful, and this happens over and over and over again, I know, in people's lives. But it seems like, to be able to catch those people when they're available and when they're ready is an important thing for the Peace Corps to be able to do.

I would like for you to just expand a little bit on—how long should it take. I mean, 9 months is—for a volunteer, is a long, long time, and people have other things in life they need to do, and want to do. So, what would be a goal of management? Two months? Thirty days? Two weeks?

Mr. TSCHETTER. No. [Laughter.]

Well, that's a very difficult one to answer. It's an interesting process, because, first of all, the person has to get cleared, if you will, from a safety and security standpoint, and then the background check. Then there's the medical process, which hangs over that, and that is clearly the longest piece of the process. And then, of course, there's the matching of the individual to the need, to taking the skill set and matching it to the country, and putting that all together. So, there are some valid reasons for the length of time.

Is 9 months too long? I think it is. If you were to press me on a number, I'd say, "We should be able to do this in 6 months." But, when I look at the reality of all the pieces that have to move through the volunteering process, I can't see it being a 2-month process, or even a 3-month. Sometimes it does happen. I saw a volunteer in Jamaica, just a couple of weeks ago, and, as we were dialoging—she said she was cleared in less than 3 months. So, it's a timing issue. It matched up with her graduation from the university and the need of that program, which left on July 4th for Jamaica, and so on.

So, there's a lot of dynamics that impact the length of time, but I think we can make a difference in that timeframe, and clearly the medical clearing process would be probably the biggest single factor that we could streamline to shorten it up.

Senator CORKER. Well, it seems to me that—I know you have wonderful, wonderful volunteers, but it seems like that many really, really good volunteers are, in many cases, like heat-seeking missiles; I mean, they want to go do something, they want to change the world, they want to be involved in that. And it does seem like a 9-month process—

Mr. TSCHETTER. Yes.

Senator CORKER [continuing]. Doesn't match up to people who really want to go out and solve many of the world's problems. So, I would stress to you that you really focus on that. I know that you have to be prudent and make sure people are matched up properly.

I know that Senator Coleman came in a little bit late, and missed a big part of the questioning, so I'm going to defer to him, at this point, so we can have time for other witnesses.

But, thank you very much for your testimony.

Mr. TSCHETTER. Thank you.

Senator CORKER. And I look forward to the amended super-charged Dodd Peace Corps bill coming back to us.

Thank you.

Mr. TSCHETTER. Thank you.

Senator DODD. Senator Coleman.

Senator COLEMAN. Thank you, Mr. Chairman. Mr. Chairman, I want to assure the chairman, first, that I understand the Chair's concerns about excessive constraint, and I know he's trying to strike a balance here. And I want to apologize to the Chair in my questioning about the—under the input, at all, would—in—for any undermining the—of the worthwhileness, the integrity of this bill. This—I think if the chairman himself just simply dictated things that he thought would make the Peace Corps better, that would be worthwhile for the Senate to consider, without anybody. I mean, I have—I don't think there is a stronger advocate in the U.S. Senate than the chairman, and I've seen that in my time here. My job just would have been made much easier, perhaps, as I looked at this, to have some input from Mr. Tschetter up front, but that's from my perspective. But I wanted the chairman to understand that I deeply appreciate the kind of commitment and his efforts, and whatever he puts on the table starts with the presumption that it's worthwhile for me to look at. I just need some other information. So, I want to assure that to the chairman.

Mr. Tschetter, I hope, then, we get the feedback. I want to work on this bill, and I'll work with the Chair to—because our goal is the same, and that is to strengthen Peace Corps. And I appreciate the chairman's leadership in that regard.

Senator DODD. Just one point of reference you might check on, Director, and I don't know the specifics of this, I should remember, but as I recall, when I joined the Army, it was pretty quick. [Laughter.]

Mr. TSCHETTER. Two weeks. [Laughter.]

Senator DODD. They didn't take 9 months to decide they wanted me. And I'm not suggesting that this would be that quick, but by comparison, I know, if you show up at your recruiting station in Alexandria or Maryland somewhere today, I'll—

Mr. TSCHETTER. Are you suggesting that should be our goal?

Senator DODD. No. [Laughter.]

But I would just guarantee you that they'll accept you pretty quickly in the process. So, again, I think, to pick up on Senator Corker's comments here, even 6 months may be a little long. And, again, in the case of anecdotal evidence, I ought to be careful to say how long it is. And, by the way, my nephew is having a wonderful, incredible experience. I've been a very poor recruiter, given all the nieces and nephews I have, I finally got one. [Laughter.]

But despite his incredible experience, because of a relatively minor medical issue it took him almost a year to clear. I think it was minor, anyway. So, the idea of getting this thing expedited further is clearly something that's got to be on the agenda today. And,

again, by comparison passing the medical tests and so forth to wear the uniform of our country is something we do pretty quickly here.

We'll probably have some additional questions for you, and so, we'll submit those and ask you to get back to us, but we thank you for your testimony here this morning.

Now I'd like to invite our next witnesses: Mark Schneider, former Director of the Peace Corps, to join us, if I can. And I think we are going to bring up David Kotz as well—am I pronouncing that correctly—Kotz?

Mr. KOTZ. Kotz, yes.

Senator DODD. Yes. David, thank you very much.

[Pause.]

Senator DODD. We thank both of you for being here, and we're happy to receive your testimony.

Good morning. Thank you both for coming.

STATEMENT OF HON. MARK L. SCHNEIDER, FORMER DIRECTOR OF THE PEACE CORPS; SENIOR VICE PRESIDENT AND SPECIAL ADVISOR ON LATIN AMERICA, INTERNATIONAL CRISIS GROUP, WASHINGTON, DC

Mr. SCHNEIDER. Thank you, Mr. Chairman.

Let me express my appreciation to you, Senator Dodd—you're a returned Peace Corps volunteer from my era—for the invitation to appear before the subcommittee this morning.

I think it's clear that every one of the 187,000 returned and serving volunteers recognize your commitment and leadership over the past four decades in support of the Peace Corps, and we thank you for that legacy of leadership.

I want to thank Senator Corker, Senator Coleman, for having been here earlier for support of the Peace Corps.

My wife and I served as Peace Corps volunteers in El Salvador 40 years ago. By the way, she's here today. And those 2 years at a small barrio on the outskirts of San Salvador were still the most demanding and the most rewarding of our lives. I, of course, have also had the rare and enormously special privilege of being able to serve as Director of the Peace Corps, during the last 2 years of the Clinton administration, and there's no better job in Washington.

I've worked in USAID, the State Department, international organizations, and now with the International Crisis Group, which is a field-based, nonprofit conflict-prevention organization that analyzes and reports on the causes of conflict in some 60 countries, from Haiti to Pakistan, from Iraq to Sudan, from Kosovo to Colombia.

I've been able to visit volunteers in dozens of countries around the world, including on trips since 9/11. I can tell this committee, with absolute conviction, that there is no other program that the U.S. Government supports that provides greater benefit than the Peace Corps: In helping other communities build their knowledge and their institutions; in conveying to the world around us who we really are as a people and as a country, which is more essential today than ever before; and in broadening this country's awareness of the complexity, challenge, and, really, the common aspirations of other peoples around the world.

And I should say that that's why I'm convinced that this legislation contains three critical elements to help the Peace Corps double in size to 15,000 volunteers by the time it celebrates its 50th anniversary, on March 1, 2011. And those elements are, first, of authorizing the necessary funds; second, empowering volunteers—and I think that the key here is to see that as a means to promote better management, improve programming and site selection, and, therefore, safer and more satisfied volunteers; and, third, trying to remove some of the financial, medical, and bureaucratic obstacles to recruiting senior volunteers.

I would also suggest one other provision for the committee's consideration, and that is to recommend to the Peace Corps that it pursue additional efforts to recruit people of color as Peace Corps volunteers. We've just been creeping up, from the time I was Director, when it was just about 15 percent, to, now, 16 percent of our volunteers coming from ethnic and racial minority groups. I still think we can do better. And so, I would urge that we consider additional targeted steps to do so.

One example would be expanding the Master's International and Peace Corps Fellows Programs at Historically Black and Hispanic Colleges and Universities.

Now, the three elements:

First, the money. And, simply stated, the resources have not matched the rhetoric of those who have called for doubling the size of the Peace Corps. This bill provides the authorization that's needed, but, as we know, it takes appropriations. And so, I would urge the committee to consider what it might be able to do to ensure that the first year's appropriations in the bill does match the \$336 million mark approved by the House of Representatives when this measure goes to the President for final approval. As you know, the Senate Appropriations Committee approved a level much lower.

Now, there are some 20 countries today that want the Peace Corps to either establish or increase the size of their volunteer programs. And, as we saw after 9/11, there is an actual jump in the number of Peace Corps applicants. And I truly believe that if we communicate to potential volunteer communities across this country that we have opportunities for them to serve, they will come.

Second, I think the array of measures that are in title 2, that are designed to empower volunteers, will, in fact, contribute to the Peace Corps's ability to expand by contributing to better management, better programs, and greater volunteer satisfaction.

Now, it's crucial—you said it here, and I want to underscore—the Peace Corps is about volunteers, not staff. The role of staff in Washington, and the role of staff in the field, is to find ways to help volunteers to succeed. And I think most staff, many of whom are returned Peace Corps volunteers, would agree with that sentiment.

Now, you've heard some of the good news that's reflected in the current Peace Corps volunteer survey, and I think it's also just impressive, if you've gone through the list of the questionnaires, that some 75 percent took the time to fill out that questionnaire—92 percent said they definitely intend to complete their 2-year term, 80 percent said their host country would benefit if the Peace Corps program were maintained or expanded. And, by the way, 85 per-

cent now, 88 percent when I was Director, said that they would join again, and they would recommend to their friends to join. Those—that's the good news.

But, somewhere between 16 and 28 percent, in this latest survey, indicated less than full satisfaction with site selection, job assignment, and administrative support. Similarly, with respect to technical support and project feedback from staff. Now, while it's a small percentage, it's a significant percentage. It just seems to me that these are areas where the kind of measures in the bill to promote greater volunteer involvement and empowerment would help.

Finally, I think you should also view the provisions of the bill to encourage seed money going to volunteers as a way to empower volunteers. And it's not as if this is new. As you've heard, the small project fund at the USAID provides—usually for Peace Corps volunteers—exists: The Peace Corps Partnership Program. The problem is, from the recent survey, about 40 to 45 percent of the volunteers have not used those services, have not been able to get their projects approved in order to use those funds. And I was interested in the discussion—Senator, you said it best—when it comes to other sources, Peace Corps volunteers, for the last 40 years, they have solicited funding for Peace Corps community projects everywhere possible—in the community, from businessmen, from local employees of the Embassy, from their friends at home, churches, Rotary Clubs, you name it. We had a survey question in 1999, and there were about 50 different sources of funds the Peace Corps volunteers had used.

With respect to the seed money, the 1 percent that you've indicated in the bill, it really just provides an additional source of funding to permit more volunteers to use it for those kinds of projects; and there's a limitation on the size, which I think is appropriate.

Now, the third way that you've described in this bill to move, it seems to me, to expand the size of the Peace Corps appropriately is to try and remove the obstacles to recruiting experienced volunteers. Medical screening procedures, we know, if they're not broken, they're at least slightly impaired, and they definitely need to be fixed. And I think the Director's indication that they're looking at it, I know that you're going to hear from the inspector general about this—but this is an area where we must do better.

And, finally, with respect to the 9 months, that's just too long. I was hoping that we would get it down to between 4 and 6 months, as average. There may be some individual instances. But there shouldn't be any reason why we can't do that.

Finally, just let me mention that volunteers today do much the same things that we did, in terms of trying to reduce poverty in their countries and to promote change. But some of the conditions are different. You now have HIV/AIDS. You now have climate change. You have information technology. You have to deal with that. And you also have the reality of a reduced regard for the United States in many parts of the world. And I believe that the Peace Corps has come up with answers in each of those areas.

Generally, the answer comes from the volunteers in the field, not from the staff in Washington. And I would just hope that this bill would be approved and help us celebrate Peace Corps's 50th anni-

versary, in 4 years, with 15,000 more volunteers working across the globe to come up with more of those answers.

Thank you.

[The prepared statement of Mr. Schneider follows:]

PREPARED STATEMENT OF MARK L. SCHNEIDER

I want to express my appreciation to the chairman, Senator Chris Dodd, a fellow returned Peace Corps volunteer from my volunteer era, for the invitation to appear before the Subcommittee on Western Hemisphere, Peace Corps and Narcotics Affairs this morning in support of the Peace Corps Volunteer Empowerment Act. Every one of the 187,000 returned and serving volunteers recognize your commitment, dedication and influence over the past four decades in support of the Peace Corps and its three goals. We all thank you for that legacy of leadership.

I also want to express my appreciation to the ranking member Senator Bob Corker and the members of the committee for the opportunity to appear here today. And although not a member of the committee, I want to express the appreciation of the Peace Corps community for your original co-sponsor on this legislation, Senator Ted Kennedy, not only a friend of the Peace Corps, but my boss for nearly six years a long time ago.

My wife and I served as Peace Corps volunteers in El Salvador 40 years ago, and those two years in a small barrio on the outskirts of San Salvador were the most demanding and the most rewarding of our lives. I also had the rare and enormously satisfying privilege of serving as director of the Peace Corps for the last two years of the Clinton administration. I have worked in USAID, the State Department, in international organizations, and now with the International Crisis Group, a field-based non-profit organization that analyzes and reports on the causes of conflict in some 60 countries.

I have been able to visit volunteers in dozens of countries around the world, including on trips since 9/11. I can tell this Committee with absolute conviction that the Peace Corps is the single most cost effective investment this country makes in pursuit of its foreign policy goals—in helping other communities build their knowledge and their institutions, in conveying to the world around us who we really are as a people and a country—which is more essential today than ever, even more than it was during the Cold War, and in broadening this nation's awareness of the global community.

That is why I am convinced that this legislation contains three critical elements to enable the Peace Corps to double in size to 15,000 volunteers by the time it celebrates its 50th anniversary on 1 March 2011.

Those elements are first, authorizing the necessary funds; second, empowering volunteers which will mean better management, improved programming and site selection, safer and more satisfied volunteers and third, removal of financial, medical, and bureaucratic obstacles to recruiting senior volunteers.

I also will suggest one other provision and that is to aggressively pursue additional people of color as Peace Corps volunteers. We have been creeping up to 16 per cent of our volunteers coming from ethnic and racial minority groups. We can do better and I simply would urge additional targeted steps to do so—including expanding Master's International and the Peace Corps fellows programs at historically black and Hispanic colleges and universities.

Show Me The Money: The first indispensable element in the bill is its authorization of the necessary growth in funding in FY 2008, through FY 2011 to permit the Peace Corps to reach that goal. It is a goal that President Clinton enunciated and that President Bush has supported. Simply stated, the resources have not matched the rhetoric. This bill provides the authorization. I hope that the committee also will act to see that the first year's appropriations of \$336 million, as passed by the House of Representatives in the FY 2008 State-Foreign Operations Appropriations bill will be the final mark when the measure goes to the President for his signature.

As you know there are nearly 20 countries today that want the Peace Corps to establish programs. As we saw after 9/11 when there was jump in Peace Corps applications, if we communicate to potential volunteer communities out across this nation that we have opportunities for them to serve, they will come.

Empower Volunteers: The second element enabling the Peace Corps to expand with better management, better programs, and greater volunteer satisfaction which I want to endorse is the array of measures in Title II to empower volunteers.

I would emphasize that we are not starting at zero. Just as an example—there is a mandate for Volunteer Advisory Committees (VACs) in each country in section

202 and then a requirement for staff to listen to them. I cannot think of a measure that makes more sense. Most but not all countries already have established VACs. Best practices reports of the inspector general on safety issues have cited their importance. They should be required.

Empowering volunteers is crucial because the Peace Corps is about volunteers, not staff. The role of staff in Washington and in the field is to find ways to enable volunteers to succeed. By the way, most staff—many of whom are returned volunteers—would agree.

If you look over the years at the Peace Corps volunteer surveys, which now are conducted every two years, and ask volunteers about every aspect of their pre-service, training, program, satisfaction, and concerns, the strongest link exists between two elements of a volunteer's experience, an adequate site where they live and work and an adequate program for them to contribute their energies and skills.

I have personal experience on selecting sites, since my wife and I extended for several months specifically to survey all of the existing communities in a public health program to check with volunteers on potential living quarters and work conditions. As director, I urged that volunteers be part of the process of evaluating which existing sites and programs should be expanded or replaced. The legislation would mandate that requirement.

The other provisions of the Title II relating to training curriculum and staff performance also deserve support.

Let me just add again, that these provisions build on the lessons already learned from volunteer statements in every volunteer survey over the past several years, as well as from the thoughtful individual volunteer experiences that you are going to hear about from my good friend Chuck Ludlum and his wife, Paula Hirschhoff. They should be commended for their strong commitment to the Peace Corps, displayed during their current second volunteer tour in Senegal, their research on parts of this bill and their dedication to continued improvement of the Peace Corps.

Let me note there is good news with respect to some of these issues in the current 2006 volunteer survey, and in the last volunteer survey when I was director. Both show a continuing worldwide global satisfaction rate on the part of volunteers that I suspect would be hard to match in any organization.

There were more than 80 individual questions with about a dozen choices and then open-ended questions and nearly 75% of all currently serving Volunteers responded, which is pretty amazing. In 1998, it was the same, slightly lower in 1999. A quick listing of some of the results may be particularly relevant.

Of all volunteers who responded:

- 92% said they definitely intended to complete their 2 year term. In 1999, it was 93%.
- 80% said the host country would benefit if the Peace Corps program were maintained or expanded.
- 94% found it rewarding personally.
- 85% would probably or definitely join again; in 1999, it was 88%, with the same percentages saying they would recommend to friends.
- 95% said they had been moderately, considerably or exceptionally successful in terms of the Peace Corps second goal of helping people from other cultures better understand America.

However, the surveys also provide additional support for the empowerment provisions of the legislation because the views of volunteers on staff support continue to be somewhat discouraging. A strong majority were adequately, considerably or exceptionally satisfied with staff support, but somewhere between 16% and 28% were dissatisfied with regard to site selection, job assignment, and administrative support, and even greater unhappiness with respect to technical support and project feedback. That is too high a negative review. In each of these areas, bringing greater Volunteer input into decision-making will strengthen Peace Corps management and programming.

On the positive side, the most satisfaction with staff is in relation to safety and health which demonstrates not only that the Peace Corps is committing additional resources but also that there is more volunteer input.

I also would add that I believe that the digital Peace Corps will enable volunteers to get more of that support from each other by tapping into the best practices in their country and region and the Peace Corps now and in the past.

Finally, I would view the provisions of the bill (Section 101, 102) that seek to expand volunteer access to seed funding for their projects through a Peace Corps fund or by obtaining donations or grants from various sources as part of the empowerment process.

Again, these provisions build on existing programs such as the Small Project Assistance Fund at USAID—but in the current survey, 41 per cent of Volunteers had not used it; the Peace Corps Partnership fund, but 44% had not used it; and on “other” resources, including family friends, service clubs, churches, etc. Here I believe it is important to note that Peace Corps volunteers have been soliciting anyone they can wherever they can for a long time if they thought it would help implement community projects. I can recall wandering around San Salvador with the community council members from Colonia San Juan Bosco to solicit funds for the community newspaper we were starting.

In some individual instances, volunteers may not have been encouraged to seek outside resources—although I believe that is relatively rare—and there also is a constraint that volunteers do not want to be seen as “Daddy Warbucks.” These provisions encourage the use of project funding but do not make it mandatory, which would be a mistake.

The provisions with respect to protecting the rights of Peace Corps volunteers also are positive and worthy of support.

Recruiting Senior Volunteers: Removal of obstacles to recruiting experienced Volunteers is the third element in the bill which will help move us toward the goal of doubling the size of the Peace Corps. The current Peace Corps Director, returned PCV Ronald Tschetter, has undertaken an initiative in this area and the legislation hopefully will be seen as a way to advance the common objective of increasing experienced Volunteers.

On the health side, while reforms to the medical screening process are important to every incoming applicant, they are critical with respect to senior Volunteers. I think the specific provisions provide for greater transparency, greater due process, and greater fairness. By publishing the medical screening guidelines and process with full disclosure, enabling changes to be proposed, permitting appeals, and reimbursing for medical tests required by the Peace Corps, the system will improve.

The non-discriminatory treatment of retirees who serve as Peace Corps volunteers in terms of their ability to resume medical coverage from institutions in addition to the federal government should be pursued. And the study of the costs of extending continuing coverage to volunteers following completion of service from one to six months also is desirable.

On the financial side, the proposals again would go far to encouraging seniors to join the Peace Corps.

Finally, I would simply support the effort to enhance the third goal through expanding funding for programs like World Wise Schools, for supporting efforts to enable non-profit organizations with returned volunteers to conduct programs that link their home communities with their former communities and with the global community. I would urge, however, that the funding for this grant program be in addition to the funds needed each year to meet the target for doubling the size of the Peace Corps. I also think that NPCA president Kevin Quigley, also an RPCV, will have valuable insights in this area.

Mr. Chairman, I was the Peace Corps director on the 40th anniversary of the speech that then Presidential candidate John F. Kennedy made at the University of Michigan on October 13, 1960. I traveled to the steps of the Michigan Union. Although his speech began at 2 a.m., I was convinced to start mine at midnight to an audience gathered to commemorate that event, including some of the students who had been there 40 years earlier.

President Kennedy challenged young people, and increasingly older people as well, to serve our country and the cause of peace in a new way. His idea for a new type of service appealed to Americans who wanted to lift the hopes of people in developing countries and to strengthen international understanding in a world divided by the Cold War. Our world today is at least as divided in this age of extremism and terrorism. That is why the Peace Corps remains important.

The Peace Corps has grown to symbolize our country's enduring commitment to helping people in developing countries help themselves. Some 7,800 volunteers serve in 73 countries, and in virtually every sector of development.

Because millions of individuals awaken each day to poverty, hunger, and ill health, Peace Corps Volunteers still are needed at the core of our work—teaching in classrooms, carrying health and nutrition messages to distant villages, and working with farmers to find more sustainable ways of growing food.

Today's Peace Corps volunteers also are responding to new challenges. They are working with communities of Africa to prevent the spread of AIDS, a disease that has inflicted a tragic toll on the people of Africa. As director I imposed a requirement that all volunteers then serving in Africa and all new volunteers would be trained to be HIV/AIDS prevention educators to help their communities confront

this pandemic. It marked the first time that the Peace Corps mobilized every volunteer to join in a continent-wide campaign against a specific disease. I am pleased that this administration has built on that foundation and actually expanded the number of volunteers working on HIV/AIDS as a primary assignment. Volunteers have achieved innovative and countrywide impact on expanding prevention education—some with public health training were working as health educators but others, whose primary assignment was in education and agriculture and small business, also used their ideas, know-how and determination in ways I am convinced have saved lives.

Today's Peace Corps volunteers also are helping people in developing countries take part in the information technology revolution that all of us now take for granted. They are bridging the digital divide by helping local entrepreneurs create web sites to market their goods over the Internet, helping extend health data bases and training teachers to develop computer literacy programs. That is why the provisions of this legislation to promote the digital Peace Corps internally are so essential. I am convinced that there can be a vast expansion of public/private partnerships with AOL, Hewlett Packard, Google, and others in the dot.com community. We had initial grants of technical support and equipment worth more than a million dollars to use information technology when I was director. That program clearly can be expanded.

What has not changed about the Peace Corps over the last 45 years, and what unites volunteers of the Kennedy era with volunteers of the new millennium, is the spirit of service and the same goal of contributing to world peace and international understanding by fulfilling the three goals of the Peace Corps:

- helping people in developing countries address social and economic needs;
- promoting a better understanding of Americans among the people they serve and;
- “bringing the world back home” to promote greater understanding by Americans of the world, of the people who share that world with us, what the face each day and how their lives intersect with our own.

Senator DODD. Thank you very much, Mark, appreciate it very much.

Mr. Kotz, thank you very much.

**STATEMENT OF DAVID KOTZ, INSPECTOR GENERAL, PEACE
CORPS, WASHINGTON, DC**

Mr. KOTZ. Thank you. Good morning. I'm honored to testify today, before this committee, on the subject of the Peace Corps Volunteer Empowerment Act. I believe that the committee and Congress's involvement in the Peace Corps is helpful to our office, the Office of Inspector General, in strengthening the accountability and effectiveness of the Peace Corps. I plan to focus my time today on the items in the bill that relate to the medical clearance process.

The Office of Inspector General is currently undertaking a comprehensive 8-month study of the Peace Corps medical clearance system and process. It is important to point out to the committee that, in the course of conducting this study of the medical clearance system, we are systematically analyzing many of the same issues that the Peace Corps Volunteer Empowerment Act also addresses: The adequacy of the screening review process and policies, the medical screening guidelines, the screening review timeframe, guidance to applicants, transparency, interoffice communication, customer service, staff training, the appeals process, and the reimbursement fee schedule. Our study is ongoing, and should be finalized in the fall.

Our office's study marks the first time that any entity has been able to reach out to a subsection of the general public—that is, applicants who entered the medical screening process, but withdrew

their application to become Peace Corps volunteers—to survey them about their experiences in the medical clearance process.

While the study is not complete, and I am somewhat reluctant to present definitive determinations, we do have some preliminary information that we can share with the committee today.

Our results to date show that 82 percent of applicants who withdrew their application withdrew during the medical clearance process. Our results also show that, when asked why they withdrew from the application process, the four most frequently cited reasons were: Medical screening took too much time; burdensome medical costs; burdensome dental costs; and poor communication with medical screening. Overall, 63 percent of applicants who applied, but did not serve, answered that they were not at all satisfied, or minimally satisfied, with the medical clearance system.

We have also identified the following specific issues with the medical clearance system, and plan to offer recommendations to address each of these areas of concern:

Quality improvement in the Peace Corps Office of Medical Services has been lacking. The staff within the Peace Corps have reported that our office's current study of the medical clearance system was one of the first opportunities in which a Peace Corps staff member was asked their opinion on systems and processes. We recommend that the Agency develop quality-improvement feedback mechanisms for Peace Corps staff to identify aspects of the medical screening process that can be improved.

Two, Peace Corps has identified, but not prioritized or implemented, technological improvements that would have a host of benefits to applicants, including streamlining the medical clearance process, improving transparency and communication with applicants, and improving medical records management and storage. We recommend that the Peace Corps use its online presence to post information such as the bill's proposed detailed description of the medical screening process, to improve transparency and communication with applicants about the medical clearance system.

Three, numerous applicants reported that they and their healthcare providers found the medical kit guidance and instructions, that explained the forms that the applicants are required to fill out, to be confusing. We recommend that the Peace Corps improve the medical kit instructions by eliminating contradictory guidance and by highlighting the most critical information.

Four, medical screening customer service needs to be significantly improved. Our report would detail specific recommendations to improve the customer service component of the process, including establishing customer service training and standards, and mechanisms for customer service feedback.

Five, 50-plus applicants take nearly twice as long to clear medical screening, compared to applicants under 50 years of age; and thus, the problems with the medical screening process take on an even greater sense of urgency in light of the director's 50-plus initiative.

Six, applicants and Peace Corps staff uniformly report that the applicant reimbursement fee schedule for required medical, dental, and eye examinations is not adequate and should be increased. While we agree with the Agency that full reimbursement for med-

ical costs required by Peace Corps is not attainable without a significant increase in appropriations dollars, we strongly recommend that the reimbursement schedule be increased.

Seven, and perhaps of greatest concern, our study has found that several of the recommendations for improvement to the medical clearance system were recommended in prior reports dating back to 1992, but never implemented.

Overall, our preliminary findings indicate that the medical clearance system is in need of significant improvement. While there are particular aspects of the Peace Corps Volunteer Empowerment Act to which we concur, there are other areas where we feel the concerns behind the bill's provisions can be addressed in different ways. We have certain concerns with the bill's provision that providing a list of countries available who accept volunteers with medical accommodations may lead to false expectations on where these volunteers may serve, and result in misinformation and more confusion. We agree wholeheartedly with the concerns that have been expressed regarding the outdated nature of the medical screening guidelines. These guidelines must be reviewed, at a minimum, annually to ensure that they represent the most currently available medical evidence.

However, posting the medical screening guidelines online is not the only solution to providing applicants with answers to their medical screening concerns, nor is it necessarily the best, in our opinion. The medical screening guidelines are a tool for making complex medical decisions used by medical professionals. If the medical screening guidelines were posted online, it could lead to applicants without medical backgrounds misinterpreting their eligibility, and more confusion on the part of applicants.

With regard to the establishment of a process for applicants and other interested parties to propose changes to the medical screening guidelines, we note that, while it is important to provide mechanisms that give voice to applicants' feedback and concerns, questioning the medical validity of screening guidelines may actually lead to even longer and costlier processing lengths.

In conclusion, we applaud Senator Dodd and the committee's interest in the Peace Corps. We plan to finalize our comprehensive medical clearance system study shortly and aggressively encourage the Agency to implement our recommendations to repair a medical clearance process that needs a great deal of improvement. We also plan to follow up with many of the additional good measures provided by the bill.

While we support aspects of the bill, we also feel that, with Congress's support, these measures can be implemented without legislation. We hope to continue our excellent dialog with Senator Dodd's office, and other offices, to ensure that the necessary improvements are made to the medical clearance system and other aspects of the Peace Corps.

Thank you.

[The prepared statement of Mr. Kotz follows:]

PREPARED STATEMENT OF H. DAVID KOTZ

INTRODUCTION

Good morning. I am honored to testify today before this committee on the subject of the Peace Corps Volunteer Empowerment Act as the Inspector General of the Peace Corps. The purpose of the Office of Inspector General is to prevent and detect fraud, waste, abuse, and mismanagement and to promote economy, effectiveness, and efficiency in government. I appreciate Chairman Dodd, as well as the other members of the committee, for their interest in and commitment to the Peace Corps. I believe the committee's and Congress' involvement in the Peace Corps is helpful to our office, in strengthening the accountability and effectiveness of the Peace Corps. By introducing this bill and expressing interest in the Peace Corps, Congress is helping the Peace Corps Office of Inspector General identify the necessary changes and improvements in the Peace Corps. Through the committee's commitment to improving the Peace Corps, whether through legislation or continued dialogue, Congress and the Office of Inspector General can help ensure that these critical improvements are implemented by the Agency. It is my hope that the committee remains committed to the issues raised in the legislation and the continued improvements to the Peace Corps in the future.

DESCRIPTION OF THE MEDICAL CLEARANCE SYSTEM STUDY

I plan to address several of the items in the bill; however, the matters that I will devote most of my time to relate to the Medical Clearance process. The Office of Inspector General is currently undertaking a comprehensive eight-month study of the Peace Corps Medical Clearance System and process.

It is important to point out to the committee, that in the course of conducting this study of the Medical Clearance System, we are systematically analyzing many of the same issues that the Peace Corps Volunteer Empowerment Act also addresses: the adequacy of the screening review process and policies; the medical screening guidelines; the screening review timeframe; guidance to applicants; transparency; inter-office communication; customer service; staff training; the appeals process; and the reimbursement fee schedule. Our study is on-going and should be issued shortly.

This study that our office is conducting is the first of its kind, and also marks the first time that the Peace Corps has received the Office of Management and Budget approval to reach out to a subsection of the general public, applicants who entered the Medical Screening Process but did not become Peace Corps volunteers, to survey them about their experiences in the medical screening process. The Office of Inspector General recognizes that this population of former applicants is a rich and untapped resource for identifying strengths and weaknesses in the Medical Clearance System. Through their responses, we hope to gather data unique to this group of applicants, which will yield findings and recommendations that will improve Peace Corps' applicant retention during the Medical Clearance System.

One of the goals of our study is to determine whether frustrations with the Medical Clearance System have become a barrier to service in the Peace Corps or have otherwise contributed to applicants' decision to discontinue their Peace Corps applications. The Office of Inspector General has reached out to 3,330 volunteers and applicants in our survey and to date has collected detailed responses on the Medical Clearance System from 864 individuals. We are analyzing responses from those applicants who withdrew their application and particularly with respect to the question, "At what stage did you withdraw your application?" Our results to date show that 82% of the respondents withdrew their application during the medical clearance process. Our results also show that when asked why they withdrew from the application process, the four most frequently cited reasons out of the 19 provided, which included reasons such as "returning to school" or "personal/familial reasons" were "medical screening took too much time," "burdensome medical costs," "burdensome dental costs," and "poor communication with medical screening."

When asked the question, "Were you satisfied with the Peace Corps Medical Clearance process?" 63% of applicants who applied but did not serve, answered that they were not at all satisfied or minimally satisfied. However, 19% said they were more or less satisfied and only 12% stated they were very satisfied or extremely satisfied.¹ When the same question was asked to current volunteers (those who persevered through the process and served), "Were you satisfied with the Peace Corps

¹Due to the fact that the Office of Inspector General Peace Corps Medical Clearance System survey is open and will continue to collect responses until August 20, 2007, these results are preliminary, and may change. To date we have received 152 surveys from applicants who did not serve in Peace Corps.

medical clearance process?" 28% said they were not at all satisfied or minimally satisfied and nearly half of the volunteers (49%) said they were more or less satisfied with the medical clearance process. For the last five years, the number of applicants the Office of Medical Services has medically qualified for service has exceeded the number of volunteers requested by Peace Corps posts.² Therefore, if your measure of the effectiveness of the Medical Clearance System is whether the Agency is able to medically screen in the number of volunteers requested by Peace Corps posts, then, yes, it would appear that the Medical Clearance System is working. However, our preliminary results show that the Medical Clearance System and process has, in fact turned away numerous individuals from continuing their application process, and that an overwhelming percentage of those who withdrew their application withdrew at the medical screening stage and expressed negative views on the medical screening system demonstrates that while the Medical Clearance System may not be entirely broken, it is certainly in need of repair.

In addition to our survey, our evaluation of the Medical Clearance System includes a case study portion requesting electronic journals and teleconferences with current 50-plus applicants and extensive face-to-face interviews with Peace Corps staff including screening staff, screening nurses, Office of Medical Services managers, and policy makers. Our office has been working with the Agency, the 50-plus Initiative Work Group that the Agency has put together, and the National Peace Corps Association to understand how the Medical Clearance process can be improved. We look forward to sharing more information with the committee and Chairman Dodd when the study is completed and working together to improve the process for applicants and the Agency.

MEDICAL CLEARANCE SYSTEM PROBLEMS LIST AND DESCRIPTION

While the study is not complete and I am somewhat reluctant to present definitive information, we have identified the following issues with the Medical Clearance System:

1. quality improvement in the Office of Medical Services has been lacking. The quality improvement unit within the Peace Corps' Office of Medical Services has not been proactive in developing performance measures, leading quality improvement initiatives, or collecting staff feedback to analyze and track screening performance in order to identify areas for improvement, nor have they systematically updated the medical screening guidelines or the country health resources database as required. As a result, screening nurses have developed their own, additional criteria, based on research they collected about medical conditions and advances in medical diagnosis. The quality improvement unit is currently working with the screening nurses to incorporate their research into the new medical screening guidelines. In addition, the posts have not been required to annually update their information in the country health resources database and therefore, the list of countries who can accept medical accommodations has not been updated in real time and applicants are being restricted from serving in countries that could have accommodated them.

2. Peace Corps has identified but has not prioritized or implemented technological improvements that would have a host of benefits to applicants including streamlining the medical clearance process, improving transparency and communication with applicants, and improving medical records management and storage. These technological enhancements are critical to improving numerous aspects of the medical clearance process including reducing screening time. For example, while 75% to 80% of the Peace Corps applications are submitted online, the medical kit, a packet with examination forms and instructions for the applicant and the medical or dental provider, is in a paper format which must be collated and mailed to the applicant. Screening nurses reported that approximately 95% of the medical kits they receive are missing required documentation and that is a major reason why medical screening is delayed. Although the Office of Medical Services has requested that the Agency's information technology group place the medical kit online as far back as several years ago, as of this date, this has not occurred.

3. Numerous applicants reported that they and their health care providers found the medical kit guidance and instructions to be confusing. Other applicants reported that they were overwhelmed by the medical kit guidance because it is presented in a 32 page book. One volunteer wrote:

²In Fiscal Year 2006, Peace Corps posts requested 4640 volunteers; the Peace Corps Screening unit medically qualified 5323 applicants for service.

The way it was organized took many times to read and reread to figure out which doctor needed what. It wasn't completely unclear, because obviously I'm here, but I remember it took several times to read it to make sense of it for me, and then even my doctors had some questions about what was needed. Certain tests I thought might be unnecessary, because I knew I hadn't any of those diseases, but my doctor was afraid not to run them, so I paid for them anyway! In the dental forms I didn't realize you needed a certain x-ray exam, so I had to go back to see the dentist twice (out of my own pocket). My gynecologist was unclear even about some of the paper work.

Other volunteers wrote:

Some of the instructions were partially repeated, forms were called by a variety of names, and in one case I felt it was necessary to cut a portion out of the booklet based on the instructions. Those items to be filled out by the applicant need to be organized and clearly separated.

Information had inconsistencies, and was often confusing. Calling the help telephone numbers did no good as you seldom got through, messages you left were usually not returned, but, most frustrating, whenever you did reach a person they usually told you they couldn't help you and would transfer you to another department, who would then tell you they couldn't help you and transfer you right back.

4. Medical screening customer service needs to be significantly improved. Applicants reported that despite calling the 800 number multiple times to reach a screening nurse, they were unable to reach a customer service representative and sometimes unable to even leave a voicemail message because the voicemail was full. In addition, some applicants who did reach a customer service representative, reported that they were rude or unhelpful.

One of the current 50-plus applicants who is participating in the case study had this to say about calling with a medical screening question:

I left a message on the nurse line yesterday (June 11), and have not received a response yet. I just tried again to call (June 12, 11 :45 am), and wasn't able to leave a call-back message, as the voice-mail box was full. I never received a call back this time.

Another 50-plus applicant wrote:

I sent a fax on Saturday afternoon, July 7, asking for clarification of what was wanted. As of Monday evening, July 9, I had not received a reply. This morning, July 10, I still hadn't received a reply, and I needed to know because I'm having blood drawn for another purpose soon. So I called the nurse station. I think this was the first time I've called there that a person picked up, and she then transferred me directly to the screening nurse and I was able to get my answer. She told me my fax was probably in a pile of about 20 that she had to deal with, now in their busy season.

One applicant who did not serve had this to say about medical screening customer service:

I don't know where to begin here, since my experience was so negative. For one thing, you have to have live people available, and you MUST get back to people and answer their voicemail and e-mails in a timely fashion. You must be clear and specific about your objections, and please try to be helpful and supportive rather than cold and distant during this difficult process.

Our evaluation intends to make several recommendations that will affect the customer service provided to applicants during the medical clearance process.

5. Numerous Peace Corps staff and applicants reported that veterans affairs hospitals do not have the resources to adequately screen applicants for Peace Corps medical clearance. The veterans affairs hospitals are highlighted as a resource for applicants to get free physical exams covered by Peace Corps; however, many applicants are unaware of this resource. Other applicants reported that veterans affairs physicians' were rude, did not honor their appointments, and that the physical exam was not complete. This required applicants to spend hundreds of dollars to complete follow-up tests and exams.

One applicant who did not serve wrote:

Provide a facility in order to do the medical clearance process much like the one that is done for the armed forces.

Another volunteer provided the following feedback:

Misinformation about availability of using government/military medical facilities. I was denied this option when I tried. Also, unnecessary tests were required as follow-up for conditions or past procedures, which were not medically indicated and furthermore were not reimbursed by PC.

6. 50-plus applicants take nearly twice as long to clear medical screening compared to applicants under 50 years of age. According to the Office of Medical Services executive summary reports, it takes approximately 34 days to medically qualify an applicant under the age of 50, whereas it takes between 68–73 days to medically qualify an applicant over the age of 50. Additionally, as a group, 50-plus applicants are more likely to appeal their case if they are deemed medically not qualified. The 50-plus population comprises 5% of the total volunteer population; however, they make up 25% of the cases reviewed by the Medical Screening Appeals Board. The 50-plus applicant population does have a different medical screening experience and therefore, it is critical for significant improvement to be made to the Peace Corps Medical Clearance System in order for the director's laudable goal of significantly increasing the percentage of 50-plus volunteers to be achieved.

7. In 2006, the average Federal Employees' Compensation Act claim amount paid to 50-plus volunteers was \$9,109 compared to \$5,667 paid to under 50 volunteers. In 2006, 29% of the 50-plus population in the field became a Federal Employees' Compensation Act claimant, compared to 12% of the under 50 population. An effective screening process protects volunteer's health and safety and saves the Agency and taxpayer's money by resulting in fewer medical evacuations and Federal Employees' Compensation Act claims.

8. The five-year rule is a significant detriment, not a benefit to the Medical Clearance System and Office of Medical Services screening unit. Where experience and a comprehensive knowledge base of Peace Corps post conditions and medical accommodations are indispensable to screening applicants efficiently, productively, and safely, the effect of the five-year rule is to essentially force the most experienced and dedicated nurses to leave the Agency. These nurses are replaced with new nurses who require extensive training and who only reach acceptable levels of efficiency screening applicants after one year. The turnover caused by the five-year rule also reduces all screening teams' productivity and creates an unnecessary bottleneck in the application process.

9. Applicants and Office of Medical Services staff uniformly report that the applicant reimbursement fee schedule for required medical, dental and eye examinations is not adequate and should be increased. According to the preliminary results of our survey, 21% of applicants and volunteers did not have health insurance when they applied to the Peace Corps with the majority spending \$101–\$500 in out-of-pocket expenses for required medical exams and lab work.³

One volunteer wrote:

Tell us in advance that we'll probably have to have (and pay for) follow-up examinations or tests. The reimbursement is inadequate for most situations, even at a public health clinic.

10. And perhaps of greatest concern, our study has found that several of our recommendations for improvements to the Medical Clearance System were recommended in prior reports dating back to 1992, were accepted by the Agency but were never implemented. An evaluation conducted by McManis Associates, entitled "Report on the Screening and Medical Clearance Process" issued in 1992 gave the recommendation that:

A process needs to be established to institutionalize and standardize the procedures for updating and revising medical screening guidelines and medical screening policy.

Discussion to develop a process for reviewing and updating the Medical Screening Guidelines was proposed in 2005, begun in October 2006 and is anticipated to be completed by October 2007; this is 15 years after the problem was identified. Additionally, several Office of Medical Services staff cited the 2002 Pugh Ettinger McCarthy External Evaluation of the Volunteer Health System as an excellent evaluation of the Medical Clearance System and agreed

³The majority (39%) of applicants who applied but did not serve in the Peace Corps spent \$101–\$500 in out-of-pocket expense for required medical exams and lab work compared to the majority (45%) of volunteers who spent \$101–\$500 in out-of-pocket expense for required medical exams and lab work

with its recommendations including, the need for collecting applicant and volunteer feedback, development of quality performance controls and indicators, and noting the effect the five-year rule has had in “challeng[ing] succession planning in management and limit[ing] organizational memory.”

In light of our preliminary findings from our comprehensive Medical Screening System survey, we conclude that the Medical Clearance System is in need of significant improvement. Particularly in light of the 50-plus Initiative, the Peace Corps needs to fix the Medical Screening Process. In a number of cases, the problems with the Medical Screening Process are not new, and in fact, some changes have been suggested by Peace Corps employees and prior studies, but these changes have not been implemented.

HIGH LEVEL RECOMMENDATIONS FOR IMPROVEMENTS TO THE
MEDICAL CLEARANCE SYSTEM.

The Medical Screening System is a critical aspect of the volunteer delivery process. The Medical Screening System is responsible for striking the delicate balance between medically screening in and screening out applicants in order to provide overseas posts with healthy, able and productive volunteers. While again our study has not been completed, our office has worked with the Medical Screening System Agency stakeholders and has identified specific action items for fixing the issues with the Medical Screening System:

We recommend that the quality improvement unit work with Office of Medical Service managers to develop performance measures and staff feedback mechanisms to systematically identify, justify to the Agency, and implement improvements to the Medical Clearance System.

Some of the performance measures identified are the following:

Employee and staff:	Percent of requests for records not delivered in 48hours
Percent of Office of Medical Services employees that rate their job satisfaction as excellent	Efficiency and accuracy: Cost per screening
Timeliness and Flow:	Effectiveness:
Percent of screenings with decision made within 90 days of receipt	Percent of Peace Corps volunteers with accommodations that complete 27 months of service
Timeliness and Flow:	Effectiveness:
Percent of incomplete medical records	rate of mental health Early Terminations
Timeliness and Flow:	

In addition, the Quality Improvement unit within the Office of Medical Services should take a more proactive role in leading quality assurance and quality control initiatives. Quality improvement should be conducted on two tiers, operational on a day-to-day process level and on a strategic level. Office of Medical Services staff reported that our Office’s current evaluation of the Medical Clearance System was one of the first opportunities in which a Peace Corps staff member was asked their opinion on systems and processes. We recommend that the quality improvement unit develop quality improvement feedback mechanisms for Office of Medical Services staff to identify areas and processes in the medical screening process that can be improved and suggest improvements. Discussion and data analysis will identify the best ways to make these process and strategic improvements. Quality improvement leadership and staff should undergo quality improvement training to better equip the unit with the tools and knowledge to implement this recommendation.

To ensure Agency accountability to the Medical Clearance System, we recommend that performance measures and other indicators developed by the quality improvement unit and Office of Medical Services managers be written in an annual report that tracks the efficiency, effectiveness and productivity of the Medical Clearance System. We further recommend that this report be included in the Office of Medical Services report “Health of the Volunteer.”

We also recommend that the Quality Improvement unit in the Office of Medical Services lead the effort in reviewing the medical screening guidelines at a minimum annually or as updates are required.

We applaud Senator Dodd’s office for the concern with applicants’ ability to obtain information on their likelihood of being medically qualified by the Peace Corps before they spend significant sums of their own money on required medical exams and tests. We also agree wholeheartedly with the concerns that have been expressed regarding the out-dated nature of the medical screening guidelines. These guidelines must be reviewed at a minimum annually to ensure that they represent the most currently available medical evidence. However, posting the medical screening guide-

lines online is not the best solution to providing applicants with answers to their medical screening concerns, nor it is necessarily the best in our opinion. The medical screening guidelines are a tool for making complex medical decisions used by medical professionals. If the medical screening guidelines were posted online, it could lead to applicants without medical backgrounds misinterpreting their eligibility and actually lead to more confusion on the part of applicants. It also has the possibility of resulting in the Agency unnecessarily dissuading perfectly able, healthy and productive applicants from becoming volunteers. Further, telling the applicants the answers they need to give in order to be medically cleared may encourage and invite fraud, which would, in the end, jeopardize their health and safety in the field. In our view, applicants would receive the most accurate answer of whether or not their particular condition will preclude them from serving in the Peace Corps by having the opportunity to speak to a screening nurse, rather than by reviewing the information online.

We respectfully suggest that since the underlying reason that the authors of the bill may have recommended the posting of the medical screening guidelines online relates to the high levels of frustration that applicants feel with regard to the customer service element of the Medical Screening System, our evaluation will make several recommendations that address needed customer service improvements and that will make screening nurses more accessible to applicants.

We recommend the Agency strategically use technology to streamline the Medical Clearance System. As the bill correctly points out, the Peace Corps can use the internet and technology to streamline the Medical Clearance System and provide more transparency and accessibility to applicants. We strongly support those aspects of the bill. Improvements in technology that we have identified that will improve the Medical Clearing System are:

- Immediate scanning of applicant's paper medical records prior to review by the screening nurses. This change in the Medical Screening System will help segue the department toward a full electronic medical records system and will remedy the current administrative problems of inadequate storage and the difficulty sometimes faced locating and processing paper files.
- Posting the Medical Kit online.

We recommend Peace Corps use its online presence to post information to improve transparency and communication with applicants about the Medical Clearance System. We recommend that the following measures be put into place to improve transparency and communication for applicants:

- Create an Online Toolkit Medical Screening Checklist.
- Expand Status Checks and Incorporate Automated E-mail Messaging to Applicants every time an applicant's status is changed.
- Publish the "Comprehensive Medical and Dental Package" online.
- Modify the Health Status Review to include timeframes for questions regarding family counseling.
- Consolidate location of instructions and forms.
- Communicate a detailed description of the Medical Screening process and the country placement process.
- Post the most typical conditions for which the Agency (1) does not normally accept applicants, (2) medically accommodates applicants, and/or (3) delays an applicant's entry into duty and update this list on a routine basis and as needed.

We agree with the bill's Section 301(4), that a detailed description of the medical screening process applicable to Peace Corps applicants, including definitions of all applicable terms, should be posted on the Peace Corps website and on My Toolkit. We strongly concur that there should be a more detailed description of the Medical Clearance process that helps set applicant expectations for the amount of time the medical clearance will take including scheduling doctors appointments, waiting for test results, completing follow-up tests and review of medical documentation by a screening nurse. We also strongly agree with providing more information on the medical dispositions that can result from the screening process and improving information regarding the implications of a failure to disclose medical information as indicated in Section 301(5) of the bill.

We concur with Section 301(1) of the bill, that a list of medical conditions that typically disqualify individuals from serving, and a list of conditions that typically lead to medically accommodating a volunteer should be provided to all applicants, and note that this list is currently posted on the Peace Corps application site and is included in recruitment kits sent out to applicants. However, more detailed infor-

mation should be provided and the list should be updated on a continuous basis. We recommend that the Office of Medical Services continually update the list of medical conditions. Numerous applicants stated that the online document does not list all conditions, and the following quote from one of the volunteers who responded to our current survey highlights the importance of providing this information to applicants:

Did not know that getting PRK/LASIK eye enhancement surgery would delay my medical clearance for a year. This was not known to me and was the reason I did not finish my medical clearance.

We agree with the bill in that the Peace Corps can and should do a better job at providing medical clearance information to applicants. We do however, agree with the Agency that if some of the Peace Corps Volunteer Empowerment Act provisions for the Medical Clearance System were implemented without an understanding of the interwoven systems of recruitment, medical screening, legal screening and placement, the result could actually lengthen the medical screening process and could result in volunteers being placed in countries that cannot provide the resources needed to accommodate their health conditions. However, upon the conclusion of our study, we plan to recommend specific improvements that address the majority of the concerns that are raised in the Peace Corps Act Volunteer Empowerment Act: transparency, communication and customer service.

We recommend that the Office of Medical Services improve the Medical Kit instructions by eliminating contradictory guidance and by highlighting the most critical information.

We recommend that the Office of Medical Services recognize customer service as a core value of the screening process, the importance of coaching applicants through the Medical Clearance System, and that the Office of Medical Services implement "Coaching through Clearance," for applicants.

In addition, the following specific improvements will improve customer service, communication and transparency for applicants:

- Establish customer service training and customer service standards.
- Establish mechanisms for customer service feedback.
- Establish a Screening Nurse e-mail address that can be checked by Screening Assistants and forwarded onto the proper screening nurse.
- The direct telephone extension of the screening assistant should be included in the Medical Kit.
- Improve the Medical Clearance System customer service line so that the line always rolls to another phone until a live person is reached.

We recommend that the regional recruiters cease providing applicants with information about Veterans Affairs Hospitals as a convenient and financial resource for completing the physical exam requirements of the Medical Kit.

We recommend that the Agency exempt several positions in the Office of Medical Services from the five-year rule to the extent allowed under the law. Peace Corps is unique in that it hires and extensively trains experienced and knowledgeable nurses but then by virtue of the five-year rule, it loses that experience and knowledge prematurely. This practically has the effect of increasing the likelihood of errors in medical judgment, causing potential harm to Peace Corps volunteers. If one combines the drastic effect of the five-year rule with the nationwide nursing shortage, for example, and the present-day reality that trained, experienced, and passionate screening nurses are becoming increasingly more difficult to recruit and retain, the overall impact is substantial. While there are legislative impediments to wholesale exemption of positions in the Office of Medical Services from the five-year rule, our final report will outline specific positions that we believe should be exempted from the five-year rule and the statutory and regulatory bases for these exemptions.

We recommend that the reimbursement fee schedule be increased to meet average doctor bill rates for physical examinations, dental examinations, and eye glasses. We wholeheartedly endorse the concern expressed in the bill in Section 301(6), about the insufficiency of the reimbursement fee schedule for physical examinations, dental examinations, and eye glasses. One of the questions on our survey is, "What one thing would you do to make the Medical Clearance process better?"; a high percentage of respondents cited changes to the reimbursement fee schedule. This is somewhat surprising in light of the survey's results that 59% of applicants who did not serve and 32% of volunteers did not even submit a reimbursement claim.

While we agree with the Agency that full reimbursement for medical tests required by Peace Corps is not attainable without a significant increase in appropria-

tion dollars, we strongly recommend that the reimbursement schedule be increased. The justifications are two-fold; the current schedule has not been increased on a routine basis to account for inflation and does not take into account new clearance requirements, such as immunizations, that have been added to the Medical Kit. In addition to immediately increasing the reimbursement fee schedule, the Agency should review the reimbursement schedule annually and determine increases to the reimbursement schedule if either (1) new requirements are added to the Medical Kit and/or (2) already required tests and exams have increased in cost. Aside from annual reimbursement review and general increase of the reimbursement schedule, the current dental reimbursement amount of \$60 should be increased to \$100 or more because the costs of dental exams and x-rays is increasingly higher and fulfilling the requirements for dental clearance is one of the most burdensome components of the medical screening process.

Our office feels strongly about this recommendation because not only does the current reimbursement schedule frustrate volunteers and deter desirable and qualified volunteers from completing medical screening, but the reimbursement schedule may also act as an unintended barrier to recruiting volunteers from diverse socioeconomic levels. There is a correlation between people of lower socioeconomic levels not having access to health insurance, increasing the cost burden for this demographic and further preventing them from finishing the application process or even applying to Peace Corps. If the committee and the Peace Corps are seeking to increase recruitment efforts for minorities and older Americans, removing the impediment of an inadequate reimbursement schedule is an important step.

We also would like to provide the following additional comments about specific aspects of the Volunteer Empowerment Act's medical screening provision that we have not already addressed above.

We have certain concerns with the bill's provision in Section 301(1b) that providing a list of countries available to accept volunteers with medical accommodations may lead to false expectations on where these volunteers may serve and result in misinformation and more confusion. In addition, the list of medical accommodation countries is maintained by the Office of Medical Services, but is constantly changing and posting that information may not achieve the desired result of providing more accurate information to applicants.

With regard to Section 301(2) of the bill that requires the establishment of a process for applicants and other interested parties to propose changes to the Medical Screening Guidelines, we note that while it is important to provide mechanisms that give voice to applicants' feedback and concerns, questioning the medical validity of screening guidelines may actually lead to even longer and costlier processing lengths. Screening nurses could potentially be overburdened by the tenacity of volunteers to seek other medical opinions that would medically qualify them. In addition, medical opinions provided by other physicians unfamiliar with the health conditions and standards necessary in foreign posts could pose serious health risks to that volunteer. Finally, screening nurses need a standard of medical criteria to base their decisions in evaluating an applicant's medical qualification. Changing this system fosters an environment of relativity and inconsistency as each screening nurse will have differing methods and criteria for qualifying applicants, which may in effect, compromise medical screening transparency.

We very much concur with the intention of Section 301(3), of the bill that would require a process to allow volunteers to appeal rejections on medical grounds, and note that we have determined that there is an appeals process in place which provides applicants an opportunity to provide more data empowering the volunteer to advocate for themselves using new medical information. With respect to the right to base an appeal on the inadequacy of the medical screening guidelines, there is a process in place to update the medical screening guidelines that will be completed by October 2007. We endorse this effort and note that it is long overdue. Given that this review is underway, we do not think it is necessary to include the right to base an appeal on the inadequacy of the medical screening guidelines in the overall appeals process.

COMMENTS ON OTHER SECTIONS OF THE S. 732 VOLUNTEER EMPOWERMENT ACT

As I indicated, our analysis is focused on the Medical Clearance System. With respect to certain other aspects of the bill, I have the following opinions.

We wholeheartedly concur with the laudable goal of doubling the number of Peace Corps volunteers by December 2009, but would caution that significantly increased appropriations are an absolute necessity to achieve this goal, as in some cases, the Peace Corps is stretched too thin today. In our view, it would be unwise to continue

to expand posts without the resources to ensure that volunteers are properly supported.

We applaud Section 306(b) of the bill that increases whistleblower protection for volunteers reporting the misconduct of Peace Corps staff as we feel that as much protection as possible should be provided to these whistleblowers. Because of their status as volunteers and not employees, currently volunteers are not afforded significant protection from retaliation for their whistleblower claims. Whistleblowers provide a great deal of critical information to our office with respect to the inner workings of the Agency and we need to make sure volunteers are protected when they provide this important information. Very often, our information comes from whistleblowers and complaints and our Office would not be able to prevent waste, fraud and abuse in the Agency without the help and support of volunteers acting as whistleblowers.

We also applaud the committees' efforts to give the volunteers a larger role in evaluating various aspects of the Peace Corps. When the Office of Inspector General conducts evaluations, we focus entirely on the opinions and viewpoints of the volunteers, as they are the life blood of the Agency, and we uniformly uncover critical information regarding their sites, programs, projects and the abilities of the Peace Corps staff in country. We believe that Office of Inspector General inspections should not be the only mechanism for volunteers to share their view and provide feedback concerning activities at post. It is our opinion that the Agency should become even more volunteer-centric and provide more opportunities for the volunteers to be involved in the decision-making process. Encouraging the use of the Volunteer Advisory Committee is an excellent idea. We also concur with the bill's efforts to provide more volunteer involvement in site selection and personnel aspects of a post. The volunteers' viewpoints and feedback must be considered when the Agency makes important decisions concerning site selection, training curriculum and personnel evaluation at post. Within Section 201 of the bill, there is a provision that these upward reviews and surveys of volunteers be provided to various Agency officials. We concur with a proposal expressed by others that our office also receive the results of the upward reviews conducted by volunteers on senior staff and programs. We too believe that this will be a source of valuable information and enhance the effectiveness of the Inspector General's Office in improving Peace Corps management and programs.

CONCLUDING REMARKS

In conclusion, we applaud Senator Dodd and the committee's interest in the Peace Corps. We plan to finalize our comprehensive Medical Clearance System study shortly and aggressively encourage the Agency to implement our recommendations to repair a medical clearance process that needs a great deal of improvement. We also plan to follow-up with many of the additional good measures provided by this bill. While we support aspects of the bill, we also feel that with Congress' support, these measures can be implemented without legislation. We hope to continue our excellent dialogue with Senator Dodd's office and other offices to ensure that the necessary improvements are made to the Medical Clearance System and other aspects of the Peace Corps.

Senator DODD. Thank you very much. Very comprehensive testimony. We appreciate it very, very much, and I thank both of you for joining us here today.

And, Director Schneider, Mark, we remember your service very, very well, not only as a volunteer, but as the Director of the Peace Corps, as well, and thank you.

I think I saw both of you here for the testimony regarding implementing the proposals contained in the legislation which I have introduced. Just very quickly, is that accurate, in your assessment?

Mr. SCHNEIDER. That would—

Senator DODD. They're implementing many of the suggestions—

Mr. SCHNEIDER. Oh. I think that they're—he does—the Director does have a 50-plus initiative—

Senator DODD. Yes.

Mr. SCHNEIDER [continuing]. And I think that that is going in the same direction. I would think that, sitting down, that several

of the provisions in this bill, particularly related to the financial barriers, if you will, for 50-plus applicants, and also the medical screening, should move in the direction of permitting his initiatives goal to be achieved, which is to increase the number of 50-plus volunteers.

Senator DODD. Yes.

Mr. SCHNEIDER. The second is that I think that the comment that he made with respect to support for the VACs is accurate. I think the issue there is, it's—as he said, there is one of the—Volunteer Advisory Committees that—where he said that there is one country where that didn't exist. My view is that that's so important that it should be mandated. And it shouldn't be up to an individual country director whether or not it exists, and it should exist, and I have no problem in providing that their recommendations then are taken into consideration with respect to the issues, as indicated; particularly, in my view, site selection and program and training. That's where volunteers see it.

And I've always been of the view that it's extremely important for volunteer input on—into sites—where new volunteers are going to live and where they're going to work. Those are the two things that are most important about satisfaction for a volunteer. If the site is a place where they could live comfortably, in the sense of not being afraid and also being able to do their work, and if the—their role in the program makes sense.

Senator DODD. Let me, if I can, very briefly, here, I—Mr. Kotz, I want to ask you about this case that I raised with the Director involving the report in the Washington Post on the 2003 political briefings. Do you have any information about that—

Mr. KOTZ. Well, our office has been in consultation with the Office of Special Counsel on that matter. The Office of Special Counsel has exclusive jurisdiction to investigate Hatch Act violations. So, we have spoken to them. Our investigator has met with them to talk about going forward with the investigation. So, we will be participating in, and assisting them in, the investigation, but they essentially have the lead in that investigation.

So, I can certainly assure you that we are asking—the Office of Special Counsel is asking for a list of all political employees at the time, and then those political employees will be interviewed to determine whether they attended that particular briefing, and will be followed up, in terms of getting the information that you asked for previously today.

Senator DODD. And then you'd report back to this committee, is that how that would work?

Mr. KOTZ. Well, it's the Office of Special Counsel, essentially, that has the jurisdiction. We assist them. I'll be happy to do whatever you wish.

Senator DODD. We'll follow up with that and determine what's the proper—

Mr. KOTZ. OK.

Senator DODD [continuing]. Appropriate way to proceed.

Mr. KOTZ. But I did express to the folks in the Office of Special Counsel that, while they do have exclusive jurisdiction, since it's happening in, you know, the Agency that I am involved in—

Senator DODD. Yes.

Mr. KOTZ [continuing]. You know, I need to know what's going on, and to look into it further.

Senator DODD. Can I also quickly raise with you the issue of the Peace Corps volunteer in Bolivia, Walter Poirier, who disappeared back in 2001? I gather that investigation has been reopened?

Mr. KOTZ. Yes. Yes. About 6 months ago, our office decided to look again at that. Mr. Poirier is the only volunteer in the history of the Peace Corps who has gone missing, who hasn't been found. And so, our office, which is in charge of violent crimes against volunteers, considers that case still to be the No. 1 priority in our office. In order to go back in—and look at a search effort, I have asked the National Park Service to help us out. We have gotten several individuals, experts in the field, who have done searches in Grand Canyon, who have expertise in doing searches, to assist us. They have gone out to Bolivia to do initial efforts to look into that. We have gotten some documentation from the FBI, that were never previously provided, that we are looking at, even though this happened 6 years ago. And so, there is a renewed effort to do a targeted search. We're hoping to do one in September, to make another effort to find the missing volunteer. I'm in touch with Walter Poirier, Sr., on a biweekly basis, to talk to him about how we go forward on this case. But this is a very important matter for our office, and we continue to make every effort we can to try to see if we can find Mr. Poirier's remains.

Senator DODD. How helpful is the Embassy in Bolivia being?

Mr. KOTZ. Yeah, we have had a couple of issues, frankly, with the Embassy in Bolivia, in terms of their view that nothing else needs to be done. And we have essentially said to them that we don't need their assistance at all, but we would ask that they not be an impediment in the process. There were some impediments in our last trip when we went out there. We're hoping to, as I say, look to do a search effort in September, and we're certainly hoping that we won't have any further impediments—

Senator DODD. Well, perhaps Senator Corker and I could draft a letter to the Ambassador down there, and just urge the embassy to be cooperative in every way they can—

Mr. KOTZ. Yes.

Senator DODD [continuing]. And we'll try and work something up for the two of us to send down.

Mr. KOTZ. That would be great.

Senator DODD. Maybe Senator Biden or Senator Lugar to join us, as well, in that.

Mr. KOTZ. I would really appreciate—that would be great. We want to be able to, you know, have unfettered access to—

Senator DODD. Yes.

Mr. KOTZ [continuing]. The area, to bring in our experts and see what we can do, in terms of—

Senator DODD. The FBI has been helpful, I gather?

Mr. KOTZ. Yes. Yes. Yes. Generally.

Senator DODD. Very, very good.

The safety and security of volunteers is something all of us care about this very, very much, obviously, and we're talking about a case in point. Any other additional suggestions or recommendations? There were concerns raised by the Director, that I was rais-

ing some security risks by things we were suggesting. Would you address that issue?

Mr. KOTZ. Yes. I mean, I think, you know, in a minimal way, there are some possibilities. I guess the issue was raised about fundraising, and so, that—I guess there was the possibility that volunteers would be some sort of target, although I think you could put mechanisms in place on that. The other matter that was raised related to administrative separation—I mean, I do agree with—as the Director says, that we should have the ability—our Peace Corps country directors should have the ability to administratively separate volunteers, if they're at a site. I mean, I think that's an issue. They need to be available, they need—we need to know where they are at all times, so something like the Poirier case can't happen again. But, again, I think that there are ways to work around that.

We—our office, actually, in addition to the medical clearance study, is doing a comprehensive safety and security study. We're going out to 19 different posts to assess—there were many changes that were put into place in the Peace Corps, vis-a-vis safety and security, several years ago, and we're assessing whether those changes have been implemented in the appropriate way and whether there has been a change in the safety and security of volunteers as a result.

Senator DODD. Well, I'd appreciate it if you might take a look at these recommendations in this bill—

Mr. KOTZ. OK.

Senator DODD [continuing]. And any modifications you may suggest that would allow us to proceed with these provisions, but to minimize the security and safety issues to the extent they exist.

Mr. KOTZ. Absolutely.

Senator DODD. It would be very, very helpful.

RESPONSE TO QUESTIONS BY SENATOR DODD FROM H. DAVID KOTZ,
INSPECTOR GENERAL OF THE PEACE CORPS

Below are noted the portions of the Bill (S. 732) that will have an impact on volunteer safety and security. The following are my recommendations of modifications to the Bill that should be made in order to minimize the security and safety issues:

Title I, Section 101 (Seed funding) and Section 102 (Charitable fundraising):

First of all, we agree with Mr. Schneider's remarks made during the hearing that some Peace Corps volunteers are already involved in fundraising activities, and this bill would provide more visibility, structure and oversight to those fundraising activities and thereby would increase those volunteer's safety and security. Secondly, and conversely, we recognize that encouraging volunteers who would not have engaged in fundraising on their own accord to engage in fundraising activities could increase the likelihood of volunteers being seen as a constant source of funds and could jeopardize their primary objectives and their safety and security. Lastly, a vehicle for funding volunteer projects already exists; the Peace Corps Partnership Program (PCPP).

Modification recommended: Prior to establishing two new vehicles for funding volunteer projects, we suggest the Peace Corps investigate why volunteers are turning to alternative methods of fundraising instead of using the Peace Corps Partnership Program. Our office has already evaluated some of those issues in recent post reports and the agency is advised to consider our recommendations and make changes to PCPP to increase program clarity and decrease processing timeframe. We also suggest the Office of Private Sector Initiatives (OPSI) analyze whether aspects of the programs discussed in Sections 101 and 102 could be implemented into the Peace Corps Partnership Program to make the program more useful to volunteers.

Title I, Section 104 (Doubling the number of Volunteers with significant work experience and adding 20 new sector specific programs in 20 different countries):

We wholeheartedly concur with the laudable goal of doubling the number of Peace Corps Volunteers with significant work experience by December 2009, but would caution that significantly increased appropriations are an absolute necessity to achieve this goal, to ensure that Peace Corps is not stretched too thin.

Modification recommended: Make the expansion of posts contingent on additional funding. It would jeopardize volunteer safety and security to expand posts without providing the resources to ensure that volunteer sites are properly developed and that safe working and living conditions are provided for volunteers.

Title II, Section 201 (Participation in reviews of staff and programs), Section 202 (VAC) and Section 203 (Input regarding site selection and training curriculum):

We applaud all three provisions under Title II of the Bill that encourage the use of volunteer feedback concerning post activities and providing insight to headquarters regarding post operations. We feel these provisions will improve dissemination of critical information and will ultimately increase the level of safety and security of our volunteers.

Modification recommended: Title II, Sections 201, 202 and 203 provisions will have a positive impact on volunteer safety and security and therefore, we have no modifications to make to these provisions.

Title III, Section 301 (Reforms to Medical Screening process):

Posting medical guidelines online, discussed in Section 301(1) of the Bill may negatively impact volunteer's safety. As stated in my submitted written testimony, if the medical screening guidelines were posted online, it would tell the applicants the answers they need to give in order to be medically cleared and may encourage and invite fraud, which would, in the end, jeopardize their health and safety in the field.

With regard to Section 301(2) and 301(3) of the Bill that require the establishment of a process for applicants and other interested parties to propose changes to the Medical Screening Guidelines and the right to base an appeal on the inadequacy of the Medical Screening Guidelines, we note that while it is important to provide mechanisms that give voice to applicants' feedback and concerns, questioning the medical validity of screening guidelines may actually lead to even longer and costlier processing lengths. In addition, medical opinions provided by other physicians unfamiliar with the health conditions and standards necessary in foreign posts could pose serious health risks to that volunteer.

Modification recommended: We do not believe that modifications to these sections would ameliorate the concerns and thus, respectfully recommend removing Sections 301 (2) and 301(3) from the Title III, Personnel Issues and Benefits, portion of the Bill.

Title III, Section 306 (Protecting Rights of Volunteers);

We applaud Section 306(b) of the Bill that increases whistleblower protection; whistleblowers provide a great deal of critical information to our office with respect to the inner workings of the Agency and we need to make sure volunteers are protected when they provide this important information.

Modification recommended: Section 306 provisions will have a positive impact on volunteer safety and security and therefore, we have no modifications to make to this provision.

Senator DODD And last, you raised the medical screening procedures. I think you've adequately covered that, the importance of it. And I think you heard Senator Corker, and he can comment on it, himself. But we really care about this very much, and this has got to be changed. I was sort of stunned that some of the recommendations go back to 1992.

Mr. KOTZ. Yes.

Senator DODD [continuing]. And things that have not been implemented, to move this along at a more rapid pace.

And the seed money issues, I think you've addressed this, as well. Mark, I think you have outlined this issue. We talk about the country director having to approve—

Mr. SCHNEIDER. Exactly.

Senator DODD [continuing]. Are there other steps that should be taken? Is that too light? Should there be something more?

Mr. SCHNEIDER. No; I mean, I think that you have it right, in terms of putting a limit on the size.

Senator DODD. Yes.

Mr. SCHNEIDER. You don't want a lot of money going there.

Senator DODD. Yes.

Mr. SCHNEIDER. Having the country director essentially approve the proposal—this simply provides additional resources, and I don't see any reason why that should be of any concern, really. It's happening now. Peace Corps does it through both the Partnership Program and, in country, through special project funds, the small project funds that are run either by USAID or the Embassy.

I will say that, on the question of safety and security, again, I've always felt that two things—the site selection and the program being adequate—are two of the most important things with respect to these—keeping the volunteers in the community and reducing the chances for anything happening. Where the most danger to volunteers occurs is when they travel. That's where the majority of accidents and crimes occur.

Senator DODD. Yes.

Mr. SCHNEIDER. And so, the time that the volunteers stay in the community, the better off they are, and the better off we are.

The other point, about the indication that we would be concerned about the provision in the bill with respect to limiting when you'd have administrative separation, the bill really says that you would have administrative separation for those causes found within the Peace Corps manual. And if there is an additional rationale or additional reason to increase the seriousness with which you view not being in a post for X amount of time, then it should be in the Peace Corps manual, volunteers should know that they are potentially going—they could be separated. The whole point about this provision, it seems to me, is to ensure that volunteers know the conduct that will result in their separation.

Senator DODD. That's the whole purpose.

Mr. SCHNEIDER. And that's—seems to me—

Senator DODD. Yes.

Mr. SCHNEIDER [continuing]. To be absolutely desirable.

Senator DODD. That's all we're trying to do. And I can't disagree at all. I mean, the notion, obviously, is—just an act of responsibility, that if you're not going to be where people think you're going to be, letting someone know is always just smart.

Mr. SCHNEIDER. Right.

Senator DODD. But, obviously, if this becomes overbearing, then, obviously, you're crossing a line, in a sense. But we are trying to walk that line here, in case you are faced with another Poirier case.

Well, OK. Well, thank you both. I may have some additional questions for you.

Let me turn to Senator Corker.

Senator CORKER. Thank you both for your testimony. I found it very enlightening.

Did either one of you have input into the bill as it was being drafted?

Mr. SCHNEIDER. I did. I was able to make some suggestions about it. And, as I say, I think that the—the key elements are to increase the volunteer empowerment in ways that are, I believe, reasonable. I'm particularly of the view that additional requirements for volunteer input on the question of site selection, where they're going to live—future volunteers are going to live—that the volunteers have the best information about that, and that kind of input should be solicited.

Senator CORKER. Mr. Kotz.

Mr. KOTZ. Yes. No, I didn't have input in it.

Senator CORKER. You know, I was actually struck by the polling data that you had. And it's—seems like people are relatively happy in the Peace Corps. And, actually, the number of people that were, sort of, dissatisfied with their assignment, I thought, was pretty low. And, you know, it's a really—I know, a tough challenge. We have been involved in civic initiatives, and you have people who want to do good things, but finding the exact right spot for them, that really is challenging to them and really uses the best of their skills, and do it with the right kind of issues, is a real difficult thing to do. And my guess is that's one of the greatest challenges the Peace Corps has. And I know that what you're trying to do is empower that.

I took—I got a little humor out of the fact that you mentioned that rhetoric and appropriations don't always match. And that's on both sides. And certainly seen a great deal of that over the last 6 months.

Are there—I know you had input into the bill, and I know that you were in the same position as the Director is now. My guess is there were times when you felt like the Federal Government sort of worked against your ability to make things happen, I would guess. Is that—

Mr. SCHNEIDER. I was pretty comfortable, at the moment when I was Peace Corps Director.

Senator CORKER. Yes.

Mr. SCHNEIDER. Yes.

Senator CORKER. Is there anything about this bill, then—what I'm really driving at is, is there anything about the bill, in codifying some of the things that are actually contemplated—sometimes we do sense-of-the-Senate kind of things, and sometimes we do goals and try to impress upon the people leading organizations where we'd like to see it go. But then, actually making a law regarding that sometimes can be confining, because it's in black and white, and you don't have the judgment of the circumstances at hand. Is there anything about this bill that you'd like to make—as proposed—you'd like to make comments in that regard?

Mr. SCHNEIDER. There are just two things. One, I mentioned in my testimony. I do think that we could—the bill could encourage actions to promote the recruitment of minority volunteers. I think there's more things that we could do. We tried to do things when I was Director, and I still believe that we can do additional things. Targeting Master's International Program and the Fellow—Peace Corps Fellows. More directly, it's some of the—at some of the Historically Black Colleges and Universities, is one thing. I think we

should do more of that. It's not that it's never been done, but I think it would be useful to encourage it.

Second, I do think that the provision that deals with the initial \$10 million for third goal, I would try and write it, perhaps, so that that additional money came in after you met that the basic appropriations each year for make—for growing the Peace Corps to 15,000, so that you would have a—it would kick in at that point.

Senator DODD. Yeah, we make it a specific line item.

Mr. SCHNEIDER. In—I understand, but I'm saying that in the Peace Corps—

Senator DODD. I understand.

Mr. SCHNEIDER [continuing]. You don't—

Senator CORKER. So, there's additional comments that you might have regarding the bill?

Mr. SCHNEIDER. That's just about it.

Senator CORKER. I wonder if you could send those to both of our offices, in writing.

Mr. SCHNEIDER. Sure.

Senator CORKER. And—

Mr. SCHNEIDER. Be happy to.

Senator CORKER [continuing]. Mr. Kotz, do you have any—in looking at the bill as it reads, seems like a big focus of yours has been the medical application piece.

Mr. KOTZ. Correct.

Senator CORKER. And, Senator, I have to—Mr. Chairman, I'd say he has some excellent information for us to utilize in really looking at the application process. Any other comments regarding stipulations in the bill that you think, just based on your experiences, ought to be looked at?

Mr. KOTZ. I think there are a couple of areas in the medical screening process that we differ on, putting the guidelines online, allowing the volunteers or applicants to appeal based upon the guidelines, I think, might lead to longer processing times. So, those are the areas that I mentioned.

It does highlight a lot of areas in the medical screening process that need improvement. We're hoping that, with our study that comes out, and our report, and aggressively encouraging the Agency, that a lot of these matters will be remedied through the normal channels.

Senator CORKER. Well, I look forward to hearing more written—or seeing more written input from both of you. Thank you both very much for your service and for what you've done to help us today.

Thank you.

Senator DODD. Thanks very much. We look forward to hearing back from both of you, if you can.

The last panel here, has been very patient, and we thank them for coming. Chuck Ludlam and Paula Hirschhoff are here, and we thank them for travelling such a long way. The Chamber of Commerce of Senegal has obviously dressed you this morning promoting the garb. [Laughter.]

Senator DODD. We're delighted to have both of you here. Kate Raftery, country director for the Peace Corps in the Eastern Caribbean, is here. Ms. Raftery, thank you very much. Mr. Kevin

Quigley is president of the National Peace Corps Association. And, last, Nicole Fiol, who is an applicant to the Peace Corps from Bayamon, Puerto Rico. I even said “Bayamon” correct, huh? [Laughter.]

Well, thank you all for coming, and you’ve been very patient to listen to this earlier testimony. We appreciate it very much.

I’ll ask each of you to just take 5 minutes, if you would, and if you could do it in less time than that, it would be appreciated. But your full text and testimony will be a part of the record, I want you to know that here. However, to the extent you can get through it quickly and we get to the questions, it would be very, very helpful.

So, we’ll begin with you, Mr. Ludlam. And we know that you and your wife have come a long way to be here this morning. And you heard me say, at the outset, you’ve given us some valuable support as we’ve talked about this, listening to volunteers and ideas as we helped draft this proposal. So we thank both of you for making the effort to come here.

STATEMENT OF CHUCK LUDLAM, VOLUNTEER, SENEGAL, PEACE CORPS, WASHINGTON, DC; ACCOMPANIED BY PAULA HIRSCHOFF, VOLUNTEER, SENEGAL, PEACE CORPS, WASHINGTON, DC

Mr. LUDLAM. It’s a tremendous honor to be here, Senator, to be in front of an RPCV. You’re a Senator, also, but we think of you more as an RPCV than anything else.

Senator DODD. Thank you, I do, too. [Laughter.]

Mr. LUDLAM. We appreciate the invitation.

Ms. HIRSCHOFF. My name is Paula Hirschhoff, and I’m serving as a Peace Corps volunteer in Senegal. I was a volunteer in Kenya 40 years ago.

Mr. LUDLAM. And my name is Chuck Ludlam, and I’m serving as a volunteer, with my wife Paula, in Senegal. I was a volunteer in Nepal 40 years ago.

Ms. HIRSCHOFF. Chuck and I will testify together, alternating turns.

With this joint presentation, we continue the partnership that characterizes our work in Senegal. We’ll observe the 5-minute rule, times two. [Laughter.]

Mr. LUDLAM. Paula and I are testifying here today, because we are loyal to the Peace Corps and the founding ideals, and we admire the volunteers’ work throughout the world. We are among the few volunteers to serve again after a long gap in time, so we’re among the first who can report, from the volunteer perspective, how the Peace Corps has changed over the last four decades.

We wish we could report that all is well with the Peace Corps, but we regret to say this is not our view. We see the Peace Corps as a middle-aged bureaucracy, where hierarchy and rigid controls prevail. Volunteers sit at the bottom of the pyramid, where their needs are often ignored. What we need is an upside-down hierarchy, an inverted pyramid in which the support of the volunteers takes precedence.

Senator Dodd, in your recent article in WorldView magazine, you said it best, this bill recognizes that the real heart of the Peace Corps lies in—not in Washington, but in the villages, like the one in which you served in the DR.

Ms. HIRSCHOFF. The volunteers with whom we serve are much the same as the ones we served with in the 1960s—idealistic, resourceful, and hardworking. You’ve been proud of the volunteers who have served in the past, and you can be proud of those in the field today. The volunteers can and should be trusted, and they deserve more support of management.

Mr. LUDLAM. We have also compared the Peace Corps bureaucracy to the one we knew in the 1960s. In many ways, it has become more risk-averse and less responsive. It often fails to listen to, respect, and empower the volunteers. We hear from volunteers in the field who believe they succeed despite the bureaucracy, not because of the support that it provides. They succeed by ignoring it and resisting it. The bureaucratic command-and-control approach stifles creativity and collaboration. This management approach works poorly with younger volunteers, and it is anathema to older, more experienced volunteers. These problems undermine the Peace Corps in various ways. Volunteers become demoralized or cynical. Their potential as agents of development are not realized. Dropout or early termination rates are too high. We believe that many RPCVs from our era would be dismayed to hear how much the bureaucracy today adversely affects the volunteer experience.

Ms. HIRSCHOFF. Of course, these are generalizations. We know there are many Peace Corps managers throughout the world who provide outstanding service and support to volunteers. But we believe the problems are prevalent enough to justify enacting this legislation.

Mr. LUDLAM. The legislation is well crafted to address these problems. We endorse it enthusiastically. We believe that our fellow volunteers join in that endorsement. The National Peace Corps Association recently conducted an online survey of PCVs and RPCVs regarding the legislation. The respondents overwhelmingly favored all of its provisions.

Ms. HIRSCHOFF. Turning now to the specifics of the bill, the key provisions give volunteers a substantial voice in personnel and program reviews, training curricula, and site choice and preparation. The legislation is premised on the notion that the expertise needed to strengthen and renew the Peace Corps lies at the grassroots with volunteers in the field. Volunteers know best who’s supportive among staff. They know what programs are working at the village level. They know what they need, in terms of training and seed funding. They know what village sites are best suited to volunteers. The legislation would have the Peace Corps rely on their expertise in these crucial areas.

Mr. LUDLAM. We would like to comment primarily on two of the bill’s most important provisions, section 201(a) and 201(b).

Section 201(a) mandates that the Peace Corps consult with volunteers confidentially before renewing or extending the contract of any manager. In substance, it mandates that the Peace Corps initiate what are called 360-degree reviews, or upward feedback personnel reviews, like those now common in the private sector, where employees assess their manager’s performance. In collaborative organizations, these reviews are standard operating procedure. They can be a powerful tool for sensitizing management to the employ-

ee's viewpoint and encouraging collaboration towards common goals.

The Peace Corps personnel should be judged primarily on how well they support the volunteers, because volunteers are the most important asset that the Peace Corps has. Only by supporting volunteers can the Peace Corps achieve its goal to serve as an effective agent of development. Accordingly, we believe that the volunteer's views should be given substantial weight in the personnel review process. All of the bill's provisions mandate that the Peace Corps bureaucracy listen to, respect, and empower volunteers, but only section 201(a) tells managers that their tenure with the Peace Corps depends on how well they do so. Because these reviews might seem to threaten their tenures, Peace Corps managers might not welcome volunteer participation. Indeed, we believe that section 201(a) is the provision that the Peace Corps is least likely to implement effectively on its own. That's why enacting this provision into law is imperative.

Ms. HIRSCHOFF. Section 201(b) is also critical. It mandates confidential consultations with volunteers on the design and continuation of the country-specific programs in which they serve, such as health, education, or agriculture. Some Peace Corps programs are better designed than others, some need to be redesigned, some simply are not working and should be abandoned; thus, freeing resources for more effective programs.

Volunteers see the results of these programs daily in their villages. Because they're donating 2 years of their time, volunteers deserve to be placed in programs that give them a reasonable opportunity to achieve sustainable results. And, of course, our host countries deserve sustainable results, as well. We view the first goal of Peace Corps, to serve as an agent of development, to be its highest priority. And, for that, program design is crucial.

Taken together, sections 201(a) and (b) institutionalize a process for continual renewal of the Peace Corps, led from the grassroots. None of us will know how widespread the management problems are until sections 201(a) and (b) are enacted and the results of these confidential surveys reviewed.

Mr. LUDLAM. Our written testimony comments in depth on each provision of the bill. The legislation will strengthen the development role of the Peace Corps by providing seed funding for volunteer projects and overhauling the rules regarding fundraising by volunteers. The legislation will help the Peace Corps reach its goal of recruiting more experienced volunteers by removing troublesome disincentives. These include retiree health insurance and medical screening process. And the legislation will confirm and clarify certain volunteer rights.

Ms. HIRSCHOFF. We're pleased that you do not assume that the Peace Corps management always speaks for volunteers. In the private sector, management and labor often have different perspectives on the workplace, and the same is true of Peace Corps managers and the volunteers.

Representatives of management are posted here in Washington, so you will hear from them. It's more difficult for volunteers to make themselves heard. Yet, this legislation and hearing dem-

onstrate that you are listening to volunteers, and for that we are grateful.

Mr. LUDLAM. Given the problems we've discussed, you may wonder if we recommend that older volunteers and RPCVs serve as volunteers. And our answer is yes, absolutely. Older and second-time volunteers often have special insights into how to launch and sustain development projects. Also, older volunteers tend to speak up about the quality of staff support, program design, training curricula, and site placement. In our view, the more older volunteers the Peace Corps recruits, the better, both for development and Peace Corps reform.

To be clear, you will substantially strengthen the hand of the volunteers, the young and the not so young, and the cause of Peace Corps reform, if you enact this legislation into law.

We've heard, this morning, that the Peace Corps management is largely opposed to enacting legislation to listen to, respect, and empower volunteers. We're sad to hear this. But this opposition is useful, in one respect; it is evidence of an attitude towards volunteers that is consistent with that which we have just described. And, more than anything we can say, this position regarding the legislation and empowering volunteers demonstrate how important it is to enact this legislation into law.

Ms. HIRSCHOFF. In conclusion, the Peace Corps has had a powerful and positive influence on our lives. In the four decades since we first served, we've never stopped thinking of ourselves as Peace Corps volunteers, and we love serving again, despite the difficulties discussed here. Serving together is a special joy.

It's been very difficult for us to go public with these criticisms, but, because we still believe in the Peace Corps, we felt we had no choice. The legislation gives us great hope. With enactment of these reforms, we believe that volunteers would work move effectively with their local partners, promoting development and cultural exchange in a spirit of peace and generosity, and ensuring that the Peace Corps will thrive for decades to come.

Thank you for supporting Peace Corps volunteers—past, present, and future—and we're happy to answer questions.

[The prepared statement of Chuck Ludlam and Paula Hirschhoff follows:]

PREPARED (COMBINED) STATEMENT
OF CHUCK LUDLAM AND PAULA HIRSCHOFF

PAULA. My name is Paula Hirschhoff and I'm serving as a Peace Corps volunteer in Senegal. I was a volunteer in Kenya 40 years ago.

CHUCK. My name is Chuck Ludlam and I'm serving as a volunteer with my wife Paula in Senegal. I was a volunteer in Nepal 40 years ago.

PAULA. Chuck and I will testify together, alternating turns.

With this joint presentation, we continue the partnership that characterizes our work in Senegal.

We'll observe the five-minute rule, times two.

CHUCK. Paula and I are testifying here today because we are loyal to the Peace Corps and its founding ideals, and we admire the volunteers' work throughout the world.

We're among the few volunteers to serve again after a long gap in time, so we're among the first who can report from the volunteer perspective how the Peace Corps has changed over the last four decades.

We wish we could report that all is well with the Peace Corps, but we regret to say this is not our view.

We see the Peace Corps as a middle-aged bureaucracy where hierarchy and rigid controls prevail. Volunteers sit at the bottom of the pyramid where their needs are often ignored.

What we need is an upside down hierarchy, an inverted pyramid, in which support of the volunteers takes precedence.

PAULA. The volunteers with whom we serve are much the same as the volunteers with whom we served in the 60s - idealistic, resourceful, and hardworking. One difference is that they're more mature and wise to the world.

You've been proud of the volunteers who've served in the past and you can be proud of those in the field today.

The volunteers can and should be trusted. And they deserve more supportive management.

CHUCK. We have also compared the Peace Corps bureaucracy to the one we knew in the 1960s.

In many ways it has become more risk-averse and less responsive. It often fails to listen to, respect or empower the volunteers.

We hear from volunteers in the field who believe that they succeed despite the bureaucracy, not because of the support that it provides. They succeed by ignoring or resisting it.

The bureaucratic command and control approach stifles creativity and collaboration.

This management approach works poorly with younger volunteers and it's anathema to older, more experienced volunteers.

These problems undermine the Peace Corps in various ways. Volunteers become demoralized or cynical. Their potential as agents of development is not realized. Drop-out or early termination rates are too high.

We believe that many RPCVs from our era would be dismayed to hear how much the bureaucracy of today adversely affects the volunteer experience.

PAULA. Of course, these are generalizations. We know there are many Peace Corps managers throughout the world who provide outstanding service and support to volunteers. But we believe the problems are prevalent enough to justify enacting this legislation.

CHUCK. The legislation is well crafted to address these problems. We endorse it enthusiastically. We believe that our fellow volunteers join in this endorsement.

The National Peace Corps Association recently conducted an online survey of PCVs and RPCVs on the legislation.

The respondents overwhelmingly favored all of its various provisions.

PAULA. Turning now to the specifics of the bill, the key provisions give volunteers a substantial voice in personnel and program reviews, training curricula, and site choice and preparation.

The legislation is premised on the notion that the expertise needed to strengthen and renew the Peace Corps lies at the grassroots, with volunteers in the field.

Volunteers know best who is supportive among staff. They know what programs are working well at the village level. They know what they need in terms of training and seed funding. They know what village sites are best suited to volunteers.

The legislation would have the Peace Corps rely on their expertise in these crucial areas.

CHUCK. We'd like to comment primarily on two of the bill's most important provisions: Section 201 (a) and 201 (b).

Section 201(a) mandates that the Peace Corps consult with volunteers confidentially before renewing or extending the contract of any manager.

In substance, it mandates that Peace Corps institute "360 degree" or "upward feedback" personnel reviews, like those now common in the private sector where employees assess their managers' performance.

In collaborative organizations, these reviews are standard operating procedure. They can be a powerful tool for sensitizing management to the employees' viewpoint and encouraging collaboration toward common goals.

Peace Corps personnel should be judged primarily by how well they support volunteers because volunteers are the most valuable asset that the Peace Corps has.

Only by supporting volunteers can the Peace Corps achieve its goal to serve as an effective agent of development.

Accordingly, we believe that the volunteer's views should be given "substantial weight" in the personnel review process.

All of the bill's provisions mandate that the Peace Corps bureaucracy listen to, respect, and empower volunteers. But only Section 201 (a) tells managers that their tenure depends on how well they do so.

Because these reviews might seem to threaten their tenures, Peace Corps managers might not welcome volunteer participation. Indeed, we believe that Section 201(a) is the provision that the

Peace Corps is least likely to implement effectively on its own. That's why enacting this provision into law is so important.

PAULA. Section 201(b) is also critical. It mandates confidential consultations with volunteers on the design and continuation of the country-specific programs in which they serve, such as health, education or agriculture.

Some Peace Corps programs are better designed than others. Some need to be redesigned. Some simply are not working and should be abandoned, thus freeing resources for more effective programs.

Volunteers know first-hand which programs are working. Every day, they see the results in their villages.

Because they are donating two years of their lives, volunteers deserve to be placed in programs that give them a reasonable opportunity to achieve sustainable results. And of course our host countries deserve sustainable results as well.

We view the First Goal of Peace Corps—to serve as an agent of development—to be its highest priority, and for that, program design is crucial.

Taken together, Sections 201(a) and (b) institutionalize a process for continual renewal of the Peace Corps led from the grassroots.

CHUCK. Our written testimony comments in depth on each provision of the bill. The legislation will strengthen the development role of the volunteers by providing seed funding for volunteer projects and overhauling the rules regarding volunteer fundraising. The legislation will help the Peace Corps reach its goal of recruiting additional older, experienced volunteers by removing troublesome disincentives. These include problems with retiree health insurance and the medical screening process.

And, the legislation will confirm and clarify certain volunteer rights.

The legislation is comprehensive and ambitious. However, this is a good opportunity, so we have proposed that it be amended to address several additional subjects. The most important are recruitment and retention of able staff and reform of the leave policies for volunteers.

PAULA. We are pleased that you do not assume that the Peace Corps management always speaks for volunteers. In the private sector, management and labor often have different perspectives on the workplace; the same is true of the Peace Corps managers and the volunteers.

Representatives of management are posted here in Washington so you will hear from them.

It's more difficult for volunteers to make themselves heard.

Yet this legislation and hearing demonstrate that you are listening to volunteers. For that we are grateful.

CHUCK. Given the problems we'd discussed, you may wonder if we recommend that older persons and RPCVs serve as volunteers. Our answer is, "Yes, absolutely."

Older and second-time volunteers often have special insights into how to launch and sustain development projects.

Also, older volunteers tend to speak up about the quality of staff support, program design, training curricula and site placements.

In our view, the more older volunteers the Peace Corps recruits, the better—both for development and Peace Corps reform.

To be clear, you will substantially strengthen the hand of the volunteers, the young and not-so-young, and the cause of Peace Corps reform if you enact this legislation into law.

PAULA. In conclusion, the Peace Corps has had a powerful and positive influence on our lives. In the four decades since we first served, we have never stopped thinking of ourselves as Peace Corps volunteers.

And we love serving again, despite the difficulties discussed here. Serving together is a special joy.

It's been very difficult for us to go public with these criticisms. But because we still believe in the Peace Corps, we had no choice.

The legislation gives us great hope.

With enactment of these reforms, we believe that volunteers will work more effectively with their local partners, promoting development and cultural exchange in a spirit of peace and generosity, and ensuring that the Peace Corps will thrive for decades to come.

Thank you for supporting Peace Corps volunteers, past, present and future.

We are happy to answer your questions.

Senator DODD. Thank you very much.—look pretty good, at 40 years, I must say. [Laughter.]

You know? A little white hair, there, I noticed, too, and all of this.

But, part of what you hear in my voice a little jealousy, you know. And so, congratulations to both of you. I'll have some questions for you in a few minutes.

Ms. Raftery, thank you very much for being here.

STATEMENT KATE RAFTERY, COUNTRY DIRECTOR, EASTERN CARIBBEAN, PEACE CORPS, WASHINGTON, DC

Ms. RAFTERY. Good morning. Good morning, Chairman Dodd, Senator Corker. I want to thank you for the opportunity to be here this morning.

I currently serve as the country director in the Eastern Caribbean, where I serve as the country director for Marty Landis, who is serving on the island of St. Kitts. I've also served as a Peace Corps director in Peru, in Honduras, and as a trainer in Costa Rica and El Salvador.

I, myself, am a returned Peace Corps volunteer who left Collinsville, CT, in 1973 to be a volunteer in the country of Paraguay.

Ensuring a quality volunteer experience is a shared responsibility between staff and the volunteer. I believe that my staff, myself, provide the assistance necessary to maximize this unique experience.

I'd like to speak to some of the specifics of the legislation, which, in my opinion, may not be the best way to empower volunteers or increase staff support.

I will begin with the external funding proposed for demonstration projects. This issue is one of considerable debate within the volunteer and staff communities. Many volunteers, who are currently serving and who have served, feel the external funding flies in the face of sustainable development. Dependency on outside support can potentially hinder indigenous development from thriving. If getting the grant is the goal, then there is a problem. The end goal must be the empowerment of the community to identify their own possibilities and then bring them to fruition through hard work and learning a valuable set of skills. The Agency has made significant resources available for volunteers through partners such as USAID, OGAC, U.S. Embassies, USDA, and others. The expanded use of external resources needs to be assessed carefully so that bringing money to a host community does not become more important than bringing the Peace Corps volunteer.

In relation to the bill's proposed expansion of volunteers' ability to do fundraising, I have, sadly, seen, over many years, good volunteers transform from bring productive grassroots development workers to full-time fundraisers. With this transition, we see more volunteer-driven projects and fewer community-driven projects.

The bill speaks of the need to increase support of the third-goal activities. This is an area that, historically, has received few resources, but I am concerned by the recommendation that only certain nonprofits will be used to facilitate this effort and that the type of activities eligible for support would fit into such a limited scope.

The bill encourages the Peace Corps to be more proactive in the recruitment of volunteers with 5 years of relevant work experience. I believe that the Agency has looked for new ways to engage individuals with 25 to 30 years of experience to join the Peace Corps, and this is a positive move. At my post, we are one of the pilots for increasing this population, and I have worked very closely with volunteers like Marty Landis to assess our current training and support operations, and have made initial recommendations to the headquarters staff.

There are certainly areas in need of improvement, and the responsibility of the Peace Corps director is to make sure that every volunteer, no matter how old, how young, how experienced, has a quality experience.

Each volunteer needs to feel confident that they have a forum for expressing their opinions. I involve volunteers in training, program focus groups, site development and selection. I—but I remain confident that I am not interfering with their job and they do not become—because they have not come to the country to run the Peace Corps operations. Volunteers' input has never disappointed me, but, at the same time, I point out to volunteers that they have one reason for being in country, and I have another. I am the hired help and they are the volunteer. When a problem arises, the director will not be calling them for an explanation, they will be calling me.

At personnel appraisal time, I include the volunteer and the staff in the review process. I request feedback on all volunteers—on staff from all volunteers. This feedback should come to me, as country director and the supervisor, not the regional director, miles away, although my feedback does go to the regional director.

Volunteers have provided me with invaluable input on program development and focus, on development of sites. And the vehicles used to solicit this feedback is many—group meetings, focus groups, and surveys.

With regard to sites, it is the responsibility of staff to identify meaningful assignments for volunteers and to ensure that the volunteer input is critically used and incorporated.

The volunteer's point of view, coupled with the request from the community and the overall development goals, is what we are attempting to address.

The Volunteer Advisory Council is one of the most important vehicles I have to engage volunteers. I do that proactively and with a spirit of cooperation.

A country director must always be forthcoming and transparent in their interactions with staff and volunteers. I attempt to do that. A country director needs flexibility to manage his or her post by balancing the complex issues of volunteer safety, programming, and culture, and nuances. Perhaps the Agency should be challenged to ensure that all staff view their commitment in a similar fashion. Perhaps the Agency should be encouraged to look at their support to volunteers and third-goal activities more creatively. But I believe, in my humble opinion, that this particular bill does not advance it, as it is written.

I am pleased to answer any questions that you might have.

Senator DODD. Well, thank you very much, Ms. Raftery, and thank you for your service.

Ms. RAFTERY. Thank you.

Senator DODD. You've been involved with the Peace Corps for a long time.

Ms. RAFTERY. Yes, sir.

Senator DODD. Nice to see you, Kevin, thank you for being here.

**STATEMENT OF KEVIN QUIGLEY, PRESIDENT, NATIONAL
PEACE CORPS ASSOCIATION, WASHINGTON, DC**

Mr. QUIGLEY. Good morning, Mr. Chairman. Thank you for having me. Good morning, Ranking Member Corker and Senator Coleman.

I'm Kevin Quigley. I'm the president of the National Association—National Peace Corps Association. And, for Senator Corker, the NPCA is the only organization for individuals whose lives have been influenced by the Peace Corps experience—volunteers, staff, family, friends, counterparts. And what we seek to do is to connect, inform, and engage the Peace Corps community around issues of importance to our community, such as this legislation.

And, earlier, Chuck and Paula alluded to a survey that my organization conducted shortly after Senator Dodd introduced his bill. This survey had 433 respondents and over 1,300 comments. And, just for a comparison, this is twice the number of respondents, and at least twice the number of comments, around a comparable survey that we did when Senator Coleman was chairing some hearings on the safety and security issue, a little more than 2 years ago. So, there is great interest in our community about this legislation. So, I wanted to applaud the chairman and the Senators for having this hearing.

Like other—most of the other witnesses, I'm also a returned Peace Corps volunteer. I served in Thailand for 3 years, between 1976 and 1979.

And, since the other witnesses have spoken about many of the provisions in the bill, I really just want to focus my comments on two provisions. And I'm focusing them on two provisions, because I think these are two interrelated provisions. And that is, one, the authority to expand Peace Corps, section 401.

Just reflecting back on Director Tschetter's testimony, he indicated that we currently have slightly more than 7,700 volunteers. This is a highwater mark—almost a highwater mark—for the last three decades. But if we stuck with that metaphor, the tide is receding. It's quite clear that, if you look, even at the President's request, that the number of serving volunteers will go down. And if the final outcome of the appropriation process is the level—the Senate level, of \$323.5 million, there will inevitably be some decline in Peace Corps, the numbers of serving volunteers.

Why is this? Is Peace Corps not an effective agency? I think we've heard a lot of evidence today, and others in government and around the world who have looked at Peace Corps; they see that Peace Corps has made a outstanding contribution, certainly commensurate with the resources provided the 187,000 in—over the last 46 years.

But have the problems that Peace Corps was set up been addressed, the problems of poverty and underdevelopment? Still, we—as Senator Corker knows from his own field experience, we still have a great deal of work to do in that regard.

And also, I think, incredibly important, we know one thing about Peace Corps, that the kind of personal contact, the fact that we, as volunteers learn foreign language, we learn to look at the world through the eyes of our friends, families, colleagues, counterparts, that that has a profound impact, as Chairman Dodd said, on our world view, and something that is desperately needed in our world today, particularly as part of an overall strategy to restore our country's standing in the world. So, I think that provision is timely, it's essential, and it is widely supported by the Peace Corps community, and we pledge our effort to work with the committee to do whatever we can to get that goal realized.

The other provision I wanted to talk about was section 103, which is—relates to the so-called third-goal funding. As we've talked earlier today, Peace Corps has had three goals. The first goal—and I paraphrase—help others help themselves, help them understand us, and, three, most importantly, bring that world home. Again, reflecting on the Director's testimony, he indicated approximately \$2 million Peace Corps resources are devoted to the third-goal activity. Two million, that's less than 1 percent of Peace Corps's current budget, certainly indicated that this has never been a major priority for Peace Corps, and for historical and very understandable reasons, that the Agency's priorities have been placing—recruiting and placing and supporting volunteers in the field. So, I applaud the chairman for this innovative and unprecedented effort to address the serious underfunding of the third-goal activity. And I know a lot of people will look at it and see it as, kind of, zero sum, that that \$10 million might come out of Peace Corps's budget, that, as a consequence, even fewer volunteers will be sent overseas, but I see these resources as being resources that—as an investment, and an investment that can be leveraged by the network of 130 of our groups, the individuals who do third-goal projects on their own, corporations, universities, other partners, will join us in this effort to significantly expand the size and scope of Peace Corps. And, in my view, the fact that we have fallen so far short on this third goal really is the central reason why Peace Corps does not have the support it should have in the American people. I think if the American people knew how effective Peace Corps was, relatively speaking, that they would be clamoring for a widely expanded Peace Corps. And we hope to work with you and others to accomplish that.

Director Tschetter, this morning, talked about the—creating a mechanism of a Peace Corps Foundation to explore—or to—a one possible idea that would handle the administrative task of running a \$10 million competitive grant program. We'd welcome the opportunity to talk to the committee about what's the best mechanism to do it, how that might be governed, organized, funded. What are the appropriate criteria for looking for leverage? And we very much look forward to working with you on that.

In conclusion, I wanted to thank you, Chairman Dodd, for providing the authority for an expanded Peace Corps and this unprec-

edented funding for the third goal, which, I think, for the first time in the history of our community, gives us a real shot at bringing the world back home. And I think bringing the world back home will be critical to getting more Americans overseas, which I think will be helpful to addressing a major national challenge. We look forward to working with you and the committee, and I see this legislation as both empowering volunteers and actually empowering Peace Corps.

Thank you.

[The prepared statement of Kevin Quigley follows:]

PREPARED STATEMENT OF KEVIN F. F. QUIGLEY

Chairman Dodd and Ranking Member Corker, my name is Kevin Quigley, President of the National Peace Corps Association (NPCA). Like many other witnesses today, I am a Returned Peace Corps Volunteer (RPCV). I served in Thailand for three years, 1976-79. I appreciate the opportunity to appear before the Subcommittee to comment on your important and timely legislation, S. 732, The Peace Corps Volunteer Empowerment Act.

While other witnesses have more direct experience in administering Peace Corps programs or more current experience as volunteers, I am here to discuss two inter-related provisions of great interest to the returned Peace Corps community. These are the authority to double Peace Corps by the time of the 50th Anniversary in 2011 and provide an additional \$10 million to be used through a competitive process to fund outstanding Third Goal Projects that effectively bring the world back home.

Given the considerable interest in your legislation, NPCA conducted an on-line survey. After a brief background about NPCA, in my testimony I'll report on this membership survey and then devote most of my limited time to discussing the central provisions regarding doubling Peace Corps and funding Third Goal activities. As you requested, I will also provide suggestions regarding how Peace Corps could be more effective in recruiting minorities and older Americans as volunteers.

NPCA

NPCA is a 501(c)(3) non-profit organization founded in 1979 and is the only national organization for Peace Corps volunteers, staff, and others whose lives have been influenced by the Peace Corps experience. Our mission is to "help lead the Peace Corps community and others in fostering peace through service, education and advocacy."

We seek to connect, inform and engage the Peace Corps community. In this community, there are 130 affiliates, 90,000 supporters and more than 30,000 individuals who participate in our national and affiliates' activities. These individuals reside in all 50 states the District of Columbia, the territories, as well as living overseas. They continue to serve and make a difference in a variety of ways. NPCA has programs to promote service, enhance understanding of other cultures, and advocate around issues of importance to our community, such as this legislation.

MEMBERSHIP SURVEY

From March 15 to April 15 this year, NPCA conducted an on-line survey seeking reaction to the Peace Corps Volunteer Empowerment Act (S. 732). Our survey was divided into sections that roughly paralleled sections of the legislation, asking individuals to indicate if they agreed or disagreed with key proposals.

Four hundred thirty three individuals took part in the survey, representing at least 41 states and the District of Columbia. Survey respondents provided more than 1,300 comments. They served (or currently serve) in at least 80 of the 139 total Peace Corps countries. For those who provided information, nearly half (44%) served in the Peace Corps during the current decade of the 2000's. Twenty percent served in the 1960's, 15% in the 1990's, 11% in the 1970's and 10% in the 1980's. Although this is by no means a rigorously scientific survey, we are confident that it is generally representative of the interested and engaged Peace Corps community.

Overall, the respondents were extremely supportive of the provisions in the legislation, although expressing some cautions. With the Chairman's permission, I would like to have a copy of the survey results submitted into the hearing record.

Broadly speaking, the cautions were that whatever Congress does should not impede the fundamental mission, independence and operations of Peace Corps, nor negatively affect the volunteer's role in the community.

DOUBLING PEACE CORPS

Section 401 of S. 732 provides authority for a significantly expanded Peace Corps. As we heard earlier today, Peace Corps is at a near three-decade high of 7,700+ volunteers. However, this is just half of its size in 1968 when Peace Corps had 15,000 volunteers and trainees. At that time, our country was 50% percent smaller, with a population of 200 million as opposed to 300 million today. So, relatively speaking Peace Corps is ¼ of its size four decades ago.

This small size is not because Peace Corps has solved the problems it was created to address, nor is it ineffective, nor is there is insufficient demand from countries or potential volunteers. With more than 2 billion people in the world living on less than \$2 a day, poverty is every bit as endemic as it was when President John F. Kennedy created the Peace Corps in 1961, 46 years ago. The Office of Management and Budget gives Peace Corps agency its highest rating for effectiveness. There are more than 20 countries that have requested Peace Corps and more than three applicants for every Peace Corps volunteer position. As public attention to Peace Corps inevitably increases in the next years leading up to the 50th Anniversary in 2011, the demand from countries and from Americans to serve could expand dramatically.

From the vantage point of the U.S. standing in the world, as the Pew Global Attitude survey suggests, U.S. standing in the world has plummeted. As the Freedom from Terror survey also suggests, when there are direct people-to-people contacts there is a dramatic increase in how Americans and America is viewed. Furthermore, those perceptions appear to persist long after the initial engagement.

Given that Peace Corps is one of the most effective faces that we show to the world, expanding Peace Corps is extremely timely. This expansion can also help respond to a major U.S. national challenge, assist in addressing persistent global poverty, and is strongly supported by the Peace Corps community.

THIRD GOAL COMPETITIVE FUNDING

As the Chairman and many others in this hearing room know well, since its inception Peace Corps has had three overriding goals. I paraphrase: 1) help others help themselves, 2) help them understand our country better, and 3) bring that experience back home.

For a variety of very good reasons, Peace Corps has invested the great preponderance of its resources in addressing goals numbers #1 and #2, primarily through recruiting, training, and placing volunteers overseas.

With generally constrained budgets, goal #3—to bring the Peace Corps experience back home—has been consistently under-funded (based on the most recent analysis by Congressional Research Service, today's annual Peace Corps budget for 7.7k volunteers of slightly less than \$320 million is roughly equal to 30 hours of funding for the war in Iraq and Afghanistan).

Mr Chairman, your provision to authorize up to \$10 million for a competitive grants program for outstanding Third Goal projects organized by individuals and groups in the Peace Corps community is the first serious effort to address the perennial under-funding of this key Third Goal.

I am confident that your approach can generate significant leverage within the Peace Corps community and that any U.S. government resources would be matched by comparable in-kind and direct contributions from community members and organizations that are committed to meeting the Third Goal. This provision can build on the modest but effective programs already in place through Peace Corps and the network of more than 130 groups in the Peace Corps community that organize Third Goal activities in schools and communities across the country, especially around Peace Corps week—the first week of March.

Understandably, some critics of your provision will suggest that any funds for this activity will come at the expense of goals #1 and #2, seeing this as kind of “zero-sum” circumstance.

I see this very differently. Since we have chronically under-invested in the Third Goal, Americans know far too little about Peace Corps (in fact, many Americans are unaware that it still exists) and its highly efficient use of U.S. taxpayer resources. If our fellow citizens knew about Peace Corps, especially what results it achieves with modest resources, I think they would be clamoring for a significantly expanded Peace Corps.

So, dedicated funding for 3rd Goal Activity through a competitive process would provide resources ensuring that the Third Goal can be finally addressed and met.

Regarding administration of this Third Goal Grants Fund, I understand that while Peace Corps is generally supportive of this—especially if it involves additional funding—the agency may be reluctant to take on this responsibility since administering a grants program is not its core competence and may detract from Peace Corps’s focus on recruiting, placing and supporting volunteers. If that is the case, there are other alternatives. Congress could provide this authority to either the Corporation for National Service or U.S. Agency for International Development, perhaps through the Volunteers in International Prosperity program. The former directly administers grant programs, the latter does so through a consortium of volunteer-placing organizations. Another alternative would be to have an independent organization, such as the National Peace Corps Association or another organization closely connected to the Returned Peace Corps Volunteer community, administer this role. There are some distinct advantages to either approach, which I would be glad to discuss further if the Committee is interested.

Regardless of where this Grants Fund is administered, I strongly believe that scaling up successful Third Goal Activities through these resources will help raise Peace Corps’ profile, assist in recruiting highly motivated Americans, and generate needed public support for an expanded Peace Corps.

RECRUITING MINORITIES/50+ VOLUNTEERS

The other witnesses have presented comments about what is being done and what steps we might take to improve recruiting minorities and older Americans as volunteers. Based on our survey and many conversations with members of the Peace Corps community, there are three steps to recommend. First, I think the critical step is to once again make service in Peace Corps a national priority and part of an overall strategy of restoring this country’s role as a trusted international leader. Second and related to this, there should be an aggressive campaign to double Peace Corps. Third, with that kind of policy commitment in place, the recruitment process can be improved through greater transparency regarding the length of time and the required steps in the process, especially related to the medical clearance process. As your legislation provides, we also need to find ways to offset the high costs associated with the medical clearance process that are borne by applicants.

For example, one of my colleagues, Ravi Shah, submitted a statement to the Committee about his experiences as an applicant. Let me summarize briefly, after serving as an intern at NPCA, Ravi applied to Peace Corps last November. Ravi just completed the medical and security clearances and last week was invited to be a volunteer in Ukraine. He will leave on September 28th. Ravi’s statement indicated that he had to pay \$439 in out-of-pocket expenses to complete the required tests. Of this amount, \$197 was reimbursed, less than half of the costs associated with his medical clearance. This is a significant barrier to service for many. We recommend that these medical clearance costs be provided by Peace Corps. Recognizing the potential expense and the need to avoid disincentives, perhaps the best way to do this is through a modest increase to the readjustment allowance to retroactively compensate volunteers for these costs after she or he has completed service.

CONCLUSION

Chairman Dodd and ranking member Corker, the Peace Corps community thanks you for addressing the issue of expanding Peace Corps and providing funding for Third Goal Activities—which have been long-held aspirations for our community. We are also grateful for the many other creative provisions you are proposing for empowering volunteers and lowering the barriers to service so that many more Americans can serve in a Peace Corps. With these changes, Peace Corps can have an even greater impact in addressing the problems of poverty and under development. As Chairman Dodd said in his statement introducing this legislation, this will make “make the Peace Corps even more relevant to the dynamic world of the 21st Century.” And for that reason, we strongly support it.

The National Peace Corps Association is committed to working with you and others to generate the resources required so that Peace Corps can be expanded in future years, providing many more Americans with the opportunity to serve their country through the Peace Corps and to bring that experience back to America in ways that help shape our place and improve our standing in the world.

Thank you.

Senator DODD. Thank you very much, Mr. Quigley. We appreciate it very much. I note that in terms of expanding the Peace Corps overseas, and this is not an easy problem to solve, but there are 22 Muslim countries in the world. We have Peace Corps pro-

grams in two—in Morocco and Jordan. And at a time when we need to know a lot more about them, and they need to know a lot more about us, there have got to be creative ways in which we can have far greater interaction with that community and our own if we're going to effectively understand and deal with these issues in the coming century, in this century.

Thank you.

Ms. Nicole. Nicole Fiol, thank you very much.

**STATEMENT OF NICOLE FIOLE, APPLICANT TO THE PEACE
CORPS, BAYAMON, PUERTO RICO**

Ms. FIOLE. Good morning, Mr. Chairman and members of the subcommittee. Good morning.

It's an honor to appear today as a Peace Corps nominee to testify in support of the Peace Corps Volunteer Empowerment Act.

I'm here today to share with you my experience with the Peace Corps application process, my thoughts on effective ways that Peace Corps could approach recruiting minorities as volunteers, and how this bill will benefit future Peace Corps applicants.

My name is Nicole Fiol. Currently, I work as an intern in the U.S. Department of Commerce Census Bureau. Earlier this year, I received my bachelor's degree in political science from the University of Puerto Rico, and now I intend to pursue my ambition of becoming a Peace Corps volunteer, with the anticipated departure for June 2008.

On my professional goals is to—one of my professional goals is to obtain a master's degree—international political economy and development—and embark on a career in public service. Peace Corps service enables us to develop skills and experience many government agencies need. These include learning foreign languages, cultural awareness, and professional skills on—in an international environment, while making a distinguished contribution to the community.

As a former intern in the U.S. House of Representatives, I had the opportunity to work closely with the Foreign Relations, LA, and participate in briefings that involved discussions in—on international issues. These briefings helped me learn about variety of bills that were involved in international economic development. Fortunately, I had the opportunity to attend a briefing about the Peace Corps congressional budget justification for fiscal year 2008. It was there where I had the opportunity to meet the Director of Peace Corps, Mr. Ronald Schneider, and other returned volunteers who informed my decision to join Peace Corps.

I was overwhelmed with the passion and commitment the return volunteers had for this organization. It was in that moment when I decided to start my vocation that same night, on April 12, 2007. It took me 4 days to complete and submit my application for the Agency. During the same week, I had the opportunity to meet my wonderful recruiter, Chris Wagner, who has given me immense help and support through my application process. After revising all the documents and passing my interview, my recruiter nominated me, on June 29, 2007, to volunteer in Africa region with anticipated departure date for June 2008.

If all my medical screening process goes well, and with no unforeseen delays, my time in the application process will be estimated nearly 14 months. I'm currently on my fourth month into my application. That's why this bill will benefit future Peace Corps volunteer applicants. Even if you fully commit to the process to volunteer 27 months, it's a big sacrifice to add a year or more with application process.

On the medical screening process, applicants like myself, who come from low-income families and are full-time students and workers, have more challenges ahead. My personal experience with the medical screening process presents serious difficulties, due to my economic status. My health insurance, Preferred Health, does not include coverage in the United States. That means I will have to travel back home to finish my medical screening process between my summer and fall internship in the U.S. Census Bureau. While discussing this issue with my recruiter, I was informed that the maximum reimbursement fees the Agency gives to females under 40 years is \$160. The most cost-effective way for me to fly back to Puerto Rico will be to travel through bus to New York—that will cost me around \$37—and fly roundtrip from JFK to Luis Munoz Marin Airport—that will be \$322. The travel costs I incur to meet the guidelines could be just the beginning, as our reimbursement fee may not cover the cost I incur during my physical examination, my dental examination, the eyeglass prescription and measurement, plus my second pair of glasses required by the Agency. This means I anticipate spending more on the medical screening process of the application than what the Agency will currently be able to reimburse. This is a huge economic sacrifice for a person like myself, and make it more an impediment for young people that are already struggling to get basic needs for their lives. I support the section of this bill that will guarantee full reimbursement of the medical tests required by Peace Corps and applicants, and establish a process for applicants and other interested parties to propose changes for the medical screening guidelines.

On the other hand, Peace Corps has been involved on working with colleges and universities in the States to expand recruiting activities. An effort to expand the applicant pool also includes reaching out those in diverse age groups with different ethnic backgrounds who were previously under-represented in the Peace Corps. The reality is that, out of 187,000 Peace Corps volunteers that have served, 16 percent are minorities and 85 percent are from ages 20 to 29. Even worse, Puerto Rico has only 366 Peace Corps volunteers since the beginning of the organization, and only 7 are currently active in the service.

My experience as a student in the University of Puerto Rico is that the average young adult thinks that Peace Corps was only a program that ran in the Kennedy administration, and don't recognize the existence of the organization. Unfortunately, a staff member from the Atlantic—Atlanta regional office comes to the university for only 1 day a year to recruit. I—if I had not happened to walk by the Peace Corps table on that day, I would not have learned about the opportunity to serve, I would not be here before you.

I emphasize—I can't emphasize enough the fact that there is a great pool of motivated, hardworking students who will make great volunteers. We desperately need to increase the minority pool in order to maintain a diverse ethnic background and provide a clear representation of U.S. population, while strengthening the Peace Corps agency. By reaching this goal, we will need to integrate more time and energy to create awareness in local universities with a large group of minorities.

Thank you for your time and consideration. It's an honor to be part of this hearing today. I truly hope that my experience will help you in any way to understand the need to fully support the bill. This bill will ensure all volunteers and applicants, like myself, get the resources they require to help those who are in great need of our service, which is the foundation of freedom and the condition of peace.

I'll be happy to answer your questions.

[The prepared statement of Nicole Fiol follows:]

PREPARED STATEMENT OF NICOLE FIOI

Mr. Chairman and members of the subcommittee; It is an honor to appear today, as a Peace Corps nominee to testify in support of the "Peace Corps Volunteer Empowerment Act."

I'm here today to share with you my experience with the Peace Corps application process, my thoughts on effective ways the Peace Corps could utilize in recruiting minorities as volunteers, and how this bill could benefit future Peace Corps applicants.

My name is Nicole Fiol. Currently, I work as an intern in the United States Department of Commerce, Census Bureau. Earlier this year, I received a Bachelors Degree in Political Science from the University of Puerto Rico, and now I intend to pursue my ambition of becoming a Peace Corps volunteer with the anticipated departure of June 2008. One of my professional goals is to obtain a master's degree in International Political Economy and Development, and embark on a career of public service. Peace Corps service enables us to develop skills and expertise many government agencies need. This includes learning foreign languages, cultural awareness, and professional skills honed in an international environment while making a distinguished contribution to the community.

SHARE MY EXPERIENCE IN THE PC APPLICATION PROCESS

As a former intern in the United States House of Representatives, I had the opportunity to work closely with the Foreign Relations LA, and participated in briefings that involved discussions on International Issues. These briefings helped me learn about a variety of bills that were involved with International Economic Development.

Fortunately, I had the opportunity to attend a briefing about the Peace Corps Congressional Budget Justification for fiscal year 2008. It was where I had the opportunity to meet the Director of the Peace Corps, Mr. Ronald A. Tschetter, and other returned volunteers who reinforced my decision to pursue placement in the Peace Corps. I was overwhelmed with the passion and commitment the returned volunteers have for this organization. It was in that moment when I decided to start my application that night on April 12, 2007. It took me four days to complete and submit my application to the Agency.

During that same week I had the opportunity to meet my wonderful Recruiter, Chris Wagner who has given me immense help and support through my application process. After revising all the documents and passing the interview, my recruiter nominated me on June 29, 2007 to volunteer in the Africa Region with the anticipated departure date of June 2008. If all the medical screening process goes well and with no unforeseen delays, my time in the application process is estimated to be nearly 14 months.

That's why this bill will be beneficial for future Peace Corps Applicants; Even if you fully commit to this process to volunteer for 27 months, it's a big sacrifice to add a year or more with the application process.

REFORMS TO MEDICAL SCREENING PROCESS

On the medical screening process, applicants like myself, who come from low-income families and are Full-time students and workers, have more challenges ahead. My personal experience with the medical screening process presents serious difficulties due my economic status. My Health Insurance (Preferred Health) does not include coverage in the United States. This means that I will have to travel back home to finish my medical screening process between my summer and fall internships in the United States Census Bureau. While discussing this issue with my recruiter, I was informed that the maximum of reimbursement fees the Agency gives to Females under 40 years of age is \$165. The most cost-effective way for me to fly back to Puerto Rico would be to travel to New York by bus (that would be \$35) and fly roundtrip from JFK to LMM Airport for \$322. The travel costs I accrue to meet the guidelines could be just the beginning, as the reimbursement fees may not cover the costs I incur during the physical examination, the dental examination, the eye-glass prescriptions and measurements (plus the second pair of glasses required by the Agency)

This means that I anticipate spending more on the medical screening process of the application than what the Agency will currently be able to reimburse. This is a huge economic sacrifice for a person like myself, and makes it more of an impediment for young people that are already struggling to get the basic needs for their lives. I support sections of this bill that will guarantee full reimbursement for medical tests required by the Peace Corps of applicants and establishment of a process for applicants and other interested parties to propose changes to the medical screening guidelines.

MORE DEMAND FROM MINORITIES

On the other hand, Peace Corps have been working with colleges and universities in the States to expand recruiting activities. An effort to expand the applicant pool also includes reaching out to those of diverse age group with different ethnic backgrounds who were previously under-represented in the Peace Corps.

The reality is that out of the 187,000 Peace Corps volunteer that have served, 16 percent are minorities and 85 percent are from age 20–29. Even worse, Puerto Rico has only had 366 Peace Corps volunteers since the beginning of the organization, and only 7 are currently active in service.

My experience as a student of the University of Puerto Rico is that the average young adult thinks that Peace Corps was only a program that ran during the Kennedy administration. Others don't recognize the existence of the organization.

Unfortunately, a staff member from the Atlanta regional office comes to the university for only one day of the year to recruit. Had I not happened to walk by the Peace Corps table on that day, I would not have learned about the opportunity to serve and would not be before you today.

I can't emphasize enough of the fact that there is a great pool of motivated, hard working students that would make great volunteers. We desperately need to increase the minority pool in the order to maintain a diverse ethnic background and provide a clear representation of the U.S. population while strengthening the Peace Corps agency.

By reaching this goal, we would need to integrate more time and energy to create awareness in the local universities with larger groups of minorities.

CONCLUSION

Thank you your time and consideration, it's an honor to be part of this hearing today. I truly hope that my experience will help you in any way understand the need to fully support this bill. This bill will ensure that all volunteers and applicants like myself get the resources they require to help those who are in great need of our services; which is the foundation of freedom and condition of Peace.

I'll be happy to answer your questions.

Senator DODD. That's pretty good. I think we'll keep you recruiting, here, I'll tell ya. [Laughter.]

Let me turn to Senator Corker, who has to head right off, and then I'll come back.

Senator.

Senator CORKER. Thank you very much for letting me do this.

And I want to thank each of you for your testimony. I think it's been incredibly enlightening. I look at people, who do what you do,

as saints. And two of you look more like saints than the rest of us today. [Laughter.]

We thank you very much for being here.

I really do believe your testimony has been most enlightening. And I think that, certainly, the bill that's being proposed gives us an opportunity to talk about the various issues that need to be dealt with. I know that people who serve, years ago, and now are back, it's sort of like—I wish I could go back to college and redo that. I know y'all see a lot of things now that are very helpful. I thank you for that.

The country administrator, I think, points out, Mr. Chairman, the balance we need to achieve in this bill, to not necessarily try to legislate some management. Sometimes it's all about people and not laws. And I think that was clearly illuminated in, certainly, your testimony about the medical process, and certainly the third goal. So, thank you for that.

I do think there is that philosophical issue we need to wrestle with over the grants, that I'm sure we'll do in other meetings. We look forward to talking to you through our staffs.

Thank you all very, very much.

Senator DODD. Thank you very much, Senator. I appreciate that very, very much.

I think the medical application screening process has been pretty well covered. Obviously, it's something that's going to require some real work. But, again, given the delays and costs and so forth, I think we've got a pretty good record established here of the importance of putting more emphasis and attention on that, or it's going to have the adverse effect. You know, we're soliciting applications from people and then imposing a process and barriers that discourages the applicant from going forward. So, clearly we're being counterproductive, it seems to me, in some ways here, although clearly we need to have a medical screening process, but, to the extent we can, we should do this in a way that does not discourage people, an awful lot of people, I'm afraid, from dropping out of this process.

One of the biggest arguments I've ever faced with younger people when I've talked to them about the Peace Corps, and going into it—and I put a smile on my face when I think of it, because it's come up so often—they say, "It's just an awful long time, 2 years." "I want to tell you something"——

[Laughter.]

Senator DODD [continuing]. "You'll find out, in time, that it's nothing at all." And yet, that's the one answer I get all the time, "This is a long time." Well, you're adding almost a year to what they consider their service. If 2 years seems like a long time, than a year or 9 months to go through an application process becomes even longer. So, at least with younger applicants, I think that is a barrier that we've got to address, or we're going to face a problem. And the cost is obviously also important.

Ms. Raftery, you've had a lot of experience doing this, and dealing with the issues raised by Chuck and Paula. And, granted, if I thought all of this could be done on the fly, and, again, assuming we get good people all the time, that listen and pay attention and so forth, things would be different. But as you and I both know, and you've served long enough to know, that there are—it's not al-

ways the case, and people don't always listen. And, my intention is, of course, not to give anyone veto power, here, but to make sure that there's going to be the input that you insist upon, as I listen to you testify, about what you require, in site selection and choices and programs and evaluation of staff, and the like. But it seemed to us that this was sort of spotty, and that we needed to institutionalize this a bit more. And, again, I want to make it clear to people, I'm not suggesting that any one group of people ought to have veto power, but certainly, when we look back, there is a value in this. I think your suggestion on how this gets handled and who actually is privy to these conversations could be important, or you invite some difficulties with all of this. But do you have any difficulty with the idea of institutionalizing this requirement of Peace Corps volunteer participation, by requiring it?

Ms. RAFTERY. I do think that it's very difficult to legislate respect. I think it's difficult to legislate people to listen. I would hope that this would be a management challenge that is handed over to the senior management of the Peace Corps, so that, in the selection of country directors, in the supervision of country directors, in the training of country directors, each country director spends a considerable amount of time during their training program talking about a Volunteer Advisory Council. And the point is made, numerous times, that a volunteer is doing themselves a serious disservice by not engaging the Volunteer Advisory Council in every step of the operation and every step of the volunteer's life. If the country director does not choose to take that advice, which is provided by the Peace Corps, then I think the management of the Peace Corps, in their review of the country director each year, should include that. And I do feel that the feedback I've gotten from volunteers—which, again, on my performance appraisal, it gets sent to Washington, it does not come to me—now, that part, I think, is a management decision that, in our personnel systems, should be—perhaps be incorporated. But I think it is challenging. Not all volunteers are created equal, and not all country directors are created equal.

Senator DODD. Right.

Ms. RAFTERY. And what we're trying to do is have the management systems in place that will ensure what you are, perhaps, trying to legislate in this bill. I don't have a problem with it. I think it's reaching that ends that I struggle with.

Senator DODD. Yes. Well, and obviously, we're doing the same, because I'm not overly enthusiastic about mandating things. And I don't disagree with you here, that you can't mandate respect. But you can somehow try to at least institutionalize, or protect against disrespect. And so that there are people who I'd otherwise feel that, "I have no obligation to do this."

Ms. RAFTERY. Correct.

Senator DODD. And that's where you, can run afoul of it, and particularly if you're moving up the chain, and it gets further and institutionally more inclined to avoid the comments.

How would you respond to Ms. Raftery, here, Chuck or Paula, on her points?

Mr. LUDLAM. Well, I guess I believe in systems. I believe in people also, but I believe in systems. And if you set up a system, which says that there will be confidential surveys of the volunteers re-

garding personnel and regarding the programs—and it has to be confidential, because you're, by and large, dealing with young volunteers—

Senator DODD. Yes.

Mr. LUDLAM [continuing]. Who do not necessarily speak up when they face managers; they've never, perhaps, had a manager before—so they have to be confidential—and you set up that system, then you know it will happen. If you have a situation where a country director is not a natural-born listener, or worse, but they have the system in place, then the inspector general will see the problem countries in a minute. In a minute. You will find out where you have managers who are not listening, who are not—for example, if a volunteer says, "Don't ever put somebody on this site again," and they do, you'll hear about it. When they say, "This program isn't working. I see it every day in my village," they will work to reform that program. A manager who is not responding to the volunteer's request for service, they will deal with that, as personnel matters.

So, we believe in systems, not just in trusting in people.

Senator DODD. Kevin, do you have any comments on this?

Mr. QUIGLEY. Senator, you know, I see both points of view here, and I think they both bring a lot of wisdom and experience and passion for Peace Corps here. It is about people, and it is about systems. It is tough, as Kate suggests, to legislate respect. It's also tough to have foolproof systems. So, it's finding that, kind of, delicate balance, where you have the appropriate systems that enable managers to manage in ways that are supportive of the volunteers, so that they can accomplish the goals of—that we've set for Peace Corps.

Senator DODD. Let me ask you, the issue of the volunteer fundraising again, Ms. Raftery, I think you make some very interesting and worthwhile observations. The last thing you want to do is have volunteers turn into fundraisers, unless they're planning a political career. [Laughter.]

Then we ought to discourage it, absolutely, in my view. [Laughter.]

It's the most dreadful part of this.

Thinking about that aspect of it, what we tried to do here is talk about very small amounts and under very limited circumstances, and with the approval of a country director. So, it's not just going off on your own, although I presume people do that anyway, in terms of getting help from back home or whatever else, in terms of supporting a project or an effort.

But I remember talking to volunteer who was in the Dominican Republic, who just came home from his Peace Corps experience, he's in law school now, but he had a very interesting project. And I was talking to him about it, and it actually did involve getting some seed money. It may have been through the existing programs now. They made a big difference in making that project work for him.

Again, is there a way in which you could see this could be done in a way that would satisfy you, as a country director, aside from the addition of the criteria that we've placed in this, insisting upon

your approval before it goes forward? Are there ways of doing that to your satisfaction, or is this just a nonstarter for you?

Ms. RAFTERY. No; I believe that there are volunteers who—well, I will say, backing up a moment, that the volunteers receive, in most countries, training in relation to sustainable development and the role that seed grants can play in that. Volunteers are also encouraged to look at their service from the point of view of institution-building, capacity-building. So, therefore, if the role of the volunteer is to facilitate a community, understanding its needs—

Senator DODD. Right.

Ms. RAFTERY [continuing]. And then moving ahead, and, at the end, they've exhausted all of the local resources that could be brought to bear—

Senator DODD. Right.

Ms. RAFTERY [continuing]. And there's still a slight need, then I think that volunteers should have available to them the opportunity to work with their community in the development of a grant that Peace Corps could provide them some resources for.

My experience has been—and it might be different than the experiences that were mentioned earlier—but most volunteers do not find a problem getting resources through Peace Corps and its partners at USAID, OGAC, etc.—

Senator DODD. Right.

Ms. RAFTERY [continuing]. And the like. So, I'm just concerned that volunteers start to see getting the money as more important than bringing the community along—

Senator DODD. I agree.

Ms. RAFTERY [continuing]. With them. That's what—

Senator DODD. No; that's very important.

Ms. RAFTERY [continuing]. I'm concerned about.

Senator DODD. It's a very legitimate point. And how would you address that, Chuck?

Mr. LUDLAM. First, on the seed funding, I well know of programs where there are no SPA grants from USAID—don't exist in the country. We know of cases where there are no embassy funding through the ambassadors fund. And we know of cases where there is essentially no funding available, there's no reimbursement—basically, there's no reimbursement, because the country director doesn't believe in it. In those cases, the bill provides there is money, there will be money. And it may be small amounts. We're not often talking about \$1,000. We're often talking about \$50.

In terms of fundraising, the same issue. Going through Peace Corps Partnership takes, probably, an average of 6 months. If you're in the middle of a project, and you need 50 bucks for something, the volunteers go to their friends and family. Now, that is technically illegal today. That is illegal, to go directly to friends and family to fundraise. Now, under the bill, it's legal. And it basically codifies what the volunteers do anyway. Now, if they get caught fundraising from friends and family today, they could be administratively separated. That is just not correct. It's just not right. I mean, it—it's normally just a small amount of money just to do something simple to keep a project alive, to demonstrate—not to become—I mean, the—

Senator DODD. You don't disagree with Ms. Raftery's point?

Mr. LUDLAM. Completely agree with her philosophy, but there is nothing in the bill that turns the Peace Corps into a grantmaking—

Senator DODD. Yes.

Mr. LUDLAM [continuing]. Agency—

Senator DODD. No.

Mr. LUDLAM [continuing]. In any way.

Senator DODD. Or that that becomes the priority, all of a sudden. There's always danger of, I don't know if they still use the same language we did 40 years ago, but a danger of "felt needs," when a volunteer tries to assess what a community's priorities are. And so, there's this game that goes on for a while as to finding out what really are the priorities, "Did I really set them, or did the community set them?" And, obviously, the ones we want are the ones that are set by the community.

Well, I think that could be accommodated. It's a good point you raised, in terms of how we do this. And I agree totally. I mean, the idea of discouraging people who want to participate and help out as they try and move something along has great value, as well.

Let me turn to Senator Coleman, and then we'll try and wrap up, here. But I thank all of you.

Senator COLEMAN. Thank you, Mr. Chairman.

One of the things that I just find so fascinating about the Peace Corps—and it's represented by this panel, here—is the level of commitment, from folks who are just signing up to the folks who have been there a long time, in management, and in the folks who have been there. And I think it's pretty remarkable.

It is very different, Mr. Chairman, from the State Department, by the way, in a lot of ways. In, you know, the State Department, you have ambassadors who may be political appointees, you have career civil servants who may have come in under one administration, may have a different philosophical view than the other administration. What I have seen in my experience with the Peace Corps, dealing with present staff, members, those involved in the system, has almost got a unity of purpose. They all believe in—and wouldn't sign up unless you—and wouldn't continue doing it, wouldn't stay connected, unless you saw that belief that it's important to show the heart of America, and it's important to make this contribution to serve.

I just think it's remarkable. And I applaud the focus of this bill to expand the presence here so folks understand what we're doing to simplify the process, whether it's in shortening the application period, in dealing with the medical issues, like medical—costs of medical records, et cetera. So, I think this is a pretty unique organization. As I said before, the chairman brings a unique perspective to it.

There was—Director Tschetter raised a concern about—I want to take you up, Mr. Quigley, on something you offered to provide—and that is, in talking about a grant process, the Director very—you know, obviously says the Agency is going to administer a process, they're going to have to do, you know, regulation, oversight, bureaucracy, et cetera. Is there a better way to do it, Mr. Quigley? And can, you know, past volunteers—can your association—tell me how you would structure something to facilitate some of the third-

goal grant processes that would avoid, perhaps, the bureaucracy and regulation that you'd encounter if the Agency did it.

Mr. QUIGLEY. Thank you very much, Senator. That's a great question. And I don't think there's an easy answer here, but let me take a stab at some of the elements that I think that would be part of it.

One thing that has to be underscored, this is a very diverse community of 187,000 very different people, with different sets of motivations, and that, in our community, many of those individuals are extremely passionate about their particular approach to an issue or problem-solving. So, I think one of the key elements is that whatever the process is has to be fully transparent, it's got to be a process where there's a great deal of communication about who it is, how it goes about what—its criteria selection, what—the timetable, the processes. So, clarity of purpose, as you've said, but clarity about operations, I think, is incredibly important.

I think it's also important that, as we talked at the start of the hearing, that this mechanism be perceived as independent, outside of politics, committed to the—committed to the mission of advancing the third goal.

I think it also—a fourth element, that I would say I think is really essential, is that there have to be opportunities for all kinds of different solutions, from big to small. Director Tschetter talked about the range in the Peace Corps private—Peace Corps Office of Private Sector Initiative, the partnership office. And, actually, I think, in some cases, it's actually larger. There's one of our groups, the Madison RPCV group, provides about \$80,000 in support for things that, in effect, relate to third goal.

In our community, we estimate that we provide somewhere between \$1 and \$2 million a year in third-goal-related activity, of direct costs, not counting sweat equity. Some of those are very small projects. They may involve a group of people going around to a local library or talking, doing a series of conversations about—with their local Rotary or their church, et cetera. So, a key criteria, I think, would have to be that there is a lot of opportunity for innovation, for flexibility, and being nimble.

Now, your next question might be: Is that possible to do in a government agency? And I think that's one of the issues you have to explore. There are some models out there, where various government agencies run very effective grant programs, and others where it's less so.

Senator COLEMAN. Ms. Raftery, let me have—we had a discussion about the—trying to find some balance, in terms of expressing personal perspectives, personal opinion. We live in an age, now, of blogs and Internet, and you certainly don't want to be suppressing that, you know, but I certainly understand the concerns of the Director, in terms of—you represent the United States of America, you represent the Peace Corps. Can you talk to me a little bit about that balance, and how you see it playing out?

Ms. RAFTERY. It's intriguing to see what the volunteer experience is like today. When I was a volunteer, in 1973, it was, I think, a very individual experience. I joined. My family wasn't sure if I was in Paraguay or Uruguay. It was a "guay" word. And they—

[Laughter.]

Ms. RAFTERY. That's where I was. And there were letters that were sent back. Today, it's ongoing, it's constant, the flow of information that volunteers are sharing with their family and friends. I think that's positive for Peace Corps, because of the fact that we are—we are engaging, not really 7,000 people in Peace Corps, but thousands and thousands of grandparents, relatives, community members.

I have found that volunteers are very reasonable, they are as committed to this organization as I have been. And when we walk through what they might consider when they do their blogs, when they do their e-mails to family and friends, when they do their journals, that are now electronic, all of that, when we talk about safety and security, and you standing there with a photograph of the name of your site in your address, next to your head, that might not be the most appropriate communication. But sharing what you're doing, the struggles and the achievements, I am proud of what volunteers, for the most part, put up on their blogs and their other forms of communication.

I think volunteers are very reasonable. The Volunteer Advisory Council in the Eastern Caribbean, in Peru, both helped me to craft my message around electronic communication. I think their guidance was probably better than what was going to put forward. So, I think it's a dialog between the staff and the volunteers, which then can result in—I would not say “censorship,” I would say a mutually agreed upon set of guidelines, so that the volunteer is putting forth the best message about what they're doing, so that people can celebrate that, but also taking into consideration the limitations that that kind of communication would bring.

Senator COLEMAN. And I appreciate the—you know, it's always tough to figure out, how far do we mandate? What do we—you know, what do you prohibit? How do you, kind of, strike that balance? And particularly in an age where it's just so much easier to communicate, and everything gets that much quicker. I recognize the challenge. But I appreciate the perspective.

And, Mr. Chairman, I appreciate what you're trying to accomplish here, and this is a great agency, and we need to expand it and grow it and make it easier for folks to participate, and make folks back home more aware of the great things that are being done. So, thank you.

Senator DODD. Thank you very much, Senator.

And thank you for that, Ms. Raftery, that's one of the reasons why I'm reluctant to have this sort of be from “on high” on down. I have a lot of confidence, that this is being handled at the country director level with the volunteers, and again, putting the emphasis on the volunteer side of this. That's a better way of proceeding here than having some stiff criteria coming from “on high,” which I think would be more harmful than not.

Well, this has been very helpful. Nicole, we thank you very, very much. I don't have a question here for you. You laid it all out in your testimony, and made your case very, very well.

Ms. FIOL. Thank you.

Senator DODD. We admire you for doing this. And it's very important. We've got to make a real effort here. When I was in the

Peace Corps, and the training program, of course, was done around Arecibo and Camp Crozier.

Ms. FIOL. Right.

Senator DODD. And we had our training programs in Puerto Rico, for those of us who were going to Latin America in those days, and it was very valuable, couldn't have been more hospitable. And whenever I travel anywhere in Latin America, and if I'm speaking Spanish, I always point out, "If I make any grammatical mistakes, you have to blame Puerto Rico," because you were the ones who taught me my Spanish along the way. And so, I thank you immensely. We all thank you for your service. We wish you the very, very best in your service to the country.

And I can't tell you how pleased I am that Chuck and Paula made this trip, not only the trip you made to come here, but the trip of 40 years, as volunteers a long time ago, and back at it again today. Very proud of both of you, and please extend our best wishes to the volunteers in Senegal.

And we'll pursue this legislation. It's very important. And it's a priority for me, here. And so, I look forward to working with my fellow committee members and, obviously, volunteers, the Peace Corps, Peace Corps Associations, in coming up with a final product, here. But I'm very grateful to all of you for your testimony today.

The committee will stand adjourned.

[Whereupon, at 12:23 p.m., the hearing was adjourned.]