

ACTION

FISCAL YEAR 1976 BUDGET AND TRANSITION ESTIMATE

INTERNATIONAL PROGRAMS (PEACE CORPS)



SUBMISSION TO THE CONGRESS

FEBRUARY 1975



OFFICE OF
THE DIRECTOR

ACTION

WASHINGTON, D.C. 20515

February 18, 1975

Honorable Otto E. Passman
Chairman, Subcommittee on Foreign
Operations
Committee on Appropriations
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am pleased to submit for the Peace Corps the FY 1976 budget request of \$81 million and a request for \$26 million for the Transition period. Our FY 1976 request provides for a small reduction in the program. Specifically, it provides:

- o a volunteer man-year level of 6,062, a decrease of 739 below the projected FY 1975 level;
- o a trainee input level of 3,750, a decrease of 250 below the projected FY 1975 level.

The \$80,826,000 requested for FY 1976 is \$2,117,000 below the FY 1975 level. However, it includes the funds to support the trainee input, volunteer strength, and related support costs to meet host country needs. About half of the decrease of \$1.3 million relates to reduced volunteer levels. An additional \$860 thousand of the decrease is associated with reduced trainee input. Both of these decreases have been partially offset by increases in volunteer travel and other costs to compensate for overseas inflation. Without provision for these cost increases, the Peace Corps' ability to fund program levels commensurate with host country needs would be eroded.

The Transition budget request is for \$25,729,000 to cover the period July 1, 1976, through September 30, 1976. The basic program activities are the same as in FY 1976; however, allowance was made for the higher proportion of training and other costs that occur during the July through September period, and anticipated increases in costs. With the funds requested, the Peace Corps will continue to provide volunteers to meet the changing needs and priorities in the 68 countries the Peace Corps serves.



The enclosed justification material provides significant detail on the funding request. If there are any matters which require further explanation, please do not hesitate to call on me or my staff.

Sincerely,

Michael P. Balzano Jr.
Michael P. Balzano, Jr.
Director

Enclosure



OFFICE OF
THE DIRECTOR

ACTION

WASHINGTON, D.C. 20510

February 18, 1975

Honorable Daniel K. Inouye
Chairman, Subcommittee on Foreign
Operations
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

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Sincerely,


Michael P. Balzano, Jr.
Director

Enclosure

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INTRODUCTION

ACTION, the Federal agency for volunteer service, was established on July 1, 1971. Legislative authority for the agency is provided by the Domestic Volunteer Service Act of 1973. The agency brings together a number of volunteer programs including the Peace Corps, Volunteers in Service to America (VISTA), Foster Grandparents (FGP), Retired Senior Volunteer Program (RSVP), University Year for ACTION (UYA), and the Service Corps of Retired Executives and Active Corps of Executives (SCORE/ACE).

Administration

The Director of ACTION and a Deputy administer all agency programs, assisted by an Associate Director for International Operations (Peace Corps) and an Associate Director for Domestic and Anti-Poverty Operations. Supporting these Associate Directors are:

- an Assistant Director for Recruitment and Communications, who manages volunteer recruitment;
- an Assistant Director for Policy and Planning, responsible for agency-wide program, policy, and fiscal planning and evaluation;
- an Assistant Director for Administration and Finance, who oversees agency administrative functions;
- Assistant Directors for Minority Affairs, Congressional Affairs, and a General Counsel.

International programs are administered on a country-by-country basis, under the guidance of three Regional Directors, one each for Africa and Latin American countries and one for all other areas where the Peace Corps has volunteers--North Africa, the Near East, Asia, and the Pacific (NANEAP).

Domestic Programs are administered through regional offices in each of the ten standard Federal regions. Programs are administered in local communities within this regional structure.

ACTION FY 1976 and Transition Appropriation Requests
(Dollars in Millions)

	<u>FY 1975</u>	<u>FY 1976</u>	<u>Transition</u>
Total (appropriations)	<u>\$182.9</u>	<u>\$182.4</u>	<u>\$46.8</u>
International Programs	82.9 <u>1/</u>	80.8	25.7
Domestic Programs	100.0	101.6	21.1

Funds requested for International Programs reflect a decrease in anticipated volunteer strength for FY 1976 and an intensification of efforts to solicit and utilize host country contributions. This is offset by unavoidable overseas cost increases anticipated in FY 1976 because of inflation. Funds requested for Domestic Programs reflect a higher average paid employment because of full staffing in the domestic regions. Both appropriations include full costs of the October 1974 pay increase not included in FY 1975. Funds requested for the Transition period maintain, with minor exceptions, the FY 1976 program level request. As in FY 1976, the funds requested for the period July through September reflect the program needs unique to the summer calendar quarter.

Funding at requested levels will support the following volunteer strengths by the end of FY 1976 and the end of the Transition period.

ACTION Volunteer Strength 2/

	<u>FY 1975</u>	<u>FY 1976</u>	<u>Transition</u>
International Programs			
(Full-Time)	6,801	6,062	1,573
Domestic Programs			
(Full-Time)	20,348	20,594	1,788
(Part-Time)	150,500	197,700	197,700

1/ At the time of this submission, Congress has not yet enacted appropriations for the Peace Corps. The total anticipated appropriation includes a \$687,000 supplemental request for pay increases.

2/ Full-time volunteers are measured in man-years; i.e., the equivalent of one volunteer working full-time for one year. Part-time volunteers refer to end strength on June 30 of that fiscal year.

FY 1975 Highlights

ACTION has made substantial strides in the current year in a number of management and program areas.

In the Domestic Programs area ACTION continued the trend toward improved staffing for state offices within the ten domestic regions. The reallocation of staff is expected to be completed by the end of FY 1975. In addition, the Domestic Programs began implementation of the Integrated Program and Training System (IPTS) in the regions. This system will coordinate the agency response to requests for volunteers among VISTA, UYA, RSVP, and other domestic programs in order to provide the optimum mix of volunteers within any given funding level.

In the International Programs area, the Peace Corps terminated its program in one country, Peru, and initiated preliminary steps that may lead to entry into several new countries. The International Operations staff completed a reorganization of personnel that resulted in a smaller total staff in the Washington office.

In the Agency-Wide Support area, the agency planning, evaluation, and budget functions were consolidated into one unit under an assistant director.

FY 1976 and Transition Appropriation Requests

Agency funds are requested in two separate appropriations, one for International Programs (Peace Corps) and one for Domestic Programs. Each of these appropriation requests include funding for a share of ACTION's support costs, such as volunteer recruitment, legal services, budgeting and accounting functions, and others. As in FY 1975, the share of administrative costs requested in each appropriation reflects the ratio of full-time personnel assigned to each activity versus total agency full-time personnel. The method of arriving at this ratio is explained more fully in the justification material for ACTION Agency-wide costs, which begins on page 42.

FISCAL YEAR 1976
BUDGET

ACTION

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS)

For expenses necessary for ACTION to carry out
the Peace Corps Act (75 Stat. 612), as amended;
(\$82,256,000). \$80,826,000.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS
(PEACE CORPS)

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Activity 1 Training and Specialized Recruiting	\$10,253	\$ 9,923	\$ 9,059	-\$ 864
Activity 2 Volunteers	33,143	36,612	35,319	- 1,293
Activity 3 Program Support (Peace Corps Share of Agency-Wide Support)	33,590 (\$12,909)	36,408 (\$14,078)	36,448 (\$13,983)	+ 40 (-\$ 95)
New Budget Authority	\$76,986 ^{1/}	\$82,943 ^{2/}	\$80,826 ^{2/}	-\$2,117
Less Transfers	- 37	- 25	- 25	---
Net Authority	\$76,949	\$82,918	\$80,801	\$2,117
Trainee Input	4,886	4,000	3,750	- 250
Volunteer Man-years	6,489	6,801	6,062	- 739

- 1/ FY 1974 Program Total includes \$37 thousand transferred to the General Services Administration, but excludes \$14 thousand unobligated balance lapsing.
- 2/ FY 1975 and FY 1976 Program Totals include a proposed \$25 thousand transfer to the State Department for Inspector General services.

General Statement

The Peace Corps was established in 1961 under the Peace Corps Act (75 Stat. 612) as an agency under the Executive Office of the President. On July 1, 1971, this program was transferred to ACTION in accordance with Reorganization Plan No. 1 of 1971 and Executive Order 11603. Subsequently, the Congress provided legislative authority for this transfer in Section 401 of P.L. 93-113 (the Domestic Volunteer Service Act of 1973).

The Peace Corps goals continue to motivate volunteers and provide the flexibility that permits the Peace Corps to confront the changing needs and priorities of the 68 host countries where it presently serves. Working at the grassroots, in projects planned by or with host country governments, volunteers have been, and continue to be, key participants in host country efforts to improve the quality of life at local levels.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS) - continued

The Peace Corps Mission

The mission given to the Peace Corps by legislative action of the Congress in 1961 serves as the underlying precept of the Peace Corps program. This mission is contained within three goals:

1. To promote world peace and friendship through a Peace Corps, which shall make available to interested countries and areas men and women of the United States qualified for service abroad and willing to serve, under conditions of hardship, if necessary;
2. To help the people of such countries and areas in meeting their need for trained manpower;
3. To help promote a better understanding of the American people on the part of the people served, and a better understanding of other peoples on the part of the American people.

Program Emphasis

During FY 1976, it is expected that the Peace Corps will be concentrating its resources into several significant program areas as a result of requests by host countries.

- Education will continue to receive slightly over half the volunteer strength as it did in FY 1974 and FY 1975. The trend, however, will reduce the percentage of volunteers in education, resulting in increases in other program areas.
- The Peace Corps will be channeling greater and greater resources into Agriculture, Health and Nutrition, and Conservation. This is in keeping with the goals of host countries' wishing to improve their ability to manage these basic resources.

Program Resources

During FY 1976, the Peace Corps plans a 3,750 Trainee input and a 6,062 volunteer man-year level funded at \$80,826,000. With this combination of resources, the Peace Corps can most efficiently meet host country needs.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS) - continued

The Peace Corps has undertaken an effort to generate increased host country contributions to support on-going program needs in FY 1976. Since the establishment of the Peace Corps in 1961, many of the countries in which the Peace Corps has served have accomplished significant economic growth. The need for trained manpower continues, in spite of this economic growth, and as a consequence, the Peace Corps will request from those countries additional host country contributions totaling \$1,700,000. This will be in addition to amounts already being contributed.

The on-going examination and evaluation of the Peace Corps program will continue in order to assure that its resources are used as efficiently as possible. Experimental and innovative programs will be used, as needed, to maximize the volunteer's impact upon host country needs. Resources will continue to be reallocated to areas where the Peace Corps can provide significant impact, as for instance, the SAHEL or areas of natural disasters.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS)

Summary of FY 1976 Budget Request

	(\$000)		
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate
Activity 1 Training and Specialized Recruiting			
A. Training	\$ 9,447	\$ 9,346	\$ 8,269
B. Specialized Recruiting	806	577	790
Subtotal, Activity 1	\$10,253	\$ 9,923	\$ 9,059
Activity 2 Volunteers			
A. International Travel	\$ 6,670	\$ 6,773	\$ 7,599
B. Allowances	21,702	24,128	22,502
C. Other Volunteer Support	4,206	4,786	4,596
D. Dependent Support	476	595	522
E. Multilateral Volunteers	89	330	100
Subtotal, Activity 2	\$33,143	\$36,612	\$35,319
Activity 3 Program Support			
A. International Operations Staff	\$16,283	\$16,907	\$16,822
B. Evaluation	78	398	318
C. State Department Services	4,320	5,025	5,325
D. Peace Corps Share of ACTION Agency-Wide Costs	12,909	14,078	13,983
Subtotal, Activity 3	\$33,590	\$36,408	\$36,448
Less Transfers	-37	-25	-25
Net Activity	\$33,553	\$36,383	\$36,423
Total, ACTION, International Programs	\$76,949	\$82,918	\$80,801
Trainee Input	4,886	4,000	3,750
Volunteer Man-years	6,489	6,801	6,062
Staff	705	799 ^{1/}	799

^{1/} FY 1975 staff total includes the conversion of 129 foreign nationals on Personal Service Contracts to Foreign Service Local positions.

SUMMARY OF MAJOR CHANGES

In FY 1976 there is a net decrease of \$2,117,000 below the estimated FY 1975 obligation level. The major changes are:

FY 1975 Estimate

(\$000)
\$82,918

Activity 1 - Training and Specialized Recruiting

The decrease in Training and Specialized Recruiting funds results from a decrease in the trainee input from 4,000 in FY 1975 to 3,750 in 1976, which is only partially offset by increased travel and other costs.

-\$ 864

Activity 2 - Volunteers

The decrease in volunteer funds is based upon the FY 1976 volunteer man-year level of 6,062, which is 739 man-years lower than the FY 1975 level. The decreased level of allowances and support costs are only partially offset by increased travel and other costs.

-\$1,293

Activity 3 - Program Support

The slight increase in program support costs results from decreases in the cost of International Operations staff, Evaluation and the Peace Corps share of ACTION agency-wide costs offset by an increase in the cost of State Department services.

+\$ 40

FY 1976 Estimate

\$80,801

TRAINING AND
SPECIALIZED RECRUITING

Budget Activity 1
TRAINING AND SPECIALIZED RECRUITING

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. Training	\$ 9,447	\$9,346	\$8,269	-\$1,077
B. Specialized Recruiting	806	577	790	+ 213
Total	\$10,253	\$9,923	\$9,059	-\$ 864
<hr/>				
Trainee Input	4,886	4,000	3,750	- 250

General Statement

All Peace Corps volunteers receive special training prior to and during their volunteer service. Training includes language study, technical skills adaptation, and cross-cultural orientation. Pre-service training in these areas is essential to the volunteer's ability to make an early adjustment to, and become effective in, the volunteer role. In-service training, particularly in language, accelerates the volunteer's ability to communicate and thus enhances the volunteer's program effectiveness.

All training presently occurs either in the country, where the trainees will later serve as volunteers, or in an adjacent country. The advantages to this approach are that In-country training:

- (1) makes training more relevant since trainees can experience first-hand the environment in which they will live and work.
- (2) permits maximum participation by the requesting host country governments and therefore gives them a realistic partnership in the preparation of trainees for service.
- (3) permits the Peace Corps field staff to participate more directly in the planning and implementation of training and allows closer staff coordination between training and volunteer support activities.

Budget Activity 1: TRAINING AND SPECIALIZED RECRUITING - continued

There are two distinct steps an applicant must follow to become a volunteer:

(1) The applicant must attend a staging in the United States prior to beginning training. Applicants go through an intensive three-day screening to learn about the Peace Corps and the project in which they are invited to work and to be evaluated with respect to their suitability for the particular project. The staging may take different forms. Some applicants will attend comprehensive stagings immediately prior to departing for overseas pre-service training. Other applicants will attend pre-invitational stagings (PRIST). PRISTs are used in cases where special screening is required, such as entering a new country.

(2) Subsequent to completion of staging, the applicants are invited to begin training in the host country or, in some cases, at a central third country location. The trainees receive intensive pre-service training consistent with the objectives of the trainees' expected project assignments. Trainees must attain defined performance levels and achieve established language proficiency levels before becoming volunteers.

To recruit and train applicants with certain specialized volunteer skills, Peace Corps enters into contractual agreements with universities to administer intern programs. Students having the needed skills are recruited and are given special Peace Corps orientation during their senior year of undergraduate school or during graduate school. After completing the program, they enter Peace Corps as part of the regular training cycle.

Budget Activity 1A
TRAINING

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. Pre-Service Training	\$9,447	\$8,986	\$7,526	- \$1,460
B. In-Service Training	-	360	743	+ 383
Total	\$9,447	\$9,346	\$8,269	- \$1,077

Pre-service training is usually conducted in groups. Volunteers prepare themselves under the supervision of a trained staff, which in most instances, consists of a project director and language, technical, and cross-cultural instructors. Former Peace Corps volunteers often comprise the technical and cross-cultural staffs. Pre-service training emphasizes what the trainees will actually need in order to do their jobs effectively, as volunteers, and relate to their communities in a productive manner.

Although the length of pre-service training varies from program to program, it will average nine weeks in FY 1976, which represents a reduction from previous years. This reduction in the length of pre-service training will be countered by an increase in the length of in-service training. While the length of in-service training varies from country to country, it will average two weeks in FY 1976 as compared to one week in FY 1976.

In-service training is provided on a group and an individual basis. Volunteers receive this training at various points, usually within six months of completing pre-service training. In FY 1975, a policy of formally emphasizing and identifying in-service training has been initiated.

There are three major advantages to more emphasis on in-service training:

- (1) Training needs are more clearly identified and the volunteers have increased motivation to learn because training occurs after a period of experience as a volunteer.
- (2) Training in a third language is possible in those countries where a third language is required or useful.
- (3) The cost of in-service training is less than the cost of pre-service training because no additional funds for subsistence are required, travel costs are minimal, and in-service training can frequently be coordinated with mid-service conferences.

Budget Activity 1A: TRAINING - continued

Pre-service training expenses include the costs of the actual training, trainee support, and travel costs for trainees who terminate. In-service training includes the costs of actual training and volunteer in-country transportation. The actual training expenses are the costs of facilities, including classrooms and language equipment, and the costs of instruction, including salaries and benefits of trainers and clerical support and staff transportation costs. Trainee support expenses cover all other costs of maintaining trainees during their training period. These include the cost of trainee materials (books, language tapes, manuals), food, housing, local transportation, medical services, and dependent support.

Changes in Training

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
<u>Pre-Service Training</u>				
Number of pre-service man-weeks	58,632	44,000	33,750	- 10,250
Average training cost per trainee man-week 1/	X\$ 161	X\$ 204	X\$ 223	+\$ 19
Subtotal (\$000)	\$ 9,447	\$ 8,986	\$ 7,526	-\$ 1,460
<u>In-Service Training</u>				
Number of in-service man-weeks	---	4,000	7,500	+ 3,500
Average training cost per trainee man-week 1/	---	X\$ 90	X\$ 99	+\$ 9
Subtotal (\$000)		\$ 360	\$ 743	+\$ 383
Training Total (\$000)	\$ 9,447	\$ 9,346	\$ 8,269	-\$ 1,077
1/ To the nearest dollar				

The estimated decrease of \$1,460,000 in pre-service training from FY 1975 to FY 1976 is a result of the decrease of 10,250 in the number of pre-service man-weeks, partially offset by a ten percent average cost increase. The estimated increase of \$383 thousand in in-service training is caused by an average cost increase of ten percent and the 3,500 increase in in-service man-weeks.

Budget Activity 1A: TRAINING - continued

The reduction in FY 1976 pre-service man-weeks is the result of decreasing the average length of the pre-service training cycle from eleven to nine weeks and the decrease of 250 in the number of trainees scheduled. This saves 10,250 man weeks or \$1,460,000 over FY 1975. A corresponding increase from one to two weeks in in-service training increases cost by only \$383 thousand. This results in a net savings of \$1,077,000.

Budget Activity 1B
SPECIALIZED RECRUITING

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. Intern Programs	\$241	\$412	\$625	+\$ 213
B. Pre-Invitational Staging (PRIST)	565	165	165	-
Total	\$806	\$577	\$790	+\$ 213

Intern programs are one means by which ACTION recruits and trains volunteers in those sectors where the supply of qualified applicants does not meet the demand from host countries. The programs are designed primarily to attract and train qualified agriculturalists, nurses, and certified teachers of mathematics, science, vocational education, and industrial arts.

ACTION enters into contractual agreements with universities producing the specific type of graduates needed in the developing countries requesting volunteers. The universities help recruit and prepare qualified Peace Corps applicants either during the senior year of undergraduate work or during the first year of graduate study. In addition to weekly seminars oriented to their prospective assignment, Peace Corps interns have the opportunity to adapt their own course schedules to better prepare themselves for service overseas. Most universities in turn allow academic credit for successful completion of Peace Corps tours.

The cost of intern programs includes on-campus recruiting, pre-invitational staging, training staff and materials, medical coverage and the administrative costs of the universities. In FY 1973, the National Bureau of Standards conducted an evaluation of the intern program. The basic conclusion of the study, using FY 1969 through FY 1972 data, was that the intern program was cost-effective in terms of cost per volunteer man-year, primarily because of lower attrition rates for volunteers who had been interns in relation to volunteers who had not been interns.

The Pre-Invitational Staging (PRIST) is an intensive three-day job interview to which potential Peace Corps trainees are invited. At least one month prior to the beginning of a training program the PRIST takes place at a central point in the United States to provide

Budget Activity 1B: SPECIALIZED RECRUITING - continued

a two-way suitability screening. The potential trainees are given detailed firsthand information on the Peace Corps, the country which is requesting their service, and the exact nature of the jobs to be preformed. With this information, the applicants assess their own suitability and motivation to join the Peace Corps before entering a training program overseas. At the same time, the ACTION staff has an opportunity to assess the potential trainees' qualifications for Peace Corps service overseas in particular jobs.

In FY 1976, PRISTs will be conducted for individuals entering the following types of program situations: new countries, programs or countries designated as sensitive in nature, and countries where a formal agreement requires us to conduct this type of selection process.

PRIST costs include round-trip air fare for the potential trainees from their home of record to the PRIST site, room and board for three days, and meeting facilities.

Changes in Specialized Recruiting

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of intern trainees produced	251	408	493	+ 85
Average cost per intern trainee <u>1/</u>	X\$ 960	X\$1,010	X\$1,268	+\$ 258
Intern Trainee Subtotal (\$000)	\$ 241	\$ 412	\$ 625	+\$ 213
Number of PRISTees	1,911	540	514	- 26
Average cost per PRISTee <u>1/</u>	X\$ 296	X\$ 305	X\$ 321	+\$ 16
PRIST Subtotal (\$000)	\$ 565	\$ 165	\$ 165	---
Specialized Recruiting Total (\$000)	\$ 806	\$ 577	\$ 790	+\$ 213
<u>1/</u> To the nearest dollar				

The estimated increase of \$213 thousand in the intern program from FY 1975 to FY 1976 is based on an increase of 85 intern trainees produced and an average cost increase of \$258. The increased emphasis on recruitment of trainees with certain scarce skills is responsible for this increased cost per intern. The estimated increase of \$16 per PRISTees is offset by a decrease of 26 PRISTees.

VOLUNTEERS

Budget Activity 2
VOLUNTEERS

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. International Travel	\$ 6,670	\$ 6,773	\$ 7,599	+\$ 826
B. Allowances	21,702	24,128	22,502	- 1,626
C. Other Volunteer Support	4,206	4,786	4,596	- 190
D. Dependent Support	476	595	522	- 73
E. Multilateral Volunteer Program	89	330	100	- 230
Total	\$33,143	\$36,612	\$35,319	-\$1,293
Volunteer Man-years	6,489	6,801	6,062	- 739

General Statement

After an applicant has been recruited and trained for a specific job request abroad, the trainee is then sworn in as a volunteer and is assigned to the host country institution requesting the volunteer's services. The volunteer works directly with the host country officials. The term of service is two years. Volunteers live at a level generally equivalent to that of their host country co-workers. In almost all instances this represents a standard of living substantially below what the volunteer has been accustomed to in the United States.

There are a number of expenses which are required to support volunteers in the field. These expenses can be separated into four general categories:

- Travel to and from the host country of assignment;
- Subsistence, leave and readjustment allowances;
- Other support costs
- Support of dependent children

Included in other volunteer support costs are, in-country travel, conferences and group meetings, volunteer supplies, medical services, and Office of Federal Employees Compensation Payments. Most of these expenses vary among volunteers depending on the host country cost of living and the requirements of the volunteer's works. In addition, this activity includes grants to multilateral organizations and support in the field for volunteers working under the sponsorship of multilateral organizations.

Budget Activity 2A
INTERNATIONAL TRAVEL

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Travel to Host Country	\$3,058	\$2,756	\$2,936	+\$ 180
Travel from Host Country	2,287	2,615	3,117	+ 502
Extendee Travel	680	692	752	+ 60
Emergency Leave Travel	280	298	338	+ 40
Medical Evacuation Travel	365	412	456	+ 44
Total	\$6,670	\$6,773	\$7,599	+\$ 826

International travel has five components:

- the transportation of trainees to their country of assignment
- the return travel of volunteers
- round trip fare to U.S. for volunteers who are extending their two-year tour of service by at least one year
- round trip fare to the U.S. for volunteer emergencies
- transportation to the U.S. or another country for volunteers or their dependents who require emergency medical care.

In FY 1975 and FY 1976 all travel costs reflect the increase domestic and international air fares.

Changes in Travel to Host Country

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	4,886	4,000	3,750	- 250
Average cost per trip <u>1/</u>	X\$ 626	X\$ 689	X\$ 783	+\$ 94
Total (\$000)	\$3,058	\$2,756	\$2,936	+\$180

1/ To the nearest dollar

The estimated increase of \$180 thousand between FY 1975 and FY 1976 results from an anticipated fourteen percent increase in air fares offset by a decrease in the number of trips. Travel to host country is affected by the trainee input which will decrease by 250 between FY 1975 and FY 1976.

Budget Activity 2A: INTERNATIONAL TRAVEL - continued

The average cost per trip to host country in FY 1974 reflects savings from the use of charter flights. As a result of current difficulties in obtaining charter flights, the FY 1975 and FY 1976 cost estimates do not include charter offsets. To the extent charter flights can be arranged, they will be used in the transportation of trainees.

Changes in Travel from Host Country

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	3,505	3,647	3,824	+ 177
Average cost per trip <u>1/</u>	X\$ 652	X\$ 717	X\$ 815	+\$ 98
Total (\$000)	\$2,287	\$2,615	\$3,117	+\$ 502

1/ To the nearest dollar

The estimated increase of \$502 thousand between FY 1975 and FY 1976 is caused by the increase of 177 in the number of trips from host countries and airfare increases. Travel from host countries is related to the number of volunteers completing service or terminating early. Travel varies from year to year, following primarily the training input of two years prior.

Changes in Extendee Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	517	500	485	- 15
Average cost per trip <u>1/</u>	X\$1,315	X\$1,384	X\$1,550	+\$ 166
Total (\$000)	\$ 680	\$ 692	\$ 752	+\$ 60

1/ To the nearest dollar

The estimated increase of \$60 thousand between FY 1975 and FY 1976 is caused by the anticipated air fare increases offset by a decrease of 15 in the extendee trips. The number of volunteers who are able to extend is a function of a specific host country request for the extension and a request to extend by the volunteer.

Budget Activity 2A: INTERNATIONAL TRAVEL - continued

The average cost per trip includes round-trip transportation plus per diem estimated at \$270 per trip (\$9 per day for 30 days).

Changes in Emergency Leave Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	241	241	241	---
Average cost per trip <u>1/</u>	X\$1,162	X\$1,237	X\$1,402	+\$165
Total (\$000)	\$ 280	\$ 298	\$ 338	+\$ 40

1/ To the nearest dollar

It is estimated that the number of emergency leave trips will remain constant from FY 1975 through FY 1976. The average cost per trip includes round-trip transportation plus per diem estimated at \$135 per trip (\$9 per day for 15 days).

Changes in Medical Evacuation Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	298	298	298	---
Average cost per trip <u>1/</u>	X\$1,225	X\$1,383	X\$1,530	+\$147
Total (\$000)	\$ 365	\$ 412	\$ 456	+\$ 44

1/ To the nearest dollar

It is estimated that the number of trips in FY 1976 will remain the same as in FY 1975. The average cost per trip includes emergency travel arrangements, plus per diem estimated at \$240 per trip (\$16 per day for 15 days).

Budget Activity 2B

ALLOWANCES

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Settling-In Allowance	\$ 767	\$ 711	\$ 633	-\$ 78
Living Allowance	12,333	14,330	14,046	- 284
Leave Allowance	1,350	1 415	1 261	- 154
Readjustment Allowance	7,252	7,672	6,562	- 1,110
Total	\$21,702	\$24,128	\$22,502	-\$ 1,626

Volunteers receive four payments classified as allowances.

The settling-in allowance is a one-time payment at the beginning of each volunteer's tour for the purpose of buying such items as dishes, cooking utensils, and bedding. The amount of each allowance reflects variations in the local cost of these items.

The living allowance is paid monthly to each volunteer for **subsistence level support** covering food, housing, clothing, and minor incidental expenses. The living allowance varies from country to country and within countries according to the cost of living in the region where the volunteer lives and works.

The leave allowance is paid to each volunteer at the rate of two days for each month of service. Volunteers receive \$9 for each day of leave for a total of 24 days, or \$216 per year. With this leave, volunteers have the opportunity to travel within the country of assignment or to nearby countries in order to broaden their international awareness and understanding.

As currently provided in the Peace Corps Act, each regular volunteer also receives a readjustment allowance of \$75 for each month of service, while each volunteer leader and head of household receive \$125 for each month. These amounts are deposited in a Treasury Department account, each month, and accumulated for payment to the volunteer upon completion of service. In addition, the Peace Corps contributes payments as prescribed under the Federal Insurance Contribution Act (FICA). This allowance provides the returning volunteer with living costs, until he secures a job or returns to school.

Budget Activity 2B: ALLOWANCES - continued

Changes in Settling-In Allowance

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer arrivals	4,076	3,724	3,014	- 710
Average cost per volunteer arrival <u>1/</u>	X\$ 188	X\$ 191	X\$ 210	+\$ 19
Total (\$000)	\$ 767	\$ 710	\$ 633	78

1/ To the nearest dollar

Changes in Living Allowances

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,801	6,062	-\$ 739
Average cost per volunteer man-year <u>1/</u>	X\$ 1,901	X\$ 2,107	X\$ 2,317	+\$ 210
Total (\$000)	\$12,335	\$14,330	\$14,046	-\$ 284

1/ To the nearest dollar

Changes in Leave Allowance

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,801	6,062	- 739
Average cost per volunteer man-year <u>1/</u>	X\$ 208	X\$ 208	X\$ 208	---
Total (\$000)	\$ 1,350	\$ 1,415	\$ 1,261	-\$154

1/ To the nearest dollar

Budget Activity 2B: ALLOWANCE - continued

Changes in Readjustment Allowance

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer and trainee man-years	7,461	7,569	6,751	- 818
Average cost per volunteer and trainee man-year ^{1/}	X\$ 972	X\$ 972	X\$ 972	
Subtotal (\$000)	\$7,252	\$7,357	\$6,562	-\$ 795
Readjustment Allowance Imbalance	---	\$ 315	---	-\$ 315
Total, Readjustment Allowance (\$000)	\$7,252	\$7,672	\$6,562	-\$1,110
^{1/} To the nearest dollar				

The estimated decrease of \$78 thousand in settling-in allowance between FY 1975 and FY 1976 is because of a \$19 dollar increase in the average cost offset by a decrease of 710 in the number of trainees scheduled to become volunteers in FY 1976. The settling-in schedule is a function of the timing of trainee input and the length of the training programs. The estimated decrease of \$284 thousand in living allowance between FY 1975 and FY 1976 is due to a \$210 increase in the average living allowance payment offset by a decrease of 739 in the volunteer man-year level between FY 1975 and FY 1976. In FY 1976, the average settling-in and living allowance payments reflect a ten percent increase required to meet host country cost of living increase.

The estimated decrease of \$154 thousand in leave allowance reflects the decrease of 739 volunteer man-years between FY 1975 and FY 1976. The average unit cost is \$208 because host country contributions have offset the need for additional appropriated funds in this category.

The estimated decrease of \$1,110,000 in the volunteer readjustment allowance costs between FY 1975 and FY 1976 is caused by two factors:

- (1) the decrease of 818 trainee and volunteer man-years between FY 1975 and FY 1976;
- (2) the one-time need for \$315 thousand in FY 1975 to correct an imbalance in the Treasury Department Readjustment Allowance account.

Budget Activity 2C
OTHER VOLUNTEER SUPPORT

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
In-Country Travel	\$ 588	\$ 687	\$ 673	-\$ 14
Conferences and Group Meetings	143	320	285	- 35
Volunteer Supplies and Equipment	799	877	782	- 95
Medical Supplies and Services	1,679	1,850	1,719	- 131
Office of Federal Employees Compensation	997	1,052	1,137	+ 85
Total	\$ 4,206	\$4,786	\$4,596	-\$ 190

Other Volunteer Support covers the above categories of expense in support of volunteers in the field and after service. These expenses are incurred by volunteers in the course of their work, and are paid as justified by individual circumstances.

In-Country Travel costs cover a volunteer's travel within the country of assignment. Nearly all jobs performed by volunteers require travel at some time. The actual expenses are reimbursed to the volunteers as travel is performed.

Changes in In-Country Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,801	6,062	- 739
Average cost per volunteer man-year <u>1/</u>	X\$ 91	X\$ 101	X\$ 111	+\$ 10
Total (\$000)	\$ 588	\$ 687	\$ 673	-\$ 14

1/ To the nearest dollar

Budget Activity 2C: OTHER VOLUNTEER SUPPORT - continued

The anticipated decrease of \$14 thousand between FY 1975 and FY 1976 is the result of a decrease of 739 in the number of man-years between FY 1975 and FY 1976 offset by an increase of ten percent in costs.

Conferences and Group Meetings include the costs of travel, per diem, and supplies to support meetings of volunteers during their tours of service. The focus of the meetings is project evaluation and administrative matters. The most common type of conference is the mid-service conference, for volunteers completing their first year of service.

Changes in Group Conference Meetings

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,801	6,062	- 739
Average cost per volunteer man-year <u>1/</u>	X\$ 22	X\$ 47	X\$ 47	---
Total (\$000)	\$ 143	\$ 320	\$ 285	-\$ 35

1/ To the nearest dollar

The FY 1976 decrease of \$35 thousand in conference and group meetings costs is the result of the 739 FY 1976 volunteer man-year decrease.

Volunteer Supplies and Equipment cost cover the materials used by the volunteers themselves, in their job assignments. These materials vary according to the country and job being performed but typically include textbooks, teaching materials, and hand tools. Other material costs for projects are supplied by host countries or other sources.

Budget Activity 2C: OTHER VOLUNTEER SUPPORT - continued

Changes in Volunteer Supplies and Equipment

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,801	6,062	- 739
Average cost per volunteer man-year <u>1/</u>	X\$ 123	X\$ 129	X\$ 129	---
Total (\$000)	\$ 799	\$ 877	\$ 782	-\$ 95
<u>1/</u> To the nearest dollar				

The anticipated decrease of \$95 thousand in FY 1976 is caused by the 739 FY 1976 volunteer man-year decrease.

Medical Supplies and Services are provided to all volunteers. The cost of this medical care varies from country to country, but typically includes doctor's fees, hospital costs, supplies, dental care, and medical care associated with medical evacuations.

Changes in Medical Supplies and Services

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,801	6,062	- 739
Average cost per volunteer man-year <u>1/</u>	X\$ 259	X\$ 272	X\$ 284	+\$ 12
Total (\$000)	\$1,679	\$1,850	\$1,719	-\$131
<u>1/</u> To the nearest dollar				

The \$131 thousand decrease in medical supplies and service costs in FY 1976 is due to the decrease of 739 in the volunteer man-year level planned for FY 1976 offset by a 4.5 percent average cost increase.

The Office of Federal Employees Compensation adjudicates all cases requiring compensation of Peace Corps volunteers under the Federal Employees Compensation Act. ACTION is required to reimburse the Department of Labor for all compensation dispensed. The \$1,137,000 budgeted for FY 1976 is based on actual costs incurred in FY 1974.

Budget Activity 2D
DEPENDENT SUPPORT

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Dependent Support	\$476	\$595	\$522	-\$73

Acceptance of volunteers, with dependent children, results in additional costs for the Peace Corps. However, family responsibilities should not preclude acceptance of highly motivated volunteers. In addition, in order to obtain volunteers to fill certain scarce-skill jobs, it is necessary to accept married volunteers with children. Spouses of volunteers are considered, and budgeted for, as volunteers, and are given volunteer assignments. For each child, funding is provided, in this activity, for international and in-country travel, food and lodging, clothing, medical care and education.

Changes in Dependent Support

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Children-years	220	251	200	- 51
Average cost per child <u>1/</u>	X\$2,163	X\$2,371	X\$2,608	+ \$237
Total (\$000)	\$ 476	\$ 595	\$ 522	-\$ 73

1/ To the nearest dollar

The anticipated decrease of \$73 thousand between FY 1975 and FY 1976 is due to the decrease of 51 in the number of children-years planned for FY 1976 offset by an average cost increase of ten percent. This request maintains the policy of accepting families with two or fewer children only, unless the volunteer skills required warrant an exception.

Budget Activity 2F
MULTILATERAL VOLUNTEERS

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Multilateral Grants	\$66	\$270	\$ 70	-\$200
Multilateral Volunteers	23	60	30	- 30
Total	\$89	\$330	\$ 100	-\$230

Congress approved Title III of the Peace Corps Act in 1963 to encourage the development of, and participation in, international voluntary service programs. In FY 1976, the Peace Corps will be involved in four international programs: the United Nations Volunteer Program (UNV), the International Secretariat for Volunteer Services (ISVS), International Volunteer Services (IVS), and the Joint Volunteer Committee of Ghana (JVCC).

Multilateral grants are funds given to the multilateral organizations to share the costs of volunteers from countries other than the United States and the agency administrative costs. Multilateral volunteer funds are used to support multilateral organization volunteers who are sworn in as Peace Corps volunteers. Peace Corps covers the costs of staging, training, travel, leave and readjustment allowances, and supplies and equipment.

Budget Activity 2E: MULTILATERAL VOLUNTEERS - continued

Changes in Multilateral Grants

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Multilateral Grants	\$66	\$270	\$70	-\$200

The FY 1976 request for \$70 thousand in multilateral grant funds reflects the funds needed to meet anticipated FY 1976 commitments.

Changes in Multilateral Volunteers

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of multilateral volunteer man-years	19	34	23	- 11
Average cost per volunteer man-year <u>1/</u>	<u>X\$1,211</u>	<u>X\$1,750</u>	<u>X\$1,304</u>	-\$446
Total (\$000)	\$ 23	\$ 60	\$ 30	- 30

1/ To the nearest dollar

The FY 1976 decrease of \$30 thousand is due to the placement of 11 fewer volunteers and an average cost decrease of \$446. The average cost reflects and sharing of multilateral volunteer costs between the Peace Corps and the multilateral organizations and the high initial cost of placing multilateral trainees in FY 1975.

Budget Activity 3
PROGRAM SUPPORT

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. International Operations				
Staff	\$16,283	\$16,907	\$16,822	-\$ 85
B. Evaluation	78	398	318	- 80
C. State Department Service	4,320	5,025	5,325	+ 300
D. Peace Corps Share of ACTION Agency-Wide costs <u>1/</u>	12,909	14,078	13,983	- 95
Total	\$33,590	\$36,408	\$36,448	+\$ 40
Less Transfer	-37	-25	-25	---
Net Total	\$33,553	\$36,383	\$36,423	+\$ 40

1/ Justification for these amounts is included in the section entitled ACTION Agency-Wide Costs beginning on page 42.

General Statement

International Operations (Peace Corps) staff is needed to develop, maintain and coordinate effective programs abroad. Overseas staff begin detailed planning for prospective volunteer jobs approximately one year before the volunteers complete training and begin service. Thorough discussions are held with appropriate host country officials to assess the need for the requested volunteers. When agreement is reached between the host government and resident Peace Corps staff, formal program requests are prepared detailing the job requirements, establishing the required volunteers' qualifications, and identifying support commitments both to the Peace Corps and the host country to insure volunteer job viability.

In addition to other operational and program planning responsibilities, field staff must provide administrative and technical support to volunteers already on the job and supervise in-country training programs. All staff, including program, administrative, medical, and clerical personnel, must have diplomatic, as well as technical abilities. Whether staff members are Americans or host country nationals, they are in daily contact with host country officials, volunteers, American Embassy staff, and host country citizens. Additional post support is provided through the State Department's Shared Administrative Support System (SAS).

Budget Activity 3: PROGRAM SUPPORT - continued

Washington staff reviews and approves all program and administrative requests from the field against available resources. They also provide technical, programmatic, and administrative support to field staff and volunteers. They work with host country embassies in Washington, develop and implement policy, and provide general direction to overseas programming. Washington staff develops training models, provides technical assistance to overseas posts in the planning of training programs, and participates in PRISTs and stagings prior to the commencement of training. The additional supporting functions performed in Washington, such as recruiting, accounting, and legal services are included in Agency-Wide Costs on page 42.

Program Support funds requested in FY 1976 also provide for the use of less than one half percent of the total requested for evaluation.

Budget Activity 3A
INTERNATIONAL OPERATIONS STAFF

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
<u>Washington Staff</u>				
Salaries and Benefits	\$ 2,935	\$ 3,092	\$ 2,708	-\$ 384
Travel	566	392	420	+ 28
Supplies, Equipment				
Other Services	281	240	199	- 41
Building Rental and Related Services	37	229	213	- 16
Washington Staff, Sub- total	\$ 3,819	\$ 3,953	\$ 3,540	\$ 413
<u>Overseas Staff</u>				
Salaries and Benefits	\$ 7,536	\$ 7,705	\$ 7,725	+\$ 20
Travel	1,501	1,348	1,556	+ 208
Education Allowance	122	153	159	+ 6
Staff Housing	1,007	1,121	1,166	+ 45
Space, Utilities	949	1,000	1,075	+ 75
Maintenance, General Services	634	730	750	+ 20
Supplies, Equipment, and Transportation	697	697	651	- 46
Vehicles	18	200	200	--
Overseas Staff, Subtotal	\$12,464	\$12,954	\$13,282	+\$ 328
Total Staff, Washington and Overseas	\$16,283	\$16,907	\$16,822	\$ 85
<u>Planned Positions</u>				
U.S. Staff, Washington	156	129	129	---
U.S. Staff, Overseas	224	216	216	---
Foreign Service Locals	325	454 ^{1/}	454	---
Total Permanent Staff	705	799	799	---

^{1/} Represents conversion of 129 personal service contract employees to foreign service local staff in FY 1975.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Washington Staff - Salaries and Benefits

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Salaries and Benefits (\$000)	\$2,935	\$3,092	\$2,708	-\$384
Planned Positions	151	129	129	---

Salaries and benefits for Washington Staff are expected to decrease between FY 1975 and FY 1976 by \$384 thousand. The decrease is caused by the full year impact of the reduction in the level of staff to be achieved during FY 1975.

Changes in Washington Staff - Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
<u>International Travel</u>				
Number of trips	333	230	220	- 10
Average cost per trip <u>1/</u>	X\$1,396	X\$1,464	X\$1,632	+\$ 168
Subtotal (\$000)	\$ 466	\$ 337	\$ 359	+\$ 22
<u>Domestic Travel</u>				
Number of trips	250	128	128	---
Average cost per trip <u>1/</u>	X\$400	X\$430	X\$477	+\$ 47
Subtotal (\$000)	\$100	\$ 55	\$ 61	+\$ 6
Total, International & Domestic Travel (\$000)	\$566	\$392	\$420	+\$ 28

1/ To the nearest dollar

International travel enables Washington Staff to visit posts to provide technical support and to maintain a current understanding of overseas problems. Domestic travel is for Washington Staff attendance at PRISTs and stagings. Staff travel costs include both travel and per diem. The average cost per trip in FY 1975 and FY 1976 increased due to higher domestic and international air fares.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Washington Staff - Supplies, Equipment, and Other Services

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Supplies, Equipment, and Other Services	\$281	\$240	\$199	-\$ 41

The allocation for supplies, equipment, and other services is \$41 thousand less in FY 1976 than FY 1975 in a continuing effort to reduce expenditures in this category. The primary items in this category are up-dated books and manuals and replacement of equipment.

Changes in Washington Staff - Building Rental and Related Services

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Building Rental and Related Services	\$37	\$229	\$213	-\$ 16

Building rental and related services are provided for the International Operations staff at headquarters. The funds requested are a pro rata share of those incurred by the entire ACTION agency. The amount requested represents a decrease of \$16 thousand between FY 1975 and FY 1976 because of a decrease in the headquarters staff and a lower per person allocation of office space.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Salaries and Benefits

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
U.S. Citizens	\$5,130	\$5,198	\$5,251	+\$ 53
Foreign Nationals	1,684	2,157	2,474	+\$317
Personal Service Contracts	722	350	---	-\$350
Total	\$7,536	\$7,705	\$7,725	+\$ 20

Planned Positions

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
U.S. Citizens	224	216	216	---
Foreign Nationals	325	454	454	---
Total, Permanent Positions Overseas	549	670	670	---
Personal Service Contracts	170	---	---	---

Salaries and benefits for staff overseas include compensation to U.S. citizens and foreign nationals.

The \$53 thousand increase in U.S. salaries and benefits in FY 1976 reflects a one percent increase in the average salary and benefits to cover the net effect of step increases, offset by lapse.

The \$317 thousand increase in foreign national salaries and benefits and the \$350 thousand decrease in Personal Services Contracts in FY 1976 are costs associated with the conversion of those on Personal Service Contracts to Foreign Service Local positions.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
<u>Staff Assignment- Return</u>				
Number of trips	164	140	149	+ 9
Average cost per trip 1/	X\$4,470	X\$4,782	X\$5,269	+\$ 487
Subtotal (\$000)	\$ 733	\$ 669	\$ 785	+\$ 116
<u>International Travel</u> (Operational, PRIST-staging travel)				
Number of trips	233	150	160	+ 10
Average cost per trip 1/	X\$1,296	X\$1,360	X\$1,533	+\$ 173
Subtotal (\$000)	\$ 302	\$ 204	\$ 245	+\$ 41
<u>In-Country Travel</u>				
Overseas professional staff	350	350	350	---
Average annual cost per professional staff 1/	X\$1,331	X\$1,367	X\$1,504	+\$ 137
Subtotal (\$000)	\$ 466	\$ 475	\$ 526	+\$ 51
Total, Overseas Staff Travel (\$000)	\$1,501	\$1,348	\$1,556	+\$ 208

1/ To the nearest dollar

Overseas staff travel consists of staff assignment-return travel, international operational travel, PRIST-staging travel, and in-country travel. Assignment-return travel results from staff reaching their appointment limitation of five years, as well as normal turnover, and also includes staff reassignment, home leave, and emergency leave travel. International travel is for regional or sub-regional conferences, consultation with Washington, and exploration of programming-training alternatives in new countries. PRIST-staging travel is travel of overseas staff to participate in PRISTs or stagings. In-country travel is the travel of post staff to visit volunteer work sites.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Average cost per trip for staff assignment-return travel includes air fare, baggage, per diem costs, and the shipment and storage of household goods. Average cost per trip for international operational and PRIST-staging travel includes round-trip air fare and per diem allowances. Overseas staff travel is increasing by \$208 thousand in FY 1976 primarily due to anticipated air fare increases.

Changes in Overseas Staff - Education Allowance

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of dependents	200	200	200	---
Average cost per dependent <u>1/</u>	X\$610	X\$765	X\$795	+\$ 30
Total (\$000)	\$122	\$153	\$159	+\$.6

1/ To the nearest dollar

The education allowance is given to American staff overseas with school-age children. The 216 Americans overseas in FY 1975 will have approximately 200 school-age children. The estimated increase of \$6 thousand in education allowance between FY 1975 and FY 1976 reflects an increase of \$30 in the average cost per dependent based on anticipated tuition commitments.

Changes in Overseas Staff - Housing

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of U.S. Staff	224	216	216	---
Average cost per staff <u>1/</u>	X\$4,496	X\$5,190	X\$5,398	+\$208
Total (\$000)	\$1,007	\$1,121	\$1,166	+\$ 45

1/ To the nearest dollar

Overseas staff housing includes that portion of staff residential rents and utilities paid by the Peace Corps. The \$45 thousand increase reflects anticipated lease renewals at higher rates and increased utility costs.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Space, Utilities

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Space, Utilities	\$949	\$1,000	\$1,075	+\$ 75

Office rents, and utilities cover the expense of maintaining overseas staff offices. Increased cost of \$75 thousand in FY 1976, are the result of higher rates for lease renewals and utilities charges.

Changes in Overseas Staff - Maintenance, General Services

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Maintenance, General Services	\$634	\$730	\$750	+\$ 20

Maintenance and general services costs include janitorial, watchmen, maintenance, repair, and upkeep services for overseas facilities and equipment. Costs are expected to increase by \$20 thousand based on current estimates of contractual costs.

Changes in Overseas Staff - Supplies, Equipment, and Transportation

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Supplies, Equipment and Transportation	\$697	\$697	\$651	+\$ 46

Supplies, equipment, and transportation levels will be held below FY 1975 levels to effect cost reductions.

Changes in Vehicle Purchases

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of vehicles	4	40	38	-\$ 2
Average cost per vehicle	X\$4,500	X\$5,000	X\$5,250	+\$250
Total (\$000)	\$ 18	\$ 200	\$ 200	---

Vehicle costs cover the purchase and shipment of vehicles for Peace Corps programs. In FY 1976, Peace Corps plans to replace 38 vehicles at a cost of \$200 thousand. Whenever possible, vehicles are purchased in the United States.

Budget Activity 3B
Evaluation

		(\$000)		
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Evaluation	\$78	\$398	\$318	-\$ 80

In FY 1976, Peace Corps evaluation will emphasize three priority issues.

1. Program Evaluations. The purpose of these types of evaluations is twofold: a) to provide an objective and independent assessment of Peace Corps programs to various levels of program management; and b) to provide the basis for more effective programming by providing insight into and advancing recommendations related to the qualities, trends and potentialities of Peace Corps Volunteer assistance. The Guidelines for Program Evaluations, developed in FY 75, will be pilot-tested and validated in preparation for implementation in FY 76.
2. Special Evaluative Studies. In response to specific program and management needs, several special evaluation studies will be undertaken. The first deals with an assessment of the applicability of agriculture training center concept for the preparation of generalist and agriculture background to agriculture needs in the three respective regions. This will be based on the actual experience of such an effort currently underway in Central America. The second will involve the testing of a health/nutrition experiment for preparation of volunteers with generalist or health backgrounds to serve in Peace Corps programs addressing health and nutrition needs of host countries. Both studies are being undertaken to determine the best way of redistributing currently available and anticipated resources to these two major program sectors.
3. In-Country Self-Evaluation and Monitoring. Support and technical assistance is planned to further implement this internal programming-evaluation system. It is designed to provide for a regular assessment of volunteer, project, and country program effectiveness in a manner that allows for adjustments to be made in the composition and emphasis of Volunteer activity. This in turn, will enhance Peace Corps performance. The objective of the supporting assistance process and to upgrade the field's capability of applying the various processes.

Budget Activity 3C
STATE DEPARTMENT SERVICES

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Shared Administrative Support (SAS)	\$4,295	\$5,000	\$5,300	+\$ 300
Inspector General	25	25	25	---
Total	\$4,320	\$5,025	\$5,325	+\$ 300

The Peace Corps and other federal agencies overseas have contracted with the State Department to purchase various administrative services in support of their overseas staffs. The State Department through Shared Administrative Support provides the Peace Corps with services such as budgeting and accounting, communications, health services, and a variety of other logistical services. The exact services provided vary among countries and are negotiated annually in each country by the overseas Peace Corps staff and State Department staff.

SAS is only one means of providing this support in overseas locations. As with every other part of program support, SAS is under continuing review to assure that it still provides the best and least costly method of procuring this support. Based on latest information available from the State Department, it is expected that worldwide SAS cost increases will be substantial in FY 1976, due to escalating inflation in many overseas countries.

The Foreign Assistance Act of 1961, as amended, provides that expenses of the Inspector General of Foreign Assistance shall be charged to appropriations made to carry out certain programs including the Peace Corps. The projected share for the Peace Corps in FY 1976 remains at the \$25 thousand level.

ACTION AGENCY-WIDE COSTS

	(\$000)			
	FY 1974	FY 1975	FY 1976	Increase or
	Actual	Estimate	Estimate	Decrease
Funded by:				
1. Peace Corps, ACTION International Programs	\$12,909	\$14,078	\$13,983	-\$ 95
2. Operating Expenses, Domestic Programs	6,562	7,318	7,764	+\$ 446
Total	\$19,471	\$21,396	\$21,747	+\$ 351
Total Permanent Positions	586	557	557	---

General Statement

Within ACTION, administrative functions which support both domestic and international volunteer activities are conducted on a consolidated basis. Costs of these consolidated functions are referred to as ACTION agency-wide costs. Included in this category are expenses of volunteer recruitment, selection, and placement; communications; program, policy, and fiscal planning and evaluation; and general management and administrative functions. For FY 1976, the budget request includes \$21,747,000 in agency-wide costs.

Agency-wide costs are financed jointly from the domestic and international program appropriations. Because it is impossible to determine precisely which of these costs are attributable to domestic programs and which to international programs, the costs of consolidated functions are assigned to each appropriation statistically, according to the formula outlined below.

The formula is based on workload, expressed by the ratio of full-time staff employed exclusively for domestic programs to full-time staff employed exclusively for international programs. This methodology for assigning agency-wide costs to appropriations has been applied since FY 1973, and has proven readily understandable outside ACTION and administratively uncomplicated to execute within the agency. In an attempt to insure that this formula is as equitable as possible, costs specifically related to the program appropriations have been included in their program support activities rather than in this agency-wide cost section. Such costs include program evaluation, contract audit which can be directly associated with an appropriation, and development of domestic programs.

ACTION Agency-Wide Costs - continued

Allocation of Agency-Wide Costs
by Appropriation (FY 1976)
(\$000)

FY 1976 permanent positions	1,242
Exclusively international programs	799
Exclusively domestic programs	443
International positions as percentage of 1,242	64.3%
Domestic positions as percentage of 1,242	35.7%
FY 1976 ACTION agency-wide costs	\$21,747
International appropriation share (\$21,747 X 64.3%)	\$13,983
Domestic Appropriation share (\$21,747 X 35.7%)	\$ 7,764

Agency-wide costs are reflected in the following organizational categories:

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Recruitment and Communi- cations	\$ 8,694	\$ 8,685	\$ 8,592	-\$ 93
Planning and Evaluation	706	987	1,728	+ 741
Management and Admin- istration	10,052	11,661	11,373	- 316
National Voluntary Service Advisory Council	19	63	54	- 9
Total	\$19,471	\$21,396	\$21,747	+\$351

Further description of agency-wide activities and justification of the FY 1976 funding request is provided in the following pages.

OFFICE OF RECRUITMENT AND COMMUNICATIONS

(\$000)								
	FY 1974		FY 1975		FY 1976		Increase or	
	<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		<u>Decrease</u>	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	245	\$5,583	237	\$5,199	237	\$5,193	---	-\$ 6
Other Expenses	---	3,111	---	3,486	---	3,399	---	- 87
Total	245	\$8,694	237	\$8,685	237	\$8,592	---	-\$ 93

General Statement

Recruitment, selection, and placement of volunteers is conducted by the Office of Recruitment and Communications (ORC). It is the responsibility of this office to ensure that a sufficient number of well-qualified volunteers are available for volunteer programs, both domestic and international, on a timely basis. This function includes communicating with the general public concerning opportunities for voluntarism, identifying potential volunteers, processing applications, matching applicant skills with program requirements, and related tasks. In addition, this office is responsible for agency public affairs activities related to other than volunteer recruitment.

To accomplish this task, the Office of Recruitment and Communications is currently organized into a Washington headquarters office and four regional recruitment offices: Boston, Atlanta, Chicago, and San Francisco. Area recruitment offices support the regional offices to ensure that recruitment efforts are centered nearest to the sources of potential volunteers. Functions performed by the headquarters office are the overall direction of the recruitment effort: planning and evaluation, national recruitment advertising and related efforts, processing and record-keeping of applications, and the placement of potential volunteers in specific Peace Corps, VISTA, and other domestic volunteer programs for which the applicants are qualified.

Budget Justification

An effective recruitment effort is a mandatory element in the overall success of the volunteer programs. This is especially true when highly skilled volunteers are being requested for VISTA programs and from host countries in the case of Peace Corps programs. The Office of Recruitment and Communications will continue to recruit well qualified volunteers to meet program needs as detailed in the International and Domestic budget requests.

ACTION Agency-Wide Costs - continued

Budget requirements for recruitment are based primarily on anticipated levels of applications needed to produce volunteers and/or trainees in ACTION's full-time volunteer programs. The \$8,592,000 request provides for the following:

Peace Corps trainees-	3750
VISTA nationally recruited trainees-	1850
ACTION Cooperative Program (ACV) nationally recruited trainees-	500
 Total Recruitment	 6100

In addition, this office will provide assistance related to the recruitment of VISTA and ACV volunteers at the local level and also process University Year for ACTION (UYA) and the Program for Local Service (PLS) volunteer applications.

A decrease of VISTA and Peace Corps trainees in FY 1976 permits a reduction of \$93 thousand in this budget request. Included in this reduction is a decrease of \$6 thousand in the Personnel Compensation and Benefits category reflecting permanent staff pay increases offset by a decrease in recruiters. The request of \$5,193,000 provides for financing 237 full-time positions in headquarters and regional offices as well as intermittent recruiters in the field.

\$3,399,000 is requested for Other Expenses, a reduction of \$87 thousand. This reduction is possible because of a decrease in recruiter travel. The significant items included in this category are:

- . travel for recruiters and permanent staff;
- . headquarters and regional building rental costs;
- . contracts for recruitment and classified advertising, including \$50 thousand for a special Bicentennial brochure;
- . printing of volunteer applications, recruitment brochures, and the agency's volunteer and staff monthly newspaper - INTERACTION;
- . mailing services for recruitment materials;
- . contracts for graphics and photographic services;
- . mailing lists to assist in recruitment efforts.

ACTION Agency-Wide Costs - continued

PLANNING AND EVALUATION

(\$000)								
	<u>FY 1974</u>		<u>FY 1975</u>		<u>FY 1976</u>		<u>Increase or</u>	
	<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		<u>Decrease</u>	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	26	\$558	54 ^{1/}	\$ 855	54	\$1,367	--	+\$ 512
Other Expenses	--	148	--	132	--	361	--	+ 229
Total	26	\$706	54	\$ 987	54	\$1,728	--	+\$ 741

1/ Includes 22 positions assigned directly to IO and DO appropriations in FY 1975.

General Statement

ACTION's program, policy and fiscal planning and evaluation is undertaken on an agency-wide basis and includes the functions described below.

Planning - the definition, development, and analysis of program and administrative goals and objectives; the translation of these into long- and short-term plans; the review and guidance necessary to their achievements.

Policy Development - the identification of social problems where volunteers or a volunteer approach would be needed and the identification of people and organizations inclined toward volunteerism; the definition of ACTION policies and the identification of volunteer service programs, both domestic and international, which would assist in meeting identified social action by using volunteers.

Budget - the formulation, presentation, and justification of ACTION budget requests to OMB and the Congress; the formulation and execution of operating budget plans; and the review of utilization of all funds.

Evaluation - the assessment of the effectiveness of agency programs in regard to their structure and delivery, their individual impact, and their relationship to total agency efforts.

Budget Justification

\$1,728,000 is requested for 1976 planning and evaluation activities, a \$741 thousand increase over FY 1975.

The \$512 thousand increase in Personnel Compensation and Benefits is a result of reassigning functions directly charged to the IO and DO appropriations in FY 1975 to Agency-Wide costs in FY 1976.

Most of the increase in Other Expenses allows for an intensified special contractual studies effort at approximately the \$250 thousand level. Agency planners have continuing responsibility to gather and analyze basic information about the effectiveness of and necessity for volunteer efforts. For example, in the past, funds available for this purpose have been used to procure specialized baseline data from the United States Bureau of Census and demographic projections from the National Academy of Sciences. The agency will be able to intensify its inquiry into the relationship between private and public sector voluntarism, considering whether Federal or private funding and administration of certain programs provides optimum impact.

ACTION Agency-Wide Costs - continued

MANAGEMENT AND ADMINISTRATION

(\$000)								
	<u>FY 1974</u>		<u>FY 1975</u>		<u>FY 1976</u>		<u>Increase or</u>	
	<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		<u>Decrease</u>	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	315	\$ 5,898	266	\$ 6,352	266	\$ 6,046	---	-\$ 306
Other Expenses	---	4,154	---	5,309	---	5,327	---	- 10
Total	315	\$10,052	266	\$11,661	266	\$11,373	---	-\$ 316

General Statement

Management and Administration expenses represent the costs of assuring basic services to all of ACTION's volunteers, programs, and staff. Administrative services provided include legal counsel, legislative representation, health services, contract and grant processing, provision of technical project information, assistance to volunteers entering and completing service, and activities of the agency Director. Management services provided include internal audit, procurement, management analysis, accounting, personnel management, property management, data processing, and general logistical support.

Delivery of these services is accomplished by staff offices, which report to the agency Director, and the Office of Administration and Finance, under an Assistant Director.

Included in the staff offices group are the following:

1. Office of the Director - coordinates activities of the Agency Director, Deputy, and staff.
2. Internal Audit - conducts audits within agency headquarters and field offices emphasizing methods of improving financial management procedures and using resources most efficiently, while achieving desired program results. To insure objectivity and maximum effectiveness, Internal Audit reports only to the agency Director.
3. Congressional Affairs - maintains agency liaison with the Congress, and responds to constituent inquiries.

ACTION Agency-Wide Costs - continued

4. Minority Affairs - directs the Agency's equal employment and affirmative action programs, investigates grantee, contract and beneficiary compliance with Federal minority opportunity regulations, hears grievance proceedings, and assists in recruiting minority staff and volunteers.
5. General Counsel - provides legal guidance in regard to legislation affecting Agency programs, and to volunteers.

Administration and Finance functions include:

1. Management Analysis - in response to requests from Agency administrators, investigates management procedures, pinpoints areas where practices can be improved, and recommends improvements.
2. General Services - handles Agency procurement, grants and contracts processing and property management functions, as well as all volunteer and staff travel arrangements, the ACTION directives system, library and volunteer information services, agency-wide printing and distribution, and mail services.
3. Volunteer Health Services - oversees delivery of primary health care and insurance benefits to volunteers in the U.S. and overseas. The office also functions as Agency liaison with the Office of Federal Employees Compensation.
4. Management Services - maintains and develops Agency financial reporting and accounting functions, administers volunteer and staff payroll, and processes all other agency financial transactions.
5. Personnel Management - administers all staff recruitment and placement functions, labor and employee relations matters, and employee training (including Upward Mobility programs). It also assists volunteers completing service to find employment and develop careers.

Budget Justification

\$11,373,000 is requested for Management and Administration services in FY 1976. A reduction of \$306 thousand is anticipated in FY 1976 brought about by the Agency's attempt to reduce full-time permanent staff positions. Absorbed within the personnel compensation and benefits request is a \$100 thousand increase in payments to the Office of Federal Employees Compensation.

ACTION Agency-Wide Costs - continued

The significant items included in the Other Expenses category are:

- . All ACTION Postal Service costs;
- . All Headquarters telephone costs and ACTION Federal Telephone System (FTS) long distance and Wide Area Telephone Service (WATS) lines;
- . Building rental costs for Management and Administration offices;
- . Headquarters copying services;
- . All Headquarters building maintenance and renovation costs;
- . All ACTION staff training costs;
- . Computer Services costs for Headquarters accounting, payroll, and personnel systems;
- . Staff travel related to management and administration functions.

The slight decrease of \$10 thousand in the Other Expenses category results from a lowering of building rental costs because of consolidation of Washington Headquarters staff space, offset in part by anticipated cost increases for telephones, copying services and building maintenance.

ACTION Agency-wide Costs - continued

NATIONAL VOLUNTARY SERVICE
ADVISORY COUNCIL

(\$000)							
	FY 1974		FY 1975		FY 1976		Increase or
	<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		<u>Decrease</u>
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos. Amount
Personnel Compensation and Benefits	---	---	---	---	---	---	---
Other Expenses	---	\$19	---	\$63	---	\$54	---
Total	---	\$19	---	\$63	---	\$54	---

General Statement

The Domestic Volunteer Service Act of 1973 (P.L. 93-113) establishes within ACTION a National Voluntary Service Advisory Council. Composed of 25 members and appointed by the President, Council members represent public and private groups and individuals interested in the programs carried out by ACTION. The Director and Deputy Director of ACTION are ex-officio members of the Council.

The Council meets as a whole at least four times each year; its subcommittees also convene at regular intervals. The Council is expected to review the effectiveness and operation of ACTION domestic programs, and programs conducted under authority of the Peace Corps Act, and to advise ACTION's Director with respect to its findings. The scope of its recommendations includes proposals for the improvement of ACTION programs, elimination of duplicated efforts, and the coordination of ACTION programs with other Federal anti-poverty efforts.

Beginning in calendar year 1975, the Council will also be required to make an annual report to the President, for transmittal by the President to the Congress, with comments and recommendations.

Budget Justification

In FY 1976, its second full year of existence, activities of the National Voluntary Service Advisory Council will require \$54,000, a decrease of \$9,000 from estimated FY 1975 levels.

ACTION Agency-Wide Costs - continued

Members of the Council other than those regularly employed by the Federal Government receive travel and subsistence expenses while attending Council meetings and while in the field for program review.

Whereas its activities heretofore centered largely around domestic programs, in FY 1975 and FY 1976, the Council is expanding its international programs activities. The majority of the increased costs projected for FY 1976 are thus attributable to the increased proportion of the Council's activities directed toward international program review.

APPENDIX A: Statement of Authorizations and Appropriations FY 1962 - FY 1976 and Transition
(\$000)

<u>Fiscal Year</u>	<u>Original Authority & Budget Request</u>	<u>Amended Budget</u>	<u>Authorized</u>	<u>Appropriated (Including Reappropriation)</u>	<u>Appropriation Transfers 1/</u>	<u>Allocation from AID</u>	<u>Obligated as of June 30</u>	<u>Unobligated as of June 30</u>	<u>Reappropriated</u>
1962	\$ 40,000	\$---	\$ 40,000	\$ 30,000	\$---	\$---	\$ 29,496	\$ 504	\$ ---
1963	63,750	---	63,750	59,000	444	---	54,692	3,864	3,864
1964	108,000	102,000	102,000	95,964	---	---	76,164	19,800	17,000
1965	115,000	106,000	115,000	104,100	7	---	85,449	18,644	12,100
1966	125,200	---	115,000	114,100	---	---	113,173	927	---
1967	110,500	112,150	110,000	110,000	104	---	104,525	5,371	---
1968	124,400	118,700	115,700	107,500	---	---	106,846	654	---
1969	112,800	---	112,800	102,000	49	---	100,301	1,650	---
1970	109,800	101,100	98,450	98,450	---	---	90,776	7,674	---
1971	98,800	94,500	94,500	90,000	---	---	84,978	5,022	---
1972	71,200	82,200	77,200	72,500	---	2,600	75,037	63	---
1973	88,027	---	88,027	81,000	427	---	80,560	13	---
1974	77,000	---	77,000	77,000	37	---	76,949	14	---
1975	82,256 2/	---	82,256	3/	---	---	---	---	---
1976	80,826	---	---	---	---	---	---	---	---
Transition	25,729	---	---	---	---	---	---	---	---

1/ Appropriation transfers are to GSA for all years except FY 1973. In FY 1973, \$158,000 was transferred to GSA and \$269,000 was transferred to Operating expenses, Domestic Programs (PL 93-50; 87 Stat. 99).

2/ Total does not include \$687,000 supplemental request for government-wide October, 1974 Federal pay raises.

3/ No Appropriation has been enacted as of the date of this submission

APPENDIX B: Reconciliation of Appropriation and Obligation Totals
 FY 1974- FY 1975
 (\$000)

Appropriation	<u>FY 1974</u> <u>\$77,000</u>	<u>FY 1975</u> <u>\$82,256</u>
Real transfers to:		
General Services Administration	-37	0
State Department, Inspector General	0	-25
Receipts and reimbursements from:		
Federal funds	+85	+30
Non-federal funds	+182	+150
Requested pay supplemental	0	+687
Unobligated balance lapsing	<u>-14</u>	<u>0</u>
Total Obligations	\$77,216	\$83,098

APPENDIX C - Schedule of Host Country Contributions By Region FY 1967 - FY 1976 and Transition
(\$000)

	<u>Actual</u>								<u>Estimated</u>		<u>Transition</u> <u>FY 76 - FY 77</u>
	<u>FY</u> <u>1967</u>	<u>FY</u> <u>1968</u>	<u>FY</u> <u>1969</u>	<u>FY</u> <u>1970</u>	<u>FY</u> <u>1971</u>	<u>FY</u> <u>1972</u>	<u>FY</u> <u>1973</u>	<u>FY</u> <u>1974</u>	<u>FY</u> <u>1975</u>	<u>FY</u> <u>1976</u>	
Africa	\$2,380	\$1,885	\$1,624	\$1,270	\$1,167	\$1,179	\$1,753	\$2,458	\$2,598	\$3,778	\$1,304
Latin America	180	219	241	343	283	232	245	263	300	454	166
North Africa, Near East Asia & Pacific	<u>1,014</u>	<u>861</u>	<u>1,626</u>	<u>892</u>	<u>755</u>	<u>853</u>	<u>1,007</u>	<u>1,206</u>	<u>1,447</u>	<u>1,768</u>	<u>600</u>
55 TOTAL	<u>\$3,574</u>	<u>\$2,965</u>	<u>\$3,491</u>	<u>\$2,505</u>	<u>\$2,205</u>	<u>\$2,264</u>	<u>\$3,005</u>	<u>\$3,927</u>	<u>\$4,345</u>	<u>\$6,000</u>	<u>\$2,070</u>

APPENDIX D: Allocation of Volunteer Manyears by Country
FY 1974 - FY 1976

<u>Africa</u>	<u>FY 1974</u> <u>Actual</u>	<u>FY 1975</u> <u>Estimate</u>	<u>FY 1976</u> <u>Estimate</u>
Botswana	78	102	110
Cameroon	62	82	88
Central African Republic	12	21	23
Chad	37	42	26
Dahomey	56	59	63
Ethiopia	215	152	138
Gabon	5	13	30
Gambia	40	28	18
Ghana	173	237	219
Ivory Coast	86	90	44
Kenya	199	181	164
Lesotho	37	49	32
Liberia	264	280	299
Malawi	19	21	12
Mali	18	24	39
Mauritania	3	12	12
Mauritius	11	12	5
Niger	84	116	98
Nigeria	2	7	6
Senegal	80	87	85
Seychelles	1	4	4
Sierra Leone	168	210	250
Swaziland	88	89	93
Togo	76	87	93
Upper Volta	56	61	61
Zaire	<u>219</u>	<u>226</u>	<u>188</u>
 SUBTOTAL	 2,089	 2,288	 2,200

APPENDIX D: Allocation of Volunteer Manyears by Country-
continued

<u>Latin America</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Belize	49	46	52
Brazil	316	264	139
Chile	25	41	58
Colombia	282	272	157
Costa Rica	110	180	118
Dominican Republic	66	80	73
Eastern Caribbean <u>1/</u>			
Antigua	13	12	10
Barbados	49	44	36
Grenada	22	21	19
Montserrat	13	11	10
St. Kitts	19	18	15
St. Lucia	19	17	15
St. Vincent	24	22	19
Ecuador	200	227	208
El Salvador	49	90	125
Guatemala	125	148	136
Honduras	142	147	105
Jamaica	190	230	179
Nicaragua	54	66	94
Paraguay	52	66	75
Peru <u>3/</u>	100	40	-
Uruguay <u>2/</u>	1	-	-
Venezuela	<u>205</u>	<u>159</u>	<u>85</u>
 SUBTOTAL	 2,125	 2,201	 1,728

1/ The Peace Corps office in Barbados is the administrative unit for seven Caribbean Islands.

2/ Peace Corps terminated its program in Uruguay in October 1973.

3/ Peace Corps terminated its program in Peru in December, 1974.

APPENDIX D: Allocation of Volunteer Manyears by Country-
continued

<u>North Africa, Near East Asia, and Pacific</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Afghanistan	162	113	106
Bahrain	5	12	12
British Solomons	7	16	14
Fiji	120	125	114
Gilbert and Ellice Islands	1	4	4
India	23	23	10
Iran	115	137	119
Korea	256	259	196
Malaysia	297	303	278
Malta	1	3	2
Micronesia	155	179	172
Morocco	147	194	178
Nepal	98	102	98
Oman	14	26	23
Philippines	370	311	302
South Pacific Commission	2	1	1
Thailand	230	211	196
Tonga	75	65	65
Tunisia	108	102	93
Western Samoa	79	102	115
Yemen	<u>10</u>	<u>24</u>	<u>36</u>
 SUBTOTAL	 2,275	 2,312	 2,134
 TOTALS	 <u>6,489</u>	 <u>6,801</u>	 <u>6,062</u>

APPENDIX E: Budget Estimates by Region and Country*
(\$000)

<u>Africa</u>	<u>FY 1974</u> <u>Actual</u>	<u>FY 1975</u> <u>Estimate</u>	<u>FY 1976</u> <u>Estimate</u>
Botswana	\$ 527	\$ 694	\$ 814
Cameroon	805	1,032	1,206
Central African Republic	220	385	459
Chad	434	496	334
Dahomey	571	606	704
Ethiopia	1,612	1,108	1,095
Gabon	102	267	671
Gambia	356	251	176
Ghana	1,329	1,793	1,805
Ivory Coast	1,223	1,289	686
Kenya	1,502	1,336	1,317
Lesotho	377	503	358
Liberia	2,483	2,547	2,976
Malawi	206	229	142
Mali	328	440	778
Mauritania	42	169	184
Mauritius	126	138	63
Niger	889	1,196	1,100
Nigeria	45	159	148
Senegal	721	789	839
Seychelles	-	41	45
Sierra Leone	1457	1,794	2,324
Swaziland	695	708	810
Togo	812	936	1,089
Upper Volta	528	579	630
Zaire	2,595	2,641	2,392
Africa Regional Support	<u>1,379</u>	<u>1,447</u>	<u>1,520</u>
SUBTOTAL	\$21,364	\$23,573	\$24,665

* Post budget estimates include both direct obligations to the posts and Washington obligations associated with the posts.

**APPENDIX E: Budget Estimates by Region and Country-continued
(\$000)**

<u>Latin America</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Belize	\$ 266	\$ 251	\$ 307
Brazil	3,347	2,813	1,651
Chile	333	550	842
Colombia	1,905	1,850	1,189
Costa Rica	993	1,635	1,193
Dominican Republic	592	722	713
Eastern Caribbean <u>1/</u>			
Antigua	75	69	62
Barbados	281	254	224
Grenada	126	121	119
Montserrat	75	64	62
St. Kitts	109	104	94
St. Lucia	109	98	94
St. Vincent	138	127	119
Ecuador	1,321	1,510	1,541
El Salvador	493	911	1,409
Guatemala	903	1,075	1,099
Honduras	925	963	744
Jamaica	1,002	1,220	1,056
Nicaragua	438	539	831
Paraguay	466	595	732
Peru <u>3/</u>	1,078	650	-
Uruguay <u>2/</u>	37	-	-
Venezuela	1,788	1,395	807
Latin America Regional Support	<u>1,164</u>	<u>1,222</u>	<u>1,067</u>
 SUBTOTAL	 \$17,964	 \$18,738	 \$15,955

1/ The Peace Corps office in Barbados is the administrative unit for the seven Caribbean Islands.

2/ Peace Corps terminated its program in Uruguay in October, 1973.

3/ Peace Corps terminated its program in Peru in December 1974.

APPENDIX E: Budget Estimates by Region and Country-continued
(\$000)

<u>North Africa, Near East Asia, and Pacific</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Afghanistan	\$ 1,444	\$ 970	\$ 967
Bahrain	42	102	108
British Solomon Islands	31	72	657
Fiji	760	789	765
Gilbert and Ellice Islands	19	77	82
India	430	436	202
Iran	1,323	1,546	1,457
Korea	2,266	2,273	1,829
Malaysia	2,704	2,744	2,670
Malta	10	30	26
Micronesia	1,632	1,860	1,940
Morocco	1,434	1,869	1,822
Nepal	844	890	909
Oman	166	312	293
Philippines	2,543	2,115	2,183
South Pacific Commission	7	4	9
Thailand	1,613	1,449	1,431
Tonga	503	442	470
Tunisia	1,018	975	945
Western Samoa	515	674	808
Yemen	175	426	679
NANEAP Regional Support	918	964	1,012
SUBTOTAL	\$20,397	\$21,019	\$20,681

APPENDIX E: Budget Estimates by Region and Country-continued
(\$000)

<u>SUMMARY</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Africa	\$21,364	\$23,573	\$24,665
Latin America	17,964	18,738	15,955
North Africa, Near East Asia and Pacific	20,397	21,019	20,681
World Wide Support	4,582	5,816	5,667
Peace Corps share of ACTION Support	<u>12,909</u>	<u>14,078</u>	<u>13,983</u>
TOTAL	\$77,216	\$83,098	\$80,951

TRANSITION ESTIMATE

SUMMARY

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS)

For expenses necessary for ACTION to carry out
the Peace Corps Act (75 Stat. 612), as amended;
for the period July 1, 1976, through September
30, 1976, \$25,729,000.

ACTION
OPERATING EXPENSES, INTERNATIONAL PROGRAMS
(PEACE CORPS)

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Activity 1 Training and Specialized Recruiting	\$ 9,059	\$ 4,737
Activity 2 Volunteers	35,319	11,229
Activity 3 Program Support	36,448	9,763
(Peace Corps Share of Agency-Wide Support)	(\$13,983)	(\$ 3,556)
New Budget Authority	\$80,826	\$25,729
Less Transfers	-25 ^{1/}	-6 ^{1/}
Net Authority	\$80,801	\$25,723
Trainee Input	3,750	1,400
Volunteer Man-years	6,062	1,434

^{1/} FY 1976 and Transition Program Totals include a proposed \$25 thousand and \$6 thousand respectively to be transferred to the State Department for Inspector General services.

General Statement

Title V of the Congressional Budget and Impoundment Control Act of 1974 changes the beginning of the fiscal year from July 1 to October 1. This justification covers the Peace Corps activities during the transition period beginning July 1, 1976, and ending September 30, 1976. The funds requested are designed to support International Operations (Peace Corps) programs during the transition period at a viable continuing level. The proposed funding would provide adequate resources to maintain the program activities, without major change in the level of services.

Training and specialized recruiting during the three-month period will constitute 52 percent of the total level projected for FY 1976. This higher percentage in this activity is due to the concentration of trainee input during the months of June and July and the specialized recruiting costs associated with these trainees.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS) - continued

The request for funds to cover volunteer activities amounts to 32 percent of the total projected for FY 1976 while supporting 24 percent of the volunteer man-years. A number of factors within the volunteer budget account for the difference between these two percentages. For instance, international travel is based on a schedule of volunteer arrivals and departures, and the higher percentage during this period can be associated with the level of volunteer travel; i.e., higher percentage of trainee input from July through September, a greater number of volunteers completing service or extending, as well as increased costs per trip caused by air fare increases. The percentage share of settling-in allowances is also higher due to the large number of trainees scheduled to become volunteers during this period. The annual payment to the Office of Federal Employees Compensation for FY 1975 based on actual costs incurred during that period will become payable during the transition period.

Program Support costs are projected to be 26 percent of the previous year. This increase is due primarily to anticipated increases in foreign national salaries, international travel, and overseas rent and utility costs. Staff levels will remain constant.

Based on these factors, \$25,729,000 is being requested for the transition period. It is anticipated that this amount should be adequate to cover the operations of the Peace Corps from July 1, 1976, through September 30, 1976.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS)

Summary of Transition Budget Request

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Activity 1 Training and Specialized Recruiting		
A. Training	\$ 8,269	\$ 4,278
B. Specialized Recruiting	790	459
Subtotal, Activity 1	\$ 9,059	\$ 4,737
Activity 2 Volunteers		
A. International Travel	\$ 7,599	\$ 2,837
B. Allowances	22,502	5,975
C. Other Volunteer Support	4,596	2,219
D. Dependent Support	522	143
E. Multilateral Volunteers	100	55
Subtotal, Activity 2	\$35,319	\$11,229
Activity 3 Program Support		
A. International Operations Staff	\$16,822	\$ 4,584
B. Evaluation	318	161
C. State Department Services	5,325	1,506
D. Peace Corps Share of ACTION Agency-Wide Costs	13,983	3,512
Subtotal, Activity 3	\$ 36,448	\$ 9,763
Total, ACTION, International Programs	\$80,826	\$25,729
Trainee Input	3,750	1,400
Volunteer Man-years	6,062	1,434
Staff	799	799

**TRAINING AND
SPECIALIZED RECRUITING**

Budget Activity 1
TRAINING AND SPECIALIZED RECRUITING

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. Training	\$8,269	\$4,278
B. Specialized Recruiting	790	459
Total	\$9,059	\$4,737
Trainee Input	3,750	1,400

Budget Justification

The estimates for training and specialized recruiting during the transition period between FY 1976 and FY 1977 are based upon projections of trainee inputs and ongoing specialized recruitment activities. It is also projected that the average costs for training will have increased an average of ten percent over FY 1976 and that costs for special recruiting will have increased five percent in the same period.

Budget Activity 1A
TRAINING

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. Pre-Service Training	\$7,526	\$4,060
B. In-Service Training	743	218
Total	\$8,269	\$4,278

During any calendar year, the heaviest input into Peace Corps Pre-Service training occurs during the months of June, July and August. Training classes last for nine weeks and, as a consequence, trainees that enter during June of 1976 will receive about 6 weeks of training during the transition budget period. August and September trainees will enter the field after the beginning of FY 1977. Due to this overlap, 1400 transition period trainees and June trainees will receive an estimated total of 16,572 weeks of pre-service training during the transition period.

In-service training will comprise 2002 weeks, or 2 weeks for 1,001 Peace Corps volunteers.

Changes in Training

	FY 1976 Estimate	Transition Estimate
<u>Pre-Service Training</u>		
Number of pre-service man-weeks	33,750	16,572
Average training cost per trainee man-week <u>1/</u>	X\$ 223	X\$ 245
Subtotal (\$000)	\$ 7,526	\$ 4,060
<u>In-Service Training</u>		
Number of pre-service man-weeks	7,500	2,002
Average training cost per trainee man-weeks <u>1/</u>	X\$ 99	X\$ 109
Subtotal (\$000)	\$ 743	\$ 218
Training Total (\$000)	\$ 8,269	\$ 4,278

1/ To the nearest dollar

Budget Activity 1B
SPECIALIZED RECRUITING

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. Intern Programs	\$625	\$394
B. Pre-Invitational Staging (PRIST)	165	65
Total	\$790	\$459

Specialized recruiting activities which will take place during the transition period include continuations of the intern and PRIST programs. Since most intern programs with universities are negotiated at the beginning of the academic year, a substantial portion of the costs related to these programs will be incurred during the transition. An estimated 296 interns will be contracted for at an average cost of \$1331 per intern. The PRIST program will be conducted for 192 potential Peace Corps volunteers and is a projection based upon the planned 1400 trainee input during the transition period.

Changes in Specialized Recruiting

	FY 1976 Estimate	Transition Estimate
Number of intern trainees produced	493	296
Average cost per intern trainee <u>1/</u>	X\$1,268	X\$1,331
Subtotal (\$000)	\$ 625	\$ 394
Number of PRISTees <u>1/</u>	514	192
Average cost per PRISTee <u>1/</u>	X\$ 321	X\$ 337
PRIST Subtotal (\$000)	\$ 165	\$ 65
Specialized Recruiting Total (\$000)	\$ 790	\$ 459

1/ To the nearest dollar

VOLUNTEERS

Budget Activity 2
VOLUNTEERS

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. International Travel	\$ 7,599	\$ 2,837
B. Allowances	22,502	5,975
C. Other Volunteer Support	4,596	2,219
D. Dependent Support	522	143
E. Multilateral Volunteer Program	100	55
Total	\$35,319	\$11,229
Volunteer Man-Years	6,062	1,434

Budget Justification

The estimates for the transition between FY 1976 and FY 1977 result from projecting the trainee and volunteer inputs planned for that period and anticipating a ten percent average increase over FY 1976 costs.

There are categories which do not conform to that general projection. Volunteer Conferences and Group Meetings, and Volunteer Supplies and Equipment are planned at a five percent increase. Volunteer Medical Supplies and Services anticipates the replacement of medical kits in addition to a ten percent increase over FY 1976 costs.

Budget Activity 2A
INTERNATIONAL TRAVEL

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Travel to Host Country	\$ 2,936	\$ 1,205
Travel from Host Country	3,117	1,077
Extensee Travel	752	314
Emergency Leave Travel	338	108
Medical Evacuation Travel	456	133
Total	\$ 7,599	\$ 2,837

The travel cost for the transition period reflects increased domestic and international air fares projected here to be ten percent above FY 1976.

Changes in Travel to Host Country

	FY 1976 Estimate	Transition Estimate
Number of trips	3,750	1,400
Average cost per trip <u>1/</u>	X\$ 783	X\$ 861
Total (\$000)	\$ 2,936	\$ 1,205

1/ To the nearest dollar

Changes in Travel from Host Country

	FY 1976 Estimate	Transition Estimate
Number of trips	3,824	1,201
Average cost per trip <u>1/</u>	X\$ 815	X\$ 897
Total (\$000)	\$ 3,117	\$ 1,077

1/ To the nearest dollar

Budget Activity 2A: INTERNATIONAL TRAVEL - continued

Changes in Extensee Travel

	FY 1976 Estimate	Transition Estimate
Number of trips	485	187
Average cost per trip <u>1/</u>	<u>X\$1,550</u>	<u>X\$1,680</u>
Total (\$000)	\$ 752	\$ 314

1/ To the nearest dollar

Changes in Emergency Leave Travel

	FY 1976 Estimate	Transition Estimate
Number of trips	241	70
Average cost per trip <u>1/</u>	<u>X\$1,402</u>	<u>X\$1,545</u>
Total (\$000)	\$ 338	\$ 108

1/ To the nearest dollar

Changes in Medical Evacuation Travel

	FY 1976 Estimate	Transition Estimate
Number of trips	298	80
Average cost per trip <u>1/</u>	<u>X\$1,530</u>	<u>X\$1,659</u>
Total (\$000)	\$ 456	\$ 133

1/ To the nearest dollar

Budget Activity 2B
ALLOWANCES

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Settling-In Allowance	\$ 633	\$ 342
Living Allowance	14,046	3,657
Leave Allowance	1,261	298
Readjustment Allowance	6,562	1,678
Total	\$22,502	\$5,975

The level of volunteer allowances varies from country to country and within countries in the region where the volunteer lives and works. These allowances are set to provide a subsistence level of support but due to overseas inflation a ten percent increase has been projected for the transition period.

Changes in Settling-In Allowance

	FY 1976 Estimate	Transition Estimate
Volunteer arrivals	3,014	1,482
Average cost per Volunteer Arrival	X\$ 210	X\$ 231
Total (\$000)	\$ 633	\$ 342
<u>1/</u> To the nearest dollar		

Changes in Living Allowance

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per Volunteer man-year <u>1/</u>	X\$ 2,317	X\$2,550
Total (\$000)	X\$14,046	\$3,657
<u>1/</u> To the nearest dollar		

Budget Activity 2B: ALLOWANCES - continued

Changes in Leave Allowance

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	<u>X\$ 208</u>	<u>X\$ 208</u>
Total (\$000)	\$1,261	\$ 298
<u>1/</u> To the nearest dollar		

Changes in Readjustment Allowance

	FY 1976 Estimate	Transition Estimate
Volunteer and trainee man-year	6,751	1,726
Average cost per volunteer and trainee man-year <u>1/</u>	<u>X\$ 972</u>	<u>X\$ 972</u>
Total (\$000)	\$6,562	\$1,678
<u>1/</u> To the nearest dollar		

Budget Activity 2C
OTHER VOLUNTEER SUPPORT

	(\$000)	
	FY 1976 Estimate	Transition Estimate
In-Country Travel	\$ 673	\$ 174
Conferences and Group Meetings	285	72
Volunteer Supplies and Equipment	782	195
Medical Supplies and Services	1,719	550
Office of Federal Employees Compensation	1,137	1,228
Total	\$4,596	\$2,219

Other Volunteer Support covers the above categories of expense in support of volunteers in the field and after service.

Changes in In-Country Travel

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	X\$ 111	X\$ 121
Total (\$000)	\$ 673	\$ 174
<u>1/</u> To the nearest dollar		

Changes in Conferences and Group Meetings

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	X\$ 47	X\$ 50
Total (\$000)	\$ 285	\$ 72
<u>1/</u> To the nearest dollar		

Budget Activity 2C: OTHER VOLUNTEER SUPPORT - continued

Changes in Volunteer Supplies and Equipment

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	X\$ 129	X\$ 136
Total (\$000)	\$ 782	\$ 195
<u>1/</u> To the nearest dollar		

Changes in Medical Supplies and Services

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	X\$ 284	X\$ 384
Total (\$000)	\$1,719	\$ 550
<u>1/</u> To the nearest dollar		

The Office of Federal Employees Compensation adjudicates all cases requiring compensation of Peace Corps volunteers under the Federal Employees Compensation Act. The \$1,228 budgeted for the transition period is based on an anticipated eight percent increase over the previous bill. The amount budgeted for this item will cover the bill for a full year's charges which will become payable during the transition period.

Budget Activity 2D
DEPENDENT SUPPORT

Changes in Dependent Support

	FY 1976 Estimate	Transition Estimate
Children-Years	200	50
Average cost per child <u>1/</u>	<u>X\$2,608</u>	<u>X\$2,869</u>
Total (\$000)	\$ 522	\$ 143
<u>1/</u> To the nearest dollar		

With an emphasis on scarce-skill volunteers, the Peace Corps has a continuing need to place volunteer families. Consequently a stable projection of 50 children-years is being planned for during the transition period.

Budget Activity 2E
MULTILATERAL VOLUNTEERS

	FY 1976 Estimate	Transition Estimate
Multilateral Grants	\$ 70	\$ 40
Multilateral Volunteers	30	15
Total	\$100	\$ 55

The request for \$50 thousand reflects anticipated Peace Corps commitments to the multilateral volunteers program during the transition.

Budget Activity 3
PROGRAM SUPPORT

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. International Operations		
Staff	\$16,822	\$4,584
B. Evaluation	318	161
C. State Department Services		
D. Peace Corps Share of	5,325	1,506
ACTION Agency-Wide		
costs <u>1/</u>	<u>13,983</u>	<u>3,512</u>
Total	\$36,448	\$9,763
Less Transfer	-25	-6
Net Total	<u>\$36,423</u>	<u>\$9,757</u>

1/ Justification for these amounts is included in the section entitled ACTION Agency-Wide costs beginning on page 89.

Budget Justification

The estimates for the transition period between FY 1976 and FY 1977 for program support were developed by projecting the costs for this activity with the anticipation of an average annualized increase of seven percent over FY 1976 costs. This average increase results from percentage differentials among the four activities.

International Operations staff costs are expected to increase by seven percent over FY 1976 primarily due to increases in the average cost of overseas support items and travel costs for overseas and Washington staff.

Evaluation costs during this period will be 51 percent of FY 1976 total. This results from the scheduling of evaluation activities which require spending during this quarter.

State Department Services are expected to increase by a rate of 13 percent because of escalating costs overseas.

Peace Corps share of ACTION Agency-Wide costs are expected to remain level during the transition period.

Budget Activity 3A
INTERNATIONAL OPERATIONS STAFF

	(\$000)	
	FY 1976 Estimate	Transition Estimate
<u>Washington Staff</u>		
Salaries and Benefits	\$ 2,708	\$ 695
Travel	420	141
Supplies, Equipment		
Other Services	199	79
Building Rental and Related Services	213	53
Washington Staff, Sub- total	\$ 3,540	\$ 968
<u>Overseas Staff</u>		
Salaries and Benefits	\$ 7,725	\$2,038
Travel	1,556	428
Education Allowance	159	84
Staff Housing	1,166	309
Space, Utilities	1,075	285
Maintenance, General Services	750	199
Supplies, Equipment, and Transportation	651	173
Vehicles	200	100
Overseas Staff, Subtotal	\$13,282	\$3,616
Total Staff, Washington and Overseas	\$16,822	\$4,584
<u>Planned Positions</u>		
U.S. Staff, Washington	129	129
U.S. Staff, Overseas	216	216
Foreign Service Locals	454	454
Total Permanent Staff	799	799

The International Operations Staff budget activity includes amounts for the support of Washington and Overseas staff.

Washington staff salaries and benefits are expected to increase at a one percent rate over FY 1976 to cover the net effect of step increases offset by lapse. Washington staff travel costs are expected to increase by approximately ten percent due to rising air fares. Supplies, equipment and other services during this

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

period will be consistent with FY 1976 costs with the addition of \$45 thousand for mailing and other costs for School Partnership Program which are scheduled to be utilized during the transition period. Building rental and related services will be 25 percent of the total of FY 1976.

Overseas Staff salaries and benefits for U.S. personnel will increase at a one percent rate similar to Washington staff. Salaries and benefits for Foreign Service Local employees are expected to increase by ten percent over FY 1976 in accordance with salary increases based on cost of living surveys and government decreed wage and benefit increases in many countries. Overseas staff travel costs are projected at a rate increase of ten percent due to increased air fares and other overseas transportation costs. Education allowances are budgeted at a rate of ten percent above FY 1976 due to increased tuition costs. Fifty percent of the expected amount for the academic year 76-77 is budgeted during this period to meet tuition payments for the first semester. Additional overseas staff support costs, including housing and office rental and utilities, maintenance and general services, and supplies, equipment and other transportation are expected to increase at a rate of six percent over FY 1976. An amount equal to fifty percent of the FY 1976 allocation for vehicle purchase has been budgeted during the transition to allow for necessary replacement of vehicles.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Washington Staff - Salaries and Benefits

	FY 1976 Estimate	Transition Estimate
Salaries and Benefits (\$000)	\$2,708	\$695
Planned Postions	129	129'

Changes in Washington Staff-Travel

	FY 1976 Estimate	Transition Estimate
<u>International Travel</u>		
Number of trips	220	66
Average cost per trip <u>1/</u>	X\$1,632	X\$1,830
Subtotal (\$000)	\$ 359	\$ 121
<u>Domestic Travel</u>		
Number of trips	128	38
Average cost per trip <u>1/</u>	X\$ 477	X\$ 524
Subtotal (\$000)	\$ 61	\$ 20
Total, International and Domestic Travel (\$000)	\$ 420	\$ 141
<u>1/</u> To the nearest dollar		

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Washington Staff-Supplies, Equipment, and Other Services

	FY 1976 Estimate	Transition Estimate
Supplies, Equipment and Other Services	\$199	\$79

Changes in Washington Staff - Building Rental and Related Services

	FY 1976 Estimate	Transition Estimate
Building Rental and Related Services	\$213	\$ 45

Changes in Overseas Staff - Salaries and Benefits

	FY 1976 Estimate	Transition Estimate
U.S. Citizens	\$5,251	\$1,347
Foreign Nationals	2,474	691
Total	\$7,725	\$2,038
<u>Planned Positions</u>		
U.S. Citizens	216	216
Foreign Nationals	454	454
Total, Permanent Positions Overseas	670	670

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Travel

	FY 1976 Estimate	Transition Estimate
<u>Staff Assignment-Return</u>		
Number of trips	149	37
Average cost per trip <u>1/</u>	X\$5,269	X\$5,796
Subtotal (\$000)	\$ 785	\$ 214
<u>International Travel</u> (Operational, PRIST- staging travel)		
Number of trips	160	40
Average cost per trip <u>1/</u>	X\$1,533	X\$1,710
Subtotal (\$000)	\$ 245	\$ 68
<u>In-Country Travel</u>		
Overseas professional staff	350	88 <u>2/</u>
Average annual cost per professional staff <u>1/</u>	X\$1,504	X\$1,654
Subtotal (\$000)	\$ 526	\$ 146
Total, Overseas Staff Travel (\$000)	\$1,556	\$ 428

1/ To the nearest dollar

2/ Represents one quarter of the annual rate.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Education Allowance

	FY 1976 Estimate	Transition Estimate
Number of Dependents	200	200
Average cost per dependent <u>1/</u>	X\$795	X\$418
Total (\$000)	\$159	\$ 84

1/ To the nearest dollar

Changes in Overseas Staff - Housing

	FY 1976 Estimate	Transition Estimate
Number of U.S. Staff	216	216
Average cost per Staff <u>1/</u>	X\$5,398	X\$1,430
Total (\$000)	\$1,166	\$ 309

1/ To the nearest dollar

Changes in Overseas Staff - Space, Utilities

	FY 1976 Estimate	Transition Estimate
Space, Utilities	\$1,075	\$285

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Maintenance, General Service

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Maintenance, General Services	\$750	\$199

Changes in Overseas Staff - Supplies, Equipment, and Transportation

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Supplies, Equipment and Transportation	\$651	\$173

Changes in Vehicle Purchases

	FY 1976 Estimate	Transition Estimate
Number of Vehicles	38	18
Average cost per vehicle	X\$ 5,250	X\$5,540
Total (\$000)	\$ 200	\$ 100

Budget Activity 3B
EVALUATION

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Evaluation	\$318	\$161

Funds for evaluation will be used to continue studies which will have been in progress throughout FY 1975 and FY 1976. The funds being provided are based upon the projected needs during the transition period and are not tied to a quarterly rate.

Budget Activity 3C
STATE DEPARTMENT SERVICES

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Shared Administrative Support (SAS)	\$5,300	\$1,500
Inspector General	25	6
Total	\$5,325	\$1,506

Funds for State Department Services Shared Administrative Support (SAS), are projected at a rate of increases of 13 percent over FY 1976. This increase is consistent with the history of SAS charges to Peace Corps during the past several years, and with information provided by the State Department which indicates that worldwide overseas costs can be expected to continue to escalate.

ACTION AGENCY-WIDE COSTS

	(\$000)	
	FY 1976 Estimate	Transition Estimate
1. Peace Corps, ACTION International Programs	\$13,983	\$ 3,512
2. Operating Expenses, Domestic Programs	7,764	1,950
Total	\$21,747	\$ 5,462
Total Permanent Positions	557	557

General Statement

Costs of administering ACTION programs during the FY 1976 transition period will generally equal 25 percent of the Agency's FY 1976 appropriation request for that purpose.

Agency-wide costs will be assigned to ACTION's two appropriations on the same basis as in FY 1976. The formula for assignment of these costs and its application to transition period funds is as follows on the next page:

ACTION Agency-Wide Costs - continued

Allocation of Agency-Wide Costs
by Appropriation (Transition)
(\$000)

Transition permanent positions	1,242
Exclusively international programs	799
Exclusively domestic programs	443
International positions as percentage of 1,242	64.3%
Domestic positions as percentage of 1,242	35.7%
FY 1976 ACTION agency-wide costs	\$5,462
International appropriation share (\$5,462 X 64.3%)	\$3,512
Domestic appropriation share (\$5,462 X 35.7%)	\$1,950

Agency-wide costs are reflected in the following organizational categories:

	FY 1976 Estimate	Transition Estimate
Recruitment and Communications	\$8,592	\$1,968
Planning and Evaluation	1,728	422
Management and Administration	11,373	3,059
National Voluntary Service Advisory Council	54	13
Total	\$21,747	\$5,462

Further description of agency-wide activities and justification of the FY 1976 funding request is provided in the following pages.

ACTION Agency-Wide Costs - continued

OFFICE OF RECRUITMENT AND COMMUNICATIONS

(\$000)					
	<u>FY 1976</u>		<u>Transition</u>		
	<u>Estimate</u>		<u>Estimate</u>		
	Pos.	Amount	Pos.	Amount	
Personnel Compensation and Benefits	237	\$5,193	237	\$1,181	
Other Expenses	---	3,399	---	787	
Total	237	\$8,592	237	\$1,968	

Budget Justification

Recruitment and Communications will require slightly less than 25 percent of funds requested for this purpose in FY 1976. Recruitment costs are cyclic; the period of time covered by the transition budget includes months during which recruiting requirements are generally low.

ACTION Agency-Wide Costs - continued

PLANNING AND EVALUATION

(\$000)				
	<u>FY 1976</u> <u>Estimate</u>		<u>Transition</u> <u>Estimate</u>	
	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	54	\$1,367	54	\$ 341
Other Expenses	--	361	--	81
Total	54	\$1,728	54	\$ 422

Budget Justification

Planning and Evaluation will require slightly less than 25 percent of the FY 1976 request during the transition period. While personnel compensation and most other expenses will be maintained on a par with FY 1976, new starts in special studies and evaluation will be delayed until FY 1977.

ACTION Agency-Wide Costs - continued

MANAGEMENT AND ADMINISTRATION

(\$000)				
	<u>FY 1976</u>		<u>Transition</u>	
	<u>Estimate</u>		<u>Estimate</u>	
	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	266	\$6,046	266	\$1,512
Other Expenses	---	5,327	---	1,547
Total	266	\$11,373	266	\$3,059

Budget Justification

Management and Administration activities will be maintained at 25 percent of FY 1976 during the transition period, with one exception: reimbursement to the Office of Federal Employees Compensation (OFEK) for twelve prior months' service will be required in August 1976; thus, a 12-month increment is included for this cost.

ACTION Agency-Wide Costs - continued

NATIONAL VOLUNTARY SERVICE
ADVISORY COUNCIL

	(\$000)			
	FY 1976		Transition	
	<u>Estimate</u>		<u>Estimate</u>	
	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	---	----	---	----
Other Expenses	---	\$ 54	---	\$ 13
Total	---	\$ 54	---	\$ 13

Budget Justification

National Voluntary Service Advisory Council will be funded at 25 percent of its anticipated FY 1976 requirements during the transition period.

APPENDICES

APPENDIX A: Reconciliation of Appropriation and Obligation Totals
 · FY 1976 - Transition
 (\$000)

	<u>FY 1976</u>	<u>Transition</u>
Appropriation	\$80,826	\$25,729
Real transfers to:		
State Dept. - Inspector General	25	25
Unobligated balance lapsing	<u>0</u>	<u>0</u>
Total Obligations	\$80,804	\$25,723

ACTION

FISCAL YEAR 1976 BUDGET AND TRANSITION ESTIMATE

INTERNATIONAL PROGRAMS (PEACE CORPS)



SUBMISSION TO THE CONGRESS

APRIL, 1975



ACTION

WASHINGTON, D.C. 20525

Honorable Daniel K. Inouye
Chairman, Subcommittee on Foreign
Operations
Committee on Appropriations
United States Senate
Washington, D.C. 20510

DATE: April 4, 1975

Dear Mr. Chairman:

I am pleased to submit for the Peace Corps the FY 1976 budget request of \$80,826,000 and a request for \$25,729,000 for the Transition period. Our FY 1976 request provides for a small reduction in the program, specifically, a volunteer man-year level of 6,062, a decrease of 608 below the projected FY 1975 level.

The \$80,826,000 requested for FY 1976 is \$3,139,000 above the FY 1975 level. Despite the decrease in the man-year level the program will cost more primarily because of overseas inflation and increased travel costs. This is true of both direct support of volunteers and program support. Without provision for these cost increases, the Peace Corps' ability to fund program levels commensurate with host country needs would be eroded.

The Transition budget request is for \$25,729,000 to cover the period July 1, 1976, through September 30, 1976. The basic program activities are the same as in FY 1976; however, allowance was made for the higher proportion of training and other costs that occur during the July through September period, and anticipated increases in costs. With the funds requested, the Peace Corps will continue to provide volunteers to meet the changing needs and priorities in the 68 countries the Peace Corps serves.

The enclosed justification material provides significant detail on the funding request. If there are matters which require further explanation, please do not hesitate to call on me or my staff.

Sincerely,

Michael P. Balzano,
Director

Enclosure





OFFICE OF
THE DIRECTOR

ACTION

WASHINGTON, D.C. 20525

April 4, 1975

Honorable Otto E. Passman
Chairman, Subcommittee on Foreign
Operations
Committee on Appropriations
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

I am pleased to submit for the Peace Corps the FY 1976 budget request of \$80,826,000 and a request for \$25,729,000 for the Transition period. Our FY 1976 request provides for a small reduction in the program, specifically, a volunteer man-year level of 6,062, a decrease of 608 below the projected FY 1975 level.

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The enclosed justification material provides significant detail on the funding request. If there are any matters which require further explanation, please do not hesitate to call on me or my staff.

Sincerely,

Michael P. Balzano, Jr.
Director



Enclosure

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS)
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INTRODUCTION

ACTION, the Federal agency for volunteer service, was established on July 1, 1971. Legislative authority for the agency is provided by the Domestic Volunteer Service Act of 1973. The agency brings together a number of volunteer programs including the Peace Corps, Volunteers in Service to America (VISTA), Foster Grandparents (FGP), Retired Senior Volunteer Program (RSVP), University Year for ACTION (UYA), and the Service Corps of Retired Executives and Active Corps of Executives (SCORE/ACE).

Administration

The Director of ACTION and a Deputy administer all agency programs, assisted by an Associate Director for International Operations (Peace Corps) and an Associate Director for Domestic and Anti-Poverty Operations. Supporting these Associate Directors are:

- an Assistant Director for Recruitment and Communications, who manages volunteer recruitment;
- an Assistant Director for Policy and Planning, responsible for agency-wide program, policy, and fiscal planning and evaluation;
- an Assistant Director for Administration and Finance, who oversees agency administrative functions;
- Assistant Directors for Minority Affairs, Congressional Affairs, and a General Counsel.

International programs are administered on a country-by-country basis, under the guidance of three Regional Directors, one each for Africa and Latin American countries and one for all other areas where the Peace Corps has volunteers--North Africa, the Near East, Asia, and the Pacific (NANEAP).

Domestic Programs are administered through regional offices in each of the ten standard Federal regions. Programs are administered in local communities within this regional structure.

ACTION FY 1976 and Transition Appropriation Requests
(Dollars in Millions)

	<u>FY 1975</u>	<u>FY 1976</u>	<u>Transition</u>
Total (appropriations)	<u>\$177.7</u>	<u>\$182.4</u>	<u>\$46.8</u>
International Programs	77.7 <u>1/</u>	80.8	25.7
Domestic Programs	100.0	101.6	21.1

Funds requested for International Programs reflect a decrease in anticipated volunteer strength for FY 1976 and an intensification of efforts to solicit and utilize host country contributions. This is offset by unavoidable overseas cost increases anticipated in FY 1976 because of inflation. Funds requested for Domestic Programs reflect a higher average paid employment because of full staffing in the domestic regions. Both appropriations include full costs of the October 1974 pay increase not included in FY 1975. Funds requested for the Transition period maintain, with minor exceptions, the FY 1976 program level request. As in FY 1976, the funds requested for the period July through September reflect the program needs unique to the summer calendar quarter.

Funding at requested levels will support the following volunteer strengths by the end of FY 1976 and the end of the Transition period.

ACTION Volunteer Strength 2/

	<u>FY 1975</u>	<u>FY 1976</u>	<u>Transition</u>
International Programs			
(Full-Time)	6,670	6,062	1,434
Domestic Programs			
(Full-Time)	20,348	20,594	1,788
(Part-Time)	150,500	197,700	197,700

1/ At the time of this submission, Congress has not yet enacted appropriations for the Peace Corps. The total anticipated appropriation includes a \$687,000 supplemental request for pay increases.

2/ Full-time volunteers are measured in man-years; i.e., the equivalent of one volunteer working full-time for one year. Part-time volunteers refer to end strength on June 30 of that fiscal year.

FY 1975 Highlights

ACTION has made substantial strides in the current year in a number of management and program areas.

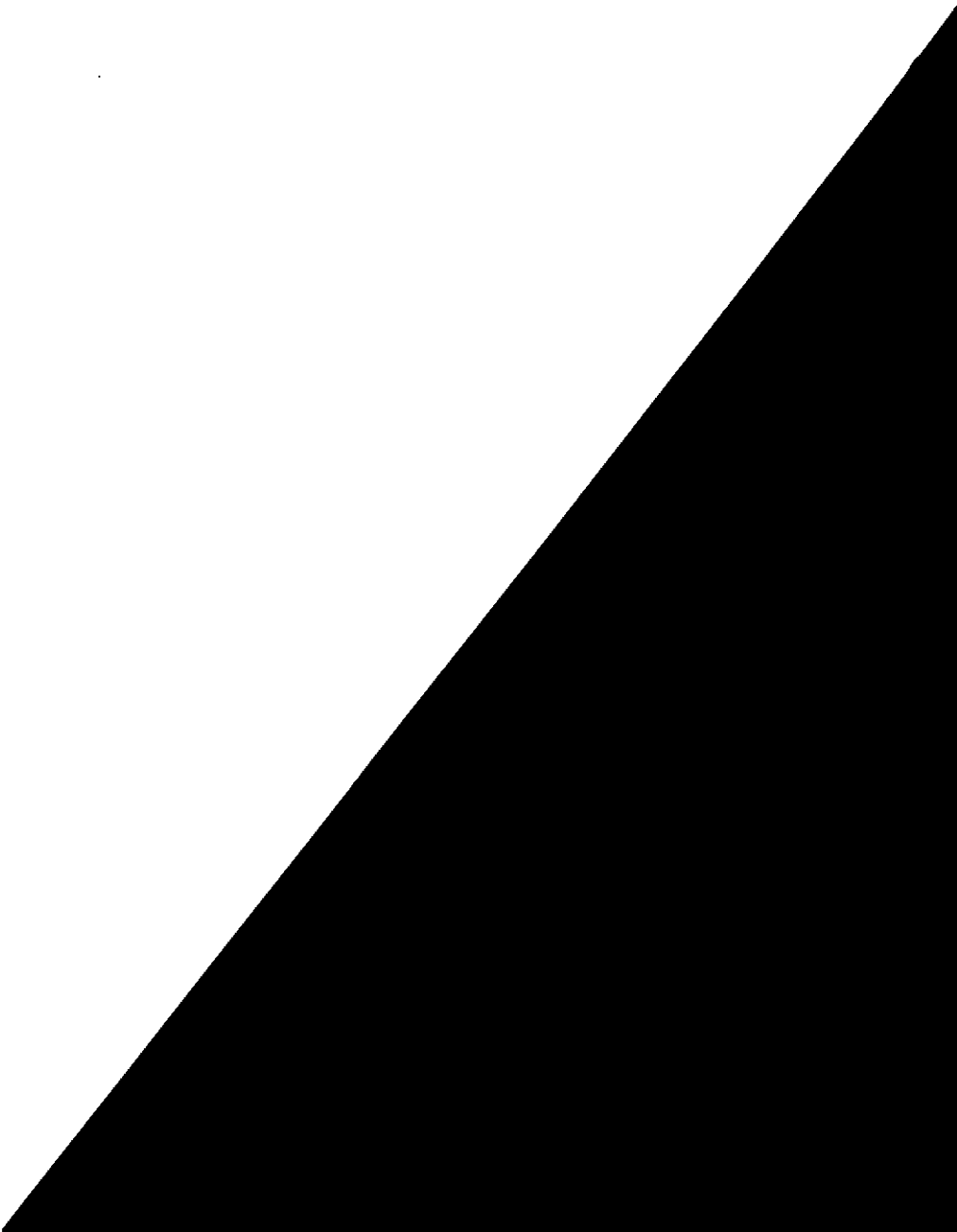
In the Domestic Programs area ACTION continued the trend toward improved staffing for state offices within the ten domestic regions. The reallocation of staff is expected to be completed by the end of FY 1975. In addition, the Domestic Programs began implementation of the Integrated Program and Training System (IPTS) in the regions. This system will coordinate the agency response to requests for volunteers among VISTA, UYA, RSVP, and other domestic programs in order to provide the optimum mix of volunteers within any given funding level.

In the International Programs area, the Peace Corps terminated its program in one country, Peru, and initiated preliminary steps that may lead to entry into several new countries. The International Operations staff completed a reorganization of personnel that resulted in a smaller total staff in the Washington office.

In the Agency-Wide Support area, the agency planning, evaluation, and budget functions were consolidated into one unit under an assistant director.

FY 1976 and Transition Appropriation Requests

Agency funds are requested in two separate appropriations, one for International Programs (Peace Corps) and one for Domestic Programs. Each of these appropriation requests include funding for a share of ACTION's support costs, such as volunteer recruitment, legal services, budgeting and accounting functions, and others. As in FY 1975, the share of administrative costs requested in each appropriation reflects the ratio of full-time personnel assigned to each activity versus total agency full-time personnel. The method of arriving at this ratio is explained more fully in the justification material for ACTION Agency-wide costs, which begins on page 42.



ACTION

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS)

For expenses necessary for ACTION to carry out
the Peace Corps Act (75 Stat. 612), as amended;
(\$77,000,000). \$80,826,000.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS
(PEACE CORPS)

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Activity 1 Training and Specialized Recruiting	\$10,253	\$ 9,116	\$ 9,059	-\$ 57
Activity 2 Volunteers	33,143	34,813	35,319	+ 506
Activity 3 Program Support (Peace Corps Share of Agency-Wide Support)	33,590 (\$12,909)	33,758 (\$14,078)	36,448 (\$13,983)	+ 2,690 (-\$ 95)
New Budget Authority	\$76,986 ^{1/}	77,687 ^{2/}	\$80,826 ^{2/}	+\$3,139
Less Transfers	- 37	---	---	---
Net Authority	\$76,949	\$77,687	\$80,826	+\$3,139
Trainee Input	4,886	3,429	3,750	+ 321
Volunteer Man-years	6,489	6,670	6,062	- 608

1/ FY 1974 Program Total includes \$37 thousand transferred to the General Services Administration, but excludes \$14 thousand unobligated balance lapsing.

2/ FY 1975 and FY 1976 Program Totals include a proposed \$25 thousand transfer to the State Department for Inspector General services.

General Statement

The Peace Corps was established in 1961 under the Peace Corps Act (75 Stat. 612) as an agency under the Executive Office of the President. On July 1, 1971, this program was transferred to ACTION in accordance with Reorganization Plan No. 1 of 1971 and Executive Order 11603.

The Peace Corps goals continue to motivate volunteers and provide the flexibility that permits the Peace Corps to confront the changing needs and priorities of the 68 host countries where it presently serves. Working at the grassroots, in projects planned by or with host country governments, volunteers have been, and continue to be, key participants in host country efforts to improve the quality of life at local levels.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS) - continued

The Peace Corps Mission

The mission given to the Peace Corps by legislative action of the Congress in 1961 serves as the underlying precept of the Peace Corps program. This mission is contained within three goals:

1. To promote world peace and friendship through a Peace Corps, which shall make available to interested countries and areas men and women of the United States qualified for service abroad and willing to serve, under conditions of hardship, if necessary;
2. To help the people of such countries and areas in meeting their need for trained manpower;
3. To help promote a better understanding of the American people on the part of the people served, and a better understanding of other peoples on the part of the American people.

Program Emphasis

During FY 1976, it is expected that the Peace Corps will be concentrating its resources into several significant program areas as a result of requests by host countries.

- Education will continue to receive slightly over half the volunteer strength as it did in FY 1974 and FY 1975. The trend, however, will reduce the percentage of volunteers in education, resulting in increases in other program areas.
- The Peace Corps will be channeling greater and greater resources into Agriculture, Health and Nutrition, and Conservation. This is in keeping with the goals of host countries' wishing to improve their ability to manage these basic resources.

Program Resources

During FY 1976, the Peace Corps plans a 3,750 Trainee input and a 6,062 volunteer man-year level funded at \$80,826,000. With this combination of resources, the Peace Corps can most efficiently meet host country needs.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS) - continued

The Peace Corps has undertaken an effort to generate increased host country contributions to support on-going program needs in FY 1976. Since the establishment of the Peace Corps in 1961, many of the countries in which the Peace Corps has served have accomplished significant economic growth. The need for trained manpower continues, in spite of this economic growth, and as a consequence, the Peace Corps will request from those countries additional host country contributions totaling \$1,700,000. This will be in addition to amounts already being contributed.

The on-going examination and evaluation of the Peace Corps program will continue in order to assure that its resources are used as efficiently as possible. Experimental and innovative programs will be used, as needed, to maximize the volunteer's impact upon host country needs. Resources will continue to be reallocated to areas where the Peace Corps can provide significant impact, as for instance, the SAHEL or areas of natural disasters.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS)

Summary of FY 1976 Budget Request

	(\$000)		
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate
Activity 1 Training and Specialized Recruiting			
A. Training	\$ 9,447	\$ 8,548	\$ 8,269
B. Specialized Recruiting	806	568	790
Subtotal, Activity 1	\$10,253	\$ 9,116	\$ 9,059
Activity 2 Volunteers			
A. International Travel	\$ 6,670	\$ 6,264	\$ 7,599
B. Allowances	21,702	23,201	22,502
C. Other Volunteer Support	4,206	4,713	4,596
D. Dependent Support	476	595	522
E. Multilateral Volunteers	89	40	100
Subtotal, Activity 2	\$33,143	\$ 34,813	\$35,319
Activity 3 Program Support			
A. International Operations Staff	\$16,283	\$15,775	\$16,822
B. Evaluation	78	20	318
C. State Department Services	4,320	3,885	5,325
D. Peace Corps Share of ACTION Agency-Wide Costs	12,909	14,078	13,983
Subtotal, Activity 3	\$33,590	\$ 33,758	\$36,448
Less Transfers	-37		
Net Activity	\$33,553	\$ 33,758	\$36,448
Total, ACTION, International Programs			
	\$76,949	\$77,687	\$80,826
Trainee Input			
Volunteer Man-years	4,886	3,429	3,750
Staff	6,489	6,670	6,062
	705	799 ^{1/}	799

^{1/} FY 1975 staff total includes the conversion of 129 foreign nationals on Personal Service Contracts to Foreign Service Local positions.

SUMMARY OF MAJOR CHANGES

In FY 1976 there is a net increase of \$3,139,000 above the estimated FY 1975 obligation level. The major changes are:

FY 1975 Estimate

(\$000)
\$77,687

Activity 1 - Training and Specialized Recruited

The decrease in Training and Specialized Recruiting funds results from a reduction in FY 1976 pre-service man-weeks, which is only partially offset by increased travel costs and the 321 increase in Trainees.

-\$ 57

Activity 2 - Volunteers

The increase in volunteer funds is despite the FY 1976 volunteer man-year level being 608 man-years lower than the FY 1975 level. The decreased level of allowances and support costs are completely offset by increased travel and other costs.

+\$ 506

Activity 3 - Program Support

The large increase in program support costs is the result of FY 1975 administrative restrictions. SAS accounted for \$1.2 million, evaluation accounted for \$380 thousand and staff vacancies and deferred travel accounted for \$1.0 million.

+\$2,690

FY 1976 Estimate

\$80,826

TRAINING AND
SPECIALIZED RECRUITING



Budget Activity 1
TRAINING AND SPECIALIZED RECRUITING

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. Training	\$ 9,447	\$8,548	\$8,269	-\$ 279
B. Specialized Recruiting	806	568	790	+ 222
Total	\$10,253	\$9,116	\$9,059	-\$ 57
Trainee Input	4,886	3,429	3,750	+ 321

General Statement

All Peace Corps volunteers receive special training prior to and during their volunteer service. Training includes language study, technical skills adaptation, and cross-cultural orientation. Pre-service training in these areas is essential to the volunteer's ability to make an early adjustment to, and become effective in, the volunteer role. In-service training, particularly in language, accelerates the volunteer's ability to communicate and thus enhances the volunteer's program effectiveness.

All training presently occurs either in the country, where the trainees will later serve as volunteers, or in an adjacent country. The advantages to this approach are that In-country training:

- (1) makes training more relevant since trainees can experience first-hand the environment in which they will live and work.
- (2) permits maximum participation by the requesting host country governments and therefore gives them a realistic partnership in the preparation of trainees for service.
- (3) permits the Peace Corps field staff to participate more directly in the planning and implementation of training and allows closer staff coordination between training and volunteer support activities.

Budget Activity 1: TRAINING AND SPECIALIZED RECRUITING - continued

There are two distinct steps an applicant must follow to become a volunteer:

(1) The applicant must attend a staging in the United States prior to beginning training. Applicants go through an intensive three-day screening to learn about the Peace Corps and the project in which they are invited to work and to be evaluated with respect to their suitability for the particular project. The staging may take different forms. Some applicants will attend comprehensive stagings immediately prior to departing for overseas pre-service training. Other applicants will attend pre-invitational stagings (PRIST). PRISTs are used in cases where special screening is required, such as entering a new country.

(2) Subsequent to completion of staging, the applicants are invited to begin training in the host country or, in some cases, at a central third country location. The trainees receive intensive pre-service training consistent with the objectives of the trainees' expected project assignments. Trainees must attain defined performance levels and achieve established language proficiency levels before becoming volunteers.

To recruit and train applicants with certain specialized volunteer skills, Peace Corps enters into contractual agreements with universities to administer intern programs. Students having the needed skills are recruited and are given special Peace Corps orientation during their senior year of undergraduate school or during graduate school. After completing the program, they enter Peace Corps as part of the regular training cycle.

Budget Activity 1A
TRAINING

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. Pre-Service Training	\$9,447	\$ 8,188	\$7,526	- \$ 662
B. In-Service Training	-	360	743	+ 383
Total	\$9,447	\$,548	<u>\$8,269</u>	- \$ 279

Pre-service training is usually conducted in groups. Volunteers prepare themselves under the supervision of a trained staff, which in most instances, consists of a project director and language, technical, and cross-cultural instructors. Former Peace Corps volunteers often comprise the technical and cross-cultural staffs. Pre-service training emphasizes what the trainees will actually need in order to do their jobs effectively, as volunteers, and relate to their communities in a productive manner.

Although the length of pre-service training varies from program to program, it will average nine weeks in FY 1976, which represents a reduction from previous years. This reduction in the length of pre-service training will be countered by an increase in the length of in-service training. While the length of in-service training varies from country to country, it will average two weeks in FY 1976 as compared to one week in FY 1976.

In-service training is provided on a group and an individual basis. Volunteers receive this training at various points, usually within six months of completing pre-service training. In FY 1975, a policy of formally emphasizing and identifying in-service training has been initiated.

There are three major advantages to more emphasis on in-service training:

- (1) Training needs are more clearly identified and the volunteers have increased motivation to learn because training occurs after a period of experience as a volunteer.
- (2) Training in a third language is possible in those countries where a third language is required or useful.
- (3) The cost of in-service training is less than the cost of pre-service training because no additional funds for subsistence are required, travel costs are minimal, and in-service training can frequently be coordinated with mid-service conferences.

Budget Activity 1A: TRAINING - continued

Pre-service training expenses include the costs of the actual training, trainee support, and travel costs for trainees who terminate. In-service training includes the costs of actual training and volunteer in-country transportation. The actual training expenses are the costs of facilities, including classrooms and language equipment, and the costs of instruction, including salaries and benefits of trainers and clerical support and staff transportation costs. Trainee support expenses cover all other costs of maintaining trainees during their training period. These include the cost of trainee materials (books, language tapes, manuals), food, housing, local transportation, medical services, and dependent support.

Changes in Training

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
<u>Pre-Service Training</u>				
Number of pre-service man-weeks	58,632	40,140	33,750	- 6,390
Average training cost per trainee man-week ^{1/}	X\$ 161	X\$ 204	X\$ 223	+\$ 19
Subtotal (\$000)	\$ 9,447	\$ 8,188	\$ 7,526	+\$ 662
<u>In-Service Training</u>				
Number of in-service man-weeks	---	4,000	7,500	+ 3,500
Average training cost per trainee man-week ^{1/}	---	X\$ 90	X\$ 99	+\$ 9
Subtotal (\$000)		\$ 360	\$ 743	+\$ 383
Training Total (\$000)	\$ 9,447	\$ 8,548	\$ 8,269	-\$ 279
^{1/} To the nearest dollar				

The estimated decrease of \$ 662,000 in pre-service training from FY 1975 to FY 1976 is a result of the decrease of 6,390 in the number of pre-service man-weeks, partially offset by a ten percent average cost increase. The estimated increase of \$383 thousand in in-service training is caused by an average cost increase of ten percent and the 3,500 increase in in-service man-weeks.

Budget Activity 1A: TRAINING - continued

The reduction in FY 1976 pre-service man-weeks is primarily a result of decreasing the average length of the pre-service training cycle from eleven to nine weeks. This saves 6,390 man weeks or \$662,000 over FY 1975 despite a planned increase of 321 in the number of trainees. A corresponding increase from one to two weeks in in-service training increases cost by only \$383 thousand. This results in a net savings of \$279,000.

Budget Activity 1B
SPECIALIZED RECRUITING

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. Intern Programs	\$241	\$403	\$625	+\$ 222
B. Pre-Invitational Staging (PRIST)	565	165	165	-
Total	\$806	\$568	\$790	+\$ 222

Intern programs are one means by which ACTION recruits and trains volunteers in those sectors where the supply of qualified applicants does not meet the demand from host countries. The programs are designed primarily to attract and train qualified agriculturalists, nurses, and certified teachers of mathematics, science, vocational education, and industrial arts.

ACTION enters into contractual agreements with universities producing the specific type of graduates needed in the developing countries requesting volunteers. The universities help recruit and prepare qualified Peace Corps applicants either during the senior year of undergraduate work or during the first year of graduate study. In addition to weekly seminars oriented to their prospective assignment, Peace Corps interns have the opportunity to adapt their own course schedules to better prepare themselves for service overseas. Most universities in turn allow academic credit for successful completion of Peace Corps tours.

The cost of intern programs includes on-campus recruiting, pre-invitational staging, training staff and materials, medical coverage and the administrative costs of the universities. In FY 1973, the National Bureau of Standards conducted an evaluation of the intern program. The basic conclusion of the study, using FY 1969 through FY 1972 data, was that the intern program was cost-effective in terms of cost per volunteer man-year, primarily because of lower attrition rates for volunteers who had been interns in relation to volunteers who had not been interns.

The Pre-Invitational Staging (PRIST) is an intensive three-day job interview to which potential Peace Corps trainees are invited. At least one month prior to the beginning of a training program the PRIST takes places at a central point in the United States to provide

Budget Activity 1B: SPECIALIZED RECRUITING - continued

a two-way suitability screening. The potential trainees are given detailed firsthand information on the Peace Corps, the country which is requesting their service, and the exact nature of the jobs to be performed. With this information, the applicants assess their own suitability and motivation to join the Peace Corps before entering a training program overseas. At the same time, the ACTION staff has an opportunity to assess the potential trainees' qualifications for Peace Corps service overseas in particular jobs.

In FY 1976, PRISTs will be conducted for individuals entering the following types of program situations: new countries, programs or countries designated as sensitive in nature, and countries where a formal agreement requires us to conduct this type of selection process.

PRIST costs include round-trip air fare for the potential trainees from their home of record to the PRIST site, room and board for three days, and meeting facilities.

Changes in Specialized Recruiting

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of intern trainees produced	251	408	493	+ 85
Average cost per intern trainee <u>1/</u>	X\$ 960	X\$ 988	X\$1,268	+\$ 280
Intern Trainee Subtotal (\$000)	\$ 241	\$ 403	\$ 625	+\$ 222
Number of PRISTees	1,911	540	514	- 26
Average cost per PRISTee <u>1/</u>	X\$ 296	X\$ 305	X\$ 321	+\$ 16
PRIST Subtotal (\$000)	\$ 565	\$ 165	\$ 165	---
Specialized Recruiting Total (\$000)	\$ 806	\$ 568	\$ 790	+\$ 222
<u>1/</u> To the nearest dollar				

The estimated increase of \$222 thousand in the intern program from FY 1975 to FY 1976 is based on an increase of 85 intern trainees produced and an average cost increase of \$280. The increased emphasis on recruitment of trainees with certain scarce skills is responsible for this increased cost per intern. The estimated increase of \$16 per PRISTees is offset by a decrease of 26 PRISTees.

VOLUNTEERS

Budget Activity 2
VOLUNTEERS

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. International Travel	\$ 6,670	\$ 6,264	\$ 7,599	+\$1,335
B. Allowances	21,702	23,201	22,502	- 699
C. Other Volunteer Support	4,206	4,713	4,596	- 117
D. Dependent Support	476	595	522	- 73
E. Multilateral Volunteer Program	89	40	100	+ 60
Total	\$33,143	\$34,813	\$35,319	+\$ 506
Volunteer Man-years	6,489	6,670	6,062	- 608

General Statement

After an applicant has been recruited and trained for a specific job request abroad, the trainee is then sworn in as a volunteer and is assigned to the host country institution requesting the volunteer's services. The volunteer works directly with the host country officials. The term of service is two years. Volunteers live at a level generally equivalent to that of their host country co-workers. In almost all instances this represents a standard of living substantially below what the volunteer has been accustomed to in the United States.

There are a number of expenses which are required to support volunteers in the field. These expenses can be separated into four general categories:

- Travel to and from the host country of assignment;
- Subsistence, leave and readjustment allowances;
- Other support costs
- Support of dependent children

Included in other volunteer support costs are, in-country travel, conferences and group meetings, volunteer supplies, medical services, and Office of Federal Employees Compensation Payments. Most of these expenses vary among volunteers depending on the host country cost of living and the requirements of the volunteer's works. In addition, this activity includes grants to multilateral organizations and support in the field for volunteers working under the sponsorship of multilateral organizations.

MSP requested 120
~~120,000 UNVSP~~
~~74,182 UNVSP~~
~~1,250 UNVSP~~
~~115,732~~

Budget Activity 2A
INTERNATIONAL TRAVEL

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Travel to Host Country	\$3,058	\$2,362	\$2,936	+\$ 574
Travel from Host Country	2,287	2,615	3,117	+ 502
Extendee Travel	680	577	752	+ 175
Emergency Leave Travel	280	298	338	+ 40
Medical Evacuation Travel	365	412	456	+ 44
Total	\$6,670	\$6,264	\$7,599	+\$1,335

International travel has five components:

- the transportation of trainees to their country of assignment
- the return travel of volunteers
- round trip fare to U.S. for volunteers who are extending their two-year tour of service by at least one year
- round trip fare to the U.S. for volunteer emergencies
- transportation to the U.S. or another country for volunteers or their dependents who require emergency medical care.

In FY 1975 and FY 1976 all travel costs reflect the increase domestic and international air fares.

Changes in Travel to Host Country

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	4,886	3,429	3,750	+ 321
Average cost per trip <u>1/</u>	X\$ 626	X\$ 689	X\$ 783	+\$ 94
Total (\$000)	\$3,058	\$2,362	\$2,936	+\$574

1/ To the nearest dollar

The estimated increase of \$574 thousand between FY 1975 and FY 1976 results from an anticipated fourteen percent increase in air fares and an increase in the number of trips. Travel to host country is affected by the trainee input which will increase by 321 between FY 1975 and FY 1976.

Budget Activity 2A: INTERNATIONAL TRAVEL - continued

The average cost per trip to host country in FY 1974 reflects savings from the use of charter flights. As a result of current difficulties in obtaining charter flights, the FY 1975 and FY 1976 cost estimates do not include charter offsets. To the extent charter flights can be arranged, they will be used in the transportation of trainees.

Changes in Travel from Host Country

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	3,505	3,647	3,824	+ 177
Average cost per trip <u>1/</u>	X\$ 652	X\$ 717	X\$ 815	+\$ 98
Total (\$000)	\$2,287	\$2,615	\$3,117	+\$ 502

1/ To the nearest dollar

The estimated increase of \$502 thousand between FY 1975 and FY 1976 is caused by the increase of 177 in the number of trips from host countries and airfare increases. Travel from host countries is related to the number of volunteers completing service or terminating early. Travel varies from year to year, following primarily the training input of two years prior.

Changes in Extendee Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	517	417	485	+ 68
Average cost per trip <u>1/</u>	X\$1,315	X\$1,384	X\$1,550	+\$ 166
Total (\$000)	\$ 680	\$ 577	\$ 752	+\$ 175

1/ To the nearest dollar

The estimated increase of \$175 thousand between FY 1975 and FY 1976 is caused by the anticipated air fare increases and an increase of 68 in the extendee trips. The number of volunteers who are able to extend is a function of a specific host country request for the extension and a request to extend by the volunteer.

Budget Activity 2A: INTERNATIONAL TRAVEL - continued

The average cost per trip includes round-trip transportation plus per diem estimated at \$270 per trip (\$9 per day for 30 days).

Changes in Emergency Leave Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	241	241	241	---
Average cost per trip <u>1/</u>	<u>X\$1,162</u>	<u>X\$1,237</u>	<u>X\$1,402</u>	+\$165
Total (\$000)	\$ 280	\$ 298	\$ 338	+\$ 40

1/ To the nearest dollar

It is estimated that the number of emergency leave trips will remain constant from FY 1975 through FY 1976. The average cost per trip includes round-trip transportation plus per diem estimated at \$135 per trip (\$9 per day for 15 days).

Changes in Medical Evacuation Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of trips	298	298	298	---
Average cost per trip <u>1/</u>	<u>X\$1,225</u>	<u>X\$1,383</u>	<u>X\$1,530</u>	+\$147
Total (\$000)	\$ 365	\$ 412	\$ 456	+\$ 44

1/ To the nearest dollar

It is estimated that the number of trips in FY 1976 will remain the same as in FY 1975. The average cost per trip includes emergency travel arrangements, plus per diem estimated at \$240 per trip (\$16 per day for 15 days).

Budget Activity 2B

ALLOWANCES

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Settling-In Allowance	\$ 767	\$ 610	\$ 633	+\$ 23
Living Allowance	12,333	14,054	14,046	- 8
Leave Allowance	1,350	1,387	1 261	- 126
Readjustment Allowance	7,252	7,150	6,562	- 588
Total	\$21,702	\$23,201	\$22,502	-\$699

Volunteers receive four payments classified as allowances.

The settling-in allowance is a one-time payment at the beginning of each volunteer's tour for the purpose of buying such items as dishes, cooking utensils, and bedding. The amount of each allowance reflects variations in the local cost of these items.

The living allowance is paid monthly to each volunteer for subsistence level support covering food, housing, clothing, and minor incidental expenses. The living allowance varies from country to country and within countries according to the cost of living in the region where the volunteer lives and works.

The leave allowance is paid to each volunteer at the rate of two days for each month of service. Volunteers receive \$9 for each day of leave for a total of 24 days, or \$216 per year. With this leave, volunteers have the opportunity to travel within the country of assignment or to nearby countries in order to broaden their international awareness and understanding.

As currently provided in the Peace Corps Act, each regular volunteer also receives a readjustment allowance of \$75 for each month of service, while each volunteer leader and head of household receive \$125 for each month. These amounts are deposited in a Treasury Department account, each month, and accumulated for payment to the volunteer upon completion of service. In addition, the Peace Corps contributes payments as prescribed under the Federal Insurance Contribution Act (FICA). This allowance provides the returning volunteer with living costs, until he secures a job or returns to school.

Budget Activity 2B: ALLOWANCES - continued

Changes in Settling-In Allowance

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer arrivals	4,076	3,193	3,014	- 179
Average cost per volunteer arrival <u>1/</u>	X\$ 188	X\$ 191	X\$ 210	+\$ 19
Total (\$000)	\$ 767	\$ 610	\$ 633	+\$ 23

1/ To the nearest dollar

Changes in Living Allowances

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,670	6,062	-\$ 608
Average cost per volunteer man-year <u>1/</u>	X\$ 1,901	X\$ 2,107	X\$ 2,317	+\$ 210
Total (\$000)	\$12,335	\$14,054	\$14,046	-\$ 8

1/ To the nearest dollar

Changes in Leave Allowance

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,670	6,062	- 608
Average cost per volunteer man-year <u>1/</u>	X\$ 208	X\$ 208	X\$ 208	---
Total (\$000)	\$ 1,350	\$ 1,387	\$ 1,261	-\$ 126

1/ To the nearest dollar

Budget Activity 2B: ALLOWANCE - continued

Changes in Readjustment Allowance

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer and trainee man-years	,461	7,356	6,751	- 605
Average cost per volunteer and trainee man-year <u>1/</u>	X\$ 972	X\$ 972	X\$ 972	
Total (\$000)	\$7,252	\$7,150	\$6,562	\$- 588

1/ To the nearest dollar

The estimated increase of \$23 thousand in settling-in allowance between FY 1975 and FY 1976 is because of a \$19 dollar increase in the average cost offset by a decrease of 179 in the number of trainees scheduled to become volunteers in FY 1976. The settling-in schedule is a function of the timing of trainee input and the length of the training programs. The estimated decrease of \$8 thousand in living allowance between FY 1975 and FY 1976 is due to a \$210 increase in the average living allowance payment offset by a decrease of 608 in the volunteer man-year level between FY 1975 and FY 1976. In FY 1976, the average settling-in and living allowance payments reflect a ten percent increase required to meet host country cost of living increase.

The estimated decrease of \$126 thousand in leave allowance reflects the decrease of 608 volunteer man-years between FY 1975 and FY 1976. The average unit cost is \$208 because host country contributions have offset the need for additional appropriated funds in this category.

The estimated decrease of \$588,000 in the volunteer readjustment allowance costs between FY 1975 and FY 1976 reflects the decrease of 605 in trainee and volunteer man-years between FY 1975 and FY 1976.

Budget Activity 2C
OTHER VOLUNTEER SUPPORT

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
In-Country Travel	\$ 588	\$ 674	\$ 673	-\$ 1
Conferences and Group Meetings	143	313	285	- 28
Volunteer Supplies and Equipment	799	860	782	- 78
Medical Supplies and Services	1,679	1,814	1,719	- 95
Office of Federal Employees Compensation	997	1,052	1,137	+ 85
Total	\$ 4,206	\$4,713	\$4,596	-\$ 117

Other Volunteer Support covers the above categories of expense in support of volunteers in the field and after service. These expenses are incurred by volunteers in the course of their work, and are paid as justified by individual circumstances.

In-Country Travel costs cover a volunteer's travel within the country of assignment. Nearly all jobs performed by volunteers require travel at some time. The actual expenses are reimbursed to the volunteers as travel is performed.

Changes in In-Country Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,670	6,062	- 608
Average cost per volunteer man-year <u>1/</u>	X\$ 91	X\$ 101	X\$ 111	+\$ 10
Total (\$000)	\$ 588	\$ 674	\$ 673	-\$ 1

1/ To the nearest dollar

Budget Activity 2C: OTHER VOLUNTEER SUPPORT - continued

The anticipated decrease of \$1 thousand between FY 1975 and FY 1976 is the result of a decrease of 608 in the number of man-years between FY 1975 and FY 1976 offset by an increase of ten percent in costs.

Conferences and Group Meetings include the costs of travel, per diem, and supplies to support meetings of volunteers during their tours of service. The focus of the meetings is project evaluation and administrative matters. The most common type of conference is the mid-service conference, for volunteers completing their first year of service.

Changes in Group Conference Meetings

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,670	6,062	- 608
Average cost per volunteer man-year <u>1/</u>	X\$ 22	X\$ 47	X\$ 47	---
Total (\$000)	\$ 143	\$ 313	\$ 285	-\$ 28

1/ To the nearest dollar

The FY 1976 decrease of \$28 thousand in conference and group meetings costs is the result of the 608 FY 1976 volunteer man-year decrease.

Volunteer Supplies and Equipment cost cover the materials used by the volunteers themselves, in their job assignments. These materials vary according to the country and job being performed but typically include textbooks, teaching materials, and hand tools. Other material costs for projects are supplied by host countries or other sources.

Budget Activity 2C: OTHER VOLUNTEER SUPPORT - continued

Changes in Volunteer Supplies and Equipment

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,670	6,062	- 608
Average cost per volunteer man-year <u>1/</u>	X\$ 123	X\$ 129	X\$ 129	---
Total (\$000)	\$ 799	\$ 860	\$ 782	-\$ 78
<u>1/</u> To the nearest dollar				

The anticipated decrease of \$78 thousand in FY 1976 is caused by the 608 FY 1976 volunteer man-year decrease.

Medical Supplies and Services are provided to all volunteers. The cost of this medical care varies from country to country, but typically includes doctor's fees, hospital costs, supplies, dental care, and medical care associated with medical evacuations.

Changes in Medical Supplies and Services

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Volunteer man-years	6,489	6,670	6,062	- 608
Average cost per volunteer man-year <u>1/</u>	X\$ 259	X\$ 272	X\$ 284	+\$ 12
Total (\$000)	\$1,679	\$1,814	\$1,719	-\$ 95
<u>1/</u> To the nearest dollar				

The \$95 thousand decrease in medical supplies and service costs in FY 1976 is due to the decrease of 608 in the volunteer man-year level planned for FY 1976 offset by a 4.5 percent average cost increase.

The Office of Federal Employees Compensation adjudicates all cases requiring compensation of Peace Corps volunteers under the Federal Employees Compensation Act. ACTION is required to reimburse the Department of Labor for all compensation dispensed. The \$1,137,000 budgeted for FY 1976 is based on actual costs incurred in FY 1974.

Budget Activity 2D
DEPENDENT SUPPORT

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Dependent Support	\$476	\$595	\$522	-\$73

Acceptance of volunteers, with dependent children, results in additional costs for the Peace Corps. However, family responsibilities should not preclude acceptance of highly motivated volunteers. In addition, in order to obtain volunteers to fill certain scarce-skill jobs, it is necessary to accept married volunteers with children. Spouses of volunteers are considered, and budgeted for, as volunteers, and are given volunteer assignments. For each child, funding is provided, in this activity, for international and in-country travel, food and lodging, clothing, medical care and education.

Changes in Dependent Support

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Children-years	220	251	200	- 51
Average cost per child <u>1/</u>	<u>X\$2,163</u>	<u>X\$2,371</u>	<u>X\$2,608</u>	<u>+\$237</u>
Total (\$000)	\$ 476	\$ 595	\$ 522	-\$ 73

1/ To the nearest dollar

The anticipated decrease of \$73 thousand between FY 1975 and FY 1976 is due to the decrease of 51 in the number of children-years planned for FY 1976 offset by an average cost increase of ten percent. This request maintains the policy of accepting families with two or fewer children only, unless the volunteer skills required warrant an exception.

Budget Activity 2E
MULTILATERAL VOLUNTEERS

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Multilateral Grants	\$66	\$ 20	\$ 70	\$+ 50
Multilateral Volunteers	23	20	30	+ 10
Total	\$89	\$ 40	\$ 100	\$+ 60

Congress approved Title III of the Peace Corps Act in 1963 to encourage the development of, and participation in, international voluntary service programs. In FY 1976, the Peace Corps will be involved in four international programs: the United Nations Volunteer Program (UNV), the International Secretariat for Volunteer Services (ISVS), International Volunteer Services (IVS), and the Joint Volunteer Committee of Ghana (JVCG).

Multilateral grants are funds given to the multilateral organizations to share the costs of volunteers from countries other than the United States and the agency administrative costs. Multilateral volunteer funds are used to support multilateral organization volunteers who are sworn in as Peace Corps volunteers. Peace Corps covers the costs of staging, training, travel, leave and readjustment allowances, and supplies and equipment.

Budget Activity 2E: MULTILATERAL VOLUNTEERS - continued

Changes in Multilateral Grants

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Multilateral Grants	\$66	\$ 20	\$70	+\$ 50

The FY 1976 request for \$70 thousand in multilateral grant funds reflects the funds needed to meet anticipated FY 1976 commitments.

Changes in Multilateral Volunteers

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of multilateral volunteer man-years	19	12	23	+ 11
Average cost per volunteer man-year <u>1/</u>	<u>X\$1,211</u>	<u>X\$1,667</u>	<u>X\$1,304</u>	-\$363
Total (\$000)	\$ 23	\$ 20	\$ 30	+\$ 10

1/ To the nearest dollar

The FY 1976 increase of \$10 thousand is due to the placement of 11 more volunteers and an average cost decrease of \$363. The average cost reflects and sharing of multilateral volunteer costs between the Peace Corps and the multilateral organizations and the high initial cost of placing multilateral trainees in FY 1975.

Budget Activity 3
PROGRAM SUPPORT

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
A. International Operations				
Staff	\$16,283	\$15,775	\$16,822	+\$1,047
B. Evaluation	78	20	318	+ 298
C. State Department Service	4,320	3,885	5,325	+1,440
D. Peace Corps Share of ACTION Agency-Wide costs <u>1/</u>	12,909	14,078	13,983	- 95
Total	\$33,590	\$33,758	\$36,448	+\$2,690
Less Transfer	-37	----	----	----
Net Total	\$33,553	\$33,758	\$36,448	+\$2,690

1/ Justification for these amounts is included in the section entitled ACTION Agency-Wide Costs beginning on page 42.

General Statement

International Operations (Peace Corps) staff is needed to develop, maintain and coordinate effective programs abroad. Overseas staff begin detailed planning for prospective volunteer jobs approximately one year before the volunteers complete training and begin service. Thorough discussions are held with appropriate host country officials to assess the need for the requested volunteers. When agreement is reached between the host government and resident Peace Corps staff, formal program requests are prepared detailing the job requirements, establishing the required volunteers' qualifications, and identifying support commitments both to the Peace Corps and the host country to insure volunteer job viability.

In addition to other operational and program planning responsibilities, field staff must provide administrative and technical support to volunteers already on the job and supervise in-country training programs. All staff, including program, administrative, medical, and clerical personnel, must have diplomatic, as well as technical abilities. Whether staff members are Americans or host country nationals, they are in daily contact with host country officials, volunteers, American Embassy staff, and host country citizens. Additional post support is provided through the State Department's Shared Administrative Support System (SAS).

Budget Activity 3: PROGRAM SUPPORT - continued

Washington staff reviews and approves all program and administrative requests from the field against available resources. They also provide technical, programmatic, and administrative support to field staff and volunteers. They work with host country embassies in Washington, develop and implement policy, and provide general direction to overseas programming. Washington staff develops training models, provides technical assistance to overseas posts in the planning of training programs, and participates in PRISTs and stagings prior to the commencement of training. The additional supporting functions performed in Washington, such as recruiting, accounting, and legal services are included in Agency-Wide Costs on page 42.

Program Support funds requested in FY 1976 also provide for the use of less than one half percent of the total requested for evaluation.

Budget Activity 3A
INTERNATIONAL OPERATIONS STAFF

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
<u>Washington Staff</u>				
Salaries and Benefits	\$ 2,935	\$ 2,892	\$ 2,708	-\$ 184
Travel	566	362	420	+ 58
Supplies, Equipment Other Services	281	199	199	---
Building Rental and Related Services	37	229	213	- 16
Washington Staff, Sub- total	\$ 3,819	\$ 3,682	\$ 3,540	-\$ 142
<u>Overseas Staff</u>				
Salaries and Benefits	\$ 7,536	\$ 7,310	\$ 7,725	+\$ 415
Travel	1,501	1,183	1,556	+ 363
Education Allowance	122	139	159	+ 20
Staff Housing	1,007	1,070	1,166	+ 96
Space, Utilities	949	1,000	1,075	+ 75
Maintenance, General Services	634	691	750	+ 59
Supplies, Equipment, and Transportation	697	640	651	+ 11
Vehicles	18	50	200	+ 150
Overseas Staff, Subtotal	\$12,464	\$12,093	\$13,282	+\$1,189
Total Staff, Washington and Overseas	\$16,283	\$15,775	\$16,822	+\$1,047
<u>Planned Positions</u>				
U.S. Staff, Washington	156	129	129	---
U.S. Staff, Overseas	224	216	216	---
Foreign Service Locals	325	454 <u>1/</u>	454	---
Total Permanent Staff	705	799	799	---

1/ Represents conversion of 129 personal service contract employees to foreign service local staff in FY 1975.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Washington Staff - Salaries and Benefits

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Salaries and Benefits (\$000)	\$2,935	\$2,892	\$2,708	-\$184
Planned Positions	151	129	129	---

Salaries and benefits for Washington Staff are expected to decrease between FY 1975 and FY 1976 by \$184 thousand. The decrease is caused by the full year impact of the reduction in the level of staff to be achieved during FY 1975.

Changes in Washington Staff - Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
<u>International Travel</u>				
Number of trips	333	210	220	+ 10
Average cost per trip <u>1/</u>	X\$1,396	X\$1,464	X\$1,632	+\$ 168
Subtotal (\$000)	\$ 466	\$ 307	\$ 359	+\$ 52
<u>Domestic Travel</u>				
Number of trips	250	128	128	---
Average cost per trip <u>1/</u>	X\$400	X\$430	X\$477	4 +\$ 47
Subtotal (\$000)	\$100	\$ 55	\$ 61	+\$ 6
Total, International & Domestic Travel (\$000)	\$566	\$362	\$420	+\$ 58

1/ To the nearest dollar

International travel enables Washington Staff to visit posts to provide technical support and to maintain a current understanding of overseas problems. Domestic travel is for Washington Staff attendance at PRISTs and stagings. Staff travel costs include both travel and per diem. The average cost per trip in FY 1975 and FY 1976 increased due to higher domestic and international air fares.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Washington Staff - Supplies, Equipment, and Other Services

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Supplies, Equipment, and Other Services	\$281	\$199	\$199	---

The allocation for supplies, equipment, and other services will remain the same in FY 1976 as in FY 1975 in a continuing effort to limit expenditures in this category. The primary items in this category are up-dated books and manuals and replacement of equipment.

Changes in Washington Staff - Building Rental and Related Services

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Building Rental and Related Services	\$37	\$229	\$213	-\$ 16

Building rental and related services are provided for the International Operations staff at headquarters. The funds requested are a pro rata share of those incurred by the entire ACTION agency. The amount requested represents a decrease of \$16 thousand between FY 1975 and FY 1976 because of a decrease in the headquarters staff and a lower per person allocation of office space.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Salaries and Benefits

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
U.S. Citizens	\$5,130	\$4,813	\$5,251	+\$438
Foreign Nationals	1,684	2,147	2,474	+ 327
Personal Service Contracts	722	350	---	- 350
Total	\$7,536	\$7,310	\$7,725	+\$415

Planned Positions

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
U.S. Citizens	224	216	216	---
Foreign Nationals	325	454	454	---
Total, Permanent Positions Overseas	549	670	670	---
Personal Service Contracts	170	---	---	---

Salaries and benefits for staff overseas include compensation to U.S. citizens and foreign nationals.

The \$438 thousand increase in U.S. salaries and benefits in FY 1976 results from delays in filling staff vacancies during the latter half of FY 1975 to meet the one-time administrative restriction on program support, as well as a one percent increase in the average salary and benefits to cover the net effect of step increases, offset by lapse.

The \$327 thousand increase in foreign national salaries and benefits and the \$350 thousand decrease in Personal Services Contracts in FY 1976 are costs associated with the conversion of those on Personal Service Contracts to Foreign Service Local positions.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Travel

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
<u>Staff Assignment- Return</u>				
Number of trips	164	128	149	+ 21
Average cost per trip 1/	X\$4,470	X\$4,782	X\$5,269	+\$ 487
Subtotal (\$000)	\$ 733	\$ 612	\$ 785	+\$ 173
<u>International Travel</u> (Operational, PRIST- staging travel)				
Number of trips	233	130	160	+ 30
Average cost per trip 1/	X\$1,296	X\$1,360	X\$1,533	+\$ 173
Subtotal (\$000)	\$ 302	\$ 177	\$ 245	+\$ 68
<u>In-Country Travel</u>				
Overseas professional staff	350	350	350	---
Average annual cost per professional staff 1/	X\$1,331	X\$1,127	X\$1,504	+\$ 377
Subtotal (\$000)	\$ 466	\$ 404	\$ 526	+\$ 122
Total, Overseas Staff Travel (\$000)	\$1,501	\$1,193	\$1,556	+\$ 363

1/ To the nearest dollar

Overseas staff travel consists of staff assignment-return travel, international operational travel, PRIST-staging travel, and in-country travel. Assignment-return travel results from staff reaching their appointment limitation of five years, as well as normal turnover, and also includes staff reassignment, home leave, and emergency leave travel. International travel is for regional or sub-regional conferences, consultation with Washington, and exploration of programming-training alternatives in new countries. PRIST-staging travel is travel of overseas staff to participate in PRISTs or stagings. In-country travel is the travel of post staff to visit volunteer work sites.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Average cost per trip for staff assignment-return travel includes air fare, baggage, per diem costs, and the shipment and storage of household goods. Average cost per trip for international operational and PRIST-staging travel includes round-trip air fare and per diem allowances. Overseas staff travel is increasing by \$363 thousand in FY 1976 primarily due to reductions in staff travel in FY 1975 to meet the one-time administrative restriction on program support, as well as anticipated air fare increases.

Changes in Overseas Staff - Education Allowance

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of dependents	200	200	200	---
Average cost per dependent <u>1/</u>	X\$610	X\$695	X\$795	+\$100
Total (\$000)	\$122	\$139	\$159	+\$ 20

1/ To the nearest dollar

The education allowance is given to American staff overseas with school-age children. The 216 Americans overseas in FY 1975 will have approximately 200 school-age children. The estimated increase of \$20 thousand in education allowance between FY 1975 and FY 1976 reflects an increase of \$100 in the average cost per dependent based on anticipated tuition commitments.

Changes in Overseas Staff - Housing

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of U.S. Staff	224	216	216	---
Average cost per staff <u>1/</u>	X\$4,496	X\$4,955	X\$5,398	+\$443
Total (\$000)	\$1,007	\$1,070	\$1,166	+\$ 96

1/ To the nearest dollar

Overseas staff housing includes that portion of staff residential rents and utilities paid by the Peace Corps. The \$96 thousand increase reflects anticipated lease renewals at higher rates and increased utility costs.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Space, Utilities

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Space, Utilities	\$949	\$1,000	\$1,075	+\$ 75

Office rents, and utilities cover the expense of maintaining overseas staff offices. Increased cost of \$75 thousand in FY 1976, are the result of higher rates for lease renewals and utilities charges.

Changes in Overseas Staff - Maintenance, General Services

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Maintenance, General Services	\$634	\$691	\$750	+\$ 59

Maintenance and general services costs include janitorial, watchmen, maintenance, repair, and upkeep services for overseas facilities and equipment. Costs are expected to increase by \$59 thousand based on current estimates of contractual costs.

Changes in Overseas Staff - Supplies, Equipment, and Transportation

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Supplies, Equipment and Transportation	\$697	\$640	\$651	+\$ 11

Supplies, equipment, and transportation levels will increase slightly due to postponement of some purchases in FY 1975 coupled with increased costs of items and services.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Vehicle Purchases

	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Number of vehicles	4	10	38	+ 28
Average cost per vehicle	<u>X\$4,500</u>	<u>X\$5,000</u>	<u>X\$5,250</u>	+\$250
Total (\$000)	\$ 18	\$.50	\$ 200	+\$150

Vehicle costs cover the purchase and shipment of vehicles for Peace Corps programs. In FY 1976, Peace Corps plans to replace 38 vehicles at a cost of \$200 thousand. Whenever possible, vehicles are purchased in the United States.

Budget Activity 3B
Evaluation

(\$000)				
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Evaluation	\$78	\$ 20	\$318	\$ 298

In FY 1976, Peace Corps evaluation will emphasize three priority issues.

1. Program Evaluations. The purpose of these types of evaluations is twofold: a) to provide an objective and independent assessment of Peace Corps programs to various levels of program management; and b) to provide the basis for more effective programming by providing insight into and advancing recommendations related to the qualities, trends and potentialities of Peace Corps Volunteer assistance. The Guidelines for Program Evaluations, developed in FY 75, will be pilot-tested and validated in preparation for implementation in FY 76.
2. Special Evaluative Studies. In response to specific program and management needs, several special evaluation studies will be undertaken. The first deals with an assessment of the applicability of agriculture training center concept for the preparation of generalist and agriculture background to agriculture needs in the three respective regions. This will be based on the actual experience of such an effort currently underway in Central America. The second will involve the testing of a health/nutrition experiment for preparation of volunteers with generalist or health backgrounds to serve in Peace Corps programs addressing health and nutrition needs of host countries. Both studies are being undertaken to determine the best way of redistributing currently available and anticipated resources to these two major program sectors.
3. In-Country Self-Evaluation and Monitoring. Support and technical assistance is planned to further implement this internal programming-evaluation system. It is designed to provide for a regular assessment of volunteer, project, and country program effectiveness in a manner that allows for adjustments to be made in the composition and emphasis of Volunteer activity. This in turn, will enhance Peace Corps performance. The objective of the supporting assistance process and to upgrade the field's capability of applying the various processes.

Budget Activity 3C
STATE DEPARTMENT SERVICES

	(\$000)			
	FY 1974	FY 1975	FY 1976	Increase or
	Actual	Estimate	Estimate	Decrease
Shared Administrative	\$4,295	\$3,860	\$5,300	+\$1,440
Support (SAS)	25	25	25	---
Inspector General				
Total	\$4,320	\$3,885	\$5,325	+\$1,440

The Peace Corps and other federal agencies overseas have contracted with the State Department to purchase various administrative services in support of their overseas staffs. The State Department through Shared Administrative Support provides the Peace Corps with services such as budgeting and accounting, communications, health services, and a variety of other logistical services. The exact services provided vary among countries and are negotiated annually in each country by the overseas Peace Corps staff and State Department staff.

SAS is only one means of providing this support in overseas locations. As with every other part of program support, SAS is under continuing review to assure that it still provides the best and least costly method of procuring this support. Based on latest information available from the State Department, it is expected that worldwide SAS costs will continue to increase, due to escalating inflation in many overseas countries.

The significant increase in the SAS allocation for FY 1976 results from the artificially low figure in FY 1975 which was the result of a reduction of the SAS payment to meet the one-time administrative restriction placed upon program support during that year. The reduction was a proportional decrease of the amount by which the FY 1975 appropriation was reduced from the original budget request.

The Foreign Assistance Act of 1961, as amended, provides that expenses of the Inspector General of Foreign Assistance shall be charged to appropriations made to carry out certain programs including the Peace Corps. The projected share for the Peace Corps in FY 1976 remains at the \$25 thousand level.

ACTION AGENCY-WIDE COSTS

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Funded by:				
1. Peace Corps, ACTION International Programs	\$12,909	\$14,078	\$13,983	-\$ 95
2. Operating Expenses, Domestic Programs	6,562	7,318	7,764	+\$ 446
Total	\$19,471	\$21,396	\$21,747	+\$ 351
Total Permanent Positions	586	557	557	---

General Statement

Within ACTION, administrative functions which support both domestic and international volunteer activities are conducted on a consolidated basis. Costs of these consolidated functions are referred to as ACTION agency-wide costs. Included in this category are expenses of volunteer recruitment, selection, and placement; communications; program, policy, and fiscal planning and evaluation; and general management and administrative functions. For FY 1976, the budget request includes \$21,747,000 in agency-wide costs.

Agency-wide costs are financed jointly from the domestic and international program appropriations. Because it is impossible to determine precisely which of these costs are attributable to domestic programs and which to international programs, the costs of consolidated functions are assigned to each appropriation statistically, according to the formula outlined below.

The formula is based on workload, expressed by the ratio of full-time staff employed exclusively for domestic programs to full-time staff employed exclusively for international programs. This methodology for assigning agency-wide costs to appropriations has been applied since FY 1973, and has proven readily understandable outside ACTION and administratively uncomplicated to execute within the agency. In an attempt to insure that this formula is as equitable as possible, costs specifically related to the program appropriations have been included in their program support activities rather than in this agency-wide cost section. Such costs include program evaluation, contract audit which can be directly associated with an appropriation, and development of domestic programs.

ACTION Agency-Wide Costs - continued

Allocation of Agency-Wide Costs
by Appropriation (FY 1976)
(\$000)

FY 1976 permanent positions	1,242
Exclusively international programs	799
Exclusively domestic programs	443
International positions as percentage of 1,242	64.3%
Domestic positions as percentage of 1,242	35.7%
FY 1976 ACTION agency-wide costs	\$21,747
International appropriation share (\$21,747 X 64.3%)	\$13,983
Domestic Appropriation share (\$21,747 X 35.7%)	\$ 7,764

Agency-wide costs are reflected in the following organizational categories:

	(\$000)			
	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate	Increase or Decrease
Recruitment and Communi- cations	\$ 8,694	\$ 8,685	\$ 8,592	-\$ 93
Planning and Evaluation	706	987	1,728	+ 741
Management and Admin- istration	10,052	11,661	11,373	- 288
National Voluntary Service Advisory Council	19	63	54	- 9
Total	\$19,471	\$21,396	\$21,747	+\$351

Further description of agency-wide activities and justification of the FY 1976 funding request is provided in the following pages.

ACTION Agency-Wide Costs - continued

OFFICE OF RECRUITMENT AND COMMUNICATIONS

(\$000)								
	<u>FY 1974</u>		<u>FY 1975</u>		<u>FY 1976</u>		<u>Increase or</u>	
	<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		<u>Decrease</u>	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	245	\$5,583	237	\$5,199	237	\$5,193	---	-\$ 6
Other Expenses	---	3,111	---	3,486	---	3,399	---	- 87
Total	245	\$8,694	237	\$8,685	237	\$8,592	---	-\$ 93

General Statement

Recruitment, selection, and placement of volunteers is conducted by the Office of Recruitment and Communications (ORC). It is the responsibility of this office to ensure that a sufficient number of well-qualified volunteers are available for volunteer programs, both domestic and international, on a timely basis. This function includes communicating with the general public concerning opportunities for voluntarism, identifying potential volunteers, processing applications, matching applicant skills with program requirements, and related tasks. In addition, this office is responsible for agency public affairs activities related to other than volunteer recruitment.

To accomplish this task, the Office of Recruitment and Communications is currently organized into a Washington headquarters office and four regional recruitment offices: Boston, Atlanta, Chicago, and San Francisco. Area recruitment offices support the regional offices to ensure that recruitment efforts are centered nearest to the sources of potential volunteers. Functions performed by the headquarters office are the overall direction of the recruitment effort: planning and evaluation, national recruitment advertising and related efforts, processing and record-keeping of applications, and the placement of potential volunteers in specific Peace Corps, VISTA, and other domestic volunteer programs for which the applicants are qualified.

Budget Justification

An effective recruitment effort is a mandatory element in the overall success of the volunteer programs. This is especially true when highly skilled volunteers are being requested for VISTA programs and from host countries in the case of Peace Corps programs. The Office of Recruitment and Communications will continue to recruit well qualified volunteers to meet program needs as detailed in the International and Domestic budget requests.

ACTION Agency-Wide Costs - continued

Budget requirements for recruitment are based primarily on anticipated levels of applications needed to produce volunteers and/or trainees in ACTION's full-time volunteer programs. The \$8,592,000 request provides for the following:

Peace Corps trainees-	3750
VISTA nationally recruited trainees-	1850
ACTION Cooperative Program (ACV) nationally recruited trainees-	500
 Total Recruitment	 6100

In addition, this office will provide assistance related to the recruitment of VISTA and ACV volunteers at the local level and also process University Year for ACTION (UYA) and the Program for Local Service (PLS) volunteer applications.

A decrease of VISTA and Peace Corps trainees in FY 1976 permits a reduction of \$93 thousand in this budget request. Included in this reduction is a decrease of \$6 thousand in the Personnel Compensation and Benefits category reflecting permanent staff pay increases offset by a decrease in recruiters. The request of \$5,193,000 provides for financing 237 full-time positions in headquarters and regional offices as well as intermittent recruiters in the field.

\$3,399,000 is requested for Other Expenses, a reduction of \$87 thousand. This reduction is possible because of a decrease in recruiter travel. The significant items included in this category are:

- . travel for recruiters and permanent staff;
- . headquarters and regional building rental costs;
- . contracts for recruitment and classified advertising, including \$50 thousand for a special Bicentennial brochure;
- . printing of volunteer applications, recruitment brochures, and the agency's volunteer and staff monthly newspaper - INTERACTION;
- . mailing services for recruitment materials;
- . contracts for graphics and photographic services;
- . mailing lists to assist in recruitment efforts.

ACTION Agency-Wide Costs - continued

PLANNING AND EVALUATION

(\$000)								
	<u>FY 1974</u>		<u>FY 1975</u>		<u>FY 1976</u>		<u>Increase or</u>	
	<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		<u>Decrease</u>	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	26	\$558	54 ^{1/}	\$ 855	54	\$1,367	--	+\$ 512
Other Expenses	--	148	--	132	--	361	--	+ 229
Total	26	\$706	54	\$ 987	54	\$1,728	--	+\$ 741

1/ Includes 22 positions assigned directly to IO and DO appropriations in FY 1975.

General Statement

ACTION's program, policy and fiscal planning and evaluation is undertaken on an agency-wide basis and includes the functions described below.

Planning - the definition, development, and analysis of program and administrative goals and objectives; the translation of these into long- and short-term plans; the review and guidance necessary to their achievements.

Policy Development - the identification of social problems where volunteers or a volunteer approach would be needed and the identification of people and organizations inclined toward volunteerism; the definition of ACTION policies and the identification of volunteer service programs, both domestic and international, which would assist in meeting identified social action by using volunteers.

Budget - the formulation, presentation, and justification of ACTION budget requests to OMB and the Congress; the formulation and execution of operating budget plans; and the review of utilization of all funds.

Evaluation - the assessment of the effectiveness of agency programs in regard to their structure and delivery, their individual impact, and their relationship to total agency efforts.

ACTION Agency-Wide Costs - continued

Budget Justification

\$1,728,000 is requested for 1976 planning and evaluation activities, a \$741 thousand increase over FY 1975.

The \$512 thousand increase in Personnel Compensation and Benefits is a result of reassigning functions directly charged to the IO and DO appropriations in FY 1975 to Agency-Wide costs in FY 1976.

Most of the increase in Other Expenses allows for an intensified special contractual studies effort at approximately the \$250 thousand level. Agency planners have continuing responsibility to gather and analyze basic information about the effectiveness of and necessity for volunteer efforts. For example, in the past, funds available for this purpose have been used to procure specialized baseline data from the United States Bureau of Census and demographic projections from the National Academy of Sciences. The agency will be able to intensify its inquiry into the relationship between private and public sector voluntarism, considering whether Federal or private funding and administration of certain programs provides optimum impact.

ACTION Agency-Wide Costs - continued

MANAGEMENT AND ADMINISTRATION

(\$000)								
	<u>FY 1974</u>		<u>FY 1975</u>		<u>FY 1976</u>		<u>Increase or</u>	
	<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		<u>Decrease</u>	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	315	\$ 5,898	266	\$ 6,352	266	\$ 6,046	---	-\$ 306
Other Expenses	---	4,154	---	5,309	---	5,327	---	+18
Total	315	\$10,052	266	\$11,661	266	\$11,373	---	-\$288

General Statement

Management and Administration expenses represent the costs of assuring basic services to all of ACTION's volunteers, programs, and staff. Administrative services provided include legal counsel, legislative representation, health services, provision of technical project information, assistance to volunteers entering and completing service, and activities of the Agency Director. Management services provided include internal audit, procurement, grants management, management and organizational analysis, accounting, personnel management, staff training, property management, data processing, and general logistical support.

Delivery of these services is accomplished by staff offices, which report to the agency Director, and the Office of Administration and Finance, under an Assistant Director.

Included in the staff offices group are the following:

1. Office of the Director - coordinates activities of the Agency Director, Deputy, and staff.
2. Internal Audit - conducts audits within agency headquarters and field offices emphasizing methods of improving financial management procedures and using resources most efficiently, while achieving desired program results. To insure objectivity and maximum effectiveness, Internal Audit reports only to the agency Director.
3. Congressional Affairs - maintains agency liaison with the Congress, and responds to constituent inquiries.

ACTION Agency-Wide Costs - continued

4. Minority Affairs - directs the Agency's equal employment and affirmative action programs, investigates grantee, contract and beneficiary compliance with Federal minority opportunity regulations, hears grievance proceedings, and assists in recruiting minority staff and volunteers.
5. General Counsel - provides legal guidance in regard to legislation affecting Agency programs, and to volunteers.

Administration and Finance functions include:

1. Management Analysis - coordinates organizational changes within the Agency, reviews management, pinpoints areas where practices can be improved, and recommends improvements.
2. Administrative Services - handles property management, volunteer staff travel arrangements, the ACTION directives system, library and volunteer information services, agency-wide printing and distribution, and mail and telecommunications services.
3. Contracts and Grants Management - establishes Agency-wide policies, procedures and standards for procurement and grant functions; at Headquarters, negotiates awards and administers contracts and inter-agency agreements, processes purchase orders and procurement requests, issues and monitors grants.
4. Health Services - oversees delivery of primary health care and insurance benefits to volunteers in the U.S. and overseas. The office also functions as Agency liaison with the Office of Federal Employees Compensation.
5. Accounting - develops and maintains agency financial reporting and accounting functions, administers volunteer and staff payroll, and processes all other agency financial transactions.
6. Computer Services - designs, develops and implements the data processing systems for preparing and producing data and reports to fulfill agency and outside reporting requirements.
7. Personnel Management - establishes policies, standards and procedures regarding staff recruitment and placement; administers labor and employee relations matters, and employee training (including Upward Mobility programs). It also assists volunteers completing service to find employment and develop careers.

ACTION Agency-Wide Costs - continued

Budget Justification

\$11,373,000 is requested for Management and Administration services in FY 1976. A reduction of \$306 thousand is anticipated in FY 1976 brought about by the Agency's attempt to reduce full-time permanent staff positions. Absorbed within the personnel compensation and benefits request is a \$100 thousand increase in payments to the Office of Federal Employees Compensation.

The significant items included in the Other Expenses category are:

- . All ACTION Postal Service costs;
- . All Headquarters telephone costs and ACTION Federal Telephone System (FTS) long distance and Wide Area Telephone Service (WATS) lines;
- . Building rental costs for Management and Administration offices;
- . Headquarters copying services;
- . All Headquarters building maintenance and renovation costs;
- . ACTION staff training costs;
- . Computer Services costs for Headquarters accounting, payroll, and personnel systems;
- . Staff travel related to management and administration functions.

The increase of \$18 thousand in the Other Expense category results from anticipated cost increases for telephones, copying services and building maintenance, offset in part from a lowering of building rental costs because of consolidation of Washington Headquarters staff space.

ACTION Agency-wide Costs - continued

NATIONAL VOLUNTARY SERVICE
ADVISORY COUNCIL

(\$000)							
	FY 1974		FY 1975		FY 1976		Increase or
	<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		<u>Decrease</u>
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos. Amount
Personnel Compensation and Benefits	---	---	---	---	---	---	---
Other Expenses	---	\$19	---	\$63	---	\$54	---
Total	---	\$19	---	\$63	---	\$54	---

General Statement

The Domestic Volunteer Service Act of 1973 (P.L. 93-113) establishes within ACTION a National Voluntary Service Advisory Council. Composed of 25 members and appointed by the President, Council members represent public and private groups and individuals interested in the programs carried out by ACTION. The Director and Deputy Director of ACTION are ex-officio members of the Council.

The Council meets as a whole at least four times each year; its subcommittees also convene at regular intervals. The Council is expected to review the effectiveness and operation of ACTION domestic programs, and programs conducted under authority of the Peace Corps Act, and to advise ACTION's Director with respect to its findings. The scope of its recommendations includes proposals for the improvement of ACTION programs; elimination of duplicated efforts, and the coordination of ACTION programs with other Federal anti-poverty efforts.

Beginning in calendar year 1975, the Council will also be required to make an annual report to the President, for transmittal by the President to the Congress, with comments and recommendations.

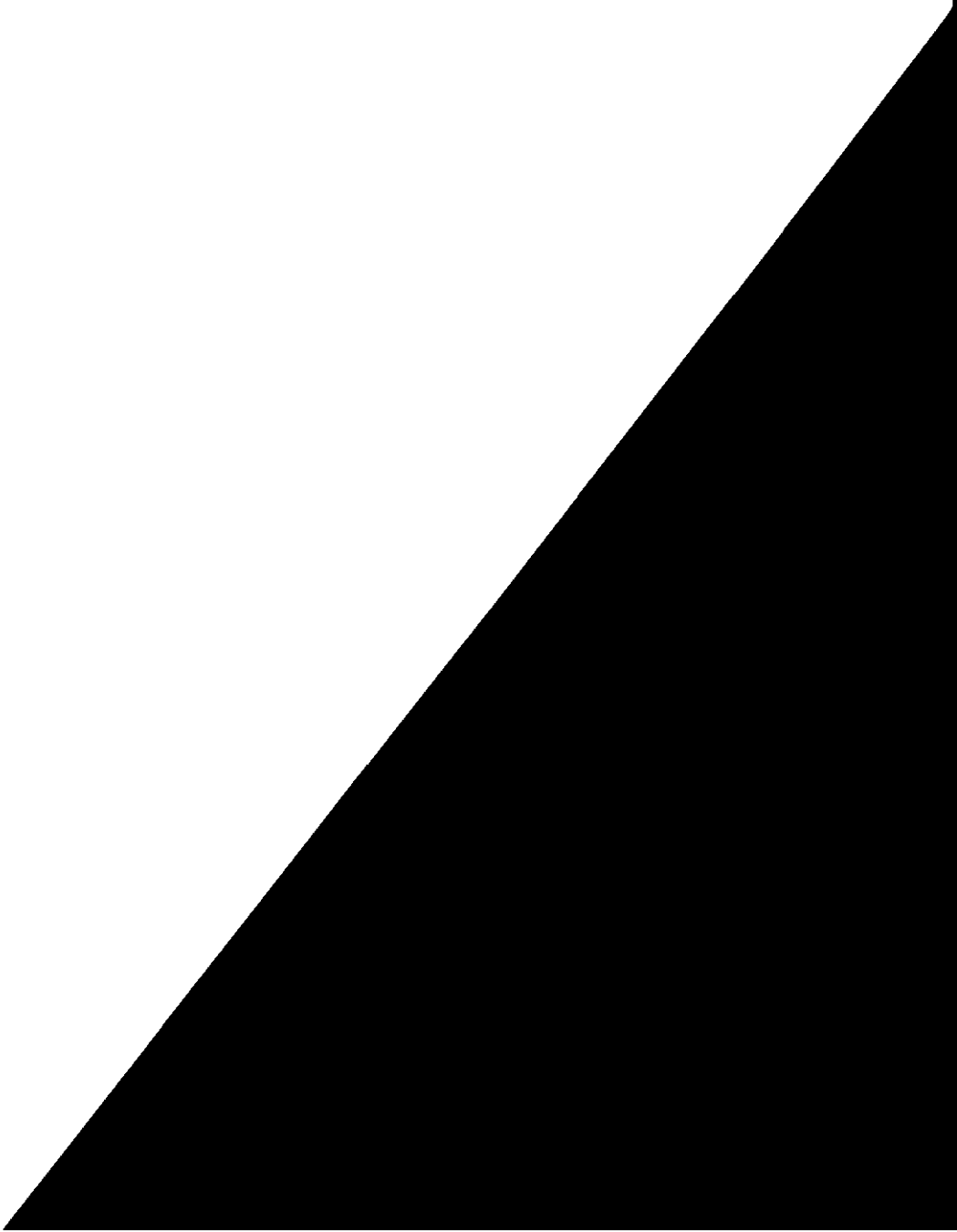
Budget Justification

In FY 1976, its second full year of existence, activities of the National Voluntary Service Advisory Council will require \$54,000, a decrease of \$9,000 from estimated FY 1975 levels.

ACTION Agency-Wide Costs - continued

Members of the Council other than those regularly employed by the Federal Government receive travel and subsistence expenses while attending Council meetings and while in the field for program review.

Whereas its activities heretofore centered largely around domestic programs, in FY 1975 and FY 1976, the Council is expanding its international programs activities. The majority of the increased costs projected for FY 1976 are thus attributable to the increased proportion of the Council's activities directed toward international program review.



APPENDIX A: Statement of Authorizations and Appropriations FY 1962 - FY 1976 and Transition
(\$000)

<u>Fiscal Year</u>	<u>Original Authority & Budget Request</u>	<u>Amended Budget</u>	<u>Authorized</u>	<u>Appropriated (Including Reappropriation)</u>	<u>Appropriation Transfers 1/</u>	<u>Allocation from AID</u>	<u>Obligated as of June 30</u>	<u>Unobligated as of June 30</u>	<u>Reappropriated</u>
1962	\$ 40,000	\$---	\$ 40,000	\$ 30,000	\$---	\$---	\$ 29,496	\$ 504	\$ ---
1963	63,750	---	63,750	59,000	444	---	54,692	3,864	3,864
1964	108,000	102,000	102,000	95,964	---	---	76,164	19,800	17,000
1965	115,000	106,000	115,000	104,100	7	---	85,449	18,644	12,100
1966	125,200	---	115,000	114,100	---	---	113,173	927	---
1967	110,500	112,150	110,000	110,000	104	---	104,525	5,371	---
1968	124,400	118,700	115,700	107,500	---	---	106,846	654	---
1969	112,800	---	112,800	102,000	49	---	100,301	1,650	---
1970	109,800	101,100	98,450	98,450	---	---	90,776	7,674	---
1971	98,800	94,500	94,500	90,000	---	---	84,978	5,022	---
1972	71,200	82,200	77,200	72,500	---	2,600	75,037	63	---
1973	88,027	---	88,027	81,000	427	---	80,560	13	---
1974	77,000	---	77,000	77,000	37	---	76,949	14	---
1975	82,256 <u>2/</u>	---	82,256	77,000 <u>2/</u>	---	---	---	---	---
1976	80,826	---	---	---	---	---	---	---	---
Transition	25,729	---	---	---	---	---	---	---	---

1/ Appropriation transfers are to GSA for all years except FY 1973. In FY 1973, \$158,000 was transferred to GSA and \$269,000 was transferred to Operating expenses, Domestic Programs (PL 93-50; 87 Stat. 99).

2/ Total does not include \$687,000 supplemental request for government-wide October, 1974 Federal pay raises.

**APPENDIX B: Reconciliation of Appropriation and Obligation Totals
FY 1974- FY 1975
(\$000)**

	<u>FY 1974</u> <u>\$77,000</u>	<u>FY 1975</u> <u>\$77,000</u>
Appropriation		
Real transfers to:		
General Services Administration	-37	0
Receipts and reimbursements from:		
Federal funds	+85	+30
Non-federal funds	+182	+150
Requested pay supplemental	0	+687
Unobligated balance lapsing	<u>-14</u>	<u>0</u>
Total Obligations	\$77,216	\$77,867

APPENDIX C - Schedule of Host Country Contributions By Region FY 1967 - FY 1976 and Transition
(\$000)

	Actual								Estimated		
	<u>FY</u> <u>1967</u>	<u>FY</u> <u>1968</u>	<u>FY</u> <u>1969</u>	<u>FY</u> <u>1970</u>	<u>FY</u> <u>1971</u>	<u>FY</u> <u>1972</u>	<u>FY</u> <u>1973</u>	<u>FY</u> <u>1974</u>	<u>FY</u> <u>1975</u>	<u>FY</u> <u>1976</u>	<u>Transition</u> <u>FY 76 - FY 77</u>
Africa	\$2,380	\$1,885	\$1,624	\$1,270	\$1,167	\$1,179	\$1,753	\$2,458	\$2,598	\$3,778	\$1,304
Latin America	180	219	241	343	283	232	245	263	300	454	166
North Africa, Near East Asia & Pacific	<u>1,014</u>	<u>861</u>	<u>1,626</u>	<u>892</u>	<u>755</u>	<u>853</u>	<u>1,007</u>	<u>1,206</u>	<u>1,447</u>	<u>1,768</u>	<u>600</u>
TOTAL	<u>\$3,574</u>	<u>\$2,965</u>	<u>\$3,491</u>	<u>\$2,505</u>	<u>\$2,205</u>	<u>\$2,264</u>	<u>\$3,005</u>	<u>\$3,927</u>	<u>\$4,345</u>	<u>\$6,000</u>	<u>\$2,070</u>

**APPENDIX D: Allocation of Volunteer Manyears by Country
FY 1974 - FY 1976**

<u>Africa</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Botswana	78	105	110
Cameroon	62	84	88
Central African Republic	12	21	23
Chad	37	39	26
Dahomey	56	61	63
Ethiopia	215	163	138
Gabon	5	17	30
Gambia	40	27	18
Ghana	173	222	219
Ivory Coast	86	92	44
Kenya	199	179	164
Lesotho	37	50	32
Liberia	264	275	299
Malawi	19	19	12
Mali	18	27	39
Mauritania	3	10	12
Mauritius	11	10	5
Niger	84	116	98
Nigeria	2	6	6
Senegal	80	94	85
Seychelles	1	2	4
Sierra Leone	168	237	250
Swaziland	88	96	93
Togo	76	81	93
Upper Volta	56	62	61
Zaire	<u>219</u>	<u>216</u>	<u>188</u>
 SUBTOTAL	 2,089	 2,311	 2,200

APPENDIX D: Allocation of Volunteer Manyears by Country-
continued

<u>Latin America</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Belize	49	46	52
Brazil	316	236	139
Chile	25	42	58
Colombia	282	261	157
Costa Rica	110	153	118
Dominican Republic	66	66	73
Eastern Caribbean <u>1/</u>			
Antigua	13	14	10
Barbados	49	44	36
Grenada	22	21	19
Montserrat	13	11	10
St. Kitts	19	18	15
St. Lucia	19	17	15
St. Vincent	24	22	19
Ecuador	200	237	208
El Salvador	49	91	125
Guatemala	125	140	136
Honduras	142	137	105
Jamaica	190	194	179
Nicaragua	54	69	94
Paraguay	52	67	75
Peru <u>3/</u>	100	37	-
Uruguay <u>2/</u>	1	-	-
Venezuela	<u>205</u>	<u>140</u>	<u>85</u>
 SUBTOTAL	 2,125	 2,063	 1,728

1/ The Peace Corps office in Barbados is the administrative unit for seven Caribbean Islands.

2/ Peace Corps terminated its program in Uruguay in October 1973.

3/ Peace Corps terminated its program in Peru in December, 1974.

APPENDIX D: Allocation of Volunteer Manyears by Country-
continued

<u>North Africa, Near East Asia, and Pacific</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Afghanistan	162	113	106
Bahrain	5	5	12
British Solomons	7	11	14
Fiji	120	128	114
Gilbert and Ellice Islands	1	3	4
India	23	23	10
Iran	115	127	119
Korea	256	245	196
Malaysia	297	293	278
Malta	1	2	2
Micronesia	155	195	172
Morocco	147	180	178
Nepal	98	103	98
Oman	14	23	23
Philippines	370	324	302
South Pacific Commission	2	1	1
Thailand	230	217	196
Tonga	75	88	65
Tunisia	108	88	93
Western Samoa	79	104	115
Yemen	<u>20</u>	<u>23</u>	<u>36</u>
 SUBTOTAL	 2,275	 2,296	 2,134
 TOTALS	 <u>6,489</u>	 <u>6,670</u>	 <u>6,062</u>

APPENDIX E: Budget Estimates by Region and Country*
(\$000)

<u>Africa</u>	<u>FY 1974</u> <u>Actual</u>	<u>FY 1975</u> <u>Estimate</u>	<u>FY 1976</u> <u>Estimate</u>
Botswana	\$ 527	\$ 785	\$ 814
Cameroon	805	954	1,206
Central African Republic	220	280	459
Chad	434	482	334
Dahomey	571	599	704
Ethiopia	1,612	1,273	1,095
Gabon	102	273	671
Gambia	356	212	176
Ghana	1,329	1,571	1,805
Ivory Coast	1,223	1,181	686
Kenya	1,502	1,328	1,317
Lesotho	377	368	358
Liberia	2,483	2,518	2,976
Malawi	206	202	142
Mali	328	405	778
Mauritania	42	141	184
Mauritius	126	100	63
Niger	889	1,017	1,100
Nigeria	45	104	148
Senegal	721	798	839
Seychelles	-	16	45
Sierra Leone	1457	1,870	2,324
Swaziland	695	696	810
Togo	812	807	1,089
Upper Volta	528	655	630
Zaire	2,595	2,074	2,392
Africa Regional Support	<u>1,379</u>	<u>1,379</u>	<u>1,520</u>
 SUBTOTAL	 \$21,364	 \$22,088	 \$24,665

* Post budget estimates include both direct obligations to the posts and Washington obligations associated with the posts.

APPENDIX E: Budget Estimates by Region and Country-continued
(\$000)

<u>Latin America</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Belize	\$ 266	\$ 283	\$ 307
Brazil	3,347	2,723	1,651
Chile	333	520	842
Colombia	1,905	2,143	1,189
Costa Rica	993	1,029	1,193
Dominican Republic	592	559	713
Eastern Caribbean <u>1/</u>			
Antigua	75	88	62
Barbados	281	278	224
Grenada	126	132	119
Montserrat	75	69	62
St. Kitts	109	114	94
St. Lucia	109	107	94
St. Vincent	138	139	119
Ecuador	1,321	1,702	1,541
El Salvador	493	753	1,409
Guatemala	903	1,131	1,099
Honduras	925	1,012	744
Jamaica	1,002	1,255	1,056
Nicaragua	438	672	831
Paraguay	466	628	732
Peru <u>3/</u>	1,078	617	-
Uruguay <u>2/</u>	37	-	-
Venezuela	1,788	1,365	807
Latin America Regional Support	<u>1,164</u>	<u>938</u>	<u>1,067</u>
 SUBTOTAL	 \$17,964	 \$18,257	 \$15,955

1/ The Peace Corps office in Barbados is the administrative unit for the seven Caribbean Islands.

2/ Peace Corps terminated its program in Uruguay in October, 1973.

3/ Peace Corps terminated its program in Peru in December 1974.

APPENDIX E: Budget Estimates by Region and Country-continued
(\$000)

<u>North Africa, Near East Asia, and Pacific</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Afghanistan	\$ 1,444	\$ 1,116	\$ 967
Bahrain	42	58	108
British Solomon Islands	31	81	66
Fiji	760	857	765
Gilbert and Ellice Islands	19	29	82
India	430	280	202
Iran	1,323	1,607	1,457
Korea	2,266	1,845	1,829
Malaysia	2,704	2,702	2,678
Malta	10	9	26
Micronesia	1,632	1,764	1,940
Morocco	1,434	1,587	1,822
Nepal	844	951	909
Oman	166	214	293
Philippines	2,543	2,033	2,183
South Pacific Commission	7	9	9
Thailand	1,613	1,612	1,431
Tonga	503	442	470
Tunisia	1,018	762	945
Western Samoa	515	815	808
Yemen	175	291	679
NANEAP Regional Support	<u>918</u>	<u>951</u>	<u>1,012</u>
 SUBTOTAL	 \$20,397	 \$20,015	 \$20,681

APPENDIX E: Budget Estimates by Region and Country - continued
(\$000)

<u>SUMMARY</u>	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Estimate</u>
Africa	\$21,364	\$22,088	\$24,665
Latin America	17,964	18,257	15,955
North Africa, Near East Asia and Pacific	20,397	20,015	20,681
World Wide Support	4,582	3,429	5,667
Peace Corps share of ACTION Support	<u>12,909</u>	<u>14,078</u>	<u>13,983</u>
TOTAL	\$77,216	\$77,867	\$80,951

TRANSITION ESTIMATE

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS)

For expenses necessary for ACTION to carry out
the Peace Corps Act (75 Stat. 612), as amended;
for the period July 1, 1976, through September
30, 1976, \$25,729,000.

ACTION
OPERATING EXPENSES, INTERNATIONAL PROGRAMS
(PEACE CORPS)

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Activity 1 Training and Specialized Recruiting	\$ 9,059	\$ 4,737
Activity 2 Volunteers	35,319	11,229
Activity 3 Program Support	36,448	9,763
(Peace Corps Share of Agency-Wide Support)	(\$13,983)	(\$ 3,556)
New Budget Authority	\$80,826	\$25,729
Less Transfers	-25 ^{1/}	-6 ^{1/}
Net Authority	\$80,801	\$25,723
Trainee Input	3,750	1,400
Volunteer Man-years	6,062	1,434

1/ FY 1976 and Transition Program Totals include a proposed \$25 thousand and \$6 thousand respectively to be transferred to the State Department for Inspector General services.

General Statement

Title V of the Congressional Budget and Impoundment Control Act of 1974 changes the beginning of the fiscal year from July 1 to October 1. This justification covers the Peace Corps activities during the transition period beginning July 1, 1976, and ending September 30, 1976. The funds requested are designed to support International Operations (Peace Corps) programs during the transition period at a viable continuing level. The proposed funding would provide adequate resources to maintain the program activities, without major change in the level of services.

Training and specialized recruiting during the three-month period will constitute 52 percent of the total level projected for FY 1976. This higher percentage in this activity is due to the concentration of trainee input during the months of June and July and the specialized recruiting costs associated with these trainees.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS) - continued

The request for funds to cover volunteer activities amounts to 32 percent of the total projected for FY 1976 while supporting 24 percent of the volunteer man-years. A number of factors within the volunteer budget account for the difference between these two percentages. For instance, international travel is based on a schedule of volunteer arrivals and departures, and the higher percentage during this period can be associated with the level of volunteer travel; i.e., higher percentage of trainee input from July through September, a greater number of volunteers completing service or extending, as well as increased costs per trip caused by air fare increases. The percentage share of settling-in allowances is also higher due to the large number of trainees scheduled to become volunteers during this period. The annual payment to the Office of Federal Employees Compensation for FY 1975 based on actual costs incurred during that period will become payable during the transition period.

Program Support costs are projected to be 26 percent of the previous year. This increase is due primarily to anticipated increases in foreign national salaries, international travel, and overseas rent and utility costs. Staff levels will remain constant.

Based on these factors, \$25,729,000 is being requested for the transition period. It is anticipated that this amount should be adequate to cover the operations of the Peace Corps from July 1, 1976, through September 30, 1976.

OPERATING EXPENSES, INTERNATIONAL PROGRAMS (PEACE CORPS)

Summary of Transition Budget Request

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Activity 1 Training and Specialized Recruiting		
A. Training	\$ 8,269	\$ 4,278
B. Specialized Recruiting	790	459
Subtotal, Activity 1	\$ 9,059	\$ 4,737
Activity 2 Volunteers		
A. International Travel	\$ 7,599	\$ 2,837
B. Allowances	22,502	5,975
C. Other Volunteer Support	4,596	2,219
D. Dependent Support	522	143
E. Multilateral Volunteers	100	55
Subtotal, Activity 2	\$35,319	\$11,229
Activity 3 Program Support		
A. International Operations Staff	\$16,822	\$ 4,584
B. Evaluation	318	161
C. State Department Services	5,325	1,506
D. Peace Corps Share of ACTION Agency-Wide Costs	13,983	3,512
Subtotal, Activity 3	\$ 36,448	\$ 9,763
Total, ACTION, International Programs	\$80,826	\$25,729
Trainee Input	3,750	1,400
Volunteer Man-years	6,062	1,434
Staff	799	799

TRAINING AND
SPECIALIZED RECRUITING

Budget Activity 1
TRAINING AND SPECIALIZED RECRUITING

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. Training	\$8,269	\$4,278
B. Specialized Recruiting	790	459
Total	\$9,059	\$4,737
Trainee Input	3,750	1,400

Budget Justification

The estimates for training and specialized recruiting during the transition period between FY 1976 and FY 1977 are based upon projections of trainee inputs and ongoing specialized recruitment activities. It is also projected that the average costs for training will have increased an average of ten percent over FY 1976 and that costs for special recruiting will have increased five percent in the same period.

Budget Activity 1A
TRAINING

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. Pre-Service Training	\$7,526	\$4,060
B. In-Service Training	743	218
Total	\$8,269	\$4,278

During any calendar year, the heaviest input into Peace Corps Pre-Service training occurs during the months of June, July and August. Training classes last for nine weeks and, as a consequence, trainees that enter during June of 1976 will receive about 6 weeks of training during the transition budget period. August and September trainees will enter the field after the beginning of FY 1977. Due to this overlap, 1400 transition period trainees and June trainees will receive an estimated total of 16,572 weeks of pre-service training during the transition period.

In-service training will comprise 2002 weeks, or 2 weeks for 1,001 Peace Corps volunteers.

Changes in Training

	FY 1976 Estimate	Transition Estimate
<u>Pre-Service Training</u>		
Number of pre-service man-weeks	33,750	16,572
Average training cost per trainee man-week <u>1/</u>	X\$ 223	X\$ 245
Subtotal (\$000)	\$ 7,526	\$ 4,060
<u>In-Service Training</u>		
Number of pre-service man-weeks	7,500	2,002
Average training cost per trainee man-weeks <u>1/</u>	X\$ 99	X\$ 109
Subtotal (\$000)	\$ 743	\$ 218
Training Total (\$000)	\$ 8,269	\$ 4,278

1/ To the nearest dollar

Budget Activity 1B
SPECIALIZED RECRUITING

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. Intern Programs	\$625	\$394
B. Pre-Invitational Staging (PRIST)	165	65
Total	\$790	\$459

Specialized recruiting activities which will take place during the transition period include continuations of the intern and PRIST programs. Since most intern programs with universities are negotiated at the beginning of the academic year, a substantial portion of the costs related to these programs will be incurred during the transition. An estimated 296 interns will be contracted for at an average cost of \$1331 per intern. The PRIST program will be conducted for 192 potential Peace Corps volunteers and is a projection based upon the planned 1400 trainee input during the transition period.

Changes in Specialized Recruiting

	FY 1976 Estimate	Transition Estimate
Number of intern trainees produced	493	296
Average cost per intern trainee <u>1/</u>	X\$1,268	X\$1,331
Subtotal (\$000)	\$ 625	\$ 394
Number of PRISTees <u>1/</u>	514	192
Average cost per PRISTee <u>1/</u>	X\$ 321	X\$ 337
PRIST Subtotal (\$000)	\$ 165	\$ 65
Specialized Recruiting Total (\$000)	\$ 790	\$ 459
<u>1/</u> To the nearest dollar		

VOLUNTEERS

Budget Activity 2
VOLUNTEERS

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. International Travel	\$ 7,599	\$ 2,837
B. Allowances	22,502	5,975
C. Other Volunteer Support	4,596	2,219
D. Dependent Support	522	143
E. Multilateral Volunteer Program	100	55
Total	\$35,319	\$11,229
Volunteer Man-Years	6,062	1,434

Budget Justification

The estimates for the transition between FY 1976 and FY 1977 result from projecting the trainee and volunteer inputs planned for that period and anticipating a ten percent average increase over FY 1976 costs.

There are categories which do not conform to that general projection. Volunteer Conferences and Group Meetings, and Volunteer Supplies and Equipment are planned at a five percent increase. Volunteer Medical Supplies and Services anticipates the replacement of medical kits in addition to a ten percent increase over FY 1976 costs.

Budget Activity 2A
INTERNATIONAL TRAVEL

	(S000)	
	FY 1976 Estimate	Transition Estimate
Travel to Host Country	\$ 2,936	\$ 1,205
Travel from Host Country	3,117	1,077
Extendee Travel	752	314
Emergency Leave Travel	338	108
Medical Evacuation Travel	456	133
Total	\$ 7,599	\$ 2,837

The travel cost for the transition period reflects increased domestic and international air fares projected here to be ten percent above FY 1976.

Changes in Travel to Host Country

	FY 1976 Estimate	Transition Estimate
Number of trips	3,750	1,400
Average cost per trip <u>1/</u>	X\$ 783	X\$ 861
Total (\$000)	\$ 2,936	\$ 1,205

1/ To the nearest dollar

Changes in Travel from Host Country

	FY 1976 Estimate	Transition Estimate
Number of trips	3,824	1,201
Average cost per trip <u>1/</u>	X\$ 815	X\$ 897
Total (\$000)	\$ 3,117	\$ 1,077

1/ To the nearest dollar

Budget Activity 2A: INTERNATIONAL TRAVEL - continued

Changes in Extendee Travel

	FY 1976 Estimate	Transition Estimate
Number of trips	485	187
Average cost per trip <u>1/</u>	<u>X\$1,550</u>	<u>X\$1,680</u>
Total (\$000)	\$ 752	\$ 314

1/ To the nearest dollar

Changes in Emergency Leave Travel

	FY 1976 Estimate	Transition Estimate
Number of trips	241	70
Average cost per trip <u>1/</u>	<u>X\$1,402</u>	<u>X\$1,545</u>
Total (\$000)	\$ 338	\$ 108

1/ To the nearest dollar

Changes in Medical Evacuation Travel

	FY 1976 Estimate	Transition Estimate
Number of trips	298	80
Average cost per trip <u>1/</u>	<u>X\$1,530</u>	<u>X\$1,659</u>
Total (\$000)	\$ 456	\$ 133

1/ To the nearest dollar

Budget Activity 2B

ALLOWANCES

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Settling-In Allowance	\$ 633	\$ 342
Living Allowance	14,046	3,657
Leave Allowance	1,261	298
Readjustment Allowance	6,562	1,678
Total	\$22,502	\$5,975

The level of volunteer allowances varies from country to country and within countries in the region where the volunteer lives and works. These allowances are set to provide a subsistence level of support but due to overseas inflation a ten percent increase has been projected for the transition period.

Changes in Settling-In Allowance

	FY 1976 Estimate	Transition Estimate
Volunteer arrivals	3,014	1,482
Average cost per Volunteer Arrival	X\$ 210	X\$ 231
Total (\$000)	\$ 633	\$ 342
<u>1/</u> To the nearest dollar		

Changes in Living Allowance

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per Volunteer man-year <u>1/</u>	X\$ 2,317	X\$2,550
Total (\$000)	X\$14,046	\$3,657
<u>1/</u> To the nearest dollar		

Budget Activity 2B: ALLOWANCES - continued

Changes in Leave Allowance

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	X\$ 208	X\$ 208
Total (\$000)	\$1,261	\$ 298
<u>1/</u> To the nearest dollar		

Changes in Readjustment Allowance

	FY 1976 Estimate	Transition Estimate
Volunteer and trainee man-year	6,751	1,726
Average cost per volunteer and trainee man-year <u>1/</u>	X\$ 972	X\$ 972
Total (\$000)	\$6,562	\$1,678
<u>1/</u> To the nearest dollar		

Budget Activity 2C
OTHER VOLUNTEER SUPPORT

	(\$000)	
	FY 1976 Estimate	Transition Estimate
In-Country Travel	\$ 673	\$ 174
Conferences and Group Meetings	285	72
Volunteer Supplies and Equipment	782	195
Medical Supplies and Services	1,719	550
Office of Federal Employees Compensation	<u>1,137</u>	<u>1,228</u>
Total	\$4,596	\$2,219

Other Volunteer Support covers the above categories of expense in support of volunteers in the field and after service.

Changes in In-Country Travel

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	<u>X\$ 111</u>	<u>X\$ 121</u>
Total (\$000)	\$ 673	\$ 174
<u>1/</u> To the nearest dollar		

Changes in Conferences and Group Meetings

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	<u>X\$ 47</u>	<u>X\$ 50</u>
Total (\$000)	\$ 285	\$ 72
<u>1/</u> To the nearest dollar		

Budget Activity 2C: OTHER VOLUNTEER SUPPORT - continued

Changes in Volunteer Supplies and Equipment

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	X\$ 129	X\$ 136
Total (\$000)	\$ 782	\$ 195
<u>1/</u> To the nearest dollar		

Changes in Medical Supplies and Services

	FY 1976 Estimate	Transition Estimate
Volunteer man-years	6,062	1,434
Average cost per volunteer man-year <u>1/</u>	X\$ 284	X\$ 384
Total (\$000)	\$1,719	\$ 550
<u>1/</u> To the nearest dollar		

The Office of Federal Employees Compensation adjudicates all cases requiring compensation of Peace Corps volunteers under the Federal Employees Compensation Act. The \$1,228 budgeted for the transition period is based on an anticipated eight percent increase over the previous bill. The amount budgeted for this item will cover the bill for a full year's charges which will become payable during the transition period.

Budget Activity 2D
DEPENDENT SUPPORT

Changes in Dependent Support

	FY 1976 Estimate	Transition Estimate
Children-Years	200	50
Average cost per child <u>1/</u>	<u>X\$2,608</u>	<u>X\$2,869</u>
Total (\$000)	\$ 522	\$ 143
<u>1/</u> To the nearest dollar		

With an emphasis on scarce-skill volunteers, the Peace Corps has a continuing need to place volunteer families. Consequently a stable projection of 50 children-years is being planned for during the transition period.

Budget Activity 2E
MULTILATERAL VOLUNTEERS

	FY 1976 Estimate	Transition Estimate
Multilateral Grants	\$ 70,	\$ 40
Multilateral Volunteers	30	15
Total	\$100	\$ 55

The request for \$50 thousand reflects anticipated Peace Corps commitments to the multilateral volunteers program during the transition.

Budget Activity 3
PROGRAM SUPPORT

	(\$000)	
	FY 1976 Estimate	Transition Estimate
A. International Operations		
Staff	\$16,822	\$4,584
B. Evaluation	318	161
C. State Department Services		
D. Peace Corps Share of ACTION Agency-Wide costs <u>1/</u>	5,325 13,983	1,506 3,512
Total	\$36,448	\$9,763
Less Transfer	-25	-6
Net Total	\$36,423	\$9,757

1/ Justification for these amounts is included in the section entitled ACTION Agency-Wide costs beginning on page 89.

Budget Justification

The estimates for the transition period between FY 1976 and FY 1977 for program support were developed by projecting the costs for this activity with the anticipation of an average annualized increase of seven percent over FY 1976 costs. This average increase results from percentage differentials among the four activities.

International Operations staff costs are expected to increase by seven percent over FY 1976 primarily due to increases in the average cost of overseas support items and travel costs for overseas and Washington staff.

Evaluation costs during this period will be 51 percent of FY 1976 total. This results from the scheduling of evaluation activities which require spending during this quarter.

State Department Services are expected to increase by a rate of 13 percent because of escalating costs overseas.

Peace Corps share of ACTION Agency-Wide costs are expected to remain level during the transition period.

Budget Activity 3A
INTERNATIONAL OPERATIONS STAFF

	(\$000)	
	FY 1976 Estimate	Transition Estimate
<u>Washington Staff</u>		
Salaries and Benefits	\$ 2,708	\$ 695
Travel	420	141
Supplies, Equipment		
Other Services	199	79
Building Rental and Related Services	213	53
Washington Staff, Sub- total	\$ 3,540	\$ 968
<u>Overseas Staff</u>		
Salaries and Benefits	\$ 7,725	\$2,038
Travel	1,556	428
Education Allowance	159	84
Staff Housing	1,166	309
Space, Utilities	1,075	285
Maintenance, General Services	750	199
Supplies, Equipment, and Transportation	651	173
Vehicles	200	100
Overseas Staff, Subtotal	\$13,282	\$3,616
Total Staff, Washington and Overseas	\$16,822	\$4,584
<u>Planned Positions</u>		
U.S. Staff, Washington	129	129
U.S. Staff, Overseas	216	216
Foreign Service Locals	454	454
Total Permanent Staff	799	799

The International Operations Staff budget activity includes amounts for the support of Washington and Overseas staff.

Washington staff salaries and benefits are expected to increase at a one percent rate over FY 1976 to cover the net effect of step increases offset by lapse. Washington staff travel costs are expected to increase by approximately ten percent due to rising air fares. Supplies, equipment and other services during this

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

period will be consistent with FY 1976 costs with the addition of \$45 thousand for mailing and other costs for School Partnership Program which are scheduled to be utilized during the transition period. Building rental and related services will be 25 percent of the total of FY 1976.

Overseas Staff salaries and benefits for U.S. personnel will increase at a one percent rate similar to Washington staff. Salaries and benefits for Foreign Service Local employees are expected to increase by ten percent over FY 1976 in accordance with salary increases based on cost of living surveys and government decreed wage and benefit increases in many countries. Overseas staff travel costs are projected at a rate increase of ten percent due to increased air fares and other overseas transportation costs. Education allowances are budgeted at a rate of ten percent above FY 1976 due to increased tuition costs. Fifty percent of the expected amount for the academic year 76-77 is budgeted during this period to meet tuition payments for the first semester. Additional overseas staff support costs, including housing and office rental and utilities, maintenance and general services, and supplies, equipment and other transportation are expected to increase at a rate of six percent over FY 1976. An amount equal to fifty percent of the FY 1976 allocation for vehicle purchase has been budgeted during the transition to allow for necessary replacement of vehicles.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Washington Staff - Salaries and Benefits

	FY 1976 Estimate	Transition Estimate
Salaries and Benefits (\$000)	\$2,708	\$695
Planned Postions	129	129'

Changes in Washington Staff-Travel

	FY 1976 Estimate	Transition Estimate
<u>International Travel</u>		
Number of trips	220	66
Average cost per trip 1/	X\$1,632	X\$1,830
Subtotal (\$000)	\$ 359	\$ 121
<u>Domestic Travel</u>		
Number of trips	128	38
Average cost per trip 1/	X\$ 477	X\$ 524
Subtotal (\$000)	\$ 61	\$ 20
Total, International and Domestic Travel (\$000)	\$ 420	\$ 141
1/ To the nearest dollar		

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Washington Staff-Supplies, Equipment, and Other Services

	FY 1976 Estimate	Transition Estimate
Supplies, Equipment and Other Services	\$199	\$79

Changes in Washington Staff - Building Rental and Related Services

	FY 1976 Estimate	Transition Estimate
Building Rental and Related Services	\$213	\$ 45

Changes in Overseas Staff - Salaries and Benefits

	FY 1976 Estimate	Transition Estimate
U.S. Citizens	\$5,251	\$1,347
Foreign Nationals	2,474	691
Total	\$7,725	\$2,038
<u>Planned Positions</u>		
U.S. Citizens	216	216
Foreign Nationals	454	454
Total, Permanent Positions Overseas	670	670

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Travel

	FY 1976 Estimate	Transition Estimate
<u>Staff Assignment-Return</u>		
Number of trips	149	37
Average cost per trip <u>1/</u>	X\$5,269	X\$5,796
Subtotal (\$000)	\$ 785	\$ 214
<u>International Travel</u> (Operational, PRIST-staging travel)		
Number of trips	160	40
Average cost per trip <u>1/</u>	X\$1,533	X\$1,710
Subtotal (\$000)	\$ 245	\$ 68
<u>In-Country Travel</u>		
Overseas professional staff	350	88 <u>2/</u>
Average annual cost per professional staff <u>1/</u>	X\$1,504	X\$1,654
Subtotal (\$000)	\$ 526	\$ 146
Total, Overseas Staff Travel (\$000)	\$1,556	\$ 428

1/ To the nearest dollar

2/ Represents one quarter of the annual rate.

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Education Allowance

	FY 1976 Estimate	Transition Estimate
Number of Dependents	200	200
Average cost per dependent <u>1/</u>	X\$795	X\$418
Total (\$000)	\$159	\$ 84

1/ To the nearest dollar

Changes in Overseas Staff - Housing

	FY 1976 Estimate	Transition Estimate
Number of U.S. Staff	216	216
Average cost per Staff <u>1/</u>	X\$5,398	X\$1,430
Total (\$000)	\$1,166	\$ 309

1/ To the nearest dollar

Changes in Overseas Staff - Space, Utilities

	FY 1976 Estimate	Transition Estimate
Space, Utilities	\$1,075	\$285

Budget Activity 3A: INTERNATIONAL OPERATIONS STAFF COSTS - continued

Changes in Overseas Staff - Maintenance, General Service

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Maintenance, General Services	\$750	\$199

Changes in Overseas Staff - Supplies, Equipment, and Transportation

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Supplies, Equipment and Transportation	\$651	\$173

Changes in Vehicle Purchases

	FY 1976 Estimate	Transition Estimate
Number of Vehicles	38	18
Average cost per vehicle	X\$ 5,250	X\$5,540
Total (\$000)	\$ 200	\$ 100

Budget Activity 3B
EVALUATION

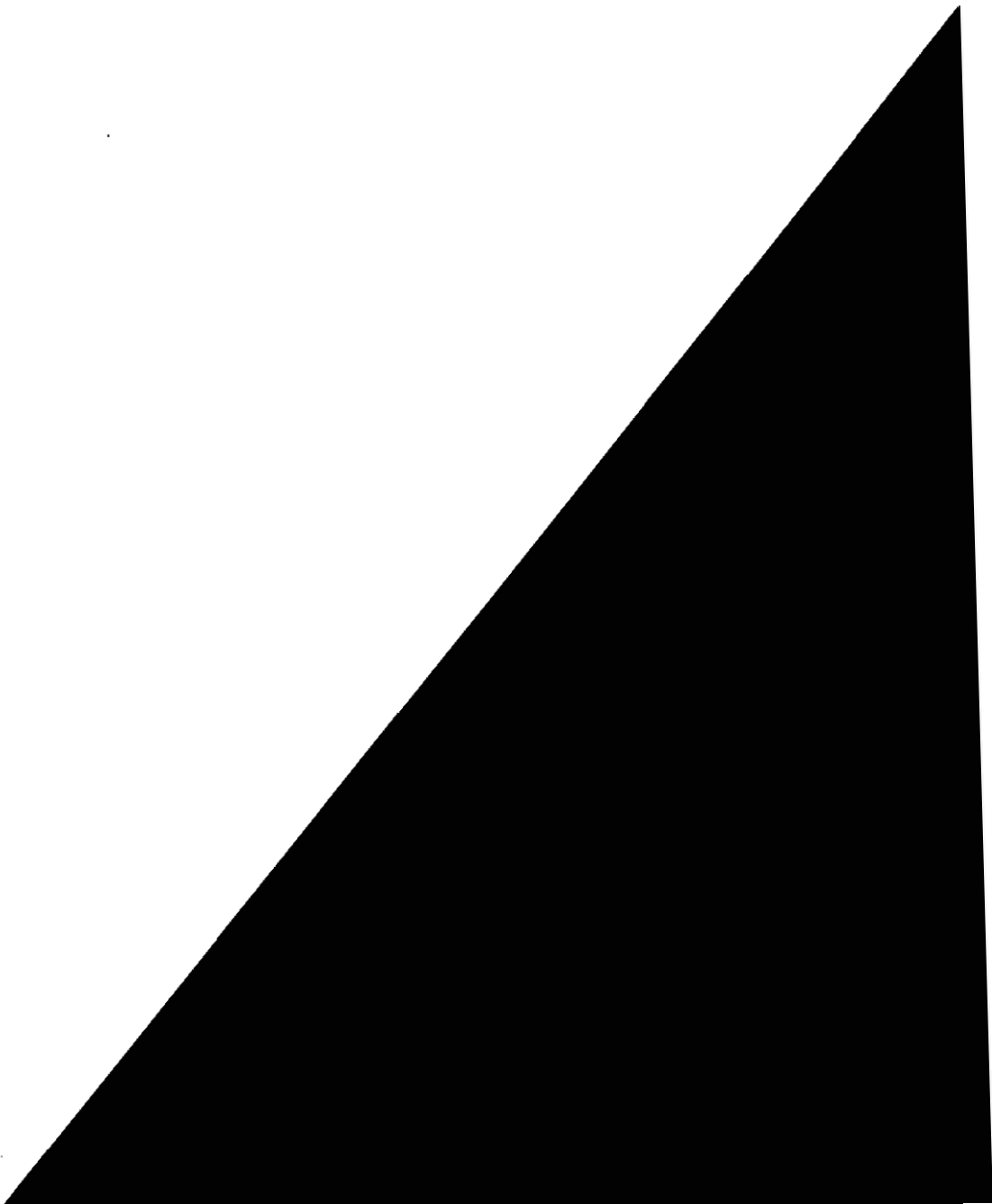
	(\$000)	
	FY 1976 Estimate	Transition Estimate
Evaluation	\$318	\$161

Funds for evaluation will be used to continue studies which will have been in progress throughout FY 1975 and FY 1976. The funds being provided are based upon the projected needs during the transition period and are not tied to a quarterly rate.

Budget Activity 3C
STATE DEPARTMENT SERVICES

	(\$000)	
	FY 1976 Estimate	Transition Estimate
Shared Administrative Support (SAS)	\$5,300	\$1,500
Inspector General	25	6
Total	\$5,325	\$1,506

Funds for State Department Services Shared Administrative Support (SAS), are projected at a rate of increases of 13 percent over FY 1976. This increase is consistent with the history of SAS charges to Peace Corps during the past several years, and with information provided by the State Department which indicates that worldwide overseas costs can be expected to continue to escalate.



ACTION AGENCY-WIDE COSTS

	(\$000)	
	FY 1976 Estimate	Transition Estimate
1. Peace Corps, ACTION International Programs	\$13,983	\$ 3,512
2. Operating Expenses, Domestic Programs	7,764	1,950
Total	\$21,747	\$ 5,462
Total Permanent Positions	557	557

General Statement

Costs of administering ACTION programs during the FY 1976 transition period will generally equal 25 percent of the Agency's FY 1976 appropriation request for that purpose.

Agency-wide costs will be assigned to ACTION's two appropriations on the same basis as in FY 1976. The formula for assignment of these costs and its application to transition period funds is as follows on the next page:

ACTION Agency-Wide Costs - continued

Allocation of Agency-Wide Costs
by Appropriation (Transition)
(\$000)

Transition permanent positions	1,242
Exclusively international programs	799
Exclusively domestic programs	443
International positions as percentage of 1,242	64.3%
Domestic positions as percentage of 1,242	35.7%
FY 1976 ACTION agency-wide costs	\$5,462
International appropriation share (\$5,462 X 64.3%)	\$3,512
Domestic appropriation share (\$5,462 X 35.7%)	\$1,950

Agency-wide costs are reflected in the following organizational categories:

	FY 1976 Estimate	Transition Estimate
	(\$000)	
Recruitment and Communications	\$8,592	\$1,968
Planning and Evaluation	1,728	422
Management and Administration	11,373	3,059
National Voluntary Service		
Advisory Council	54	13
Total	\$21,747	\$5,462

Further description of agency-wide activities and justification of the FY 1976 funding request is provided in the following pages.

ACTION Agency-Wide Costs - continued

OFFICE OF RECRUITMENT AND COMMUNICATIONS

	(\$000)			
	<u>FY 1976</u>		<u>Transition</u>	
	<u>Estimate</u>		<u>Estimate</u>	
	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	237	\$5,193	237	\$1,181
Other Expenses	---	3,399	---	787
Total	237	\$8,592	237	\$1,968

Budget Justification

Recruitment and Communications will require slightly less than 25 percent of funds requested for this purpose in FY 1976. Recruitment costs are cyclic; the period of time covered by the transition budget includes months during which recruiting requirements are generally low.

ACTION Agency-Wide Costs - continued

PLANNING AND EVALUATION

	(\$000)			
	<u>FY 1976</u>		<u>Transition</u>	
	<u>Estimate</u>		<u>Estimate</u>	
	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	54	\$1,367	54	\$ 341
Other Expenses	--	361	--	81
Total	54	\$1,728	54	\$ 422

Budget Justification

Planning and Evaluation will require slightly less than 25 percent of the FY 1976 request during the transition period. While personnel compensation and most other expenses will be maintained on a par with FY 1976, new starts in special studies and evaluation will be delayed until FY 1977.

ACTION Agency-Wide Costs - continued

MANAGEMENT AND ADMINISTRATION

(\$000)				
	<u>FY 1976</u> <u>Estimate</u>		<u>Transition</u> <u>Estimate</u>	
	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	266	\$6,046	266	\$1,512
Other Expenses	---	5,327	---	1,547
Total	266	\$11,373	266	\$3,059

Budget Justification

Management and Administration activities will be maintained at 25 percent of FY 1976 during the transition period, with one exception: reimbursement to the Office of Federal Employees Compensation (OFE) for twelve prior months' service will be required in August 1976; thus, a 12-month increment is included for this cost.

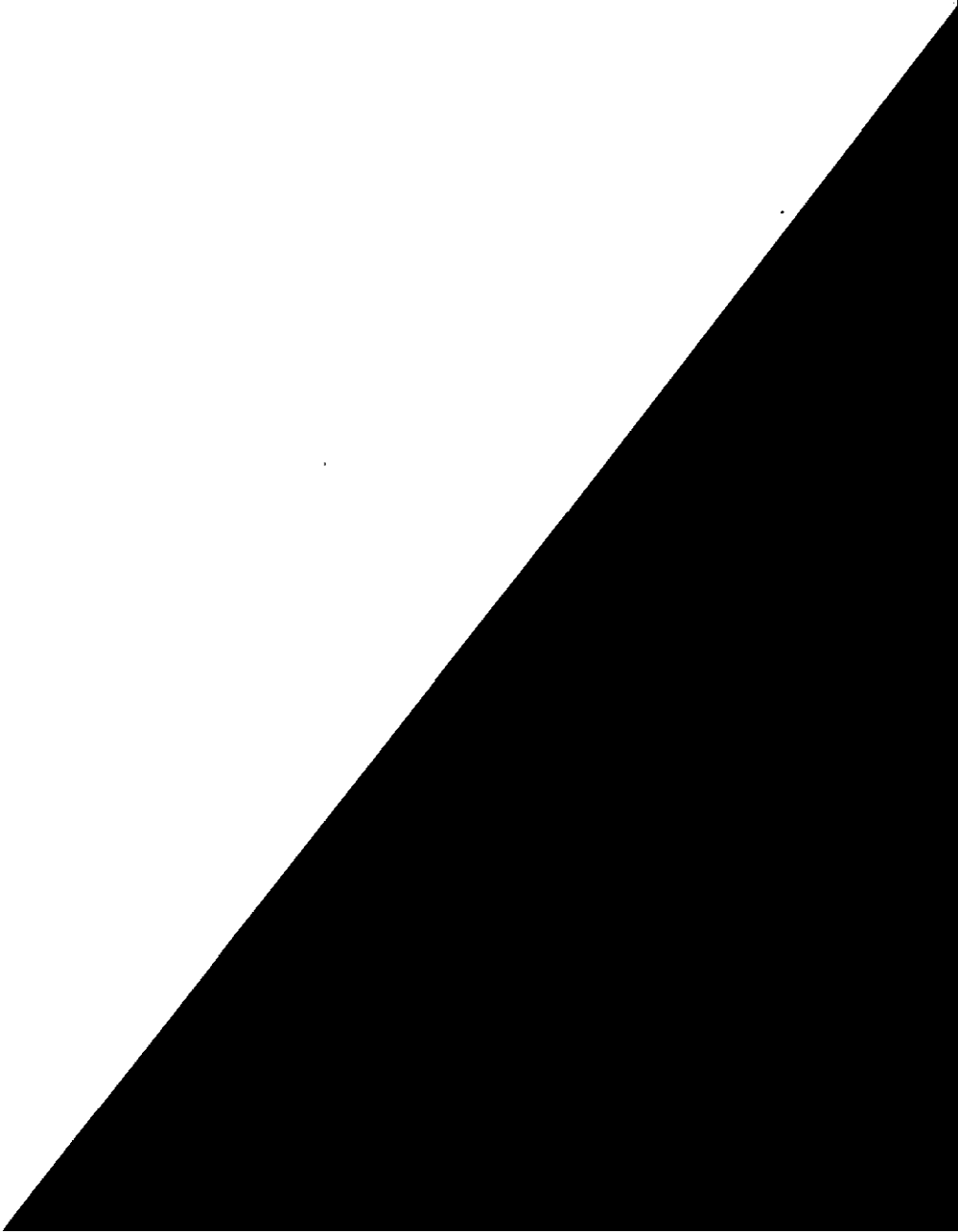
ACTION Agency-Wide Costs - continued

NATIONAL VOLUNTARY SERVICE
ADVISORY COUNCIL

	(\$000)				
	FY 1976			Transition	
	<u>Estimate</u>			<u>Estimate</u>	
	Pos.	Amount		Pos.	Amount
Personnel Compensation and Benefits	---	----		---	----
Other Expenses	---	\$ 54		---	\$ 13
Total	---	\$ 54		---	\$ 13

Budget Justification

National Voluntary Service Advisory Council will be funded at 25 percent of its anticipated FY 1976 requirements during the transition period.



**APPENDIX A: Reconciliation of Appropriation and Obligation Totals
FY 1976 - Transition
(\$000)**

	<u>FY 1976</u>	<u>Transition</u>
Appropriation	\$80,826	\$25,729
Real transfers to:		
State Department - Inspector General	25	6
Unobligated balance lapsing	<u>0</u>	<u>0</u>
Total Obligations	\$80,801	\$25,723