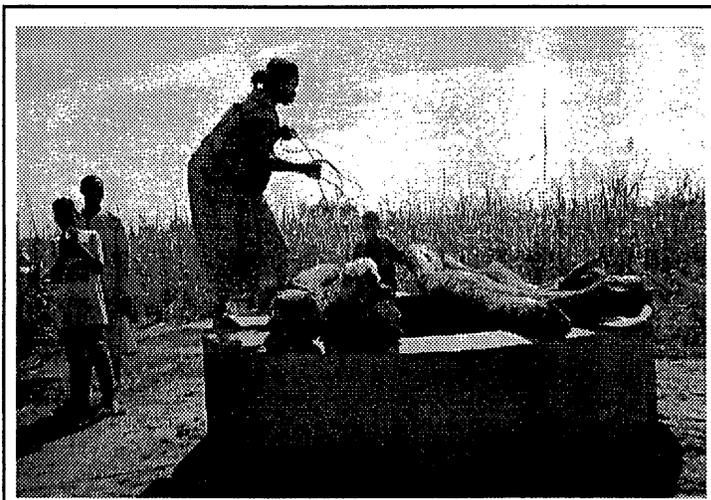


An Evaluation of the USAID-Peace Corps Small Project Assistance (SPA) Program

March 1995



A woman pulling water from one of the three wells in Lawai, Niger that PCV Felix Lucien helped the community finish. The wells had been started by Kuwaiti development workers, but were abandoned at the onset of the Persian Gulf War.

Submitted to:

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PREFACE

This evaluation was carried out by Management Systems International (MSI) during the period July 1, 1994 to February 28, 1995. Two individuals served in the role of Study Manager for this evaluation, Noreen O'Meara and Karen Lippold. The study's Technical Director was Molly Hageboeck. Members of the field staff included Douglas Daniell, Beth Floyd, Lawrence Heilman, Edward LaFarge, Karen Lippold, Noreen O'Meara, Bruce Mazzie, Jane Tomlinson, and Roberta Warren. Alan Goozner assisted with the statistical analysis of survey results and Joseph Steinberg served as the study's statistical advisor.

Management Systems International would like to thank the many people who assisted us during this worldwide SPA Program Evaluation. First and foremost, MSI would like to acknowledge the warm reception, logistical support and invaluable assistance that the nine Peace Corps posts afforded the evaluators during the fieldwork phase of the evaluation:

Africa Region:	Guinea, Niger and Swaziland
Asia-Pacific:	Fiji, Tonga
Inter-America Region:	Dominican Republic, Paraguay and Uruguay
ECAM:	Poland

A special thanks needs to be extended to all the Volunteers in the field who gave so generously of their time. Their dedication and enthusiasm was inspirational and illustrated, firsthand, what SPA is all about.

We would also like to acknowledge and extend our gratitude to the Washington-based Peace Corps and USAID staff who contributed to this worldwide evaluation. We are particularly grateful to Arnold Baker, USAID Peace Corps Coordinator; Jennet Robinson, USAID Coordinator, Peace Corps/OTAPS; Ted Peck, ex-SPA Coordinator, OTAPS, and Laura Hofer, SPA Program Specialist for their assistance during every phase of the evaluation.

Executive Summary

The USAID-Peace Corps Small Project Assistance (SPA) Program was initiated in 1983 as a quick funding mechanism to support low-cost, high-impact projects developed by communities and Peace Corps Volunteers working together at the local level. The SPA Program is funded by USAID through a Participating Agency Service Agreement (PASA) with the Peace Corps. The PASA makes funds available for grants for individual small projects and for technical assistance, which is used to train Volunteers and their host country counterparts in project design and management and other skills. The SPA Program is part of a broader effort to enhance field collaboration between USAID and the Peace Corps to capitalize on the strengths both agencies bring to the development process.

The evaluation discussed in this report is the third major evaluation undertaken of the SPA Program. Its objective was to assess the development benefits of the SPA Program, identifying the program's strengths as well as its weaknesses. Particular attention was paid to program support for participatory development at the "grassroots" level; the extent to which the SPA Program criteria and guidelines are applied and reflect the goals of USAID and the Peace Corps; and the effectiveness and sustainability of SPA projects. The evaluation also examined the management efficiency of the funding arrangements and the effectiveness of program management in the field. Data for the evaluation were collected through surveys sent to 61 Peace Corps offices and selected USAID Missions. These surveys inquired about management practices as well as about the performance of a random sample of 279 SPA projects initiated between 1991 and 1993. In addition, field visits were made to nine countries and 23 project sites.

Evaluation Findings

SPA projects were found to have addressed a wide range of community objectives worldwide. On a regional basis, roughly 56% of all SPA projects were carried out in Africa; another 23% were undertaken in Latin America. The remainder were distributed throughout Asia, the Near East, and Eastern and Central Europe. On a sectoral basis, 26% of the SPA projects examined focused on health and related problems; 22% focused on agriculture, and 21% focused on income generation and small business development. The remainder addressed environmental issues or opportunities for improving water and sanitation systems or education.

This evaluation highlighted the relevance of facilitating community development through Peace Corps Volunteers and small grants. Projects similar to those examined in this study have a strong likelihood for success in other communities where interested Peace Corps Volunteers and active community members can participate in their design and implementation.

The evaluation's major findings and conclusions were:

- Few development programs can claim as high a rate of achievement for their projects as was found for the SPA program, not only in this evaluation but also in the 1989 evaluation which covered the previous five-year period.

- A substantive review of SPA project objectives indicates that activities undertaken by this program are consistent with USAID's sustainable development goals that focus on broad-based economic growth, health and population, and the environment.
- Across a ten-year period, SPA projects have consistently performed as planned. For the years covered by this evaluation, 92% of all SPA projects achieved at least some of their stated objectives.
 - On a sectoral basis, health, education, environmental, and small business projects were found to be somewhat more likely to have achieved their objectives than were projects that focused on agriculture or on water and sanitation issues.
 - Relatively large projects, i.e., those to which SPA contributed \$5,000 to \$10,000 were more successful than relatively small projects to which SPA contributed \$1,000 or less.
- Approximately 80% of all SPA projects are reportedly being sustained, i.e., they are continuing to provide benefits to the communities in which they were undertaken.
- SPA projects not only produce visible results, but also strengthen a community's sense of empowerment and self-sufficiency. Training in project design and management is one of the SPA Program features that is helping to strengthen local capacity, both of individuals and organizations. There is evidence that individuals trained through SPA projects passed their skills on to others. Additionally, the program has facilitated both the strengthening of existing organizations and the creation of new ones.

From a management perspective:

- The costs of the SPA Program are low on a per project basis, with the average SPA contribution about \$2,500. SPA funds represent only a portion of a project's total cost, which is on average, around \$6,500. A 40% contribution from the SPA program is thus leveraging 60% of the resources needed for a project from the community itself or from other sources.
- The SPA Program appears to have done an exceptionally good job, for a highly decentralized program, of meeting reasonably conservative standards of accountability. The systems that are used to administer the SPA Program in the field work well, albeit with significant country-to-country differences.
- On the financial management side, however, funding gaps during the program year, which have emerged as a function of the way in which the program is financed, are having a negative effect on program operations and on Volunteer credibility.

- SPA program criteria are generally being respected as are limitations on the use of SPA Program funds. On the other hand,
 - A criterion that requires projects to have a secondary focus, apart from the Volunteer's primary assignment, is not always followed. Peace Corps staff and others generally believe that projects that complement a primary assignment are appropriate.
 - Peace Corps staff and others also believe that the SPA Program's prohibition on the purchase of computers, as opposed to other materials, is outmoded.

Recommendations

Recommendations for improving the SPA Program focus primarily on management:

- Eliminate funding gaps during the program year. Options for doing so include shifting to a forward funding approach that would apply USAID funds from one fiscal year to SPA projects initiated in the following year.
- Reduce the amount of time it takes for funds to flow to SPA projects following the approval of project proposals.
- Rationalize, update, and simplify the criteria and guidance materials that are used to administer the SPA program. Condense the SPA Guidance and SPA Handbook into one user-friendly document.
- Expand access to, and improve the quality of, SPA program orientation sessions and training programs that help Volunteers and their counterparts to develop project design and management skills.
- Improve SPA project monitoring and evaluation, primarily through a set of simple steps that Volunteers and their counterparts themselves can take to obtain information on project performance and impact.

PROJECT IDENTIFICATION SHEET

1. Country: Worldwide
2. Project Title: USAID/Peace Corps Small Project Assistance Program Evaluation
3. Project Number: AEP-0085-I-00-3001-00
4. Project Dates: February, 1991 to June, 1995 (Current PASA)
5. Project Funding: Annual Increments of roughly \$2.5 million per year
6. Mode of Implementation: Other Agency
7. Project Designers: USAID and Peace Corps
8. Responsible Mission Officials:
 - a. Mission Director(s): N/A
 - b. Project Officer(s): Arnold Baker
9. Previous Evaluations: April 1985, March 1989

ACRONYMS

ACN	Activity Completion Notification
AFR	Africa
AP	Asia-Pacific
APCD	Associate Peace Corps Director
B&F	Budget and Finance
COS	Close of Service
ECAM	Europe, Central Asia and the Mediterranean
HCG	Host Country Government
HCN	Host Country National
IA	Inter-American
IAA	Individual Activity Agreement
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
OTAPS	Office of Training and Program Support
PASA	Participating Agency Service Agreement
PC	Peace Corps
PCD	Peace Corps Director
PCV	Peace Corps Volunteer
PDM	Project Design and Management
PTO	Programming and Training Officer
PVO	Private Voluntary Organization
SPA	Small Project Assistance
TA	Technical Assistance
USAID	U.S. Agency for International Development

SECTION ONE

OBJECTIVES AND METHODS

This section of the evaluation report describes the context in which this study was undertaken and the methods used to carry it out.

A. Overview of the USAID-Peace Corps Small Project Assistance (SPA) Program

The USAID-Peace Corps Small Project Assistance (SPA) Program was initiated in 1983 to support low-cost, high-impact projects developed by communities and Volunteers working together at the village level. It is part of a broader effort to enhance field collaboration between USAID and the Peace Corps and to capitalize on the strengths both organizations bring to the development process.

The SPA program consists of two elements: a grant element which funds individual SPA projects in communities overseas, and a technical assistance element which funds, among other things, training for Volunteers and their host country counterparts in project design and management. For 1994, the SPA program's budget for grant funded projects was \$2,166,746. Another \$429,343 was authorized for the technical assistance component of the program.

On a worldwide basis, study data indicates that the average cost of a SPA project is approximately \$6,500. The SPA program's contribution to such projects averages out at about \$2,500, or roughly 40% of the total cost. On a regional basis, study data and Peace Corps' own annual reports show that average cost vary from region to region, as well as over time. Projects carried out in the Europe, Central Asia and the Mediterranean (ECAM) consistently have a higher average cost than projects in other regions, as the following table indicates.

Region	1992		1993	
	Number of Projects	Average SPA Grant	Number of Projects	Average SPA Grant
Africa	355	\$2,589	323	\$2,499
Asia-Pacific	93	2,545	81	1,692
ECAM	16	5,189	59	4,106
Inter-American	109	3,218	172	2,684
All Regions	573	3,385	635	2,745

Source: Peace Corps Small Projects Assistance Program Activities Reports for 1992 and 1993.

In 1992, the middle of the three years examined by the evaluation, 9% of all Volunteers, on a worldwide basis, were involved in SPA projects. Roughly half of the Volunteers who worked on SPA project were men, and half were women. On a regional basis, differences existed with respect to the percentage of Volunteers undertaking SPA projects:

- In the Africa region (AFR), 14% of the 2,612 Volunteers were involved in SPA projects;
- In the Asia-Pacific (AP) region, 10% of the 962 Volunteers in the region undertook SPA projects;
- In the ECAM region, 3% of the region's 630 Volunteers were involved in SPA projects, and
- In the Inter-American (IA) region, 5% of all Volunteers developed SPA projects.

With respect to sectors, Volunteers designate their SPA projects as fitting in one of seven sectors when they prepare SPA proposals. The seven sectors from which they choose are listed on the SPA programs Initial Activity Agreement (IAA) form as: agriculture, health, income generation, small business development, environment, water/sanitation, and education. Geographic bureaus which differ with respect to the actual number of projects undertaken, as the preceding table indicates, also differ in terms of the percentage of their projects that were coded as belonging to one of these seven sectors, or groups as show below.

Percentages of projects, as reported below and throughout this report, are based on 208 project-level surveys that were received from Peace Corps offices and were weighted to properly represent the SPA project populations of various countries, as described in Appendix B.

Sector	Region			
	AFR	AP	ECAM	IA
Agriculture	22%	19%	---	11%
Health	22%	36%	16%	33%
Income Generation	17%	10%	11%	31%
Small Business Development	3%	---	11%	5%
Environment	2%	---	19%	6%
Water/Sanitation	16%	22%	14%	12%
Education	18%	13%	29%	2%
TOTAL	100%	100%	100%	1

B. Evaluation Objectives

The evaluation discussed in this report is the third major evaluation undertaken for the SPA program. The evaluation completed in March 1989 examined the program's early years.

The objective of the present evaluation, as stated in the evaluation Scope of Work, is to *"assess the development benefits of the SPA program to the two cooperating agencies and to the local communities examined as part of the study."* Program strengths and weaknesses as well as "lessons learned" through program experience were topics of special concern for the evaluation.

At a more detailed level, the evaluation focused on developing answers to detailed questions in six areas identified in the evaluation Scope of Work:

- The extent to which the SPA program is supporting sustainable participatory development projects and technical assistance at the grass roots level;
- The extent to which the current SPA program guidelines and criteria relate to both agencies' development goals;
- The scope, effectiveness and sustainability of projects funded by the SPA program;
- The scope, impact and capacity building taking place through SPA technical assistance and grant funds;
- The cost effectiveness and management efficiency of the current collaborative funding mechanism for the SPA program, and
- The effectiveness of program and management mechanisms at the field level.

A copy of the full text of the evaluation Scope of Work, which includes a series of detailed questions in each of these six areas, is presented in Appendix A.

C. Evaluation Methods

The methodology used in this study was developed through a collaborative process in which USAID and Peace Corps staff, as well as the full MSI evaluation team, were involved.

Data for this study were collected in Washington and overseas using a variety of instruments and methods, including:

- A review of information contained in Peace Corps/Washington's SPA files;
- Program-level survey instruments that were sent to 61 Peace Corps offices and returned by 49 (80%) of those offices as well as project-level survey instruments which were sent to these offices covering a random sample of 279 SPA projects from the 1991-1993 period. Of these project-level surveys, 208 (75%) were returned.

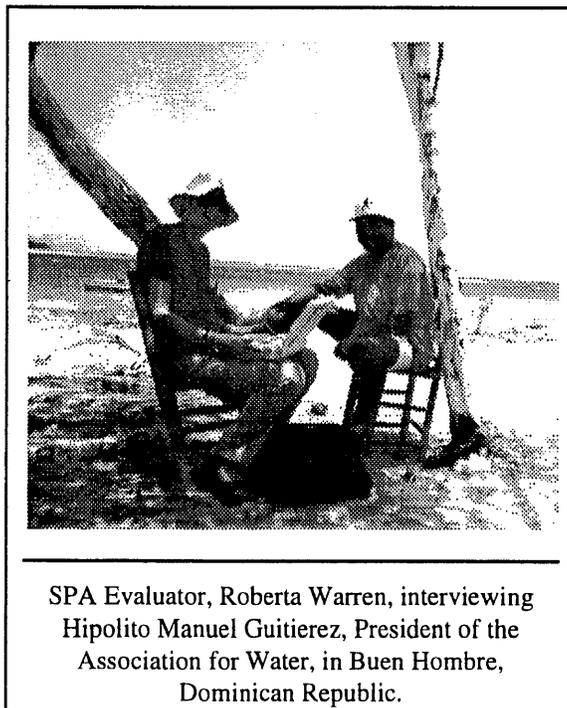
- Parallel survey instruments which were sent to selected USAID Missions and returned by 16 of these missions:
- Site visits, which were made to nine countries¹, and included detailed interviews at a total of 23 project sites in those nine countries: and
- Interviews were carried out with Peace Corps/Washington and USAID/Washington staff whose focus included regional issues, program management, and finance.

Data analysis involved two distinct processes:

- A statistical analysis of those elements of the study's survey instruments which could be quantified, using SPSS, a well-known statistical analysis program, and
- Content or pattern analysis, which was used to analyze all of the study's interview data as well as narrative answers to questions in the study's survey instruments.

A more complete discussion of the evaluation's methodology, particularly as regards its survey research procedures, is presented in Appendix B.

In addition to these methods of analyzing and displaying study data, the evaluation team developed profiles of individual SPA projects and took photographs that help to illustrate the way in which SPA projects affect the communities in which they are undertaken. All of these sources of information were blended together to frame the study's answers to the questions the evaluation sought to address.



¹ Paraguay, Uruguay and the Dominican Republic; Poland; Fiji and Tonga; Niger; Guinea and Swaziland.

SECTION TWO

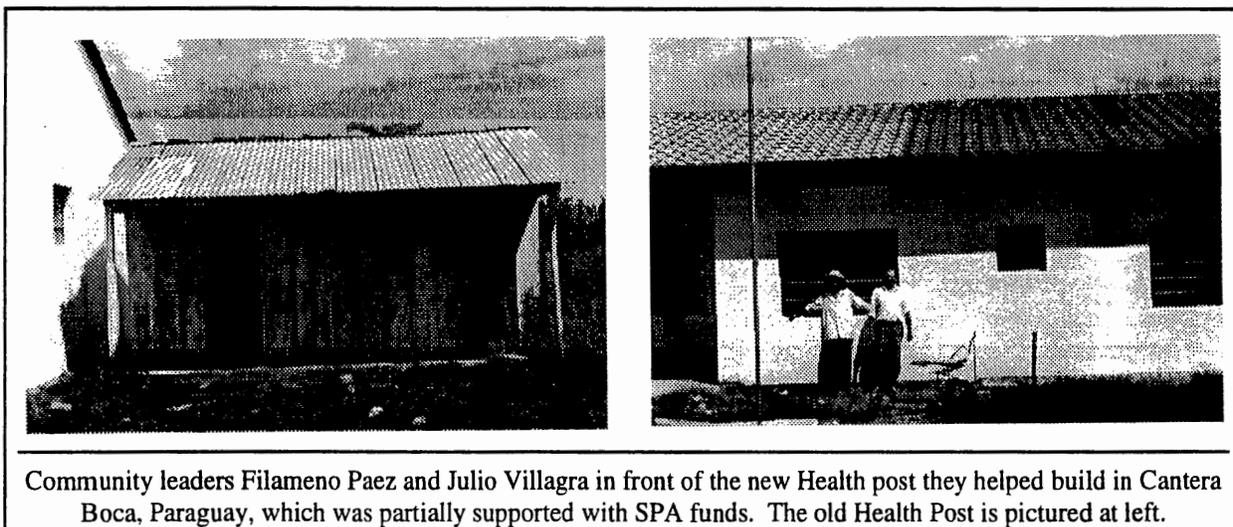
THE EFFECTIVENESS, SUSTAINABILITY AND IMPACT OF SPA PROJECTS

The intention of the USAID-Peace Corps Small Project Assistance (SPA) program is to facilitate Volunteer efforts to foster small grassroots development projects in communities that might not otherwise have either the confidence or the resources to carry out such efforts. This section examines the degree to which SPA projects live up to these intentions. The section covers three related topics, namely:

- The effectiveness of SPA projects, which includes their ability to achieve the objectives that are set for them and the degree to which project beneficiaries are satisfied with the results;
- The financial and managerial sustainability of SPA projects, beyond the one year effort that Peace Corps Volunteers and the SPA program make on their behalf, and
- The impact of SPA projects — on the communities in which they are undertaken, on the Volunteers who participate in them, and on the broader goals of Peace Corps and USAID.

A. The Effectiveness of SPA Projects

In this evaluation, two measures were used to assess the effectiveness of SPA projects. The first of these measures, the achievement of SPA project objectives, is a relatively strong measure. Statements about physical changes in communities and about the knowledge and skills community members acquire as project participants and beneficiaries are provided in Volunteer reports, and were discussed in responses to the evaluation surveys and interviews. The second measure, beneficiary satisfaction, is also useful, but its credibility is lower. Conceptually, beneficiary satisfaction is an appropriate measure of project success. In practice, it is a subjective assessment by Volunteers of the impressions which project beneficiaries have of SPA project results. The measure, in its current form, lacks a clear basis in evidence.



As to the availability of data on these measures, the evaluation team found that SPA project objectives, which are developed at the time these projects are designed, are included in the proposals that are presented for funding and recorded in a document called an Individual Activity Agreement (IAA), which is maintained as part of a project's permanent in-country record. Abstracts of IAA's are forwarded to Peace Corps/Washington, where they are used to prepare the SPA program's annual report.

Information about changes in project objectives, along with data about the achievement of these modified objectives, and Volunteer ratings of beneficiary satisfaction are recorded in a document that Peace Corps Volunteers complete at the end of a SPA project's one-year funding period. This document, which is called an Activity Completion Notification (ACN) is maintained in the project's permanent file in country. It is also forwarded to Peace Corps/Washington.

When the evaluation's project level questionnaires were prepared, information on project objectives and beneficiary satisfaction found in IAA abstracts and ACNs on file in Peace Corps/Washington was transcribed onto these questionnaires. As part of the survey effort, Peace Corps staff and Volunteers were asked to verify this basic information and to supplement it with additional data on project effectiveness and impact. For projects for which Peace Corps/Washington did not have IAA abstracts or ACNs, field staff and Volunteers were expected to use the evaluation questionnaire to supply missing information on a project's objectives and accomplishments as well as on beneficiary satisfaction.

1. The Achievement of SPA Project Objectives

Beginning with a review of the types of objectives SPA projects attempt to achieve, this section examines the frequency with which such objectives are actually achieved. Other unexpected project outcomes are also examined, finally, the factors that seem to be associated with SPA project "success" are reviewed.

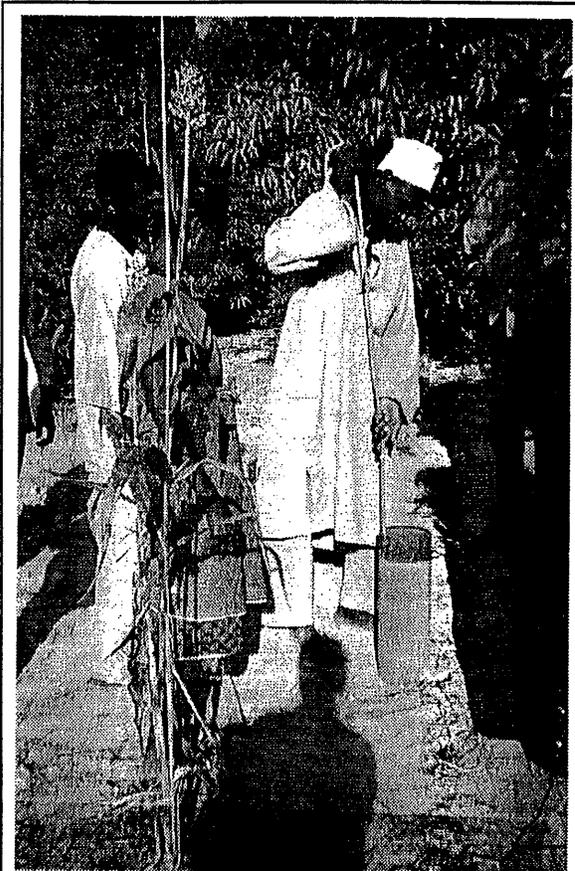
a. An Overview of SPA Project Objectives

SPA projects address a wide range of development problems at the community level. Of the 76 projects for which this information was provided in completed project level questionnaires:

- 30% identified the problem addressed by the SPA project as a lack of clean drinking water or sanitation;
- 24% said the project addressed a repair or construction need, often related to a school or to community health service needs;
- 21% reported that projects responded to the lack of an adequate food supply in the community;
- Construct an improved breadmaking oven for the group. Group members learn breadmaking. Oven produces 80 baguettes/day to meet local demand. Bakery generates a net profit for bread group members.
- Constant clean water supply developed for the community, including separate areas for collecting drinking water and for bathing. Training in construction and maintenance techniques and in health and hygiene practices provided.

- Ground cleared for a chicken house. Students collect sand and gravel for bricks using school transportation. Students mold bricks and construct the chicken house. Chickens collected and fed. Chicken house is run by students.
- One hundred women complete a basic literacy curriculum. Four facilitators teach the six-month curriculum.

Data from the evaluation's project level survey indicate that in most of the SPA projects included in the sample, the objectives that were originally developed for projects remained unchanged during the project's lifetime. For 21% of the projects in the sample, the original objectives were modified in some way during project implementation. Typically these modifications involved changes in the scope of the project which were designed to make them more manageable; changes which reflected new decisions about the best way to solve the problem the community faced, and changes which reflected unforeseen circumstances.



Community member demonstrates the mechanics of one of the five tube wells installed by a PCV in the village of Doundaye, Niger

b. The Rate of Achievement of SPA Project Objectives

With respect to the achievement of SPA project objectives, data from the project level questionnaires indicate that:

- In 79% of the SPA projects examined, all of the project's initial objectives were achieved²;
- In another 13% of the projects some, but not all, of the initial project objectives were achieved;
- For a final group, representing 8% of the projects, respondents reported that the original objectives were either not achieved or that they could not tell whether the project's original objectives had been achieved. Some respondents reported that it was too early to do so; and
- In addition, of those projects for which some modification of the original objectives was reported, 78% were described as having achieved their modified objectives.

2 This is the same percentage of projects as was reported to have achieved their objectives in the 1989 evaluation of the SPA program, i.e., "Evaluation of the Peace Corps Small Project Assistance (SPA) Program", TvT Associates, 1989.

Asked about the kinds of things SPA projects actually produce, respondents characterized SPA projects as developing new skills and products in project communities, and helping people to achieve new levels of comprehension and understanding. Many respondents also described physical changes in the project environment, e.g., new construction as well as the results of conservation efforts.

In addition to the objectives SPA projects set out to achieve, a number of Volunteers reported in the ACN forms they prepared that projects had also yielded unexpected outcomes. According to reports on unexpected outcomes in 44 of the SPA projects included in the evaluation sample:

- 36% of these projects yielded unexpected results in the form of an expansion of the project or in terms of production that exceeded expectations about its quantity or quality;
- 23% reported that participants and beneficiaries exhibited an unexpected increase in self-esteem, enthusiasm, motivation and cooperation; and
- 7% indicated that projects were unexpectedly replicated.

On the negative side:

- 32% had unexpected problems in the course of project implementation, resulting from devaluation, inflation, theft, etc.

c. Factors Associated with the Successful Achievement of SPA Project Objectives

While it is clear that the vast majority of SPA projects were viewed by evaluation survey respondents as having achieved their original objectives, important differences were found between subsets of projects in this regard.

SPA projects carried out in the ECAM region and in the AP region were more likely to have achieved all of their initial objectives than were projects in other regions.

Region	Percentage that Achieved All of Their Original Objectives	Percentage that Achieved Some of Their Original Objectives
Inter-America	78%	22%
Asia/Pacific	96%	2%
Africa	72%	15%
ECAM	100%	—

The higher the level of development in a country, as measured on a per capita income basis in the World Bank's annual World Development Report, the greater the likelihood that a SPA project's objectives would be achieved:

- Of those projects which were undertaken in countries in the low income group, 69% achieved all of their initial objectives;
- In the lower middle income countries, this figure rose to 86%, and

- In upper middle income countries, 100% of the SPA projects were reported to have achieved their original objectives.

While this association is closely related to the geographic regions the Peace Corps serves, it is not exactly the same.

- In the IA region, 88% of the projects were carried out in countries that were classified as lower-middle income, while 4% were in countries that were classified as lower income and 8% were in countries that were classified as upper middle income.
- In the AP region, the percentage of projects in countries classified as lower middle income was also high, at 80%. The other 20% of the cases in this region were carried out in countries that were classified as lower middle income.
- In Africa the situation was reversed, with 80% of the projects being carried out in low income countries; 15% in lower middle income countries and 5% in upper middle income countries.
- The ECAM region picture was mixed, with 70% of the cases in countries that were classified as lower middle income; 13% in low income countries and 17% in upper middle income countries.

On a sectoral basis, education projects were found to be more likely to achieve all of their objectives than were other types of projects. Agriculture projects were the least likely to do so, as the following table suggests:

Project Focus	Percentage that Achieved All of Their Original Objectives	Percentage that Achieved Some of Their Original Objectives
Education	98%	2%
Health	90%	10%
Environment	89%	11%
Small Business	88%	13%
Income Generation	74%	10%
Water/Sanitation	65%	18%
Agriculture	60%	25%

As a general proposition, SPA projects that involve relatively large amounts of money, i.e., between \$5,000 and \$10,000 as compared to those that involve less than \$1,000, are more likely than others to achieve all of their objectives.³

3 This finding agrees with a finding presented on page 10 of Volume I of the 1989 evaluation: "Projects were classified into five budget categories from under \$500 to more than \$5,000. In general, the very smallest projects (with budgets under \$500) have lower rates of success than larger projects."

Total Project Cost	Percentage that Achieved All of Their Original Objectives	Percentage that Achieved Some of Their Original Objectives
\$1 to \$1,000	73%	10%
\$1,001 to \$5,000	78%	13%
Over \$5,000	82%	16%

In terms of the gender of the Volunteer, there was a slight difference in the frequency with which SPA projects achieved all of their original objectives. Eighty-three percent of the projects involving male Volunteers as compared to 75% of the projects involving female Volunteers were found to have achieved all of their original objectives. At the same time, female Volunteers were found to be much more likely than male Volunteers to modify the objectives of their projects, and they tended to be quite successful in achieving their modified objectives.

While both Peace Corps and USAID staff have the impression that training in project design and management leads to better project proposals and hence to more successful projects, data from the sample of projects examined during this evaluation does not provide clear confirmation of this hypothesis. In order to examine the relationship between project design and management training and the achievement of a SPA project's original objectives, Volunteers who carried out the SPA projects included in the evaluation sample were grouped into three clusters:

- Volunteers who took the formal Project Design and Management (PDM) course which was developed and sponsored by Peace Corps Office of Training and Programming Support (OTAPS), using SPA technical assistance funds, and which has been given, at least once, in 68% of the countries in which the SPA program operates.
- Volunteers who took a project design and management course that was adapted from or based on the original PDM course developed by OTAPS, i.e., some form of project design and management training either in the form of a stand-alone course or as part of the Volunteer's in-service training.
- Volunteers who received no project design and management training.

As the table below indicates, projects involving Volunteers who had received project design and management training, from any source, were not found to be more likely to achieve all of a SPA project's original objectives than were projects that involved Volunteers who lacked such

Exposure to Project Design and Management Training	Percentage that Achieved All of Their Original Objectives	Percentage that Achieved Some But Not All of Their Original Objectives
Volunteer received training from any source:	77%	16%
[OTAPS: PDM Course]	[80%]	[11%]
[Local Version]	[76%]	[20%]
Volunteer did not receive training:	89%	9%

training. However, when specific training sources are considered, projects linked to Volunteers who participated in the OTAPs sponsored PDM courses were more likely to achieve all of their original objectives than those linked to Volunteers who participated in locally adapted training programs. This latter comparison suggests that, all other things being equal, there may be important differences between the course OTAPs sponsors and locally adapted versions.

The problem with drawing too fine a conclusion based on this data on the relationship between training and project “success” is that “all other things” are not necessarily equal. Factors such as the total cost of a project, for example, may have a greater influence on achievement than does Volunteer participation in a project design and management training course.⁴

While the factors considered above are related to the achievement of SPA project objectives in interesting ways, they are not the only factors, nor perhaps are they the most important factors when it comes to explaining why some SPA projects do better than others. Other factors that may have an important influence project “success,” such as strong community participation at all stages of the project process, were identified by survey respondents in narrative answers to items included in the evaluation’s project level questionnaire as well as in the Peace Corps Country Office survey.

At the project level, narrative responses to a question that asked about what would have made it easier to achieve a project’s objectives served to identify some of the factors that Peace Corps Volunteers and staff view as being linked to project “success.” Seventy-five respondents answered this project level question, providing 79 distinct comments. Of these:

- 19% said they were pleased with all aspects of the way the projects had run and had no suggestions.

Other respondents offered the following suggestions:

- 27% said that Volunteers and their counterparts should have been required to attend a project design and management course before undertaking a SPA project;
- 19% said that it would have helped if there had been more host country involvement at all stages;
- 10% suggested that more attention to monitoring and evaluation would have helped;
- 10% said that the prompt provision of project funds would have made things easier; and
- Others suggested more emphasis on “capacity building” in projects.

Respondents were also asked, for projects that did not achieve any of their objectives, to describe the impediments or problems that precluded achievement of these objectives. Very few respondents answered this question, which is consistent with the fact that most projects were reported to have achieved their objectives. Of the eight responses received concerning projects that did not do so:

4 In fact, the evaluation study data indicates that there is an inverse correlation between project design and management training and total project costs. A larger proportion of inexpensive projects was undertaken by Volunteers who had received project design and management training (90%) than was the case for higher cost projects (73%). Other important pairs of variables, e.g., training and gender, and training and sector, also seem to be inversely correlated, making it highly likely that one or a combination of these variables is a more powerful predictor of achievement than is training alone.

- Two cited financial problems stemming from poor estimates of what was needed;
- Two cited unrealistic objectives;
- Two cited internal strife within the local project group or organization; and
- Theft and weather accounted for the last two reported cases.

With respect to the “lessons learned” from completed SPA projects about setting and achieving project objectives, another question from the evaluation’s project level survey is also illuminating. One hundred fourteen respondents answered this question, offering a total of 121 “lessons”. Of these:

- 31% focused on the importance of having the project idea come from the community. Communities must view projects as being “theirs” and not the Volunteers’.
- 31% of the suggestions offered called for simplicity in project design, so that maintenance and replicability are not too difficult.
 - As one Volunteer put it “attempt the simple as if it were difficult.”
- 12% said that having a monitoring and evaluation system built into the project is essential for success.
- Others called for more careful study of the general project environment before projects are begun; greater flexibility during implementation, and stronger “capacity building” elements.

Parallel questions were asked of Peace Corps staff through the Peace Corps Country Office survey. One question asked why some projects fail. Another asked about the factors that, across a range of projects, seem to be associated with SPA project success. Peace Corps staff answers to these questions resonate with the comments offered above by those who responded for specific projects.

Commenting on instances in which SPA Projects fail to achieve their objectives, 32 Peace Corps Country Offices offered a total of 53 distinct comments. Of these:

- 40% cited a lack of community interest and involvement as the key factor;
- 38% focused on poor planning, i.e. overly ambitious objectives, unrealistic time frames and inappropriate technologies as the main culprit;
- 12% talked about unforeseen obstacles and problems, e.g., inflation rates, hitting rock when digging a well; natural disasters or the disbanding of community organizations;
- 6% mentioned early terminations by Volunteers; and
- 4% cited delays in the allocation of funds to projects as a source of failure.

In response to a related question about the factors that seem to be consistently associated with SPA project success, 45 Peace Corps Country Offices presented 71 separate ideas. Of these:

- 45% cited community “ownership” of projects as a critical factor, and noted the importance of community participation in all phases of project design and management;

- 31% cited thorough research at the time of project design and the incorporation of that research into the project plans.
 - Simplicity in SPA project designs was highlighted by several respondents as being essential;
 - Others talked about the importance of designing a project around an expressed need of the community.
- 24% reported that a Volunteer's level of dedication, guidance, leadership and "capacity-building" skills were important factors associated with successful SPA projects.

2. Beneficiary Satisfaction

In this evaluation, the ratings that Volunteers provide on beneficiary satisfaction in their ACN forms are treated as a secondary measure of project effectiveness. In principle, beneficiary satisfaction is a reasonably good measure of whether SPA projects are meeting real needs in the communities in which they are undertaken. In practice, however, too little is known about the evidence upon which Volunteers base the beneficiary satisfaction ratings they include in their ACNs to fully equate these ratings with beneficiary perceptions. At the same time, the evaluation team noted that interview data tended to agree with the beneficiary satisfaction ratings volunteers had provided on their ACN forms.

On the ACN form, Volunteers rate beneficiary satisfaction on a low-to-high scale that has three values on each side of zero, i.e. -3...-2...-1...0...1...2...3. Across the full set of responses to the evaluation's project level questionnaire, the average rating given on beneficiary satisfaction was found to be +2.2. Ratings were also examined according to the way they were distributed along this scale:

- 6% of all projects were rated as zero or below;
- 10% were rated as +1;
- 28% were rated as +2; and
- 56% were rated as +3.

When these ratings were compared to data on the frequency with projects achieved their original objectives, two things became obvious:

- The vast majority (92%) of projects that received a beneficiary satisfaction rating of +3 also achieved all of their original project objectives;
- However, not every project that achieved all of its original objectives received a beneficiary satisfaction rating of +3. Of those projects that achieved all of their project objectives:
 - 64% also received a beneficiary satisfaction rating of +3;
 - 26% received a beneficiary satisfaction rating of +2;

- 6% received a beneficiary satisfaction rating of +1; and
- 3% received beneficiary satisfaction ratings of zero or lower.

If the achievement of all project objectives does not correlate perfectly with beneficiary satisfaction ratings, other factors in the SPA project situation must play a role in the way these ratings are assigned. A review of the relationship between beneficiary satisfaction ratings and other variables on which a good deal of data was amassed during the evaluation indicate that:

- Beneficiary satisfaction ratings tend to be higher for projects carried out in the Asia-Pacific and ECAM regions than they are for projects carried out in Africa or in the Inter-America region;
- They tend to be higher for projects which were relatively high in cost; and
- They also tended to be higher than average for projects that focused on education, health, small business development and income generation.

While these relationships are conceptually separable, they may not be independent at a practical level, e.g., the ECAM region has more high cost projects than do other regions.

Beneficiary satisfaction ratings did not tend to vary as a function of Volunteer gender, exposure to project design and management training, or as a function of the level of development in the country in which they were carried out. The influence of additional factors that can be used to characterize SPA projects on the beneficiary satisfaction ratings included in ACNs is not clear.⁵

B. The Sustainability of SPA Projects

Two dimensions of the sustainability of SPA project were explored through evaluation questionnaires and interviews. The first of these dimensions focused on whether project benefits were still being provided by SPA projects. The second focused on whether communities were continuing to provide financial support to these projects.

With respect to the continued provision of project services and benefits, 81% of the respondents to the evaluation's project level questionnaire reported that services and benefits were continuing⁶; 4% said that project services and benefits had ceased, and the rest of the respondents to this question said it was either too early to tell or that they did not know whether or not services and benefits continued to be provided. Peace Corps staff responses on a question included in the Peace Corps Country Office survey also suggested that SPA projects rate fairly well with respect to the continuation of services and benefits. On a 1-5 scale, in which 5 meant that services and benefits were being continued in almost all projects, Peace Corps staff gave SPA projects an average rating of 4.1.

When asked to describe any impediments that stand in the way of projects being able to continue to provide benefits and services, nine respondents identified significant impediments including:

5 Given the absence of "hard" (numerical), as opposed to "soft" (narrative) data, on such factors as the degree of community participation in projects, the relationship between beneficiary satisfaction ratings and a range of other factors that may be important cannot be determined statistically.

6 As compared to 88% of the projects examined in the 1989 evaluation.

- A lack of community interest and commitment, in three situations;
- Internal conflicts in the community, in two situations;
- The absence of clear signals about who was responsible or the absence of adequate resources, in two situations, and
- Poor project design and a devaluation, in the last two cases cited.

As to whether communities were continuing to provide financing for SPA projects: 62% of the respondents to the evaluation's project level survey said that they were; 12% said that communities were not continuing to provide funds, and the rest of the respondents said that they did not know or that it was too early to answer this question. Here again, Peace Corps staff presented a similar assessment in their responses to the evaluation's Peace Corps Country Office survey. Asked to rate the financial sustainability of SPA projects on a 1-5 scale, where 5 meant that almost all projects were financially sustainable, Peace Corps staff gave SPA projects an average rating of 3.1.

In a related question, respondents to the project level questionnaire were asked to describe the procedures communities were using to sustain SPA projects in a financial sense. Fifty respondents answered this question. Of these:

- 44% reported that beneficiary contributions, collections and user fees were being used to cover the recurring costs of projects;
- 28% reported that a single institution, e.g., the local school, was expected to absorb the continuing costs of a project; and
- 28% reported that projects were expected to generate revenues through product sales and that these would be sufficient to cover any recurring costs.

Respondents to the project level questionnaire were also asked to describe impediments to efforts that were being made to sustain SPA projects in a financial sense. Fifteen respondents answered this question, offering 18 distinct observations. Of these:

- 33% reported that communities were simply not willing to pay to sustain the project;
- 27% reported that project expenses had been underestimated, which prevented the community from achieving its goal of financial sustainability;
- 11% reported problems that resulted from a failure to make provisions for the maintenance costs of a project;
- 6% reported that internal strife within the project community impeded efforts to make project financially sustainable; and
- Other respondents talked about the effects of devaluations, natural disasters and about the need for replacement Volunteers to follow-up on what their predecessors had begun.

When asked about the lessons that had been learned from these experiences about sustaining project services and benefits and about covering the recurring costs of projects, a number of ideas were presented. With respect to the continuation of project services and benefits, 96 respondents replied, offering a total of 100 suggestions. Of these:

- 25% stressed the importance of community “ownership” of a project, from the very beginning;
- 16% noted the need for planning for financial and technical maintenance at the time projects are designed;
- 14% stressed the importance of good initial project designs, with realistic objectives and sound management plans;
- 14% called for more emphasis on project evaluation; and
- 10% stressed the importance of including educational components in projects and developing human resources.



APCD Ken Patterson greets a village chief in Niger where a SPA-funded woodless adobe building was built; PCV's Jane Higgins and Barbara Scharl look on with other community members.

With respect to the financial aspect of sustainability, lessons offered by 73 respondents included 81 ideas. Of these:

- 31% focused on the importance of ensuring, at the outset, that communities are committed to financing the project over the long term;
 - Several respondents suggested looking at the proportion of the project the community finances; one said that if it is less than 30% there may be trouble down the line with financial sustainability.
- 21% said that the projects that are most likely to be sustained are those which are small, have achievable objectives, focus on basic community needs and utilize appropriate technologies;
- 9% stressed the importance of developing income generating elements with projects;
- 7% said that training in project design and management helps host counterparts in this regard; and
- 6% said that projects are more likely to be sustained when the groups or organizations involved have prior experience in project implementation.

C. The Impact of the SPA Program

SPA projects have their primary impact on the communities in which they are undertaken. Responses to all of the surveys carried out for this evaluation as well as interviews conducted in the field overwhelmingly indicate the impact of the SPA program is positive at the community level. This is not, however, the only way in which the effects of SPA projects are felt. This section examines the full range of SPA project impacts, including:

- Direct effects at the community level;
- Multiplier effects which reach beyond the original project and often beyond the community in which a SPA project was undertaken;
- The impact of SPA projects on Volunteers;
- SPA's effect on Peace Corps relationship with the host country, and
- The contribution that SPA projects make to the achievement of country-level Peace Corps objectives and to the achievement of the goals of USAID.

1. The Impact of SPA Projects at the Community Level

At the community level, SPA project impacts are often quite general in nature. In addition, these projects also yield specific effects in several areas, including capacity development, development progress on a sector specific basis, environmental impacts, and noticeable effects on women in the community. This section explores those effects and summarizes the "lessons learned" by Peace Corps staff and Volunteers in each of these areas.

a. Overview of the Impact of SPA Projects at the Community Level

Responses from Volunteers, Peace Corps staff and USAID staff all indicate that SPA projects have an observable impact at the community level. In the evaluation's project level questionnaire, respondents were asked to describe the impact of the SPA project upon which they were reporting on the community group that received the funds. Of the 164 respondents who answered this question:

- 25% reported that in addition to transferring technical and organizational skills, the SPA project instilled the community with confidence, self-esteem and a sense of empowerment;
- 24% reported on improvements in the general health of the community due to wells, pumps and latrines as well as to new gardens and the opening of new health care facilities;
- 13% reported on educational improvements and an increase in school enrollments due to school construction, repairs and the creation of new libraries and laboratories;
- 12% reported on improvements in living standards resulting from income generating projects;
- 4% reported on environmental improvements linked to environmental education and reforestation projects; and

Mitti Market Site Visit Report

Mitti is a town of approximately 15,000 located in the heart of the Futa Djallon highlands of central Guinea. Though not the most important town in the region, it is a center of some economic importance which holds a large weekly market with business people coming from as far away as Conakry (a seven hour drive) to sell their wares.

The market was on a dangerous rocky slope next to a road. Its convoluted and disorganized flow of pedestrian traffic often spilled out onto the busy paved road, with injury and death as the inevitable result. Goods and services were sold from open stalls made of sticks and tin. There were no real buildings and no storage.

Rahemi Diallo, the permanent secretary, had developed a plan for construction of a new market. He shared his idea with the PCV in Mitti, who took to it immediately as she had been disturbed by the auto accidents. Mr. Diallo had done a detailed analysis of the community's needs and, working with the community counsel had developed a set of community development priorities. Initially, other priorities took precedence over the market. The dynamic Mr. Diallo obtained financing for two projects from the Canadian embassy and worked on two SPA projects with an earlier volunteer. By the middle of 1993, he was ready to tackle the market but needed financing.

Formal approval for the new market was obtained from the community council. Mr. Diallo and the PCV retired Mr. Diallo's general plan to fit the structure of a SPA proposal. On a trip to Conakry, the PCV explained the idea to the SPA Coordinator. Sensing that she had a good idea but was a bit weak on the details, the Coordinator visited Mitti and discussed the proposal with Mr. Diallo. As a result of this

collaborative approach, the project was approved without delay.

Construction went well; in fact, the CRD began work on the project before SPA funds became available. The community provided a constant and adequate labor supply furnishing rock, sand, gravel and labor. By September 1993, two large open-walled cement hangers and 55 smaller cement floored stalls had been constructed.

The new market is on flat ground, away from the road, and larger and better organized than the old market. In the year since this was completed, 50 people have purchased space at the market from the CRD to build stores or warehouses. 31 of these people have begun building and 23 of them have finished. This represents fixed investments worth about 30 million Guinean franks. The initial SPA project investment was

only 13 million franks. Community investment, sparked by the SPA project, has more than tripled the amount of fixed investment in the market in the year since project completion. These fixed investments have also created short term construction jobs and long term positions for salespeople and guards. CRD revenue from the market, the best available proxy for market volume, has doubled in the last year. More vendors come, and from



Rahemie Diallo (shown) worked with PCV Tracie O'Connell on a SPA project which involved building a new market in the town of Mitti, Guinea - a market town situated in the highlands of central Guinea.

further away, than ever before.

The market is maintained and policed by the four person CRD market staff. A complex but seemingly fair system of taxes on vendors and one-time fees for business people building at the market provides a steady flow of revenue for market maintenance and expansion. The community is enthusiastic, the market continues to grow and there are far fewer market-day automobile accidents.

- Another 22% reported that the impact of SPA projects was positive, without identifying specific impacts on project communities.

On a related question dealing with the positive and negative impacts of SPA projects, 68 respondents offered their views:

- 95% of these respondents described the positive effects of SPA projects:
 - Over half of these talked about community empowerment and the way in which SPA projects fostered a sense of self-reliance or self-sufficiency.
 - Others stressed the positive effects SPA projects have on the economic vitality of communities; educational improvements and positive health effects.
- 5% of these respondents described negative effects, citing situations where SPA projects had created tensions among groups within a local community or between traditional community leaders and local government officials.

The picture painted by Peace Corps staff responses to the Peace Corps Country Office survey is quite similar to the one developed through these project level questionnaires. Of the Peace Corps Country Offices surveyed, 44 offices described the kinds of impacts SPA projects have at the community level. Many of these offices described more than one such impact. In all, a total of 74 community level impact descriptions were received through this survey. Of these:

- 46% described “capacity building” results, i.e., improvements in the organizational and leadership skills within SPA project communities that empower them and help to develop a sense of self-sufficiency.
- 14% reported a rise in the community’s overall standard of living, citing the empowerment of women; increased income from income generating projects; higher educational attainment; access to information and improvements in the provision of basic services.
 - Poultry, jams, jellies, honey and wheelchairs are among the products communities have begun to produce and sell as a result of SPA projects.
- 11% reported improvements in health and hygiene, citing the building of wells, latrines, cisterns and garden projects.
- Others reported infrastructure improvements, i.e., the construction of school and health service facilities as well as improvements in environmental awareness.
 - New clinics and schools are reported to benefit hundreds of people and to make available services in areas which have not previously had such services available locally.
- In contrast to these largely positive results, three posts reported that SPA projects had created a dependency on foreign resources.

USAID field staff, on the other hand, have a much more general view of the impact SPA projects have on the communities in which they are undertaken. The view presented in the questionnaires returned by USAID Missions is, nonetheless, quite similar in its broad outlines to

the reports provided by Peace Corps itself. USAID field staff generally describe the SPA program as being quite successful for its size. Respondents to questionnaires sent to a subset of USAID's overseas missions used the following phrases to describe the impact of the SPA program on communities in the countries in which they worked: SPA projects, they said:

- "Promote participation and empowerment at the community level" and serve as a "catalyst for community action;"
- "Made some innovative ideas a reality;"
- "Are cost-effective and effectively reach the grassroots;" and
- "Have a positive impact given the small amount of funds involved."

Describing the kinds of results SPA projects produced, USAID field staff reported that among the most important were:

- "Training," and the "transfer of project design and implementation skills;"
- "Community development in leadership, participation and cooperation;" and
- Physical results, e.g., wells and latrines, or the electrification of classrooms.

As to the longer term impacts of SPA projects, USAID staff indicate that, as a general rule, they do not know a great deal. Some USAID respondents indicated that improvements in leadership and technical skills as well as raised expectations about the benefits of self-help activities all contributed to the sustained development of communities in which SPA projects are undertaken.

b. Specialized Impacts of SPA Projects

Responses to questions in the evaluation surveys and interviews provided additional insights concerning the impact of SPA projects on more discrete facets of the communities in which they were undertaken, including:

- Capacity building effects;
- Sector specific effects;
- Environmental impact; and
- Impacts on women in the community.

These specialized impacts are discussed below.

(1) Capacity Building Effects

While a number of respondents to the evaluation surveys reported that they did not have a clear understanding of what the Peace Corps means by the term "capacity building," others provided answers to questions about impact in this area. Of the respondents to the project level survey that addressed this question:

- 49% said that community members who were involved with SPA projects acquired skills which they subsequently applied in other ways;

- 35% reported that individuals trained through a SPA project subsequently passed their skills on to others;
- 17% reported that the SPA project on which they were reporting worked with an existing organization, and resulted in changes in the operating methods of that organization; and
- 10% reported that the SPA project on which they were reporting resulted in the creation of an organization which is still functioning.

(2) Sector Specific Effects

Respondents to the Peace Corps Country Office survey were asked about the sectoral areas on which SPA projects had a visible impact. Twenty-three Peace Corps Country Offices offered a total of 26 separate comments. Of these:

- 25% indicated that SPA projects have a strong impact in the education sector, particularly on the development of resource centers and libraries for communities;
- 15% reported strong and observable impacts in the health and sanitation sectors;
- Another 15% cited the “capacity building” impact of SPA projects on community members;
- 4% discussed the way in which “project management” skills develop in a community as a result of SPA projects;
- 12% reported on strong income generation effects from SPA projects;
- 11% said that these projects have a significant impact on youth groups; and
- 8% reported similar results for handicapped and disabled community members.

(3) Environmental Impacts

In the evaluation’s project level survey, respondents were asked to identify whether SPA projects had either positive or negative environmental effects. At the broadest level, 50% of these respondents reported that SPA projects had some positive impact, while 3% reported that such projects had negative impacts.

On the positive side, 80 of those who responded to the project level questionnaire offered examples of what they meant by a positive environmental impact:

- 57% of these respondents cited specific positive effects, including access to clean water and improved sanitation;
- 31% identified tree planting or soil improvement effects;
- 7% discussed the positive effects of environmental education; and
- 5% talked about enhanced energy efficiency as a benefit.

At the Country Office level, 27 Peace Corps Country Offices responded to a similar program level survey question, offering a total of 37 observations on the environmental impacts of SPA projects.

- All of the observations about the environmental impact of SPA projects were positive. None of the narrative descriptions received from Peace Corps Country Offices that returned the survey instrument cited negative environmental effects.
- The majority of respondents described physical changes which have positive environmental effects, i.e.:
 - 27% reported on solid waste management projects and their effects on hygiene.
 - 24% reported on other urban and rural reforestation projects, and
 - 16% reported on the effects of live-fencing projects on soil erosion;
 - 3% reported on air filters that have been installed in schools and their health effects.
- 24% of these reports focused on improvements in “environmental awareness” that have resulted from SPA projects, e.g., attitudinal benefits from “Earth Day” celebrations, recycling campaigns, environmental resource centers initiated by SPA projects, etc.

(4) The Impact of SPA Projects on Women

With respect to the special impact SPA projects may have on women and girls in the communities where they are undertaken, 34 Peace Corps Country Offices provided narrative responses on the questionnaires they returned, including in them a total of 49 comments on this topic.

- 29% of these comments focused on the way in which SPA projects have increased the earning power of women through income generation projects ranging from commercial gardening to sheep-fattening projects, handicraft production and manufacturing;
- 26% reported improvements in the health of women and girls due to the construction of maternal health clinics and health education projects;
- 15% reported that because of SPA, women have become active participants in the development process.
SPA, these offices say, is one of the few funding sources that encourages and stresses the importance of having women involved in all aspects of project design and management;
- 14% report that training, new skills development and other “capacity building” aspects of SPA projects have empowered women and given them new confidence and a greater sense of self-sufficiency;



Cassava root being sorted by size prior to processing in a SPA-supported starch factory Yacarei, Paraguay.

- 10% reported nutritional improvements for women as a function of family gardens; and
- 4% discussed the way in which new water projects have reduced the amount of time women spend obtaining water for their households.



A SPA-funded environmental sign with the inscription "Care for the planet; there is no replacement" was mounted in a public park in Fray Bentos, Uruguay.

c. Lessons Learned about SPA Project Impact

Reports from Volunteers and Peace Corps staff about the "lessons learned" about SPA project impact from the experiences on which they reported covered the full range of categories discussed above.

At a general level, 31 Peace Corps Country Offices responded to a question concerning "lessons learned" offering a total of 37 observations.

- 38% of these observations pointed to lessons about process. Strong host country participation at all stages and sound planning for a project are, these Country Offices believe, the keys to strong community-level impact.
- 27% suggested that it is extremely important for communities to "invest" in SPA projects, i.e., through community contributions of time and other resources.
 - In this regard, 11% noted the importance of project design and management training for Volunteers and host country counterparts.
- 13% recommended starting communities off with small projects that meet real needs.
- 11% noted the importance of working with established and reasonably well-organized community groups.

Addressing the question of "lessons learned" about what could have been done differently that would have increased a project's "capacity building" benefits, 63 respondents to the evaluation's project level survey offered these suggestions:

- 49% said that more comprehensive "capacity building" components should be build into SPA projects;

environmental aspects of SPA projects into project designs.

- 20% observed that environmental projects must seek an appropriate means of motivating community members and should, as a general rule, include an education component.
- 13% cautioned against excessively high expectations about the positive environmental effects of SPA projects.

As regards the place of environmental projects in the SPA program:

- 27% of the Peace Corps Country Offices that discussed lessons in this area felt that the promotion of more environmental projects under the SPA program is warranted.

Asked about “lessons learned” about involving women in SPA projects and about the effect of such projects on women in the community, 21 Peace Corps Country Offices commented. Of these:

- 30% recommended incorporating gender components or approaches for involving women into SPA project designs.
- Others recommended that more emphasis be placed on the economic viability of projects for women and on ensuring that women have opportunities to benefit from educational and training experiences offered by SPA projects.

2. The Multiplier Effects of SPA Projects

In addition to the immediate and intended effects SPA projects have on the communities in which they are undertaken, these projects were found to generate two kinds of secondary effects. In some communities, SPA projects that were carried out spawned second generation or “spin off” efforts. SPA projects also served as models for replication by other communities.

Reports of “spin offs” and of the replication of projects in other communities were found in evaluation questionnaire responses at the project level as well as in surveys returned by Peace Corps Country Offices and USAID Missions.

At the project level, the evaluation survey asked whether SPA projects generated any “spin off” efforts in the community in which the project had been undertaken. Roughly half of the respondents to the survey answered this question. Of these:

- 54% indicated that some sort of “spin off” or additional activity had been undertaken by the community in which a SPA project was undertaken. Reports of this sort were often linked to projects involving water pumps and wells. Gardening and agro-forestry projects also tended to result in second-generation or “spin off” efforts.
- The remaining 46% of the respondents on this question said that the SPA projects on which they were reporting had not generated “spin offs;” a few of these said it was too early to tell what would happen in this regard.

In the survey of Peace Corps Country Offices, staff were asked to rate SPA projects according to the frequency with which they produced “spin offs” on a 1-5 scale where 5 meant very frequently.

Peace Corps staff gave SPA projects an average rating of 2.9 on this scale, suggesting that “spin-offs” are not all that common.

When respondents to the evaluation’s project level survey were asked about the formal replication of SPA projects and about the informal diffusion of project ideas to other communities, 97 respondents to the project level questionnaire commented. Of these:

- 34% reported that the SPA projects on which they were reporting had been replicated;
- 33% reported that some diffusion of project ideas to other communities had occurred on an informal basis;
- The remaining 33% reported that they were unaware of any efforts to replicate the projects on which they were reporting; here again, a few respondents said it was too early to tell if this would occur.

Peace Corps staff responses to a similar question that was asked in the Peace Corps Country Office survey also provided information about the explicit replication of projects or indications of a “spread effect,” in the form of the diffusion of an idea or technique. Twenty-eight Peace Corps Country Offices responded with a total of 41 examples. Of these:

- 24% reported that SPA water projects which focus on the construction of wells and cisterns are being replicated.
- 10% said that school and community libraries and resource centers are being copied by other communities.
- Others reported on the replication of a wide variety of other project examples, including:
 - latrine projects;
 - the construction of health education and other education structures;
 - community market infrastructure projects;
 - tree nursery projects;
 - a tie-dye shirt production project;
 - animal-raising projects;
 - environmental education and awareness projects;
 - sewing projects;
 - woodless house construction;
 - soil conservation techniques;
 - a “Women in Business” workshop;
 - an “improved stoves” project; and
 - a wooden silo project.

SPA-funded Brick and Tile Factory in Nupياهو Mi, Paraguay Breaks Mold

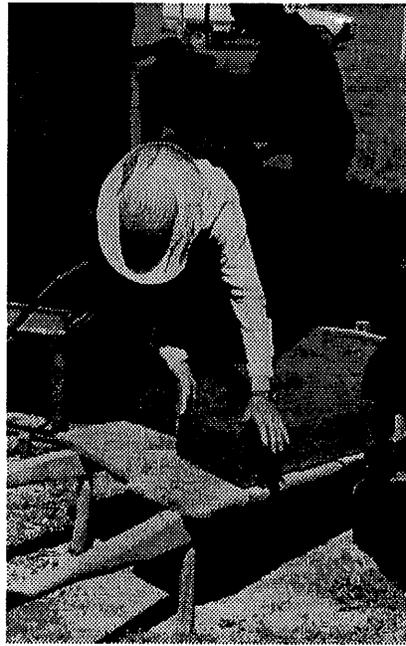
Nupياهو Mi is a small farming community located 17 kilometers from Caazapa, and one bus per day is the only means of transportation linking this community of roughly 150 households with the main road.

The Comite San Miguel was formed in 1990 when eight community members began to operate a very rudimentary brick-making operation. The Comite is actually a member organization of the Cooperative Ycua Bolanos, a savings and loan cooperative formed in 1989. In addition to receiving technical and managerial assistance from the Cooperative, the Comite was also supported by SEAG extensionists (this is the government rural extension service and many of its extensionists were founding members of the cooperative).

In the second half of 1990, a Peace Corps Volunteer was assigned to work with the Cooperative Ycua Bolanos. This was the first time the community of Nupياهو Mi had ever had contact with Peace Corps. Some months prior to the PCV's arrival, the Comite members had begun to consider how they might improve their brick production and expand into tile production. They were utilizing a horse-drawn rotor to mix clay and a wooden and wire mold to shape the bricks. The bricks produced were irregular in shape and size, subject to breakage, and limited in quantity. In addition, the nearest producer of roof tiles was 200 kilometers away and the residents of Caazapa were forced to pay high prices for tiles and/or transportation costs. The Comite informally assessed the Caazapa market for bricks and tiles and determined that there was an unmet demand for both products. At their own initiative, members of the Comite approached the Cooperative and SEAG about upgrading the quality and quantity of their production. Soon thereafter, the PCV began attending the Comite's meetings, learned about their ideas for growth, and discussed the possibility of seeking SPA support for their proposed activities.

The PCV emphasized the Comite's ownership of the project idea from the beginning. The Cooperative and

Comite members stress that the planning process took a year and was carried out through weekly meetings between the PCV and the Comite members. The proposed activities included the purchase of a motor and machine with the capacity to make standardized bricks and roof tiles, as well as training in machinery maintenance and production skills. The PCV wrote a list of criteria on a flip chart and brought it to all the meetings to use as a check list. It was apparently a mix of SPA criteria as well as criteria developed by the PCV and the Comite members (e.g., "the brick factory may not be used as a dormitory"). In order to gather information during the design phase of the project, the PCV and Comite representatives paid a visit to a brick/tile factory in another community.



Bricks being produced at a SPA-supported running water system in Calle Quiindy, Paraguay.

Project funds were deposited in an account at the Cooperative and the Comite designated 3 of its members (the president, secretary, and treasurer) to be responsible for all purchases and withdrawals of cash with the stipulation that at least two of the three must be present to make withdrawals. Project monitoring is being conducted by the Cooperative via their bi-weekly meetings with the Comite. A simple accounting system has been established to keep track of orders, production, and sales inventory. And in an attempt to avoid deforestation over the long-term—the factory's drying oven requires fuelwood—eucalyptus trees were planted around the factory as a future source of wood.

When asked what benefits they had received as a result of this project the Comite members cited: increased production, increased income and savings, decreased labor inputs, new skills (machinery maintenance, clay mixing, drying methods, etc.), and improved quality and availability of building materials. The also noted the improved quality of own homes and that of their neighbors. Most recently, the Comite has decided to expand the business even further by building an extra drying shed with an additional loan from the Cooperative.

With respect to the impact of SPA projects outside the community in which they are undertaken, USAID staff have the impression that it is modest, with 20%, or at most 30%, of the projects having any impact beyond the initial community. However, some did note that a general awareness of good projects and of funding opportunities does tend to spread from community to community. At the same time, responses from USAID field staff indicate that they too are aware of the replication of the ideas and models used in some of the SPA projects in their countries. Their impressions, which are much more general than those of Peace Corps staff, suggest that where SPA projects have an impact beyond the community it occurs as a function of “word of mouth,” or what might be called a spill-over or multiplier effect: one community sees what can be done and copies it.

“Lessons” to be drawn from the SPA program’s replication experiences were offered by 20 Peace Corps Country Offices. Of these:

- 40% suggested designing SPA projects with replication in mind.
 - Specific suggestions in this regard focused on simplicity, low cost and on working in fields where people are receptive to new ideas.
 - Half of the respondents who discussed designing projects with replication in mind said that it was important for such projects to have an education component.
- 35% reported that replication can be facilitated by advertising project success to other Volunteers and communities, or by involving them in “project reviews.”
 - One respondent suggested showcasing , in sectoral and regional training sessions, projects that were good bets for replication
- 15% of those responding said that “spread effects” may not occur naturally and may depend upon the availability of SPA funds to help replication along.
- Two respondents stressed the importance of making governmental and non-governmental counterpart organizations that work in a broader area aware of project results. They can serve as the catalyst for the further spread of an idea.

3. The Impact of SPA Projects on Volunteers

Responses to a question about the impact of SPA projects on Volunteers were provided on 152 of the evaluation’s project level questionnaires. Of these:

- 30% reported that the impact of SPA projects on Volunteers was positive — without describing exactly what that impact was;
- 28% said that being involved with a SPA activity increased a Volunteer’s job satisfaction and heightened their sense of “belonging” within a community, often giving them opportunities to use skills not called upon in their primary assignment;
- 18% reported that SPA projects provided Volunteers with greater credibility and recognition in their communities;

MAHWALALA BOREHOLE PROJECT

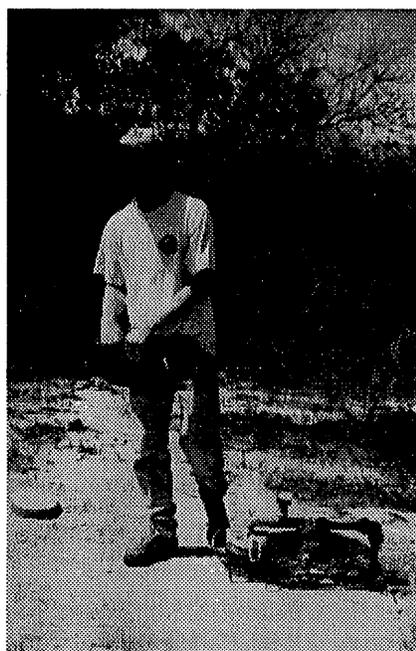
The Mahwalala community is a low-income peri-urban informal settlement attached to Swaziland's capital city, Mbabane. Approximately 4,000 people live in the community. The settlement is divided into urban development zones which are being incorporated into the city area under a large urban project funded by the World Bank. Eventually all zones will receive services (improved housing, water, electricity, etc.) through the project, but in the meantime these services do not exist for some zones.

A Peace Corps Volunteer had worked with the community several years ago to address the problem of lack of potable water. At that time, the Volunteer helped the community install a covered spring with tap and tanks, but the spring dried up as a result of the drought, and because of diversion from the increasing urbanization.

Two years ago, the community council approached the then-Peace Corps Director about the 'possibility of another water project. Although a Volunteer was not assigned to the community, the Director approached Volunteer in country plumbing and water supply about the potential project. The project's objective was to provide a source of clean water with easy access for the community. Community residents had observed worms and mosquitoes in the water at the spring they were using, which was located at quite a distance from most of the homes. The Volunteer did an assessment of the community and worked directly with the community council chairman, as a representative of the entire settlement, to plan the project. Although not exposed to project design and management training the, PCV and the chairman experienced little problem with the SPA proposal, which was funded after a few simple modifications. The Volunteer's skill in water supply systems and the chairman's skill as a builder combined for an effective project design which was implemented quickly. The community members dug the ditches for the pipe, made other contributions, and paid the water assessments. There were no problems with project funding.

Project implementation also proceeded smoothly and the water system has been operational until now. The community began having problems a few months ago, when water would be turned off for no apparent reason. The pump recently broke down. The community attributes these problems to the former community council chairman who, they believe, is sabotaging the project because of their refusal to pay fees directly to him as the "owner" of the system.

When the SPA evaluator visited the site, she found the community members engaged in repair of the tank with their own resources (water fees are currently being collected for maintenance and are adequate to cover pump repairs if the cost is not too high). A community member had volunteered to take the pump for repair and re-install it. The water system was expected to be operational again within 24 hours.



PCV Marc Linderman at a SPA-funded borehole which supplies water to the agricultural rehabilitation project in Ekululameni, Swaziland.

Although not without problems, the project clearly has been successful both in meeting its immediate objective of a clean and easy source of water for the community, and in motivating the community members to work together over the issue of water. Water is so crucial to the well-being of the community that the council formed a separate water committee to coordinate this activity. While the urban project, through the councils, has played a large role in facilitating community cooperation, the SPA project also had a role in focusing the community effort, and in empowering the council members to act in their own behalf to remove the former chairman.

The project has also motivated the community to consider other activities, such as waste disposal and clean-up. The PCV has assisted in drilling boreholes at other sites and has used the experience gained on this project in training his students. He himself has completed four other systems for 9,000 people, and many of his students have carried water supply skills back to their homesteads. The PCV also learned about community development through the project and realizes that it can be a mistake to rely on one community leader without involving others in the activity.

- 7% said that SPA projects allowed Volunteers to become involved in other sectors within their communities, noting that such projects often resulted in concrete, visible impacts; and
- In addition a few respondents reported on negative impacts on Volunteers resulting, in one case, from lack of community commitment; in another from the theft of project funds, and in another from the way the project seemed to create a dependency on the Volunteer.

In their answer to a similar survey question Peace Corps Country Office's provided a slightly different view of the impact SPA programs have on Volunteers. Asked to comment on how participation in the SPA program affects the Volunteer experience, 43 Peace Corps Country Offices responded, providing a total of 48 distinct observations. Of these:

- 44% reported that a Volunteer's participation in a SPA project tended to enhance and enrich his or her Peace Corps experience. The often dramatic impact of small projects that Volunteers are able to see through from start to finish was often discussed in these responses.
- 17% discussed the way in which SPA projects helped Volunteers to become integrated into their communities and the way in which this process enhanced their language skills as well as other capabilities.
- 15% said that the impact on the Volunteer depended upon his/her outlook on development, more so than on the actual effectiveness of a particular project. In general, the more active and "successful" Volunteers were seen by these respondents as getting the most out of SPA program participation.
- 13% said the benefits for Volunteers arise out of the experience they gain with proposal writing and with project design and management. Several respondents also noted the way in which SPA projects enhance Volunteers' financial acumen.
- 4% talked about the way in which SPA program involvement tends to broaden a Volunteer's experience by involving him/her with different elements within a community and different kinds of work.
- A few posts also noted that when SPA projects seem to create a dependency on outside resources, communities may shift their perceptions of a Volunteer, i.e., from a provider of assistance to a provider of funds, and in turn, Volunteer perceptions of their own contribution may change for the worse.

Turning to the more discrete "positive" and "negative" impacts that SPA program participation may have on the working relationship between Volunteers and the communities, 43 Peace Corps Country Offices responded on the question of "positive impacts", offering a total of 59 distinct comments. Of these:

- 30% indicated that SPA projects enhance a Volunteer's involvement in the community in which they work.
 - Individual responses suggested that "Peace Corps Volunteers become more intimately involved in their communities" and they "become better integrated and better acquainted with the needs and the people of a community."

- 25% stated that SPA projects help increase a Volunteer's credibility in their community.
- 15% noted that SPA projects allow Volunteers to provide communities with something tangible, "something that will last."
 - Half of the respondents who discussed this point indicated that Volunteers who are involved in SPA projects have a higher job satisfaction level than do other Volunteers.
- 15% reported that Volunteers act as catalysts, helping to channel resources to community needs that might otherwise go unmet.
- 10% report that SPA projects generate "good will" and a "positive cultural exchange" between Volunteers and communities; and
- 5% said that involvement in SPA projects increases the Volunteers' and community members' experience with project design and management processes.

In response to a parallel question about the "negative impacts" of SPA projects on the relationship between Volunteers and their communities, 41 Peace Corps Country Offices offered a total of 44 comments. Of these:

- 23% reported that there are no "negative impacts" from the SPA program.
- 59% raised questions about the degree to which SPA projects create a perception of Volunteers as sources of funds.
 - Several respondents noted that to the degree that Volunteers are seen as "donors" they may not be regarded as technical assistance providers.
 - Other respondents noted that SPA projects can create problems for future Volunteers, in the form of expectations about a community's ability to obtain funds as a function of having a Volunteer.
- 9% indicated that "negative effects" occur when there is a rush to acquire funds. Such projects may not be well designed or may not respond to real and well-defined community needs.
- 7% observed that SPA projects carry with them the potential to create a dependency on outside resources.
- One post indicated that SPA projects can sometimes create divisions within communities that either did not exist or were not previously problematic.

4. The Impact of the SPA Program on Peace Corps Relationship with Host Governments and Non-Governmental Organizations

The effects of SPA projects on Peace Corps relations within the host country take two forms. The first involves the awareness of the SPA program and its effects within the host government and by non-governmental organizations with which Peace Corps Volunteers occasionally work. The second involves expectations about Peace Corps, and more specifically about the relationship between the presence of Volunteers and access to monetary resources, created by the existence of the SPA program.

a. The Effect of the SPA Program on the Peace Corps Relationship with Host Counterparts

As part of the survey of Peace Corps Country Offices, questions were asked about impact of the SPA program on Peace Corps' relationships with government officials at the national, provincial and local levels and about Peace Corps' relationships with NGO's that operate in various sectors and in various parts of a country. In a parallel questionnaire, a number of USAID Missions were asked about the awareness of the SPA program on the part of government officials at these various levels.

- Ministry personnel may have some awareness of the program, and
- Regional and provincial officials almost always know about some of the projects carried out in their area or in the sector in which they have a particular interest.

With respect to the impact of the SPA program on Peace Corps' relationship with host government officials at the national level, USAID staff reported that as far as they could tell, most national level officials were unaware of the SPA program. Many of the 39 Peace Corps Country Offices that commented on this topic concurred. Roughly a third, however, indicated that at least some high government officials in their countries are aware of the SPA program and its impact.

- 58% of these 39 posts reported that the impact of the SPA program on relationships at the national level is minimal or non-existent.
- 36% reported that in their countries the impact is substantial and that various high level officials and ministries are aware of the SPA program and appreciative of Volunteer efforts.
 - One post reported that the President of the country had visited a SPA project and was impressed with the technology involved in the "woodless" houses that were being designed, saying that more such projects were needed in his country.

Concerning relationships at the provincial level, USAID respondents indicated that, in their experience, some provincial level government officials and some ministry personnel operating at the provincial level do tend to be aware of the SPA program. The 41 Peace Corps Country Offices providing comments generally concurred:

- 53% of these 41 also reported that the SPA program had little or no impact on their relationships at this governmental level;
- 37% reported that the SPA program had led to improved relationships as a function of Peace Corps' ability to engage their interest in specific activities and by keeping provincial officials "in the loop" about SPA activities, whether or not they were deeply involved; and
- 5% indicated that the impact is negative when officials at this level view Volunteers as a source of funds rather than as representatives of a grass-roots, people-to-people organization.

With respect to relationships at the local government level, USAID staff reported that most officials are aware of the SPA projects in their jurisdiction. Peace Corps staff agree. Forty-two posts offered their observations on the impact of SPA on relationships at this level. Of these:

- 19% reported little or no impact;
- 50% reported that the SPA program had a highly positive impact on working relationships between the Peace Corps and local government officials.
 - Most reported that such officials were appreciative of SPA projects efforts;
 - Others noted that local government officials valued the way in which host counterparts were drawn into the design and management process for SPA projects.
- 5% reported a negative impact when SPA leads local officials to view Peace Corps as a financial institution.

As to the impact of the SPA program on Peace Corps' relationship with non-governmental organizations:

- 10% reported that there is no impact;
- 59% of the 39 posts that responded indicated that Volunteers frequently coordinate with non-governmental organizations when they develop SPA projects, offering specific examples of when and how this was done; and
- Another 22% reported that there is some exchange and coordination between Volunteers and these kinds of organizations.

b. The Effects of SPA Projects on Community Perceptions of the Role of Volunteers

During site visits to 23 SPA projects in nine countries, evaluation team members asked community participants two questions that focus on the role that Peace Corps Volunteers are perceived to play in host country communities. In the first of these questions, interviewees were asked to describe what the U.S. Peace Corps is and does. Typical of the 14 responses received on this question were the following:

- The Peace Corps is a "fine organization that provides us with people who are ready to work with us side-by-side."
- "The Peace Corps is an organization which is concerned with helping our country bridge a large gap. Volunteers are very much alone when they arrive and they face the looming baggage of our history. Democratic mechanisms are just beginning their life here."
- "Volunteers are so friendly and collaborative that they overcome our natural fear of foreigners. They stay and work with us here in our communities."

Among the responses community participants provided to this question, only one suggested that Peace Corps' role was in part financial, i.e., "it provides support for projects."

Interviewee responses to a second question asked during site visits, about “the most helpful things the U.S. Peace Corps can be doing in your country”, brought out several additional references to funding for projects. Typical of the 14 responses recorded on this question were:

- “Helping us solve our water problems.”
 - “Contributing to the development process.....and promoting small water catchment projects for agriculture.”
- “Probably teaching.”
- “Becoming as involved as possible. Many times the involvement of an American can lend credibility to a project and lead to sources of funding that would never have surfaced otherwise.”
- “Continue to help the under-privileged to rise.”
- In describing the impact of SPA projects, three Peace Corps Country Offices reported that these projects led, in some instances, to a dependency on foreign resources and fostered the impression that Volunteers are a conduit to foreign assistance funds, stating that:
 - Volunteers are being remembered for the “monument” they have left;
 - Replacement Volunteers are being expected to bring resources into the community.

5. The Impact of the SPA Program on the Achievement of Broad Peace Corps and USAID Objectives

This section reviews the impact that the SPA program has on the achievement of Peace Corps and USAID goals.

a. SPA Program Impact on the Achievement of Peace Corps Goals

In response to questions about the achievement of country-level Peace Corps objectives, thirty-four Peace Corps Country Offices responded, offering a total of 50 examples. Of these:

- 4% said that the SPA program had no relationship to their country goals;
- 50% talked about the way in which the SPA program enhanced their ability to focus on particular sectors and development problems, e.g., water and sanitation, microenterprise, environmental awareness, etc.
- 34% spoke broadly of the way in which the SPA program helps them to support Volunteers;
- An equal percentage commented on the way in which the SPA program contributed to Volunteer effectiveness and job satisfaction;
- 10% discussed the role of SPA in broader “capacity building” efforts;
- 2% highlighted the way in which SPA projects reach women and youths and involve them in the development process.

Asked what aspect of their country goals could not be achieved without the SPA program, 19 posts responded. Of these:

- Half indicated that without SPA important aspects of their Volunteers' experience, contribution and job satisfaction would be curtailed;
- A third said that their ability to respond to community needs and specific development problems would decline; and
- One post said that they would lose important opportunities to demonstrate the power that participation can have on the development of communities.

b. SPA Program Impact in Terms of USAID Goals

Both USAID and Peace Corps staff were asked to characterize the degree to which SPA projects have an impact on the five goals USAID articulated in its March 1994 publication: Strategies for Sustainable Development. Broadly speaking, field staff of both organizations felt that some SPA projects have at least a modest impact on each of the USAID goals articulated in this document.

Both USAID and Peace Corps staff used a 1-5 scale to rate SPA projects in terms of their effects on USAID's five broad goals. On these scales, 1 meant that very few SPA projects had any effect on a goal, whereas 5 meant that almost all SPA projects had an effect on the goal.

- In terms of the first goal, "protecting the environment," Peace Corps staff gave its projects an average rating of 2.80, while USAID staff gave them a 3.0 rating.
- On "building democracy," Peace Corps staff rated its projects at 2.2, on average, while USAID staff gave them a 3.0.
- For "stabilizing world population growth and protecting human health," Peace Corps staff rated its projects 2.8, on average, while USAID field staff rated them 2.0.
- As to "encouraging broad-based economic growth," Peace Corps staff rated their SPA projects at 2.9, on average, while USAID gave them a 3.0.
- With respect to "providing humanitarian assistance and aiding post-crisis transitions," Peace Corps staff gave SPA projects an average rating of 1.9, while USAID staff gave them a 2.0.

Asked about what the impact on Peace Corps would be of a new SPA requirement that called for all SPA projects to contribute in some way to the achievement of one of the five USAID goals outlined in that Agency's Strategies for Sustainable Development report, 16 Peace Corps Country offices responded. Of these:

- 69% said it would make it more difficult to manage the SPA program;
 - Some respondents felt that the last thing the SPA program needs is more criteria;
 - Others felt that this change would broaden the range of field for SPA projects and that this would not necessarily be a good idea;
- 25% said it would be a helpful addition, and
- 6% said it would not affect the operation of the program in any important way.

Follow-up discussions with Peace Corps staff in Washington resulted in few objections to having SPA projects fit under one or another of these USAID goals. A number Peace Corps staff felt that most SPA projects already do. One Peace Corps staff member saw an opportunity for the SPA program in this proposal, namely the ability to use SPA programs to address humanitarian assistance needs more directly than is currently being done. The addition of democracy and governance as a SPA project category was also seen as an opportunity by this staff member.

Of the ten USAID Missions who responded to a parallel question on the questionnaire that was sent to them, six indicated that the addition of a criteria that called for SPA projects to contribute to one of USAID's five main goals would be appropriate. Four others indicated that it was not necessary for SPA projects to focus on USAID goals.

SECTION THREE MANAGEMENT OF THE SPA PROGRAM

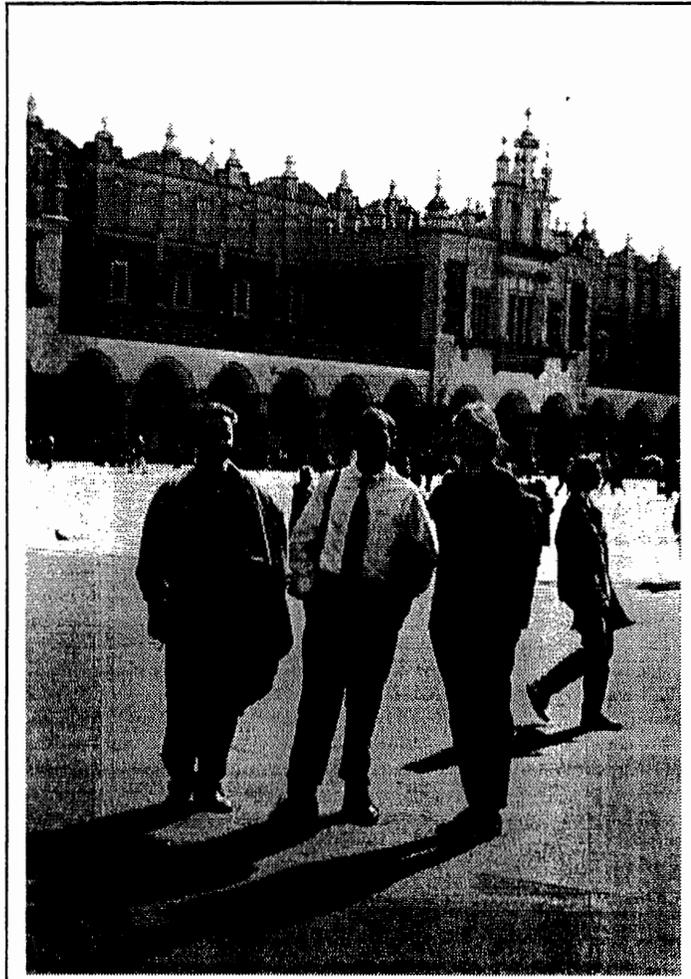
A. Overview of Peace Corps and USAID Roles in the Management of the SPA Program

USAID has a field presence in 85% of the countries in which the SPA program operates. In 59% of these countries, a specific person serves as USAID's liaison to the SPA program.

On a 1-5 scale, where 5 means "very adequate," Peace Corps Country Offices gave USAID Mission staff in their country, as a group, an average rating of 3.2 with respect to their awareness and understanding of the SPA program. In response to parallel question on the survey sent to Missions, USAID staff reported that, on average, about 15% of their field staff are aware of and understand the SPA project. On a 1-5 scale, USAID rated itself a 3, on average, with respect to its organizational awareness and understanding of the SPA program on an in country basis.

On the positive side, 31% of the Peace Corps Country Offices reported that USAID understood the SPA program well enough to have a positive effect on the way it functions in country. Sixty-two percent said that USAID had no effect on the way the program functioned and 6% noted negative effects. In this latter group, one post reported that USAID's misunderstanding of the SPA program was so serious that it was difficult to get annual Memoranda of Understanding, funding cables and other critical documentation approved. This same post reported that it has been asked by USAID to allocate SPA funds to purposes which lie outside the SPA program guidelines.

USAID Mission's views of the adequacy of its in country staff level of understanding of the SPA program generally agree that as long as the individual it assigned as the liaison with the program and that person's supervisor understand SPA, the relationship and the program will function effectively. Neither a broader staff understanding, nor a more detailed knowledge on the part of



PCV Laurel Sherwood with SPA Coordinator. (left) and SPA Evaluator Doug Daniell in downtown Warsaw, Poland - just blocks away from where she helped an environmental awareness group establish an ecological film and video library.

those who are expected to be aware of SPA is necessary for its proper functioning. At the same time, USAID Missions said that the knowledge that key staff members have is important. Through these individuals, Missions provide the SPA program with support and with advice where that is needed, e.g., through collaboration with USAID's technical offices.

Commenting on the level of USAID involvement in the management of the SPA program in their country:

- 77% of the Peace Corps Country Offices that responded to the evaluation survey said that USAID was involved in setting the annual funding level for the SPA program in their country. Twenty-three said that USAID was not involved in this process.
 - A roughly equivalent percentage of USAID Missions that responded to the evaluation survey (72%) said that they were indeed involved in setting annual funding levels for the SPA program, although most said that their role was limited to reviewing Peace Corps' proposal, which became more involved only if they disagreed.
- 46% of the Peace Corps Country Offices described USAID as visiting SPA projects, at least occasionally. Fifty-four percent said that such visits did not occur in their country.
 - This report of USAID visits to SPA projects was more generous than USAID staff's own assessment based on the questionnaire sent to Missions.
- 36% of these offices said that USAID was involved in the development of in-country SPA policies and criteria. Sixty-four percent of the posts said that USAID was not involved in this way.
 - Of the USAID Missions that responded, a somewhat higher percentage (55%) said that they felt they had a role in setting SPA policies and criteria.
- 31% of the Peace Corps Country Offices reported that USAID was involved in the review of individual SPA project proposals. Sixty-nine percent said that USAID was not involved in this way in their country.
 - USAID generally agreed, with 36% of the Missions that responded saying that they were involved in SPA project proposal reviews.

Commenting on USAID's participation in these processes, most Peace Corps Country Offices said that they helped to keep USAID "in the loop" with respect to the SPA program and provided USAID with opportunities to see how the program reached communities with low-cost assistance.

In addition to these types of involvement, many Peace Corps Country Offices provide USAID in country with briefings and reports on the individual SPA program. Some Peace Corps Country Offices provide USAID with SPA project proposals and project completion reports. In addition, 37% of the Peace Corps Country Offices report that they brief USAID on the SPA program as a whole at least once a year. Twenty-six percent say that they report to USAID more frequently than this, and 15% said that they report somewhat less frequently.

- With respect to the recipients of these reports:

- Roughly a third of the Peace Corps Country Offices said that when they did provide briefings or reports, the USAID Mission Director or Country Representative was a primary recipient of the information they provided.
 - 27% reported that their briefings and reports were delivered primarily to USAID Program Officers or others who were cognizant of the SPA program from a substantive perspective.
 - 14% indicated that their reports went to USAID's financial management staff in country.
- 60% of the Peace Corps Country Offices that provide briefings and reports to USAID in country said that such reporting has no discernible impact on the way the SPA program functions. Of those who felt that their briefings had value, most said that they used them to foster USAID's awareness and understanding of the SPA program.

While Peace Corps reports to USAID on the SPA program in a systematic way, USAID staff nonetheless noted that when it comes to learning about the impact of the program, Missions said that their best sources of information seem to be field trips and contacts with local people, Volunteer and Peace Corps staff reports, "word of mouth," and occasional press reports.

Asked whether the SPA program would benefit from greater in country USAID involvement, 81% of the Peace Corps Country Offices said that it would not. Of those who said greater USAID involvement would be beneficial, the majority felt that such involvement would help to give USAID a better understanding the SPA program. Responding to a parallel question, 70% of the USAID Missions that participated in the survey said that there would be no benefit from additional involvement. Those that felt there would be benefit from additional involvement said that coordination at the level of broad strategies and country objectives was important. Others noted that SPA might benefit from greater access to USAID's technical staff.

As to the effect of the SPA program on the way USAID operates, 87% of the Peace Corps Country Offices said there was no such effect. Those who did speak of a reverse effect talked about the way SPA allowed the U.S. effort as a whole to reach communities that would not otherwise have been reached with direct, grassroots-level, high impact, low-cost assistance.

In response to a parallel question in the survey sent to Missions, 81% of the USAID respondents agreed that the SPA program has little, if any, effect on the USAID program. Others pointed to the complementary relationship that USAID and Peace Corps have in some sectors, even as they noted that it would be difficult for a small program like SPA to have a major impact on USAID's much larger programs.

These field-based processes for managing the SPA program are backstopped by OTAPS in Peace Corps' Washington headquarters which, among other things, responds to requests from the field for technical assistance resources and support. On the USAID side, overall responsibility for the SPA program is located in the Global Bureau.

B. Policy Level Considerations and the SPA Program

At the policy level, there are two sets of issues with which managers of the SPA program must be concerned. The first of these deals with the degree to which basic Peace Corps policy on the SPA program is implemented. The second focuses on the appropriateness of specific program management criteria.

1. SPA as a Core Peace Corps Program

At the policy level, Peace Corps is committed to the SPA program. It represents an opportunity and a resource that is to be made available to all Volunteers. Pursuant to a USAID decision to exempt the SPA program from its programming constraints in countries where USAID has or will soon close its Mission, SPA resources are, in principle, available to Volunteers who are working with community groups in all Peace Corps countries.⁷

At the staff level, however, Peace Corps is not of one mind about the SPA program. Interviews with Peace Corps staff in the field and in Washington indicate that there is a concern, in all regions in which the SPA program operates, with the effect that financial resources have on both Volunteers and the Peace Corps as a whole. While these views may be articulated by only a few individuals at a post, or in a regional office in Washington, they are deeply felt by those who state them⁸. The existence of such views speaks to an ambivalence about the SPA program that seems to be heard occasionally, but persistently, and in some situations it is emerging in a more dramatic form.

- Those who have a concern about the grant element of the SPA program point to the expectations they believe that the SPA program raises about Volunteers as a route to resources. Anecdotes provided by these staff members about “gringos” in the Inter-American region convey the same messages as anecdotes about “cargo cults” in the South Pacific.
- Others state quite simply that they don’t believe Volunteers should have access to financial resources. “Volunteers are the resource,” these staff members say.

These sentiments are expressed only occasionally, yet when they are held by a “critical mass” of staff and Volunteers at a post, the result can be something akin to open hostility to the SPA program. As a staff member from one Peace Corps Country Office put it, when commenting about that country’s approach to orienting Volunteers to the SPA program, “It is not the mission of Peace Corps to encourage Volunteers to ask for funds.” Another illustration of the existence of strong views was provided in a story another staff member told the evaluation team about a recent regional conference for Peace Corps Directors in which this issue emerged as an uninvited agenda item.

While sensing that a formal evaluation recommendation on this topic may not be warranted, the evaluation team did discuss with several Peace Corps/Washington staff members the potential value of including this topic on the agenda for other regional conferences and perhaps a special

7 USAID’s decision to continue to fund the SPA program in USAID “close out” countries is incorporated in an Action Memorandum signed by USAID’s Administrator on June 16, 1994.

8 This topic was raised and discussed in roughly half of the interviews carried out in Peace Corps/Washington and in a number of Peace Corps staff that discussed staff ambivalence toward the SPA program is not indicative of the prevalence of this view. However, since interviewees were normally discussing the existence of such feelings among the staff, rather than stating their personal views.

seminar with the Peace Corps Director to vet these concerns and find a way to handle them within the framework of Peace Corps policy and operations, rather than letting them continue to fester.

2. The Appropriateness and Application of SPA Program Criteria and Limitations

The SPA program is governed by a number of criteria and limitations which are described in various sections of the 1992 SPA Program Handbook. Many of these requirements are restated in a slightly different form in the “checklist” that is an integral part of the Individual Activity Agreement (IAA) form that Country Offices are required to prepare for each SPA project.

In the survey instrument sent to Peace Corps Country Offices, questions were posed about the appropriateness of 15 SPA program criteria as well as about the difficulty of applying these criteria. The 15 criteria about which Peace Corps Country Offices were queried include six primary criteria which are listed on page 6 of the 1992 SPA Program Handbook under the heading “Criteria for Selection of SPA Grant Activities.” The other nine criteria are listed on page 17 of the 1992 SPA Program Handbook under the heading “Additional Criteria for Proposal Review.”

Peace Corps Country Office respondents answered questions about these 15 criteria by scoring each criteria using a 1-5 scale indicating, in the first instance, whether a criteria was not appropriate (1) or very appropriate (5) and, in the second instance, whether it was not difficult to apply (1) or very difficult (5). As Tables 3-1 and 3-2 indicate, respondents generally found both the primary and additional criteria to be appropriate and reasonably easy to apply. On the appropriateness side, the criteria with the lowest score was one that called on Country Offices to place a priority on SPA projects developed as a result of training provided under USAID/Peace Corps PASAs. This criteria was also scored as being the most difficult to apply.

Narrative responses were provided by Peace Corps Country Offices in response to questions about criteria that they considered to be unnecessary. Sixteen Country Offices provided a total of 18 narrative comments on the appropriateness of the primary criteria shown in Table 3-1. Of these:

- Six focused on the inappropriateness of requiring that priority be given to projects designed during or as a result of USAID/Peace Corps PASA training programs, stating that there had been no such training programs in their country.
- While most Peace Corps officers agree with a \$10,000 limit on SPA grants, several offices said that the figure is far too high and one said that it is too low.
- Three responses indicated that completing SPA projects during a one-year period can be difficult, particularly when Volunteers terminate early or want to pass their projects on to the Volunteers that replace them.
- Two responses indicated that some Country Offices found the wording of the criteria that calls for Volunteers to implement projects in conjunction with a community misleading. They felt the wording should be changed and call for “communities to implement projects with the assistance of Volunteers....”
- Others suggested that it is sometimes difficult to define a community and suggested that working with a group of motivated individuals should be acceptable.

Table 3-1. Average Ratings on a 1-5 Scale Given by Country Offices to Each of Six Primary Program Criteria in Terms of Appropriateness and Difficulty of Application

	Average Rating on a 1-5 Scale (Not Appropriate to Very Appropriate) on Appropriateness of Criteria	Average Rating on a 1-5 Scale (Not Difficult to Very Difficult) on Difficulty of Applying Criteria
Primary Criteria (Source: SPA Program Handbook, p. 6)		
The activity must fall into the broad area of community development.	4.63	1.38
The activity must be conceived and implemented by a PCV in conjunction with a local community organization or group, which must devote some of its own resources in cash or in kind to the activity.	4.72	2.11
The estimated contribution of SPA funds toward completion of the activity must not exceed \$10,000 per activity.	4.38	1.37
The activity must be scheduled for completion within one year of its commencement and before the completion of PCV service.	4.33	2.13
The activity must not encourage further reliance on U.S. assistance.	4.44	2.53
Priority should be given to projects that PCVs and their host country counterparts develop as a consequence of or a follow-up to training provided under other USAID/PC PASAs.	3.32	2.74

As to the appropriateness of the nine additional SPA project criteria shown in Table 3.2, the few respondents that commented indicated that terms such as “needy” and “beneficiaries” need to be defined more precisely.

To ascertain how responsive SPA projects are to the kinds of program criteria the Peace Corps identifies in its 1992 SPA Program Handbook, a series of questions about program criteria were included in the questionnaire the evaluation used to obtain information on a random sample of SPA projects.

The list of SPA program criteria about which questions were asked at the project level does not match the list of SPA program criteria shown in Tables 3.1 and 3.2. This is because the Peace Corps itself directs the attention of those who are working on specific projects to a third listing of the SPA program criteria. This third listing is incorporated, as a “checklist,” into the IAA form that must be completed for all projects.

Thus, in the evaluation’s project level questionnaire and in Tables 3.3 and 3.4, the degree to which projects did or did not meet various criteria are considered in terms of (a) the criteria listed

Table 3-2. Average Ratings on a 1-5 Scale Given by Country Offices to Each of Nine Additional Program Criteria in Terms of Appropriateness and Difficulty of Application

	Average Rating on a 1-5 Scale (Not Appropriate to Very Appropriate) on Appropriateness of Criteria	Average Rating on a 1-5 Scale (Not Difficult to Very Difficult) on Difficulty of Applying Criteria
Additional Criteria (Source: SPA Program Handbook, p. 17)		
The project increases local capacity.	4.74	2.23
The project beneficiaries are among the needy.	4.58	1.62
The project seeks a lasting solution.	4.50	2.60
Beneficiaries are part of the project planning and implementation process.	4.65	2.17
The resources used are low cost, technologically appropriate, culturally acceptable and ecologically sound.	4.78	1.99
The project impacts are at the local level where needs occur.	4.70	1.47
The project activity will not displace qualified and available local workers or resources.	4.77	1.57
The project is complementary to other development activities.	4.43	2.01
The project has potential for replication.	4.24	2.43

in the IAA “checklist,” (b) a supplementary, non-redundant list of criteria drawn from the criteria listed in the 1992 SPA Program Handbook, pages 6 and 7, i.e., the lists of criteria presented in Tables 3.1 and 3.2, above, and (c) statements in the evaluation scope of work which implied additional criteria not found elsewhere.

In Tables 3.3 and 3.4, the average ratings given to specific projects in terms of whether they did (5) or did not (1) meet various project criteria are presented. As these tables indicate, SPA projects generally meet the various criteria established for this program. Recognizing that Peace Corps staff and Volunteers are, in effect, reporting on their own performance in the evaluation questionnaires, the evaluation team also queried the staff of a number of USAID missions about the SPA program’s compliance with program criteria. Of the eleven missions that responded, all said they were familiar with the SPA program criteria. Sixty-four percent of these USAID missions said that these criteria are applied in the SPA project selection process used in their country. The other missions that responded indicated that they simply didn’t know the answer to this question.

With respect to specific SPA criteria, the 1-5 scale ratings provided by the Peace Corps suggest that projects did relatively less well in meeting the two IAA “checklist” criteria that focus on project monitoring and evaluation, and in terms of the evaluation scope of work’s implied criteria that focuses on capacity building in non-governmental institutions, than they did with respect to all of the other criteria presented in these two tables.

Table 3-3. Average Ratings on a 1-5 Scale Given to Specific Projects included in the Evaluation Survey in Terms of Whether they Met Various SPA program Criteria included in the IAA “Checklist”

	Average Rating on a 1-5 Scale (Not Difficult to Very Difficult) on Whether Specific Criteria Were Met
Additional Criteria (Source: IAA Checklist)	
The project is/was community initiated and directed.	4.06
The project is/was part of a self-help effort to address a community need.	4.61
The project has/had clearly defined objectives.	4.74
The project has/had a “capacity building” component.	4.07
The project has/had a significant community contribution.	4.32
The project is/was scheduled for completion within one year of commencement.	4.40
The project does not encourage reliance on U.S. assistance.	4.39
The project shows community commitment and ability to cover any recurring costs.	4.13
The project has/had a realistic budget.	4.48
The project has/had suitable land cleared or a cleared lot for its activities.	4.70
The project has/had sufficient manual labor.	4.49
The project utilized locally available raw materials.	4.34
The project has/had specific indicators and a process for monitoring project progress.	3.81
The project has/had an evaluation plan and method.	3.71

Narrative responses provided by Peace Corps staff and Volunteers who completed the evaluation’s project level questionnaire for 45 different projects. All told, these respondents offered 65 observations on the 14 criteria included in the IAA “checklist”.

- 35% of these observations focused on the lack of monitoring and evaluation in SPA projects. Respondents did not say that the criteria were wrong to include a focus on these tasks, only that many SPA projects failed to do so.
- 31% focused on the difficult in meeting criteria that focus on land, labor and raw materials. Some noted that these kinds of criteria do not apply to all types of SPA projects.
- 18% identify difficulties in meeting criteria that deal with capacity building, community contributions and recurrent costs. Of particular note was the fact that a number of these responses indicated that the term “capacity building” is not well defined or understood.

Table 3-4. Average Ratings on a 1-5 Scale Given to Specific Projects included in the Evaluation Survey in Terms of Whether they Met Various Supplementary SPA Program Criteria

	Average Rating on a 1-5 Scale (Not Met to Fully Met) on Whether Specific Criteria Were Met
Supplementary SPA Criteria (Source: SPA Program Handbook, pages 6 & 17)	
The project beneficiaries are among the needy.	4.58
The project seeks a lasting solution.	4.51
The resources used were low cost, technologically appropriate, culturally acceptable and environmentally sound.	4.37
The project's impacts are at the local level.	4.76
The project activity does not displace qualified and available local workers or resources.	4.88
The project is complementary to, or fits well with, other development activities.	4.52
The project potential for replication.	4.37
Additional Implied Criteria (Source: Evaluation Scope of Work)	
Capacity building elements of the project, i.e, the development of local skills and systems, specifically benefit indigenous non-governmental organizations (NGOs).	3.64
The project provides technical assistance at the grassroots level, i.e., to entities that are small in scale and locally based.	4.22

Follow-up questions asked of Peace Corps staff in Washington about the relatively low rating projects received in terms of meeting SPA program criteria concerning monitoring and evaluation elicited two different kinds of comments:

- A number of Peace Corps staff responded to information about the relatively low ratings projects received on SPA criteria focusing on monitoring and evaluation by saying that these are areas in which Peace Corps is generally not as strong as it is in planning and programming. These respondents seemed to feel that a finding with respect monitoring and evaluation in SPA projects was not surprising.
- Other Peace Corps staff focused on why SPA projects might be scored as relatively weak in these areas. Several discussions along this line focused on the possibility that the SPA Project Design and Management training courses may not emphasize these aspects of the program.

A brief review of the training manual for Peace Corps Small Projects Design and Management Course (Training Manual No. T-50, 1987) lends some credence to these comments. It indicates that while monitoring and evaluation are included in this course, the suggested time allocated to these

topics represents 16% of the total course time compared with an estimated 77% of the course time that is allocated to project design. In the training program outline included in this manual, monitoring and evaluation are taken up at the end of the training program.

3. The Appropriateness of Limitations on the Use of SPA Grant Funds

With respect to program limitations, respondents to the Peace Corps Country Office survey were asked to rate the appropriateness of four of eight prohibitions on the use of SPA funds which are listed on page 8 of the 1992 SPA Program Handbook in a section entitled "Limitations on SPA Grant Funding." The limitations about which Peace Corps Country Offices were asked are shown in the table below. The limitations about which they were not asked include prohibitions on the use of SPA funds for religious purposes; to finance military or police activities; to purchase ineligible commodities as defined in USAID Handbook 15, or to support educational facilities used in significant part by U.S. Government employees or their dependents.

Table 3-5. Average Ratings on a 1-5 Scale Given by Country Offices to Each of Four Limitations on the Use of SPA Grant Funds in Terms of Appropriateness

	Average Rating on a 1-5 Scale (Not Appropriate to Very Appropriate) on Appropriateness of Criteria
Selected Limitations on the Use of SPA Grant Funds	
SPA funds cannot be used to cover costs associated with the administration of an individual SPA activity incurred by Peace Corps, USAID, or the cooperating community organization or group.	4.34
SPA funds cannot be used to cover the purchase of vehicles.	4.78
SPA funds cannot be used to cover improvements of capital assets of groups involved, or initial investments in long-term programs such as a revolving fund or credit union.	3.77
SPA funds cannot be used to cover the purchase of computers.	3.26

As responses to the limitations included in Table 3.5 indicate, Peace Corps Country Offices do not find the prohibition on the use of SPA funds for the purchase of computers to be highly appropriate, at least in comparison to other kinds of prohibited purchases, such as vehicles.

Narrative responses concerning the appropriateness of limitations on the use of SPA program funds were provided by 16 Peace Corps Country Offices, which together offered a total of 21 different comments.

- 46% of these responses suggested that the purchase of computers could, under certain conditions, further the cause of community development. While the majority of these comments came from Country Offices in Central and Eastern Europe, posts in Africa, Asia and Latin America also made this point.
- 29% suggested that revolving loan funds or other small loan systems were appropriate because they are true to the "grassroots" development philosophy of the SPA program.

- 19% of the responses focused on the importance of providing funding for host country national and/or Volunteer travel and other expenditures that are directly related to SPA projects.
- One Country Office suggested that all decisions about limitations on the use of funds be left to the discretion of Peace Corps Country Offices.

Seven USAID missions that responded to a similar question indicated that they were not aware of any major problems that had arisen because of limitations on the use of SPA funds or of exceptions that had been made to these rules. One mission did note that limitations on the purchase of computers had been considered a constraint at that post. Another indicated that the funding levels involved were too small to finance serious capital improvements so that a prohibition in this area would not be a serious concern. Others said that in general the limitations placed on the use of SPA funds seemed reasonable.

Follow-up questions asked in Peace Corps Country Offices, as well as in Peace Corps/Washington and USAID/Washington, about the relatively low appropriateness rating given to the prohibition against computer purchases indicate that:

- The prohibition was written at a point in time when computers were higher in cost; relatively rare overseas, and when, for the most part, neither Peace Corps nor USAID staff had desktop computers.
- Given the worldwide diffusion of computer technologies over the past ten years, their declining cost, and the frequency with which they are now found in even the poorest developing countries, few Peace Corps or USAID staff feel that this criterion continues to be appropriate.
- Some Peace Corps and USAID staff felt that it would be appropriate to drop this limitation, perhaps replacing it with a criterion that stated that if a computer were to be purchased with SPA funds its purchase had to be fully justified and a funding source for its long term maintenance specifically identified. One caveat was raised about dropping the limitation on SPA funding for computers. This caveat dealt with USAID policies governing the actual procurement of computers, i.e., USAID normally centralizes the procurement of computers to obtain the best possible price.

4. SPA as a Resource for “Secondary” Projects

In addition to all of the explicit criteria and limitations discussed above, there is one final restriction on the use of SPA funds. This restriction limits the use of SPA funds to “secondary” projects. This restriction is not well known or understood. It is not listed among the criteria and limitations which the SPA Program Handbook explicitly identifies. Reference to this restriction is imbedded in an introductory sentence on page 5 of this handbook, but it is not highlighted in any way.

“The intent of the Grant and Technical Assistance components of SPA is to assist communities, working with Peace Corps Volunteers, in the design, implementation, and evaluation of community initiated secondary projects.”

In a very real sense, this restriction turned out to be “hidden,” even if it was hidden in plain sight. While some members of the Peace Corps staff are aware of this reference to secondary projects and take it seriously, others are totally unaware of this restriction. When it was brought to their attention in evaluation interviews, they were surprised. Some of these staff members have been dealing with the SPA program for quite some time. In doing so, they have operated on the assumption that the program’s funds were available to fund small projects that support a Volunteer’s primary assignment as well as for secondary projects.



These giraffes, part of a 67-member herd in Niger, W. Africa, are being tracked by PCV Paul Peterson in Niger, W. Africa.

Study data from the survey of Country Offices confirms the impression, gathered from interviews with Peace Corps staff in Washington as well as in the field, that the SPA program’s focus on secondary projects is not well known, and not uniformly applied. In response to a question about whether SPA projects were generally undertaken in the field in which a Volunteer has his/her primary assignments, Country Offices responded as follows:

- 35% indicated that as a general rule a Volunteer’s SPA project focuses on the same technical field as his/her primary assignment;
- 20% said that SPA projects generally focus on a different field, and
- 45% reported that it is a mixed situation — about half of the SPA projects are in the field in which Volunteers have their primary assignments and about half are in different fields.

In follow-up questions with Peace Corps/Washington and USAID/Washington staff, the evaluation team pursued the question of the appropriateness of this “hidden” secondary project criterion. Responses to questions on this topic were varied:

- Individuals who were familiar with the program’s origins said that its secondary projects focus derived from the early experiences of education Volunteers who used SPA funds to initiate worthwhile activities during school breaks.
- Many felt that this criterion — if it was indeed a criterion — was not appropriate. SPA funds for projects in the area of a Volunteer’s primary assignment were just as legitimate and important as were secondary activities.
- Those who felt that SPA was appropriately restricted to secondary projects often associated their point of view with a concern about the way in which Volunteer access to SPA funds may affect community expectations. These respondents felt that if SPA funds were available for activities that supported primary assignments, Volunteers might

be sought by communities because they have access to funds, rather than because of what the Volunteers themselves have to offer.

5. Country-Specific Criteria and Limitations

In addition to the range of program-level criteria and limitations discussed above, a number of Peace Corps Country Offices add to these lists or modify specific requirements to fit their particular situation and point of view. Insights into the nature and extent of these criteria were obtained through interviews with Peace Corps staff on field visits to nine countries, representing all of the Peace Corps geographic regions. The range of country-specific criteria and limitations found in these countries included:

- Modifications to the SPA criteria limiting projects to a maximum of \$10,000. One Country Office visited by the evaluation team had lowered this limit to \$2,500. Follow-up discussions in Peace Corps/Washington indicate that this is not the only Country Office that has modified the ceiling on SPA project funding.
- Cost-sharing requirements. Two of the Country Offices visited had developed cost-sharing formula, e.g., communities must contribute at least 40% of the SPA project cost and of that amount donated labor cannot exceed 25% of the community's total contribution.
- Exploration of Alternative Funding Sources. One Country Office had instituted a requirement calling for communities to demonstrate that they had already attempted to obtain funding for their project from some other source.
- Limitation on the Number of SPA Projects per Site. One Country Office had instituted a rule that made it impossible for two SPA projects to be carried out at the same site, i.e., community or geographic area. This rule applies over time.

Had more Country Offices been asked to identify the country-specific criteria and limitations they have instituted, this list would be a good deal longer. Discussions in Peace Corps/Washington indicate that the development of country-specific rules for the SPA program is fairly common.

While there is no way to judge the appropriateness of the full range of country-specific criteria and limitations, the fact that such additions to basic SPA program policy are being made on a decentralized basis — and apparently without the knowledge of Peace Corps/Washington — suggests the possibility that a program that is intended to be worldwide in scope may mutate into different forms at the country level, as country-level criteria are introduced.

C. SPA Management at the Operational Level

At the operational level, management of the SPA program is governed by program guidelines and forms, by orientation and training arrangements, and by procedures that govern steps in the SPA project cycle. All of these operational level management issues are examined in this section of the report.

1. Awareness and Use of SPA Program Guidelines

In 1992, the Peace Corps issued two documents that codify the principles and criteria that govern the SPA program. The first of these documents, the SPA Program Handbook, provides a comprehensive introduction to the SPA program as well as instructions concerning SPA management processes and copies of all of the forms that Peace Corps uses to record information about this program. The second document, the SPA Program Guidance, is a short piece that summarizes key aspects of the guidance provided in the Handbook.

a. Use of the 1992 SPA Program Handbook and Guidance

Of the Peace Corps Country Offices that responded to the evaluation survey, 92% reported that they had seen and used the 1992 SPA Program Handbook and 80% reported that they were also familiar with the 1992 SPA Program Guidance. On a 1-5 scale, where 5 was designated as meaning "very useful," the average score given to these two documents by Country Offices was 4.04 and 3.92, respectively. Three-fourths of the survey respondents felt that the Handbook could be improved, and a near majority felt that the Guidance could also be improved. Specific suggestions were provided concerning each of these documents.

In addition to using SPA guidelines developed by Peace Corps/Washington, 94% of Peace Corps Country Offices that responded to the survey indicated that they had developed their own written SPA guidance for Volunteers. According to survey respondents from these Country Offices, Volunteers found this country-specific guidance to be quite useful, i.e., on average respondents rated the usefulness of locally developed guidances as 4.20 on a 1-5 scale, i.e., somewhat more useful than the two guidelines developed by Peace Corps/Washington.

Data from the project level survey, conducted in parallel to the evaluation's survey at the Country Office level, confirm that, for the most part, Volunteers who developed SPA projects had access to written guidelines. For 78% of the projects for which responses were received from the project level survey, the Volunteers who helped design these SPA projects were reported to have possessed instructional information at the time they developed these projects. Of the remaining 22% of cases, a few posts reported that the Volunteers did not have instructional materials available, while most reported that they did not know whether such materials were available or not.

b. Field Staff Recommendations for Improving SPA Guidance Materials

Of the 25 Peace Corps Country Offices that provided specific suggestions for improving the SPA Program Handbook:

- 26% of these Country Offices suggested having the Handbook customized to better meet the needs of posts, e.g., it might be issued in binder, with copies of key forms available in several different languages, and options for inserting country-specific sections and instructions.
- An equal number of posts asked that the limitations and restrictions on the use of SPA grant and technical assistance funds be further clarified.
- 23% suggested including examples, e.g., a well-developed project proposal and properly completed samples of an Individual Activity Agreement (IAA), an Activity Completion Notification (ACN) form, etc.

- 10% asked that an overview of SPA program procedures be included and one post asked that the steps to be taken in countries where there is no USAID mission be clarified.
- Other suggestions focused on simplifying the language in the document, eliminating redundancies, shortening its length, improving the explanation of SPA technical assistance funds and their use, and putting the Handbook on a disk.

As to the SPA Program Guidance volume, the 11 Country Offices that offered suggestions for improving this document focused on:

- Updating the guidance to reflect any changes in policies or deadlines for submission of documents;
- Condensing the guidance, or perhaps collapsing the Handbook and Guidance into a single, simple to follow document;
- Attaching examples, and
- Strengthening the sections on monitoring and evaluation.

2. Utility of SPA Program Management Forms

As the SPA Program Handbook indicates, Peace Corps uses a variety of standardized forms in connection with the SPA program, including:

- A **Small Projects Assistance (SPA) Worksheet**, for estimating budgetary needs on the grant side of the SPA program;
- A **Field Request for OTAPS support**, for requesting funds on the technical assistance side of the SPA program to cover training in project design and management as well as other types of training and technical assistance relevant to the operation of the SPA program.
- A sample **Memorandum of Understanding**, which is used in countries where there is a USAID staff presence, to record Peace Corps' annual agreement with USAID concerning the SPA program.
- An **Individual Activity Agreement (IAA)**, which is used to record the main characteristics of SPA projects at the time they are approved.
- An **Individual Activity Agreement Abstract**, which is used to summarize the contents of the IAA for Peace Corps/Washington.
- An **Activity Log** to list SPA project expenditures.
- A **Quarterly Report** format for tracking expenditures across a number of SPA projects.
- An **Activity Completion Notification (ACN)** form, which is used to record information on SPA projects at the time of their termination.

Of these forms, only two record substantive information on SPA projects, namely the IAA and the ACN forms. These two forms are often completed by Peace Corps Volunteers. The IAA and ACN forms serve to anchor a SPA project file. In some instances, they are accompanied by other materials including the proposal that led to a SPA project and any interim reports prepared by

Volunteers as these projects progressed. All of the other forms listed above were designed for Peace Corps Country Office staff use.

a. Individual Activity Agreement (IAA) Forms and IAA Abstracts

An IAA is the basic descriptive document for a SPA project. It summarizes the project's objectives, intended benefits and costs. In principle, both an IAA and an IAA abstract are kept on file in Peace Corps Country Offices. In addition, Peace Corps/Washington expects copies of IAA abstracts to be sent in on all SPA projects.

(1) Use of the IAA Form

In practice, SPA files in Country Offices and in Peace Corps/Washington do not always contain the IAAs and IAA Abstracts they are expected to contain:

- For 88% of the projects for which responses to the survey were received, respondents indicated that IAAs were on file in the Peace Corps Country Office.
- In Washington, the evaluation team found that IAA Abstracts were on file for 93% of the 1,478 SPA projects carried out between 1991 and 1993.

IAA forms, once completed, are used in several ways. Their primary use, according to Peace Corps Country Office staff is as an outline for proposal development and review. Several respondents indicated that the checklist contained in the IAA is used to ensure that project proposals meet all of the SPA program criteria. Respondents indicated that they use IAAs to monitor project performance and that they send copies of IAAs to Peace Corps/Washington as well as to the USAID mission in their country.

Of the Country Offices responding to the survey:

- 86% reported that they forward copies of all IAA Abstracts to Peace Corps/Washington;
- 56% reported that they provide the USAID mission in country with IAAs for all SPA projects. Responses from 35% of the Peace Corps Country Offices indicate that USAID requires them to submit these forms; the remainder do so of their own accord.
- Of the Country Offices that report that they provide IAA forms to the USAID mission or office in country, 43% say that they do so before SPA projects are approved, the remainder forward these forms after SPA project approval has been granted.

Other respondents to the Peace Corps Country Office survey indicated that IAA forms are sometimes treated as formal agreements between Peace Corps and a community, while at other times they are used to notify host government officials about a project.

With respect to the perceived usefulness of these forms, respondents to the Peace Corps Country Office survey rated the IAA form, on average, at 3.94 on a 1-5 scale, where 5 means highly useful, while the IAA Abstract earned an average rating of 4.03. Of the respondents who offered comments on the IAA form, 83% thought it could be improved while 17% thought it was fine in its current form.

(2) Field Staff Recommendations for Improving the IAA Form

As to specific improvements that could be made in the IAA, respondents from Peace Corps Country Offices indicated that they have already, or have plans to, customize the form to better meet the needs of their specific country and post. Typical responses in this regard included: "We've added to it, including questions on women, youth and other disadvantaged members of the community," or "We have already expanded it with French project descriptions and an improved budget page." Additional recommendations focused on:

- Making the form clearer and more concise.
- Simplifying the language and providing more explanations of terms and examples.
- Expanding and clarifying the budget section, and including space for information about community contributions.

Other comments provided by Peace Corps Country Office staff suggest that having two IAA documents is confusing and that of the two, they prefer the IAA Abstract. Another respondent suggested that instructions on writing SPA project proposals be attached to the IAA form or that the IAA form specify what Peace Corps expects in terms of each of the topics the IAA covers.

b. Activity Completion Notification (ACN) Form

An ACN is used to describe SPA project accomplishments. It records any changes that were made in project objectives; project results; information on the sustainability of the project, and the Volunteer's impressions concerning beneficiary satisfaction with the effort.

(1) Use of the ACN Form

Peace Corps expects Country Offices to forward a copy of each SPA project's ACN to Peace Corps/Washington as well as retain the original in their country files. In practice, these instructions are not always followed:

- In Washington, the evaluation team found that ACNs were on file for 54% of the 1,478 SPA projects carried out between 1991 and 1993. On an annual basis, Washington files show a noticeable decline in the percentage of SPA projects for which ACNs are on file:
 - For 1991, ACNs were received for 80% of the SPA projects funded;
 - For 1992, this percentage dropped to 60%, and
 - For 1993, the percentage dropped again to 34%.

While some element of this decline may be due to a lag in the submission of ACNs, it is doubtful that such a lag fully explains this precipitous decline.

Commenting on the ways in which the ACN report is used in the field, the majority of respondents indicate that they treat an ACN as a final report or project evaluation. Typical responses include using the ACN to "assess whether the project achieved its objectives and how money was spent," or "The ACN serves as a way of evaluating the impact of a project." Some said that the

ACN signified project closure. Others noted that the ACN form is used by Volunteers as a reference when they are planning similar projects.

Country offices also reported that they forward ACNs to Peace Corps/Washington and to the USAID missions in their country. Of the Country Offices responding to the survey:

- 84% reported that they forward copies of all ACNs to Peace Corps/Washington.
- 53% report that they forward copies of all ACNs to the local USAID mission; 19% forward these forms to USAID because they are required to; the remainder do so voluntarily.

Rating the utility of the ACN form, Peace Corps Country Offices scored it, on average, 3.92 on a 1-5 scale. Of the respondents who commented on this form, 65% suggested some type of improvement, while 35% felt that no improvements were necessary.

(2) Field Staff Recommendations for Improving the ACN Form

Ideas with respect to improving this form focused on ways in which it could be restructured and expanded to serve as a better evaluation tool. For example, it was suggested that a final expense report be included and that the final number of beneficiaries be noted. It was also suggested that some form of narrative report be appended.

Several respondents suggested involving beneficiaries in the process of preparing an ACN. Others observed that the timing of an ACN is problematic. As a rule, these respondents reported, ACN forms are completed before it is possible to tell whether a project has been completely successful.

Other respondents suggested reorganizing the report in a more logical manner and adding more space for answers. One aspect of such a reorganization, it was suggested, might involve reviewing the ACN and the IAA together and eliminating the redundancies that exist in these two documents. To facilitate completion of the ACNs, one respondent suggested putting the format on a diskette.

c. Other SPA Program Management Forms

Other SPA forms, including the Small Projects Assistance Worksheet, the sample Memorandum of Understanding, the Activity Log, the Quarterly Report format and the Field Request for OTAPS support were examined in terms of their utilization and for ways in which they might be improved.

(1) The Use of Other Management Forms

In response to questions about how regularly they use each of several SPA program management forms, Peace Corps Country Offices reported the following:

- 87% of the Country Offices responding to the survey indicated that they forward copies of the SPA Worksheet to Peace Corps/Washington each year;
- 83% indicated that they send copies of the Memorandums of Understanding they have signed with USAID missions;

- 59% report that they use the Field Request for OTAPS support regularly.

As to the value of the information contained in these forms, as well as the IAAs and ACNs discussed above, to Country Offices, 89% of the survey respondents stated that the information was valuable to them. More specifically:

- Nearly three-fourths of those responding to this question indicated that these reports help the Country Office to plan and evaluate their SPA program;
- Several respondents noted that these reports are useful to USAID missions;
- Still others said that the existence of a reporting process encourages Volunteers to review completed projects when they are designing new ones as well as to monitor and assess the projects they undertake.

Country Office ratings of the utility of the various program management forms about which the evaluation inquired received average 1-5 scale ratings ranging from 3.52, for the Small Project Assistance Worksheet, to 4.15, for the sample Memorandum of Understanding (MOU).

(2) Field Staff Recommendations for Improving Other SPA Program Management Forms

Comments and recommendations for improving these forms included the following:

- Roughly a fourth of the Country offices that commented felt that the Small Project Assistance Worksheet was of marginal value because posts were just “guessing” about future needs.
- While few comments were made about the sample MOU, one respondent noted that it would be helpful to clarify whether the MOU should be on a calendar or fiscal basis, i.e., the current basis for the SPA program year basis or the basis for USAID’s program year.
- A number of posts reported that they have never used the Field Request for OTAPS support, but they did not explain why.
- Posts commenting on the Activity Log suggested dropping the U.S. currency column, or at least having a second column which represented expenditures in local currency terms, which is the way posts actually keep track of them. A number of Country Offices indicated that they had developed their own versions along these lines.
- Roughly a quarter of the Country Offices that commented indicated that they have developed their own quarterly report formats.

In terms of the amount of time needed to complete these various forms, 73% of the Country Offices that responded felt that the SPA program reporting requirements were reasonable. A few noted that the preparations of IAA Abstracts was burdensome, given that IAAs contain the same information. A few others cited quarterly reports as being time consuming.

Commenting across the board on the utility of the various SPA reports they prepare and send to Peace Corps/Washington, 89% of the Peace Corps Country Offices said that they found some value in these reports for their own work. Of those who found value in these reports, the majority said that they were able to use them in their planning processes and to help with their efforts to

Cistern Construction in Las Aguitas, Dominican Republic

Las Aguitas is located in the semi-arid, northwest region of the Dominican Republic, about 15 kilometers from the coast. This remote community of 587 can be reached by traversing a winding dirt road for about 40-50 minutes after leaving the main highway. Tobacco and goats are the dominant features of the farming system, and water—for both agricultural and domestic use—is in very short supply. Sources of potable water are restricted to artificial lagunes (intermittently wet and dry), and community cisterns (supplied by government trucks). Prior to the SPA project's inception, the latter served only 15% of the population and the incidence of gastrointestinal disease was quite high.

The SPA project was organized via a local community association (of about 50 members) through which a member sub-group was formed in 1992: The *Comite Pro-Agua*. The *Comite* was steered by a 5-person board which included the PCV and the local health promoter. The other members of the *Comite* were those interested in participating in the construction of household cisterns (*aljibes*).

Cement cisterns were a proven technology having been introduced to the region in 1989 by *Servicios Sociales de la Iglesia (SSID)*, the local arm of Church World Services. A local mason, familiar with the cistern design and construction process, was available to work with project beneficiaries. Those community members interviewed indicated that the

idea for a cistern project had existed for some time but it was the PCV, health promoter, and a few other community leaders who promoted the concept.

The PCV took part in PC/DR's 3-month In-Service Training (IST) on project design and management, but no one from the community attended. After the course, the PCV and health promoter wrote the project proposal and developed the budget using information gleaned from the IST. The total amount received from SPA was \$3,470.50. In addition to SPA, funds were solicited from about nine

other agencies, but none were able to provide any funding.

Work on the proposal began in March but funding wasn't approved until August and the check was then received in September. Due to this delay, the project budget was affected somewhat by inflation; the price of budgeted materials increased and the beneficiaries made up the difference by each contributing approximately \$12.00 (RD \$150) of their own funds. But once the funds were received and materials were purchased, 14 cisterns were constructed in one and a half months. Committee members worked in rotating labor squads to carry out the construction. Women provided meals and coffee to the laborers, but not many were directly involved in the design process. After construction was completed, the project was inaugurated and PC/DR's APCD for agriculture and community development attended the ceremony.

Although 14 households now have cisterns and 11 of these also received zinc roofs (to collect and channel water into the cisterns), the goal of increasing access to potable water—and thus lowering the prevalence of water-borne illness—has yet to be realized as it hasn't rained since construction was completed. Nevertheless, community satisfaction is high and plans call for extending the construction of cisterns to other households in

the community. Funds for this purpose are being sought from Pro-Comunidad, a semi-autonomous government agency operating in the region.

It is interesting to note that this particular project was the first of three SPA-supported cistern projects undertaken by PCVs and local groups in the region. Thus, it has "spun off" two similar projects in neighboring communities. Furthermore, in all three communities, there are plans to expand the initial cistern projects by seeking support from government/non-government sources.



PCV Nancy Gilbert with community members Luis Ramada Canela and Luciano Molina next to a SPA-funded rain-catchment cistern in Las Aguitas, Dominican Republic.

evaluate the SPA program on an in country basis. Several said that such reports could also be shared with the local USAID Mission and with incoming Volunteers.

Broad recommendations for improving the process for reporting to Peace Corps/Washington on the SPA program included the following:

- Reduce the frequency, quarterly is too often;
- Cut down on the paperwork involved by allowing posts to back reference earlier reports and funding requests rather than always expecting “stand-alone” documents;
- Shorten all existing forms by removing redundancies, particularly within and between the IAA and ACN forms.
- Provide better instructions as well as more lead time for reporting.

3. SPA Program Orientation and Training

Recognizing the importance of developing a capacity for designing, implementing and sustaining projects within the communities in which Peace Corps Volunteers work, the SPA program provides opportunities for host country counterparts as well as Volunteers to learn the fundamentals of project design and management as part of their SPA experience.

a. Volunteer Orientation

According to the Peace Corps’ Country Offices, all Volunteers are provided with some type of formal introduction to the SPA program:

- 91% of the Country Offices that responded to the evaluation survey said that their orientation of Volunteers to the SPA program included both written materials and oral presentations, e.g., during in-service training.
- Of the remaining Country Offices, roughly 7% indicated that they provided Volunteers with oral briefings only, while 2% used only written materials to make Volunteers aware of the SPA program.
- One Country Office reported that it does not make an effort to orient Volunteers to the SPA program because it does not encourage Volunteers to access these funds.

b. Training in Project Design and Management

Using SPA technical assistance funds, OTAPS developed a project design and management training course for Volunteers and their counterparts. While this course is not required, 60% of the Peace Corps Country Offices that responded to the evaluation survey have made it available, drawing on OTAPS and local resources.

(1) Project Design and Management Training for Volunteers

In terms of formal training, the evaluation found Volunteers are receiving some type of project design and management training in 75% of the countries where the SPA program operates. The

remaining 25% of the Peace Corps Country Offices report that they do not offer any training in project design and management to Volunteers in their country.

In the Country Offices that do provide some form of project design and management training in connection with the SPA program, three approaches are used. In some countries, more than one type of training is offered:

- 68% of the Country Offices indicated that the Peace Corps' formal Project Design and Management course, which is sponsored by OTAPS and financed using the SPA program's technical assistance resources, had been offered in their country at least once. Reports on the provision of this course came from all four of the Peace Corps geographic regions.
- 61% of these posts indicated that project design and management training is one of the standard elements of their in-service training program for all Volunteers.
- 10% of the posts reported that they had adapted the Peace Corps' formal Project Design and Management course and that they had offered this local version at least once. Reports of locally adapted versions of the Project Design and Management course came from all geographic regions except the Peace Corps' AP region.

In narrative answers Country Offices elaborated on the frequency with which different training programs were offered:

- Of the 30 Country Offices that commented on the formal Project Design and Management course that OTAPS sponsors:
 - 27% indicated that it had only been given once;
 - 24% reported that they provided the course once a year;
 - 30% reported that they provided the course between two and five times each year.
- Of the 14 Country Offices that commented on the provision of locally developed versions of the formal Project Design and Management course:
 - 36% reported that they linked this course to their in-service training program and generally provided it once during the two year experience of each group of Volunteers.
 - Other posts indicated that they break this training program into pieces and present elements of the course as part of pre-service training, in-service training or in *ad hoc* training sessions that vary from an hour at a time to a full day.

Data from the evaluation's project level questionnaire correlates well with the descriptions of project design and management training offered by Peace Corps Country Offices. At the project level, the evaluation found that:

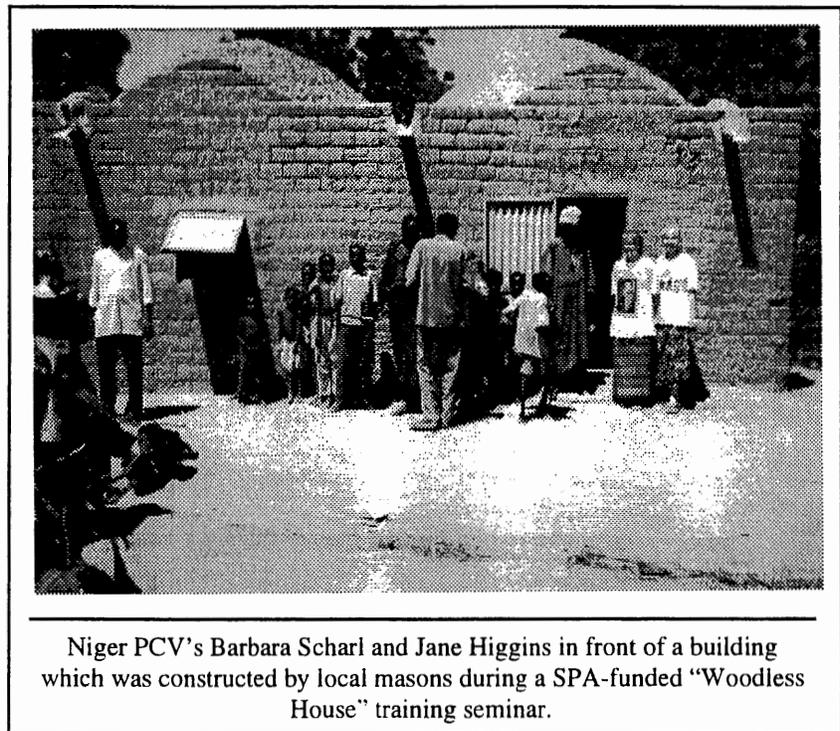
- 36% of the Volunteers that developed projects included in the sample examined by the evaluation had participated in one of the OTAPS sponsored Project Design and Management courses.

- 46% had received some alternative form of training, i.e., in-service training that focused on project design and management or participation in a locally adapted version of the OTAPS course.
- 18% of the Volunteers who developed projects included in the evaluation sample had no training in project design and management.

With respect to Volunteer training in project design and management and the projects included in the evaluation sample, several noteworthy facts emerged during data analysis:

- Volunteers who developed SPA projects were more likely to have received some form of project design and management training if they were posted in the AP region or in the ECAM region than if they were posted in Africa or in the Inter-America region.

- Volunteers in the AP region were more likely to have participated in the formal OTAPS sponsored course than were Volunteers from other regions. Volunteers from the Africa region were the next most likely group to have received this course.



Niger PCV's Barbara Scharl and Jane Higgins in front of a building which was constructed by local masons during a SPA-funded "Woodless House" training seminar.

- From a level of development perspective, it appears that the lower the national income of a country the more likely it is that Volunteers would have had some form of project design and management training in connection with their SPA program activities. This generalization also holds true when only the OTAPS course is considered.
- Female Volunteers were somewhat more likely to have received project design and management training, including the formal OTAPS sponsored course, than were male Volunteers;
- Volunteers who developed SPA projects in the health sector were more likely to have had project design and management training than were Volunteers who developed projects in other sectors. Volunteers who developed Water/Sanitation projects were also likely to have received some form of training.

- However, when only the formal OTAPS course was considered these probabilities changed. Volunteers involved in Education and in Income Generation projects were more likely than others to have had the formal OTAPS sponsored Project Design and Management course.

(2) Training for Host Country Nationals Involved in SPA Projects

One important feature of the OTAPS sponsored Project Design and Management training program that has been provided in a number of countries in which the SPA program operates is the effort that is made to include host country nationals from the communities in which Volunteers work. Every Volunteer who is registered for this course is expected to bring with him/her at least one representative of the community who will be working with the Volunteer to design and implement a SPA project. SPA technical assistance funds cover the costs associated with including host country counterparts in these training sessions. In narrative responses to the Peace Corps Country Office survey, posts reported that the most important impact of the SPA technical assistance funds in their country was the opportunities it provided for Volunteers and host counterparts to enhance their ability to plan and implement their projects. In some countries, Peace Corps Country Offices which sponsor their own locally developed project design and management training courses follow a similar practice with respect to including host country counterparts.

In response to questions about host country participation in SPA-related training activities, 63% of the Peace Corps Country Offices that responded to the evaluation survey said that host country counterpart attendance was required in connection with the OTAPS sponsored Project Design and Management course. Of the Peace Corps Country Offices that responded, 88% also stated that, as a general rule, host country counterparts attended this course when it was offered. In addition, 68% of these offices indicated that host country counterparts routinely participated in their locally-developed versions of the project design and management course.

These percentages are consistent with the intent of the SPA program. However, they suggest a higher degree of involvement in SPA-related project design and management training courses than data from the evaluation's project level survey or the evaluation team's visits and interviews at 23 SPA project sites in nine countries would indicate.

- On a worldwide basis, host country counterpart participation in a SPA-related project design and management training course was reported for 26% of the projects examined through the evaluation's project level survey. Regionally, host country counterpart participation was significantly higher in the IA and ECAM regions than it was elsewhere.
- In terms of project sites visited by the evaluation team, in all four Peace Corps regions, host country counterpart participation in such courses was reported for 35% of the projects visited.

Assuming that data on the frequency of host country counterpart training at the project level are accurate, the ratio of trained Volunteers to trained counterparts works out to be about 3 to 1, on a worldwide basis, i.e., in only one out of three projects have both the Volunteer and his/her counterpart been trained in the basics of project design and management. In practice this ratio is closer to 2 to 1 in the IA and ECAM regions and it is closer to 5 to 1 in AFR.

(3) Observable Effects of the SPA Program's Project Design and Management Training Courses

As part of the evaluation survey, Peace Corps Country Offices were asked to describe the observable effects that project design and management training on the SPA program in their country.

Of the 19 Peace Corps Country Offices that discussed the impact of project design and management training on the quality of SPA project proposals:

- 68% indicated that there were noticeable differences between the proposals submitted by Volunteers who had training and those who did not. Proposals received from Volunteers who had received some type of project design and management training:
 - Were generally better prepared;
 - Were more likely to follow the SPA guidelines and use SPA formats;
 - Rarely needed to be sent back for correction;
 - Were more likely to be focused on measurable objectives and tasks that were time-bound;
 - Tended to have a heightened level of community participation;
 - Were more likely to include monitoring and evaluation plans, detailed work plans and detailed budgets.
- 32% disagreed, stating that they saw no observable differences in the proposals submitted by Volunteers who did and did not receive some form of project design and management training. Posts expressing this view said that Volunteers who did not receive such training were likely to draw more heavily on other resources, e.g., in-country SPA handbooks and the advice of a knowledgeable Associate Peace Corps Director (APCD), or in some cases the Country Director.

As to other observable effects of project design and management training:

- 23% of the 30 responses to this question suggested that Volunteers who had taken a project design and management course were much more focused and critical in their selection of projects, which had resulted in projects that are more feasible and sustainable.
- 23% reported that training had led to visible improvements in the way Volunteers managed small projects, whether under the SPA program or through other programs.
- 20% suggested that host country personnel benefited greatly from participation in project design and management workshops. The skills they develop there, these respondents report, are noticeable and they remain in the community after the Volunteer departs.
- 10% commented positively on the way in which training workshops orient host country nationals to Peace Corps' development philosophy and working style.

- Others reported that training had led to both a more systematic proposal process in country and to a larger volume of applications.

(4) Field Staff Recommendations for Improving Project Design and Management Training

In response to a question about how the project design and management training provided through OTAPS sponsored courses and in locally-developed versions of this course could be improved, 26 Country Offices offered a total of 31 suggestions.

- 42% of these suggestions called for an overhaul in Peace Corps' approach to providing this kind of training, and recommended that project design and management training be incorporated directly into pre-service and in-service training and made mandatory for all Volunteers.
- 26% recommended a less theoretical and more "hands-on" approach to training.
 - Several encouraged the use of "case studies" of good and bad projects as a teaching method.
 - Others suggested site visits to ongoing SPA projects.
 - Still others suggested that the training program be expanded to include techniques for time and money management.
- 13% recommended a higher level of experienced Peace Corps staff and Volunteer participation in these programs, citing their ability to provide specific examples and share their experience with various project management approaches.
- Other suggestions included ideas about follow-up sessions once the trainees' SPA projects are underway and on efforts to make sure that the language and visual aids used in training programs can be understood by host country counterparts.

c. Other Forms of Encouragement to Use the SPA Program

In response to a question about the Peace Corps Country Office efforts to promote the SPA program, 90% of the Country Offices that responded to the evaluation survey indicated that Volunteers in their country are encouraged to use SPA resources to support projects in the communities in which they live and work.

Narrative responses concerning the ways in which Country Offices promote the SPA program suggest that in most countries the APCDs who work directly with groups of Volunteers play a major role in promoting the SPA program. Those who see value in the SPA program encourage Volunteers to develop SPA projects. APCD's efforts to promote the SPA program vary by individual and, as survey responses and follow-up interviews in the field and in Washington indicate, Peace Corps staff are not of one mind about this program.

Other answers to this question indicate that Peace Corps Country Offices use in-service training, Volunteer conferences, newsletters and memos, and a range of other opportunities to communicate information about the SPA program and about SPA projects in country to their Volunteers.

4. The SPA Project Cycle

In the field, the SPA project cycle has three conceptually distinct elements:

- Design and approval;
- Implementation;
- Performance monitoring and evaluation, and
- Project completion and close-out.

While the kinds of projects USAID routinely funds take a number of years to complete these steps, a SPA project normally completes the full cycle in a little more than a year.

This section examines the way in which Volunteers, Peace Corps Country Offices and USAID missions participate in the SPA project cycle.

a. SPA Project Design and Approval

During this stage of the SPA project cycle, Volunteers develop project proposals in collaboration with counterparts in the communities in which they live and work. The proposals they develop are reviewed and approved by Peace Corps Country Offices using the procedures those offices have established.

(1) Community Participation in the SPA Project Design Process

In SPA project proposals and in the IAA forms that are completed for all approved projects, Peace Corps distinguishes between “community participants,” which refers to community members who play an active role in the design and/or implementation of a SPA project, and “beneficiaries,” which refers to all who benefit from a project, whether or not they helped to design and implement it.

Data from the evaluation’s project level survey indicate that there is a good deal of variation from project to project in terms of “community participant” involvement in project design.

- In 30% of the projects examined, over 50% of community members who were involved in this project worked on its design.
- At the other end of the spectrum, 7% of the projects were reported to have no “community participants” involved at the design stage.
- In another 45% of the projects the number of “community participants” involved at the design stages was reported to be 10% or less.
- For the remaining 18% of the projects examined, between 11% and 50% of the “community participants” played a role in the design of the SPA project on which they worked.

On a regional basis, the chances of finding that over 50% of the community members who worked on a project had also been involved in its design were higher in the ECAM region than elsewhere, with this result to be next most likely in the IA region. Involvement of this sort was also

characteristic of SPA projects that focused on small business development or on water/sanitation problems.

A somewhat more detailed understanding of host country involvement during the early stages of SPA project development was provided by in country interviews carried out at 23 SPA project sites. Discussions with community participants, beneficiaries and Volunteers at these sites shed a good deal of light on the SPA project design process.

Taken as a whole the data that emerged from these discussions paints a strong picture of community leadership and involvement in the SPA project design process, irrespective of the actual number or percentage of community participants involved in specific situations:

- At 14 of the 23 SPA project sites where interviews were conducted by the evaluation team, community participants reported that the problems addressed by their SPA projects had been identified more than a year before the project came into being. Several indicated that problems had been identified several years before the project was designed.
- Identification of the problems addressed by the SPA project was attributed to community members at 10 of these sites and to local organizations at another 7 sites. At only 3 sites was identification of the problems addressed by the SPA project attributed to the Volunteer.
- Six of the project sites reported that attempts had been made to address their problem prior to the development of the SPA project, while 15 said that no such attempt had been made.
- Half of the sites visited reported that the groups or organizations that developed and implemented the SPA project had existed before the SPA project was planned. The other half indicated that the organization or group was formed to carry out the SPA project.
- Seventeen communities reported that Volunteers were reported to be working in the community at the time the project idea that evolved into a SPA project was first developed. Five said there was no Volunteer at the time the idea was first generated.
- At 11 of these sites, community members or the organization that undertook the SPA project was credited with developing the approach that was used in the SPA project to address the community's problem. Another 9 sites indicated that community members and the Volunteer had collaborated on the approach. Three communities credited the Volunteer with the project's design.
- Eighteen of the sites reported that both men and women were involved in the design of the SPA project. Five communities said that individuals of only one sex were involved.
- Community participants at 11 of these sites indicated that they knew that Volunteers had access to funds for community projects. At 9 sites, community participants said that they did not know this ahead of time.
- Eleven sites indicated that alternative sources of funds were explored when what became their SPA project was being developed. Each of these communities identified the other sources they explored, which across these communities included everything from local cooperatives and local government entities to U.S. voluntary agencies and the U.S.

Ambassador's Self-Help fund. One community indicated that they had first explored whether another bilateral donor might be able to make resources available.

- With respect to the actual proposal for SPA funds, 11 sites reported that Volunteers played a significant role in preparing the detailed proposal, but in most of these cases community members worked with Volunteers on the preparation of these documents. In the remaining communities, the local organization or group took the lead in preparing the SPA project proposal.
- As to the budgets for SPA projects, most communities reported that community members or members of the local organization and Volunteers worked together to prepare project budgets. While this process was generally a smooth one, one site described a conflict between community members and a Volunteer which arose during the budget preparation process.
- Asked how they determined whether the project's design was appropriate and would meet the needs of its intended beneficiaries, 12 communities indicated that either they made this decision or the appropriateness was patently obvious. Four communities indicated that they and the Volunteer made the determination together, and 3 communities indicated that the Volunteer had made this judgment.
- As to the process that would be used to implement the project, i.e., who would play what roles, what vendors would be used, etc., the vast majority of the communities indicated that such decisions were made in community meetings, by the key personnel in the local organization, or by consensus. Only one community reported that such decisions were made solely by the Volunteer.
- Asked whether their SPA proposals had been accepted in the form in which they were sent in, almost all sites reported that their proposals came back at least once for modification or clarification.

(2) The SPA Project Review and Approval Process

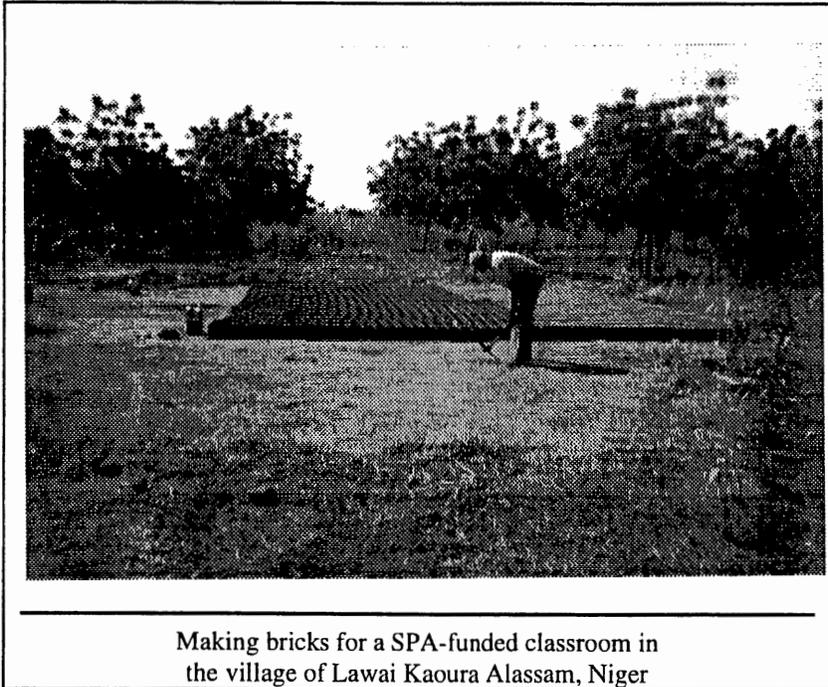
Narrative reports provided by Peace Corps Country Offices on their SPA project review and approval process makes it clear that these processes vary a good deal from country to country. Such variation is not inconsistent with the program's intention, however, as the original MOU for the SPA program, which was signed in 1983, makes clear:

"A process for approval of SPA activities is to be determined jointly by the principal AID officer and the principal Peace Corps officer in each country. The extent of involvement of the AID mission in the approval process is left to the mutual agreement of the principal AID and Peace Corps officers in each country."

(a) The Nature of the Approval Process

Of the 49 Peace Corps Country Offices that responded to the evaluation survey, 47 provided descriptions of the SPA project review and approval process they use. Of these:

- 38% of the Peace Corps Country Offices described a layered review process which begins at the level of the Volunteer and an APCD. Proposals that receive an "ok" at the APCD level move up the "chain". In different posts, the "chain" involves different



Making bricks for a SPA-funded classroom in the village of Lawai Kaoura Alassam, Niger

actors. In some countries there is a SPA coordinator who becomes involved, in others, the next decision layer may involve a PCV Coordinator or a Training Officer. The Country Director provides final approval at most posts.

- 36% of these Country Offices described a committee process in which several Peace Corps staff members or a mix of staff and Volunteers are involved, or in some cases, only Volunteers. Many such committees have final approval authority for SPA projects.

- The rest of the Peace Corps Country Offices described similar processes, but added that in these cases USAID as well as Peace Corps staff became involved in the review and approval of SPA projects. In some countries USAID staff were quite involved in this process.

With respect to USAID's involvement in the SPA project review and approval process, data from the evaluation's Peace Corps Country Office and USAID mission surveys provide a somewhat more complete picture:

- USAID has an in-country presence in roughly 85% of the countries in which the SPA program operates.
- Peace Corps and USAID staff members provided somewhat different answers with respect to the frequency with which a specific USAID staff member has the SPA program as an element in his/her portfolio. From Peace Corps perspective, the answer seems to be 60%, whereas responses from a set of USAID missions place it higher, at around 80%.
- 30% of the USAID missions that responded to the evaluation survey described themselves as being formally represented on the Peace Corps in country SPA project selection committee. Peace Corps staff provided a somewhat different picture. While 25% of the Peace Corps Country Offices indicated that USAID missions reviewed SPA projects, only a fourth of these posts described USAID as serving on the review committee. In most situations, according to Peace Corps staff, USAID reviews SPA projects after the Peace Corps committee has completed its work and recommended approval.

- Responses from Peace Corps and USAID differ in only minor ways in their description of the actual involvement of USAID staff in the project review and approval process carried out by such committees:
 - 15% of the Peace Corps Country Offices described USAID's participation in the SPA project review and approval process as extensive, but none of the USAID missions that responded to the survey described their involvement this way. Data from site visits were more likely to indicate USAID involvement than were USAID survey responses.
 - 16% of the Peace Corps respondents used the term "moderate" to describe USAID's involvement; 36% of the USAID missions used this term.
 - At the other extreme, Peace Corps and USAID seemed to agree, with 69% of the Peace Corps posts and 63% of the USAID missions saying that USAID was not at all involved in the SPA project review and approval process.

Asked whether the SPA program would benefit from greater USAID involvement in the SPA project review and approval process, 81% of the Peace Corps Country Offices responded that it would not. Seventy percent of the USAID missions that responded agreed with this assessment.

In response to a question about whether there had been any complaints from Volunteers or host country nationals concerning decisions made about SPA project proposals over the past 12 months, 70% of the Peace Corps Country Offices said there had been no complaints. Those posts that said there had been complaints indicated that most complaints came when proposals were turned down. Some Volunteers also complained about the amount of information required in proposals. Others complained about the time they spent revising proposals that had been sent back for modification.

(b) The Time Required for Project Approval and the Release of SPA Funds

In addition to examining the procedures Peace Corps Country Offices use to review and approve SPA projects and the degree to which USAID participates in these processes, the evaluation reviewed the amount of time these processes take and the views of Volunteers and their counterparts about the time these processes involve.

While there does not appear to be specific guidance concerning the amount of time it should take Peace Corps, and USAID wherever Missions are involved, to review and make a decision about a SPA project proposal, the original SPA program Memorandum does provide guidance on the amount of time it should take between the selection (or approval) of a SPA project by a Peace Corps Country Director and the final steps in the process that leads to the release of SPA funds. According to this 1983 document :

"In keeping with the intent of this program, all efforts should be made to keep the period between selection by the principal Peace Corps officer and final approval of any given SPA activity to less than one month."

In the evaluation survey that was directed to Peace Corps Country Offices, as well as in the evaluation's project level survey, questions were asked about the amount of time it takes for Peace

Corps to approve a SPA project and about the amount of time that passes between project approval and the release of funds.

With respect to the time that elapses between the submission of a SPA project proposal and project approval, 90% of the Peace Corps Country Offices indicated that this process takes less than six weeks. Project level data agreed with this estimate, indicating that, on average, the project approval process takes 28 days. In response to a question about Volunteer or host country counterpart complaints about the number of days required to obtain approval for a SPA project, 91% of the posts reported that Volunteers and their counterparts consider the amount of time this process takes to be reasonable.

As to the time that elapses between approval of a project and the release of funds, 88% of the Peace Corps Country Offices indicated that this period is also less than six weeks long. Project level data agrees, indicating that, on average, it takes 36 days to complete all of the steps between approval and the release of funds. When asked about Volunteer and host country counterpart views on the number of days required to obtain funds after a SPA project has been approved, 80% of the posts said that Volunteers considered this time period to be reasonable. Eighty-five percent of the posts said they believe that host country counterparts find this waiting period to be acceptable.

While there appear to be few complaints about the time it takes to gain approval for a SPA project and to obtain SPA project funds, the process, which takes 64 days on average, may be somewhat longer than the designers of the SPA program envisioned, even if the phrasing of the original MOU can be interpreted as referring only the post approval period before funds are released.

(3) SPA Project Implementation

Variations among SPA projects were found with respect to the disbursement procedures used to release project funds; the degree of community involvement in the implementation process, and the pace of project implementation.

(a) The Disbursement of SPA Project Funds

Once SPA projects are approved, funds are released, as a general rule, to community groups, vendors or Volunteers. According to the 1992 SPA Program Handbook, there are three ways SPA funds can be disbursed:

- *“Direct payment - For major purchases, direct issuance of Purchase Orders and payment to vendors or suppliers should be made by check.*
- *Grants to Local Organizations - If the local organization has the necessary financial management capability, funds may be disbursed directly to the local organization.*
- *Disbursement to Peace Corps Volunteers - This method is discouraged and should only be used when the local organization has no financial management capability. Under no circumstances may a Volunteer be required to accept funds without his/her prior written voluntary consent to do so.”*

Responses to the Peace Corps Country Office survey and responses to the evaluation's project level survey indicate that, in practice, Volunteers are often the recipients of SPA project funds.

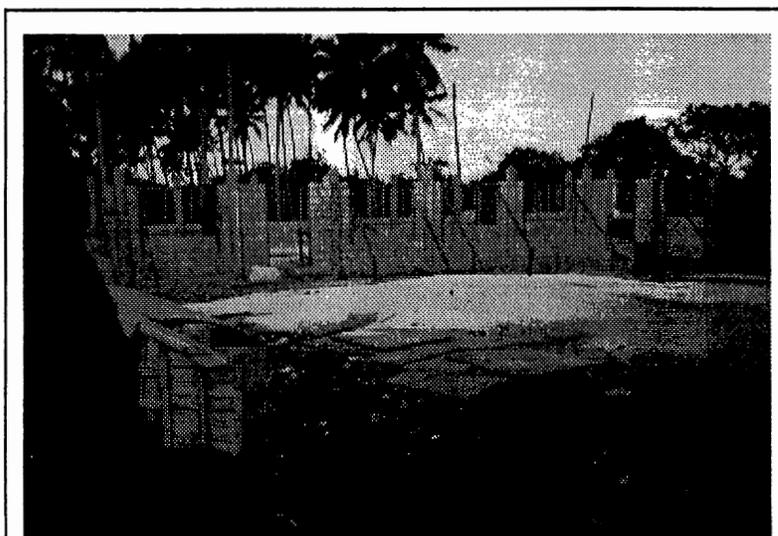
These two data sources differ somewhat in the frequency with which they suggest that each of the three possible approaches to disbursement are used.

- Country office survey data and project level survey data agree that funds are released to community groups about 13% of the time.
- Responses from Country Offices suggests that Volunteers are the recipients of funds for about 40% percent of the SPA projects. Project level survey data suggests that this figure is closer to 65%.
- Country Offices estimate that vendors receive SPA funds directly about 25% of the time, whereas project level data suggests that this figure is closer to 17%.
- Both Country Offices and project level respondents selected “other” as the designated recipient for the remainder of the projects, without, in most cases, explaining what “other” meant.

Some regional differences were observed with respect to the way in which SPA project funds are disbursed. Data from the project level survey indicate that Volunteers were much more likely to be the recipients of SPA funds in projects undertaken in the AFR, IA and AP regions than in the ECAM region. Conversely, it was more common for vendors to be the recipients of SPA funds in the ECAM region than elsewhere.

Interviews with Peace Corps staff in the nine countries visited by the evaluation team indicate that Country Offices often have local regulations covering the handling of project finances, e.g.:

- In some countries, SPA projects must have separate bank accounts. In at least one country the procedures for establishing such accounts are defined by the Peace Corps Country Office, i.e., three signatures, two community representatives and one Volunteer.
- In another country, local Peace Corps Country Office rules state that SPA project funds that are released to community groups must always be released in three tranches.
- Other countries have devised their own SPA project accounting forms.



A SPA-funded Meeting House under construction in Niutova, Tonga.

Supporting data from the project level survey indicate that separate accounts are actually quite common. They had been established for 55% of the SPA projects examined. Separate accounts were used more often in the IA region than in other regions and were also common in low income countries on a worldwide basis. They were used also more frequently with agricultural, small business and income generation projects than they were with health, education or environment projects.

(b) Community Participation in the Implementation of SPA Projects

At the project level, survey data indicates that in 69% of the projects examined over half of the “community participants” associated with SPA projects were directly involved in project implementation. While the remaining 31% of the projects sampled reported that less than 50% of the “community participants” actively assisted with project implementation, there were cases in which projects were implemented without some level of community participation.

In 33% of these projects more than half of the “community participants” who helped with implementation were women. Women were not actively involved as “community participants” in the implementation phase for 10% of the projects examined. In response to a question about what might have been done to increase the participation of women and girls, where that would have been desirable, 23 respondents to the evaluation’s project level survey offered their suggestions. Of these:

- 39% said that women should have been more actively involved in project design and during the initial stages of implementation;
- 35% said that the female population in the community should have been more aggressively targeted during all phases of the project;
- 13% indicated that something should have been done in and by the community to sensitize people to the importance of women’s participation.

In addition to these suggestions for increasing women’s involvement:

- 39% of the respondents to this project level survey question said that they felt that there was little that could have been done in the project on which they were reporting to improve women’s participation, largely as a function of cultural and societal restrictions.

Data from the project level survey indicate that in 89% of the projects examined the community members, organizations and groups who were involved in implementing SPA projects included the same individuals who developed the project’s design. In the remaining projects, the involvement of community leaders, or in one case an outside technician, at the design stage was not sustained during implementation, i.e., the project could proceed based on the involvement of other community members.

(c) The Pace of Project Implementation

Interviews with Volunteers and community members at 23 SPA project sites provided the evaluation team with a view of the pace of project implementation and the frequency with which implementation proceeded as planned.

While implementation proceeded largely as planned in 10 of the SPA projects the evaluation team visited, most of the remaining projects experienced either a delay of some sort or were forced to modify their approach. According to respondents to the evaluation's Peace Corps Country Office survey, 70% of the SPA projects experience start-up delays of some sort. Thirty percent of the Country Offices reported that the kinds of delays that affect SPA projects tend to be related to problems that come up time and again, whereas 43% of these offices felt that there was no particular pattern to the kinds of delays SPA projects encounter. Posts that provided examples indicated that:

- Delays in the ordering and processing of checks is common.
- Poorly written proposals which must be revised, after as well as before project implementation begins, were also frequently cited as leading to delays.
- Other respondents mentioned problems in obtaining community contributions; problems with local vendors; banking problems in rural areas and problems associated with the delivery of materials as causes of delay.

Information from the evaluation team's visits to project sites corresponded closely to these observations. These site visits provided examples of what can occur when aspects of a project's feasibility are not fully examined during project design.

- In one project, the chickens that were expected to produce eggs did not do so;
- In another, the absence of typing skills in the community, which was not identified as a constraint during project design, turned out to be a problem.
- In still another, wells that were dug turned out to be too small to meet the needs they were expected to meet.

(4) Financial Management During Implementation

With respect to disbursing and accounting for SPA project funds, respondents to the evaluation's project level survey were asked about difficulties with the financial management of projects that may have occurred during project implementation. Eighteen percent said that such difficulties had arisen, while 82% reported that they had not experienced any difficulties of this kind. Of the 16 respondents who provided narrative descriptions of the financial management problems projects had faced during implementation:

- 50% cited problems that arose because the procedures for disbursing and accounting for funds were not accurate or were too slow;
- 25% described problems in obtaining receipts from suppliers; and
- 25% reported on difficulties that arose from unexpected events such as theft, natural disasters and accidents.

When Peace Corps Country Offices were asked through the evaluation survey about the problems Volunteers face in obtaining receipts from suppliers, 12 posts offered suggestions:

- Over half suggested that Volunteers develop their own receipt guidelines with help from their Country Office;

- Others suggested purchasing materials only from vendors that could and would provide receipts.

(5) SPA Project Monitoring and Evaluation

This section examines monitoring and evaluation practices for the SPA program at both the project and program level.

(a) Project Level Approaches to Performance Monitoring and Evaluation

According to responses received to the evaluation's project level survey, some type of monitoring and evaluation arrangement existed for 88% of the SPA projects in the sample. In 70% of these cases, both the substantive and financial performance of SPA projects were covered by these arrangements. Of those that did not cover both aspects of project performance, 26% reported only on the project's substantive performance while 4% reported only on the financial aspects of the project.

Asked to describe the monitoring and evaluation arrangements for the project on which they were reporting, 147 respondents to the evaluation's project level survey answered this question. Of these:

- 84% said that the monitoring and evaluation approaches used were very informal and did not involve structured efforts to collect information.
 - Over half of these monitoring and evaluation arrangements were the sole responsibility of the Volunteers involved in the project. Frequent interaction with project participants and periodic efforts to "verify" that the project was on track were typical.
 - In a fourth of these cases both counterparts and Volunteers worked together to informally monitor project progress.
 - In less than a fourth of these cases, Peace Corps staff played an active role in monitoring efforts when they made site visits.
- 8% reported that periodic exams or evaluation forms were given to project beneficiaries to complete. These tools were used to help monitor project progress.
- 4% reported that timelines had been developed for projects and were used to monitor progress.
- Others reported that regular meetings held within the community, log books and project journals kept by Volunteers were all used to monitor SPA projects.

Asked about the kinds of evidence Volunteers used to demonstrate that project objectives had been achieved when they prepared their Activity Completion Notification (ACN) forms and other evaluative reports, 124 of the respondents described their practices:

- 51% said that physical evidence was used to demonstrate project achievements, including observations concerning the delivery of services in certain types of projects;

- 38% cited Volunteer and staff reports on SPA projects as sources of evidence. They tend to report on what they have observed, e.g., a nursery, bakery or library existed and was operating;
- 11% offered other kinds of evidence, including: training reports, testimony about income that had been generated. A few cited formal evaluations that Peace Corps had undertaken of specific SPA projects.

As to what was done with the monitoring and evaluation data collected for SPA projects, 97 respondents described what was done for the project on which they were reporting:

- Half of these respondents said that such data was placed in the project file in the Peace Corps Country Office so that other Volunteers would have access to it.
- 26% said that such information was shared with interested parties, e.g., beneficiaries, Peace Corps staff, as a means of transferring “lessons learned;”
- 22% indicated that such information was kept at the project site, either by the Volunteer or by community participants.
- One respondent said that the project’s monitoring and evaluation data had been turned into an article that was published.

(b) Country Level Approaches to the Monitoring and Evaluation of SPA Projects

As part of the evaluation’s Peace Corps Country Office survey, posts were asked to describe the procedures they use to monitor SPA project progress and performance. Forty-seven Country Offices addressed this question. Of these:

- 43% described a process that relied on a combination of written reports prepared by Volunteers on a monthly or quarterly basis and visits to SPA project sites by APCDs.
- 25% described on-site monitoring by Volunteers, supplemented by occasional APCD visits;
- 15% described approaches that depended totally on Volunteer reports; and
- 11% indicated that their systems depend totally upon on-site monitoring by Volunteers.
- A few others said that monitoring was carried out on an *ad hoc* rather than a structured basis.

(c) Volunteer Reports on SPA Projects

Responses to the evaluation’s survey of Peace Corps Country Offices indicates that 64% of these offices require Volunteers to report on SPA during the period when those projects are being implemented. Of those that require such reports:

- 40% required Volunteers to provide staff with information on both the financial and substantive aspects of these projects;
- 18% required reports that cover only substantive progress, and
- 7% require reports that only cover project finances.

About half of the Country Offices that require such reports expect Volunteers to submit separate written reports on their SPA projects, while another third allow Volunteers to incorporate information on their SPA projects into more general reports on their assignments. Some Country Offices say that oral reports rather than written reports are used to transmit information on SPA project performance.

While most Peace Corps Country Offices expect Volunteers to report on SPA projects upon their completion, roughly a third expect quarterly or monthly reports. Roughly 75% of the Volunteers who work with SPA projects are reported to meet their Country Office's reporting requirements on a timely basis.

Asked how Peace Corps Country Offices utilize such reports, posts said that they use them, in descending order of frequency, to:

- Monitor SPA projects;
- Use as examples in training programs;
- Refer to when future projects are developed;
- For official recordkeeping purposes, and
- Prepare their own quarterly reports to Peace Corps/Washington.

Asked about problems which Country Offices faced in preparing their own reports to Peace Corps/Washington as a function of slowness or the absence of reports on SPA projects from Volunteers, most posts said that they had not faced such problems. Roughly a third of the posts had occasionally found Volunteer reports on SPA projects to be problematic, but not necessarily because their own reporting schedule was affected. More important were difficulties posts faced when, for example, audits disallowed SPA expenses because Volunteer reports and receipts were not legible.

Asked to describe procedures they used to carry out independent evaluations of SPA projects, 18 Peace Corps Country Offices responded. Of these:

- 28% said that they have no formal evaluation procedures for SPA projects;
- 60% reported that Peace Corps staff visits to SPA project sites served as their primary evaluation procedure;
- Two posts described evaluation as being the responsibility of the SPA Coordinator on Peace Corps Country Office staff.

Commenting on what is done with the evaluation reports prepared on SPA projects, 10 Country Offices described a total of 13 uses. Of these:

- 38% said they shared this information with other Volunteers in project design and management courses;
- 31% said that evaluations are used to refine Country Office procedures;
- 23% said that evaluation findings are reported to Peace Corps/Washington or to the USAID Mission in-country;

- One post reported that they shared evaluation reports with colleagues. e.g., NGOs working in the same technical fields and geographic areas.

(d) Peace Corps Staff and Other Official Visits to SPA Projects

In some countries Peace Corps staff do not consistently use supervisory visits as a means of monitoring the progress that communities and Volunteers are making on their SPA projects. In others they do not do this consistently.

Nevertheless, 81% of the respondents to the project level survey indicated that someone from the Peace Corps staff visited the SPA project site during implementation. Interviews carried out by the evaluation team at 23 SPA project sites confirmed that Peace Corps staff visit a relatively high proportion of the SPA projects.

Visits by USAID staff and host government officials were much less frequent, and tended not to be supervisory in nature. Respondents to the project level survey reported that such visits had been undertaken in connection with 8% of the SPA projects included in the evaluation sample. Interviews at SPA project sites confirmed that USAID staff rarely visit SPA projects. These interviews also revealed that local government officials and representatives of other communities visited slightly over half of the SPA projects that were visited by the evaluation team. In several cases, visiting delegations had included Ministry personnel.

SECTION FOUR FUNDING THE SPA PROGRAM

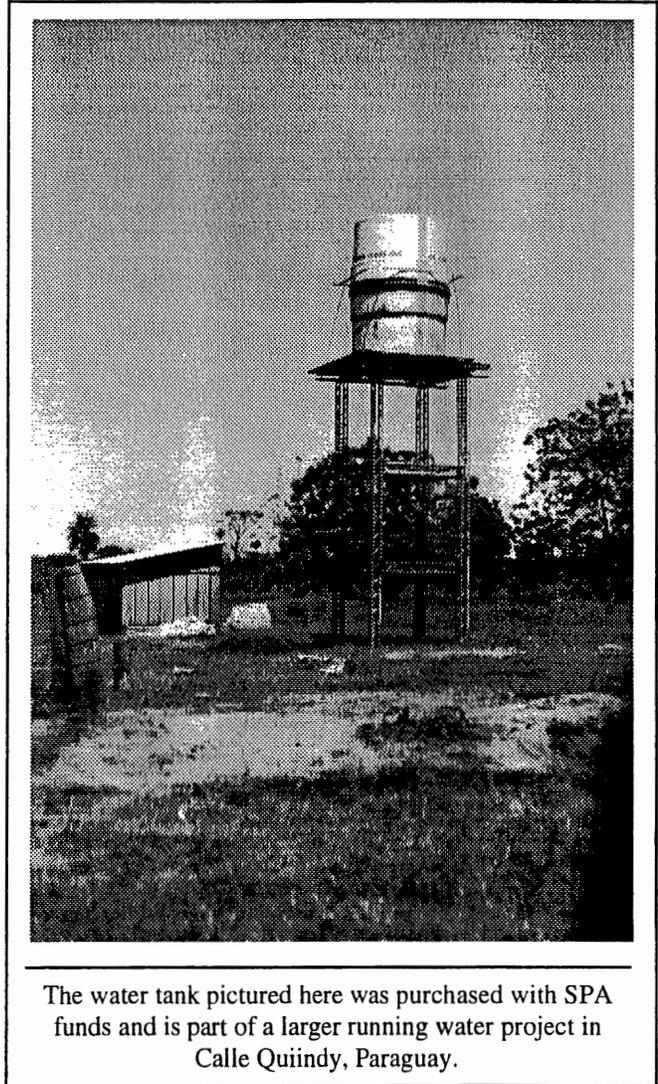
A. Overview of the SPA Program Budgeting and the Funding Cycle

1. The SPA Funding System

The SPA program operates on a budget that is comprised of two elements: grant funds, which cover the costs of SPA projects overseas, and technical assistance funds, which are used primarily to cover costs associated with SPA-related training programs, including a course in project design and management, for Peace Corps Volunteers and their host country counterparts. Funding for both elements of the SPA program budget is provided by USAID.

The two elements of the overall budget for the SPA program are assembled in different ways. At the present time:

- Peace Corps initiates the budgeting process in USAID by delivering a SPA Program Funding Request to the USAID/Peace Corps Coordinator whose office is located in USAID's Global Bureau. This request is circulated by the Global Bureau to all of USAID's regional bureaus, which may in turn circulate it to their Missions.
- Grant funding levels, for all geographic regions except USAID's Latin America and the Caribbean (LAC) region⁹, are set at the regional bureau level where they compete with other projects and programs that are funded on a regional basis. In the LAC bureau, grant funding levels for the SPA program are set at the level of the USAID Mission where they compete with other projects and programs funded by these Missions, i.e., grant funds for the SPA come out of the Mission's Operating Year Budget (OYB) in this one bureau. The process used by the LAC region is the process that all regions used until 1992, when most bureaus elected to approach the question of SPA funding levels using a more centralized, bureau-level approach.



The water tank pictured here was purchased with SPA funds and is part of a larger running water project in Calle Quiindy, Paraguay.

⁹ At the country level, USAID's LAC Bureau parallels the Peace Corps Inter-American region in its coverage.

Irrespective of whether SPA grant funding levels are set at the Bureau or Mission level, USAID's regional bureaus transfer the sums they have assigned for the grant element of the SPA program to the office of the USAID/Peace Corps Coordinator in USAID's Global Bureau, where they are consolidated. Once funds for the grant element of the SPA program are consolidated in the Global Bureau, action is taken to assign them to the funding vehicle that is used to transfer SPA resources to the Peace Corps. The funding vehicle USAID uses for this purpose is called a Participating Agency Service Agreement (PASA). The PASA under which the SPA program currently operates was signed in February 1991 and runs until June 1995. Each year it is amended to add in the funding that will cover the coming year's program.

- Technical assistance funding levels, according to current practice, are established at the bureau level in two USAID bureaus, AFR and ENI. Technical assistance activities for the other two bureaus are covered with resources that are set aside for this purpose by USAID's Global Bureau. When the two regional bureaus that establish funding levels for SPA technical assistance determine what these levels will be for the coming year, they transfer these funds to the Global Bureau which combines them with the resources that bureau has set aside for SPA technical assistance. The consolidated funds for SPA technical assistance are then moved, along with the SPA grant funds for the coming year, into the PASA described above.

Once funds are moved into the PASA, through the annual process that results in an amendment to that agreement, Peace Corps is free to spend funds on the SPA program up to the budget level established in the amended PASA. Expenditures against authorized levels for grant funds are managed by Peace Corps Country Offices. The SPA program's technical assistance funds, on the other hand, are managed centrally by OTAPS. With regard to these funds, OTAPS accepts requests from the Peace Corps Country Offices, reviews them and authorizes expenditures for those requests it approves.

Technically, the PASA arrangement under which the SPA program operates is a reimbursable arrangement. What this means, in practical terms, is that Peace Corps advances its own resources to support the SPA program. After expenditures are made and receipts are collected, bills are submitted to USAID, where they are reviewed and approved. Following approval, funds are transferred to Peace Corps.

While this process is conceptually simple, a significant amount of time elapses between the day Peace Corps approves a SPA project and day USAID reimburses Peace Corps for expenses it incurred in connection with that particular project. It is not at all unusual for this process to take a year or more. After Peace Corps approves a SPA project, it obligates resources for that project from its own funds. These resources are then transferred to the project, i.e., to the community group involved, to the Volunteer, or directly to vendors who supply the project with goods and services, as the case may be. As expenditures are made, Volunteers collect receipts which they later assemble and deliver to their Peace Corps Country Office. Some Volunteers will do this several times during the course of a project; others simply wait until the project ends to turn in a financial report. Given that SPA projects may run as long as a year, a period of twelve to fifteen months can at times elapse before Peace Corps submits to USAID the vouchers that are required to obtain reimbursement under the PASA arrangement.

From USAID's perspective, the lengthy period between the time it signs a PASA amendment with the Peace Corps and the day when the last expenditure under that amendment is reviewed and approved is somewhat problematic. USAID uses the term "pipeline" to refer to the funds it has obligated, but not yet expended. From USAID's perspective, SPA funds are not considered "expended" until USAID has received, reviewed and approved expenditure reports, and transferred money to the Peace Corps. Given the way the SPA program operates, funds that will eventually cover SPA expenses sit in the USAID "pipeline" for an extended period, creating the impression, albeit usually a false one, that they are not being spent.

2. The SPA Funding Cycle

SPA funds, as the foregoing has indicated, are budgeted on an annual basis. This does not, however, mean that Peace Corps is able to fund the SPA program year round. On the contrary, the actual workings of the funding cycle for the SPA program are such that the staff of one Peace Corps Country Office routinely refer to SPA as the "half year" program. In almost all Peace Corps Offices there are several months each year during which funds for SPA project cannot be authorized. The reasons for this gap in the annual SPA funding cycle are related most directly to the way in which USAID obligates its resources. Previous Peace Corps efforts to adjust to USAID's obligation patterns have not resolved this problem.

In order to understand the gap in the SPA funding cycle in the field, one must first understand the way in which USAID obligates and expends its resources on a fiscal year basis.

USAID's fiscal year begins on October 1st. In a good year, when the Congressional budgeting process ends before the July recess, USAID knows how much it will have to spend in the coming fiscal year well before October 1. In other years, when Congress does not act on the budget until some time in September, USAID may not know what it has to spend until just before the new fiscal year begins. In practical terms, USAID finds itself spending much of the fall sorting out how it will allocate whatever amount it receives through the Congressional budget process. As a result, official Operating Year Budget (OYB) figures may not be released to USAID's bureaus until December, or even January or later.

USAID's bureaus, in the meantime, begin spending money at the beginning of each new fiscal year, but they do so carefully — staying well below what they expect they will eventually be given as an official budget level. When they approve expenditures in advance of receiving their OYB levels, bureaus are conservative, spending only on those things they know they will pay for, no matter what. The Peace Corps SPA program, no matter how well regarded it is by USAID, does not fall into the "must spend" category that makes bureaus willing to allocate funds before they receive their OYB levels. What this means, in practice, is that, in most years, bureaus do not decide officially what they will spend on the SPA program until sometime in January or February.¹⁰ Only after regional bureaus make such decisions do they transfer their funds to the Global Bureau, thus setting in motion the chain of action that results, usually by March, in an amendment to the PASA arrangement through which the SPA program is funded.

At the same time as the PASA amendment is working its way through USAID's system, Peace Corps Country Offices and USAID Missions begin a process that results in the execution of an

¹⁰ Because the LAC bureau asks its Missions to allocate funds for the SPA program rather than using regional funds for this purpose, the LAC bureau is usually the last bureau to report in on its funding level decisions.

annual MOU at the country level, which is then sent to Peace Corps/Washington. For its part, Peace Corps/Washington does not give its posts budget authority for the SPA program for the new program year until the PASA is signed and MOUs are received. Practically speaking, Peace Corps posts have access to monies for the new year sometime in April or May.

If the SPA program were run on the same fiscal year basis as USAID itself is run, and the PASA amendment were not signed until April or May of a given fiscal year, Peace Corps would have only the few months from May to September to spend its entire annual SPA budget. In fact, this is the way the program used to operate. Faced with the short SPA spending window this arrangement implied, USAID and Peace Corps looked for a way to extend the number of months over which SPA resources could be spent. The solution they selected, and are currently using, involved putting the SPA program on a calendar year, running from January to December. With funds coming in to the SPA program sometime between April and June, this change meant that the "spending window" could be extended to December, effectively lengthening the period of time over which the SPA program could expend its annual allocation of resources from 4-6 months to 7-9, depending on when the PASA amendment was actually signed. While this solution reduced the number of months during which the SPA program could not fund projects, it did not entirely eliminate the problem. In most countries in which the SPA program operates the period from January to April-June is a period during which SPA program proposals languish, waiting for funds to become available for the year.

While shifting the SPA program to a calendar year partially alleviated one problem, it introduced another. Because USAID's fiscal year technically ends in September, unexpended funds from that year must be deobligated before the new fiscal year begins. Acting under authority it has received from Congress, USAID may reobligate the end of fiscal year funds it has deobligated, and use them in the following year. They may, in fact, reobligate them to exactly the same project or program to which they were originally obligated. This is what is done with the SPA program resources. The deobligation/reobligation process, at the end of USAID's fiscal year, is a process in which Peace Corps must participate. In addition to creating a break of a few days in the SPA funding cycle, the deobligation/reobligation process for the SPA program is a management burden for both agencies.

Recognizing that the January to April-June period was only partially resolved by shifting the SPA program to a calendar year basis, USAID and the Peace Corps decided to extend the number of months during which SPA projects could be funded by authorizing Peace Corps Country Offices that had funds left over at the end of December to spend these "carryover" funds during the first few months of the following calendar year.

B. Evaluation Survey and Site Visit Findings Concerning the SPA Budgeting and Funding Cycles

1. Establishing Budget Requests and Levels

In response to a question asked in the evaluation's Peace Corps Country Office survey, 43 posts described the process they used to determine the level of SPA grant funding they will need in the coming year. Of these:

- 93% that funding requests for the coming year are calculated based on historical funding trends, or on a combination of prior funding data and expectations concerning the number of volunteers that would be in country in the coming year.
- None of the posts that responded to this question said that indications of interest from Volunteers were solicited or used in this process.

Questions asked during the evaluation team's visits to nine Peace Corps Country Offices with regard to the development of budget estimates for SPA technical assistance funds suggest similar processes are used to estimate a country's need for technical assistance funds. Information on the number of new Volunteers that will be coming into a country is important for developing SPA technical assistance budget estimates.

Asked how successful they had been in getting the level of funding they felt they needed over the past several years:

- 86% of the Peace Corps Country Offices said that they had received at least 90% of what they had requested;
- Another 10% said that they had been moderately successful in this regard;
- While 4% said they had been unsuccessful, generally receiving less than 50% of the level they had requested.

2. Field Views Concerning the Use of a More Centralized, Bureau-level Process for Funding SPA, in Most USAID Bureaus

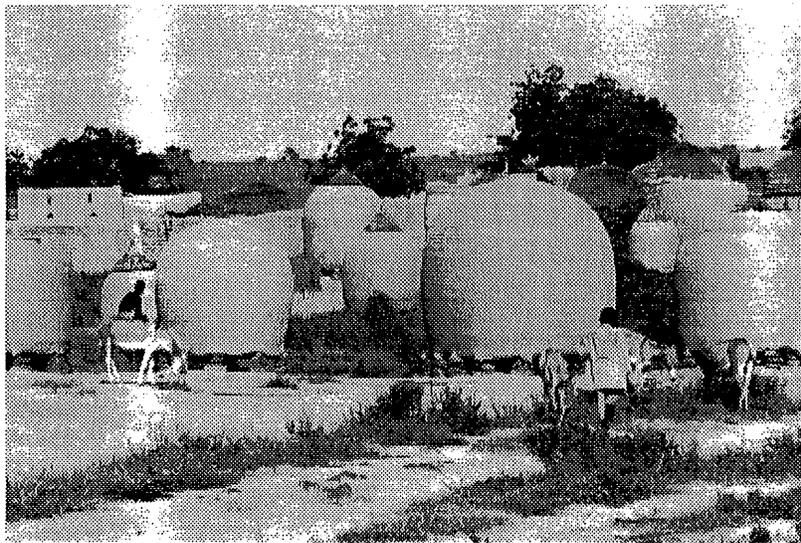
Asked how the change from USAID mission bilateral financing to a centrally-funded arrangement had affected the way the SPA program operated:

- 56% of the Peace Corps Country Offices surveyed said that the change had simplified SPA program management and accountability;
- 34% said that it had no effect, and
- 10% indicated that the change has made SPA program management and accountability more complicated.

Peace Corps Country Offices that described specific problems indicated that:

- The long period of time between their submission of a funding request and the availability of resources was problematic;
- Some USAID staff do not understand the new arrangement very well and are confused about the way in which the SPA program affects their budgets,
- Others described problems that had arisen in the IA region, where central funding approach is not used, due to Mission closings and budget cuts.

Peace Corps Country Offices were also asked whether this change had altered the post's level of involvement in the process by which country funding levels are established for the SPA program. In response:



Acorn-shaped granaries dot the landscape of this village in Niger where PCV Jennifer Jeffers worked with the community on an "off season" SPA-funded gardening project.

- 13% said that the change had led to a reduction in their involvement,
- While 38% said that their involvement in the process had increased;
- Another 46% indicated that it had changed the way they were involved, but not the degree of their involvement;
- The remaining 3% said that the change had no effect at all.

In a related question, Peace Corps Country Offices were asked whether the shift from bilateral to central funding for the SPA program had affected their level of influence over the funding they received. Two thirds of these offices (64%) said that their influence over their SPA funding levels had not changed, while roughly a third said it had increased.

Of the USAID Missions that responded to the evaluation survey, 46% view the shift to a centrally funded approach to funding the SPA program as having simplified the program budgeting and financial management. The other 54% said that this change had no apparent effect. None of the Missions said that this change had made program budgeting or financial management more complicated.

Asked to describe any problems that had resulted from the shift to a centrally funded approach to financing the SPA program, only one USAID Mission cited a problem it had experienced. The Mission found it somewhat harder to obtain financial reports on the SPA program after the change to a centrally funded approach.

3. The SPA Funding Cycle and the Impact of Periods when Funds are not Available

Sixty-six percent of the Peace Corps Offices that responded to the evaluation survey reported that they had experienced breaks in their ability to fund SPA projects. Forty-six percent of these posts said that such breaks had lasted six weeks or less, while the other 54% indicated that such breaks had exceeded six weeks.

As to the impact of these breaks on the ability of Peace Corps Country Offices to release SPA funds for projects:

- 53% of these posts reported that projects they would have funded had to be significantly modified;

- Another 25% reported that projects they would have funded ended up being canceled instead,
- While 22% reported that funding breaks did not affect their projects.

Examples of the kinds of projects that had to be modified or were canceled include rainwater collection systems which had to be canceled because funding did not come through until after the rainy season, and projects involving teaching Volunteers who had scheduled work for holiday periods and found that they could not access SPA funds until after those holidays were over. If Volunteers had several years in which to undertake a SPA project, they might simply reschedule. In practice most Volunteers undertake SPA projects in their second and final year and do not have this opportunity.

Narrative answers to questions about the impact of breaks in the ability of a Peace Corps Country Office to release SPA funds indicate that the loss of credibility Volunteers experience in such situations is often serious. Other posts indicated that when one Volunteer has a bad experience and ends up canceling his or her SPA project because funds cannot be obtained on a timely basis, other Volunteers in the same region or group learn of this experience and their interest in undertaking a SPA project may decline.

Virtually all Peace Corps Country Offices that commented on these problems recommended that Peace Corps find a different and more efficient way of handling SPA funds. Some talked about rolling over funds from year to year. Several suggested a two-year funding cycle for SPA resources. Others suggested that if the field had more information about what was going on and could predict breaks in funding, it might be able to build a “cushion” of SPA resources that could be used during breaks in the regular funding cycle. Describing the current situation, 43% of the posts that had experienced breaks in their ability to fund SPA projects said that they did not have adequate advance warning about these funding breaks.

4. Field Views of the Effects of Operating SPA on a Calendar Year Basis

Asked about the impact of having SPA operate on a calendar rather than a fiscal year basis:

- 53% of the Peace Corps Country Offices that responded to the evaluation survey indicated that this arrangement makes the program management process slightly more complicated than it had previously been;
- Another 13% said that calendar year operations made the SPA program management process much more complicated;
- 34% said that it did not have any important effects.

Citing reasons for their sense that calendar year operations made the management of the SPA program more complicated, roughly a dozen posts mentioned the fact that this arrangement requires them to go through a deobligation/reobligation process at the end of the fiscal year, saying that this process was a management headache and one of the sources of delay in funding SPA projects. Others said the arrangement was confusing and a few indicated that it caused problems in their relationship with budget and finance staff at the U.S. embassy.

Asked for their recommendations, many repeated their suggestion that Peace Corps find a more efficient way of handling SPA financing and that funding breaks as well as the deobligation/reobligation process that stems from mixing calendar and fiscal year schedules be eliminated. Some suggested moving back to a fiscal year basis.

From the perspective of USAID missions, the fact that Peace Corps runs the SPA program on a calendar year basis has no important effects.

5. Field Views Concerning the Management of SPA Technical Assistance Funds

Of the Peace Corps Country Offices that responded to the evaluation survey, 53% said that they had requested Technical Assistance funds from OTAPS at some time during the past two years. Of those who had done so:

- 73% were satisfied with the way their request for funds was handled on both a substantive and a timeliness basis;
- 17% were satisfied substantively, but found the process to be too slow;
- 9% reported that they were not satisfied on either substantive or timeliness grounds.

Suggestions for improving the management of the SPA Technical Assistance resources included:

- Develop better, more informative guidelines on how SPA Technical Assistance can be used;
- Make the training criteria less restrictive, e.g., once you approve a training event, cover everything, without making posts take separate actions and find separate funds to cover PCV and staff expenses associated with these events.
- Manage these funds more like an IQC, providing quick-response service and allowing posts to decide when and how to draw down on whatever Technical Assistance budget they are allocated.

C. Financial Management and the Program “Pipeline”

Financial management of the SPA program is considered in this section in terms of program accountability and in terms of the rate at which the SPA program expends the funds obligated to it.

1. Program Accountability

In response to questions asked about accountability in the SPA program, the Peace Corps Country Offices visited by the evaluation team indicated that no major problems had emerged in this regard. At the same time, several posts did identify minor problems they had faced, e.g.:

- Invoices that come in after Volunteers have left post;
- Issues that arise when a Volunteer is receiving funds from more than one source, and incorrectly fills out a purchase order, and

- Situations where goods were paid for, but never arrived;

Asked about whether there had been major problems of an audit or accountability nature with the SPA program in their country, USAID Missions said that there had been no major problems to the best of their knowledge. Nor did USAID Mission staff offer recommendations for improvements in the way SPA funds are handled. One Mission indicated that it planned to institute quarterly reporting requirements, but this was not considered unusual. Some other Missions already have such requirements.

Interviews carried out in Peace Corps/Washington and USAID/Washington confirmed these field impressions. It was noted, however, by USAID's Financial Management office that reports and reimbursement claims relating to SPA are not submitted on a systematic, i.e., quarterly basis. As a result, USAID sometimes receives vouchers that cover large amounts of SPA funds expended over a relatively long period.

2. The Rate of Expenditure of SPA Funds and the USAID "Pipeline"

These are two aspects to the rate at which the SPA program expends funds:

- The rate at which Peace Corps commits funds to specific projects, and
- The speed with which Peace Corps reports SPA expenditures and claims reimbursement.

(a) Commitment of Funds

Although most Peace Corps Country offices say they make an effort to commit the SPA funds allocated to them before the end of each program year, they also say that, given the fact that they do not receive funding authority until mid-way through a program year, this is not always possible. As a result, they finish the program year with funds to "carryover" into the following year. As the Peace Corps request to USAID for 1995 funds indicated, the 1994 "carryover" level was \$1,308,300 for the grant element of the program and \$318,000 for the technical assistance element.

(b) SPA Expenditure Reports and the USAID "Pipeline"

As suggested elsewhere, there is a lag in the reporting of expenditures on the SPA program in the field which is a function of the way SPA projects are established and the timeframe in which volunteers prepare expenditure reports, i.e., normally at the end of the one year period established for these projects. As a result, SPA funds are treated by USAID as part of the agency's "pipeline" of obligated, but unexpended funds. An analysis of SPA program funds in USAID's pipeline carried out in September 1994 showed a total of \$3,844,069 in unliquidated SPA funds, with the oldest of these funds being associated with USAID's FY 1993.

With between \$1 million and \$3 million in apparently unused funds on the books in any given year, depending on whether one is looking at "carryover" or "pipeline" figures, some staff in USAID wonder whether Peace Corps really has the capacity to absorb the SPA funds it requests. For its part, Peace Corps says that it does and that the "carryover" levels USAID sees reported are a function of the fact that the program operates on less than a full program year basis.

SECTION FIVE CONCLUSIONS AND RECOMMENDATIONS

This section of the report on the evaluation of the USAID-Peace Corps Small Project Assistance (SPA) program draws together study findings concerning the program's impact as well as findings concerning the way in which it is financed and managed. Conclusions concerning questions about the program's effectiveness and efficiency that were raised in the Evaluation Scope of Work are offered as are recommendations which USAID and the Peace Corps may want to consider as they move forward with this program.

A. Overview of Program Effectiveness and Efficiency

The SPA program is fulfilling the hopes established for it, in 1983, when it was announced to the USAID and Peace Corps staff in a joint memorandum from their respective directors.

- Across a ten year period, over 75% of the SPA projects have performed as planned, achieving all of the objectives established for them at the time they were designed. In the latter half of this period, SPA projects appear to have done even better, approaching an 80% rate when it comes to the achievement of stated objectives.
- Few development programs can claim as high a rate of achievement for their projects as was found for the SPA program not only in this evaluation, but also in the 1989 evaluation which covered the previous five year period.
- SPA projects not only produce visible results, they also strengthen a community's sense of empowerment and self-sufficiency. Roughly 80% of all SPA projects are reportedly being sustained in the communities in which they were undertaken.
- The costs of the SPA program are low on a per project basis, with the average SPA contribution running at about \$2,500. These funds represent only a portion of a project's total costs, which are, on average, around \$6,500, of which the SPA contribution averages around 40%.

From a management perspective, the systems that are used to administer the SPA program in the field work reasonably well, albeit with significant country-to-country differences in the way SPA projects are reviewed, approved, monitored and evaluated. In addition, the SPA program appears to have



Community members crowd around the entrance to the SPA-funded Dabola-Berete Medical Post the day before the inauguration ceremony.

done an exceptionally good job, for a highly decentralized program, at meeting reasonably conservative standards with respect to accountability. Reports of project funds that were not put to their intended purposes were very scarce across all countries and over an extended time period.

On the financial management side, however, funding gaps during the program year, which have emerged as a function of the way in which the SPA program is financed, are having a negative impact on the operation of the program as well as on its impact on Volunteers and communities. Opportunities exist to address this problem and to simplify and thereby improve other aspects of SPA program management and financing, in the field and in the Washington headquarters offices of both the Peace Corps and USAID.

B. SPA Program Financing

The most pressing issues surrounding the SPA program have to do with the way in which the program is financed. Of these, an annual program year funding gap, i.e., a period of between three and five months each year when Peace Corps cannot fund SPA projects, is the most critical from a field perspective. As a function of this gap, SPA projects that might otherwise go forward are being canceled or must be significantly modified before they are undertaken, and Volunteers who experience the effects of these funding gaps report that they sense a loss of credibility in their communities.

USAID and Peace Corps, are well aware of this problem, which stems from a misalignment of USAID's budgeting process and the SPA program year. They have attempted to shorten the funding gap that occurs each year by shifting the SPA program to a calendar year and by asking posts to use any funds that have not been spent in a given fiscal year to carry the program over until such time as new funds become available. These solutions have shortened the gap, but for most posts they have not eliminated it.

A second financial issue about which USAID/Washington staff have some, but not a lot of concern, has to do with the fact that unexpended SPA funds, i.e., funds that the Peace Corps may have assigned to a particular SPA project but for which receipts have not been turned in, show up on summaries of USAID's "pipeline" of obligated but unexpended funds. As a general rule, USAID bureaus try to minimize the level of funds sitting in their pipeline.

While it is tempting to address the program year funding gap, and perhaps the "pipeline" question as well, as isolated financial management problems, USAID and the Peace Corps are facing a number of much larger financial planning and management decisions. Inevitably, questions about the financing of the SPA program will need to be placed in a broader context. USAID as a whole is facing a situation in which its budget will, at best, remain constant. Many who are familiar with USAID's budget situation would suggest that in the short term, budget losses are more likely than is a constant level. Mission closings are seen by others as a harbinger of things to come in terms of USAID's country-level presence which, to date, has been an important attribute of the USAID-Peace Corps SPA relationship, at least rhetorically. In a declining budget environment, the SPA program is necessarily in competition with other important programs, and while its overall funding level is modest, neither its small size nor its status as a symbol of USAID-Peace Corps cooperation is likely to exempt it from consideration as regional bureaus make budgetary choices.

With these larger factors in mind, USAID and Peace Corps would be well advised to use the opportunity this evaluation creates to reconsider a full range of financing options and to address the question of how to eliminate the currently problematic annual program funding gap in the course of developing an overall strategy for program financing in the future. Among the options USAID and the Peace Corps may wish to consider are:

Option 1: Maintaining the Status Quo

The present system for funding the grant element of the SPA program, which involves aggregating regional bureau funds from three bureaus and Mission level funds from another into a single resource that is managed by USAID's Global Bureau is a complex arrangement, but so far it has worked reasonably well. As long as there are no internal or external pressures that force a change, this system may be worth retaining since it incorporates, quite explicitly, a "market test" of the program's value to USAID in each of the regions in which it is carried out.

If this arrangement is maintained, however, other steps need to be taken to address the annual SPA program funding gap and the impact of the way SPA is funded on bureau "pipelines."

a. Eliminating the Annual SPA Program Year Funding Gap

Research undertaken during the course of this evaluation indicates that, as long as regional bureaus participate in the SPA funding arrangement, there is little, if anything, that can be done to completely eliminate the funding gap in the SPA program year as long as USAID funds for a given fiscal year are used to finance the SPA program for the same fiscal year, or to operate SPA on a calendar year that is linked to the USAID fiscal year that bears the same number, i.e., FY 1995 and CY 1995.

At the beginning of any fiscal year, USAID's budget office and its regional bureaus follow a process that results in decisions being made in regional bureaus during the second quarter of the fiscal year about programs that do not have a top priority from their perspective. Regional bureaus simply will not make these decisions until they know what their OYB level is to be, and USAID's program budget office does not release OYB figures for the year until all decisions about which bureaus will receive what proportion of the overall appropriation for the Agency are made. This usually occurs in late December or early January. To ask USAID to speed up this process for the sake of the SPA program is unlikely to be a feasible option for USAID.

Given what is, in effect, an irreducible amount of time for regional bureaus to decide on a level of funding for SPA and for the Global Bureau to itself allocate funds to this program and execute the necessary paperwork, a "forward funding" approach for financing the SPA program is a more logical, and as it turns out, a perfectly reasonable approach for eliminating the annual SPA program funding gap.¹¹

11 "Forward funding" is a procedure USAID uses with some of the other programs it funds. When it does so, USAID generally expects that all of the funds that are "forward funded" will be expended during the year to which they are assigned. This expectation is consistent with USAID's internal guidelines for "forward funding," but these guidelines are neither mandated by, nor do they have the force of law. However, since the SPA program is operated under a five year PASA program, this guideline may not apply. Technically any funds that USAID puts into the SPA PASA are available for the Peace Corps to use at any time during the PASA period. As this is not a matter of law, a determination on this matter would most likely fall within the purview of USAID's Management Bureau..

Forward funding of the SPA program would involve a decision on the part of USAID to use its funds from one fiscal year to pay for the SPA program in the following fiscal year, e.g., the SPA program would be returned to a fiscal year basis and USAID FY 1996 funds would be used to pay for the SPA program for the year beginning at the start of FY 1997. No legislation or change in internal USAID policy is required to affect this change, nor are major changes required on the Peace Corps side. Furthermore, no changes are required in the way USAID transfers funds to Peace Corps, i.e., no changes are required in the PASA arrangement. All that is required is a formal decision on the part of the cognizant technical office within the Global Bureau and the communication of this decision to Peace Corps. Absent a special infusion of funds, e.g., a special allocation from one or more bureaus designed to soften the impact of making a transition, USAID would need to:

- Tell the Peace Corps that the funds it will receive this summer, which are designed to cover the SPA program's 1995 calendar year would have to be stretched to last until the beginning of FY 1997, i.e., October 1996;
- Ask the Peace Corps to shift the SPA program back to a fiscal year basis; and
- Peace Corps, for its part, would need to establish procedures that would ensure that funds slated to cover program costs for an upcoming year, e.g., FY 97, would be set aside and not used for other purposes during the 4-5 months between the time a PASA amendment that makes them available is signed and the actual start of the new Fiscal Year. Such procedures would enable Peace Corps to manage and account for program year funds in a coherent manner.

While the description of what would be needed to put the SPA program on a fully funded program year basis by using a forward funding approach is described in terms of FY 1996 and FY 1997, USAID and Peace Corps could elect to make this change earlier. Doing so would mean holding off on funding SPA projects with new USAID monies until the start of FY 1996, or perhaps starting funding such projects in what would be the 4th quarter of FY 1995 and making them last through the 4th quarter of FY 1996, i.e., fifteen months instead of 12.

Whether a change to a forward funding approach to financing the SPA program were initiated for the FY 1997 year or earlier, Peace Corps and USAID, working together, might be able, in the absence of any other source of transition funds, to find ways to use "carryover" funds, or other SPA funds that could be deobligated by the Peace Corps, to help smooth the transition for other posts.

Another step that could be taken in connection with this Option, to help reduce the funding gap in the SPA program year, would be to eliminate country level USAID-Peace Corps MOUs, which Peace Corps currently requires as a condition for releasing funds to its posts in countries where there is a USAID presence¹², or at least taking them "off the critical path" in terms of funding action. A case can be made, according to some in Peace Corps and USAID, for simply eliminating these MOUs is that the PASA amendment that is negotiated each year is a "de facto" MOU for the entire program.

Even so, the Global Bureau might want to obtain approval, from the appropriate USAID office, i.e., perhaps the Assistant Administrator for Management, for applying USAID's "forward funding" guidelines to the SPA program in a way that condones and acknowledges a realistic 24 month, rather than a 12 month, grace period for expending funds and submitting appropriate receipts.

12 The Peace Corps Coordinator in the Global Bureau executes these agreements for non-presence countries.

b. Minimizing the Impact of the SPA Program on USAID Bureau "Pipelines"

Since its inception, the SPA program has been financed through a reimbursable PASA arrangement. Over the years, there were periods in which several PASA ran concurrently, some of which were sectorally focused. At the present time all SPA funding is consolidated under a single reimbursable PASA arrangement. The use of a reimbursable vehicle for funding the SPA program was recommended by USAID's Office of Financial Management in the early 1980s when the program was first initiated.

Technically, it is the reimbursable nature of the PASA arrangement USAID that results in SPA funds showing up in calculations of USAID's "pipeline." It is not until after Peace Corps receives receipts from Volunteers for SPA project expenses and submits vouchers to USAID that USAID funds are transferred to the Peace Corps, and thus removed from the "pipeline." Under the current funding arrangement, there is little that can be done to transform obligations for the SPA program into expenditures, in the USAID sense of the term, in less than 15 to 24 months.

Research carried out as part of this evaluation indicates that there are funding vehicles other than PASA's that can be used to transfer funds from one U.S. Government agency to another. The primary vehicle in this regard, an Inter Agency Agreement (IAA), transfers funds to another agency in advance of expenditures, in essentially the manner of a grant. When this is done, USAID loses control over the funds it transfers to an important degree. It cannot, for example, disapprove expenditures made under such arrangements. While USAID could shift to such a mechanism for funding the SPA program, its Office of Financial Management is not certain that doing so would be a good idea, largely as a function of what it views as a pattern of reporting that is neither systematic or timely, i.e. vouchers do not currently appear on a quarterly basis.

Option 2. Centrally-Funding the SPA Program

With regional bureaus facing difficult choices about what programs to fund and what programs to cut, the SPA program prospects for survival may vary by bureaus, if the current system for funding this program is maintained. In USAID's Latin America and Caribbean Bureau (LAC), where field Missions are expected to finance SPA out of their annual operating budgets, the question of what will happen to SPA in countries where Peace Corps is closing some of its field Missions has already arisen, as have questions about the availability of regional LAC funds for this purpose.¹³ Similar questions have also arisen in other bureaus. If funding were to become even tighter in USAID over the next year or so, it is conceivable that some USAID bureaus might elect to drop out of the SPA program on a temporary or permanent basis. From USAID's broader perspective, and from the perspective of the Peace Corps, this is not a desirable outcome. Even if the program had to survive on a smaller budget, it should, according to its Peace Corps and USAID managers, be worldwide in nature.

The desirability of maintaining a worldwide option for Volunteers to draw upon the resources for the SPA program suggests the wisdom of at least considering a centrally-funded approach for financing the SPA program, i.e., some procedure that would allocate funds for the SPA program before Bureau-level OYBs are established.

13 The SPA program is one of a few exceptions to USAID policy with respect to "close out" countries. According to an Action Memorandum signed by the Administrator on June 16, 1994, SPA is one of the programs that "may continue in non-presence countries without any further review."

In the past, USAID has viewed regional bureau, and even Mission level participation in the funding of the SPA program as a sound “market test” of its importance. As well as being conceptually sound, this approach has, until now, been sound in practical terms. In fact, some have argued over the years that the SPA program might have been more vulnerable in the past if it had been centrally-funded. Were USAID’s own funding situation stable, there would be no reason to consider shifting from regional bureau funding to a centrally-funded approach.. Unfortunately, discerning the pros and cons of such a shift at the present time is a bit like looking into a cloudy crystal ball.

If USAID were to select this Option, it is possible that the annual SPA program funding gap experienced in the field could be eliminated. What USAID would need to do to accomplish this would be to decide that the SPA program was one of the programs it would fund under virtually any circumstance. If this decision were made, USAID could release funds for the SPA program at the beginning of a fiscal year. Were SPA automatically funded in this way it could be continued at the Peace Corps, on a calendar year basis, with all of each work required to amend the existing PASA being done in during the first quarter of the USAID fiscal year. Such an arrangement would totally eliminate the annual SPA program funding gap. Were the Global Bureau to continue to manage the SPA program, this bureau alone would experience the program as a “pipeline” issue.

Recommendations:

That USAID and Peace Corps take the time to consider fully the options that exist for funding the SPA program over the long term. Within the framework of whatever option is selected, they should ensure that steps are taken to completely, rather than partially, eliminate the annual SPA program funding year gap that is proving to be detrimental to program operations and to Volunteer relationships with the communities in which they work. A systematic review of long term funding options would involve, but not be limited to: discussing all long term funding options within USAID, i.e., with regional bureaus as well as with USAID’s program budget office, and with the Peace Corps.

With respect to the two Options outlined above, the first one appeared, during interviews carried out by the evaluation team, to be acceptable to all parties in USAID, including its budget office, as well as to the Peace Corps. In contrast to Option 2, the first Option also retains a “market test” of the program’s value to USAID’s regional bureaus.

With respect to the “pipeline” question, a reimbursable approach to funding the SPA program is preferred by USAID’s Financial Management office. From the USAID Financial Management Office’s perspective, a more systematic approach, on the part of the Peace Corps, to reporting on program expenditures, i.e., quarterly reports delivered on a timely basis would be an important first step in any process that would lead toward an alternative financial management arrangement. Given that continuation of the current financial management arrangement may involve the maintaining SPA funds in the USAID “pipeline” for roughly two fiscal years, it is recommended that the Global Bureau undertake an educational campaign that explains to relevant parties why a 24 month “pipeline” for the SPA program is within the “normal” range and is not a cause for concern.

C. SPA Program Management

Conclusions and recommendations are provided in this section on seven aspects of SPA program management, including:

- SPA program criteria and funding limitations;
- SPA program guidance and program management forms;
- Volunteer Orientation and Training;
- SPA project review and approval procedures;
- SPA project funding arrangements;
- SPA project monitoring and evaluation, and
- Reporting requirements.

1. SPA Program Criteria and Limitations

a. Existing Published Criteria and Limitations

The SPA program is governed by many more criteria and limitations than any Peace Corps staff member or Volunteer can conveniently remember. Not only are these criteria and limitations numerous, the manner in which they are presented in Peace Corps' 1992 SPA Program Handbook and SPA Program Guidance is so diffuse that some staff members are simply unaware of all of the program's criteria and limitations.

When the SPA program was first established in 1983, the MOU signed by USAID and the Peace Corps listed only five criteria that activities must meet. By 1994 the SPA Program Handbook listed roughly 20 criteria and limitations in the SPA Program Handbook, a four-fold increase.

The frequency with which the evaluation team found that Peace Corps staff were unaware of the fact that using SPA funds only for "secondary projects" is a program criterion and the fact that many of the Peace Corps Country Offices reported that some of its SPA projects are in the same field as a Volunteer's primary assignment serves illustrate this problem.

Recommendations:

That USAID and Peace Corps review the complete set of SPA program criteria included anywhere in the 1992 SPA Program Handbook with the intention of cutting the list of criterion in half, or better still to a fourth of its current length. The process recommended for this exercise would include, in order:

- Eliminate criteria and limitations that no longer seem to be appropriate. Strong candidates for inclusion in a list of criteria to be dropped for this reason, according to Peace Corps staff, include:
 - The prohibition on using SPA funds for projects that are linked to a Volunteer's primary assignment. In practice, SPA funds are already used in this way. No one

in either Peace Corps or USAID offered a strong rationale for retaining a requirement that limits the use of SPA funds to "secondary projects."

- The prohibition against using SPA funds to finance computers for projects where such equipment is otherwise appropriate. The only concern raised about the limitation of such a criterion dealt with the actual procedures that would be used in purchasing computers, not with whether, in the mid-1990s computers are appropriate technology.
- Eliminate redundancies in the remaining criteria as well as criteria that do not serve any important or defining program function, or would probably be followed even if there were no explicit instruction. Using Table 5-1 or some other summary of the topical focus of criteria that are currently included in the SPA Program Handbook or the IAA Checklist, USAID and the Peace Corps should:
 - Eliminate ambiguity, redundancy and duplication by finding a way to express each criteria that can be stated in the same way in both of these documents;
 - If Table 5-1 is viewed as accurately representing USAID and the Peace Corps intentions, prioritize the fifteen clusters of criteria shown on that table, ranking them in terms of the degree to which they are critical expressions of the SPA programs intent, and then
 - Working from the bottom of this ranking up, eliminate all criteria clusters that can be eliminated, using some form of consensus building process to make these decisions.

b. Country-Level SPA Program Criteria and Limitations

Peace Corps Country Offices around the world have, over the years, introduced additional criteria and limitations on the way SPA funds are used. In doing so, these offices have redefined the SPA program policies, rather than simply implementing them. While Country Offices may see such changes as being appropriate, it is not at all clear that this is the case.¹⁴ Country-specific criteria and limitations may simply represent the subjective views of those who developed them. The net result is that different rules apply in countries that are next door to each other.

A simple example involves the ceiling on SPA funds. In one country the limit on SPA projects is \$10,000, as printed in the 1992 SPA Program Handbook, next door, it may be \$5,000, even if the per capita income in the two countries is similar. What is even more interesting is the fact that a limitation of this sort is more likely to be found in Africa, than it is in Eastern Europe. Setting aside for a moment the fact that goods and services may cost more in Eastern Europe, any argument that says that Africa has a lower need for funds for good projects than does Eastern Europe is relatively hard to defend.

14 In this report, the evaluation team makes a distinction between the appropriateness of decentralizing management responsibility for policy formulation and policy implementation. Decentralized decisions about implementation issues are viewed as being appropriate in organizations like the Peace Corps or USAID where field offices are in close touch with the programs they manage. The decentralization of decisions about policy is a different matter. It is to this latter question that this section directs its attention.

Table 5-1. The Topical Focus of SPA Criteria

SPA Program Criteria	SPA Program Handbook, p. 5 or 6	SPA Program Handbook, p.17	IAA Checklist
Cluster 1	SPA projects are to be "secondary projects."		
Cluster 2	"The activity must fall into the broad area of community development."	<p>"The project increases local capacity."</p> <p>"The project seeks a lasting solution."</p> <p>"The project impacts are at the local level where needs occur."</p> <p>"The project activity will not displace qualified local workers or resources."</p>	<p>"The project has a capacity-building component."</p> <p>"The project uses locally available raw materials."</p>
Cluster 3	"The activity must be scheduled for completion within one year of its commencement and before the completion of PCV service."		"The project is scheduled for completion within one year of commencement."
Cluster 4	"The activity must not encourage further reliance on U.S. assistance."		"The project does not encourage reliance on the U.S."
Cluster 5	"Priority should be given to projects that PCVs and their host counterparts develop as a consequence of or a follow-up to training provided under other USAID/PC PASAs."		
Cluster 6	"The activity must be conceived and implemented by a PCV in conjunction with a local community group, which must devote some of its own resources in cash or kind to the activity."	"Beneficiaries are part of the project planning and implementation process."	<p>"The project is community initiated and directed."</p> <p>"The project is part of a self-help effort to address a community need."</p> <p>"The project has a significant community contribution."</p>

Table 5-1. The Topical Focus of SPA Criteria (cont.)

SPA Program Criteria	SPA Program Handbook, p. 5 or 6	SPA Program Handbook, p.17	IAA Checklist
Cluster 7	"The estimated contribution of SPA funds toward completion of the activity must not exceed \$10,000."		"The project has a realistic budget."
Cluster 8		"The resources used are low-cost, technologically appropriate, culturally acceptable and ecologically sound"	
Cluster 9		"The project is complementary to other development activities."	
Cluster 10		"The project has potential for replication."	
Cluster 11			"The project has clearly defined objectives."
Cluster 12			"The project shows community commitment and ability to cover any recurring costs."
Cluster 13			"The project has suitable land cleared for its activities."
Cluster 14			"The project has sufficient manual labor."

Although it is not clear why the SPA rules should change from country to country, this is what has been occurring. Moreover, it appears to be occurring in an unregulated fashion, i.e., there is no central point to which such rule changes are submitted, either for approval or simply for the record.

Recommendation:

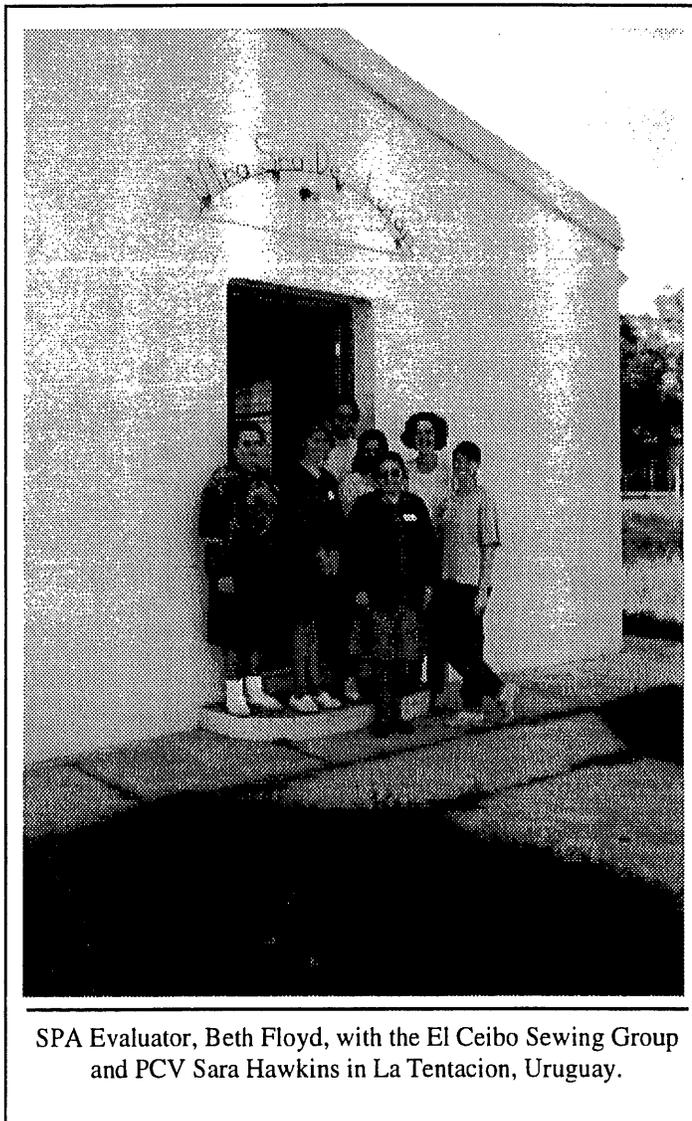
That Peace Corps and USAID develop a process for reviewing and recording proposed country specific criteria and limitations for the SPA program, beginning with a retrospective review of the appropriateness of all outstanding country-specific rules. Pursuant to this process:

- Proposed changes for any given country should be reviewed to determine whether they are appropriate for the program as a whole, or perhaps for one region.
- Proposed rules that are not deemed to be appropriate on a world-wide or regional basis should be disallowed and discontinued, unless sufficient justification for them can be offered.

- Peace Corps Country Office staff opinion alone should not be considered an adequate basis for adjusting SPA program policy.

c. Conformance with USAID's Goals as a Potential New SPA Program Criteria

In response to the Evaluation Scope of Work the question of whether conformance with USAID goals should be added as a SPA program criteria. Evaluation data indicate that for the most part, SPA projects already conform to and support at least one of the five goals stated in USAID's guidance on this subject. The only other reason offered for adding conformance with USAID goals as a SPA criteria was that it might open up the program to more projects in the areas of democracy and governance, and humanitarian assistance. This type of sectoral expansion of the program does not, however, depend upon the addition of a program criteria. An internal memorandum within Peace Corps, with USAID's concurrence, and perhaps the addition of check off categories for these types of projects on Peace Corps IAA form would suffice to set this widening of the program's sectoral scope in motion.



SPA Evaluator, Beth Floyd, with the El Ceibo Sewing Group and PCV Sara Hawkins in La Tentacion, Uruguay.

Recommendation:

That the SPA program criteria, which are already numerous, not be modified to add conformance with USAID goals as a criteria, on the grounds that this is already occurring naturally.

That if USAID and Peace Corps agree that opening the SPA program to encourage projects that focus on democracy and governance, and humanitarian assistance, is desirable they issue a joint memorandum to this effect and amend the IAA form accordingly. Another approach for indicating that USAID and the Peace Corps intend to operate the SPA program within the framework of USAID's goals would be to include a statement to this effect in the preface to any new PASA.

2. SPA Program Guidance and Program Management Forms

The SPA program guidance, i.e., the 1992 SPA Program Handbook and a shorter companion piece called the 1992 SPA Program Guidance. Field staff found these documents to be internally redundant as well as duplicative when taken together. They also called for simpler language, greater attention to the definition of terms, e.g., “capacity building,” and examples of properly completed forms. Issuance in binder form and in regional languages, i.e., French, Spanish, etc., was also suggested.

As to the SPA program’s management forms, field staff again found redundancy as well as a lack of clarity and definitions to be a problem. Examples were requested and suggestions were made about reducing the number of steps in the process, e.g.,

- Eliminating the IAA abstract requirement — pick one or the other, and use it for all purposes for which the IAA and the IAA Abstract are now used.
- Eliminating either the MOU or the joint cable that is required from the field each year, since both serve the same purpose. Retain one or the other, however, as a means of ensuring that Peace Corps and USAID will communicate about the program, in the field, at least once a year.

Recommendations:

That Peace Corps review all suggestions made here and in Section three of this report concerning improvements in existing SPA guidance and forms and undertake an effort to eliminate duplication and increase the clarity and utility of its guidance and program management forms. To this end, it is recommended:

- That, in the future, one highly useful version of the SPA program guidance be issued, rather than two versions. To this end, Peace Corps might find it useful to set up a review committee, perhaps using e-mail, that could provide a field perspective on chapters of whatever new or revised guidance and examples are developed, as they come out in draft form.
- That, new versions of forms, in addition to eliminating duplication, ask only for information that Peace Corps needs, has a plan for analyzing, or has some other reason to believe will be used. Pilot tests of new or revised forms that provide Peace Corps with field reactions could be useful in this regard as could pre-tests of any plans for analyzing the data contained in such forms.

3. Volunteer Orientation and Training

At almost every post, Volunteers receive some type of orientation concerning the SPA program and many Volunteers receive some kind of project design and management training in connection with their SPA experience. Volunteers do not, however, all receive the same quantity or quality of information or exposure to ways of handling practical problems that may arise. While data developed by this evaluation did not establish a clear linkage between training and the achievement of SPA project objectives, it did develop sufficient information to indicate that Peace Corps staff believe

quite strongly that SPA-related training in project design and management is generally useful and, at minimum, ensures that Volunteers will submit relatively high quality SPA project proposals.

To the degree that the SPA program provides Volunteers, and their host counterparts, with an opportunity to develop these skills, differences in the extent and quality of the orientation Volunteers receive may be important. They may make the difference in whether a Volunteer elects to participate in the SPA program or not, or between a good SPA experience and a frustrating one. For this reason, it may be in the Peace Corps' interest to "level the playing field" through some kind of effort to ensure that all Volunteers receive a minimum level of information about the program and that those who elect to participate in a SPA-related project design and management course benefit from a training event that meets some set of minimum quality and coverage standards.

- There are several ways in which standards could be introduced into both the orientation and training aspects of the SPA program, including:
- Centralizing the development of orientation and training materials in Washington.
- Encouraging the development of customized, and often country-specific materials and examples, by Peace Corps Country Office level, with Washington's role being one of review and certification with respect to whether such materials meet whatever minimum standards are established in this regard.
- A middle ground approach is also possible, i.e., with Washington defining the minimum set of materials and standards and Country Offices adding elements that customize and elaborate upon this information making it more useful for their own situation.

A similar approach could be used to develop a cadre of trainers who were equipped to provide Volunteers and their counterparts with an experience that meets a basic set of standards for project design and management training, e.g., a training of trainers course, involving trainee certification.

Recommendations:

That Peace Corps find some way to "level the playing field" with respect to the kind of orientation Volunteers receive concerning the SPA program. If SPA represents an opportunity, then access to information on that opportunity should be equally available to all Volunteers.

That, given the high regard in which SPA-related project design and management training is held by Peace Corps staff and Volunteers alike, USAID and Peace Corps join forces to ensure that a larger proportion of the Volunteers who participate in the SPA program are exposed to such training.

That Peace Corps develop a procedure which has the effect of ensuring that all Volunteers who receive SPA-related project design and management training, whether it be through the OTAPs sponsored Project Design and Management course or through a locally developed alternative, benefit from a common experience that meets a minimal set of quality and coverage standards.

4. SPA Project Review and Approval Procedures

There is an old rule that says, "if it ain't broke, don't fix it." The procedures that Peace Corps Country Offices use to review, select and approve SPA projects work. They are far from being

broken and in need of repair, despite the fact that no two posts use exactly the same system. The evidence for the evaluation team's conclusion that, in spite of their diversity, these procedures are effective is clear:

- Projects all over the world meet the SPA program criteria, and
- Projects all over the world are successful, to an almost extraordinary degree.

At the same time, comments received from Volunteers about unnecessary complexity in these procedures may in some cases be valid:

- If a Volunteer finds that his or her SPA proposal is returned once or twice for improvements or modifications, the Volunteer has probably made some errors.
- If, on the other hand, Volunteers find, as some have, that their SPA proposals are being returned 4-5 times for changes, then perhaps the problem lies with the staff group or committee that is reviewing projects.

Recommendations:

That Peace Corps continue to foster diversity, at the Country Office level, with respect to program implementation procedures for project review and approval.

That Peace Corps caution Country Offices concerning the introduction of unnecessary complexity or hurdles into the SPA program procedures, and encourage them to provide project design counseling to Volunteers and their counterparts wherever such counseling seems to be warranted.

5. SPA Project Funding Arrangements

Two aspects of the way in which SPA projects are funded warrant attention:

- The amount of time is taking, on average, between the approval of a SPA project and the release of funds, and Peace Corps guidance concerning the recipients of project funds.
- Peace Corps guidance concerning the recipients of project funds.

With respect to the amount of time between project approval and the release of funds, the original guidance in this area was provide in the 1983 Memorandum of Understanding that established the SPA program counseled that the period between selection and the release of funds should not exceed 30 days. Today, with a much wider variety of advanced communications systems at hand, it is taking roughly 36 days to fund a SPA project following its approval. As a result, Volunteers indicated that they are spending time waiting for a check to arrive. If 30 days was deemed to be a reasonable maximum waiting period for funds in 1983, it does not seem unreasonable to expect the Peace Corps to meet or do better than that standard now.

With respect to who should receive SPA funds, Peace Corps guidance suggests a strong preference for turning SPA project funds over to community groups or vendors. Volunteers are to be given funds only as a last resort and only when they consent to this type of arrangement. In practice, there is a good deal of variety on a regional basis with respect to who receives SPA funds.

In the ECAM region, funds are often directed to vendors, while in Africa. Volunteers are often recipients of SPA project funds. These differences seem to have more to do with the level of development in banking and commerce in the countries involved than they do with the familiarity of Peace Corps staff with SPA guidance in this regard.

Recommendations:

That Peace Corps live up to the SPA program's original expectations with respect to the speedy funding of approved SPA projects by developing methods that allow posts to meet or do better than a 30 day waiting period following SPA project approval..

That Peace Corps recognize, in its guidance, that posts frequently entrust Volunteers with SPA funds. Instead of making it difficult to do so, SPA guidance might simply explain the problems that could arrive if Volunteers who accept this responsibility do not manage these funds in the manner anticipated.

6. SPA Project Monitoring and Evaluation

Cutting across the responses to a number of questions asked in the evaluation's survey instruments as well as in on-site interviews in nine countries, Peace Corps staff and Volunteers alike pointed to a noticeable weakness in the SPA program management system. In contrast to the extensive effort that is made to ensure that SPA projects are carefully designed, little if any effort is being made on a systematic basis to ensure that project performance is adequately monitored and evaluated. A minimal effort is made to train Volunteers and their counterparts in monitoring and evaluation skills, and as a general rule, SPA project proposals do not include well developed monitoring and evaluation plans. Nor do Peace Corps Country Offices have well developed systems for tracking and documenting what is happening in the projects they approve.

Opportunities exist for improving SPA program monitoring and evaluation, at the level of the Volunteer and the community with which he or she works, and at the Peace Corps Country Office level. For example, one such opportunity exists within the structure of the existing ACN.

As currently constructed, the ACN calls upon Volunteers to rate "beneficiary satisfaction" with the results of a SPA project. It does not, however, ask Volunteers to supply evidence that supports the rating they provided. As a result, Volunteers generally depend upon their own subjective perceptions in rating "beneficiary satisfaction. In order to envision what would be an important qualitative leap in SPA project evaluation, imagine what might happen if Volunteers were required to substantiate the "beneficiary satisfaction" rating they provided.

- Some Volunteers might begin seek out and use information on how to conduct group interviews, or how to develop and administer a simple survey.
- Volunteers who were just designing their SPA projects might begin to ask questions about monitoring and evaluation techniques in their project design and management training courses, and
- Still others would look to their APCDs to help them develop ways of gathering the kind of information that would substantiate a "beneficiary satisfaction" rating, and the skills of APCDs as well as Volunteers would expand in the process.

- In addition, wherever Volunteers involved their host country counterparts in monitoring and evaluation efforts, the skills of these counterparts would also improve.

Recommendations:

That Peace Corps develop a set of minimal expectations or standards for Volunteer-level monitoring and evaluation practice and for SPA project monitoring and evaluation by Peace Corps Program Country Offices and incorporate those standards into its program guidance.

That, in doing so, Peace Corps emphasize the importance of realism in efforts to develop project level monitoring and evaluation plans. Realism, in this context, connotes plans that Volunteers and their counterparts can implement by the end of the project's funding period, without incurring significant costs or making undue demands on a Volunteer's time.

That Peace Corps review and improve upon the quality, completeness and examples of monitoring and evaluation available through its program guidance materials and in the materials used in SPA-related project design and management courses.

Appendix A.
Scope of Work

STATEMENT OF WORK

SMALL PROJECT ASSISTANCE (SPA) PROGRAM EVALUATION

The contractor shall provide all necessary facilities, personnel and materials to conduct an evaluation of the USAID/Peace Corps SPA Program. The evaluation shall include but not be limited to an examination of selected field projects and Peace Corps Washington management systems.

BACKGROUND:

USAID/Peace Corps Collaboration Premise: The basic principle underlying collaboration between USAID and the Peace Corps is that the two agencies working jointly are better able to accomplish development goals of interest to the United States and its citizens than either agency can achieve alone. Collaborative programs make use of the resources of each agency for greater management efficiency and more effective programs.

USAID's interagency agreements with the Peace Corps rest on the premise that the Peace Corps offers a unique human resource predisposed to help USAID meet its development goals. With more than 6,500 Volunteers serving in nearly 100 less developed nations, the Peace Corps is unmatched in the array of skills, experience and enthusiasm which it brings to development programming.

History of Collaboration: Cooperation in development efforts has existed since the early years of the Peace Corps and USAID. Prior to 1981, the relationship was ad hoc and informal. Since 1981, the Peace Corps and USAID have made a sustained effort to increase the extent of joint programming as well as overall cooperation. The efforts undertaken since the mid 80s have built on those past efforts by (1) creating mechanisms to promote cooperation, (2) developing cooperation policies in more detail and communicating these policies to the field, (3) designing programs and jointly funding initiatives at the local level, and (4) developing PASA agreements in key cross cutting development sectors. One of the longest running PASA agreements is the SPA program.

The SPA Program, a Definition: A primary goal of the SPA program is to facilitate self help efforts by combining Peace Corps Volunteers' knowledge of local conditions with USAID's financial (economic development grants) and technical resources. The focus of the program is on community development activities in such sectoral areas as small enterprise development, environment, forestry, conservation, appropriate technology transfer, child survival, food production, education, etc. The intent of the program is to provide an efficient mechanism that can respond

quickly and effectively to community self-help initiatives that will have an immediate sustainable impact at the local level. Any single SPA grant can not exceed \$10,000. The average cost today is about \$3,000 per activity.

SPA History: From the inception of the SPA program in 1983 until 1990, each participating USAID Mission provided SPA grants funds directly to the Peace Corps in country. Technical assistance for SPA activity was provided through a separate centrally managed PASA agreement. SPA grant funds were either programmed in mission OYBs or through regional bureau projects. Each Mission managed the disbursement of funds in increments as low as \$100. As a result, some missions processed hundreds of disbursements annually. Accountability for these funds remained with each USAID until liquidation.

In the late 1980s, difficulties of mission management of the SPA funds began to emerge. Mission comptroller and administrative officers increasingly expressed concerns over the time required to administer these funds, often to the detriment of larger mission projects.

During the 1988-1989 period an independent evaluation highlighted the complications of Missions managing SPA funds at the field level. Based in part on the evaluation findings/recommendations, cable traffic and discussion with other USAID and Peace Corps staff, it was determined that the SPA program would benefit from Peace Corps management.

New SPA Funding Mechanism: Regional bureaus agreed that the most efficient method of effecting this change would be to enter into a new Memorandum of Understanding (MOU) with the Peace Corps followed by a world-wide PASA agreement, centrally managed by the R&D Bureau. The PASA called for the annual transfer of all SPA funds to Peace Corps headquarters in Washington. Peace Corps Washington in turn disburses funds to Peace Corps field posts for management and accountability. Please see attached copy of SPA program guidance, (revised March 1992) for detailed information on current funding mechanism.

ARTICLE I - TITLE:

Project: USAID/PC SPA Program, Number: 936-1421

ARTICLE II - OBJECTIVES

The objective of this evaluation is to assess the development benefits of the SPA program to the two cooperating agencies and to the local communities examined as part of the study. Specifically, the evaluation will analyze the circumstances affecting the program at the country level, the problems that have arisen, and the mechanisms that have been used to achieve impact.

In carrying out the evaluation, the following is expected:

- Strengths and weaknesses in the SPA program that affect program success will be identified;
- Lessons learned are recognized and implications for future SPA programming delineated;
- The basis upon which USAID Missions and Peace Corps field offices enter into SPA agreements, and appropriate program funding levels are determined, is identified;
- Recommendations for strengthening and improving joint USAID/Peace Corps planning, programming and implementation of the SPA program are offered.

ARTICLE III - STATEMENT OF WORK:

Two or three evaluation teams (the exact number and configuration of evaluation teams will be proposed by the contractor subject to approval of the USAID Technical Officer) will spend an initial one week in Washington to be briefed by the selected IQC firm, Peace Corps, and USAID. This will include document review and development of a work plan. Another period of up to one week will be spent in Washington finalizing the evaluation design, preparing an interview schedule or questionnaire and interviewing previously selected staff of both agencies in preparation for the field visits. A semi-structured interview, based on the evaluation questions listed below is recommended.

The evaluation teams will travel to two countries in each of the four USAID regions (LAC, Africa, ASIA, Europe) and will analyze a representative sample of SPA activity. The countries to be visited will be selected in consultation with USAID and the Peace Corps.

Each team will conduct interviews with USAID and Peace Corps staff, Volunteers, host country officials and beneficiaries. Each team will travel to selected project sites, and, if possible, include on their teams within each country a local USAID and/or Peace Corps staff member. Planning documents, project-related agreements, evaluations, budgets and other relevant materials should be reviewed to assess the SPA activity.

The teams shall conduct an evaluation which addresses the following areas:

1. Assess the extent to which the SPA Program is supporting sustainable participatory development projects and technical assistance at the grassroots level.
 - a) What do USAID Missions staff consider the overall impact of

the SPA program?

- b) What do Peace Corps staff consider the overall impact of the program?
 - c) What have been the overall benefits at the community level in the countries visited?
 - d) To what extent does the SPA Program strengthen the relationship between USAID and the Peace Corps?
2. Assess the extent to which the current SPA Program guidelines and criteria relate to both agencies' development goals.
- a) How does the SPA Program relate to USAID's new strategic objectives?
 - b) Should the SPA criteria be revised to reflect these new objectives?
 - c) Are the criteria still valid for Peace Corps programs?
3. Examine the scope, effectiveness and sustainability of projects funded by SPA funds.
- a) To what extent are the current SPA project criteria being met?
 - b) To what extent are SPA projects achieving their individually stated objectives?
 - c) To what extent are projects being sustained?
 - d) Do outcomes other than those stated in the SPA Individual Activity Agreement result from SPA projects?
 - e) Should the SPA Program guidelines restrict the purchase of materials (e.g., computers) with SPA grant funds?
4. Examine the scope, impact and level of capacity building taking place through SPA Technical Assistance and grant funds.
- a) To what extent does Technical Assistance funding support SPA projects?
 - b) To what extent do SPA Technical Assistance and grants provide capacity building for indigenous NGOs?
 - c) To what extent does the SPA Program contribute to the USAID objectives of grassroots capacity building?

5. Examine the cost effectiveness and management efficiency of the current collaborative funding mechanism (headquarters' level PASAs).
 - a) To what extent does the new central funding mechanism improve the administration of the SPA Program? Should changes be made to improve administrative efficiency?
 - b) What is the impact of the current funding cycle on administration and reporting and accounting requirements?
 - c) What role should the Peace Corps' regional management staff play with regard to the annual SPA request and submission process?
 - d) How will USAID Missions closings effect the SPA Program?
6. Examine SPA programming and management mechanisms at the field level.
 - a) Are projects review and approval mechanisms working effectively?
 - b) What is the level of involvement of USAID staff?
 - c) Is the current SPA project tracking systems adequate?
 - d) What changes, if any, are recommended to improve the administrative and programming efficiency of the SPA Program?

ARTICLE IV - CONSULTANT QUALIFICATIONS AND TEAM COMPOSITION

There will be two/three teams of two persons each, plus one person designated as leader of the evaluation and responsible for directing both teams. Each teams will travel to four countries each over a seven week period, spending approximately ten days in each country. If there are three teams, the number of countries visited by each team will be altered. The team leader should participate in at least one field trip. The teams should be comprised of the following:

- team members going to francophone Africa should be fluent in French.
- team members going to Central and South America should be fluent in Spanish.
- team leader must have USAID/Peace Corps collaboration experience.

- one member of each team must have Peace Corps staff background and one member of each team must have USAID staff background.
- members of each team must have experience in development programming, project development and implementation, and program/project evaluation.

The team leader will be responsible for organizing and managing one week of interviews in Washington prior to field visits, and the period following the field visits used to prepare the final report. The team leader and the selected IQC firm are both responsible for the final report.

No selected consultants may be replaced without the consent of both USAID and the Peace Corps. The proposed consultants must be available for the entire period of the contract.

ARTICLE V - REPORTS:

The final report will contain an Executive Summary of no more than three pages, and a narrative containing the findings, conclusions and recommendations of the evaluation team. The findings, conclusions and recommendations should also be summarized in table format where appropriate. Tables may be used to illustrate particular points in the narrative section, or may be placed in a separate section of the report annexes. (The format of the final report may be determined in consultation with USAID and Peace Corps during the evaluation preparation.)

A draft of the final report is to be submitted to both USAID and Peace Corps ten working days after the return of the teams from the field (which should be at the same time). The final report is due ten working days after draft comments are returned to the selected firm from both USAID and Peace Corps. A single draft with comments will be returned to the firm representing the comments of both Agencies.

Fifty copies of the final report must be submitted to USAID and the Peace Corps respectively.

ARTICLE VI - RELATIONSHIPS AND RESPONSIBILITIES:

The SPA evaluation team leader, _____ representing the _____ Cooperation will work directly with and as often as necessary on a daily basis with the USAID SPA project officer and the Peace Corps SPA Coordinator. These two agency representatives will assist in identifying persons to be interviewed and obtaining access to those staff when necessary, and in organizing any group meetings within each agency or between agencies as needed by evaluation team members.

Technical Reporting Responsibility - Arnold Baker, PPC/POL/PAR
Voucher Responsibility - Arnold Baker, PPC/POL/PAR

ARTICLE VII - PERFORMANCE PERIOD:

The services required by this PIO/T are expected to begin on 5/1/94 and end on 8/31/94.

PEACE CORPS
OF THE UNITED STATES

Facsimile Transmission Sheet

Date: 7/11/94

To: Doug Daniell
Program Associate
MSI

From: Ted Peck

OTAPS/SPA Coordinator
Peace Corps
1990 K Street, NW, Suite 8600
Washington, D.C. 20526

Receiver's FAX: 488-0754

Sender's FAX: (202) 606-3024

Number of Pages: 2

Voice Phone: (202) 606-3397

SUBJECT: Additional points for SPA Evaluation SOW

Doug:

Attached are the additional points I came up with for the SPA Evaluation SOW. Feel free to re-word them and place them in the SOW as you see fit. If you have any questions, give me a call.

We're set for Monday, July 18 for the TPM here at Peace Corps. Please contact me when you know what the schedule will be.

Regards..



	ACT	Info		ACT	Info		ACT	Info
Amis			Fauth			Mazzie		
Barker			Favor			MSBC		
Callihan			Goodin			Nenon		
Camazza			Hageboeck			Orsini		
Clapp-Wincek			Heilman			Renzi		
Cooley			Kent			Seyler		
Daniell		✓	Koenen-Grant			Tudhill		
Daniels			Lent			Warren		
Fanning			Lippold			Webster		
Accountung			IPC					
D-Base			PRISM					
Genesys			WBG					

The following are suggestions for additional points to be included in the SPA Program Evaluation Statement of Work:

Section 1, related to point a):

Are USAID Mission staff adequately briefed on the SPA Program?

Is current reporting on the SPA Program from Peace Corps to USAID Washington staff adequate, and can it be improved?

Section 1, related to point b):

To what extent does SPA funding affect perceptions of Peace Corps and Peace Corps Volunteers on the part of host country nationals?

Section 2, related to point c):

Are the SPA Handbook and SPA Guidance useful tools for Peace Corps overseas staff in running the SPA Program? Can they be improved and, if so, how?

Section 4, related to point a):

To what extent does the Project Design & Management (PDM) Workshop affect the number and quality of SPA projects undertaken, and (can this workshop be improved?)

Is the current SPA Technical Assistance review process at Peace Corps headquarters adequate?

Section 6, related to point c):

Are the current forms used in managing, administering, and reporting on SPA projects adequate and useful to overseas staff and volunteers, and can they be improved?

Please feel free to re-word these questions in any way to make them more clear and concise. After reviewing the questions, you may also find that they pertain more to sections other than those under which I have placed them. Please feel free to locate them as you see fit. And, again, these are only suggested additions. However, let me know if you find any to be inappropriate for inclusion in the SOW before you disregard them.

If you have any questions, please contact me.

Appendix B.
Sampling and Weighting Procedures

Sampling and Weighting of the SPA Program Evaluation Survey

The Peace Corps(PC)/U.S. Agency for International Development (USAID) evaluation of the Small Project Assistance Program consisted of a mail survey, field visits to nine countries, interviews with PC and USAID staff in Washington, D.C., and reviews of relevant documents. This section describes the sampling process associated with the mail survey. All sampling, data collection, and data processing was carried out between August and December 1994.

The Survey Sample

The 61 posts asked to participate in the survey were those which had received SPA funds during calendar years 1991, 1992, and 1993.¹ In consultation with USAID and OTAPS/SPA staff, the evaluation team decided that these years would provide the best representation of SPA projects conducted under the current PASA. Peace Corps' newer country entries--such as the NIS countries, El Salvador, Madagascar, Mongolia, and Zambia-- were excluded from the survey, as were those posts which had closed during this period (e.g., Burundi, Equatorial Guinea, Liberia, and Rwanda).

The OTAPS/SPA database was used to select specific projects for inclusion in the sample.² All project level data from the three designated years was identified, displayed, and cleaned. Through this process it was determined that these 61 posts had carried out a total of 1396 SPA projects during '91, '92, and '93.

The probability sample design used was developed to satisfy a precision goal of a 95 percent confidence interval of .42 - .58 for a .50 estimate based on the study, using the planned non-selfweighting design described below. The assumption was made that about 80 percent of the SPA projects in sample would have information included in the study. An administrative decision was made at the start that each country/post included in the survey would be asked to provide information for no more than 8 SPA projects. The initial sample size goal was set at about 285 projects.

There were 16 posts where the administrative limitation required a smaller sampling fraction than in other selected posts. Each of the 16 posts were included in the sample with certainty. The reciprocal of the sampling fraction in each of the 16 country/posts was the Basic Weight. The table below shows the Basic Weights for the sample projects in each of these 16 posts. The posts are show in descending order of number of total projects.

¹ These posts actually represent 63 countries because Latvia and Estonia are managed by one PC post and Western Samoa and the Cook Islands are also jointly managed.

² The use of the database meant that another requirement for posts' inclusion in the survey was the provision of the required reporting documents. If posts had not provided Individual Activity Agreements and/or Activity Completion Notifications to OTAPS/SPA, there was no record of their SPA projects in the database. Consequently these projects were de facto excluded from the universe from which the sample was drawn (this only happened in the case of Papua New Guinea).

<u>Country/Post</u>	<u>Basic Weight</u>
Niger	19.000
Benin	14.625
Thailand	8.500
Dominican Republic	8.375
Mali	7.875
Tonga	5.625
Ecuador	5.500
Togo	5.250
Mauritania	4.875
Costa Rica	4.500
Kenya	4.500
Malawi	4.375
Central African Republic	4.125
Nepal	4.000
Senegal	3.875
Swaziland	3.500

The balance of the universe of posts (45 altogether) was arranged, then, with a major sort by region (Africa, Asia/Pacific, ECAM, LAC) and a listing of each post within each region. The SPA projects in each post were listed in order. A systematic probability sample of SPA projects was then selected following a Random Start. The Basic Weight for the sample projects was determined to be 3.471.

A total of 279 sample projects were selected.³ Between 1 and 8 projects were thus chosen in those posts that were included for all survey aspects. No projects were selected from 3 of the posts included in the universe: Lesotho, Romania, and the Seychelles. These posts were asked to participate in the survey at the program level only.

Data Collection: The Questionnaires

In September, the survey instruments used for the evaluation were sent by diplomatic pouch to all participating PC posts. The instrument consisted of a Program Level

³ Originally, 282 projects were selected but 3 projects from Sierra Leone were later discarded because the post had closed.

Questionnaire and a Project Level Questionnaire. The Program Level Questionnaire included questions directed to Peace Corps staff about how the SPA program operates in-country. Each post received one Program Level Questionnaire--a total of 61 were sent out.

In addition, Project Level Questionnaires were attached as a supplement. One Project Level Questionnaire was included for each sample project selected from a given post--a total of 279 were sent out. These questionnaires were customized using project information already provided in the reporting documents--e.g., IAAs and ACNs--sent to OTAPS/SPA. Posts were asked to review this information for accuracy as well as to answer additional questions pertaining to each project's impact on communities and Volunteers.

Data Processing and Non-Response Adjustments

By the end of November, a total of 49 Program Level Questionnaires and 208 Project Level Questionnaires had been completed and returned. These figures represent response rates of: (1) 80% at the program level, and (2) 75% at the project level. In order to adjust, as best as possible, for possible biases because of non-responses, non-response adjustments were calculated at both the program and project levels.

Program Level Inter-Country Adjustments. Each of the 61 Peace Corps posts included in the survey was assigned a basic weight of 1. But since 12 did not respond, it was necessary to compute an inter-country non-response adjustment which would spread the effect of non-response over the 49 posts that did respond. Rather than distribute the non-response factor over all posts evenly, however, both responding and non-responding posts were grouped according to country similarities (e.g., language, culture, climate, etc.). In this way, the responding posts in these groupings became better proxies for the missing posts. For each group, the Final Weight was computed as follows:

$$\frac{\# \text{ of Responding Posts} + \# \text{ of Non-Responding Posts}}{\# \text{ of Responding Posts}}$$

The resulting Final Weight was assigned to all responding posts. The table below illustrates how country posts were grouped and the Final Weight calculated for the corresponding posts in that group.

Non-Responding Posts	Proxy/Responding Posts	Final Weights Assigned to Responding Posts
Cape Verde, Ghana	Benin, Cameroon, Cote d'Ivoire, Guinea Bissau, Nigeria, Senegal, Togo	1.2857142
CAR, Chad	Niger, Mali, Mauritania	1.6666666
Zimbabwe	Botswana, Malawi, Swaziland, Tanzania	1.2500000
Seychelles	Comoros, Kenya	1.5000000
Nicaragua	Costa Rica, Dominican Republic, Honduras, Panama	1.2500000
Argentina	Chile, Uruguay	1.5000000
Belize	Eastern Caribbean, Jamaica	1.5000000
Soloman Islands, Kiribati	Western Samoa, Fiji, Tonga	1.6666666
Romania	Albania, Bulgaria, Czech Republic, Hungary, Latvia, Poland, Slovakia	1.1428571

Project Level Intra- and Inter-Country Adjustments. For project data, non-response adjustment was computed at two different levels. First, it was necessary to calculate a non-response weight within each country--an intra-country adjustment--for each post's selected and complete projects using the following formula:

$$\frac{\# \text{ of Project Questionnaires Sent Out}}{\# \text{ of Project Questionnaires Received}}$$

***Note:** Cancelled projects were considered as "out of scope" and, therefore, as having no effect on the non-response adjustments (a total of 3 projects were reported as cancelled). Also please note that the "# of Project Questionnaires Received" refers only to those questionnaires which were completed and sent back. Questionnaires returned blank without any explanation as to why they were left blank (e.g., project cancelled) were considered to be non-responses.

The second level of non-response adjustment for the project data distributes the residue of the first adjustment (intra-country) to other projects in similar countries. This is the inter-country adjustment. Again, responding and non-responding posts were grouped by country--according to similarities in language, culture, climate etc.--such that projects from the responding posts in these groupings became proxies for the missing projects (from those posts that did not respond). For each group, the inter-country weight was computed as follows:

KEY: BWNRPst = Basic Weight of Non-Responding Post
 #PQS = # of Project Questionnaires Sent Out to Non-Responding Post
 BWRPst = Basic Weight of Responding Post
 IntraCA = Intra-Country Adjustment
 #PQR = # of Project Questionnaires Received

$$\frac{\sum (BWNRPst \times \#POS) + \sum (BWRPst \times IntraCA \times \#PQR)}{\sum (BWRPst \times IntraCA \times \#PQR)}$$

The table below illustrates how country posts were grouped and the non-response adjustment inter-country that was calculated for each corresponding post in that group. Please note that the groupings are somewhat different from those used in the Program Level Adjustment.⁴

Non-Responding Posts	Proxy/Responding Posts	Non-Response Adjustment Inter-Country Assigned to Responding Posts
Ghana	Benin, Cameroon, Cote d'Ivoire, Gabon, Gambia, Nigeria, Senegal, Togo	1.034990
CAR, Chad	Niger	1.376954
Zimbabwe	Botswana, Malawi, Swaziland, Tanzania	1.278331
Cape Verde	Guinea Bissau	2.000000
Mali	Mauritania	2.615385
Nicaragua	Costa Rica, Dominican Republic, Honduras, Panama	1.028840
Argentina	Chile, Uruguay	2.000000
Belize	Eastern Caribbean, Jamaica	1.800000
Soloman Islands, Kiribati	Western Samoa, Fiji, Tonga	1.300532

Final Weights. In order to obtain the Final Weights for each responding project--which distributes the effect of non-response over these 208 responding projects--the following formula was used:

Key: NRA=Non-Response Adjustment

Basic Weight x NRA Intra-Country x NRA Inter-Country

The Table appended to this section presents the Final Weights obtained using these calculations. These final weights were assigned to each of the 208 project cases.

⁴ One country--Mali--was classified as non-responding at the project level but not at the program level. On the flip side, both the Seychelles and Romania were classified as non-responding at the program level but not at the project level (no projects were selected from these posts).

Country by Region	Basic Weight	Non-Response Adjustment Intra-Country	Non-Response Adjustment Inter-Country	Final Weight
ECAM				
Albania - 304	3.471	1.000		3.471
Bulgaria - 313	3.471	1.000		3.471
Czech Republic - 228	3.471	1.000		3.471
Hungary - 310	3.471	1.000		3.471
Latvia - 324	3.471	1.000		3.471
Morocco - 608	3.471	1.000		3.471
Poland - 336	3.471	1.333		4.628
Romania - 403*	3.471			3.471
Slovak Republic - 229	3.471	1.000		3.471
Tunisia - 364	3.471	1.500		5.207
Asia/Pacific				
Fiji - 411	3.471	1.000	1.300532	4.514
Kiribati - 441	3.471			
Nepal - 367	4.000	1.000		4.000
Philippines - 492	3.471	1.500		5.207
Solomon Islands - 431	3.471			
Sri Lanka - 384	3.471	1.000		3.471
Thailand - 493	8.500	1.000		8.500
Tonga - 421	5.625	1.000	1.300532	7.315
Western Samoa - 491	3.471	1.000	1.300532	4.514
LAC				
Argentina - 561	3.471			
Belize - 535	3.471			
Bolivia - 511	3.471	1.000		3.471
Chile - 513	3.471	1.000	2.000000	6.942
Costa Rica - 515	4.500	1.000	1.028840	4.630
Dominican Rep. - 517	8.375	1.000	1.028840	8.617
E. Caribbean - 538	3.471	1.000	1.800000	6.248
Ecuador - 518	5.500	1.000		5.500
Honduras - 522	3.471	1.000	1.028840	3.571
Jamaica - 532	3.471	1.000	1.800000	6.248
Nicaragua - 524	3.471			
Panama - 525	3.471	1.000	1.028840	3.571
Paraguay - 526	3.471	1.250		4.339
Uruguay - 528	3.471	1.000	2.000000	6.942
Africa				
Benin - 680	14.625	1.000	1.034990	15.137
Botswana - 637	3.471	1.667	1.278331	7.395
Cameroon - 694	3.471	1.000	1.034990	3.592
Cape Verde - 655	3.471			
CAR - 676	4.125			
Chad - 677	3.471			
Comoros - 619	3.471	1.000		3.471
Cote D'Ivoire - 681	3.471	1.000	1.034990	3.592
Gabon - 678	3.471	1.167	1.034990	4.191
Gambia - 635	3.471	1.000	1.034990	3.592
Ghana - 641	3.471			
Guinea Bissau - 657	3.471	1.000	2.000000	6.942
Guinea Conakry - 675	3.471	1.000		3.471
Kenya - 615	4.500	1.167		5.250
Lesotho - 632*	3.471			3.471
Malawi - 614	4.375	1.333	1.278331	7.457
Mali - 688	7.875			
Mauritania - 682	4.875	1.000	2.615385	12.750
Namibia - 697	3.471	1.500		5.207
Niger - 683	19.000	1.000	1.376954	26.162
Nigeria - 620	3.471	1.000	1.034990	3.592
Senegal - 685	3.875	1.143	1.034990	4.584
Seychelles - 569*	3.471			3.471
Swaziland - 645	3.500	2.667	1.278331	11.931
Tanzania - 621	3.471	2.000	1.278331	8.874
Togo - 693	5.250	1.333	1.034990	7.245
Uganda - 617	3.471	1.000		3.471
Zimbabwe - 612	3.471			

* Program-level only.

Appendix C.

Site Visit Reports on Program Funding, Management and Impact

SPA PROGRAM FUNDING, MANAGEMENT AND IMPACT OVERVIEW FOR FIJI AND TONGA

PROGRAM FUNDING

PC Fiji has not used all of the SPA funding allocation and has had to deobligate and reprogram SPA funds the last couple of years. This is perhaps due to the fact that they do not "advertise" SPA since they do not want the PCV seen as a source of funds. Only six percent of the PC volunteer population access the SPA funds. Given that USAID has now pulled out of Fiji an increase in SPA project funding requests might occur.

PC Tonga has, on the other hand, always created greater demand for SPA funds than their allocation of funds would permit and would like to increase SPA project funding by a considerable amount. For example, during the past fiscal year, PC Tonga had demand for SPA funds in excess of \$100,000, but could only fund \$40,000.

Neither PC/Fiji nor PC/Tonga had any problems with the fiscal year versus calendar year differences between USAID and PC/W.

PROGRAM MANAGEMENT

Both PC/Fiji and PC/Tonga have SPA project selection committees. However, PC/Tonga has all along made a conscious effort to have representatives from two government ministries on the committee. The first representative is from the Ministry of Foreign Affairs and the other from the Central Planning Office. This has had a positive effect on the Peace Corps efforts in coordinating the SPA Funding Program with not only the Government of Tonga's development plans, but also that of other donors. Additionally, it has further enhanced Peace Corps' visibility among the higher levels of the Government. It might be worth noting that the Prime Minister of Tonga even had some knowledge of the SPA Program and some of its impact at the community level.

In both PC/Fiji and PC/Tonga funds are released to the PCVs and the beneficiaries with slightly different nuances. For example, in PC/Fiji, the funds are released for the full amount of the project to the PCV and two members of the beneficiary group (usually the leader and the treasurer of the group). The projects are monitored by the PCV through monthly progress reports which include a narrative and accounting for the funds which have been spent to date with receipts attached to the report. Once the project has been completed, an ACN is sent to the PC Office with the final accounting of the funds and the final status of the project. Very few problems, if any, have occurred during the implementation and monitoring phase of the projects in PC/Fiji.

On the other hand, PC/Tonga releases the funds directly to the beneficiary group. They are required to have two responsible individuals of the group (usually the leader and the treasurer of the group) as signatories of the banking account. The PC volunteer monitors the progress of the projects by authorizing the disbursements of payments to vendors and regular site visits to the secondary project sites. One significant approach in which PC/Tonga differs from PC/Fiji, is that the funds are released in three equal tranches regardless of the size of the project. This ensures the full accountability for all the funds throughout the implementation phase of the project and also ensures that just the funds which are needed are disbursed, thus avoiding having to collect unspent funds from the beneficiaries. The PC/Tonga system appears to have worked effectively and has assured that funds have been spent in a precise manner.

Overall, both PC Posts' systems have worked very well and in the responses received from the respondents, all feel the process is not too complicated and do not see the value of simplifying the process. Both PC/Tonga and PC/Fiji have in fact recently redesigned the system and expressed reservation of simplifying the in-country process any further. Both systems were recently redesigned to assure more accountability and they feel that the system is about where they want it to be.

Both PC/Fiji and PC/Tonga find the PDM training important to the quality of SPA projects and both seem to be leaning toward including PDM as part of routine IST training. However, both PC Posts have questioned the rationale of having to pick up part of the costs to conduct the PDM from their IST Budget. Both Posts feel strongly that the SPA Program should fund all aspects of the PDM from travel and per diem to beneficiaries to conference room rental for all participants including Peace Corps staff and volunteers. Otherwise, the costs which are picked up to fund part of the PDM from the Post's IST budget, have forced both Posts to curtail or even postponed urgent IST Training needs which had been carefully identified during the previous year's budget and planning exercise.

PROGRAM IMPACT

The impact of SPA projects is for the most part local and described as being extremely positive. With the majority of the SPA projects visited in both Fiji and Tonga, the impact on the community was quite significant: increased income for communities, improved health and hygiene, and increased self-esteem and confidence in their ability to work together on long standing problems. Many of the SPA projects were addressing the community needs which the local provincial governments either did not have the funds for or interest in doing due to other priorities. As the PCD in Fiji stated, "We would do everything possible to have a SPA activity for it is one of the better activities we can do for the communities."

As for the PCVs, the SPA projects help to further integrate the PCV into the community and leave the PCV with a feeling of success. As the PCD in Fiji stated "it is so important to me when I get out, for it is a collaborative effort between the PCV and the community. It permits the PCVs to see immediate visible results and positive changes in the lives of the community residents, which otherwise they may not see under their primary assignment. SPA projects often define a volunteer's Peace Corps experience. Another PC staff member stated "SPA pushes PCVs into the second Peace Corps goal".

SPA PROGRAM FUNDING, MANAGEMENT AND IMPACT OVERVIEW FOR THE REPUBLIC OF GUINEA

PROGRAM FUNDING

The number of PCVs in Guinea has doubled from 50 to 100 in the past three years. SPA funding levels have risen commensurately and now stand at \$120,000 (CY 1994). Due to the need for basic infrastructure, SPA activities in Guinea are primarily of the "bricks and mortar" variety, with the vast majority of projects involving the construction of schools or health facilities. These projects enjoy a very high profile within the development community; both the U.S. Ambassador and the USAID Director are ardent supporters of SPA and believe SPA projects to be the most appropriate and cost-effective way to meet some of the countries' most pressing needs. The ambassador and/or other Embassy personnel frequently attend SPA project inauguration ceremonies.

The funding "gap" has been an issue for the SPA Program in Guinea. Both volunteers and staff expressed frustration at being unable to fund well-conceived projects in a timely manner. As mentioned above, most of the SPA projects in Guinea involve construction. There are two factors which make the period between January and April (when funds are often unavailable) the best time to do such projects. The dominant factor is that November to June is the dry season. Guinea is a very rainy place and most of the roads are dirt. Transport of sand, gravel, cement and other materials on such roads becomes difficult and often impossible in the rainy season. Even if aggregates and materials can be moved to the building site, not much building gets done in the rain. If storage is inadequate (and it often is), bags of cement will turn into cement blocks. One APCD said of the funding gap, "When I was out visiting volunteers, I saw the frustration with the four month gap. People were ready to go and there was no money. This was compounded by a sense of urgency about getting work done before the rainy season."

A secondary factor has to do with the volunteers' integration into the community. Construction projects involve considerable advance planning and a lot of work by community members. This means that a PCV needs to be well-integrated into a community in order to manage the complexities of and maintain support for a project. If a PCV takes 8 to 12 months to reach this point, two months to get approval for a project and then has to wait four months for funding, she or he may run out of time to do the project before his/her COS.

Are funding levels adequate? As long as there is a funding gap between January and April, modest increases in present funding levels will probably suffice. However, if funding becomes available year round, if PC staff promote SPA to volunteer as much as they would like to, and if the SPA coordinator has the time to support additional projects, a funding level of about \$200,000 a year would be more appropriate.

PROGRAM MANAGEMENT

The SPA Coordinator with whom the evaluation team met, and who has since left, instituted a transparent, efficient and flexible system for approval and management of SPA projects. The basis of this system is a project review form which includes criteria culled from the SPA handbook as well as criteria which is specific to construction projects.

A presentation on SPA projects has been integrated into both the PSTs and the ISTs. When a PCV has an idea for a SPA project, she or he typically discusses the idea with the SPA Coordinator. Together they go through the project review form, flagging issues which will need to be addressed in the proposal. The volunteer then prepares the proposal. Often a significant part of the proposal is written by a counterpart. In some instances, counterparts write the whole proposal and PCVs simply translate the relevant sections. Sometimes the SPA Coordinator will ask to have certain sections of the proposal redone; however, most fine-tuning is done before the proposal is submitted.

When the SPA Coordinator is satisfied with a proposal, it is submitted to the Country Director for review and subsequent approval. After the proposal is approved, a cheque request is sent to Paris and a cheque comes back in two to six weeks (great variability here). Given communications and transport difficulties in Guinea, volunteers often have to come to Conakry for their cheques. Sometimes, cheques are brought out to volunteers. Another method used is wire transfers through the banking system. This has sometimes proven to be slow and/or unreliable. When the volunteer receives the cheque, she or he deposits it in a project bank account in a regional center (only large towns have banks). Normally, the PCV and one or more counterparts are co-signatories for the account. Accounts are project-specific with no commingling of funds.

The account is supervised jointly by the PCV and principal counterpart with strict accounting required. A monthly inventory control sheet which volunteers use to track materials (what most SPA money is typically spent on) has been developed. At the completion of the project, the PCV submits an ACN and a complete accounting of all expenditures which the SPA Coordinator verifies. PCVs are not allowed to COS or move posts without having gone through this process.

Volunteers with whom the evaluation team spoke felt that this process was transparent and appropriate - if not easy. They felt that the emphasis on counterpart involvement was sometimes difficult but "the only way to achieve sustainability".

The SPA Coordinator felt that the system could be further improved by doing the following:

1. Making SPA funds available year round. The fact that the funding gap hits during the dry season is a big problem.
2. Conducting more comprehensive training on SPA project development and management for both PCVs and counterparts. Although a PDM course would be appropriate, they caution that it would increase demand and so funding levels must be sufficient before the training.

3. Doing a better job of assessing the administrative and accounting capacity of counterpart organizations.
4. Making SPA part of an the SPA coordinator's job description and performance evaluation criteria. As the SPA Coordinator pointed out, "To do the job right, SPA takes time. I'm glad I've taken the 30% to 40% of my time that SPA requires, but it has not been easy."
5. Consider using a HCN APCD as SPA coordinator or hiring a HCN SPA assistant because the job becomes easier with time and the development of an institutional memory would be beneficial to the program.

PROGRAM IMPACT

On the most basic level, the dominant impact of SPA projects in Guinea is the provision of schools and health care facilities to towns and villages which would otherwise have to do without. This is only the tip of the iceberg: SPA will not finance a school or clinic without iron-clad assurance from the government that the facility will be staffed and equipped. So, SPA funding provides the impetus which brings teachers and nurses to the rural population. Secondly, as the community contribution to building usually involves a great deal of labor, villagers learn to work together on a "common good" activity, enhancing their sense of community and willingness to work together in the future. Thirdly, community leaders who work together with a PCV in developing and implementing a SPA project receive what amounts to a hands-on seminar in small project proposal writing and management. This enhances their managerial skills and ability to implement future projects.

SPA PROGRAM FUNDING, MANAGEMENT AND IMPACT OVERVIEW FOR THE REPUBLIC OF NIGER

PROGRAM FUNDING

In 1994, there were approximately 100 PCVs in Niger and their principle assignments were in the fields of biodiversity, environmental protection, nutrition, women's community development and African Food Systems Initiative (AFSI). 62 of these 100 volunteers developed and managed at least one SPA project, and many of them implemented two or more projects. The Niger program is unique in that small project activities play an integral role in many of the volunteer's principle assignments. SPA contributions range from about \$200 (for improving wells) to \$6,500 (for construction of a classroom). Construction and well repair are the most popular SPA project activities; other activities include gardening, and various kinds of training.

Due to staff changes that occurred shortly before the evaluation team's visit, it was difficult to ascertain exactly how SPA funding levels had been determined in country. What was clear, however, was that adequate rollover funds were available between January and April of 1993. In fact, during the SPA Coordinator's one-and-a-half year tenure overseeing the SPA Program, insufficient funds had never been an issue. The APCD/Administration described the administration of the rollover process as "simple for us at the country level", and went on to say that she would have no difficulty in continuing with the present system.

Two funding issues were raised. First of all, counterparts, APCDs and PCVs mentioned the difficulties provoked by not being able to provide transportation and per diem for government personnel. Most volunteers work closely with local "Service" (Agriculture, Rural Development, Health etc.) representatives on their SPA projects. These individuals, for the most part, have very little (if any) money for operating expenses and therefore have difficulty in assisting volunteers and local communities as much as they would like on the development and implementation of SPA projects. The Chief of the agriculture service in Birni N'Konni described the situation in this way: "The volunteers understand their community's needs very well. Their projects are usually extremely well-conceived. However, the volunteers and community members often lack the technical skills to do what they want to do. This is where we come into the picture. We should offer technical support--and we do, sometimes. However, I, for example, get only \$30 a month for gasoline for the whole service. If the projects included money for fuel, transport and per diem (if work is going to take a few days), it would help a lot. I am ashamed to have to ask this, but the Government gives us almost nothing". Several PCVs spoke of asking "Service" people to do work without per diem as a litmus test which, one PCV commented, "only about half of them pass".

The second funding issue that was raised by PCVs and APCDs had to do with the difficulty in getting checks. It often takes a long time, up to eight weeks rather than the accepted two or

three, to get checks from Paris. This is a function of the intricacies in the USG communications process.

PROGRAM MANAGEMENT

Consistent with the volume and variability of SPA projects, the process of developing and implementing SPA projects in Niger is very flexible. The steps a PCV typically goes through are listed below:

1. The PCV and members of the local community develop an idea for a project;
2. The PCV discusses and refines the idea through discussion with other PCVs and local "Service" representatives;
3. The PCV consults SPA and/or AFSI files on similar projects. Files are available both in AFSI team houses and in Niamey and the project ideas are discussed with fellow AFSI team members;
4. The PCV discusses the idea with her/his program APCD;
5. The PCV, usually with considerable counterpart assistance, writes the proposal in French (this is required) and has local administrative authorities (typically a Prefect or Sous-Prefect), the relevant "Service" and community representatives sign off on the proposal;
6. The SPA coordinator reviews the proposal for adherence to the SPA guidance from the handbook and then approves the proposal;
7. A cheque is ordered and arrives in two to eight weeks (there is great variability here) and the program APCD or the SPA coordinator informs the PCV of its arrival. Communication with distant PCVs is often difficult;
8. The volunteer picks up the cheque or, in some cases, PC is able to make a wire transfer to a bank in the regional center closest to the PCV;
9. The money is deposited in the PCV's project account. This is separate from the PCVs personal account but may contain monies from several projects so there is sometimes limited commingling of funds. The PCV is typically the sole signatory on the account and keeps the books. In cases where different project funds are commingled, separate accounting is done for each project;
10. If a project lasts longer than four months, the PCV fills out the SPA quarterly status report form and sends it to the SPA coordinator;
11. Periodic requests for information on expenditures to date are made by the SPA coordinator and responded to by the PCVs; and

12. Upon completion of the project, the PCV fills out an ACN and a summary of project expenses form and sends them to the SPA coordinator who verifies the accounts and closes the project.

It is important to note here that steps 2,3,4 and 6, are not necessarily sequential. What is emphasized by the SPA Coordinator and other APCDs, is the importance of PCVs doing their homework and developing community commitment as part of the process of proposal development. The SPA coordinator is often consulted earlier than indicated in the process, principally in cases where the PCV is doing her/his first SPA project.

In the case of SPA projects being designed by AFSI volunteers, the process is similar but more formalized, consistent with the AFSI project development process. Volunteers develop a concept paper which they circulate to other members of their AFSI team and to the AFSI Program APCD for comment. The volunteer then writes a SPA proposal which is discussed at a monthly meeting of the project proposal committee at each AFSI regional house, and chaired by the AFSI APCD. The proposal is then passed on to the SPA Coordinator.

In addition to the above-mentioned quarterly status report and summary of project expenses forms, PC Niger has developed a project accounting form and a standard voucher form (this because many Nigerians are illiterate). An Excel spreadsheet for easy and efficient tracking of SPA projects has been developed by the SPA Coordinator.

The project selection and development process is seen by many PCVs as bureaucratic and time-consuming. However, this perception certainly does not stop them from developing projects. The PCVs interviewed by the evaluation team universally said that the process of talking over their project ideas with other PCVs, local "community" representatives, and APCDs; as well as consulting files on similar projects, helped them develop sound and well thought-out projects. Counterparts and PCVs alike felt that the requirement that SPA proposals be written in French was a good way of fostering close relations between PCVs and counterparts.

PCVs, counterparts and community members made very positive comments about project monitoring during frequent site visits by APCDs. The strong proactive involvement of program APCDs in the SPA process was seen as integral to its success.

Program APCDs in Niger play a large role in the development, implementation and monitoring of SPA projects. The advantages of this are threefold: first of all, it allows Niger to implement five times the number of projects (75 a year as compared to 15) that most other countries manage without imposing a crippling management burden on the SPA coordinator; secondly, program APCDs are familiar with the SPA criteria and help volunteers and counterparts develop projects; thirdly, the program APCDs take it upon themselves to monitor SPA projects during their frequent trips to visit PCVs. The only downside to the large role of program APCDs is occasional lack of clarity about roles and responsibilities resulting in the possibility of things (such as checks--see above) slipping between the cracks.

Managing 75 projects a year takes a great deal of time and effort on the part of the SPA Coordinator, and it is felt that SPA should be written into the APCD's job description and that

the importance of the role of the SPA Coordinator be recognized by the incoming country director.

PROGRAM IMPACT

There is consensus among counterparts, villagers, PCVs and APCDs that the projects with the most obvious, direct and important impact in Niger are wells and/or water lifting devices.

SPA PROGRAM FUNDING, MANAGEMENT, AND IMPACT OVERVIEW FOR PARAGUAY

PROGRAM FUNDING

The administrative staff of PC/Paraguay (PC/P) provided the evaluation team with information on funding levels according to fiscal years, not calendar years. In FY90 and FY91, PC/P's SPA project funds amounted to about \$40,000. In FY92, this level was increased to \$55,000 because a separate \$15,000 in health project funds were obligated. In that year, virtually all the health project funds were spent, but some \$16,600 of the "general" grant funds were rolled over to FY93. With this rollover, the grant funds obligated in FY93 totalled \$57,500 but there was no longer a specific amount earmarked for health projects; funds could be designated for any sector. In FY94, the same \$57,500 level was obligated but this included \$23,847 carried over from FY93. And at the end of FY94, only \$9,912 of these project funds had been spent, leaving \$47,588 for the remaining three months of the calendar year. Since there are no projects pending, these funds will likely be carried over into CY95.

The amount of funds carried over during the last three years--particularly those from 1994--indicates a gap between SPA funding estimates and actual expenditures. A number of factors were cited by PC/P staff and volunteers as contributing to this shortfall. Although some uncertainty regarding the availability of funds appears to constrain programming (see below), the following issues were also noted:

- SPA funds are generally reserved for "big projects" which require SPA contributions of \$9,000 to \$10,000 per project (usually in water/sanitation and micro-enterprise development). These larger projects take longer to design and implement and their perceived complexity may actually deter some PCVs and communities from seeking SPA support.
- PCVs have access to other, often smaller pots of money through the Homeland Foundation and PC/Partnership. These resources are preferred by many PCVs who perceive them as less bureaucratic and more "people to people."
- A few years ago, a core group of PCVs were opposed to the use of outside funds to support community projects. Their influence was such that a certain bias against outside funding still prevails among some PCVs and APCDs.
- Some years ago, PC/P established a project selection criteria which stipulates that there be only one SPA project per PCV site (the staff interviewed could not remember exactly when or why this particular criteria was developed). This means that if a health project received SPA funding 6 years ago, a current agricultural project in the same geographical area is therefore ineligible for SPA

support. Given PC/P's strategy of placing at least three generations of PCVs in a given site (and often more), this limitation geographically curtails SPA's scope.

Unlike SPA project funds, SPA TA funds--approximately \$20,000 per year--are fully utilized to support regularly scheduled PDM workshops. Three workshops per year are conducted as mandatory, three-day In-Service Trainings for PCVs and counterparts.

In Paraguay, USAID and Peace Corps sign 3-year MOUs for all PASA funds which would, theoretically, allow for long-term programming. However, an annual MOU must still be developed separately for SPA and updates/amendments are done each year for specific PASAs. PASA funding estimates--including SPA project and TA funds--are sent to the USAID Representative by PC/P's Director in August.

The USAID Representative indicated that he comes up with lump sums for transfer to PC/P: "I've tried to give Peace Corps a good estimate of what I could carve out of my budget each year. This year I came up with two times what Peace Corps was able to produce." He noted that he hasn't felt it necessary to earmark money for SPA specifically, and is satisfied that PC/P is adequately managing SPA funds.

Regarding the availability of SPA funds, the Peace Corps Director said: "There were a couple of years where availability was an issue; we were never sure we were going to get the money." More recently, however, this does not seem to have been a problem since carry-over funds have been available during the January to May SPA funding gap.

Nevertheless, there does appear to be a problem of perception. Since budget authority may not be received from OTAPS SPA until the 2nd or 3rd quarter of the fiscal year, uncertainty about funding levels lingers among PC/P staff and inhibits SPA programming.

Furthermore, there is a lack of transparency about the status of SPA funding levels--i.e., obligations, expenditures and remaining balances--throughout the year. APCDs and Volunteer Coordinators are uninformed about the level of SPA funding available. Some assumed SPA funds had already been fully programmed. Others indicated that they feel uneasy about "competing" for SPA funds that might be sought by PCVs/APCDs in other sectors.

PROGRAM MANAGEMENT

PC/Paraguay's unique 3-generation placement strategy affects SPA management. Under this strategy, PCVs may be assigned consecutively to a given site for a minimum of 6 years (3 normal PCV rotations). In some cases, the first PCV may spend two years working with a community to identify and prioritize the problem to be addressed. The next PCV may then work with that community to design the project, generate resources, and perhaps begin project implementation. The third PCV would then be responsible for monitoring and evaluating the project's impact. Indeed, several of the SPA project sites visited by the evaluation team were typified by just such a scenario.

PC/Paraguay staff emphasize that community members--in conjunction with the PCV--are responsible for identifying and prioritizing community needs and then designing project activities. APCDs also play a role in helping to define activities and even in placing volunteers they judge as likely to develop a SPA project in sites apt for such projects.

There is a SPA Project Selection Committee--composed of the SPA Coordinator, the PTO, and two PCV coordinators--which meets on an ad hoc basis when a project has been submitted for review. The evaluation team was told that the committee almost always sends back a project proposal for clarification and/or modification in accordance with the criteria. Current members of the committee expressed some frustration and confusion as to their roles, however. By the time the project comes before the committee, it has already received the approval of the appropriate APCD; their mandate is simply to evaluate whether the project meets the SPA criteria outlined in the IAA checklist. Some feel that there is not enough critical, substantive discussion of the merits of the project. And the CD noted that one of the main weaknesses of PC/Paraguay's current SPA selection process is that projects are approved on a first-come, first-serve basis. The evaluation team suggested that PC/Paraguay's leadership consult the SPA guidelines pertaining to project selection.

PC/Paraguay staff felt that the restriction against using SPA grant and technical assistance funds for primary activities is not valid. In fact, most of the projects examined by the evaluation team could be construed as primary projects, albeit community initiated ones. Staff felt that prohibiting SPA usage for primary activities constrained their ability to effectively program the funds.

In addition, the CD observed that she'd like to see grant funds allowed for certain kinds of training activities (e.g., community exchanges) but the current prohibition against using SPA for per diem and travel prevents this. Although TA funds are supposed to cover sector specific technical training, again, the activity is not supposed to be in support of primary job skills development. The CD felt that this criteria limits creative use of SPA TA funds.

PROGRAM IMPACT

In the last four years, half (8 of 16) the SPA projects undertaken have been in the health sector and 5 of these have focused on water and sanitation (and 3 supported the construction of health posts). The other half of SPA projects have been in the area of small enterprise development (SED), except for 2 projects which supported school construction. One of these SED projects actually supported the digging of a well for a starch factory.

PC/Paraguay's leadership is considering reserving SPA exclusively for water/sanitation projects (mainly wells and running water systems). Indeed, 3 of the 5 project sites visited by the evaluation team were water projects and all have had--or potentially will have--substantial impact at the community level. In two cases, communities of over 100 households were being provided with water for home consumption. In another case, a well had been drilled in order to support the operations of a starch factory aimed at increasing the income of the community members. All of these relatively "high impact" projects had utilized grants at, or near, the \$10,000 level.

These water projects, however, were not supported by SPA funding alone. Given their size and complexity, the \$10,000 provided by Peace Corps always needed to be complemented with resources from SENASA (the public sector agency responsible for water and sanitation) and/or from some other sources (e.g., GTZ). In all cases, the ability to leverage funding and technical support from other sources appears to be a critical element of success. It has also been a source of problems at times. For example, in all of the water and sanitation projects observed by the evaluation team, Peace Corps has relied on SENASA technicians for TA (ie., location of the wells, level of horsepower engine needed to operate the pump, etc.). But in every case, a technical problem appears to be related to one of SENASA's decisions.

Nevertheless, it is precisely the involvement of second-tier NGOs (such as cooperatives) and government agencies (such as SENASA) which appear to have facilitated SPA project implementation in Paraguay. And, when a base group or community can rely on continued TA from an NGO or public agency, it seems that benefits are more likely to be sustained.

SPA PROGRAM FUNDING, MANAGEMENT AND IMPACT OVERVIEW FOR POLAND

PROGRAM FUNDING

The Peace Corps has been in Poland since 1990 and the program has gradually grown to its present level of 200 volunteers. Over half of volunteers are education PCVs; the remainder work in small business development (about 60 PCVs) and the environment sector (about 30 PCVs). Volunteers submit about 20 SPA proposals a year, of which 10 to 15 are funded. The SPA budget for CY 1994 was \$100,000, and the funds are typically used for the purchase of materials and/or training.

There are two main issues with SPA funding in Poland. First of all, and of utmost concern, are the negative effects of the funding gap. The PTO mentioned "When money goes on hold, projects go on hold. There is a morale issue with PCVs and a credibility issue with counterparts. SPA is a half-year program, and we would like it to be a full-year program. The bunching of projects at the end of the year makes for great inefficiency." These sentiments were echoed by the Country Director and several PCVs. The volunteers took it a matter of course that SPA money was only available part of the year. One PCV commented "I was lucky to get my money right away. Other volunteers wait and wait and PC loses credibility."

The second issue has to do with the level of funding. With most projects approaching the \$10,000 limit, at present there are funds for only 10 to 15 projects a year. \$10,000 has considerably less purchasing power in Poland than in most Peace Corps countries. As the PTO pointed out, "Poland is not a developing country. It is a sophisticated country in transition." With 200 PCVs in country, this means that no more than five to seven percent of volunteers will have access to SPA funding in a given year. This is in contrast to a country like Niger where almost half of the volunteers do SPA projects. Right now, SPA is not a mainstream activity for PC Poland. The SPA Coordinator and several other members of the PC staff expressed enthusiasm about making SPA a more mainstream activity and popularizing SPA through a PDM course. However, they are wary of the consequences of such a course of action. The PTO commented, "If you create the demand, you had better have the supply."

Another important issue is the restrictions on the use of SPA funds. Counterparts, PCVs and PC staff members all commented that it seemed absurd to be able to use SPA funds for fax machines, photocopiers and video equipment but not computers. In the sophisticated european business world, even very small companies and PVOs need computers.

PROGRAM MANAGEMENT

Volunteers attend brief presentations on SPA and other small project funding mechanisms during both Pre-Service Trainings (PSTs) and In-Service Trainings (ISTs). A PCV interested in

developing a SPA proposal typically discusses the proposal first with her or his program unit (Education, Small Business or Environment) APCD who works with the volunteer to prepare the proposal. The criteria now used in the development of proposals are those contained in the "Volunteer Guide" which the post received in July. The criteria used earlier were developed out of the lists in the SPA handbook. The SPA Coordinator is usually consulted in the pre-proposal phase.

Proposals are submitted to the SPA Coordinator who may suggest revisions. After revisions have been made, or if revisions are not needed, the SPA Coordinator submits proposals to the SPA committee which is made up of the SPA Coordinator and representatives of each of the three program units. The committee meets once a month and has very stringent standards for proposals. Almost all proposals are rejected at first and some must be rewritten three or four times. This process is facilitated, however, by the fact that most volunteers are able to fax revised proposals directly to the SPA Coordinator.

Once the committee has approved a proposal, a cheque request is sent to Paris. After the cheque is sent to Peace Corps, funds are transferred to a separate bank account opened by the counterpart organization. PCVs are joint or sole signatories on such accounts and the PCV and counterpart are jointly responsible for funds accountability. When a project is completed, the volunteer provides full accounting of monies spent. This accounting is reviewed by the Admin Officer before the project is closed out.

Counterparts, PCVs and staff raised a number of issues regarding this process. On one hand, some of the staff members who participate in the SPA committee felt that the rigorous and time-consuming nature of the application process made for the best possible projects. On the other hand, several PCVs and staff members felt that the process was too bureaucratic, time consuming and inflexible. A PCV commented that the committee seemed to be "hung up on grammar and style rather than content". One APCD made the point "SPA criteria are very difficult to understand".

Another important issue raised by PCVs was the fact that most of the feedback to APCDs on SPA projects comes from the PCVs rather than counterpart organizations. One volunteer commented that "the counterparts and APCDs do not meet each other. All lines of communication, go through the volunteer - it is a line when it should be a triangle". The SPA Coordinator has recognized this as an important issue to address and, consistent with the new SPA guidelines, has begun to systematically visit counterparts before project approval.

One APCD suggested that SPA's comparative advantage vis-a-vis other funding mechanisms was in training. Other funding mechanisms, he said, are easier to use to buy things but exclude training - while SPA has a plethora of restrictions on things, but few on training programs.

Until 1993, USAID was involved in the SPA approval process. The Mission is refocusing on grass roots development and thinks PCVs (in general) and SPA projects (in particular) might provide information and skills to help AID and other donors leverage such development.

PROGRAM IMPACT

Most of the SPA projects in Poland involve educational activities. However, there is no "typical" Polish SPA project in the same sense that building school and health care facilities are the dominant SPA activities in Guinea, and wells and water-lifting devices form a large part of SPA activities in Niger. A perusal of the attached list of recently completed and ongoing projects in Poland provides a clear sense of the diversity of SPA programming. This diversity is perhaps a reflection of the range and complexity of Poland's needs; however, it makes it difficult to generalize about the impact of SPA projects.

Listed below are the types of SPA project-related impact as cited by counterparts, PCVs and staff:

1. Individuals learning to work together towards a common goal. One counterpart said that "What we have learned most from work on this project with the Volunteer is how to organize ourselves and work towards a common goal. This can not be quantified but it is very important."
2. Diffusion of important and relevant information. One project visited by the evaluation team provided an environmental video club with equipment to record the six hours of environmental programming available on Polish television each week. With these additional videos, the center has been better able to respond to growing demand of environmental educational material by schools. Though the demand still often outstrips supply, the center was able to loan out almost twice the number of videos in the second quarter of 1994 (after the SPA project) than in the first quarter.
3. Provision of needed services. Projects have financed school libraries, recreational equipment for young people, a foreign language center, and business centers.

The bottom line is that SPA does not have a dramatic impact in a society that is as large, complex and relatively advanced as that of Poland. SPA funds, relative to the other types of funding available in country, is but a drop in the bucket. However, the impact of SPA projects on the volunteer communities is unmistakable and well-documented.

SPA PROGRAM FUNDING, MANAGEMENT AND IMPACT OVERVIEW FOR SWAZILAND

PROGRAM FUNDING

Peace Corps/Swaziland receives \$50,000 per year for the SPA program, a level which is thought by both PC and USAID staff to be "about right." PC has some concern that, as it moves into new program areas which are likely to offer more opportunities for community development activities and SPA projects, the demand for SPA funding will increase and the present level of funding will be inadequate. The USAID Director has indicated that the Mission will look into whether SPA funding can be increased if the need develops.

USAID and PC views on SPA funding are totally consonant at present, and USAID accepts the PC Director's recommendation on the SPA funding level without question.

Both PC and USAID staff expressed frustration about the delay in authorizing SPA funding each fiscal year, although the problem does not affect USAID directly. Neither the PCD nor the Mission Director had concrete suggestions for solution of the problem, except to state that it needs to be fixed and the solution will have to be found in Washington.

According to PC staff the switch to calendar year funding of SPA has helped somewhat, since it has shortened the window during which the program is without funds. The fact that funds do not arrive at post until May is a real drawback, since it leaves second-year PCVs (those most likely to be implementing SPA projects) only six months to complete the project before they leave the country. The delay in funding has had a serious negative impact on a few projects, nearly causing one to fall apart.

The PC administrative staff, who deal with funding issues on a daily basis, however, still find the situation confusing. Since the SPA Program is often working with multiple year funding (particularly when funds for the current fiscal year do not arrive until the end of the second quarter in a calendar year and when previously obligated funds are carried over), they are obliged to keep track of three separate sets of monies for SPA under three different allotment numbers. Although PC staff did not have any specific recommendations, they all stated they would appreciate a simplified system.

PROGRAM MANAGEMENT

The types of SPA projects funded by PC/Swaziland reflect the nature of its programs. Thirty-seven PCVs (of about 65) teach in the school system, and the preponderance of SPA projects are school-related, e.g., science laboratories, libraries, water systems, and other improvements at rural schools.

Project selection is by internal review of IAAs and the proposal by both PC and USAID. The PC Director and USAID Mission Director sign off on every proposal. There is no formal selection committee - all PC senior staff and USAID technical officers are involved in the review process, which is as follows:

1. The PCV discusses a project idea with the APCD and the SPA Coordinator, often along with a community member, such as the chairperson of the school committee or head teacher. The PCV is counseled by the Coordinator as to the program's requirements, and informed if current year funds are available;
2. The PCV submits a proposal to the Coordinator, which is reviewed by him and the APCD/Education (for education-related projects), and if necessary, returned to the PCV for modification;
3. A site visit is made by the Coordinator or the APCD for the sector to examine the project's feasibility and particularly to determine the commitment of the community to the project; the proposal is reviewed by the PC Director;
4. Once the proposal has passed these levels of review, and provided sufficient SPA funds remain in the budget, the proposal is submitted to the USAID Program Assistant for review and approval by the Mission;
5. The AID technical officers review the proposal and may (and often do) request modifications or changes;
6. Once technical approval has been obtained, the Mission Director signs an approval action memorandum which acts as that particular SPA project's obligating document.

The SPA review process was uniformly stated to be effective, fair and useful. USAID is very involved in the process and its involvement is appreciated. The procedures are not viewed as complicated and the criteria are implemented without problem. Representatives of both PC and USAID recommended lifting the restriction on purchase of computers (this recommendation was not unanimous, but was voiced several times.)

Project funds are released by PC to the vendors after receipt of an invoice and confirmation by the PCV implementing the project that all materials billed have been delivered to the site. The PCV is responsible for completing the order form to the vendor and obtaining the necessary PC staff signatures on this. This system has proven to be effective both for administration and accountability. PC/S does not have a problem accounting for funds.

The SPA Program is coordinated by the APCD/Programming, assisted by a Program Assistant who has recently been assigned to the program. SPA projects, however, are tracked by both his office and the office of the APCD/Administration. The reason for this appears to be that the Coordinator's office desires to have the program and financial information together, but is unable to maintain the financial and other record keeping necessary for complete financial tracking (it is the Administrative Office that serves as liaison with PC/W and with the Embassy regarding

funding and issuance of checks). Previously, the programmatic recordkeeping for SPA was lacking at PC/S, and the current staff has made strides in setting up a SPA database and improving the quality of records in general. Duplication exists, however, and it was recommended that the PCD look into the possibility of simplifying the recordkeeping during the PC/W SPA Coordinator's upcoming technical assistance visit.

No formal monitoring and evaluation system exists. During project implementation, each SPA project must be visited at least once by the Coordinator or the APCD responsible for the sector in which the SPA project falls. PC learns of project completion through the PCV, ACNs and the completion ceremonies which the majority of communities organize to celebrate a project. While each SPA proposal requires the PCV to determine who will manage and fund the continuing operation of the project, there is no system to monitor how completed SPA projects are sustained, although PC/S is currently looking into setting up such a system.

PCVs are informed about SPA during their PST and given more detailed information during Early Term Reconnect (3 months after they have been at their sites). They are encouraged to wait until they understand their community and its needs before selecting a project. The PDM workshop has not been offered, but PC/S desires to hold such a session, or an equivalent run by local consultants. The evaluation team strongly recommended that PC/S offer this type of training and that USAID be involved in it (as the USAID technical officers recommended).

PROGRAM IMPACT

The SPA program in Swaziland is said to have an enormous impact on the communities in which schools are located. According to virtually all the interviewees, the program improves the quality of education for students; lessens the financial burden of educational expenses for parents, allowing them to conserve their resources for other development needs; and serves as a motivator for communities and a focus around which they organize to meet other needs.

Since PC started operations in Swaziland in 1968, the overwhelming majority of volunteers have served in the education sector. Most SPA projects in Swaziland are attached to schools at which volunteers teach. The majority have been construction projects - science laboratories, libraries, school administration blocks, classrooms and, in some cases, water supply to the school. Five of the six projects visited by the evaluation team were school-related. Of those five, four were physical structures; the other was an agricultural development and skills training project at a school for the disabled. The remaining activity was an urban community water project.

The school-related SPA projects were said to improve the quality of education for pupils by promoting experiential learning, as opposed to the rote method currently in use. A science laboratory, for example, provides a space where pupils can conduct a range of experiments for themselves in an appropriate learning environment which was not previously available. Coupled with the PCVs' introduction of new teaching methodology and other innovations, the projects have an effect on the educational system which may not be fully evident until years later when students are taking qualifying exams. USAID, in particular, commented on the importance of providing these improvements to schools and their pupils, and on the impact volunteers are having on the quality of learning.

Ministry of Education officials are very aware of the contribution PC is making through SPA. Secondary schools cannot upgrade to high school level (and thus offer classes leading to school completion and university entrance) without a laboratory and the other types of facilities often constructed under the SPA program. SPA is viewed as making a significant contribution towards enabling schools to upgrade to a higher level, and this increases the potential for higher education and future employment for children in communities served only by secondary schools.

Education in Swaziland is not free. Parents pay school fees, book fees and building fund fees, since the Ministry of Education does not construct school buildings. This is the responsibility of the community in which the school is located. As a result, most schools have inadequate facilities; this is particularly true of specialized facilities, such as libraries or laboratories. The construction of new facilities with SPA funds further serves to reduce the financial burden on these communities and enables parents to conserve scarce resources for other needs .

Many of those interviewed also referred to evidence of the SPA program's effect as a community motivator. There have been many cases of water projects undertaken by communities either as an adjunct to the new facility provided through SPA, or after the SPA project's completion, when the community had gained experience in pooling resources to meet their needs. The Mahwalala water project is a good example of a SPA project as a catalyst for engendering a problem-solving attitude among the community.

Field staff of both PC and USAID indicated that they wish to achieve further improvements in dealing with issues of community ownership and the sustainability of SPA projects through better project design and monitoring and evaluation. It is sometimes difficult to characterize the school-related projects as community development activities leading to change and empowerment. While some of the projects do, in fact, achieve this, others are seen as an effort of an individual volunteer; or the community itself may be divided about school-related issues and unwilling or unable to work together.

The sustainability of school-related SPA projects is also an issue, because the Ministry of Education is responsible for equipping and maintaining school facilities. These services are provided sporadically and to a limited number of schools each year. Unless an additional fee from parents is included in the SPA project design as a means of providing materials and maintaining the building, it is unlikely that over time future teachers at these schools will be able to use the facilities as intended.

On the other hand, the impact of the USAID/Peace Corps SPA Program as a community development activity must be viewed in the context of community development in Swaziland. Community development is never easy, but in Swaziland there are unique problems in implementing projects which are both owned by the people they are intended to serve and sustainable. Outside of the two major urban centers and several other smaller towns, there are no villages or rural settlements. People live in scattered homesteads in rural communities, under the authority of a traditional chief and his council, comprised of male elders. This makes community development difficult and expensive. The need to involve the chief and his elders has an important, and not necessarily positive, influence on a project. The process of developing the relationships needed to undertake a project in these communities is often complex and time

consuming. The scattered nature of rural communities also creates difficulties for PCVs in defining what community is in Swaziland, and most tend to view "their" community as the school or rural institution in which they serve.

PC/Swaziland recognizes these issues and is attempting to diversify its programming. The Ekululameni mango irrigation project is an example of one such effort. Over the near future, there will be fewer teachers and more rural and urban environmental volunteers. The introduction of more in-depth training around SPA, including basic community development training as well as the project management and design course, will assist PCVs to identify projects in the wider rural communities in which they are living and not just within the school or institutional community. PC/Swaziland has the local resources (both fiscal and human) to implement these changes.

SPA PROGRAM FUNDING, MANAGEMENT AND IMPACT OVERVIEW FOR URUGUAY

PROGRAM FUNDING

In 1992, the first year SPA funding was available in Uruguay, the USAID Representative set aside \$25,000 in grant funds for the program. In the two subsequent years, this figure was raised to \$30,000, although actual expenditures were considerably lower. According to information provided by the Administrative Officer, in FY92 and FY93, expenditures in grant funds totalled \$11,745 and \$12,927 respectively. In FY94, expenditures amounted to \$16,018, slightly more than half the available funds.

Most notable, however, is the one-year hiatus in SPA grant funding between September 1993 and September 1994. A number of factors appear to have contributed to this gap, including changes in personnel--the CD and APCD/PTO arrived in Uruguay in roughly September 1993--and concerns about both the purpose and the management of SPA funds.

The current level of \$30,000 for grants is divided between PC/Uruguay's two sectors: \$15,000 for the environment and \$15,000 for SED (small enterprise development). Out of the 13 projects supported by SPA since 1992, eight appear to have been undertaken in the environmental sector (that includes one project in beekeeping), while 4 (back in 1992) have been in SED.

PC/Uruguay has not made much use of SPA TA funds. Although PDM-type workshops were conducted in December 1992 and again in June/July 1993, these appear to have been primarily supported with MED-PASA funds. SPA TA monies have apparently been used to complement the funding for these workshops as well as to support some sector specific technical training (only about \$1,500 was used in 1993). It should be noted, however, that PC/Uruguay has received support for technical and management training from other sources such as the MED-PASA and a grant for \$80,000 from the local USAID Representative earmarked for management training for staff from environmental organizations.

The Administrative Officer noted that the availability of SPA has never really been an issue. PC/Uruguay has never spent all their SPA funds so they have never not had some money available. The SPA Coordinator, however, indicated that she remembered a delay once (she thinks in 1992 or 1993) when PCVs had submitted SPA proposals in February or March which couldn't be reviewed and processed until the SPA PASA amendment was signed.

Several of the PC/Uruguay staff and PCVs interviewed felt a need for better communication about the status of the SPA funds available at any given time. Recently, for example, SPA funding approval was verbally provided to some PCVs for projects they had helped develop, but was not effectively communicated to other staff and volunteers. Problems arose because another

PCV had raised HCN expectations about the amount of SPA funding that could be solicited when, in fact, most funds were already committed to these other projects.

Regarding the issue of the fiscal year vs. the calendar year, the APCD/Administration indicated that he would prefer to see SPA administered on a fiscal year. He referred to the confusion that arose at the end of 1992 when SPA funds were carried forward but he had to create new obligations so as not to mix the '92 funds with CY93 and FY93 monies. He acknowledged that the present calendar year system avoids such confusion, but he would still prefer SPA to be on a fiscal year so that he could account for SPA the same way he accounts for the rest of PC/Uruguay's funding, using the CUFF system. As it stands now, he must complete an extra worksheet just for SPA and keep track of it separately. He doesn't believe there is any real benefit to the calendar year system.

PROGRAM MANAGEMENT

PC/Uruguay used to have a SPA Selection Committee composed of the SPA Coordinator (who is also the Executive Secretary), the Administrative Officer, the APCD/PTO, and 2 PCVs. The Committee was responsible for verifying whether the project submitted met the SPA criteria and for providing feedback to PCVs to help improve the project. At that time, the Committee met on a regular basis. In recent times, however, the role of the Selection Committee has languished. Currently, PCVs are expected to submit a draft SPA proposal to their respective APCD who may suggest revisions and then decide whether the project should be approved.

Several of the PC/Uruguay staff interviewed expressed an interest in reinstating the committee structure and regular SPA meetings. The Administrative Officer even suggested that the SPA Guidelines be changed to mandate that a committee be responsible for SPA project approval. He is concerned that without a committee structure, PCVs receive different--and sometimes conflicting--information from different staff members. This has been happening of late in Uruguay (see Uruguay: SPA Program Funding) and both PCVs and staff seem frustrated with the approval process.

Once projects have been approved, a check is requested--a voucher is signed by the administrative officer in the embassy--and it usually arrives within 25 days from RAMC. Although USAID has had the opportunity to comment on any of the SPA projects approved by PC, no specific feedback has ever been provided from USAID staff.

The check for SPA funds is typically made out to both the PCV and a designated representative of the participating community group. It tends to be deposited in a bank account opened by the group or community and drawn upon as needed for project expenses. There have never been any problems of an accountability nature with SPA funds. PCVs turn in their receipts to PC/Uruguay's cashier who totals them up when a project is complete. If there are funds left over, the PC cashier prepares a "collection" which demonstrates the amount of the remaining funds which are then returned to the Embassy Cashier.

A quick review of the PC/Cashier's files suggests that PCV financial accountability, while quite good in some cases, could be enhanced by asking PCVs to use a standardized Activity Log to

record each financial transactions. This could then be submitted along with the ACN at the project's completion.

PCVs are not currently required to submit separate reports on SPA projects. PCVs do submit PTIPs (quarterly narrative reports) which include information on SPA, but this form is being revised.

PROGRAM IMPACT

PC/Uruguay's CD observed that he had some reservations about the use of SPA funds when he first arrived in Uruguay about one year ago. He said: "I don't want PCVs to be seen as givers of money." He added: "There's the danger that SPA meets the PCVs needs, not that of the community." However, he spent one month visiting projects and now feels that SPA is an integral part of PC/Uruguay's program. He noted that, if used correctly, SPA funds can enhance the PCV's impact at the community level, citing a number of environmental education projects that have been supported by SPA. He also observed that SPA can serve an important function as seed capital, helping to generate ideas that may have potential for replication. Again, he pointed out that the environmental education projects were the result of PCVs sharing information with each other and extrapolating one successful project to another community.