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# **MANAGEMENT CONTROL ASSESSMENT OF USAID'S NON-RETURNING PARTICIPANT TRAINEES**

An Assessment Coordinated by  
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# MANAGEMENT CONTROL ASSESSMENT OF USAID'S NON-RETURNING PARTICIPANT TRAINEES

## I EXECUTIVE SUMMARY OF FINDINGS AND RECOMMENDATIONS

### BACKGROUND

During the FY 1995 FMFIA review, the Office of the Inspector General (OIG) expressed concern that the non-return of participant trainees is a systemic weakness in the Agency's participant training program. Over the past four years, six Office of Inspector General audits identified problems with follow-up and tracking of students and with students not returning to their countries to fulfill their obligations in accordance with training agreements. The audits recommended that (1) participant follow-up systems be established to better identify non-returnees, (2) grant terms require the recovery of costs in instances of non-compliance with agreements, and (3) refunds be recovered or bills for collection issued.

The Office of Management Planning and Innovation (M/MPI) conducted a management control assessment to review USAID's policies and procedures for identifying USAID-funded trainees who do not return to their country of origin upon completion of long-term training abroad. A summary of findings and recommendations is provided below, along with an overview of efforts by the Global Bureau's Office of Higher Education and Training Systems (G/HCD/HETS) to address the non-returnee issue and to generally simplify and improve the Agency's systems and procedures for managing international training.

### FINDINGS

- **USAID does not have a uniform policy regarding the obligations (residency and service requirements) of trainees upon completion of training or a consistent definition of a non-returnee.** Current guidance in ADS Chapter 253, "Training for Development Impact", requires that trainees return to their home countries to fulfill the two year residency requirement, as provided in the visa regulations, before they are eligible for other visas. However, there are no statutory requirements regarding service or residency of USAID-funded participant trainees in the Foreign Assistance Act or other statutes that govern USAID activities. The minimum of two years residency in the country of origin is generally stipulated in bilateral and training agreements for long-term training programs. In the absence of policy to the contrary, USAID operating units are free to establish their own residency or service requirements, including none at all. USAID reporting systems tend to define a non-returnee as a student who does not leave the U.S. after the official end of their training, whereas the OIG audits reflect the requirement that trainees fulfill the terms of training agreements.

- **There are two principal systems to monitor the activities of USAID participant trainees. None of these systems adequately tracks the status of trainees, or records whether USAID-funded-trainees return to their home countries to fulfill training agreements.** The Participant Training Information System (PTIS), a mainframe system in Washington, is the "official" repository of information on trainees and the Participant Trainee Management System (PTMS) is a desktop system used widely in the field. Approximately 85% of USAID missions have historically reported data on participant trainees to USAID/W, and some of the information in the system is known to be inaccurate.
- **Available data is not sufficient to determine the Agency-wide average of the number of non-returnees.** Information provided from various sources during the review suggests that the rate is as low as 1.3% and as high as 5% if one defines non-returnees as students who do not leave the U.S. after the official end of their training. OIG audits suggest a much larger percentage (over 50% in the case of Tunisia) if the stricter definition is used.
- **USAID cannot unilaterally account for trainees in the U.S. --the National Immigration Service, Department of State and United States Information Agency all play key roles in the control of foreign students.** USIA is working with INS and the State Department to streamline administrative procedures and to introduce automated technology to better track and monitor all U.S. training participants. These changes will enable USIA, USAID, other government agencies and private training facilities to follow the progress of students from the moment of their arrival in the U.S. through completion of their stays.
- **ADS Chapter 253 does not presently stipulate adequate policy and essential procedures to ensure reporting of data on non-returnees.** Existing requirements do not ensure uniform reporting and/or follow-up on participants who do not return to their country of origin.

## RECOMMENDATIONS

**Recommendation 1** That USAID consider establishing guidelines regarding residency and service requirements for Agency-funded participant trainees and reach agreement on the definition of a non-returnee.

**Recommendation 2** That ADS 253 be revised to clearly state USAID's policy and essential procedures related to the monitoring of participant trainees.

**Recommendation 3** That future USAID training procurements include language stipulating that reporting on students conform to the requirements of the single information system.

**Recommendation 4** That USAID adopt one participant trainee information system to meet all requirements for monitoring and accounting for USAID-funded trainees and that all USAID missions be required to enter data into that system

**Recommendation 5** That G/HCD/HETS explore how USAID can engage in USIA and INS efforts to introduce automated technology and streamlined procedures for better tracking of trainees

**Recommendation 6** That the non-return of participant trainees be classified as a concern and that the MCRC provide oversight for the implementation of corrective actions

## II. Statutory Framework and USAID's Role in Exchange Visitor Program

Tracking of USAID-sponsored participant trainees who do not return home to share their experiences with their fellow citizens can only be understood within the broader context of United States' training programs. The U S Exchange Visitor Program is principally associated with the authorities originally included in the Mutual Educational and Cultural Exchange Act of 1961 (also referred to as the Fulbright-Hays Act). This act was enacted to promote mutual understanding between people of the United States and other countries through educational and cultural programs. The Fulbright-Hays Act also established the J-1 visa, which enables nonimmigrant aliens to visit the U S to participate in such exchanges.

Section 212(e) of the Immigration and Naturalization Act (INA) requires certain exchange visitors to reside, and be physically present in the country of his or her nationality or last legal permanent residence, for an aggregate of at least two years after training in the U S before becoming eligible to apply for an immigrant visa, a nonimmigrant H or L visa or permanent residence. This requirement applies to individuals who have acquired J visa status and whose exchange visitor program was financed in whole, or in part, directly or indirectly, by the U S Government, their own government, or an international organization in connection with their participation in the Exchange Visitor Program. This requirement is based on the premise that the success of the Exchange Visitor Program hinges on whether exchange visitors return to their home country to share their training and experiences gained with fellow citizens.

The United States Information Agency (USIA) has overall authority within the federal government to designate and monitor official sponsors of individual exchange visitor programs. USAID is one among more than thirty U S Government Agencies designated by USIA as a **sponsor** of international exchanges. The role of sponsor is an important component of exchanges under the Fulbright-Hays Act. Most of the sponsors of the exchange visitor programs are from the private sector, including academic institutions, non-profit organizations, corporations, and international exchange organizations.

As a sponsor, USAID is dependent on many players in the process of recruiting, placing, tracking and repatriating foreign students in the United States. The Department of State (DOS) and the U S Immigration and Naturalization Service (INS) play especially critical roles. Attachment 1 describes those roles in detail but, in brief, these agencies' key functions are

- Issuing U S student (J1) visas to foreign nationals [State Department]
- Administering and enforcing U S immigration laws, carried out by the *U S Immigration and Naturalization Service* [INS], a part of the U S Department of Justice. INS oversees student's (1) admission to the United States, (2) maintenance of status while in the United States, (3) employment authorization of family members on J-2 visas, and (4) changes of immigration status.

Coordination with these Agencies is essential for USAID to continue as a successful sponsor. Sponsors will now be reviewed for suitability and continuance every five years in a new USIA recertification program. USAID interventions as a sponsor are woven throughout the exchange visitor process. The flow chart on page 7 indicates the steps in this process.

In order to clarify USAID's statutory responsibilities as a sponsor, the team received assistance from Jan Miller, USAID Office of General Counsel, who concluded that

- a. Under USIA regulations (22 CFR Part 514) USAID and other "sponsors" issuing J-1 visas have a duty to monitor the training program and to notify USIA if the participant's program is terminated prior to the expiration of the J-1 visa.
- b. USAID and other sponsors do not have any duty under USIA regulations to monitor participants to ensure that they leave the United States following the expiration of their participant's J-1 visa, return to their home countries, or work in certain jobs in their home countries for any minimum period of time.
- c. USAID does not have any monitoring or enforcement responsibilities under the Immigration and Naturalization Act, USIA regulations or any other statutes or regulations to ensure that participants return to their home countries.
- d. There are no residency requirements in the FAA or other USAID-related statutes nor requirement to provide any service or repayment agreement with USAID.

### **III USAID Policies on Participant Trainees**

To accomplish its role as a sponsor, USAID follows training policies and procedures contained in Chapter 253 of the Automated Directives System (ADS), "Training for Development Impact." Most regulations and guidance contained in ADS 253 came from the discontinued USAID Handbook No. 10, Participant Training. The ADS chapter is being revised by G/HCD/HETS, partially in response to numerous comments on the initial version.

The ADS chapter does not currently contain clear policy on the obligations (residency, service or repayment requirements) of Agency-sponsored participants and their governments upon completion of long-term training. Current guidance in Chapter 253 requires that USAID-sponsored-trainees return to their home countries to fulfill the two year residency requirement, as provided in the visa regulations, before they are eligible for other visas. As noted earlier, there is no statutory requirement regarding service or residency in the Foreign Assistance Act or other statutes that govern USAID activities. In the absence of policy to the contrary, USAID operating units are free to establish their own residency or service requirements, including none at all.

The policy guidance also does not establish an Agency definition of a non-returnee. USAID reporting systems tend to define a non-returnee as a student who does not leave the

U S after the official end of their training, whereas the interpretation in OIG audits is that non-returnees also include those trainees who do not fulfill the terms of training agreements

ADS 253 establishes that training activities are to be designed and implemented to a) support specific, identifiable strategic objectives of the mission or central bureau sponsoring the training, and b) provide human capacity gains for sustainability of Agency and host country development efforts. The relationship of training to the units development objectives are to be described in the strategic plan and included in training agreements. This results-oriented approach emphasizes the need to clearly define the expectations and conditions for USAID-funded training.

**Recommendation #1** That USAID consider establishing guidelines regarding residency and service requirements for Agency-funded participant trainees and thereby reach agreement on the definition of a non-returnee

#### **IV USAID Procedures for Monitoring Participant Trainees and Non-returnees**

USAID annually provides on average about 38% of all foreign student funding provided by all federal sponsors, so in dollar-terms it is the largest sponsor of international exchange and training activities of the United States Government. With these funds USAID sponsors approximately 17,000 trainees per year. As a legal sponsor USAID must provide all of its trainees with pre-arrival information (often including briefings by the USAID mission), stateside orientation (usually done by some of the approximately 350 training contractors working for USAID), monitoring of study programs, work permits, handling of the IAP-66, ensuring health insurance and a wide variety of other detailed arrangements selecting, placing and repatriating sponsored students.

**A Overseas** The following illustration depicts eight key actions required to place and monitor a student within the USAID context. While these eight steps are milestones in a student's training life each student will require from 20-100 individual bureaucratic actions. Such actions will depend heavily on the complexity of the student's life, whether they pass their courses, move residences, change schools, become ill, have children, and so on.

# EIGHT KEY USAID TRAINING STEPS

➡ USAID identifies results sought by funding training activity in identified needs areas

✍️ SIGNS, An agreement for training with host government or PVO

👤 Students mutually chosen by USAID and its client, then

⑧ ENSURES RETURN HOME/ REPORTS OVERSTAYS TO G/HCD/HETS

⑦ SIGNS VOUCHERS  
BILLS ACTIVITIES

STARTS TRAINING

① HELPS TRAINEE  
GET U S VISA  
FROM  
CONSUL



PROCESSES ②  
STUDENT PERMITS  
IAP 66

⑥ ENSURES \$ FOR  
MAINTENANCE

③ ENSURES  
HEALTH COVERAGE & FORMS

⑤ ADVISES USAID/W  
OF ARRIVAL

④ ASSISTS STUDENT WITH PRE-DEPARTURE/TICKET

The Agency manual for teaching USAID overseas staff to use the computer program, PTMS, to track participants notes that "Managing education and training programs is a labor-intensive process. Annual training starts must be planned and budgeted over the life of each *Mission* training project. Processing participants for training necessitates countless time-consuming details. *Mission* training staff must track participant progress in training, as well as training completion and repatriation rates. *Missions* must also maintain biographical, post-training employment information and information on individual *Trainee*'s ongoing relationship with USAID to allow evaluation of the *Mission*'s training portfolio."<sup>1</sup>

Since the Agency's creation in 1961, overseas missions developed a number of systems, now usually computerized, to track biodata and performance of participants they trained. Sometimes tracking was delegated to host governments, PVOs & other grantees or to the many private contractors providing training assistance. Worldwide, the latter group numbers from 350-500 contractors at any given time, depending upon training programs underway at a given moment. Because of the large number of players, it has been difficult for overseas missions to consistently track trainees with absolute accuracy.

The most promising, and now most used, overseas tracking computer program is **PTMS, the Participant Training Management System** (pioneered and handled by a Washington-based contractor named *INFOstructure*). Approximately 85% of all overseas missions use this program to track trainees. The PTMS computer program was not only user-friendly, but could work on very simple computer equipment, such as IBM compatible 286s. This made it particularly popular in countries with limited computer resources. Its disadvantage was that data had to be collected on diskettes and shipped around the world for inclusion in other data bases on training, but to the credit of *INFOstructure*, this was usually done in a systematic and comprehensive way so as to provide a timely data base of all USAID's participant trainees worldwide.

**B USAID/Washington Tracking of USAID-Funded Participant Trainees and Non-returnees** USAID offices in Washington exercise two functions that are critical to the timely tracking of participant trainees: (1) creating and maintaining information management systems normally expected in an Agency serving as an official sponsor of international trainees, and (2) providing adequate leadership and written guidance to field missions to enable them to efficiently select, transport, train and account for movements of participant trainees. Leadership to achieve these objectives resided for many years in what is now known as the Global Bureau's **Center for Human Capacity Development (G/HCD)**. This center, known for many years as the Office of International Training, handles many of the training details for missions sending trainees to the United States. It currently has two Strategic Objectives and manages approximately 15 different training activities and cross-cutting concerns, such as basic education, girls and women, programs for historically disadvantaged classes. A substantial number of contractors assist the center in carrying out its mandate.

G/HCD has historically had some difficulty creating and maintaining an information management system that would, in a timely fashion, provide accurate, up-to-date information

on all of USAID's trainees in the world. This is not surprising given the diversity, until relatively recently, of the various systems used to identify and track trainees from each mission. Particular problems center around trainee's requests for waivers of the normal restrictions of the two year home country requirements of the INS. Reporting delays all along the line too often meant that G/HCD learned about students who had not returned home ONLY when these students appealed to USIA and the State Department for a waiver of the two-year rule, and the latter agencies contacted USAID.

The **PTIS, Participant Training Information System** eventually became, and remains, the USAID/W mainframe computerized system for tracking trainees worldwide. It is managed by *CENTECH*, a contractor which handles data entry, file maintenance and report printing. PTIS was intended to support statistical analyses of trainees, including non-returnees and support operational and compliance requirements to track trainees. That it has not lived up to all these expectations is documented in a number of independent management assessments conducted during the last decade, especially one by Deloitte and Touche in 1993, and a James Martin *Participant Training Program Information Systems Plan* completed in 1992. The Global bureau itself reported this system as a potential area of material weakness in several annual submissions in the FMFIAs of the 1990s. Because of these various reports, this assessment did not review PTIS operations or management, however we received no information contradicting the general conclusion of the 1993 Deloitte & Touche contention that

"The PTIS system does not appear to offer a reliable, complete record of all participants in the country or their status in the program," and "the PTIS system in its present form is not effectively used as a tool for tracking participants and pre-empting problems in their status, i.e. non-returnees" <sup>2</sup>

The assessment team found widespread awareness among Global Bureau and overseas staff of the limitations of the PTIS system, as well as concern that as USAID moves to implement the new ADS253 there is no longer a requirement to use the Project Implementation Order/Participants (PIO/P) that provided data for PTIS. It remains unclear how data will be input into PTIS unless some quick modifications are made to the agency's financial management AWACS system currently being implemented under the New Management System (NMS).

After examining data provided by G/HCD/HETS, the assessment team found that USAID relies on two systems, i.e., the Participant Training Information System (PTIS), a mainframe system in Washington, which is the "official" repository of information on trainees and the Participant Trainee Management System (PTMS), which is a desktop system used widely in the field. The team concluded that neither of these systems adequately tracks the status of trainees, or records whether USAID-funded-trainees return to their home countries to fulfill training agreements. In addition, some information in both systems is known to be inaccurate.

The second responsibility of USAID/W that impacts on tracking training participants is

the body of written guidance to field missions instructing them how to efficiently select, transport, train and account for movements of participant trainees. G/HCD is exercising leadership to rewrite USAID policy and regulations contained in the ADS referred to above, just as the Center's predecessor offices did. This initiative remains difficult given the significant freedom field missions have always had in managing their training programs. Field posts selected as many training contractors as they wished, instructing them to track students in a wide variety of methodologies, and often reported back to Washington as they deemed appropriate. At least fifteen percent of USAID's overseas missions did not report at all, and there was (is) no written requirement that they do so. Recently USAID/W attempted to remedy the proliferation of training contracts by requiring "single contractors" for specific training activities---but Washington has had to rescind that instruction after receiving a number of complaints from missions who contended it was not feasible.

The assessment team concluded that

■ ADS Chapter 253, "Training for Development Impact", does not presently stipulate adequate policy and essential procedures to ensure reporting of data on non-returnees

■ The sheer number of training contractors [estimates from 350-500] involved in managing USAID's participant training activities greatly reduce USAID/W's ability to ensure consistent reporting on the status of trainees. The team recommends that these deficiencies can be reduced or eliminated by taking three actions

**Recommendation #2** That ADS 253 be revised to clearly state USAID's policy and essential procedures related to the monitoring of participant trainees

**Recommendation #3** That future USAID training procurements include language stipulating that reporting on students conform to the requirements of the single information system

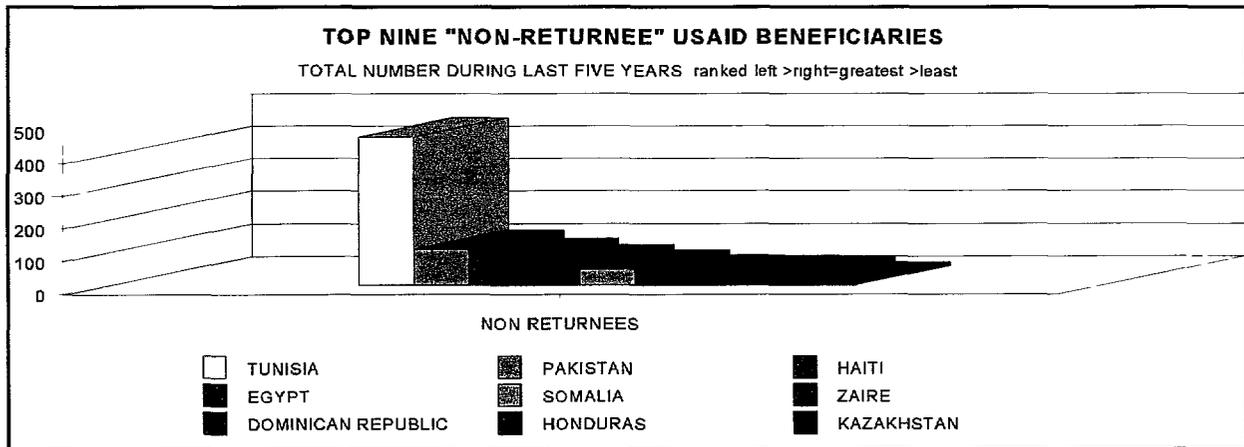
**Recommendation #4** That USAID adopt one participant trainee information system to meet all requirements for monitoring and accounting for USAID-funded trainees and that all USAID missions be required to enter data into that system

**V Significance of Non-Returnees**

USAID’s overall rate of non-returnees is virtually impossible to measure with any accuracy. Subsequent to an assessment team request for data related to the number of non-returnees, PTMS responded saying

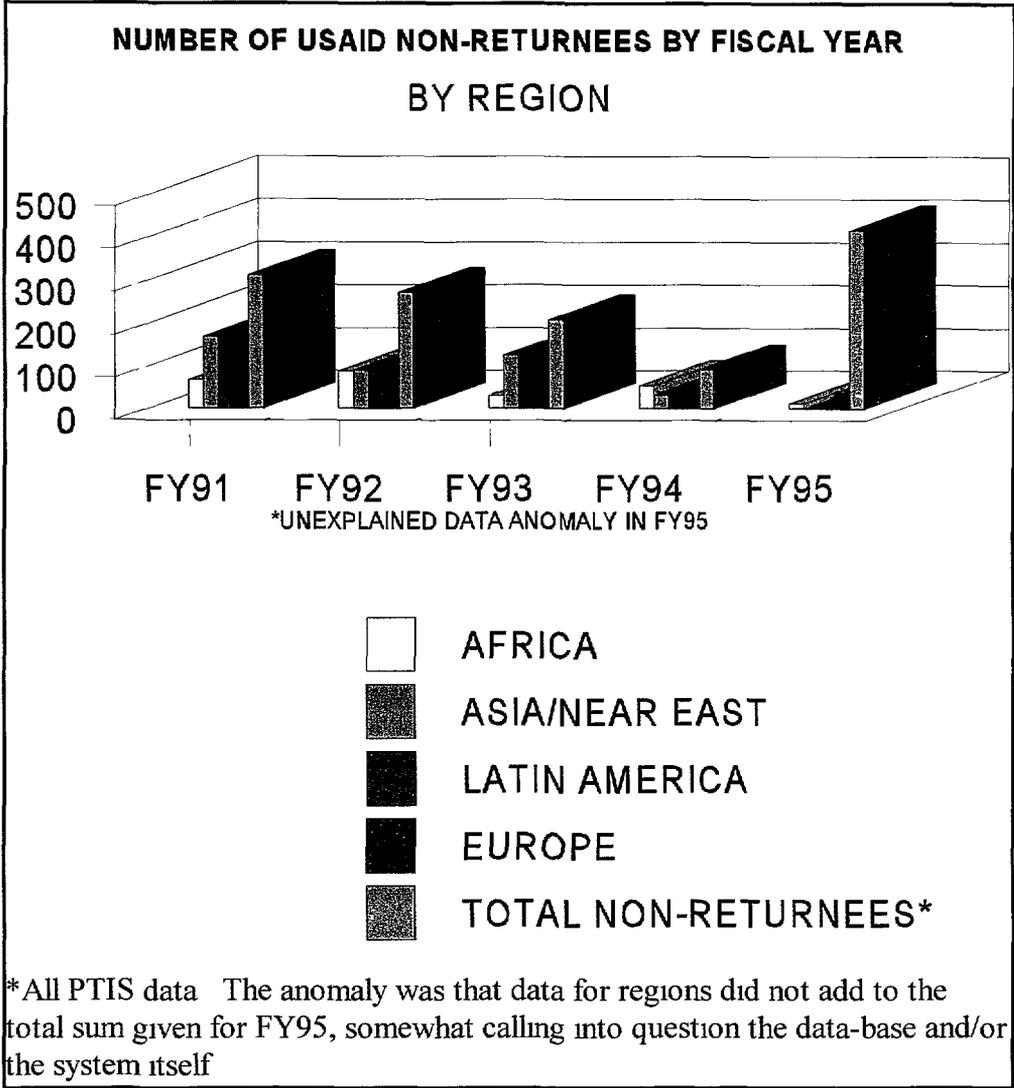
"Here is a brief analysis of the U S Participants that are recorded in PTMS as Non-Returnees. I have included several reports and graphs from the Training Information Management System (TIMS) for Sub-Saharan Africa. I have also included graphs from PTMS for those Latin American countries for which I had a data set handy. As I noted earlier, no other region besides AFR has required that the missions send up training Information via PTMS to TIMS for analysis."<sup>3</sup>

PTMS does, however, provide some of the most detailed data on the rate of USAID non-returnees. Non-returnees (students who overstayed their visa date in the U S) tended to be focussed in a few particular missions rather than being equally spread through USAID-assisted countries, as illustrated in the following table generated from PTMS data



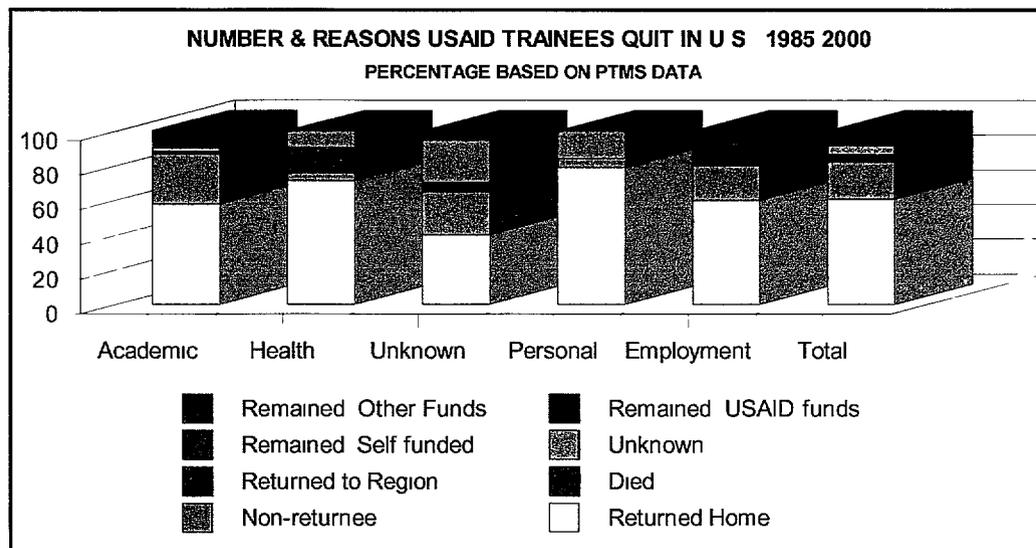
Overall, the picture is fairly consistent for the data that we do have. The rate of Non-Returnees for Sub-Saharan Africa is 1.3%, most of those were pursuing Masters degrees which completed within the last two years. The Latin American Countries report a similar rate. Indonesia reports 7 Non-returnees out of 12,000+ participants trained. Our anecdotal experience in over 40 different Missions is that Non-returnees rates are not unreasonably high. Of course the "non-returnees" is measured at completion - not measured against some period of time in the intended job position."<sup>4</sup>

When the assessment team requested non-returnee information from PTIS, data was generated by the system, but there was a serious data anomaly in FY95 which operators of the system could not explain. The system did provide the absolute number of non-returnees by fiscal year, as presented in the graph below



**VI Reasons Participants Become Non-Returnees**

The assessment examined why some USAID trainees quit training and sometimes elected to remain in the United States or some other country rather than return to their homeland. On the basis of available data some conclusions can be drawn. The graph below indicates, by percentage, the destiny of 147 USAID-funded-trainees known to have quit their training programs. This chart shows that the majority who ended their “contract” with USAID early (quit), did so for academic or other reasons. Of the 147 students, 32 are “non-returnees,” that is the 22 percent of this group remaining in the U.S. illegally. This is not the non-returnee-rate for all USAID participants---but only of the 147 dropouts who could be tracked and who failed to complete their plan for training in the United States. This data subset, although small, is one of the few that documents why people quit training early, as well as where they go when they do quit.



Clearly most return home, but 22 percent of the dropouts end up classified as non-returnees. One must remember that students who successfully complete their study programs also become non-returnees, but there is no study indicating what becomes of them. Since they did not leave training early there is less interest in them.

When this PTMS data subset is compared with other PTMS data one finds several useful lessons

- ✓ The number of non-returnees is increasing more rapidly than in the past
- ✓ Those pursuing master's degrees are the most likely to become non-returnees
- ✓ Students in shorter-term technical areas are least likely to become non-returnees
- ✓ A relatively few countries tend to produce the bulk of non-returnees at any given time but the countries tend to change rapidly and are often those in political turmoil or economic crisis

## VII Other U S Government Initiatives

Because of the manner in which international visitor responsibilities are delegated within the U S Government, the ultimate authority and responsibility for tracking training participants ultimately rests with the INS, the Department of State and the USIA. Because USAID serves merely as a sponsor, its authority is circumscribed statutorily as described previously. Nevertheless, many USAID missions used their bilateral/strategic-objective or project agreements to include special requirements that trainees return home to serve a specific

number of years of service after receiving USAID training. When OIG audited such programs, as in Pakistan and Tunisia, they found that more than fifty percent of USAID trainees had not complied with the requirement to return home as the agreements required.<sup>5</sup>

It is timely for USAID to reexamine conditions for training that are realistic, enforceable, and not substantially more restrictive than those of other U.S. Government entities. This is particularly timely given USAID's emphasis on results based programming. In the training area it may be timely for USAID to evaluate its comparative advantage and let other Government agencies lead in responsibilities statutorily delegated to them, especially INS's enforcement role and USIA's reporting role.

While conducting interviews at INS and USIA, the assessment team found that those agencies with statutory responsibilities for tracking students are currently accelerating such efforts through an interagency task force known as the **Student Control Task Force**.<sup>6</sup> The Immigration and Naturalization Service established the Task Force to conduct a comprehensive top down review and analysis of the current process for scrutinizing foreign students, both upon admission to the United States and on a continuing basis. The task force included officers from INS, the United States Information Agency (USIA), the Department of State (DOS), and private sector experts in the Administration of International Student Programs. The Task Force met all its objectives by identifying weaknesses and points of vulnerability in the foreign student process, which will help INS re-engineer the process for effective scrutiny, monitoring and control of Non-Immigrant Visa (NIV) students. The Task Force also conceived and defined requirements for a more automated process to help INS meet its objectives.

Based on work observed at other agencies, the assessment team concluded that USAID cannot unilaterally account for trainees in the U.S. --the National Immigration Service, Department of State and United States Information Agency all play key roles tracking foreign students. USIA is working with INS and the State Department to streamline administrative procedures and to introduce automated technology to better track and monitor all U.S. training participants. These changes will enable USIA, USAID, other government agencies and private training facilities to follow the progress of students from the moment of their arrival in the U.S. through completion of their stays.

**Recommendation #5 That G/HCD/HETS explore how USAID can engage in USIA and INS efforts to introduce automated technology and streamlined procedures for better tracking of trainees**

## VIII Efforts Underway in G/HCD/HETS

A draft of this report was presented, in a substantially different form, to G/HCD in March, 1996. Based on recommendations given at that time and other events, substantial changes were initiated in G/HCD's structure and functions. They are continuing to make a number of reforms to simplify and improve USAID's systems for managing international training. The training process is being reengineered to reduce costs, reduce administrative burdens, improve information technology, empower training stakeholders, and to increase USAID's focus on results. G/HCD/HETS has a six month plan of action for immediate changes. Some specific initiatives which will address the non-returnee issue include

- Consolidation of the two major computer systems into one information system that captures information available from Missions, contractors, training institutions, and trainees. The system will be structured so that users are required to enter only data that they need and find useful. There will be electronic handshakes with contractors, missions, USIA and INS, as well as an interface with NMS. This action will permit better tracking of non-returnees and also provide managers with reliable, complete and timely information on status of trainees, cost, and results of training. It also will likely save several hundred thousand dollars annually which presently supports a Washington mainframe system.
- Redesign of USAID's role in visa administration by possibly asking training contractors to act as J1 visa administrators for trainees they manage. USAID may also ask some training providers to act as J1 visa administrators. Many training contractors and a large number of colleges and universities already have this capability. Clarifying and consolidating management responsibilities with contractors and training providers will strengthen the selection, placement, monitoring and return of participants. The role of USAID missions can probably be limited to monitoring system performance, rather than performing line operations as is the current case.
- Meetings with outside training agencies and training providers to identify opportunities for linking information systems and sharing data on participant trainees.
- Revision of ADS 253 by early CY 1997. ADS changes under consideration are being discussed with the community of training contractors, with Missions and regional Bureaus, with other federal agencies, and with trainees.
- Monthly meetings with a working group of USAID employees, training contractors and information management specialists to seek solutions to other findings and recommendations from the assessment.
- Establishment, through HETS, of a core technical team to work with contractors, Missions and others to make the immense USAID-supported-training-network into a

"learning system" that continually improves performance over time, learning from the best practices of all members

- Implementation of previous audit recommendations An account has been established in M/FM to receive repayments in instances of non-compliance by students under participant agreements There are at least four active cases where repayment has been stipulated In at least two other cases, repayment was to the host government rather than USAID

## IX Conclusion

The assessment team is of the opinion that despite weaknesses in participant training program, there is not sufficient evidence to conclude that tracking non-returnees is of such significance that it constitutes a material weakness as defined in the FMFIA To qualify as a FMFIA material weakness the problem would have to be so significant that it should be reported to the next highest management level The team concluded the problem did not meet this criteria, in part because other weaknesses identified in this inquiry are currently being seriously addressed by G/HCD In summary

- √ The non-return of participant trainees is not a material weakness in USAID's participant training program
- √ Some concerns exist, but these can be addressed by good management steps that USAID can take to track all students more accurately
- √ The Agency should reach agreement on the definition of a non-returnee
- √ Consideration should be given to establishing guidelines regarding the obligations of Agency-funded participant trainees
- √ Integration of USAID's several computerized tracking systems is essential for achieving substantial improvements for measuring the developmental results of training activities
- √ USAID should also continue to examine the wisdom of using such a large number of training contractors---their roles make uniform reporting on trainees very difficult because they are such a diverse group scattered throughout USAID's worldwide training network
- √ USAID should become engaged in efforts underway in other U S Government agencies to better track and monitor training participants

Final Recommendation (#6) That the non-return of participant trainees be classified as a concern and that the MCRC provide oversight for the implementation of corrective actions

## ENDNOTES

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1 Page 1-1 of USAID/HRDA *Participant Training Management System*, a how-to manual with three diskettes Unattached Annex 4 is the entire PTMS **Handbook**.

2 ISP FINAL REPORT, September 25, 1992 Prepared for USAID by James Martin & submitted through the GSA, National Capital Region Task Number N3S721006 Deloitte & Touche management letter of July 20, 1993 and accompanying reports done under IQC HNE-0000-I-00-2101-00, Delivery Order No 07

3 They go on to qualify these observations in the March 21, 1996 letter “Without further qualifying these findings, we would like to highlight the fact that the Latin America data has only been in PTMS V6 3 for a few months and came as conversions from others systems for which we cannot measure data quality The Africa data is very good for the HRDA project, and in general for several of the more active missions, such as Niger and Tanzania Since PTMS only became functional in the early 90’s it is less reliable for training going back, in some cases, to the 1950’s Also, many of the countries do not include training done by technical projects (non-training projects) as these are handled by their contractors and not by the Training Office ”

4 When OIG completes audits of training programs it routinely measures success against the requirements stipulated in bilateral agreements Many of these agreements include some form of a requirement for long-term participant trainees to return to their home country to serve two years in some type of public service employment

5 For example, see USAID RIG Audit Report No 7-664-93-09, Tunisia’s Participant Training Program, Sept 21, 1993, Dakar

6 Final Report of the Task Force On Foreign Student Controls, U S Immigration and Naturalization Service Dec 22, 1995, entitled, **CONTROLS GOVERNING FOREIGN STUDENTS and Schools That Admit Them** The Task Force included representatives from INS, the Department of State, the U S Information Agency (USIA) and private consultants from U S universities and automated data processing firms Each of the conclusions and recommendations of the 64-page-report reflect the full agreement and consensus of the Task Force The Task Force did not include USAID, apparently because USAID has no statutory requirements to monitor students, as does the State Dept , USIA and INS This distinction is explained in more detail in the February, 1996 USIIA/USAID joint memorandum to the House International Relations Committee [See Unattached Annex 3]

## ATTACHMENT 1

### DETAILS OF USAID'S ROLE WITHIN U S EXCHANGE VISITOR PROGRAM

Tracking of USAID-sponsored participant trainees who do not return home to share their experiences with their fellow citizens can only be understood within the broader context of USAID's training programs. USAID's training programs generally stem from authorities originally included in the Mutual Educational and Cultural Exchange Act of 1961 (Public Law 87-256, 75 Stat 527), also known as the Fulbright-Hays Act, which was enacted to promote mutual understanding between the people of the United States and other countries through educational and cultural programs. The Act provides the basis for exchanges, which are important elements of U S diplomacy and foreign policy.

The Fulbright-Hays Act expanded, strengthened, and better defined exchange programs authorized in earlier legislation, including the Smith-Mundt Act (Public Law 80-402, 62 Stat 6). The Fulbright-Hays Act also established the J1 visa, which enables nonimmigrant aliens to visit the United States to participate in educational and cultural exchanges. Exchange participants enter the United States on J-1 visas and any accompanying spouse and unmarried minor children may apply for J-2 visas.

The United States Information Agency (USIA), not USAID, has overall authority within the federal government to designate and monitor official sponsors of individual exchange visitor programs. USAID is one among more than thirty U S Government Agencies designated by USIA as a **sponsor** of international exchanges. The role of sponsor is an important component of exchanges under the Fulbright-Hays Act. Most of the sponsors of the exchange visitor programs are from the private sector, including academic institutions, non-profit organizations, corporations, and international exchange organizations.

Despite its **sponsor** status USAID is only one of many active players in the process of recruiting, placing, tracking and repatriating foreign students in the United States. The Department of State (DOS) and the U S Immigration and Naturalization Service (INS) play especially critical roles.

*The Department of State* has authority over the issuing of U S visas to foreign nationals. An exchange visitor receives a Form IAP-66 from the sponsor, such as USAID. Form IAP-66 means a Certificate of Eligibility, a document to apply for a J visa which is controlled and distributed to sponsors only by USIA, but their distribution is often through sponsors such as USAID. Visitors are required to take the IAP-66 along with his or her passport to the U S Embassy or Consular Office to obtain a J visa. The Consular officer must determine whether the person is eligible for a J visa. One of the requirements is that the foreign national is a bona fide nonimmigrant (that he or she will return home after the visit to the United States). A J-1 visa is a nonimmigrant visa issued to exchange visitors, such as students. J-2 visas are issued to spouses and minor unmarried children of J-1 visa holders. Once the consular officer approves a prospective exchange visitor's visa application, the passport containing the J visa is

returned to the foreign national. At the U S port-of-entry, the Immigration and Naturalization Service makes the final determination of whether to admit the foreign national to the United States to participate in an exchange visitor program.

The *U S Immigration and Naturalization Service* handles the administration and enforcement of U S immigration laws and is part of the U S Department of Justice. *INS* is headquartered in Washington, DC and has a number of regional and district offices. There are four main reasons for exchange visitors or their family members to come in contact with *INS*: (1) admission to the United States, (2) maintenance of status while in the United States, (3) employment authorization of family members on J-2 visas, and (4) changes of immigration status.

Coordination of these Agencies with USAID is essential for the latter to continue as a successful sponsor. Sponsors will now be reviewed for suitability and continuance every five years in a new USIA recertification program. USAID interventions as a sponsor are woven throughout the exchange visitor process. Listed below are the steps in that visitor process.

- Sponsor** USAID recruits and screens applicants [often through grantees and/or contractors or the host government] then the USAID issues form IAP-66 to those who are accepted into the exchange visitor program known as the Participant Training Program. This IAP form is used by the prospective exchange visitor to apply for a J visa. Most foreign nationals in countries collaborating with USAID must have such a visa to enter the United States as students.
- Embassy** If a J visa is necessary, a U S embassy or consular office of the U S Department of State issues a J visa to the prospective exchange visitor after the consular officer determines that the foreign national has met all eligibility requirements. The local USAID mission may represent the prospective visitor before the consulate or may not do so, and many designate this responsibility to contractors or the host government.
- INS** The U S Immigration and Naturalization Service determines whether to grant the foreign national admission to the United States in student status.
- Sponsor** Sponsors administer their exchange visitor program (e.g., provide pre-arrival materials, offer orientation, monitor visitors, and complete annual reports) in accordance with 22 CFR Part 514. Each year USAID submits a report to USIA which becomes part of the annual publication known as *International Exchange and Training Activities of the U S Government*.
- USIA** U S Information Agency administers the overall Exchange Visitor Program and oversees sponsors of exchange visitor programs.
- INS** U S Immigration and Naturalization Service administers and enforces the

Immigration and Nationality Act and other laws relating to immigration. As such, INS regulates the admission, maintenance of status, employment authorization, change of immigration status, and, if necessary, removal proceedings of the exchange visitor and dependents while in the United States. As a sponsor USAID must advise INS of changes in the status of USAID participant trainees and it must advise if they fail to leave the United States when their training programs end---at that point USAID first records them as non-returnees. They may also be reported as non-returnees by the host country, the USAID sponsoring mission abroad, or by training contractors at this or other points in their programs.

**USAID's Responsibilities as a Sponsor** USAID annually provides on average about 38% of all foreign student funding provided by all federal sponsors, so in dollar-terms it is the largest sponsor of international exchange and training activities of the United States Government. With these funds USAID sponsors approximately 17,000 trainees per year. As a legal sponsor USAID must provide all of its trainees with pre-arrival information (often including briefings by the USAID mission), stateside-orientation (usually done by some of the approximately 350 training contractors working for USAID), monitoring of study programs, permits to work, handling of the IAP-66, ensuring health insurance and a wide variety of other detailed arrangements selecting, placing and repatriating sponsored students.

To accomplish its role as a sponsor USAID follows training policies and procedures contained in ADS 253, which is part of USAID's *Automated Directives Resources, DR-ROM #7* compact disk issued in November, 1996. Most regulations and guidance contained in ADS 253 came from the discontinued USAID Handbook No 10, Participant Training. Continuing revisions to this ADS chapter ensures it will remain the core document describing USAID's role as an official sponsor of foreign trainees.

## ATTACHMENT 2

### LIST OF PERSONS INTERVIEWED OR CONTRIBUTING TO ASSESSMENT

#### USAID & related Staff

Ethyl Brooks, G/HCD/HETS  
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 Robert Wrin, G/HCD

#### Training Contractors

Veronica Altschul, Program Officer, Partners for International Education and Training  
 Bonnie Barhyte, VP & Dir International Training, Academy for International Dvlmt  
 Peter Gallagher, *InfoStructure* International & Information Management, HERNS  
 Martin N Hudson, InfoStructure International  
 Jerrold I Keilson, World Learning  
 Carolyn Rocha, Program Asst , Partners for International Education and Training

#### Other Public & Private Agencies

Maurice Berez, US Immigration and Naturalization  
 Gerald A Buhi, Evaluation Officer, USIA, served on Task Force on Student Controls  
 Patrick L Gallagher, (information superhighway) Highway I  
 Barbara Gregg, Liason/Task Force on Student Controls, DOS/CONS  
 William J Ryan, International Programs, Dept of the Navy  
 Rita L Verry, Training Policy Officer, Navy International Programs  
 Robert Warren, Statistical Division, US Immigration and Naturalization Service

Feb 18, 1997

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## ATTACHMENT 3

## USAID MISSION PTMS STATUS, EARLY 1996

		City Code	PTMS	Uploaded	Status
<input type="checkbox"/> Global					
1	o USAID/ Angola	654		1/24/96	
2	o USAID/ Benin	680		7/17/95	
3	o USAID/ Bolivia	511	6 3 7		
4	o USAID/ Botswana	633	6 3 3		Closed
5	o USAID/ Brazil	512	6 3 5		
6	o USAID/ Burkina Faso	686		10/30/95	Closed
7	o USAID/ Burundi	695	6 3 3	3/22/94	
8	o USAID/ Cameroon	631		11/8/95	Closed
9	o USAID/ Cape Verde	655		4/15/94	
10	o USAID/ Chad	677		1/10/96	
11	o USAID/ Cote d'Ivoire	681	6 3 4	10/2/95	
12	o USAID/ Dominican Republic	517	6 3 5		
13	o USAID/ Ecuador	518			
14	o USAID/ Egypt	263	6 3 3		
15	o USAID/ El Salvador	519	6 3 6		
16	o USAID/ Eritrea				
17	o USAID/ Ethiopia	663	6 3 3	3/1/96	
18	o USAID/ Gambia	635		6/16/95	
19	o USAID/ Ghana	641	6.3.2	1/23/96	
20	o USAID/ Guinea	675	6 3 3	8/10/95	
21	o USAID/ Guinea Bissau	657	6 3.2 (b)	1/30/96	
22	o USAID/ Haiti	521	6 3 5		
23	o USAID/ Honduras	522	6 3 5		
24	o USAID/ Indonesia	497	6 3 6		
25	o USAID/ Jamaica	532	6 3 5		
26	o USAID/ Kazakhstan				
27	o USAID/ Lesotho	632		10/28/93	
28	o USAID/ Liberia	669			
29	o USAID/ Madagascar	687	6 3 3	2/15/94	
30	o USAID/ Malawi	612	6 3 3	10/10/95	
31	o USAID/ Mali	688	6 3 3	5/23/95	
32	o USAID/ Mauritania	682		10/2/95	
33	o USAID/ Mexico	523	6 3 5		
34	o USAID/ Morocco	608			
35	o USAID/ Mozambique	656	6 3.2 (b)	2/13/96	
36	o USAID/ Namibia	673	6 3.2 (b)		
37	o USAID/ Nepal	367			
38	o USAID/ Nicaragua	524			
39	o USAID/ Niger	683	6 3 3	10/31/95	
40	o USAID/ Nigeria	620	6 3.x		
41	o USAID/ Panama	525	6 3 5		
42	o USAID/ Paraguay	526	6 3 5		
43	o USAID/ Peru	527	6 3 5		
44	o USAID/ REDSO/ESA			9/13/93	
45	o USAID/ Rwanda	686		3/28/94	
46	o USAID/ Senegal	685	6 3 3	3/20/96	
47	o USAID/ Somalia	649			Closed
48	o USAID/ South Africa	674	6 3 3	7/5/95	
49	o USAID/ Sri Lanka				
50	o USAID/ Sudan	650			Closed
51	o USAID/ Swaziland	645		2/18/94	
52	o USAID/ Tanzania	621	6 3 3	3/20/96	
53	o USAID/ Togo	693		10/2/95	
54	o USAID/ Uganda	617	6.2	7/21/93	
55	o USAID/ Yemen	278			
56	o USAID/ Zaire	660			Closed
57	o USAID/ Zambia	611	6 3 3	4/5/95	
58	o USAID/ Zimbabwe	613	6 3 4	4/18/93	