

GAO

Report to the Ranking Minority Member,  
Committee on International Relations,  
House of Representatives

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December 1995

# FOREIGN ASSISTANCE

## Private Voluntary Organizations' Contributions and Limitations







United States  
General Accounting Office  
Washington, D.C. 20548

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**National Security and  
International Affairs Division**

B-262233

December 15, 1995

The Honorable Lee H. Hamilton  
Ranking Minority Member  
Committee on International Relations  
House of Representatives

Dear Mr. Hamilton:

This report responds to your request that we study (1) private voluntary organizations' role in delivering U.S. Agency for International Development-funded foreign assistance; (2) potential issues and implications of increasing their role in delivering assistance, including accountability issues; (3) the success of their projects in achieving their objectives; and (4) the extent to which these organizations are dependent on U.S. government funding.

We are sending copies of this report to the Secretary of State, the Administrator of the U.S. Agency for International Development, and appropriate congressional committees. We will also make copies available to other interested parties upon request. Please contact me at (202) 512-4128 if you or your staff have any questions concerning this report. Major contributors to this report are listed in appendix VII.

Sincerely yours,

A handwritten signature in cursive script that reads "Benjamin F. Nelson".

Benjamin F. Nelson  
Director, International Relations and  
Foreign Trade

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# Executive Summary

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## Purpose

In response to budget constraints and concerns about effectiveness, major donors, including the United States, are reassessing their foreign aid programs and strategies. The method of delivery is one of the prime areas being reexamined. While most U.S. foreign aid is still delivered on a government-to-government basis, the current administration has pledged to increase the percentage of U.S. assistance being channeled through nongovernmental organizations over the next 5 years. Some proposals in the Congress have recommended that U.S. development assistance be channeled through nongovernmental organizations, including private voluntary organizations (PVO). Support for a greater PVO role in delivering assistance seems to stem from (1) general disappointment with the results of over 40 years of government-to-government assistance and (2) a perception that private organizations are better able to identify development needs and deliver help.

At the request of the former Chairman of the House Foreign Affairs Committee, GAO undertook a study to examine some of the questions and issues that policymakers may want to consider as they debate the future role of PVOs in delivering U.S. development assistance. Specifically, this report provides an analysis of (1) PVOs' role in delivering U.S. foreign assistance and potential issues and implications of increasing PVOs' role in delivering assistance, including accountability issues; (2) 26 PVO projects in 8 countries in 4 geographic regions and whether they were achieving their objectives; and (3) the extent to which U.S. PVOs are dependent on U.S. government funding.

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## Background

While other agencies also work with PVOs, the majority of U.S. government resources PVOs receive for relief and development come through the U.S. Agency for International Development (USAID). USAID works with PVOs that are nonprofit, tax-exempt organizations involved in relief and development assistance overseas. PVOs are "private" in that a portion of their resources comes from private sources and "voluntary" in that they receive voluntary contributions from the general public. USAID considers labor and family planning organizations and cooperatives to be PVOs for its purposes; however, universities, colleges, and churches engaged exclusively in religious activities are not considered PVOs.<sup>1</sup> Among the best-known PVOs are Cooperative for Assistance and Relief Everywhere Inc. (CARE), Catholic Relief Services, and Save the Children. U.S.-based PVOs often work with

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<sup>1</sup>Universities, colleges, accredited degree-granting institutions, private foundations, organizations engaged solely in research or scientific activities, and churches or other organizations engaged exclusively in religious activities are not eligible to register as PVOs.

indigenous governmental and nongovernmental organizations to implement projects.

PVOS received support valued at about \$1.7 billion from the U.S. government in 1993.<sup>2</sup> This report focuses on the \$813.4 million of that amount that USAID provided for development. The remaining support, including commodities, was provided by other U.S. government agencies. As of October 1994, 419 PVOS were registered with USAID. Their revenues ranged from about \$5,000 per year to over \$650 million. USAID supports PVO activities in countries in Africa, Latin America, Asia, the Middle East, Eastern Europe, and the former Soviet Union.

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## Results in Brief

The PVO community encompasses organizations of varying sizes, missions, geographic focuses, and capabilities. They work in many different development areas, including health, environment, and microenterprise development to address varied development needs. PVOS serve as a complement to traditional government-to-government assistance and can be a mechanism to strengthen indigenous community-level organizations.

While PVOS have demonstrated that they are generally effective in carrying out community-based development projects, most have not had wide experience in working with governments and institutions on sectoral and macroeconomic policy reforms necessary to create an environment favorable to development, although some PVOS have begun to expand their activities into these areas.

Twenty of the 26 PVO projects GAO reviewed were making progress toward their objectives. Good project design, competent in-country staff, and local participation were factors common to the most successful projects. PVOS are increasingly using local groups to carry out projects, rather than doing projects with their own staffs, which should increase the local capacity for development. Most projects GAO reviewed included local capacity building—which is critical to long-term development and sustainability.

Accountability for USAID assistance funds has been a continuing concern. Over the last decade, USAID has encouraged and assisted PVOS to improve their program and financial management systems. While there is evidence of improved accountability in the PVO community, providing increased amounts of foreign aid directly through PVOS or through a foundation, as

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<sup>2</sup>PVOS received support in the form of grants, contracts, U.S. government-owned excess property, ocean freight subsidies, and Public Law 480 donated food.

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suggested in some reform proposals, would remove a key accountability mechanism from the U.S. foreign assistance programs.

Although some individual PVO projects may be funded entirely by USAID, PVOS, as a group, have become less dependent on U.S. funding. Federal funding as a share of total funding for PVOS receiving federal support dropped from 42 percent to 29 percent between 1982 and 1992, the last year for which such data was available at the time of our analysis. U.S. funding for PVOS has increased, but private resources have increased faster.

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## Principal Findings

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### The PVO Community and Its Development Niche

The PVO community comprises a very diverse group of organizations—small and large, new and mature—with varying missions and capabilities. Some focus on a single development issue, such as child health, or a single geographic region, while others have very broad missions that include work worldwide in sectors such as agriculture, health, education, democracy, and population. For example, CARE, one of the largest PVOS, conducts relief and development activities in over 40 countries in the areas of health, nutrition, natural resources management, and agriculture, among others. In contrast, the National Telephone Cooperative Association's activities are generally restricted to technical assistance and training for development of rural telephone cooperatives, mainly in Poland and Bulgaria.

PVOS generally undertake relatively small, community-based, labor-intensive projects, often working with the most difficult to reach populations. In general, PVOS have not been involved in advocating changes in national government or sectoral policy that affect the economic and social climate for development, although some PVOS and indigenous nongovernmental organizations have begun to undertake activities in policy reform. Some PVOS believe that espousing governmental change would be seen as a political threat and reduce their ability to work in some countries. In addition, PVOS value their independence of action, and some believe that close associations with governments could limit their freedom to pursue their missions. Some PVOS coordinate U.S. volunteers, primarily to deliver technical assistance or specialized services, such as medical care.

In response to historical concerns about waste and abuse, USAID and the PVO community have worked together to improve the quality of oversight and accountability for development assistance funds. USAID has taken measures to help PVOS and indigenous nongovernmental organizations strengthen their institutional capacity, and current auditing requirements have led PVOS to make investments to improve accountability. However, findings from recent audits of PVO activities suggest that problems still remain. For example, a recent USAID Inspector General audit of PVOS in the West Bank and Gaza concluded that some PVOS needed to improve in the areas of program monitoring, financial management, and record-keeping to manage U.S.-donated commodities.

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### Most PVO Projects Meet Objectives and Involve Local Participation

Of the 26 projects GAO reviewed in 8 countries, 20 were achieving all or most of the expected activities. In two cases, the PVO was having difficulty in implementing its plans, and in the remaining four cases, project objectives were not stated in measurable terms so progress toward goals could not be assessed. Good project design, competent PVO staff, experience in the country and sector, and project objectives supported by the intended beneficiaries were the key factors in project success. GAO did not observe a correlation between PVO size, geographic region, or sector and project success. Many PVOS now work with or through local indigenous governmental or nongovernmental organizations to deliver assistance, providing them with the technical assistance to design and carry out development projects. Twenty-two projects GAO reviewed actively addressed increased local participation and improved development capacity through project activities.

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### Financial Dependency on U.S. Funding Has Decreased

The total amount of federal funding going to registered PVOS increased about 41 percent between 1982 and 1992—from \$1.07 billion to \$1.51 billion. However, the portion of total PVO resources comprised of federal funding dropped from 42 percent in 1982 to 29 percent in 1992. This was due, in part, to the almost doubling of the number of PVOS receiving federal funds and the relatively smaller increase in federal funding for PVOS. Of the 384 PVOS registered with USAID in 1992, 231 (60 percent) received federal funding in that year compared to 126 (88 percent) of the 144 PVOS registered in 1982. In 1992, CARE and Catholic Relief Services received the largest amounts of federal funding among PVOS—\$258.3 million and \$221.2 million, respectively. The 20 PVOS receiving the largest amount of federal funding received about two-thirds of the total amount in 1992.

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## Recommendations

GAO is making no recommendations.

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## Agency Comments

GAO received comments on a draft of this report from USAID, InterAction (a PVO membership organization), and Catholic Relief Services. Their letters are published in appendixes IV, V, and VI, respectively. Specific comments as to language or updated information have been incorporated as appropriate. USAID and InterAction expressed general agreement with the basic message of the report. However, all three organizations expressed concern that the draft did not give appropriate recognition of improvements that the PVO community has made in accountability systems, with support from USAID. USAID was concerned that the discussion of PVO accountability did not include recent efforts to improve financial, management, and evaluation practices. InterAction said that the draft did not acknowledge accountability standards presently required of PVOS by the Office of Management and Budget. Catholic Relief Services' comments emphasized the diversity of the PVO community and the difficulty in drawing broad generalizations about PVOS' accountability and capacity to put increased funds to effective use. GAO has modified the report to present a fuller discussion of improvements in PVO accountability systems over the last decade. InterAction and Catholic Relief Services concurred with GAO's treatment of their comments.

InterAction also said it was pleased with the generally positive nature of the report but expressed concern about the lack of comparison of PVOS' performance with other potential mechanisms for delivering foreign assistance, such as contractors and universities. Such a comparison was outside the scope of this review.



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Abbreviations

CARE	Cooperative for Assistance and Relief Everywhere, Inc.
GAO	General Accounting Office
INGO	indigenous nongovernmental organization
P.L.	Public Law
PVO	private voluntary organization
USAID	U.S. Agency for International Development

# Introduction

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Since the 1940s, the U.S. government has assisted private voluntary organizations' (PVO)<sup>1</sup> overseas activities. After World War II, as PVOs responded to emergency needs in Europe, the U.S. government began donating excess property and supplies and financing shipping costs to assist PVOs' efforts. The Congress authorized donations of commodities in 1954. Public Law (P.L.) 480,<sup>2</sup> as amended, authorized commodity donations to voluntary agencies for distribution overseas to meet emergency and nonemergency food needs. Although still heavily involved in the provision of emergency assistance overseas, since the mid-1960s PVOs have gradually shifted their emphasis from charitable relief to development activities.

The PVO community is comprised of diverse organizations from the traditional voluntary relief and development agencies to family planning organizations, labor institutes, and cooperatives. PVOs range from organizations with budgets of a few thousand dollars and narrow objectives, such as the Pan-American Association of Eye Banks, to large operations with worldwide programs and multimillion dollar budgets, such as the Cooperative for Assistance and Relief Everywhere, Inc. (CARE) and Catholic Relief Services.

Literature on PVOs' development activities describes some of the qualities that PVOs exhibit:

- familiarity with local populations and ability to work with the poor at the community level,
- innovation in approaches and flexibility in responding to development needs,
- lower cost compared to government-to-government aid programs,
- staff dedicated to the PVOs' mission and willing to work under difficult conditions,
- long-term commitment to development, and
- ability to work with INGOs to strengthen local development capabilities.

Additionally, development literature suggests that PVOs are generally weak in the areas of strategic planning, realistic planning for sustainability, and working with each other on common goals.

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<sup>1</sup>In this report, the term "private voluntary organization" is used to refer to U.S.-based nongovernmental organizations working in development abroad. Organizations based and operating within a developing country are referred to as "indigenous nongovernmental organizations (INGO)."

<sup>2</sup>The Agricultural Trade Development and Assistance Act of 1954, Public Law 83-480 (7 U.S.C. 1691, et seq.).

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## Evolution of U.S. Approach to Development

Since the United States began providing foreign aid, its approach to development has changed several times. During the 1960s, the U.S. Agency for International Development (USAID) undertook large infrastructure projects such as dams and road construction. Then, in the early 1970s, USAID gave priority to addressing the basic human needs of the populations of developing countries. In the 1980s, USAID took a more macroeconomic approach to development, emphasizing economic growth through policy reform and a stronger private sector. None of the approaches proved to be the panacea for development problems. USAID's current approach involves both macroeconomic reforms (legal, policy, and regulatory) and direct assistance to the poor in developing countries—to help them take advantage of economic and development opportunities. Thus, USAID has increasingly relied on PVOs to provide direct assistance while it focuses on macrolevel reforms through policy dialogue. In early 1995, USAID announced plans to increase the proportion of resources that it channels through nongovernmental organizations, including PVOs. Other recent proposals have advocated providing development assistance through a foundation that would distribute funds to PVOs and other nongovernmental organizations.

Although its record of success has been mixed, USAID has access to developing countries' governments and the technical expertise to assist them in such areas as policy analysis, sectoral reform, privatization, national programming, and structural adjustment. On the other hand, PVOs have demonstrated that they have a comparative advantage in providing direct assistance to meet varied development needs—often in areas underserved by governments.

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## U.S. Government's Support to PVOs

In 1993, the U.S. government provided about \$1.7 billion of aid through PVOs, including \$414 million in food commodities and freight. PVOs received \$813 million from USAID in grants and contracts. Other U.S. government agencies provided another \$439 million to PVO programs. For example, the Department of State contributes to PVOs for refugee assistance and the Department of Agriculture contributes surplus commodities for humanitarian assistance.<sup>3</sup> PVOs and INGOS must register with USAID to receive grants for development assistance activities directly from USAID. As of October 1994, 419 PVOs were registered with USAID. To be registered, a PVO or INGO must, among other requirements, be

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<sup>3</sup>Dollar figures cited here are based on annual financial reports submitted by registered PVOs to USAID. They do not correspond directly to USAID budget information.

- a nonprofit and nongovernmental entity receiving funds from private sources;
- voluntary in that it receives voluntary contributions of money, staff time, or in-kind support from the public; and
- engaged in or anticipating becoming engaged in voluntary charitable or development assistance operations overseas of a nonreligious nature, which are consistent with the purposes and objectives set forth in the Foreign Assistance Act and P.L. 480.

USAID both supports PVOS' independent activities and uses PVOS as intermediaries to carry out projects that USAID initiates in keeping with its own priorities. The Office of Private and Voluntary Cooperation, in the Bureau for Humanitarian Response, is the focal point for USAID work with PVOS, although other offices within USAID—including regional bureaus; the Bureau for Global Programs, Field Support and Research; the Office of Foreign Disaster Assistance, and the Office of Food for Peace—also work directly with PVOS. In countries where USAID maintains missions, PVOS can apply to the missions for funding for specific development projects in the host country. In addition to programs that are specifically restricted to registered PVOS, PVOS may also compete for other grants and contracts awarded by missions and USAID/Washington, D.C., bureaus.

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## Objectives, Scope, and Methodology

The objectives of our review were to examine (1) PVOS' role in delivering USAID-funded foreign assistance; (2) potential issues and implications of increasing their role in delivering assistance, including accountability issues; (3) the success of their projects in achieving their objectives; and (4) the extent to which these organizations are dependent on U.S. government funding. We employed a combination of methods to address these issues, including (1) an extensive review of development literature to document the role PVOS play in the development spectrum (see selected bibliography), (2) discussions with U.S. and foreign government officials and PVO representatives, (3) case studies of selected projects in eight countries, (4) a collection of descriptive data on PVOS and their projects within each case study country, and (5) an analysis of financial data on PVO resources.

For the case studies, we selected eight countries: Ecuador, Ghana, Honduras, Indonesia, Nepal, Niger, Romania, and Thailand. We selected these countries on the basis of the following criteria: (1) geographic balance, (2) size and diversity of PVO programs, and (3) whether PVOS used

food aid in the country.<sup>4</sup> We used a structured data collection instrument to collect basic descriptive data on PVO and INGO activities between 1991 and 1994.

To review the success of PVOs in meeting their objectives and enhancing sustainable development, we conducted 26 case studies, including at least 2 projects in each country carried out by different PVOs in different development sectors. We used project design, implementation, and evaluation documentation; on-site observations of projects; and extensive interviews with USAID, PVO, and host government officials to assess projects as more or less successful relative to the projects' success in meeting their objectives, including developing local capacity.

To determine the degree to which projects met their objectives, we considered factors such as whether (1) projects were meeting agreed-upon measurable benchmarks or indicators within agreed costs and time frames and (2) outcomes achieved project goals. In many cases, indicators were not quantifiable, so we based our judgment on on-site observations of projects and interviews with USAID and PVO officials about intended project outcomes. We supplemented the fieldwork undertaken specifically to answer this request with information generated in the course of our other work in the last 3 years, including reports on P.L. 480 titles II and III and PVOs' role in food aid.<sup>5</sup>

To assess the degree to which PVOs depend on federal funding, we examined data on private and federal funding published in Voluntary Foreign Aid Programs, an annual publication of USAID's Bureau for Humanitarian Response. We analyzed the data from 1982 to 1992, the last year for which complete information was available, after converting dollar amounts into constant 1992 dollars. We did not independently verify the published information, although we worked with USAID to resolve apparent errors in the data.

We performed our work from November 1993 through April 1995 in accordance with generally accepted government auditing standards.

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<sup>4</sup>We issued a separate report on PVO's food aid activities in Honduras, Ghana, and Indonesia: Food Aid: Private Voluntary Organizations' Role in Distributing Food Aid (GAO/NSIAD-95-35, Nov. 23, 1994).

<sup>5</sup>Food Aid: Management Improvements Are Needed to Achieve Program Objectives (GAO/NSIAD-93-168, July 23, 1993) and Food Aid: Private Voluntary Organizations' Role in Distributing Food Aid (GAO/NSIAD-95-35, Nov. 23, 1994).

# The PVO Community

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PVOS, as a group, work in many different sectors—from providing health services to pollution control to microenterprise development. They often work in remote areas where governments cannot or do not provide services. Some PVOS use U.S. volunteers to deliver technical services or assistance to developing countries.

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## PVO Activities Address Varied Development Needs

PVOS sponsor projects in many different sectors, including agriculture, education, environment, health and child survival, and small-enterprise development, designed to address the many needs of people in developing countries. Almost 30 percent of 274 USAID-funded PVO and INGO projects operating in the 8 countries in our review<sup>1</sup> included health activities. Natural resources management, private sector development, and democracy were the next most frequently addressed issues—about 15 percent of projects addressed each of these issues. Other projects focused on labor, agriculture, and education, among other sectors. In several cases, PVO projects provided services in areas not served by the host government.

The 26 projects we examined in detail represent the diverse areas of needs PVOS try to address. For example, one of the USAID-supported PVO projects addressed health and nutritional needs of children in Ghana. In Romania, several projects focused on the needs of institutionalized and orphaned children, while another PVO worked with state-owned enterprises to abate pollution. Projects in Nepal, Honduras, and Thailand sought to increase economic opportunities for women who traditionally have few opportunities for economic advancement—two by providing credit and technical assistance to microenterprises owned by women or employing women and one by providing scholarships to girls so they could continue their schooling. (See fig. 2.1 for a project supported by CARE in Thailand.) In Ghana, we examined a PVO agroforestry project. In Honduras and Indonesia, our sample included PVO projects to help communities to build water and sewer systems.

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<sup>1</sup>Documentation was available for 274 USAID-funded projects.



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**Figure 2.1: Silk Production in  
Microenterprise Project Supported by  
CARE in Thailand**



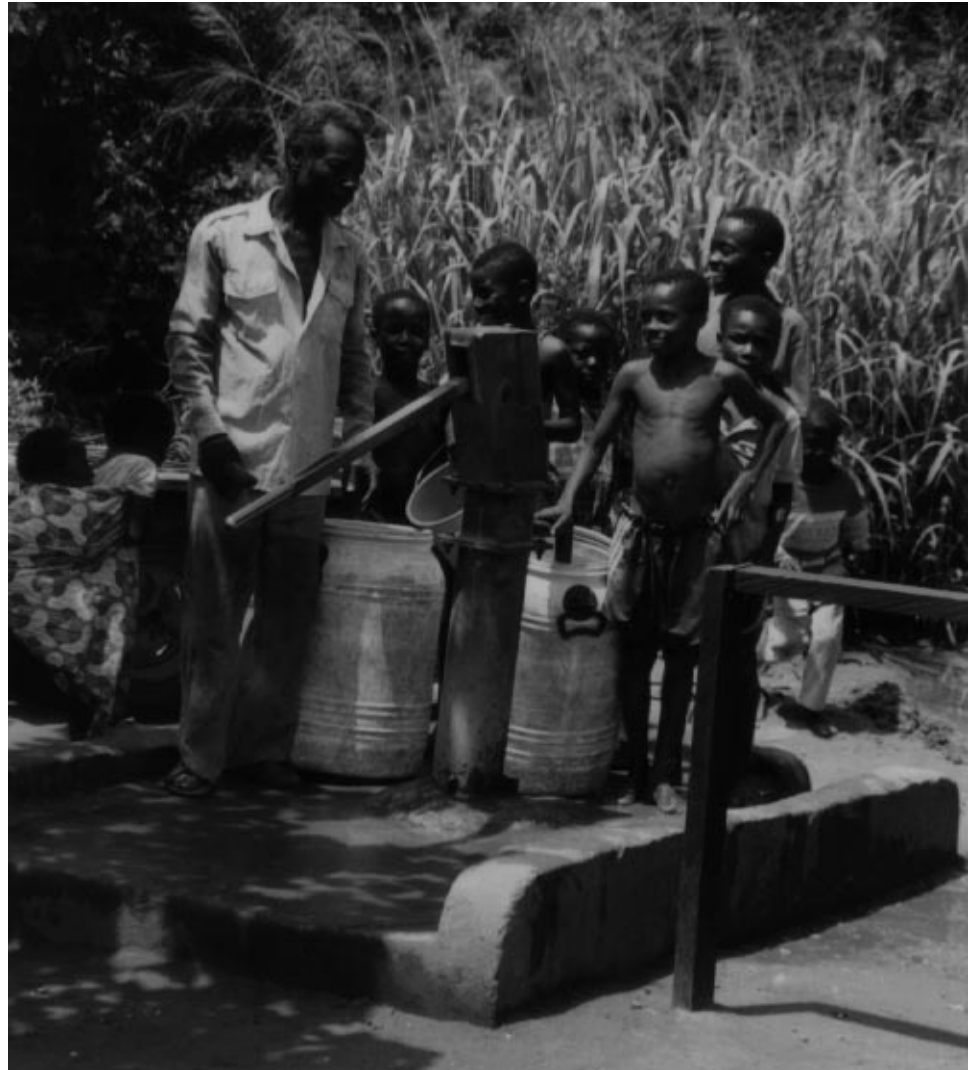
PVO food aid projects we visited in Ghana, Honduras, and Indonesia either directly distributed food to beneficiaries or sold commodities to generate funds for development projects. Direct feeding projects included mother-child health projects that targeted malnourished children and pregnant or lactating women and school feeding projects in poor regions. Food-for-work projects are generally assumed to be self-targeting to the poorest because the work is generally difficult and the wages low. (See figs. 2.2 and 2.3 for food-for-work projects in Honduras and Ghana.)

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Figure 2.2: CARE Sewer Infrastructure Improvement Food-for-Work Project in Honduras



**Figure 2.3: Well Built in Ghana  
Food-for-Work Project Sponsored by  
the Adventist Development and Relief  
Agency**



pvos often conducted projects in remote areas not adequately served by the governments of developing countries. For example, in Ecuador, Catholic Relief Services and Project HOPE conducted child survival projects that provided immunizations and education on hygiene and nutrition to rural areas. (See fig. 2.4 for a child survival project in Ecuador.) In Niger, Africare provided training for community health workers in Diffa, an isolated area more than 900 kilometers from Niamey,

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the capital of Niger. Save the Children/Honduras and CARE in Indonesia were assisting in construction of water and sewer systems in remote areas. (See fig. 2.5 for a water system project in Honduras.) In Nepal, PVOs provide most medical services. USAID officials told us that PVOs fill critical voids in health and community development.

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**Figure 2.4: A Child Survival Project, Including Growth Tracking, Conducted by Project HOPE, in Ecuador**



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Figure 2.5: Save the Children's Remote Water System Project in Honduras



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## Some PVOs Use American Volunteers to Provide Technical Assistance to Developing Countries

About 15 percent of PVOs registered with USAID in 1993 used American volunteers in their overseas programs, according to information contained in USAID's report on voluntary foreign assistance. Some PVOs coordinate volunteer service abroad to provide specialized services or technical assistance not available in developing countries, which, according to these PVOs, would be costly to provide through contractors. For example, health sector PVOs, such as Operation Smile International and Project ORBIS International, coordinate medical volunteers to provide medical care and train health workers. The Farmer-to-Farmer program in the former Soviet Union and worldwide included 8 PVOs and cooperatives and the Peace Corps that coordinated over 1,300 volunteer assignments to provide expertise on agricultural production and processes in over 60 developing countries worldwide and expected to field about 1,700 volunteers to the newly independent states of the former Soviet Union.<sup>2</sup> The International Executive Service Corps and Volunteers in Overseas Cooperative Assistance recruit volunteers to provide consulting services to private sector businesses in developing countries. According to information supplied by the International Executive Service Corps, it delivered almost

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<sup>2</sup>The Congress created the Farmer-to-Farmer program in 1985 to promote person-to-person exchange of agricultural knowledge to assist indigenous farmers in low-income countries. The program, funded with U.S. Department of Agriculture (P.L. 480) resources, has been expanded since then to over 60 countries, including the newly independent states of the former Soviet Union.

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75,000-person days of assistance in 1994 through its offices in 50 countries at an average cost of \$439 per day. According to PVO representatives, volunteers are generally well received by the citizens of the developing country because they are viewed as experts who volunteer their time and are not perceived as having the political agendas sometimes associated with bilateral assistance or the profit motive of contractors. (See fig. 2.6 for a volunteer project in Romania.)

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**Figure 2.6: Volunteers in Overseas Cooperative Assistance Volunteer Assists Farmers on Seed Marketing Project in Romania**



Source: Volunteers in Overseas Cooperative Assistance.

However, the use of volunteers presents potential problems. For example, lack of language skills and cultural sensitivity on the part of volunteers and inability to adapt to living conditions in developing countries have

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limited the success of some volunteer experiences. Project evaluations and USAID and PVO officials noted that clear expectations on the parts of both the volunteers and the recipients of their services are critical to the success of the visit. They also stressed the importance of an in-country structure to (1) identify specific needs so that volunteers with appropriate skills can be found and (2) continue contact with recipients of the assistance to facilitate implementation of volunteers' recommendations.

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## PVOs' Orientation, Strategy, and Limitations

While a few PVOs have begun to work with governments of developing countries on policy reforms, many believe they have a humanitarian mission and would prefer to focus on person-to-person aid rather than work with large institutions. PVOs have a comparative advantage in being able to work directly with the poor, or with organizations that represent the poor, than major donors can. Some PVOs prefer not to interact with host governments and, as outside entities, may not have access or leverage within a country's government. In addition, many PVOs do not want to be seen as linked too closely to the U.S. government. Thus, providing economic assistance exclusively through nongovernmental organizations could limit the degree to which the United States can use such aid to achieve foreign policy interests other than supporting democratic development. In addition, channeling U.S. aid exclusively through PVOs also seems inconsistent with the current view of many U.S. government leaders that there should be a close link between the provision of U.S. assistance and specific U.S. foreign policy interests. Former foreign policy officials testified before the Senate Committee on Foreign Relations in March 1995 that "bilateral foreign assistance programs should be directly related to specific, identifiable U.S. foreign policy interests."

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## Accountability Issues

Currently, the Congress looks to USAID to ensure that U.S. assistance is used efficiently and effectively. In recent years, USAID has encouraged PVOs and INGOS to develop stronger financial management skills that would help ensure accountability for resources. Regulations requiring external audits, such as Office of Management and Budget Circulars A-110 and A-133, have also led PVOs to focus on improving financial management systems. USAID and InterAction believe the PVO community generally has taken seriously its responsibility to improve financial and program management.<sup>3</sup> However, some PVOs and particularly INGOS still have difficulties in meeting

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<sup>3</sup>In responding to a draft of this report, InterAction, a membership organization representing a large network of PVOs, cited its PVO standards as evidence of the community's emphasis on accountability. The standards, by which member PVOs must agree to abide as a condition for membership, set standards for governance, management practices, and financial reporting, among others.



U.S. accountability standards. For example, USAID's Inspector General recently reviewed PVO activities in the West Bank/Gaza and found that while PVOs generally had the capability to implement USAID programs, two of the six needed to improve program monitoring, two needed to improve financial management, and four did not maintain adequate inventory records of USAID-funded commodities.<sup>4</sup> Additionally, a recent audit of a PVO project in El Salvador discovered that funds had been misappropriated through false village banks and dummy loans. As of September 1995, \$118,000 in USAID funds had not been recovered. The PVO reported that the USAID mission, the PVO, and the INGO have been working closely to address weaknesses that were exposed once the problem was discovered. Providing assistance funds directly to PVOs or through a foundation, as suggested in some of the reform proposals, would eliminate a key accountability mechanism from the U.S. foreign assistance program, and the Congress would have to accept more risk and less accountability for funds expended.

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<sup>4</sup>Audit of USAID West Bank/Gaza and PVO Recipients' Capability to Implement USAID Programs (Report No. 6-294-95-008, July 1995). Regional Inspector General for Audit, Cairo, Egypt.

# Projects Generally Achieving Objectives

We used criteria from development literature as the basis for our detailed assessment of 26 PVO projects: (1) progress toward meeting objectives and (2) building local capacity. While all projects experienced some unanticipated challenges in implementation, 20 of the 26 projects were making progress toward meeting all or most of their objectives. These projects resulted in accomplishments such as construction of water systems, improved provision of health care, and increased incomes for participants. Two projects were having major difficulties in attaining their objectives due to design or implementation problems. We were unable to assess the progress of four projects because their objectives and associated PVO or USAID evaluations were too general. We found no correlation between the size, geographic region, or sectoral emphasis of a PVO and its ability to achieve project objectives. In recent years, PVOs have begun working extensively with local groups that carry out projects, offering technical assistance and training to build institutional capacity designed to increase local capacity, rather than doing the projects with their own staffs. Most projects we reviewed included some activities designed to improve local capacity. (App. I contains the details of our 26 case studies.)

## PVO Projects Generally Achieving Most Project Objectives

The 20 projects in our case study that were making progress toward their objectives reflected a combination of the factors identified in development literature as being necessary for successful projects: good design and clear objectives, experience in the country and the development sector, qualified management and staff, and local participation. The following examples illustrate some of these factors:

- In Nepal, a \$328,000 female education scholarship project sponsored by the Asia Foundation used a tested design and had local participation through its INGO partner, which had strong leadership that found creative solutions to problems the project encountered. As a result of the project, girls' school attendance increased in every district where the project was implemented.
- USAID provided Katalysis \$1.75 million to strengthen local INGOs in three countries, including Honduras. In Honduras, the INGO partner conducted projects aimed at increasing participants' incomes. Katalysis provided technical assistance for the INGO in a wide range of areas such as long-range planning, information management systems, and fund raising. The PVO had good project design, which included local input and clear objectives, and had capable staff. The INGO ultimately designed and carried out a project that increased incomes of beneficiaries.

- In Ecuador, USAID provided \$1.5 million to Project HOPE to develop a community health model with the goal of reducing sickness and death in children and women of childbearing age. The PVO had expertise in the sector and prior work in the country. The project had good management and design, and active community participation. The project was effective in increasing participation and extending health care coverage. (Fig. 3.1 shows a parade and banner advertising diarrhea prevention and treatment.)

Figure 3.1: World Health Day Parade Sponsored by Project HOPE in Ecuador



- In Indonesia, USAID provided about \$2.05 million in food aid to CARE to be sold to fund a pilot rural water and sanitation project. The project's objectives were to increase access and use of water and sanitation facilities among villages in rural Indonesia and demonstrate that rural communities could develop and self-finance improved facilities. The PVO used proven technical approaches and the design included measurable objectives. Rather than working with an INGO, CARE employed local staff to work directly with the communities to plan and carry out the construction of water systems, including designing and building the appropriate system. (Fig. 3.2 shows the resulting water reservoir that is filled by gravity from a

spring 400 meters away.) The communities agreed to take responsibility for sustaining the improvements. An outside evaluation of the program concluded that CARE's approach was successful in creating sustainable water sanitation systems. Beneficiaries of the project in one village told us that the incidence of cholera had decreased since the system was built and that villagers could spend the 2 hours a day they had spent hauling water on more productive activities.

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**Figure 3.2: Concrete Water Reservoir  
Built by CARE in Indonesia**



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## PVOs Face Difficulties in Achieving Project Objectives

The projects that were having the most difficulties suffered from poor design, inadequate project management, and lack of participation by the local community. The following describes some of the problems evident in the projects we examined:

- In Romania, USAID contributed \$200,000 to a \$1.02 million World Vision health care project to improve the delivery of primary health care services. The project was delayed almost a year due to internal management problems and difficulties in recruiting suitable staff. Further, the PVO met with difficulties in working with Ministry of Health officials because of

changes in leadership there. A mid-term evaluation concluded that the achievements of the project at that date were mixed and could not always be clearly linked to project goals or to activities carried out. The final evaluation of the program, conducted after our fieldwork, noted that the conditions we observed had changed and the project achieved its objectives. The evaluation cited accomplishments in improving health knowledge, attitudes, and behaviors.

- In Niger, USAID provided Africare \$1.8 million for a project to train community health workers in child survival techniques such as oral rehydration, growth monitoring, and nutrition. The project was delayed over 6 months due to difficulties in recruiting project personnel. The project design was flawed in that it was not integrated into the Ministry of Health's program, so no local level officials took responsibility. Further, although Ministry of Health nurses were trained, the nurses refused to train village health workers unless they received additional pay to ensure their cooperation. When USAID and the PVO were unwilling to provide additional pay, project activities were slowed. Supervision of project personnel and monitoring of field activities were inadequate, and Peace Corps volunteers working with the project complained that the PVO did not provide them adequate guidance. There was little community participation in the village health program the project set up. Africare stated that the problems identified in the draft had been addressed and that the project is now an integral part of Ministry of Health activities.

PVO projects are not immune to some of the traditional problems in development, including difficulties identifying and retaining qualified staff and lack of support from local and national governments, as the following examples show:

- In Ecuador, Catholic Relief Services had difficulties implementing its infant growth monitoring activities because the beneficiaries could not read and were unable to keep accurate records.
- In Romania, USAID provided Project Concern International \$1 million to (1) train Romanians in obstetric and neonatal health care and (2) establish a model facility for institutionalized adolescents who can be assisted to function independently. The project successfully renovated a facility (see fig. 3.3) and trained staff for a transitional living center to teach handicapped adolescents independent living and job skills. However, the PVO encountered resistance from Romanian institutions that were reluctant to release adolescents into the private center. At the time of our visit, only 6 children lived at the center designed and staffed to

accommodate 40 residents. Project Concern was working with the Romanian government and institutional officials to resolve such problems.

**Figure 3.3: Home Restored by Project Concern International to Be a Group Home for Mildly Handicapped Adolescents in Romania**



## Local Participation Evident in Some Projects

One concern about development projects is their sustainability. Sustainability is often affected by the level of local participation in planning and carrying out project activities. USAID has encouraged PVOS to work closely in implementing projects with local counterpart organizations, including national and local governments and INGOS, to strengthen the in-country development capacity. Those projects that respond to the development priorities of the intended beneficiaries have been shown to have the best prospects for sustainability, according to development literature. Since strengthening local capacity is fundamental to a country's long-term social and economic development, we examined the extent to which local persons and groups were involved in planning and carrying out project activities. Of the 241 projects in our inventory for which the information was available, 146 (61 percent) involved one or more INGOS. INGOS were project implementors in at least one-third of the projects. For example, Private Agencies Collaborating Together provided

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technical assistance to local organizations that worked directly with street children in Thailand. In Indonesia, the National Cooperative Business Association supported local cooperatives in export-oriented businesses in furniture and spices (see fig. 3.4).

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**Figure 3.4: National Cooperative Business Association Furniture Cooperative Project in Indonesia**



Efforts to involve INGOS in planning and carrying out projects were apparent in most of the 26 projects we reviewed in detail. Twenty-one projects involved at least one local governmental or nongovernmental organization in carrying out activities. Five projects focused specifically on strengthening INGOS, primarily by providing technical assistance and training to local organizations. Three projects focused on strengthening some aspect of the developing countries' government service delivery mechanisms. For example, in Ecuador, Project HOPE worked with the Ministry of Health to train community health workers, and in Romania, World Vision worked with the Ministry of Health to improve primary health strategies and service delivery. In Honduras, CARE worked with the Ministry of Education on a school feeding program that included daily meals to nearly 298,000 poor children at 3,743 schools. Others worked directly with community groups, in some cases organizing residents for a

particular purpose. Beneficiaries of assistance, including community groups, were more likely to be involved in implementing projects and adapting existing designs to local conditions than they were to be involved in the design process.

One project we examined in Ghana demonstrates the need for local involvement in planning and designing projects. In this case, USAID provided the Adventist Development and Relief Agency about \$459,000 in fiscal year 1993 in food commodities and cash grants to support a project to establish self-financing nurseries to grow and sell seedlings that villagers would plant for later harvest and sale. However, the project did not have local participation in design and did not take into account key environmental and economic factors, including lack of demand for seedlings. The project, according to an independent evaluation, was “conceptualized, was designed, and is managed by outsiders (both expatriate and Ghanaian) to funnel into villages a commodity (wood trees) that was and is low on the scale of locally perceived priorities.” While the project set up the nurseries and trained local staff paid with donated food, the lack of demand for seedlings made it unlikely that the nurseries could be self-sustaining. Further, the Peace Corps workers that had initially set up and managed the nurseries were supposed to turn management responsibilities over to the beneficiaries. However, no time period was set for a phase over of responsibilities and, according to an outside evaluator, there was no clearly defined withdrawal scenario in project documents. According to project evaluations, no nurseries had been turned over to local management 3 years after the project started. USAID and the PVO have informed us that the problems identified during our fieldwork have been addressed and that the project is showing positive results. The PVO hopes to turn management of the project over to local workers beginning in 1996.

During our fieldwork, USAID officials in Washington and the field noted that some PVOS have been more successful than others in developing INGOS and turning over direct service activities to the local organizations. According to USAID officials, PVOS that have developed expertise in and networks for charitable service delivery in particular countries have tended to move less quickly toward working with INGOS than PVOS that see their role as enabling INGOS to serve their local communities.



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# PVOs Are Less Dependent on Government Funding

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Despite their status as private, nongovernmental organizations, many PVOs receive significant amounts of federal funding. However, we found that PVOs generally are less dependent on government funding than they were a decade or more ago—although some individual PVO in-country projects are funded entirely by USAID. While federal spending on PVOs has increased in absolute terms since 1982, the percentage of total PVO resources coming from the federal government has decreased 13 percent (for PVOs that receive federal funds), from 42 percent in 1982 to 29 percent in 1992.<sup>1</sup> This is because private donations have increased at a much faster rate than federal funding.

PVOs must be registered with USAID to receive direct funding for purposes other than disaster assistance. In 1992, 231 registered PVOs received federal funding—an 83-percent increase from the 1982 total of 126. To qualify for development assistance funding, PVOs must show a minimum level of private funding (20 percent). This “privateness” calculation represents PVOs’ total resources and not their contributions to the costs of specific projects.

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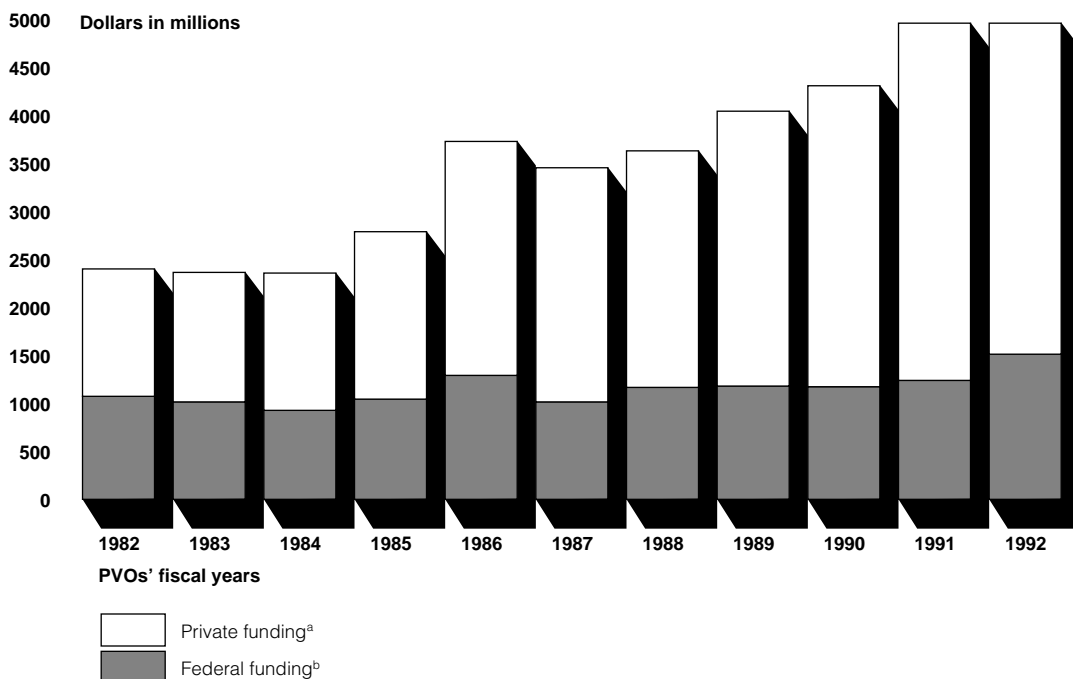
## PVOs Rely Increasingly on Private Donations

Our analyses of data for PVOs that receive federal funding show that reliance on government funding declined for many federally-supported PVOs between 1982 and 1992. Total private funding for PVOs receiving federal funds grew from \$1.3 billion in 1982 to \$3.4 billion in 1992 (in constant 1992 dollars), a 160-percent increase. In contrast, federal funding for PVOs fluctuated over this period—dropping to a low of \$0.9 billion in 1984 and peaking at \$1.5 billion in 1992, a 41-percent increase from the 1982 level of \$1.07 billion (see fig. 4.1). The median level of private funding for PVOs that received federal funding more than doubled, growing from \$1.3 million in 1982 to \$2.7 million in 1992, after peaking at \$3.4 million in 1989. Appendix II shows the distribution of PVOs by levels of federal funding from 1982 to 1992, and appendix III shows PVOs’ federal funding as a share of total funding in 1982 and 1992.

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<sup>1</sup>All dollar figures reported in this chapter have been converted to constant 1992 dollars. The analysis concerns PVOs’ total programming (both domestic and international), since the financial data we analyzed combined income for all PVO programs, including both emergency and nonemergency activities. However, the same data set reported that most PVO expenses were for overseas programs. In 1992, about 62 percent of PVOs’ total expenditures was for international programs; 27 percent for domestic programs; and the remainder for administrative, management, and fund-raising costs.

Figure 4.1: Total Private and Federal Funding to Federally Funded U.S. PVOs, 1982 to 1992 (in Constant 1992 Dollars)



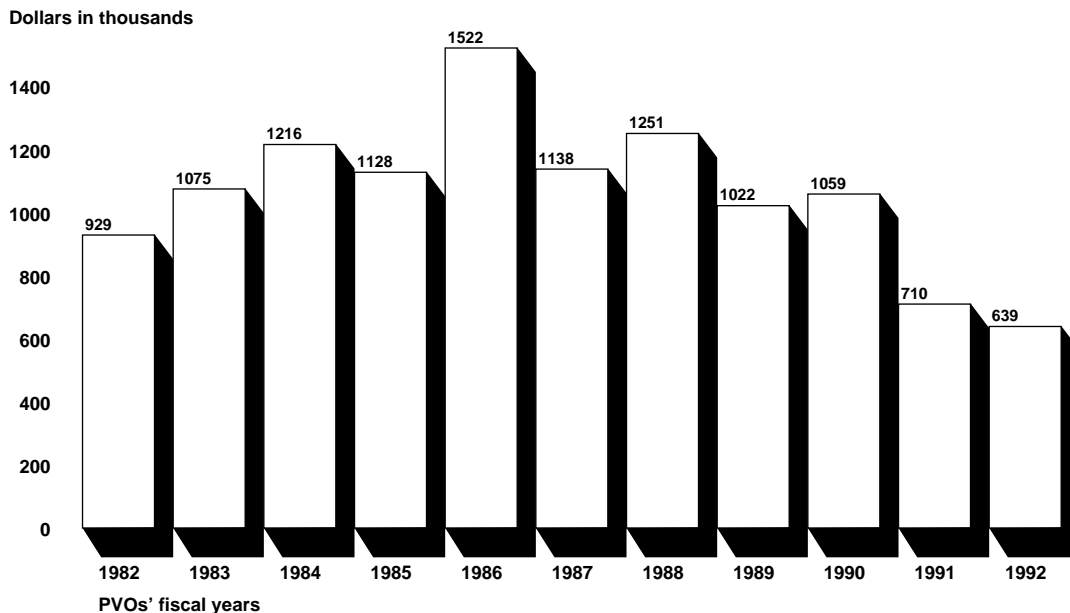
<sup>a</sup>Private funding includes private contributions, private revenue, and donations of goods and services. It excludes funding from other governments and international organizations.

<sup>b</sup>Federal funding includes U.S. government grants and contracts, excess property, P.L. 480 commodities and freight, and USAID freight.

While federally supported PVOs received a median of 36 percent of their total support from federal sources in 1982, in 1992 they received 23 percent. The median amount of federal funding, in constant 1992 dollars, for PVOs that received any federal funding decreased 31 percent, from \$929,487 to \$639,136 after peaking at \$1.5 million in 1986<sup>2</sup> (see fig. 4.2). This decline was partly due to the increase in the number of PVOs that received federal funding and the relatively smaller increase in federal funding for PVOs.

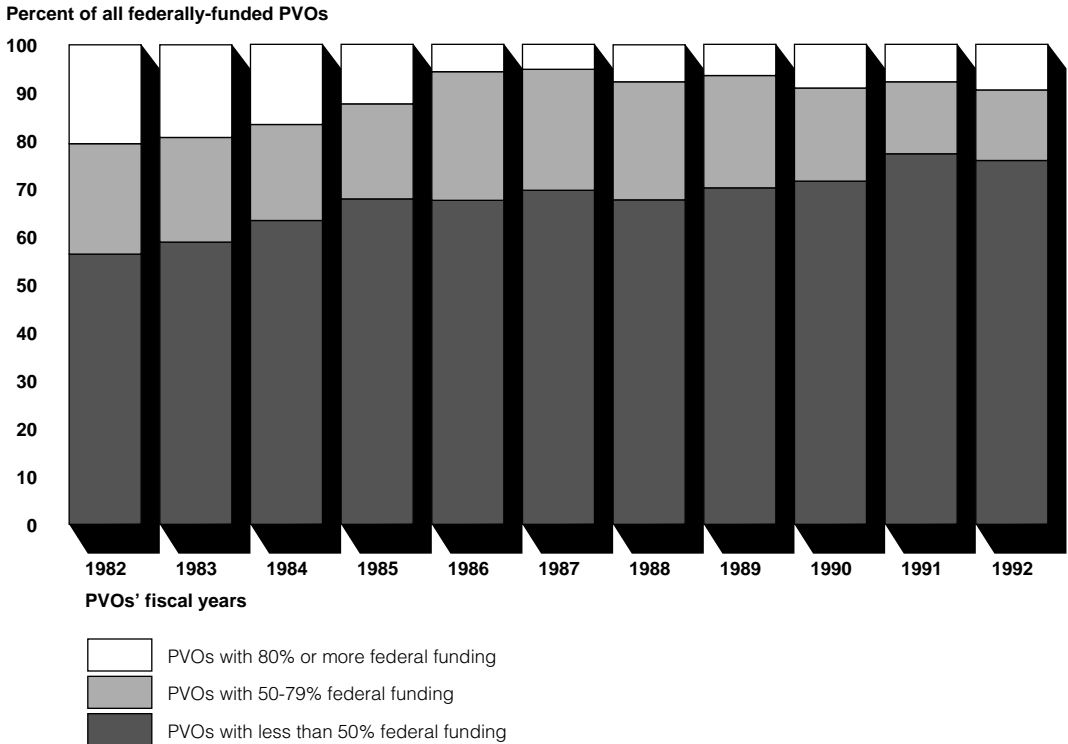
<sup>2</sup>Due to the large increase in the number of registered PVOs that did not receive any federal funding, the median level of federal funding for all PVOs decreased even more dramatically—from \$726,517 in 1982 to \$60,244 in 1992.

Figure 4.2: Median Levels of Federal Funding to U.S. PVOs That Received Federal Funding, 1982 to 1992



A smaller percentage of PVOs depended on government funding for a substantial portion of their resources in 1992 than in 1982. In 1982, the 44 percent that received federal funding received at least half of their total funding from government sources; in 1992, only 24 percent did. Similarly, the proportion of PVOs that received 80 percent or more of their funding from the government declined from 22 percent to 10 percent (see fig. 4.3). However, some PVOs still received a large percentage of their resources from the U.S. government. For example, Catholic Relief Services and CARE have consistently received the largest amounts of federal support among PVOs, much of it in the form of food aid. Catholic Relief Services received 69 percent of its total revenues from the U.S. government in 1982 and 76 percent in 1992. Catholic Relief Services pointed out that if food aid is deducted from the 1992 figures, the percentage of U.S. government resources would be reduced from 76 percent to 38 percent. CARE also received significant U.S. support—60 percent of its 1992 revenues came from the U.S. government, although this is a decrease from 78 percent in 1982.

**Figure 4.3: Proportions of PVOs Relying on Federal Funding for 80 Percent or More, 50 to 79 Percent, and Less Than 50 Percent of Their Resources, 1982 to 1992**



Total resources for PVOs that received federal funding grew from a median of \$3.6 million in 1982 to \$5.2 million in 1992 (in constant 1992 dollars), peaking in 1986 at \$7.3 million. In 1992, five PVOs had resources totaling over \$200 million, and all of them received federal funding. Three of these PVOs were also the largest PVOs in 1982.

The share of total federal funding going to the top 5 percent of federally funded PVOs decreased from about 71 percent in 1982 (when 6 PVOs received \$762.4 million) to about 59 percent in 1992 (when 11 PVOs received \$893.6 million). The 5 percent of PVOs that got the smallest amounts of federal funding received less than \$12,800 each in 1982 and less than \$10,850 in 1992, or 0.005 and 0.006 percent of federal funding in

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the respective years. In addition, 153 registered PVOs did not receive any federal funding in 1992, compared to 18 in 1982.

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## PVO Cost-Sharing Requirements Changed

The preceding data on PVOs' total financial resources provides a view of decreasing financial dependence on the U.S. government, but it is also necessary to examine how PVOs work with USAID on specific projects to understand the issue of dependency. Although virtually all PVOs have some private resources, PVOs must make choices about how much of their private funding to devote to USAID projects and how much to spend on self-determined, self-supported activities.

Until July 1994, USAID generally required PVOs to contribute at least 25 percent toward the costs of PVO projects supported through USAID grants.<sup>3</sup> This cost-sharing requirement was meant to ensure that PVOs were committed to their USAID-funded projects and to enhance the likelihood that project activities and benefits would be sustained after USAID funding ends. The requirement was also seen as a means of mobilizing additional funding for projects and a mechanism to prevent PVO financial and programmatic dependence on USAID. However, PVO officials told us that cost sharing at the 25-percent level was often difficult on large dollar-value projects, especially for smaller PVOs. For example, a \$2 million USAID project might require a \$500,000 contribution from the grantee. In addition, because PVOs did not always want to use private resources to meet USAID's priorities, USAID's choice of PVO partners was sometimes limited. Because of these problems, USAID changed its policy to encourage, but not require, cost sharing for these grants.

USAID's new policy allows more flexibility in determining the cost-sharing level: it encourages the "largest reasonable and possible" level of cost sharing without specifying any minimum. This policy change makes USAID treatment of PVOs more consistent with its treatment of other grantees, such as universities and other nonprofit organizations, which are not required to make any minimum level of financial contribution to USAID-funded projects. USAID stated that the purpose of the revision of the cost-sharing policy was to standardize and streamline policy and process, not to eliminate USAID's preference for PVOs' 25-percent contributions to USAID activities. USAID stated it does not expect overall PVO contributions to USAID activities to lessen as a result of this policy.

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<sup>3</sup>The requirement applied primarily to USAID funding that was reserved exclusively for PVOs. However, under USAID's matching grant program, PVOs were and are still required to contribute at least 50 percent of program costs.

# Case Study Projects

Project/sector	Private voluntary organization	Objectives	USAID funding/life of project	Comments
<b>Ecuador</b>				
Health/ child survival	Catholic Relief Services	Improve child health and nutrition.	Grant I: \$610,601/ 1985-92  Grant II: \$400,000/ 1992-95	At the second phase mid-term evaluation, the projects had established health programs in about 90 of the 120 target communities and reduced the incidence of diarrheal disease in target communities, although only about half of the potential beneficiaries participated in the mothers' meeting through which services were provided. Sustainability was made questionable by weak commitment from the Ministry of Health, among other factors. The project involved community organizations, but it had difficulty retaining trained community volunteers.
Health/ child survival	Project HOPE	Improve health of children and women of fertile age.	Grant I: \$750,000/ 1989-93  Grant II: \$780,000/ 1992-95	The project worked in about half of the planned communities and had trained 90 of the planned 200 Ministry of Health nurses. The Ministry of Health's inability to support the project, due in part to financial difficulties, hampered achievement of vaccination goals. Baseline data was unavailable to track progress on some health and nutritional indicators. The private voluntary organization's (PVO) close relationship with Ministry of Health and use of the community health model increased prospects for sustainability. Developing local capacity was a priority.
Trade and investment	International Executive Service Corps	Promote private sector investment and provide technical assistance to small and medium-sized enterprises.	\$675,000/1991-94 <sup>a</sup>	The project conducted industry surveys, sponsored business seminars, and provided technical assistance to three indigenous nongovernmental organizations (INGO) and several small businesses; however, changes in project design made it impossible to measure outputs against the original project objectives. Beneficiaries were involved in determining their needs for technical assistance and in implementing recommendations.
<b>Ghana</b>				
School feeding, mother-child health, farmer training, and relief	Catholic Relief Services	Improve health and nutrition of rural Ghanaian families and other needy persons and promote literacy among school-aged children.	Food aid valued at \$2.57 million and freight costs of \$1.4 million in fiscal year 1994	The project distributed food to about 160,000 beneficiaries in 1990, the last year for which information was available, and its food incentive program increased girls' attendance by 9 percent at target schools. The project did not have plans for sustainability without the donated commodities. Beneficiaries and some local organizations were involved in carrying out the project.

(continued)

**Appendix I  
Case Study Projects**

<b>Project/sector</b>	<b>Private voluntary organization</b>	<b>Objectives</b>	<b>USAID funding/life of project</b>	<b>Comments</b>
Food for work/natural resources and relief	Adventist Development and Relief Agency	Improve nutrition, provide employment, and protect natural resources.	Total support of \$5.31 million/ fiscal years 1992-94	At the time of our review, the project operated 36 mother-child health centers, provided materials for construction of 20 wells, 10 schools, and toilet facilities and about 1.7 million seedlings were planted through food-for-work projects. The community forestry component of the project established 16 nurseries to produce seedlings since activities began in 1988. The food-for-work tree planting component was not sustainable without commodities for payment of laborers. The financial self-sufficiency objective of the nursery project component was not achieved due in part to lack of demand for seedlings. Beneficiaries were involved in project implementation but not in designing the project components and had not taken on project responsibilities. The PVO stated that, since our fieldwork, the demand for seedlings has increased and that the project is reaching its objectives.
Microenterprise development	Technoserve	Increase incomes and food security by assisting rural small businesses and promoting nontraditional exports.	Total support of \$664,000/1993-97	The project established 27 rural agricultural enterprises and cooperatives and provided training and technical assistance to 29,700 beneficiaries, resulting in increased rural productivity and incomes. The project relied on outside funding for training and equipment; plans to establish a trust fund to support continued project activities met with unanticipated problems, such as currency depreciation, changes in the availability and price of wheat, and competing Ghanaian subsidy programs. Beneficiaries were involved in managing rural businesses based on business plans drawn up with PVO assistance.
<b>Honduras</b>				
Food for work (municipal infrastructure)	CARE	Improve infrastructure in poor urban areas.	Food aid valued at \$380,000 and freight costs of \$89,700/1994	This pilot project completed 20 of 21 planned drainage, potable water, and latrine projects in the last year for which full data was available; municipalities' failure to provide agreed inputs caused some implementation problems. Municipalities were involved in planning and building infrastructure but did not have a strong resource basis for sustainability, and the PVO had not yet made maintenance plans. The project developed local capacity by training community leaders and municipal personnel in organization and technical skills and by involving communities in project decisions, construction, and evaluation.

(continued)

**Appendix I  
Case Study Projects**

<b>Project/sector</b>	<b>Private voluntary organization</b>	<b>Objectives</b>	<b>USAID funding/life of project</b>	<b>Comments</b>
Housing and sanitation	Cooperative Housing Foundation	Improve housing and sanitation through loans and assistance to poor families.	Food aid valued at \$410,000 with freight costs of \$22,500/1994	It appears that the project exceeded targets for making loans to low-income persons but fell short of goals for community improvement loans during the period of USAID funding; however, data was incomplete to compare project objectives to outcomes. Similar loan activities begun under a previous USAID grant to the PVO have continued through a revolving loan mechanism since USAID funding ended in 1990. The PVO developed local capacity by providing funding and technical assistance to INGO project implementors.
School feeding, mother-child health	CARE	Improve health and nutrition of mothers and children and improve school attendance.	Food aid sold for local equivalent of \$1.8 million/1994-96	The project fed about 99 percent of targeted 300,000 school children and 85 percent of mother-child health program beneficiaries in 1993, but progress toward objectives of reducing malnutrition and infant mortality was not systematically documented. The government of Honduras contributed to the project, but it does not have the resources to continue the same level of feeding without donor assistance. The PVO worked closely with government agencies to train them to administer the project, with mixed success; communities were involved in project implementation.
Health/water and sanitation	Save the Children	Improve health by extending water and sewer services into rural areas.	Funding provided as host-country grant: \$700,000/1990-95	The PVO was on schedule to complete 77 water systems and 5,800 latrines by the end of the grant period. The project planned for maintaining water systems through user fees, although collection was problematic for some communities. The PVO worked with communities to form organizations to build and maintain water systems.
INGO development, credit/microenterprise	Katalysis	Strengthen INGO's management and planning abilities to assist women's businesses.	\$1.75 million for three Latin American countries/1991-93	The PVO strengthened its INGO partner through training and technical assistance in planning and management systems and project design and implementation, and the INGO undertook program activities that resulted in new enterprises being created and establishment of 27 community banks. The INGO, however, still relied on grant funds from the PVO. The project had a strong relationship with the INGO and involved it in project design and implementation.

(continued)



**Appendix I  
Case Study Projects**

<b>Project/sector</b>	<b>Private voluntary organization</b>	<b>Objectives</b>	<b>USAID funding/life of project</b>	<b>Comments</b>
<b>Indonesia</b>				
Health/water and sanitation	CARE	Improve health by extending water and sewer services into rural areas.	Food aid valued at \$2 million with freight costs of \$1.2 million/1988-93 (Extended to July 22, 1996, at no additional cost to USAID.)	This project, supported by monetization of food aid, provided assistance in construction of water systems in 72 villages. The PVO involved communities in planning, building, operating, and maintaining the systems, and communities financed the material and equipment. The project planned for sustainability of the water systems through user fees. CARE subsidized construction of systems in over 30 percent of villages too poor to mobilize the resources needed.
Enterprise development	National Cooperative Business Association	Increase employment and incomes by assisting cooperatives.	Food aid valued at \$5 million/1986-94	The food-monetization project provided technical assistance to develop managerial and marketing services for cooperative businesses. Project activities generated employment for about 20,000 workers; however, the project documentation did not have quantifiable indicators against which to assess progress. USAID stated that the project's objectives of creating or expanding labor-intensive businesses and increasing production of agricultural export, among others, have been met. The PVO works with businesses to organize cooperatives to develop markets. Economic activities generated by the project will be susceptible to economic circumstances in the marketplace.
Mother-child health, food for work, enterprise development	Catholic Relief Services	Improve health and nutrition of mothers and children, increase rural incomes.	Food aid valued at \$3.4 million and freight costs of \$1.3 million/1994	The project's food-for-work component completed 301 infrastructure improvement projects in 1993 and over 122,900 participants received food. The mother-child health project component served 42,291 beneficiaries at 763 community health centers and began establishing small financial institutions to provide credit for economic activities. The project has not planned for sustainability, and the activities are not self-supporting. The PVO used local counterpart organizations to provide services.
INGO development	Program for Appropriate Technology in Health	Strengthen INGOs' abilities to manage and plan health services.	\$1.2 million/1991-94 (Extended to June 30, 1995, at no additional cost to USAID)	The project provided technical assistance in financial management, project design, and strategic planning to more than 16 health sector INGOs; however, documentation did not use the original objectives to assess project progress. The government of Indonesia has integrated some project health strategies into its objectives, but income generating activities were problematic for INGOs. Beneficiary INGOs were involved in planning and implementing development projects.

(continued)

**Appendix I  
Case Study Projects**

<b>Project/sector</b>	<b>Private voluntary organization</b>	<b>Objectives</b>	<b>USAID funding/life of project</b>	<b>Comments</b>
Natural resources/ pesticide reduction	World Education	Strengthen INGOs' abilities to conduct environmental training projects.	\$1.4 million/1991-95	The project awarded 9 of the expected 14 subgrants to INGOs but provided training and materials for twice the expected number of workshops for INGOs and farmers, training about 1,000 people in pest management, media development, or consumer education. According to the PVO, pest management activities decreased pesticide use by 50 percent while maintaining product quality. The advocacy models used have high potential for sustainability, although whether the INGOs can become financially independent of the PVO is not clear. The project benefitted from INGO involvement in planning and implementation.
<b>Nepal</b>				
Female education	Asia Foundation	Increase number of girls that attend and complete secondary school.	\$0.45 million/1991-95	The project, which provided scholarships to girls who continued their educations after primary school, succeeded in increasing the number of girls attending secondary schools in target areas by 65 percent. The project was a pilot that USAID and the PVO hoped would be funded by the World Bank. The project strengthened the INGO partner's organizational skills, but the INGO did not yet have strong planning skills. The project was a replication of a project in Bangladesh, but the PVO worked closely with an INGO that carried out the project.
Rural community development	Save the Children	Improve quality of life through education, health, agriculture, and microenterprise activities.	\$1.1 million/1988-92	The project reached about 120,000 people with activities in primary health care, water and infrastructure improvements, agriculture, resource conservation management, and education, but it was unable to transfer all responsibilities for sustaining activities to community organizations during the grant period. The PVO planned to continue project activities after its USAID grant ended. The PVO worked with 30 local organizations and mobilized local volunteers to continue project activities.

(continued)

**Appendix I  
Case Study Projects**

<b>Project/sector</b>	<b>Private voluntary organization</b>	<b>Objectives</b>	<b>USAID funding/life of project</b>	<b>Comments</b>
<b>Niger</b>				
Health/child survival	Africare	Improve mother and child health.	\$1.8 million/1988-95	At its first phase mid-term evaluation, the project had trained nurses from more dispensaries than planned (15 rather than 13) and village health teams (27 rather than 24), but other planned activities that would have enhanced the achievement of project objectives, such as training for village health management committees, were dropped. The project suffered from poor management and showed minimal accomplishments at the time of our visit. Project sustainability depends on the commitment of the government of Niger to health services. Otherwise, activities will end when assistance is withdrawn. The project was not well-integrated into the Ministry of Health's local activities, and its efforts were replacing and at times duplicating Ministry of Public Health and other donors' activities at the dispensary level. USAID approved phase two of the project, although no final evaluation was conducted. Africare stated that it has addressed all the problems identified during our fieldwork, and USAID stated that recent performance data showed positive project results.
Private sector/credit union development	World Council of Credit Unions	Promote rural credit union formation through technical assistance.	\$11 million/1989-97	The project organized 20 credit unions by the end of 1993, trained over 50 credit union leaders in literacy and bookkeeping, submitted draft credit union legislation to the government of Niger, and started loan activities. However, the project was delayed by problems in recruiting qualified local staff and faced an inadequate legal and regulatory environment, which the project sought to address. As of Sept. 1995, draft legislation on credit unions had been introduced. USAID believes that about half the credit unions established under the project are now viable. Beneficiaries were involved in design and implementation of the project.

(continued)

**Appendix I  
Case Study Projects**

<b>Project/sector</b>	<b>Private voluntary organization</b>	<b>Objectives</b>	<b>USAID funding/life of project</b>	<b>Comments</b>
<b>Romania</b>				
Health and social services	Project Concern International	Improve care for institutionalized children through training and a model facility.	\$1 million/1991-95	The project successfully established a transitional living facility for handicapped adolescents and worked with Romanian medical workers in obstetrics and neonatal care. However, the PVO relied entirely on USAID funding for in-country operations and had met with resistance from Romanian health officials that hindered release of adolescents to the group home, so facilities were underused. Training of local staff was a priority, and local leaders were involved in implementing some project activities but not in designing the project.
Health	World Vision Relief and Development	Improve primary health care systems and health care for institutionalized children through training and technical assistance.	\$1 million/1991-94	The project improved clinical services to institutionalized children and adults in target institutions through direct service delivery and training of Romanian staff, but activities to strengthen local primary health systems suffered from internal problems resulting in delays and lack of clear objectives. Local staff received training and assisted in project implementation.
Health and social services	Feed the Children	Improve care for institutionalized children by improving facilities and providing supplies.	\$1.6 million/1991-95	The PVO successfully undertook 13 renovation projects at institutions for orphans and handicapped children in six districts, providing basic services, such as water and heat, that were previously unavailable. However, none of the planned nutritional activities were undertaken, and the PVO did not develop a strategy to transfer activities to indigenous institutions. Improvements were of good quality, and local staff were trained in maintenance. The PVO had local staff in leadership positions, although its planned partnership with an INGO did not materialize.
Environment	World Environment Center	Reduce industrial pollution through prevention technologies.	\$1.2 million/1990-95	The project assisted 10 enterprises through technical assistance in environmental assessments and demonstration of waste management equipment and techniques. It is unlikely that Romanian firms could undertake capital improvements without outside funding. The project developed local capacity by involving the enterprise staff in implementing new techniques.

(continued)

**Appendix I  
Case Study Projects**

<b>Project/sector</b>	<b>Private voluntary organization</b>	<b>Objectives</b>	<b>USAID funding/life of project</b>	<b>Comments</b>
<b>Thailand</b>				
INGO development	Private Agencies Collaborating Together	Strengthen INGOs' abilities to develop programs, build coalitions, and engage the public.	\$1.6 million/1990-94	The project provided grants and technical assistance in project management to 30 INGOs and INGO coalitions. The PVO anticipated that the INGOs would have difficulty finding additional resources to sustain their operations. The PVO worked closely with local counterparts and involved them in implementing project activities.
Microenterprise development	CARE	Increase incomes, employment, and productivity through credit and technical assistance to microenterprises.	\$0.3 million/1988-1993	The project assisted 816 participant families in 30 villages, and there was some replication of project activities in additional villages. However, the PVO's lack of experience in the sector and the staff-intensive approach selected in setting up businesses resulted in the PVO being unable to provide needed follow-up assistance. The project made linkages with government organizations and private sector markets for some producers' wares, and the government of Japan agreed to fund the project for an additional 2 years. The beneficiaries were involved in carrying out project activities, and the PVO provided training in financial management.

<sup>a</sup>In 1993, the Congress and the administration implemented laws and policies that prohibited USAID from providing assistance aimed at investment promotion. Consequently, the project was terminated in 1994, 3 years prior to its planned completion date.

# Distribution of PVOs by Levels of Federal Funding, 1982 to 1992

Year	Total number of registered PVOs	Federal funding in constant 1992 dollars						
		\$0	\$1-\$99,999	\$100,000-\$499,999	\$500,000-\$999,999	\$1-19.9 million	\$20-\$100 million	Over \$100 million
1982	144	18	20	26	20	53	5	2
1983	142	23	15	20	22	56	4	2
1984	154	34	15	24	18	59	2	2
1985	158	37	15	23	17	60	4	2
1986	178	55	12	21	19	60	8	3
1987	189	54	17	27	19	60	10	2
1988	207	65	22	30	17	60	11	2
1989	241	87	27	34	15	63	13	2
1990	267	102	27	35	19	68	14	2
1991	334	128	50	39	31	70	14	2
1992	384	153	52	50	34	77	16	2

Source: USAID data.

# PVOs' Federal Funding as a Share of Total Funding, 1982 and 1992 (in Constant 1992 Dollars)

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
A Call to Serve International	n/r	n/r	n/r	\$24,524.8	\$42.8	0.2
The Academy for Educational Development	n/r	n/r	n/r	71,334.8	60,910.5	85.4
Accion International	\$1,493.0	\$831.7	55.7	3,956.6	1,131.5	28.6
Action Consulting Association	n/r	n/r	n/r	6.1	0	0
Adventist Development and Relief Agency International (formerly Seventh-Day Adventist World Service)	23,403.2	17,185.2	73.4	55,246.3	41,302.2	74.8
Africa Rural Development	n/r	n/r	n/r	194.6	0	0
African Children Welfare Foundation	n/r	n/r	n/r	1,549.9	0	0
African Medical and Research Foundation	n/r	n/r	n/r	1,388.8	366.3	26.4
The African Methodist Episcopal Church Service & Development Agency	n/r	n/r	n/r	428.4	199.3	46.5
African Wildlife Foundation (formerly African Wildlife Leadership Foundation)	1,331.3	0	0	5,634.4	842.7	15.0
The African-American Institute	16,840.2	13,722.6	81.5	25,570.9	23,134.4	90.5
African-American Labor Center	5,368.7	5,058.0	94.2	6,341.1	6,113.0	96.4
Africare	8,794.5	6,045.5	68.7	15,119.6	9,669.0	64.0
AFS Intercultural Programs	n/r	n/r	n/r	32,887.3	433.2	1.3
Aga Khan Foundation, USA	n/r	n/r	n/r	3,478.1	485.4	14.0
Agricultural Cooperative Development International	3,635.5	3,250.7	89.4	13,214.2	12,300.8	93.1
Agricultural Development Council	2,735.8	941.1	34.4	n/r	n/r	n/r
Agua del Pueblo	159.6	33.6	21.1	n/r	n/r	n/r
AICF/USA (International Action Against Hunger)	n/r	n/r	n/r	1,945.0	1,894.1	97.4
Aid to Artisans	n/r	n/r	n/r	746.8	310.5	41.6
Air Serv International	n/r	n/r	n/r	8,173.8	469.7	5.8
Aletheia Foundation	n/r	n/r	n/r	99.6	0	0
Alliance for Communities in Action	n/r	n/r	n/r	46.0	0	0
ALM International (formerly American Leprosy Missions)	3,102.1	43.4	1.4	7,464.3	10.0	0.1
America-Mideast Educational and Training Services	8,464.4	6,644.1	78.5	29,514.6	21,797.3	73.9
America's Development Foundation	n/r	n/r	n/r	2,272.5	1,900.8	83.6

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
American Association for International Aging	n/r	n/r	n/r	198.3	96.4	48.6
American Association of Zoological Parks and Aquariums	n/r	n/r	n/r	1,871.4	0	0
American Bureau for Medical Advancement in China	435.0	0	0	n/r	n/r	n/r
American College of Nurse-Midwives	n/r	n/r	n/r	2,920.1	372.0	12.7
American Colonization Society Charitable Fund	n/r	n/r	n/r	17.5	11.5	65.6
American Committee for Aid to Poland	n/r	n/r	n/r	293.7	157.4	53.6
American Committee for Shaare Zedek Hospital in Jerusalem	8,902.1	343.3	3.9	11,099.2	0	0
American Council on Education	n/r	n/r	n/r	21,735.8	3,060.1	14.1
American Dentists for Foreign Service	151.2	0	.0	409.2	0	0
American Friends of Kiryat Sanz Laniado Hospital	2,656.4	0	0	1,461.4	0	0
American Friends Service Committee	24,043.6	861.4	3.6	36,380.7	0	0
American Himalayan Foundation	n/r	n/r	n/r	382.6	0	0
American Institute for Free Labor Development	14,221.9	13,636.3	95.9	15,544.5	14,286.1	91.9
The American Jewish Joint Distribution Committee	75,336.9	19,026.8	25.3	83,193.7	6,690.7	8.0
American Jewish World Service	n/r	n/r	n/r	2,217.2	1.5	0.1
American Latvian Association in the United States	n/r	n/r	n/r	604.2	0	0
American Medical Resources Foundation	n/r	n/r	n/r	336.5	0	0
American Mizrahi Women	3,348.0	43.4	1.3	n/r	n/r	n/r
American National Red Cross	n/r	n/r	n/r	412,331.0	29,626.7	7.2
American Near East Refugee Aid	2,560.1	1,883.3	73.6	4,897.5	3,654.6	74.6
American ORT Federation	12,688.6	2,121.5	16.7	12,496.0	1,349.3	10.8
American Red Magen David for Israel	5,280.4	238.6	4.5	6,985.8	0	0
American Refugee Committee	n/r	n/r	n/r	3,265.2	1,276.4	39.1
American Schools of Oriental Research	1,525.0	386.8	25.4	n/r	n/r	n/r
American Service to India	n/r	n/r	n/r	90.2	0	0
American Urological Association	n/r	n/r	n/r	11,389.6	210.7	1.9
Americans for the Restitution and Righting of Old Wrongs	n/r	n/r	n/r	175.6	0	0

(continued)



**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
AmeriCares Foundation	n/r	n/r	n/r	102,231.2	210.0	0.2
Amigos de las Americas	1,892.3	0	0	n/r	n/r	n/r
Andean Rural Health Care	n/r	n/r	n/r	929.8	164.9	17.7
Appropriate Technology International	n/r	n/r	n/r	4,544.2	3,763.7	82.8
The Armenian Assembly of America Relief Fund	n/r	n/r	n/r	1,067.0	788.7	73.9
Armenian General Benevolent Union	3,569.2	205.0	5.7	19,329.6	713.7	3.7
Armenian Missionary Association of America	n/r	n/r	n/r	3,995.0	385.4	9.7
The Armenian Relief Society	n/r	n/r	n/r	650.3	0	0
The Armenian Relief Society of North America	n/r	n/r	n/r	851.5	463.8	54.5
The Asia Foundation	11,181.4	9,667.5	86.5	43,030.2	31,165.3	72.4
Asian-American Free Labor Institute	5,824.6	5,648.3	97.0	4,056.1	2,625.4	64.7
Association for Voluntary Sterilization	16,556.8	15,758.4	95.2	n/r	n/r	n/r
Bethany Christian Services	n/r	n/r	n/r	16,314.1	54.8	0.3
Bicentennial Volunteers	n/r	n/r	n/r	3,567.0	2,692.3	75.5
Big Brothers/Big Sisters of New York City	n/r	n/r	n/r	1,442.0	0	0
Booker T. Washington Foundation	4,185.2	3,945.3	94.3	n/r	n/r	n/r
Books for Africa	n/r	n/r	n/r	884.9	15.0	1.7
Books for the World	n/r	n/r	n/r	144.4	87.1	60.3
Boys' Club of America	10,480.1	472.4	4.5	n/r	n/r	n/r
Brooke Foundation	n/r	n/r	n/r	372.5	0	0
Brother to Brother International	n/r	n/r	n/r	26,284.0	11.4	0
Brothers' Brother Foundation	2,156.2	5.9	0.3	71,513.1	25,806.9	36.1
The Burma American Fund	n/r	n/r	n/r	86.0	62.4	72.5
Cambodian Children's Education Fund	n/r	n/r	n/r	35.7	5.1	14.3
Caribbean Conservation Corporation	n/r	n/r	n/r	713.5	245.1	34.4
Caribbean Food Bank	n/r	n/r	n/r	370.9	122.9	33.1
Caribbean/Latin American Action	n/r	n/r	n/r	1,220.5	50.0	4.1
Caribbeana Council	324.4	207.0	63.8	n/r	n/r	n/r
Carnegie Council on Ethics and International Affairs	n/r	n/r	n/r	3,067.3	0	0
Catholic Medical Mission Board	n/r	n/r	n/r	25,579.1	0	0
Catholic Near East Welfare Association	n/r	n/r	n/r	18,371.2	0	0

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Catholic Relief Services - USCC	483,074.8	332,227.3	68.8	290,335.0	221,192.0	76.2
Center for Citizen Initiatives	n/r	n/r	n/r	1,089.2	0	0
Center for Clean Air Policy	n/r	n/r	n/r	850.6	416.6	49.0
The Center for Health, Education and Economic Research	n/r	n/r	n/r	14.8	0	0
Center for Marine Conservation	n/r	n/r	n/r	7,877.7	639.1	8.1
The Center for Natural and Traditional Medicines	n/r	n/r	n/r	186.9	0	0
Center for Racial Equality and Democratic Opportunity	n/r	n/r	n/r	15.4	0	0
Center for Victims of Torture	n/r	n/r	n/r	858.1	0	0
The Centre for Development and Population Activities	n/r	n/r	n/r	6,201.8	4,518.6	72.9
Child and Family Service	n/r	n/r	n/r	9,959.2	0	0
Child Hope Foundation	n/r	n/r	n/r	486.7	70.0	14.4
Children International (Holy Land Christian Mission)	9,036.3	1,268.1	14.0	36,738.5	0	0
Children's Health Fund	n/r	n/r	n/r	3,802.7	0	0
Children's Hospital of Pittsburgh	n/r	n/r	n/r	161,967.1	0	0
Children's Services of Colorado	n/r	n/r	n/r	2,100.8	1,739.5	82.8
Chol-Chol Foundation (formerly Chol-Chol Foundation for Human Development)	429.8	0	0	384.7	0	0
Christian Blind Mission International	n/r	n/r	n/r	1,111.1	0	0
Christian Children's Fund	60,772.9	0	0	106,094.6	0	0
Christian Outreach Appeal	n/r	n/r	n/r	1,341.2	0	0
Christian Reformed World Relief Committee	n/r	n/r	n/r	5,115.2	190.6	3.7
Christian Relief Services	n/r	n/r	n/r	37,433.7	407.6	1.1
Church World Service	87,744.0	38,111.8	43.4	43,590.3	9,467.1	21.7
Citizens Democracy Corps	n/r	n/r	n/r	4,330.2	1,689.3	39.0
The Citizens Network for Foreign Affairs	n/r	n/r	n/r	768.3	559.0	72.8
Community Development Foundation	2,199.0	2,026.1	92.1	n/r	n/r	n/r
Community of Caring	n/r	n/r	n/r	816.6	4.3	0.5
Community Services Council	n/r	n/r	n/r	8,751.1	0	0
Community Systems Foundation	445.4	262.0	58.8	458.2	87.4	19.1
Compassion International	1,193.2	319.4	26.8	47,997.6	0	0

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Compatible Technology	n/r	n/r	n/r	176.3	0	0
Congressional Human Rights Foundation	n/r	n/r	n/r	453.3	0	0
The Conservation International Foundation	n/r	n/r	n/r	11,671.6	2,079.1	17.8
Consortium for Community Self-Help	435.0	433.5	99.7	n/r	n/r	n/r
The Consortium for the MBA Enterprise Corps	n/r	n/r	n/r	1,453.4	617.4	42.5
CARE	382,828.6	298,001.0	77.8	432,451.0	258,317.0	59.7
Cooperative Housing Foundation	1,237.5	1,113.1	90.0	3,377.5	2,712.8	80.3
Cooperative League Fund	420.5	0	0	n/r	n/r	n/r
Coordination in Development	2,940.4	1,753.0	59.6	1,657.9	600.0	36.2
Council of International Programs for Youth Leaders and Social Workers	889.3	784.1	88.2	n/r	n/r	n/r
Counterpart Foundation (formerly Foundation for the Peoples of the South Pacific)	1,326.2	831.2	62.7	3,107.3	1,274.6	41.0
Covenant House	n/r	n/r	n/r	80,842.0	1,398.8	1.7
Credit Union National Association	20,114.7	2,173.4	10.8	24,472.7	7,944.1	32.5
Croatian Democracy Project	n/r	n/r	n/r	51.9	0	0
Cultural Survival	n/r	n/r	n/r	4,262.7	388.9	9.1
Davis Memorial Goodwill Industries	n/r	n/r	n/r	11,981.0	3,221.3	26.9
Delphi International	n/r	n/r	n/r	5,194.4	4,635.4	89.2
Dental Health International	n/r	n/r	n/r	70.9	0	0
Dian Fossey Gorilla Fund	n/r	n/r	n/r	434.3	54.6	12.6
Direct Relief International	8,177.9	3.9	0.1	9,726.9	660.3	6.8
DKT International	n/r	n/r	n/r	5,235.5	40.0	0.8
Docate International	5.7	0	0	n/r	n/r	n/r
Doctors Without Borders USA	n/r	n/r	n/r	1,660.1	973.0	58.6
Domestic/Foreign Missionary Society of the Protestant Episcopal Church	56,015.3	1,017.4	1.8	60,194.0	2,232.0	3.7
Doulos Community	n/r	n/r	n/r	169.5	0	0
The East Los Angeles Community Union	22,463.6	15,862.9	70.6	n/r	n/r	n/r
East West Educational Development Foundation	n/r	n/r	n/r	800.9	0	0
Educational and Research Foundation for AAFPRS	n/r	n/r	n/r	880.3	0	0

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Egyptians Relief Association	n/r	n/r	n/r	43.4	0	0
Elwyn	n/r	n/r	n/r	85,441.4	0	0
Enersol Associates	n/r	n/r	n/r	270.2	74.2	27.5
ENTERPRISE Development International	n/r	n/r	n/r	1,586.7	0	0
Environmental Law Institute	n/r	n/r	n/r	5,262.6	2,184.6	41.5
Esperanca	1,422.6	97.3	6.8	2,343.6	593.9	25.3
Estonian American Fund for Economic Education	n/r	n/r	n/r	101.4	0	0
Evangelical Association for the Promotion of Education	n/r	n/r	n/r	1,173.3	0	0
Eye Care	376.0	0	0	415.6	217.2	52.3
Family Health International	n/r	n/r	n/r	36,698.5	33,466.8	91.2
Feed My People International	n/r	n/r	n/r	5,997.0	106.2	1.8
Feed the Children	n/r	n/r	n/r	88,851.5	307.5	0.4
Financial Services Volunteer Corps	n/r	n/r	n/r	16,757.2	1,425.3	8.5
Floresta USA	n/r	n/r	n/r	227.4	0	0
Florida Association of Voluntary Agencies for Caribbean Action	n/r	n/r	n/r	704.8	180.4	25.6
Food Corps, USA	n/r	n/r	n/r	70.8	0	0
Food for the Hungry	8,812.0	0	0	32,476.9	7,627.4	23.5
Food for the Poor	n/r	n/r	n/r	12,335.6	435.0	3.5
Foundation for International Community Assistance	n/r	n/r	n/r	3,446.8	2,943.4	85.4
Foundation of Compassionate American Samaritans	n/r	n/r	n/r	67.3	0	0
Free Trade Union Institute	n/r	n/r	n/r	12,267.3	3,023.9	24.7
Freedom from Hunger (formerly Meals for Millions/Freedom from Hunger Foundation)	2,172.8	549.8	25.3	n/r	n/r	n/r
Freedom House	n/r	n/r	n/r	2,927.1	106.6	3.6
Friends of Animals	n/r	n/r	n/r	3,579.1	0	0
Friends of Children	578.7	0	0	n/r	n/r	n/r
Friends of Conservation - Friends of the Masai Mara	n/r	n/r	n/r	348.6	0	0
Friends of Liberia	n/r	n/r	n/r	38.9	0	0
Friends of the Shanta Bhawan	n/r	n/r	n/r	40.0	0	0
Friends of Women's World Banking	n/r	n/r	n/r	327.8	0	0

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Fund for Democracy and Development	n/r	n/r	n/r	935.0	266.3	28.5
The Fund for Peace	n/r	n/r	n/r	2,224.2	0	0
The German Marshall Fund of the United States	n/r	n/r	n/r	16,099.8	0	0
Girl Scouts of the USA	26,079.2	45.2	0.2	n/r	n/r	n/r
Global Health Action	n/r	n/r	n/r	824.0	24.4	3.0
Global Health Ministries	n/r	n/r	n/r	391.6	0	0
Global Hunger Project	n/r	n/r	n/r	4,144.6	0	0
Global Jewish Assistance and Relief Network	n/r	n/r	n/r	797.3	0	0
Global Links	n/r	n/r	n/r	2,449.1	4.2	0.2
Global Outreach	552.5	252.3	45.7	n/r	n/r	n/r
Goodwill Industries of America	5,127.0	1,449.9	28.3	6,927.9	945.6	13.7
The Greater Caribbean Energy and Environment Foundation	n/r	n/r	n/r	28.7	0	0
Hadassah, The Women's Zionist Organization of America	50,672.3	925.2	1.8	83,049.1	1,927.4	2.3
The Haitian Health Clinic	n/r	n/r	n/r	626.3	0	0
Hands to Clinical Labs of Third World Countries	n/r	n/r	n/r	124.9	0	0
Harry T. Fultz Albanian-American Educational Foundation	n/r	n/r	n/r	65.6	0	0
HE.R.MAN.D.A.D.	n/r	n/r	n/r	62.7	0	0
Health and Development International	n/r	n/r	n/r	54.7	0	0
Health Volunteers Overseas	n/r	n/r	n/r	4,216.4	771.8	18.3
Heifer Project International	4,712.8	284.5	6.0	8,950.5	602.7	6.7
Helen Keller International	2,179.4	618.9	28.4	7,289.0	3,603.3	49.4
Hias	17,165.6	9,074.5	52.9	n/r	n/r	n/r
High Scope Educational Research Foundation	3,198.5	2,156.4	67.4	5,887.2	161.6	2.8
Holt International Children's Services	2,704.9	20.5	0	6,745.2	605.9	9.0
Home Management, Employment Skills and Entrepreneurship Institute	n/r	n/r	n/r	130.7	0	0
Hospital Relief Fund of the Caribbean	n/r	n/r	n/r	1.5	0	0
Humanity International	n/r	n/r	n/r	1.9	0	0
Indus Medical Foundation	n/r	n/r	n/r	100.2	0	0
Institute for Central American Studies	n/r	n/r	n/r	128.7	0	0

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Institute for Development Research	n/r	n/r	n/r	370.7	13.3	3.6
Institute for International Development	1,643.0	729.9	44.4	n/r	n/r	n/r
Institute for Practical Idealism (Legacy International)	n/r	n/r	n/r	657.5	45.2	6.9
Institute of Cultural Affairs	3,636.0	264.5	7.3	2,310.6	77.3	3.4
Institute of International Education	86,963.9	23,852.9	27.4	139,203.3	46,677.2	33.5
Institute of International Law and Economic Development	21.0	16.4	78.2	n/r	n/r	n/r
Institutional Development and Economic Affairs Service	308.4	284.7	92.3	n/r	n/r	n/r
INTER-AID INCORPORATED (International Christian Aid)	n/r	n/r	n/r	789.7	0	0
International Aid	n/r	n/r	n/r	1,984.2	0	0
International Alliance for Children	199.4	0	0	355.9	0	0
The International Book Bank	n/r	n/r	n/r	11,874.1	80.0	0.7
The International Center	n/r	n/r	n/r	1,126.1	52.9	4.7
International Center for Children's Health	n/r	n/r	n/r	1,573.0	19.1	1.2
International Center for the Solution of Environmental Problems	n/r	n/r	n/r	219.4	0	0
International Child Care USA	n/r	n/r	n/r	468.6	0	0
International Child Health Foundation	n/r	n/r	n/r	336.1	0	0
International Child Resource Institute	n/r	n/r	n/r	313.6	0	0
International Church Relief Fund	n/r	n/r	n/r	4,656.0	23.3	0.5
International Clinical Epidemiology Network	n/r	n/r	n/r	410.2	58.3	14.2
International Development Enterprises	n/r	n/r	n/r	926.9	0	0
International Educational Development	1,278.9	1,098.4	85.9	n/r	n/r	n/r
International Executive Service Corps	22,532.5	6,156.2	27.3	56,366.0	23,426.5	41.6
International Eye Foundation	4,564.8	1,526.4	33.4	3,724.1	964.5	25.9
International Federation for Family Life Promotion	n/r	n/r	n/r	620.4	0	0
International Foundation for Education and Self-Help	n/r	n/r	n/r	3,161.6	536.7	17.0
International Human Assistance Programs	9,125.2	1,801.4	19.7	n/r	n/r	n/r
International Institute for Energy Conservation	n/r	n/r	n/r	2,064.3	573.3	27.8

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
International Institute of Rural Reconstruction	1,606.2	357.8	22.3	2,710.1	662.6	24.5
International Lifeline	n/r	n/r	n/r	4,548.7	4,304.9	94.6
The International Media Fund	n/r	n/r	n/r	3,564.1	3,564.0	100.0
International Medical and Research Foundation	1,528.6	1,391.5	91.0	n/r	n/r	n/r
The International Medical Corps	n/r	n/r	n/r	9,350.8	6,291.7	67.3
International Medical Services for Health	n/r	n/r	n/r	1,226.1	43.3	3.5
International Nursing Services Association	412.5	17.3	4.2	n/r	n/r	n/r
International Orthodox Christian Charities	n/r	n/r	n/r	1,313.7	0	0
International Partnership for Human Development	n/r	n/r	n/r	6,388.3	5,732.1	89.7
International Planned Parenthood Federation/Western Hemisphere Region	4,585.6	0	0	14,536.8	8,911.4	61.3
International Program for Human Resource Development	74.7	0	0	n/r	n/r	n/r
International Refugee Center of Oregon	n/r	n/r	n/r	2,583.0	1,974.2	76.4
International Rescue Committee	39,863.0	28,567.7	71.7	54,409.6	21,080.7	38.7
International Service Center	n/r	n/r	n/r	153.4	0	0
International Services of Hope/Impact Medical Division	n/r	n/r	n/r	148.4	0	0
International Social Service American Branch	306.4	0	0	n/r	n/r	n/r
International Society of Tropical Foresters	n/r	n/r	n/r	59.2	20.7	35.0
International Union for the Conservation of Nature and Natural Resources	n/r	n/r	n/r	1,271.0	157.5	12.4
International United Black Fund	n/r	n/r	n/r	10.2	0	0
International Voluntary Services	3,284.5	1,679.7	51.1	1,701.6	765.9	45.0
International Wilderness Leadership Foundation	n/r	n/r	n/r	445.3	0	0
International Youth Foundation	n/r	n/r	n/r	3,467.0	0	0
Island Resources Foundation	n/r	n/r	n/r	338.1	222.6	65.8
J.M. Murray Center	n/r	n/r	n/r	8,202.3	0	0
Joint Center for Political and Economic Studies	n/r	n/r	n/r	6,174.8	0	0

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Junior Achievement	n/r	n/r	n/r	9,370.2	0	0
Katalysis North/South Development Partnership	n/r	n/r	n/r	717.9	211.6	29.5
Khmer Alliance Foundation	n/r	n/r	n/r	9.3	0	0
La Leche League International	1,498.7	212.2	14.2	2,879.2	170.9	5.9
Laubach Literacy International	2,777.1	44.9	1.6	n/r	n/r	n/r
Lawyers Alliance for World Security	n/r	n/r	n/r	308.0	37.2	12.1
Lawyers' Committee for Civil Rights Under Law	n/r	n/r	n/r	4,357.0	226.3	5.2
The Life Link	n/r	n/r	n/r	557.5	17.1	3.1
Lighthawk	n/r	n/r	n/r	1,654.6	0	0
Lions Club International Foundation	n/r	n/r	n/r	30,109.8	0	0
Lithuanian Children's Relief	n/r	n/r	n/r	37.8	0	0
Lutheran World Relief	15,706.1	4,613.5	29.4	22,940.2	5,249.4	22.9
Maine Adoption Placement Service	n/r	n/r	n/r	667.3	60.5	9.1
Manomet Bird Observatory	n/r	n/r	n/r	3,479.9	0	0
MAP International	40,332.7	464.7	1.2	38,259.7	105.1	0.3
Maranatha Volunteers International	n/r	n/r	n/r	1,579.9	0	0
The Martin Luther King, Jr. Center for Nonviolent Social Change	n/r	n/r	n/r	4,042.9	1,023.4	25.3
Massachusetts Audubon Society	n/r	n/r	n/r	21,647.4	1,035.5	4.8
Media for Development International	n/r	n/r	n/r	265.7	5.4	2.1
Medical Benevolence Foundation	n/r	n/r	n/r	4,479.6	122.1	2.7
Medical Care Development	3,855.8	1,725.2	44.7	6,682.6	878.3	13.1
Medical Education for South African Blacks	n/r	n/r	n/r	1,187.8	0	0
Medical Outreach for Armenians	n/r	n/r	n/r	1,566.3	0	0
Medical Teams International	n/r	n/r	n/r	34,769.6	18,437.6	53.0
Melwood Horticultural Training Center	n/r	n/r	n/r	10,537.7	0	0
Mennonite Central Committee	27,805.8	460.5	1.7	39,193.7	182.7	0.5
The Mennonite Economic Development Associates	n/r	n/r	n/r	374.9	0	0
Mercy Corps International	n/r	n/r	n/r	17,839.7	3,112.5	17.5
Mercy International Health Services	n/r	n/r	n/r	3,691.8	71.7	1.9
Mercy Ships	n/r	n/r	n/r	10,105.5	0	0
Ministry of Jesus	n/r	n/r	n/r	108.7	0	0

(continued)



**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Minnesota International Health Volunteers	n/r	n/r	n/r	565.0	242.6	42.9
Mission Without Borders International	n/r	n/r	n/r	17,314.1	3.2	<0.1
Missouri Botanical Garden	n/r	n/r	n/r	26,585.2	1,776.5	6.7
Mozambique Health Committee	n/r	n/r	n/r	455.9	393.1	86.2
National Cooperative Business Association (formerly Cooperative League of the U.S.A.)	3,722.0	3,091.0	83.1	10,354.6	8,170.3	78.9
National Council for International Health	621.8	527.3	84.8	1,150.1	336.6	29.3
National Council of Negro Women	4,481.3	3,825.2	85.4	5,214.1	1,554.9	29.8
National Cristina Foundation	n/r	n/r	n/r	1,409.2	0	0
National Fish and Wildlife Foundation	n/r	n/r	n/r	14,271.6	5,400.1	37.8
National Forum for Black Administrators	n/r	n/r	n/r	1,310.6	148.7	11.4
National Office for Social Responsibility in the Private Sector	754.4	723.2	95.9	n/r	n/r	n/r
National Parents' Resource Institute for Drug Education	n/r	n/r	n/r	819.6	0	0
National Planning Association	n/r	n/r	n/r	1,651.8	0	0
National Rural Electric Cooperative Association	29,634.1	2,509.8	8.5	66,359.4	10,052.7	15.2
National Rural Electric Cooperative Association - International Foundation	n/r	n/r	n/r	120.0	39.3	32.8
National Telephone Cooperative Association	n/r	n/r	n/r	12,819.6	630.0	4.9
National 4-H Council	14,818.5	367.2	2.5	16,123.7	699.8	4.3
The Nature Conservancy	n/r	n/r	n/r	274,909.0	1,616.9	0.6
Nazarene Compassionate Ministries	n/r	n/r	n/r	251.2	0	0
Near East Foundation	2,468.7	470.7	19.1	2,844.0	354.4	12.5
New Israel Fund	n/r	n/r	n/r	8,924.3	0	0
New Transcentury Foundation	6,466.8	6,298.5	97.4	n/r	n/r	n/r
New York Botanical Garden	n/r	n/r	n/r	25,309.2	2,006.2	7.9
New York Zoological Society/Wildlife Conservation International	n/r	n/r	n/r	64,969.5	1,219.9	1.9
Nitrogen Fixing Tree Association	n/r	n/r	n/r	347.5	48.3	13.9
Obermayer Foundation	n/r	n/r	n/r	69.0	0	0
OBOR	92.3	43.4	47.0	267.6	61.8	23.1

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Operation Blessing International Relief & Development Corporation	n/r	n/r	n/r	2,489.3	67.5	2.7
Operation Bootstrap Africa	n/r	n/r	n/r	247.4	0	0
Operation Bootstrap - Tanzania	133.0	9.8	7.4	n/r	n/r	n/r
Operation Independence	n/r	n/r	n/r	1,454.2	525.0	36.1
Operation Smile International	n/r	n/r	n/r	4,521.7	265.2	5.9
Operation USA	n/r	n/r	n/r	5,204.0	31.4	0.6
Opportunities Industrialization Centers International	5,100.8	5,076.7	99.5	8,525.9	4,689.5	55.0
Opportunity International	n/r	n/r	n/r	3,043.8	470.9	15.5
Organization for Tropical Studies	n/r	n/r	n/r	3,830.8	825.8	21.6
Our Little Brothers and Sisters	n/r	n/r	n/r	6,396.1	0	0
Outreach International	n/r	n/r	n/r	917.9	0	0
Overseas Education Fund of the League of Women Voters	2,585.1	2,085.2	80.7	n/r	n/r	n/r
Pan American Association of Eye Banks	n/r	n/r	n/r	18.6	0	0
Pan American Development Foundation	7,285.5	1,555.9	21.4	8,361.6	3,169.3	37.9
Park West Children's Fund	n/r	n/r	n/r	14,551.3	4.3	0
Partners in Economic Reform	n/r	n/r	n/r	439.1	182.1	41.5
Partners in International Development	n/r	n/r	n/r	78.6	0	0
Partners of the Americas (formerly National Association of the Partners of the Alliance)	2,414.8	1,658.3	68.7	8,478.1	6,586.3	77.7
Partnership for Productivity Foundation/USA	889.5	587.1	66.0	n/r	n/r	n/r
Pathfinder International (formerly Pathfinder Fund)	8,284.0	6,932.6	83.7	21,930.5	19,957.8	91.0
Paul Carlson Medical Program	610.6	309.1	50.6	n/r	n/r	n/r
The Pearl S. Buck Foundation	2,987.8	460.1	15.4	4,934.3	28.6	0.6
The People-to-People Health Foundation (Project HOPE)	18,753.3	3,788.9	20.2	89,621.0	25,244.0	28.2
The Peregrine Fund	n/r	n/r	n/r	2,136.3	539.1	25.2
Perkins School for the Blind	n/r	n/r	n/r	32,851.6	759.3	2.3
The Phelps-Stokes Fund	n/r	n/r	n/r	3,668.8	0	0
Philippine American Foundation	n/r	n/r	n/r	744.7	0	0
Pioneer Women, Women's Labor Zionist Organization of America	3,936.0	12.7	0.3	n/r	n/r	n/r

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Plan International USA (formerly Foster Parents Plan)	14,633.4	166.8	1.1	30,688.6	996.9	3.3
Planned Parenthood Federation of America	34,865.0	24,732.7	70.9	41,869.9	4,163.7	9.9
Planned Parenthood of New York City	11,967.6	1,265.3	10.6	20,303.0	0	0
Planning Assistance	732.8	457.5	62.4	2,699.3	577.2	21.4
Polish American Congress Charitable Foundation	n/r	n/r	n/r	12,707.4	669.7	5.3
Polish Welfare Association	n/r	n/r	n/r	1,394.8	0	0
The Population Council	25,483.0	7,209.2	28.3	44,129.5	17,050.9	38.6
Population Services International	n/r	n/r	n/r	16,031.8	14,451.6	90.1
Por Cristo	n/r	n/r	n/r	1,407.2	0	0
Private Agencies Collaborating Together	5,170.2	5,057.9	97.8	6,600.1	6,217.1	94.2
Private Sector Initiatives Foundation	n/r	n/r	n/r	147.1	0	0
PRO Women	n/r	n/r	n/r	352.3	215.4	61.2
Program for Appropriate Technology in Health	n/r	n/r	n/r	15,617.0	4,068.4	26.1
Program for the Introduction and Adaptation of Contraceptive Technology	1,804.3	9.8	0.5	n/r	n/r	n/r
Project Concern International	6,009.7	847.3	14.1	9,070.9	2,101.0	23.2
Project Dawn	n/r	n/r	n/r	241.8	0	0
Project Mercy	n/r	n/r	n/r	418.3	0	0
Project ORBIS International	n/r	n/r	n/r	20,733.3	1,833.0	8.8
Quebec-Labrador Foundation/The Atlantic Center for the Environment	n/r	n/r	n/r	1,407.5	69.4	4.9
RARE Center for Tropical Conservation	n/r	n/r	n/r	454.8	39.0	8.6
Rav Tov Committee to Aid New Immigrants	3,303.5	1,940.1	58.7	n/r	n/r	n/r
The Resource Foundation	n/r	n/r	n/r	329.8	0	0
River Blindness Foundation	n/r	n/r	n/r	9,959.5	0	0
Rizal/MacArthur Memorial Foundation	79.0	9.9	12.6	55.3	8.9	16.1
Rocky Mountain Adoption Exchange	n/r	n/r	n/r	974.8	121.9	12.5
Rodale Institute	n/r	n/r	n/r	4,325.2	703.2	16.3
The Rotary Foundation of Rotary International	n/r	n/r	n/r	84,209.0	651.6	0.8
Sabre Foundation	n/r	n/r	n/r	14,276.7	117.7	0.8
Safari Club International	n/r	n/r	n/r	6,411.2	0	0

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
Salesian Missions	n/r	n/r	n/r	33,321.9	1,165.1	3.5
Salvadoran American Foundation	n/r	n/r	n/r	11,216.1	22.7	0.2
The Salvation Army World Service Office	1,112.6	888.9	79.9	16,614.0	478.6	2.9
Samaritan's Purse	n/r	n/r	n/r	8,921.9	0	0
San Diego State University Foundation	n/r	n/r	n/r	87,290.5	29,267.7	33.5
Save the Children Federation	26,577.1	5,464.6	20.6	93,113.0	36,784.2	39.5
Share and Care Foundation for India	n/r	n/r	n/r	1,153.9	0	0
Society of St. Andrew	n/r	n/r	n/r	1,337.4	0	0
Somali Relief Federation	n/r	n/r	n/r	4.3	0	0
Southeast Asia Resource Action Center	n/r	n/r	n/r	330.7	152.8	46.2
Sovereign Military Order of Malta, Federal Association, U.S.A.	n/r	n/r	n/r	6,629.7	28.9	0.4
Sudan-American Foundation for Education	n/r	n/r	n/r	8.5	6.0	70.8
Summer Institute of Linguistics	41,434.1	945.8	2.3	76,546.0	0	0
Support Centers of America	n/r	n/r	n/r	3,173.1	0	0
The Synergos Institute	n/r	n/r	n/r	1,177.3	0	0
TechnoServe	3,046.7	1,775.0	58.3	7,345.3	3,453.2	47.0
Terra Institute	14.0	13.0	92.3	n/r	n/r	n/r
Thomas A. Dooley Foundation/INTERMED-USA	952.9	47.5	5.0	864.1	6.5	0.8
Tissue Banks International	n/r	n/r	n/r	6,886.7	0	0
Tom Dooley Heritage	531.3	253.1	47.6	55.0	0	0
Touch Romania	n/r	n/r	n/r	80.4	0	0
Town Affiliation Association of the United States (Sister Cities International)	837.4	571.5	68.3	1,870.8	635.4	34.0
Trees for Life	n/r	n/r	n/r	338.8	0	0
Trickle-Up Program	n/r	n/r	n/r	1,144.5	0	0
The U.S. - Baltic Foundation	n/r	n/r	n/r	177.7	60.0	33.8
U.S. National Committee for Pacific Economic Cooperation	n/r	n/r	n/r	1,224.2	278.3	22.7
Unitarian Universalist Service Committee	1,733.7	0	0	n/r	n/r	n/r
United Board for Christian Higher Education in Asia	n/r	n/r	n/r	7,520.2	0	0
United Israel Appeal	409,520.3	40,783.8	10.0	395,983.0	97,064.0	24.5
United Methodist Committee on Relief	n/r	n/r	n/r	24,415.2	0	0

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
United Palestinian Appeal	n/r	n/r	n/r	434.7	0	0
United States Foundation for International Scouting	1,632.0	476.1	29.2	n/r	n/r	n/r
United Ukrainian American Relief Committee	n/r	n/r	n/r	1,132.2	0	0
United Way International	n/r	n/r	n/r	1,262.5	0	0
Victoria and Albert Gildred Foundation for Latin American Health and Education	532.6	57.8	10.9	n/r	n/r	n/r
Viet-Nam Assistance for the Handicapped	n/r	n/r	n/r	20.9	0	0
Vietnam Veterans of America Foundation	n/r	n/r	n/r	1,348.1	0	0
Volunteer Development Corps	1,353.0	763.8	56.5	n/r	n/r	n/r
Volunteer Optometric Services to Humanity/California	n/r	n/r	n/r	80.2	0	0
Volunteers in Overseas Cooperative Assistance	n/r	n/r	n/r	12,502.8	7,231.6	57.8
Volunteers in Technical Assistance	3,065.7	2,331.8	76.1	10,476.4	9,029.6	86.2
Water for People	n/r	n/r	n/r	421.1	0	0
The Wilderness Society	n/r	n/r	n/r	16,824.0	34.1	0.2
Winrock International Institute for Agricultural Development (formerly Winrock International Livestock Research and Training Center)	4,597.8	602.3	13.1	29,263.0	14,905.9	50.9
Wisconsin-Nicaragua Partners of the Americas	219.7	26.4	12.0	n/r	n/r	n/r
Woodlands Mountain Institute	n/r	n/r	n/r	1,432.2	345.5	24.1
World Association for Children and Parents	n/r	n/r	n/r	1,794.6	0	0
World Concern Development Organization	n/r	n/r	n/r	14,311.0	809.8	5.7
World Education	2,220.6	933.7	42.1	4,100.0	2,791.3	68.1
World Emergency Relief	n/r	n/r	n/r	4,924.6	0	0
World Federation for Medical Education	194.3	179.8	92.6	n/r	n/r	n/r
World Federation for Mental Health	n/r	n/r	n/r	149.9	0	0
World Institute on Disability	n/r	n/r	n/r	1,542.9	903.9	58.6
World Learning (formerly Experiment in International Living)	12,855.5	1,714.4	13.3	51,335.5	19,304.2	37.6
World Medical Mission	n/r	n/r	n/r	4,070.9	0	0

(continued)

**Appendix III  
PVOs' Federal Funding as a Share of Total  
Funding, 1982 and 1992 (in Constant 1992  
Dollars)**

Dollars in thousands

PVO name	1982			1992		
	Total funding from all sources	Federal funding	Federal funding as percent of total funding	Total funding from all sources	Federal funding	Federal funding as percent of total funding
World Rehabilitation Fund	1,901.8	543.7	28.6	2,371.9	1,983.3	83.6
World Relief Corporation	19,794.0	7,258.6	36.7	19,097.0	10,867.0	56.9
World Resources Institute	n/r	n/r	n/r	10,442.1	2,450.8	23.5
World SHARE	n/r	n/r	n/r	47,962.6	7,236.3	15.1
World Vision Relief and Development	8,287.7	5,649.4	68.2	87,152.2	37,127.1	42.6
World Wildlife Fund	n/r	n/r	n/r	59,867.2	12,201.7	20.4
Worldcare	n/r	n/r	n/r	1,632.8	0	0
WorldTeach	n/r	n/r	n/r	461.1	0	0
Yirawah International	n/r	n/r	n/r	49.0	0	0
Young Men's Christian Association of the USA	33,229.8	4,319.0	13.0	38,582.0	2,475.8	6.4
Young Women's Christian Association of the U.S.A., National Board of the	9,734.2	0	0	n/r	n/r	n/r

Note: "n/r" means that the organization was not registered or its financial information was not available in that year.

Source: USAID data.

# Comments From the Agency for International Development

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

SEP 15 1995

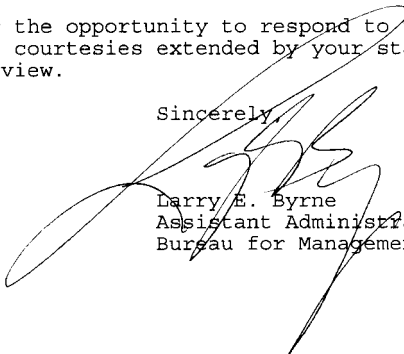
Mr. Henry L. Hinton, Jr.  
Assistant Comptroller General  
National Security and International  
Affairs Division  
U.S. General Accounting Office  
441 G Street, N.W., Room 4039  
Washington, D. C. 20548

Dear Mr. Hinton:

I am pleased to provide the formal response of the U.S. Agency for International Development (USAID) on the draft GAO report entitled, "FOREIGN ASSISTANCE: Private Voluntary Organizations' Contributions and Limitations," dated August 1995 (GAO code 711046).

Thank you for the opportunity to respond to the GAO draft report and for the courtesies extended by your staff in the conduct of this review.

Sincerely,

  
Larry E. Byrne  
Assistant Administrator  
Bureau for Management

Enclosure: a/s

320 TWENTY-FIRST STREET, N.W., WASHINGTON, D.C. 20523

**Appendix IV**  
**Comments From the Agency for**  
**International Development**

**USAID COMMENTS ON THE GAO DRAFT REPORT**  
**"FOREIGN ASSISTANCE: Private Voluntary Organizations'**  
**Contributions and Limitations"**  
**Dated August 1995 (GAO code 711046)**

The U.S. Agency for International Development (USAID) appreciates the opportunity to review the GAO's draft report, "FOREIGN ASSISTANCE: Private Voluntary Organizations' Contributions and Limitations." The draft report, undertaken at the request of the House International Relations Committee, comes at a time when the Administration has pledged to increase the percentage of U.S. development assistance channeled through PVOs, while some members of Congress have recommended channeling all development assistance funds through PVOs.

Overall, the draft report fairly characterizes U.S. PVO involvement in U.S. foreign assistance. The report emphasizes the positive contributions and impact PVOs have had, particularly in community development and service delivery activities, but also points out some of the limitations identified with PVO activities. The report will be useful for analytical purposes as USAID prepares for implementation of its "New Partnerships Initiative" (NPI), which will increase the proportion of funding for PVO activities and introduce new ways of pursuing development goals through PVOs, Nongovernmental Organizations (NGOs), local governments and community organizations. Thus, the draft report's focus on PVO performance, dependence on U.S. government support, and accountability is appropriate.

The draft report advises against channeling all assistance funding through PVOs and other NGOs, noting that would limit the degree to which the U.S. could use such aid to achieve other foreign policy objectives (p. 26). The Agency supports this view, which is reflected in the Administrator's opposition to such an option.

We have several concerns regarding statements in the draft report, as outlined below. In addition, corrections and clarifications regarding specific PVO activities are provided in an attachment.

Accountability Issues: Our principal concern with the draft report is with its numerous unsubstantiated statements regarding a perceived lack of PVO accountability.

For example, the report notes that PVOs "have difficulty meeting USAID's accountability standards...[P]roviding increased amounts of foreign aid through PVOs will present Congress with less accountability regarding U.S. government funds" (p. 4). The report also notes, "Problems in accountability for food aid commodities in several of the countries GAO visited were the

Now on pp. 3 and 22.



**Appendix IV  
Comments From the Agency for  
International Development**

- 2 -

result of lack of expertise, training, equipment and resources to comply with internal control procedures" (p. 8). Further, according to the draft report, "PVOs, and especially INGOs [indigenous NGOs], have sometimes had difficulties meeting U.S. government accountability standards, and there is no evidence to suggest that they will invest in management systems to monitor costs as USAID has done" (p. 44).

Since these broad conclusions are not supported by study findings, we recommend omitting them from the final report. Alternatively, GAO might cite previous reports which led to these conclusions and note that both USAID and the PVOs have been working to improve accountability. The A-133 audit program has made an important contribution in this regard.

Food Aid Accountability: The report notes that "GAO and USAID Inspector General audits have found problems in accountability in PVO projects worldwide ..." (p. 7). However, the reports cited refer to a limited number of food aid activities, not to the larger universe of PVO development activities. Therefore, these findings are not applicable to the PVO community as a whole.

In addition, accounting for vast amounts of food commodities through their delivery to often remote locations is a complex and difficult process. The draft report does not mention the efforts of USAID and PVOs to increase their accountability as a result of earlier GAO and IG audit findings. The March 1995 GAO follow-up report, "Foreign Aid: Actions Taken to Improve Food Aid Management," which documents actions taken by USAID to improve its food aid programs, was neither cited nor discussed. Thus, an incomplete picture of these "accountability problems" is presented.

To remedy these problems, we suggest: (1) clarifying that the problems cited were limited to a small number of PVO food aid programs; and (2) including follow-up information, i.e., the actions taken to address these problems.

Cost-Sharing: Regarding USAID's revised cost-sharing policy, the GAO notes that the change in cost-sharing policy is likely to "lessen the amount of private funding that PVOs mobilize to supplement USAID funding..." (p. 43, paragraph 2). The rationale behind the policy change is to clearly articulate, standardize and streamline policy and processes, not to eliminate USAID's preference for PVOs' 25 percent contribution to total project costs. USAID does not expect overall PVO contributions to USAID activities to lessen as a result of this policy change.

PVO/INGO Strengthening: The draft report discusses the management limitations of PVOs and INGOs in handling increased amounts of government funding (p. 46). Many PVOs have effectively managed increased amounts of private funding and have

See comment 1.

See comment 2.

Now on pp. 35-36.

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**Appendix IV  
Comments From the Agency for  
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- 3 -

developed strategic plans encompassing their growth. In addition, USAID is taking an active role in helping PVOs and INGOs to strengthen their institutional capacity as they view their own organizations and programs in the context of each country's development needs.

See comment 3.

The draft report would be strengthened by including information on USAID's work to strengthen the PVO and INGO communities. For example, USAID now attempts to integrate current and future PVO/INGO activities into country-specific strategic objectives and results packages and, as an Agency policy, requires the participation of PVOs in USAID's strategic planning process. USAID actively encourages the formation or expansion of PVO/INGO networks, consortia, and federations.

The Agency also emphasizes the need for development activities that meet the priority needs of intended beneficiaries, and which have the potential for continuation after USAID funding ends. USAID also places increased emphasis on monitoring and evaluation systems, to ensure that projects meet stated objectives and to measure development impact.

See comment 4.

Citations: There are several instances where appropriate citations are not provided for source material, i.e., page 12, paragraphs 1 and 2; page 28, paragraph 1; page 33, paragraph 1, last sentence (continuing on to page 34); page 44, paragraph 2; and page 45, line 6. The report would be greatly strengthened by the inclusion of the appropriate citations.

Attachment:  
Specific Comments Concerning PVOs

---

The following are GAO's comments on USAID's letter dated September 15, 1995.

---

## **GAO Comments**

1. The discussion of accountability has been modified and is now in chapter 2. In response to USAID's comments, we have noted recent efforts to improve accountability systems and the contribution of Office of Management and Budget Circulars A-110 and A-133 audit requirements.
2. We have eliminated comments on the potential impact of the policy change on PVO behavior.
3. USAID stated that it is taking an active role in helping PVOS and INGOS strengthen their institutional capacity as they view their own organizations and programs in the context of each country's development needs. USAID also emphasized its current attempts to integrate current and future PVO/INGO activities into country-specific strategic objectives and results packages, and its increased priority on monitoring and evaluations systems, to ensure that projects meet stated objectives and to measure development impact.  
  
In focusing our report on the PVO community and its potential for delivering all foreign assistance, we did not report these activities in detail. However, we noted in our fieldwork that notwithstanding the agency's policy since 1982 to include PVOS in planning country development programs, PVOS were rarely brought into USAID strategic planning processes in the countries we visited.
4. We have included a selected bibliography at the end of this report.

# Comments From InterAction

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



American Council for Voluntary International Action

MEMORANDUM

**National Council**  
 Marjorie Craig Benson  
 Robin Duke  
 Dorothy I. Haight  
 Rev. Theodore M. Hesburgh  
 Marion Fennelly Levy  
 Charles H. Percy  
 Jill Ruckelshaus

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 Vaughn O'Halloran  
 Mitzi Schroeder  
 Victoria M. Sheffield  
 Elise Smith  
 Rudy von Bernuth  
 Richard Walden  
 Susan Weber  
 Martin Wenick  
 Kathryn Wofford  
 Tetsunao Yamamoto

**TO:** Joseph Kelly  
 Director-in-Charge  
 International Affairs Issues  
 General Accounting Office

**FROM:** Carolyn Long  
 Vice President *Carol Long*

**SUBJECT:** GAO Draft Report on Private Voluntary Organizations' Role in Development

**DATE:** September 13, 1995

Thank you for sending us the draft GAO report and for the opportunity to comment on it. We are pleased with the generally positive nature of the report, the acknowledgment of the effective role which PVOs and INGOs are playing in international development, and the significant -- and increasing -- amount of private resources which PVOs contribute to this effort. However, we have a number of serious concerns about sections and statements about which we would like to offer comments which we hope you will take into consideration in finalizing the report.

With your consent, we have shared this report with the nine PVOs (whose specific projects you evaluated) which are members of InterAction, which did not receive the report directly from you (ADRA, Africare, International Executive Service Corps, Katalysis North/South Development Partnership, PACT, Save the Children, Technoserve, World Education and World Vision Relief and Development) and FINCA, which is referred to on Page 45. Several of these agencies have sent us comments which will either be incorporated into our remarks below and/or attached as appendices to this memo.

The following comments are general in nature and will be followed by specific references and suggested changes.

- Foreign policy/development assistance context: While there is an introductory paragraph on page one of the Executive Summary giving the purpose of this report, the full context in which it is being written is not clear. The report needs to be more explicit about proposed changes in the provision of foreign aid. The

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Printed on recycled paper.

InterAction is a membership association of U.S. private voluntary organizations engaged in international humanitarian efforts including relief, development, refugee assistance, environment, population, public policy, and global education.

**Appendix V**  
**Comments From InterAction**

See comment 1.

purpose of long-term development assistance (and why it serves the US national interest) should be given in this introduction and clarified as being distinct from more short-term, politically-oriented kinds of assistance. The role and general mission of PVOs and INGOs fall squarely in the former category, focusing on sustainable development through work in health/family planning, economic growth/poverty reduction, agriculture, education, environmental programs, democratization, etc.

See comment 2.

Now on p. 2.

The report assumes that PVOs might become the only channel for bilateral foreign assistance funding (and by implication, have no US government oversight). The statement on page one of the Executive Summary states "...questions remain as to whether PVOs can assume fully the roles that donor agencies now play." As just noted, the introduction should include the mission and purpose of bilateral foreign assistance and the role PVOs play. Because the development goals which PVOs have are consistent with US foreign policy goals (working to achieve sustainable development as described above) are a priority, then PVOs ought to be a bigger channel of foreign assistance. It's important to note that PVOs are not assuming they would be the only service delivery mechanism of foreign assistance. Indeed, we know of no PVO which would support PVOs fully replacing the US Government's official foreign assistance program.

It should be noted that over the past twenty years and particularly in the past five years, AID and the PVOs have worked in complementary ways regarding development assistance and in helping each other improve performance toward sustainable development. Through a variety of efforts, AID has funded and assisted PVOs in their efforts to build stronger organizations, improve management and financial accountability, provide capacity building assistance to INGOs, etc. The PVOs have advised AID on ways to improve their substantive programs, how to increase participation of local communities in AID-funded programs, and in streamlining and simplifying administrative and management requirements, etc.

See comment 4.

2. Accountability: There are several broad statements in the report about the inability of PVOs to meet AID accountability standards and that channeling increased amounts of foreign aid through PVOs will give Congress less accountability for US government funds (e.g. last two sentences on page 4, whole last chapter, pages 44-46).

See comment 3.

A. There is no context given for these statements, or basis of comparison with other foreign assistance delivery mechanisms, i.e. PVO/NGO accountability as compared with government-to-government programs implemented by contractors, by universities, or accountability by AID staff, themselves.

B. There is no acknowledgment of the accountability standards presently required by the Office of Management and Budget (and administered by AID) to which PVOs and indigenous NGOs (in certain circumstances) adhere (i.e. A-110 and A-133 audits), and which would undoubtedly continue to be required for PVOs and INGOs which receive funding from the US Government even if AID's present programs were fully absorbed into the State Department.

See comment 5.

Secondly, there appears to have been no effort made in the report to review the record of how well PVOs have met the requirements of these OMB-required audits, which are concrete measures of the present level of PVO accountability.

---

**Appendix V**  
**Comments From InterAction**

See comment 5.

C. The report's general statements are not substantiated by any evidence of specific instances of lack of accountability by PVOs. If there is no specific data, these comments should be omitted from the report. In fact, the report, itself, says on page 44 (at the beginning of paragraph two) that "we did not identify any significant accountability problems in the 26 projects we examined in detail..." (We'll comment on all specific references to lack of PVO/NGO accountability later in this memo.)

Now on p. 22.

As we mentioned in our meeting on September 9th with Ben Nelson, Ron Kushner and Margaret Gaddy Morgan of your office, the PVO community takes the issue of accountability very seriously. As an example, InterAction, together with all its member agencies carried out a six-year process beginning in 1989 to develop a set of PVO Standards with which all member agencies comply, and which are a requirement for membership in the association. As stated in the introduction to the PVO Standards document (*Appendix E*), "They provide an ethical framework to ensure donors that all of our agencies seriously respect the trust that is placed in them... The InterAction PVO Standards meet or exceed the prevailing standards of the Better Business Bureau and the National Charities Information Bureau." Areas covered in the Standards are governance, financial reporting, fund raising and public relations, management practice, human resources, public policy and program services. There is an entire page of the Standards devoted to financial issues, enumerating nine individual requirements.

A second example of a PVO-initiated effort to ensure accountability in our community, the Association of Evangelical Relief and Development Agencies (AERDO) developed guidelines and standards regarding gifts-in-kind (A copy of their standards is attached as *Appendix F*).

See comment 6.

3. References to Development Literature: There are several references made to development literature but there are no citations (page 12, paragraphs 1 and 2; page 28, paragraph 1; page 33, paragraph 1, last sentence (continued on page 34); page 44, paragraph 2; and page 45, line 6). Nor is there any bibliography attached to the report. The report should include the specific citations in each case, as well as a bibliography.

---

The following are GAO's comments to InterAction's letter dated September 13, 1995.

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## GAO Comments

1. Our report deals with the delivery of foreign assistance. It does not address issues or raise concerns about development and the national interest. Thus, we limited the introduction to a discussion of issues related to PVOS.
2. Our objective was to provide information and analysis on PVOS' role, project management, and financial dependency. We have adjusted the text to make this more clear.
3. The purpose of this review was to examine the role of PVOS in development. A review of the activities of other potential delivery mechanisms, such as universities, contractors, or governments, was outside the scope of this report. However, during our review we discovered that the project-type assistance generally delivered through PVOS is very different from those activities usually undertaken by contractors and universities. As we discussed in the body of the report, in general, USAID turns to PVOS in projects calling for direct service delivery and working with grassroots organizations. In contrast, USAID contracts for technical assistance, for example in marketing or environmental technology, from contractors or universities.
4. We have modified our discussion of accountability concerns which is now in chapter 2.
5. We have revised the discussion in the body of the report and added information provided by InterAction as to the standards of its membership and other actions taken by USAID and the PVO community to enhance accountability. Our point is not that all PVOS have major problems in accountability, or are less accountable than other delivery mechanisms, but that some PVOS, and especially INGOS, have had difficulty meeting accountability standards. The report provides examples of lack of accountability that has endangered USAID cash or commodity resources.
6. We have provided a selected bibliography at the end of this report.

InterAction also provided detailed comments and suggested specific language it believed would strengthen the report. We have incorporated suggested language in the body of the report as appropriate.

# Comments From Catholic Relief Services

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



*Giving Hope To A World Of Need*

*World Headquarters*  
Catholic Relief Services-USCC  
209 West Fayette Street  
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Telephone: (410) 625-2220  
Fax: (410) 685-1635  
Telex: 9100000951 (CRS UQ)

September 5, 1995

Mr. Joseph E. Kelley  
Director-in-Charge  
International Affairs Issues  
United States  
General Accounting Office  
Washington, D.C. 20548

Dear Mr. Kelley,

Enclosed please find CRS' comments on the GAO draft report on private voluntary organizations' role in development. Thank you for giving us the opportunity to comment.

Sincerely yours,

A handwritten signature in cursive script that reads "Michael J. Frank".

Michael J. Frank  
Senior Director  
Office of Project  
Resource Management

cc: Mr. J. Donnelly  
Mr. D. Greene

The Overseas Relief and Development Agency of the United States Catholic Conference



Now on p. 2.

PVOs assuming Donor Agency Roles

In the executive summary, on page 1, there is the statement: “questions remain as to whether PVOs can assume fully the roles that donor agencies now play. CRS and most other PVOs do not want to assume the major roles of the donor agencies, especially those dealing with macro development issues and influencing government policy. That is a role that is well suited to the official U.S. government agencies. The only roles that PVOs could assume that are currently handled by AID are the management of umbrella grants, that is already occurring in certain situations.

Now on p. 3.

Related to this issue is the statement on page 3: “PVOs have generally served as adjunct to traditional government to government assistance...” The term “adjunct” implies a part or united with. CRS views our programs of assistance to be complementary with other government to government assistance but not an integral part of. This is an issue of contention between some PVOs and AID. CRS believes that the ownership should lie with the PVO and be complementary to other AID country strategies. AID believes that AID should develop country strategies with a PVO component that is integral to the strategy.

See comment 1.

Accountability Limitations

The report strongly suggests that PVOs cannot meet accountability standards. CRS feels this is an over generalization and is based on outdated audits and reports. CRS strongly believes that accountability has improved significantly in the last five years largely in part to the implementation of new audit procedures mandated by the OMB Circular A-133.

CRS questions the justifications for the report’s finding of weak accountability based on what is presented in Chapter 5. On the contrary the report states that the study did not “...identify any significant accountability problems in the 26 projects we examined in detail...” To identify accountability problems the report resorted to reports and audits officially submitted in 1993, which represented activities that were conducted much earlier. (The exception would be a RIG audit report that involved only one country - JWB-West bank). CRS does not dispute the findings of these older audits but we strongly contend that improvements resulting from these audits have been significant and effective. For instance a recent follow-up visit of RIG to CRS-India Title II program confirmed that internal control improvements were in place and effective.

The statement on page 45 that “quick growth in funding and operations can stretch the management capabilities of small organizations that are successful in running small projects” is true but you cannot take that statement of fact and therefore conclude that PVOs cannot larger amounts of funding. There are no doubt a significant group of PVOs that do not have the capacity for growth. But there are also a significant group of PVOs that have the management capacity to take on significant expansion of activities without jeopardizing accountability.

---

**Appendix VI**  
**Comments From Catholic Relief Services**

Now on p. 33.

Dependency on U.S. Funding

On page 7 and again on page 40, the report states that CRS and CARE “still receive a large percentage of their resources from the U.S. Government. Although this is true, we request a more thorough clarification that the high percent is due to the food aid. Very few other PVOs have the management capacity necessary to conduct food aid programs. This is a positive feature of the two organizations and not a negative as the report implies. If food aid is deducted from the CRS 1992 figures the percentage of U.S. Government resources would be reduced from 76% to 38%.

It is curious that if the point on page 40 was to illustrate the high percentages of U.S. Government funding for some PVOs, why was CRS and CARE given as examples when Annex III lists 11 PVOs in the 80%- 89% range, 9 PVOs in the 90%-99% range, and one PVO at 100%?

Apples and Oranges

Trying to draw conclusions on the capacities and effectiveness of the PVO community in its totality is not feasible. The PVO community is too large and diverse as the report states in the introduction. For illustrative purposes, consider three categories of PVOs: 1) major international PVOs with a range of hundreds of active relief and development projects in more than 40 countries on all continents; 2) PVOs with small operations supporting less than 50 projects in a handful of countries; 3) single sector PVOs that mainly contract out its expertise to AID world wide in AID-developed projects that require their respective expertise. They are all valid organizations responding to valid needs but they cannot be lumped together to decide if PVOs can effectively manage US Government resources with reduced US Government oversight. There are many more categories of PVOs.

See comment 2.

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The following are GAO's comments on Catholic Relief Services letter dated September 5, 1995.

---

## **GAO Comments**

1. We have expanded our discussion of PVO efforts to improve accountability.
2. We agree with Catholic Relief Services that it is difficult to draw conclusions about the entire PVO community because of its diversity, and this is stated in the Executive Summary and in chapter 1. However, we believe that the conclusions we draw based on specific case studies are valid and useful in the debate on the delivery of foreign assistance.

# Major Contributors to This Report

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