
C O R P O R A T I O N

F O R N A T I O N A L



S E R V I C E

OFFICE OF THE INSPECTOR GENERAL

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Review of

New York University

Grant Number 94ADNNY035

This report is issued to CNS Management. There are no findings requiring resolution contained herein. The Inspector General must approve any request for public release of the report.

Office of Inspector General
Review of New York University
CNS Grant # 94ADNNY035



Tichenor and Associates, under contract to the Office of Inspector General, performed a limited review of New York University's financial reporting and accounting systems to assess their ability to comply with Federal fiscal accounting and reporting requirements applicable to its AmeriCorps grant, as well as its ability to safeguard related funds. The extent of Tichenor and Associates' work is described in the scope and methodology section of this report, which contains no findings or recommendations. We have reviewed their report and supporting workpapers and agree with their conclusions.

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The Corporation for National Service (CNS) awarded New York University (NYU) Grant No. 94ADNNY035, totaling \$795,523, for use in accordance with the National and Community Service Act of 1990, as amended. We performed a limited review on the financial management system of NYU to determine its adequacy in providing effective control over the grant in accordance with criteria contained in applicable OMB Circulars, CNS Regulations (45 CFR Part 2543), or included within the terms of the grant. Our review included applying agreed-upon procedures to test compliance with such criteria during the period July 1, 1994 through January 31, 1996, the date of this report. Our review did not constitute an audit of any financial statements prepared by NYU.

Results in Brief

Based on our review, we have no findings or recommendations. The extent of our work is described in the Scope and Methodology Section of this report.

Background

The purpose of NYU's AmeriCorps program is to address the issues of public safety and violence among youth by creating community service programs in six urban locations around the country to work with young people in abating violence and reducing crime through three kinds of activities:

- training in peer mediation and conflict resolution;

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- tutoring and mentoring; and
- experimental projects that are cooperative, affirmative, and based on the peaceful resolution of differences.

The AmeriCorps grant, totaling \$795,523, was NYU's first AmeriCorps grant and covered the period July 1, 1994 through September 30, 1995. The grant provided support for the program as follows:

Table I: NYU Americorps Program Support Costs

<u>Cost Category</u>	<u>Amount</u>
Salaries	\$ 456,194
Travel and Transportation	58,430
Supplies and Equipment	61,937
Training and Education	62,039
Other	<u>156,923</u>
TOTAL	<u>\$ 795,523</u>

*NYU provided an additional \$622,125 in matching funds for its program.

The program is administered by a national program coordinator located at NYU. The six participating sites (NYU School of Education, Manhattan College, Bennett College, Morehouse College, Johnson C. Smith College) received a total of \$543,111 in grant funds. NYU was awarded \$1,076,228 to operate year two of the program through September 30, 1996.

Scope and Methodology

We performed this review at NYU's main campus located in New York City during the period January 2, 1996 to January 4, 1996. We obtained an understanding of NYU's accounting and management controls and performed limited testing to determine whether they were operating as intended by NYU management and whether they were adequate for administration of CNS grants. Although we reviewed NYU's monitoring of its sites (subgrantees) operating the program for the grantee, our review did not include visits to any program site.

Our review program included:

- interviewing key management, accounting, and program personnel;

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- reviewing NYU's organization chart, policy and procedures manuals, and its chart of accounts;
- reviewing prior single audit reports on NYU's financial statements and management controls;
- testing a judgmental sample of financial transactions related to the grant; and
- assessing NYU's oversight and monitoring of subgrantees/subrecipients participating in CNS' grants by reviewing audit reports and site visit reports for subgrantees.

The management of NYU is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial reports in accordance with generally accepted accounting principles and applicable regulatory requirements.

We performed our review in accordance with Government Auditing Standards issued by the Comptroller General of the United States. However, our procedures were substantially less in scope than an audit, and accordingly, did not include elements essential to the expression of an opinion on management controls. Accordingly, we do not express such an opinion. Further, if additional audit procedures had been performed, other matters might have come to our attention that would have been reported. Also, projections of any evaluation of the internal control structure to future periods are subject to the risk that the internal control structure may become inadequate because the degree of compliance with the policies or procedures may deteriorate.

Findings and Recommendations

Our review did not disclose any weaknesses in the internal accounting controls.

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This report is intended for the information and use of the Corporation's and NYU's management. However, this report is a matter of public record and its distribution is not limited.



TICHENOR & ASSOCIATES

January 4, 1995

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