

# F o r Y o u r I n s p e c t i o n



**"Mission First, People Always, Integrity Forever"**

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**Office Of Inspector General, Corporation For National And Community Service**

## OIG Profile

**Karen E. Howard**  
Senior Budget Analyst/  
Team Leader

Karen E. Howard, who joined the Office of Inspector General in March 1999 as Office Manager, is a veteran employee and key manager who oversees all day-to-day administrative operations.

A native of Brooklyn, N.Y., Howard earned a bachelor's degree in accounting from Virginia State University in 1992. She began her career as an administrative assistant at Metcalf and Eddy, Inc., where her responsibilities included processing invoices, coordinating the training programs, and word processing.

In 1996, she was promoted by Metcalf and Eddy to contract specialist and supervisor of the administrative staff, where her responsibilities focused on budget management and procurement services.

Howard, whose position was reclassified in 2006 as Senior Budget Analyst/Team Leader, is also responsible for formulation and execution of the OIG's budget, compiles budgetary information for the office's Semiannual Report to Congress and its' annual budget submission to the Office of Management and Budget. She also oversees the OIG's accounts payable operations.

**OIG Hotline !**  
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## Gerald Walpin Is New Inspector General

Gerald Walpin, the new Inspector General of the Corporation for National and Community Service, has vowed a vigorous effort to investigate and prosecute all persons who betray the public's trust by defrauding the Corporation and its programs.

A prominent New York attorney, Walpin was nominated by President George W. Bush, confirmed by the U.S. Senate and sworn into office on January 8, 2007. He leads the Office of Inspector General (OIG), an independent office charged with oversight over the Federal taxpayer-supported Corporation and its service programs, including AmeriCorps, Volunteers in Service to America (VISTA) and Senior Corps.

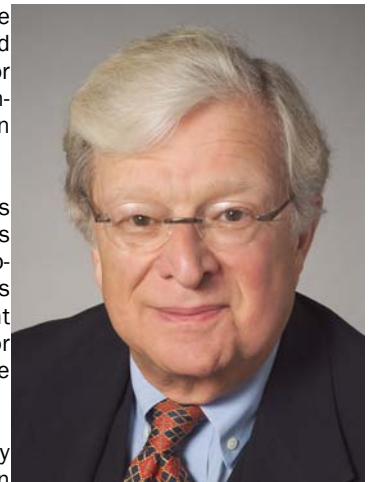
"My major objective is to expand upon the good work of this office by preventing, detecting and prosecuting all thefts and frauds," said Walpin. "The reality is that such misconduct takes precious resources away from deserving people, the same way the theft of a welfare check hurts a single

mother who needs that money to buy milk for her children. For that reason, this office will seek out and ensure sanctions for all wrongdoing involving Corporation funds."

Walpin said his other major goal is to "assist the Corporation in making its services efficient and accessible for all national service stakeholders."

A New York City native, Walpin graduated from College of the City of New York in

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## Misapply Funds And You'll Pay A Price

Your community service program's budget is tight, the landlord wants the rent, the volunteer van needs new tires and you've got a payroll to meet.

The Federal funds in your Corporation for National and Community Service (Corporation) grant might appear to be a tempting opportunity to cover a shortfall. But giving into that temptation can trigger a world of trouble for program officials who misapply taxpayer dollars.

Misapplication of Corporation grant funds is a Federal offense and a major focus of audits and investigations conducted by the Office of Inspector General (OIG).

Recent cases successfully investigated by the OIG included a program official who tapped into his Corporation grant "to keep our program going" and directors who misused their grant - and their AmeriCorps members - on projects related to their personal business interests. Still another program used its grant to create non-approved paid staff positions for officials' friends and colleagues.

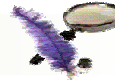
In accepting a Corporation grant, program officials agree to abide by numerous provisions and rules

governing the use of that taxpayer money. The grants are tailored to meet the stated needs of local volunteer programs and are divided into specific allocations to cover the costs of member support, administration and training. Co-mingling or misusing those earmarked funds can lead to penalties ranging from required reimbursement to the Corporation and grant revocation, to debarment from participation in all Federal programs for up to three years and criminal charges.

Audits conducted by the OIG can readily detect misapplications of funds by comparing program financial records and reports to grant provisions and other Cor-

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### Former AmeriCorps Director Sentenced to Jail

A former Michigan AmeriCorps member and program director who tried to conceal his sex-offender past and defraud the Corporation has been sentenced to four months in jail and ordered to make more than \$26,000 in restitution.

Arthur Kirk, formerly known as Arthur Kirkeby, a convicted sex offender who served in, and later directed, a school-based AmeriCorps program, was ordered by U.S. District Senior Judge Richard Alan Enslen on December 14, 2006, to serve four months of confinement, three years of supervised probation, repay the Corporation \$26,591.79 and forfeit the balance of his education award.

Kirk also got a stern lecture from the Judge Enslen, who served as a Peace Corps director in Costa Rica in the 1960s. The judge noted that the community would have been outraged if it had known of his past offenses, which included molesting a young student at a school where Kirk worked.

OIG Senior Special Agent Jeffery Morales helped local police track down Kirk, who had legally changed his name in an effort to conceal a criminal past that would have barred him from serving in or directing Corporation programs.

As a result of Morales's efforts, the State of Michigan has toughened its criminal background check procedures for school employees and other persons who work with children, the elderly and other vulnerable persons.

### Misapply Funds And You'll Pay A Price

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poration requirements. When a misapplication is detected by an audit, the costs are questioned and can eventually be disallowed under the Corporation's audit resolution process. Egregious cases of misapplication of funds will also trigger an OIG criminal investigation.

Also, programs with a record of poor grant management or abuses will likely be at a distinct disadvantage when they seek additional Corporation funds in a growingly competitive grant-making process.

Maintenance of accurate and timely financial records is the best practice for avoiding a possible negative audit finding or a criminal probe. This allows grantees and subgrantees to track all expenditures on an ongoing basis and to assure that all Federal funds are being expended for their designated purposes.

### Walpin Is New Inspector General

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1952. He earned his law degree, cum laude, in 1955 from Yale Law School, where he was managing editor of the Yale Law Journal. From 1957-60, he served as a lieutenant in the United States Air Force Judge Advocate General.

His career included a five-year stint as Chief of Prosecutions for the United States Attorney for the Southern District of New York, where he successfully prosecuted a number of high-profile cases. He spent more than 40 years as senior partner and, more recently, of counsel to New York-based Katten Muchin Rosenman LLP.

Mr. Walpin has represented a wide range of clients, including large public corporations, securities brokerage firms, accounting firms, law firms, banks in lender liability claims, and individuals, both American and foreign, in securities litigations, employment litigations, criminal prosecutions, and investigations by the United States Securities and Exchange Commission. Both as an Assistant U.S. Attorney and in his law firm, he was frequently called upon to investigate fraudulent conduct.

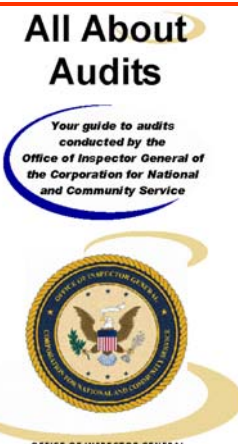
Included in the published compilation "The Best Lawyers in America," Mr. Walpin served from 2002-2004 as president of the Federal Bar Council, the association of attorneys practicing in the Second Circuit Federal courts. In 2003, he was honored with the American Inns of Court Professionalism Award for outstanding professionalism as an attorney and for mentoring younger lawyers.

Walpin and his wife Sheila, married for almost 50 years, have three children and six grandchildren.

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