
**Office of the Inspector General
Corporation for National and Community Service**

**Review of the Corporation's
June 21, 1999 Action Plan Progress Report**

**Report Number 99-30
July 21, 1999**

July 21, 1999

The Honorable Ted Stevens
Chairman
Committee on Appropriations
United States Senate
S-128 Capitol Building
Washington, D.C. 20510-6025

The Honorable C. W. Bill Young
Chairman
Committee on Appropriations
U.S. House of Representatives
H-218 Capitol Building
Washington, D.C. 20515-6015

This is our fourth report in compliance with the requirements established in the House of Representatives Conference Committee Report accompanying P.L. 105-276.¹ In the Committee Report, the Conferees require that the Office of the Inspector General review and comment on the Corporation for National and Community Service's Action Plan and subsequent updates within 30 days of their submission to the Congress. In this report we are commenting on the Corporation's June 21, 1999 Action Plan Progress Report (Appendix A) which, for the first time, included information on the expenditure of funds earmarked for financial management reforms, as well as an update on the Corporation's progress in accomplishing the Action Plan.

Expenditure Reporting

In its June update, the Corporation reported that, through June 21, 1999, it had spent approximately \$1.5 million of the \$3 million² earmarked for financial management reform. The \$1.5 million consists of approximately \$1 million of employee salary and benefit costs (including \$140 thousand

¹In the House of Representatives Conference Committee Report accompanying P.L. 105-276, the Conferees stated that \$3 million of the Corporation's fiscal year 1999 administrative appropriation was earmarked for funding financial management reforms. The Conferees stipulated that within 60 days of enactment, the Corporation must submit to the House and Senate Committees on Appropriation a detailed Plan for the expenditure of the funds and provide Plan updates every 60 days on the use of the funds. The Corporation's OIG is to independently review and comment upon the Plan and each update within 30 days of their submission to the Congress. OIG Reports 99-17, 99-23, and 99-25, contain OIG's comments on the Corporation's December, February, and April submissions, respectively.

²The Corporation's fiscal year 1999 appropriation provided \$1.5 million in new funds and directed the Corporation to redirect an additional \$1.5 million to be spent on financial management reforms and other urgent program administrative needs.

for a grants management conference) and \$500 thousand of contractor and vendor costs (primarily for systems development projects, assistance in closing expired grants, and training).

We performed limited testing on the reported costs and interviewed Corporation staff responsible for the Action Plan report. For reported personnel costs, we compared employee salary rates used by the Corporation with payroll data and inquired as to the basis for allocating employee costs. For contractor and vendor costs, we reviewed a judgmental sample of invoices and purchase orders supporting contractor and vendor costs.

Our procedures revealed that approximately \$320 thousand of the \$1.5 million was reported in error – a \$120 thousand clerical error and \$200 thousand of contract costs funded from prior year appropriations. In addition, about \$1 million of the \$1.5 million consists of salary and benefit costs. Of this amount, \$750 thousand is attributable to staff who are fully dedicated to policy and systems development tasks. The remaining \$250 thousand is for staff whose time is not fully dedicated to Plan tasks and who are not required to track the amount of time actually spent on activities related to the Plan. Thus, we are not able to assess the validity of this portion of the costs.

Progress to Date

In the June update, the Corporation continued to report progress on its Action Plan. However, the June report indicated that the Corporation has yet to achieve any of the nine goals identified in the Plan. In addition, the Corporation continued to extend the completion dates for certain critical tasks, including hiring a new Chief Information Officer and key tasks related to the implementation of its new financial system. In the Corporation's first submission on December 21, 1998, a CIO was scheduled to be selected by February 28, 1999. However, the selection of a CIO has been extended in each update to the Plan, and the June update reported that a CIO will be selected by July 30, 1999. As we have commented in the past, hiring a CIO to provide much needed leadership in the Corporation's information technology management is crucial to the success of the information technology improvement goals. In addition, the Corporation has extended the completion dates for several tasks related to its new financial system – including the implementation date from July 28, 1999 to August 31, 1999. We were told that the current extensions are due primarily to problems encountered in converting current year financial data from the old system to the new system.

Moreover, the Corporation reported that only nine of the 46 objectives are completed. Most of the remaining objectives are those that are difficult to accomplish yet critical for the Plan's success. Further, most, if not all, of the tasks necessary to achieve a given objective must be completed before OIG can determine whether the Plan's goals have been attained. Consequently, to fulfill our responsibility to report to the Conferees, we will initiate an assessment of the Corporation's progress during the final quarter of this fiscal year when the scheduled completion dates for most of the Corporation's efforts under the Plan have passed.

This letter is being sent to all members of the Senate and House Appropriation Subcommittees on Veterans Affairs, Housing and Urban Development, and Independent Agencies and other interested parties. Because of the nature of the Conferees' request, as well as the short time frame for preparation and submission, we did not obtain agency comments. If you or your staff have any questions or wish to discuss these matters, please contact Bill Anderson, Assistant Inspector General for Audit, or me at (202) 606-5000, extension 390.

A handwritten signature in black ink, reading "Luise S. Jordan". The signature is written in a cursive style with a large initial "L".

Luise S. Jordan
Inspector General

Appendix

APPENDIX A

Corporation Action Plan Progress Report Dated June 21, 1999

Corporation for National Service Action Plan Progress Report – June 21, 1999

Action Plan

Goal 1 **General Control Environment** Establish a strong and effective general control environment, including a commitment to excellence, organizational structure, and assignment of authority and responsibility

Objective 1 Obtain an unqualified opinion on the Corporation's financial statements

		Planned Completion Date	Revised Date	Actual Date
Task 1	Develop a comprehensive plan to correct material weaknesses and other reportable conditions identified in Inspector General financial statement audit reports and auditability assessments			12/21/98
Task 2	Monitor progress (formal report to Congress every 60 days). Next report due: 8/21/99	6/21/99		6/21/99
Task 3	Prepare draft FY 1998 financial statements	12/11/98	12/18/98	12/17/98
Task 4	Inspector General issues audit of the FY 1998 financial statements (statutory date)	3/31/99		4/9/99
Task 5	Corporation issues audited FY 1998 financial statements and Annual Report	4/30/99		4/30/99

See Goal 6, Financial Management Reporting, for FY 1999 financial statement objectives.

Objective 2 Issue a comprehensive set of Corporation policies and procedures.

		Planned Completion Date	Revised Date	Actual Date
Task 1	Contact responsible officials to assess existing policies and determine appropriate action (eliminate or revise/issue)	1/7/99		12/31/98

Task 2	Receive feedback from responsible officials, including which new policies need to be written	1/31/99	1/28/99
Task 3	Develop schedule, format, and clearance process for issuance of Corporation policies and procedures	2/18/99	2/18/99
Task 4	Conduct training on policy writing	6/25/99	
Task 5	Critical new procedures issued	9/30/99	

Task 4: Two workshops have been held (6/8-10 and 6/14); third will be held 6/23-25. Offices are preparing 19 policies using reader-friendly approach.

Objective 3 Improve Corporation infrastructure

		Planned Completion Date	Revised Date	Actual Date
Task 1	Implement NAPA recommendation regarding appointment of a Chief Operating Officer			6/ 8/98
Task 2	Establish and implement new management team			6/22/98
Task 3	Revise and implement new organization structure			11/24/98
Task 4	Establish Executive Secretariat			12/15/98
Task 5	Allocate FY 1999 program administration funds in support of urgent management needs	1/ 8/99	1/20/99	1/22/99
Task 6	Appoint Chief Information Officer	2/28/99	7/30/99	
Task 7	Reorganize and establish Executive Officers for improved budget and management control	3/15/99	6/30/99	

Task 8	Review and update Corporation delegations of authority	4/30/99	6/16/99
Task 9	CEO approval of updated delegations	5/28/99	6/30/99
Task 10	President announces intent to nominate CFO		5/20/99
Task 11	President nominates CFO	TBD	
Task 12	Senate confirms CFO	TBD	

Task 6: CIO interviews being held in June. Task 7: Two of 3 Executive Officer positions filled as of 3/15; third position: interviews being held in June. Task 8: Completion date extended to permit review by new GC.

Objective 4 Implement an effective performance management system

		Planned Completion Date	Revised Date	Actual Date
Task 1	Develop Corporation-wide Annual Plan			9/30/98
Task 2	Obtain approval of Board of Directors			10/ 6/98
Task 3	Draft FY 2000 GPRA Performance Plan			10/ 6/98
Task 4	Include key financial management goals in FY 2000 performance plan	2/ 1/99		2/15/99
Task 5	Transmit FY 2000 GPRA Performance Plan to Congress	2/28/99		3/10/99
Task 6	Prepare report on the review of performance indicators	7/31/99		
Task 7	Submit proposed unified plan and budget for FY2001 to OMB	9/10/99		

Objective 5 Improve staff competencies through training

		Planned Completion Date	Revised Date	Actual Date
Task 1	Establish training initiatives group, co-chaired by Human Resources and the Department of Evaluation and Effective Practices			12/ 9/98
Task 2	Identify FY 1999 corporate training needs (most critical areas)	1/15/99		1/14/99
Task 3	Develop implementation plan and training schedule for FY 1999	2/15/99		2/11/99
Task 4	Develop implementation plan for FY 2000	6/30/99	8/31/99	
Task 5	Throughout year, conduct training for specific areas, e.g. AmeriCorps grant monitoring, travel, etc.	9/30/99		
Task 6	Provide training on financial accounting and reporting requirements to appropriate accounting staff	10/15/99		

Task 5: Training budgets allotted to Corporation offices for individual training requests. Writing, travel management and purchase card training held in April; policy writing, management controls and financial system training held in June.

Objective 6 Consider business process re-engineering recommendations made in NAPA study

		Planned Completion Date	Revised Date	Actual Date
Task 1	Set up task forces to review NAPA recommendations			9/30/98
Task 2	Draft reports from task forces to CEO for review	12/ 1/98	1/31/99	1/28/99
Task 3	Issue response to NAPA recommendations	2/28/99	3/12/99	4/ 1/99

Objective 7 Establish procedures to assess and report on Corporation management controls

		Planned Completion Date	Revised Date	Actual Date
Task 1	For FY 1998, obtain assurances from managers of selected units that assess management controls and identify weaknesses	1/31/99	2/ 5/99	2/ 8/99
Task 2	Management determines Corporation-level weaknesses	2/15/99		2/19/99
Task 2.1	COO follow-up with respondents on lower-level weaknesses	4/28/99		4/26/99
Task 3	Issue FY 1998 management control report with financial statements	4/30/99		4/30/99
Task 4	Establish formal management control plan	3/31/99		3/31/99
Task 5	Conduct training on management controls for offices conducting assessments for FY 1999	6/10/99		6/17/99
Task 6	Per FY 1999 Management Control Plan, receive management control reports from managers of six offices	6/30/99		
Task 7	Per FY 1999 Management Control Plan, receive management control reports from managers of 10 more offices	10/31/99		

Objective 8 Improve the audit resolution process

		Planned Completion Date	Revised Date	Actual Date
Task 1	Revise and implement effective audit resolution procedures	2/28/99	7/30/99	
Task 2	Monitor timeliness of audit resolution and completion of corrective action. Next review: 7/99	5/13/99		5/13/99

Task 3 Establish a position in the Grants Office dedicated to resolution of grantee audits; 2/28/99 4/30/99 5/ 5/99
 recruit and select qualified candidate

Task 1: Audit resolution working group met 5/13 and agreed on revisions. New draft under review by GC that follows new reader-friendly format. Task 3: Hire of original candidate not completed. New task to be established.

Objective 9 Implement effective employee performance management system

		Planned Completion Date	Revised Date	Actual Date
Task 1	Issue guidance to supervisors to hold performance reviews	7/ 9/99		
Task 2	Issue instructions and procedures for 98-99 performance evaluations and 99-00 performance agreements.	9/10/99		
Task 3	Compensation Board decisions	9/30/99		
Task 4	Report to COO on completion of performance appraisal process	11/30/99		

Goal 2 National Service Trust Ensure the integrity of the National Service Trust, accurately recording member information and service award liability, and efficiently processing transactions related to enrollment and award processing

Objective 1 Improve the quality of historic records in the Trust

	Planned Completion Date	Revised Date	Actual Date
Task 1 Electronically capture through imaging technology all existing Trust file documents	6/30/99		
Task 2 Analyze historical files electronically to determine where records could be improved and develop improvement plan	6/30/99	8/31/99	
Task 3 Improve the historic files	12/31/99		

Task 1: Imaging project is nearing completion. Historic records have been imaged and are being loaded into the on-line system.

Objective 2 Improve the timeliness and quality of the Trust's service to AmeriCorps members

	Planned Completion Date	Revised Date	Actual Date
Task 1 Provide phone coverage services through an outside vendor	1/5/99		12/21/98
Task 2 Provide data verification services through GSA schedule temporary services firm	1/5/99	3/15/99	3/1/99
Task 3.1 Begin to image enrollment forms and end-of-term forms	2/28/99	4/1/99	3/22/99
Task 3.2 Begin to image all remaining forms	2/28/99	7/15/99	
Task 4.1 Be able to retrieve enrollment forms and end-of-term forms electronically	3/31/99	4/15/99	3/22/99

Task 4.2	Be able to retrieve all other forms electronically	3/31/99	7/15/99
Task 5	Utilize electronic workflow software for Trust processing and workload management	5/31/99	5/31/99
Task 6	Recruit and select FTE for data verification	7/31/99	
Task 7	Develop management reports using new imaging workflow software	8/31/99	

Tasks 3.2 and 4.2: Currently imaging and retrieving 90% of all remaining forms.

Objective 3 Improve the quality and timeliness of Trust data

Task	Description	Planned Completion Date	Revised Date	Actual Date
Task 1	Reorganize Trust staff to align individuals responsible for data quality with a defined set of programs	1/5/99		1/4/99
Task 2	Begin to provide rosters quarterly to state commissions by mail, and to programs by fax	4/30/99	5/15/99	5/21/99
Task 3	Monitor receipt of corrected rosters from states to Corporation	6/25/99		
Task 4	Follow-up calls on delinquent rosters	6/30/99		
Task 5	Complete review of rosters and input corrections in system to system	7/31/99		
Task 6	Begin to send letters to all new enrollees to verify data in the Trust database	6/1/99		6/11/99
Task 7	Systematically resolve past year open data (including those members from program years 94 and 95)	9/30/99		
Task 8	Upon availability of requested FY 2000 appropriations, initiate efforts to enhance Trust system edit checks	10/1/99		

Task 9 Distribute quarterly rosters

8/15/99

Objective 4 Improve the quality and timeliness of Trust data coming from state commission programs

	Planned Completion Date	Revised Date	Actual Date
Task 1	1/31/99		1/15/99
Task 2	1/31/99		1/28/99
Task 3	2/28/99		3/4/99
Task 4	10/1/99		
Task 5	10/1/99		
Task 6	12/31/99		

Task 4: Eight additional states have been trained on WBRS and are transmitting enrollment data now.

Objective 5 Examine and strengthen procedures for AmeriCorps service hour reporting

	Planned Completion Date	Revised Date	Actual Date
Task 1	1/15/99		1/13/99

Task 2	Issue proposed regulations related to consistency of treatment of AmeriCorps members released for "compelling personal circumstances"	2/28/99	3/31/99	4/9/99
Task 3	Issue final regulations on "compelling personal circumstances"	6/30/99	7/30/99	
Task 4	Eliminate the 95% rule (members who complete 95% of their service are eligible for a full education award)	9/1/99		

Objective 6 Improve the management of Trust investments

		Planned Completion Date	Revised Date	Actual Date
Task 1	Update outside expert advice obtained at Trust's inception on investment strategy and procedures	3/31/99		3/31/99
Task 2	Prepare an annual plan of Trust investments and monitor progress quarterly	3/31/99		3/31/99
Task 3	Throughout year, periodically update investment policies and procedures and publish on Corporation intranet site	9/30/99		
Task 4	Prepare options paper and proposed language for OMB review	5/10/99		4/28/99

Goal 3 Financial Operations Improve stewardship of Federal funds and accuracy of Corporation accounting records through use of electronic media

Objective 1	Reconcile fund balance with Treasury	Planned Completion Date	Revised Date	Actual Date
Task 1	Initiate review of monthly report to Treasury by Team Leader			10/ 1/98
Task 2	Start written notification by Trust Fund to Accounting on investments with Treasury			11/ 5/98
Task 3	Issue schedule for timely preparation and submission of monthly Statement of Transactions to Treasury	1/ 9/99		1/ 8/99
Task 4	Determine cash adjustments to be made based on the first SF-224 produced from Momentum and report on July SF-224 to Treasury	7/ 8/99	8/10/99	
Task 5	Throughout year, review Statement of Differences and identify adjustments by end of every month	10/15/99		
Task 6	Throughout year, report monthly to Treasury on cash adjustments resulting from data cleanup activities	9/30/99		

Objective 2	Perform data clean-up in preparation for conversion to new accounting system	Planned Completion Date	Revised Date	Actual Date
Task 1	Procurement and Accounting Office Heads jointly develop contract data clean-up plan and define criteria for contract closeout	12/23/98		12/29/98
Task 2	Reconcile and initiate adjustments to contract data prior to implementation	4/16/99	7/19/99	

Task 3	Grants and Accounting offices jointly develop grant data clean up plan and establish criteria for financial closeout	1/11/99	2/16/99
Task 4	Reconcile and adjust grant data prior to implementation	4/16/99	7/19/99
Task 5	Make adjustments to accounting records based on analysis	5/14/99	7/30/99
Task 6	Perform reconciliation of grants in HHS-PMS system with accounting system	5/21/99	7/30/99
Task 7	Perform first monthly reconciliations with Trust and VMS; identify discrepancies and track to ensure resolution completed	10/30/99	
Task 8	Prepare first monthly status report to Accounting Director on issues identified with Momentum implementation, recommend solutions, dates for completion, etc.	10/30/99	

Task 2: An in-depth analysis is required for each contract to determine correct balances to be loaded into Momentum. Progress is being made; we expect to review all contracts prior to implementation.

Objective 3 Make payments via Electronic Funds Transfer (EFT)

		Planned Completion Date	Revised Date	Actual Date
Task 1	Inform VISTA volunteers of ability to convert to EFT			10/26/98
Task 2	Send followup notifications to VISTA volunteers not responding			12/11/98
Task 3	Second followup to non-respondents	2/11/99		2/16/99
Task 4	Notify Corporation vendors, contractors and grantees of EFT requirements			10/30/98
Task 5	Revise PSO training agenda to include emphasis on EFT	5/14/99		5/7/99

Task 6 Throughout year, monitor progress in converting recipients to EFT 9/30/99

Task 6: As of 6/15/99, 33% of VISTA volunteers are receiving payments via EFT.

Objective 4 Improve cash management

	Planned Completion Date	Revised Date	Actual Date
Task 1 Publish proposed Debt Collection regulations	1/29/99		1/28/99
Task 2 Finalize debt servicing agreement with Treasury	3/31/99		3/31/99
Task 3 Update internal debt collection procedures	3/31/99	7/30/99	
Task 4 Develop procedures for direct deposit and convenience checking in lieu of Imprest Fund	2/1/99		2/10/99
Task 5 Based on new debt collection procedures, send dunning letters to delinquent debtors advising that debt is due	6/4/99		6/4/99

Task 3: Staff completed draft 5/28; document being revised to reflect new reader-friendly approach.

Objective 5 Implement certification of monthly fund balance reviews

	Planned Completion Date	Revised Date	Actual Date
Task 1 Budget holders review and certify unliquidated balances on a monthly basis beginning with FY 2000	11/15/99		
Task 2 Perform first monthly closeout of obligations; generate special reports of possible transactions for closeout by budget holders and advise top management of progress or problems	11/15/99		

Task 3 Generate first quarterly report of obligations and perform analysis on data to detect unnecessary outstanding unliquidated balances and take actions to reduce such balances as appropriate 1/14/00

Goal 4 Grants Management Create a single grants management program--from application through evaluation, award, administration and close-out--that provides stewardship over Federal funds in a cost-effective manner.

Objective 1 Re-engineer the Corporation's grants processes to achieve workload efficiencies and improve customer service

		Planned Completion Date	Revised Date	Actual Date
Task 1	Review NAPA report and prepare recommendations for CEO on grant processes and policies	12/12/98	1/31/99	1/28/99
Task 2	"Map" the Corporation's current grant processes for VISTA and NSSC	12/ 5/98	1/15/99	1/12/99
Task 3	"Map" the Corporation's current grant processes for NCSA grants	1/15/99	1/28/99	2/ 1/99
Task 4	Review current processes based on the "map," identify redundancies, inefficiencies and gaps, and prepare recommendations for change	5/15/99	9/30/99	
Task 5	Examine the AmeriCorps grants process for formula programs and make recommendations for improvement/simplification	2/ 1/99		1/28/99
Task 6	Implement fixed grant award policies for AmeriCorps Promise Fellows			10/30/98
Task 7	Revise the process for review and award of 1999 commission administrative funds, PDAT & disability grants to improve efficiency. Goal is to make awards within 30 days of receipt of application.	1/31/99		3/15/99
Task 8	Issue final regulations for three Senior Corps programs	3/31/99		3/24/99

Task 4: On-going. In many forums, re-engineering proposals are under consideration (e.g. FY 2000 guidelines). Date revised to reflect on-going work.

Objective 2 Award NCSA grants earlier in the year to improve grantee and program management

		Planned Completion Date	Revised Date	Actual Date
Task 1	Establish a timeline for issuing FY 1999 program awards on an earlier schedule	2/15/99	2/26/99	2/26/99
Task 2	Throughout year, regularly monitor comprehensive timeline	9/30/99		
Task 3	Develop an executive reporting system for grant awards	4/ 1/99		4/ 8/99
Task 4	Develop a consolidated timeline for the FY2000 NCSA grant cycle that supports earlier award processes	3/15/99	7/15/99	
Task 5	Complete the revision of grant application guidelines for FY2000 program year	7/ 1/99	9/ 1/99	

Objective 3 Enhance monitoring activities

		Planned Completion Date	Revised Date	Actual Date
Task 1	Conduct training program for NCSA grantees on program and financial administration	1/15/99		1/13/99
Task 2	Identify NCSA site visits based on defined risk assessment criteria	1/31/99		1/31/99
Task 3	Develop and implement A-133 (Single Audit) procedures for Corporation grant programs	5/15/99	8/30/99	
Task 4	Conduct assessment of two state commissions (administrative capacity pilot program)			6/11/99
Task 5	Conduct on-site assessment of four additional state commissions (administrative capacity pilot program)	7/30/99		

Task 6	Re-evaluate and modify draft administrative standards as necessary based on six state assessments	9/ 1/99
Task 7	Conduct on-site assessment of two additional state commissions	9/15/99
Task 8	Assess the commission review process based on initial evaluation visits and make adjustments as necessary	9/30/99
Task 9	Develop FY2000 monitoring plans for AmeriCorps and Learn and Serve grants and projects, subject to FY2000 appropriations	9/30/99
Task 10	Throughout year, monitor implementation of new policy requiring a compliance monitoring site visit once every three years for 1200 Senior Corps grants	9/30/99

Task 4: Revised and added new tasks 5 - 8 to reflect implementation of Commission administrative standards pilot program

Objective 4 Develop and implement close-out procedures for grants and cooperative agreements

		Planned Completion Date	Revised Date	Actual Date
Task 1	Discuss with current grantees policies and strategies to end current awards	1/15/99		1/12/99
Task 2	Draft, coordinate with Accounting, and issue interim policies and procedures for close out of NCSA grants	2/28/99	3/15/99	3/31/99
Task 3	Close out Commission on National and Community Service (Subtitle C and D grants)	3/31/99	5/15/99	6/ 1/99
Task 4	Complete close out of remaining Commission on National and Community Service grants (Subtitle B)	6/30/99	7/30/99	
Task 5	Complete the close out of expired NCSA awards (except for open awards due to audits or investigations)	6/30/99	9/30/99	

Task 3: 47 of 50 grants are closed, remaining three can't be closed until audits are resolved. Tasks 4 & 5: Work delayed due to illness.

Objective 5 Automate the cost-share billing system

		Planned Completion Date	Revised Date	Actual Date
Task 1	Develop a cost-share module for the VMS system			12/ 1/98
Task 2	Test the new module in the Chicago and Philadelphia service centers	1/15/99		1/ 8/99
Task 3	Identify problems and implement modifications	1/29/99	2/28/99	3/12/99
Task 4	Complete test of system on first-quarter billings	2/19/99	3/26/99	3/26/99
Task 5	Complete documentation and user manuals	3/12/99	4/21/99	4/22/99
Task 6	Train service center staff on new system	4/ 1/99	4/30/99	4/30/99
Task 7	Implement the new system in all service centers for 2nd quarter statements	5/ 1/99	5/ 7/99	4/30/99
Task 8	Issue 2nd quarter statements	5/14/99		5/14/99

Goal 5 Financial Systems Corporation accounting data is recorded in a Year 2000-compliant financial management system that meets Federal system standards

Objective 1 Implement new financial management system		Planned Completion Date	Revised Date	Actual Date
Task 1	Momentum selected as new financial management system			11/25/98
Task 2.1	Configure on-line documents in Momentum	2/9/99	3/2/99	2/26/99
Task 2.2	Configure interface and conversion documents	5/28/99	7/28/99	
Task 3	Develop test plans	4/22/99		4/21/99
Task 4	Test online document processing	4/8/99	5/21/99	5/28/99
Task 5	Complete VMS interface	4/22/99	7/21/99	
Task 6	Draft Momentum user manual	4/23/99		6/2/99
Task 6.1	Issue final Momentum user manual		8/31/99	
Task 7	Begin system testing	5/3/99	4/26/99	4/26/99
Task 8	Dry run conversion (FY 98 and prior)	5/20/99	6/25/99	
Task 9	Complete HHS Payment Management System interface	5/26/99	7/30/99	
Task 10	Dry run conversion (FY 99)	6/23/99	7/7/99	

Task 11	Complete SPAN (Trust Fund) interface	6/10/99	8/31/99
Task 12	Begin user training	6/14/99	
Task 12.1	Complete user training	6/18/99	7/23/99
Task 13	Shut down Federal Success	6/24/99	6/30/99
Task 14	Begin live conversion	6/29/99	7/2/99
Task 14.1	Conversion of bank and vendor file into production	6/17/99	
Task 14.2	Conversion of FY 98 and prior data into production	7/7/99	
Task 14.3	Conversion of FY 99 data into production	7/14/99	
Task 15	Verify live conversion/bring up Momentum	6/29/99	7/30/99
Task 16	Complete National Finance Center payroll interface	3/16/99	8/31/99

Task 6: Draft manual being used during training; final manual, incorporating suggestions from users, will be completed by 8/31. Task 8: Dry run conversion underway. Task 9: HHS-PMS in-bound interface complete; outbound interface rescheduled to 7/30/99

Objective 2 Modify VISTA Management System (VMS) to pass required information to the Momentum interface

		Planned Completion Date	Revised Date	Actual Date
Task 1	Define accounting events that need to be passed to the accounting system (Federal Success)	1/15/99		1/13/99

Task 2	Develop requirements for outbound interface	3/2/99	2/25/99
Task 3	Program modifications to the VMS interface	3/31/99	4/19/99
Task 4	Test outbound VMS interface	3/19/99	4/28/99
			5/18/99

Objective 3 Configure new system to accommodate cost-share agreement transactions

		Planned Completion Date	Revised Date	Actual Date
Task 1	Develop requirements to record cost share agreements directly in Momentum	5/21/99		5/21/99
Task 2	Develop and test cost share interface with Momentum	10/1/99		
Task 3	Begin to train staff in new procedures for processing on cost-share transactions	11/1/99		

Objective 4 Establish formal procedures for quarterly review of general ledger accounts

		Planned Completion Date	Revised Date	Actual Date
Task 1	Develop procedures for review of general ledger accounts and designate appropriate accounting staff to periodically review specified general ledger accounts	10/30/99		
Task 2	Review general ledger trial balances and initiate adjusting entries as appropriate	10/30/99		

Objective 5 Contingency back-up plan

		Planned Completion Date	Revised Date	Actual Date
Task 1	Provide "read-only" access to Federal Success	6/30/99		

7/16/99

Task 2 Determine if contingency plan needs to be implemented

Goal 6 Financial Reporting Improve the accuracy and timeliness of Corporation financial statements.

Objective 1 Issue FY 1998 Audited Financial Statements	Planned Completion Date	Revised Date	Actual Date
Task 1 Prepare FY 1998 Financial Statement Preparation and Audit Schedule			8/12/98
Task 2 Review and sign-off on adjustments for year-end closing			11/22/98
Task 3 Prepare draft FY 1998 financial statements	12/11/98	12/18/98	12/17/98
Task 4 Issue FY 1998 Management Letter	2/28/99	3/19/99	3/31/99
Task 5 Inspector General issues audit of FY 1998 financial statements (statutory date)	3/31/99		4/9/99
Task 6 Corporation issues audited FY 1998 financial statements and Annual Report	4/30/99		4/30/99

Objective 2 Obtain an unqualified opinion on the Corporation's FY 1999 Financial Statements	Planned Completion Date	Revised Date	Actual Date
Task 1 Issue FY 1999 year-end closing instructions to Corporation after Treasury provides year-end closing instructions	8/13/99		
Task 2 Identify financial statement preparation team	8/20/99		
Task 3 Determine how to estimate grant accrual for FY 1999 statements	8/27/99		
Task 4 Schedule FY 1999 account closing in Momentum	TBD		

Task 5	Develop schedule for preparation of FY99 financial statements	TBD
Task 6	Prepare financial disclosure checklist	TBD
Task 7	Issue guidelines on financial statement preparation and review	TBD
Task 8	Prepare draft FY 1999 financial statements	TBD
Task 9	Inspector General issues audit of the FY 1999 financial statements	3/31/00
Task 10	Corporation issues FY 1999 Annual Report	3/31/00

Goal 7 Information Technology -- Year 2000
 Complete remaining tasks to ensure that Corporation systems--hardware and software--are Year-2000 compliant

Objective 1 Make PC workstations Year 2000 compliant

Task	Planned Completion Date	Revised Date	Actual Date
Task 1 Assemble Y2K software release	12/30/98		12/7/98
Task 2 Test software release (Human Resources Department)			12/7/98
Task 3 Begin roll-out			12/8/98
Task 4 Complete workstation upgrade (HQ and Service Centers)	12/30/98		1/25/99

Objective 2 Remediate headquarters network

Task	Planned Completion Date	Revised Date	Actual Date
Task 1 Upgrade Headquarters server			11/27/98
Task 2 Begin Service Center server upgrades	2/1/99		12/1/98
Task 3 Complete Service Center server upgrades	2/25/99		12/7/98
Task 4 Assure Internal mail system is compliant	12/2/98		11/28/98
Task 5 Install firewall necessary for external mail compliance	12/9/98	2/19/99	2/19/99

Objective 3 Remediate disaster recovery network

		Planned Completion Date	Revised Date	Actual Date
Task 1	Initiate upgrade	2/ 4/99		2/ 4/99
Task 2	Complete and test equipment upgrade	2/24/99	4/23/99	4/26/99
Task 3	Test disaster readiness	11/30/99		

Objective 4 Deploy software to State offices

		Planned Completion Date	Revised Date	Actual Date
Task 1	Prepare software upgrade on computer disc (CD) for state offices			12/ 8/98
Task 2	Replace legacy equipment	1/31/99	2/28/99	2/19/99
Task 3	Determine state office modem requirements for existing equipment	1/31/99	2/26/99	3/11/99
Task 4	Workstation software upgrades start	1/31/99		1/28/99
Task 5	Re-assess strategies for remaining field office personal computers; purchase new PCs for field	3/31/99		3/15/99
Task 6	Complete field workstation upgrades and install Y2K-compliant software			3/22/99
Task 7	Provide independent testing procedures to state offices to test workstations and laptops	5/ 1/99	7/15/99	
Task 8	Reconfigure State laptops with Y2K compliant software	6/30/99		

Task 9 Receive State Director reports on problems encountered during independent test process 7/15/99 8/30/99

Objective 5 Make each NCCC Campus compliant

		Planned Completion Date	Revised Date	Actual Date
Task 1	Confirm status of NCCC administrative network upgrade	1/31/99	3/31/99	4/9/99
Task 2	Determine requirements for NCCC classroom	2/28/99		4/9/99
Task 3	Make NCCC network compliant with Corporation standards	6/30/99		

Objective 6 Ensure that client-oriented database applications are Year-2000 compliant

		Planned Completion Date	Revised Date	Actual Date
Task 1	Determine most effective discovery methodology for identifying Year-2000 issues in Corporation desktop applications	2/15/99		2/5/99
Task 2	Ensure desktop applications and custom databases are compliant	5/31/99	8/31/99	

Objective 7 Independent verification and validation

		Planned Completion Date	Revised Date	Actual Date
Task 1	Determine independent verification and validation (IV&V) strategy	2/28/99		2/24/99
Task 2	Prepare and issue statement of work for IV&V contractor	4/15/99	4/23/99	5/26/99

Task 3	Select IV&V contractor	5/15/99	6/30/99
Task 4	Assure that equipment is Y2K compliant; e.g., phone, audix system, fax, copiers, etc.	5/30/99	7/30/99
Task 4.1	Confirm that facilities are Y2K compliant	5/30/99	8/31/99
Task 5	Complete verification process	8/31/99	

Task 3: Proposals are under review for late June selection. Task 4: Y2K compliance confirmed except for 1 state office and for HQ audix system.
 Task 4.1: Awaiting GSA confirmation of facilities.

Goal 8 Information Technology Use information technology to make Corporation work processes more efficient, and to better access data for policy and decisionmaking.

Objective	Task	Planned Completion Date	Revised Date	Actual Date
Objective 1 Recruit Chief Information Officer (CIO) and provide appropriate resources for IT improvements	Task 1 Post vacancy announcement for CIO	12/22/98		12/22/98
	Task 2 Select CIO	2/28/99	7/30/99	
	Task 3 CIO develops plan and budget for IT improvements	TBD		
Task 2: CIO interviews being held in June, 1999				

Objective	Task	Planned Completion Date	Revised Date	Actual Date
Objective 2 Improve State Office connectivity to HQ	Task 1 Perform cost benefit analysis of options for improving State Office access to email and Corporation databases	3/31/99		3/31/99
	Task 2 Select three State offices for initial installation of frame relay equipment	4/9/99		4/9/99
	Task 3 Secure and install frame relay circuits in pilot states	7/31/99		

Objective	Task	Planned Completion Date	Revised Date	Actual Date
Objective 3 Design Grants Information System				

- Task 1 Design interim DVSA grants system to replace Federal Success grant module for award generation 6/ 1/99 7/30/99
- Task 2 Start design work on single Grants Information System for DVSA and NCSA programs 7/15/99

Task 1: System specifications under review by program staff

Objective 4 Design Procurement module

- | | | Planned
Completion
Date | Revised
Date | Actual
Date |
|--------|---|-------------------------------|-----------------|----------------|
| Task 1 | Analyze options related to procurement data needs, including examination of off-the shelf systems | 7/15/99 | | |
| Task 2 | Select procurement module | 8/15/99 | | |

Goal 9 Procurement Management Award and administer contracts in compliance with statutory and regulatory requirements

Objective	Task	Planned Completion Date	Revised Date	Actual Date
Objective 1 Ensure that Corporation staff correctly use up-to-date procurement policies and procedures	Task 1	6/30/99	8/30/99	
	Task 2	4/30/99		4/29/99
	Task 3	5/31/99	7/13/99	
	Task 4	6/30/99	8/13/99	
	Task 5	9/30/99		

Task 1: Procurement staff completed draft policy 6/8. Document under review by GC and being revised to reflect new reader-friendly approach.
 Tasks 3&4: Training contractor selected 6/9/99. Training course under development.

Objective	Task	Planned Completion Date	Revised Date	Actual Date
Objective 2 Ensure that the Office of Procurement Services is organized and staffed to carry out its mission	Task 1	3/15/99		3/29/99
	Task 2	5/28/99		5/28/99

Task 3 Hire new cost and price analyst 8/31/99

Objective 3 Address audit findings related to personal services contracts

		Planned Completion Date	Revised Date	Actual Date
Task 1	Assess requirements for administrative support services. Recruit personnel in lieu of contracted administrative support (Encore contract expires)			12/31/98
Task 2	Assess requirements for professional services and determine appropriate actions for current contract	4/30/99		6/2/99
Task 3	Determine appropriate manner in which to obtain professional services in FY 2000	8/30/99		

Task 2: After consultation with SBA, decision to allow contract to expire made on 6/2/99.

**Expenditure Data Related to Action Plan
(\$000)**

Goal	Budget Estimate	Actual Spending Year-to-Date	Comments on Year-to-Date Spending
General Control Environment	844.5	385.1	Costs for salaries and benefits for staff working on financial statement preparation and audit, Action Plan, policy and procedures, audit resolution, assessing management controls, implementing the new management structure and establishing new Executive Officer position. Also includes contract costs associated with financial statement preparation and staff training.
National Service Trust	314.5	260.2	Contract costs for work associated with WBRS project, roster process, new member enrollee letter, security review of WBRS by Ernst and Young. Also includes staff costs related to issuance of revised Trust regulations.
Financial Operations	207.1	137.4	Costs for salaries and benefits of staff assigned to data clean-up and debt collection.
Grants Management	400.4	429.6	Costs associated with the January 1999 Americorps conference on Program and Financial Management; staff working on grants re-engineering, grants closeout, and grants management. Contract costs for grants mapping project.
Financial System	424.7	318.5	Costs for salaries and benefits for staff assigned to the core financial systems development effort.
Financial Reporting			See Goal 1, General Control Environment above.
Information Technology – Year 2000			Year 2000 costs are funded from separate Treasury-Postal appropriation.
Information Technology	808.8		Planned system development projects begin after new core financial management system is operational.
Procurement Management			New Goal added in February 1999. Associated costs will include additional staff allocated to Procurement office, and contract training costs now reported in Goal 1.
Total	3,000.0	1,530.8	

Note: Spending to-date on "staff" represents salaries and benefits paid through June 1999. Spending on contracts represents estimates based on invoices.