

For Your Inspection



“Mission First, People Always, Integrity Forever”
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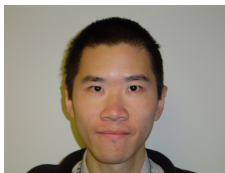


Office Of Inspector General, Corporation For National And Community Service

OIG Profile

Thomas P. Chin Auditor

Thomas Chin joined the OIG in September 2007 after working as



an auditor for eight years in the Public Sector Practice of Ernst & Young, LLP, in Washington, DC.

At Ernst and Young, Chin managed the professional and support staff performing financial and program performance audits for Federal inspectors general and agency financial management clients, including NASA, the Department of Justice, the Department of Health and Human Services, and the Federal Communications Commission. He also supervised financial statement audits for private sector clients, including Lockheed Martin Corporation.

Chin is a high school outreach volunteer with Virginia Society of Certified Public Accountants and has volunteered with Community Tax Aid, Inc., providing tax preparation assistance to low-income persons.

Born in Hong Kong, Chin moved to the Washington area in 1995. He holds a Bachelor of Business Administration Degree in accounting, and graduated summa cum laude from Marymount University in Arlington, VA.

CONTRACTS ARE CRUCIAL FOR AMERICORPS MEMBERS

Before you begin making a difference in your community as an AmeriCorps member, you need to read the fine print and sign on the dotted line.

The need for signed AmeriCorps member contracts is receiving renewed emphasis following extensive discussions between the Office of Inspector General and Corporation management, both of which stress that these documents are crucial in protecting the interests of grantees, volunteers and the people they serve.

OIG first raised the contract issue in FY in 2007. A recent OIG analysis of the 30 grantee and subgrantee locations audited in FY 2008 found that approximately 24 percent of the 3,000 members tested performed service hours prior to signing their contracts.

OIG audit findings initially raised questions about the validity of hours served prior to having a signed contract in place, which affected a member's total hours served to qualify for an education award. More importantly, the OIG was concerned that non-contracted members and their sponsoring agencies might face serious liability problems.

For example, what if a member was injured while serving without a contract in place? Would the member's program-supplied health insurer be justified in rejecting a claim? And what would be the outcome if a member engaged in prohibited service activities, such as political campaigning, but then pleaded ignorance of AmeriCorps regulations because he or she had not been presented with, and signed, a contract which specified such prohibited activity?

To drive home the need for signed contracts at the inception of a member's AmeriCorps service, the Corporation has agreed to provide new training and technical assistance to grantees and subgrantees, and to highlight the issue in documents available on its Internet website and included in the Corporation's monitoring program used for its site visits. At the same time, the OIG will be monitoring compliance as part of its grantee audits.

“The AmeriCorps program has required member contracts since its inception because these documents are vital in ensuring the performance and accountability of both the grantee and the member,” said

Inspector General Gerald Walpin. “It only makes sense that this contract should be signed and all of its legal elements be ‘on the record’ before service actually begins.”

AmeriCorps member contracts expressly outline the terms of service, including the number of hours to be served, and member benefits, including living allowances, education awards and health insurance coverage. The documents also list rules of conduct, including a strict anti-drug policy, grounds for



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GRANTEE AND FORMER OFFICIALS SUSPENDED

Based on the findings of an ongoing investigation and a recommendation from the OIG, the Corporation on September 24 suspended St. HOPE Academy, Kevin Johnson, its founder and former president, and Dana Gonzalez, former director of St. HOPE's Neighborhood Corps, from all access to Federal grants and contracts for up to one year.

The Suspension bars St. HOPE Academy, a grantee based in Sacramento, CA, Johnson and Gonzalez from receiving or using funds from any Federal agency for up to one year, or pending completion of the OIG investigation.

The OIG, in its recommendation, cited numerous potential criminal and grant violations, including diversion of Federal grant funds, misuse of AmeriCorps members, and false claims made against a taxpayer-supported Federal agency. “I appreciate the Corporation's action in implementing our recommendation and in supporting our ongoing investigation,” said Inspector General Gerald Walpin. “Given that there exists evidence to suspect improper and fraudulent misuse of grant funds and AmeriCorps members, it is important

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GRANTEE AND FORMER OFFICIALS SUSPENDED

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that immediate action be taken. Between now and the completion of the OIG's investigation, we must protect the public interest from the potential repetition of this conduct by this grantee and its principals."

In its written suspension decision, the Corporation cited numerous AmeriCorps grant violations and diversions of Federal funds. It stressed that "the diversion of grant funds is so serious a violation of the terms of the grant agreement that immediate action via suspension is required to protect the public interest and restrict the offending parties' involvement with other Federal programs and activities."

Under the terms of its Corporation grant, St. HOPE agreed to deploy its Neighborhood Corps AmeriCorps members to tutor students at its charter schools, redevelop one building per year in Sacramento's Oak Park neighborhood and coordinate marketing and logistics for St. HOPE's Guild Theater and Art Gallery.

The cited violations of St. HOPE's grant agreement included:

- Misusing AmeriCorps members, financed by Federal grant funds, to personally benefit Kevin Johnson, including driving him to personal appointments, washing his car and running personal errands.
- Unlawfully supplementing St. HOPE staff salaries with Federal grant funds by enrolling two employees in the AmeriCorps program and giving them Federally funded Corporation living allowances and education awards.
- Improperly using members to engage in banned political activities, namely supporting the election of Sacramento School Board candidates.
- Improperly taking members assigned to serve in Sacramento to New York City to promote St. HOPE's establishment of a Harlem charter school.
- Misusing AmeriCorps members, who, under the grant, were supposed to be tutoring elementary and high school students, to instead serve in clerical and janitorial positions at St. HOPE's charter schools.
- Misusing AmeriCorps members to recruit students for St. HOPE's charter schools.

OIG STAFF GETS THREE ADDITIONS

A new professional and two familiar faces have joined the staff of the OIG.

Henrietta Young joined the OIG in June as Senior Contracting Officer. In that role, Young develops and executes the OIG's acquisition program for obtaining professional audit services, and other services and supplies.

Before joining the OIG, Young was Team Lead Contract Specialist at General Services Administration. Earlier in her career, Young was Deputy Director of the Finance Unit at New York City Department of Transportation Surface Transit Operations.

A native of New York, Young has a Master's degree in Urban Policy and Public Administration from Brooklyn College and a Bachelor's degree from the State University of New York at Plattsburgh.

In September, the Investigations Section has welcomed back Special Agents Kevin Benefield and William Ruley.

Benefield, a Texas native, left the OIG in 2006 for an assignment in Baghdad as a Special Agent for the Special Inspector General for Iraq Reconstruction. He served for the 21 years in the Army Criminal Investigation Division (CID) and was deployed in Operation Desert Storm, Operation Iraqi Freedom and the invasion of Afghanistan.

Ruley returned from a stint as an investigator with the Office of Security and Integrity of Citizenship and Immigration Services. A Georgia native, Ruley served 20 years in the Army as a military policeman and CID agent. His postings included Germany, Italy, Bosnia and the U.S. Military Academy at West Point.



Henrietta Young



Kevin Benefield



William Ruley

CONTRACTS ARE CRUCIAL FOR AMERICORPS MEMBERS

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dismissal, regulations covering early departure, and member evaluation and grievance procedures.

Each contract also contains a position description which clearly outlines the service to which the member will be assigned by the grantee, per the terms of the program's Corporation grant. The contract also lists all prohibited member activities, including political or lobbying efforts and religious proselytizing.

Sample member contracts are available to grantees on the Resource Center page of the Corporation's Internet website (www.nationalservice.gov).