

Corporation for
**NATIONAL &
COMMUNITY
SERVICE** 

Fiscal Year 2007

ANNUAL FINANCIAL REPORT



Improve lives, strengthen communities, and foster civic engagement through service and volunteering

PURPOSE OF THE REPORT

This document follows reporting requirements under the OMB Pilot Performance and Accountability Report (PAR) process, and, therefore, represents an overall assessment of agency performance. This report, as well as the agency's financial statements, auditor's report, and other accompanying information to address the specialized information needs of some readers, are provided electronically at: www.nationalservice.gov/about/role_impact/performance.asp. A more detailed performance assessment is provided in the Fiscal Year (FY) 2009 Congressional Budget Justification/Annual Performance Report (CBJ/APR), as specified in the OMB Pilot PAR process, and is available at this same web address. The agency also provides a performance highlights brochure that focuses on key performance information.

This Annual Financial Report (AFR) and the CBJ/APR meet all requirements under the Government Performance and Results Act, the Federal Financial Management Improvement Act, the Federal Managers' Financial Integrity Act, the Government Corporation Control Act, the Improper Payments Act, and the Federal Information Security Management Act, among others. This document also follows applicable guidance from the Office of Management and Budget (OMB), as well as the recommendations of the Association of Government Accountants' Certificate of Excellence in Accountability Reporting (CEAR) program.

A copy of this report, as well as the FY 2007 Performance Highlights brochure and FY 2009 CBJ/APR are available on the web at: www.nationalservice.gov/about/role_impact/performance.asp.

Corporation for NATIONAL & COMMUNITY SERVICE

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HOW TO SERVE

If you are interested in joining or learning more about Corporation programs, go to nationalservice.gov. Under the "For Individuals" menu, click on "Join Now" to discover which opportunity is right for you.



SENIOR CORPS
seniorcorps.gov



AMERICORPS
americorps.gov



LEARN AND SERVE AMERICA
learnandserve.gov



The Corporation is pleased to have received the Vision Awards Bronze Award for its FY 2006 Performance and Accountability Report.

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To request a printed copy of this report, obtain this report in a format that is accessible to individuals with disabilities, or provide any feedback regarding this report, please contact Tyndall Traversa (ttraversa@cns.gov) in the Office of the Chief Financial Officer. (Mailing address is provided above.)



Message from the **CHIEF EXECUTIVE OFFICER**

APRIL 2008

The Corporation for National and Community Service (the Corporation) is pleased to present our Fiscal Year (FY) 2007 Annual Financial Report which summarizes our performance and financial condition in relation to our mission and goals. This report forms a portion of the agency's Performance and Accountability Report.

Throughout FY 2007, the Corporation worked with people and communities across America to use civic engagement as a vital element of the nation's response to the many serious challenges our society faces. Challenges such as the high school dropout epidemic, illiteracy, prisoner reentry, disaster relief, gangs, homelessness, and more, require America's citizens to apply their hearts, their heads, and their hands through that uniquely American institution—volunteering. In our role as a catalyst, the Corporation supports civic engagement and volunteering as more than just “nice to do,” but rather as necessary to meet critical needs and improve people's lives—a role that will continue to grow as our population ages and budgetary pressures become more intense.

MISSION AND PERFORMANCE

The mission of the Corporation is to improve lives, strengthen communities, and foster civic engagement through service and volunteering. To that end, the Corporation leads, partners, and makes grants to engage nonprofits, corporations, and state and local governments to address local problems effectively through volunteering and the use of volunteering best practices.

In FY 2006, overall volunteering through organizations remained at historically high levels, although the latest available data indicated a downturn in a number of year-over-year national indicators.

- » About 61 million Americans—including 2.6 million youth from disadvantaged circumstances, 2.8 million college students, and 23.6 million Baby Boomers—volunteered in FY 2006 through their congregation, nonprofit, or other organization to meet pressing needs in their communities. This represented 8.1 billion hours of volunteer service.
- » Children, youth, and college students volunteered through organizations at about twice the rate of the rest of the population, a trend that has the potential to create a level of civic engagement on par with the World War II “greatest generation.”
- » Approximately 3.4 million Americans served as mentors to young people who are in need of a stable, caring adult to help expand their opportunities and enable them to grow up to be productive citizens.

The Corporation's performance was quite strong. In FY 2007, over 3.9 million people served through Corporation programs—Senior Corps, AmeriCorps, and Learn and Serve America—providing over 228 million hours of service in communities around the country. Our volunteers helped rebuild the lives of people devastated by Hurricane Katrina and improved the lives of many others in all corners of America, including disadvantaged youth, children of prisoners, frail elderly, and persons with disabilities.

We strive to fulfill five strategic initiatives designed to focus the agency's efforts on key aspects of volunteering and national well-being. These five initiatives are: Mobilize More Volunteers, Ensure a Brighter Future for All of America's Youth, Engage Student in Communities, Harness Baby Boomers' Experience, and Support Disaster Preparedness and Response. We made great progress in FY 2007, meeting or exceeding the Corporation's targets for three of the four Corporation measures continued in 2008 for which data are available and targets had been set. The agency also performed at higher than anticipated levels on the remaining six measures for which no targets had been previously set. To have a greater impact at the national level, the Corporation is expanding its partnerships with other organizations, assessing the most effective ways to influence the national targets, and improving program and management effectiveness.

MANAGEMENT PROGRESS

Internally, the Corporation continued to improve our organizational performance, efficiency, and accountability. I am very pleased to report that we received an unqualified audit opinion on our FY 2007 financial statements for the eighth consecutive year, with no material weaknesses or significant deficiencies for the first time in our history.

A few examples of the agency's management improvements include the following:

- » Consolidated five field financial service centers into one office;
- » Implemented a range of information technology initiatives, such as better spyware protection and a paperless process for time and attendance records; and
- » Launched the AmeriCorps web portal, providing a streamlined system for all aspects of the member lifecycle, from recruitment to post-service support.

These, and other accomplishments described in this report, have helped to make the Corporation more efficient and effective and have improved our accountability and customer service.

This document, under a pilot project sponsored by the Office of Management and Budget, is supplemented with the Annual Performance Report in conjunction with the FY 2009 Congressional Budget Justification, and a brochure on the agency's overall performance highlights to meet requirements for annual Performance and Accountability Reports. This report includes information about the agency's performance on its major mission and management measures and reflects our efforts to make better use of technology by reporting more detailed information of special interest to a limited number of readers via our agency's website.

Due to the timing of data collections, we are unable to report on FY 2007 performance for many of our national mission measures until May 2008. Therefore, this report focuses primarily on FY 2006 national mission performance and FY 2007 Corporation mission and management performance. With this limitation, the financial and performance data provided in this report are complete and reliable except where specifically noted.

Our accomplishments reflect a well-managed, fully-accountable organization that is moving to improve performance by linking strategic and operational goals. As many of our current efforts generate further impacts, I am confident that we will build a culture of service that extends to all Americans.



David Eisner
Chief Executive Officer

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ADDITIONAL FINANCIAL INFORMATION AVAILABLE ONLINE

(available on the web at: www.nationalservice.gov/about/role_impact/afr_additional.asp)

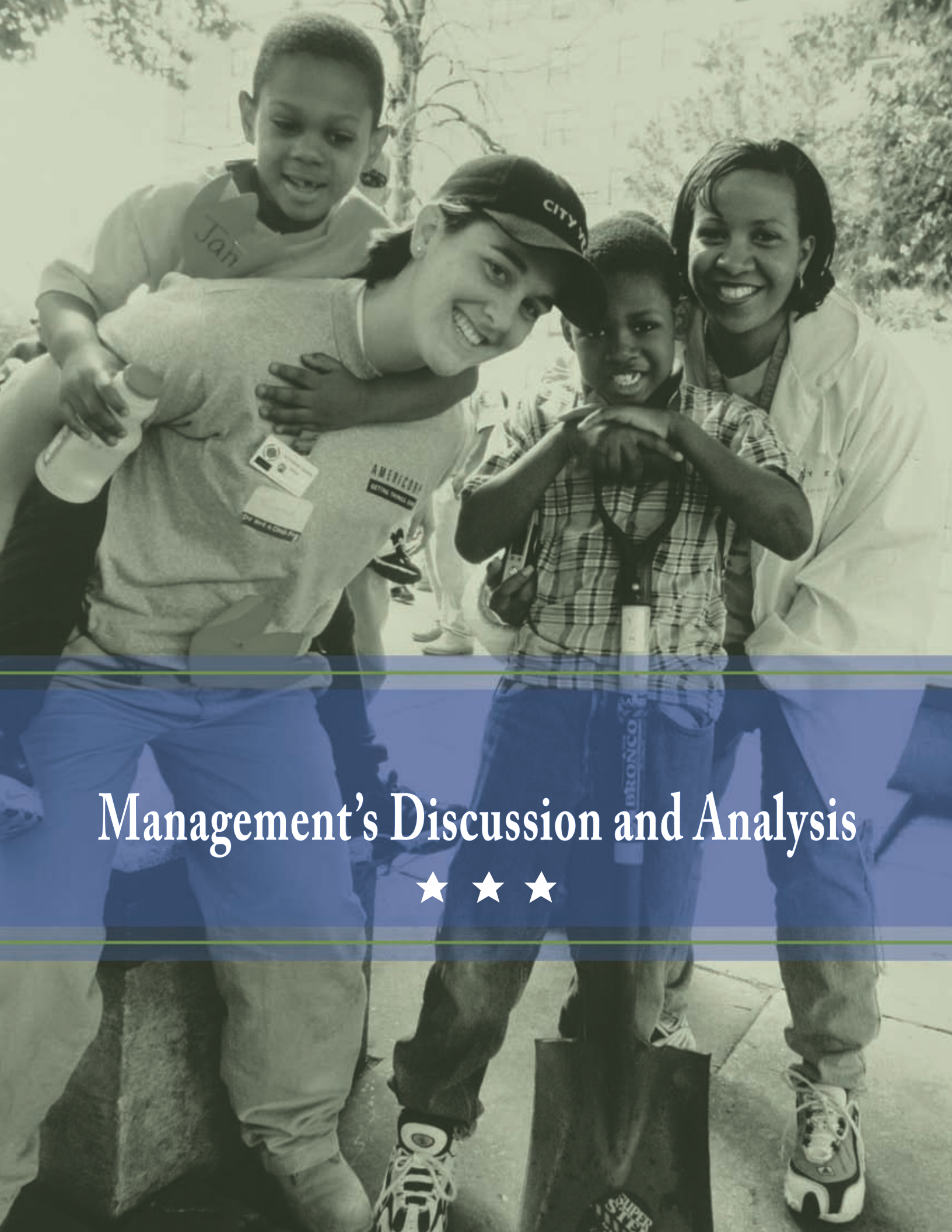
FINANCIAL STATEMENTS, NOTES, AND AUDITS
IMPROPER PAYMENTS
DONATIONS AND CONTRIBUTIONS
NATIONAL SERVICE TRUST
GOVERNMENT-WIDE FINANCIAL MANAGEMENT METRICS

OTHER ACCOMPANYING INFORMATION AVAILABLE ONLINE

(available on the web at: www.nationalservice.gov/about/role_impact/performance.asp)

HISTORY, LEGISLATION, AND FUNDING*
THE CORPORATION’S PERFORMANCE MANAGEMENT SYSTEM*
PRESIDENT’S MANAGEMENT AGENDA—SELF-ASSESSED ANALYSIS*
FY 2009 CONGRESSIONAL BUDGET JUSTIFICATION/ANNUAL PERFORMANCE REPORT

*In subsequent years, these documents will be provided only as components of the agency’s Congressional Budget Justification.



Management's Discussion and Analysis

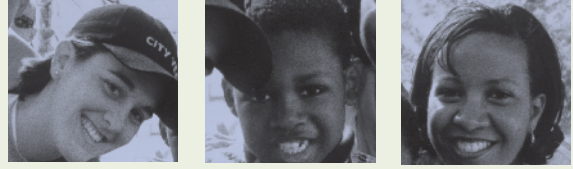


PERFORMANCE AND ACCOUNTABILITY REPORT PILOT

As noted on the inside front cover, the Corporation chose to produce an alternative to the consolidated Performance and Accountability Report (PAR) as authorized under the Office of Management and Budget's Pilot Program. This alternative includes this document, (the Annual Financial Report [AFR]), the agency's FY 2007 Annual Performance Report (APR) and FY 2009 Performance Plan (included in the FY 2009 Congressional Budget Justification) and the Performance Highlights brochure. These documents are available on the Corporation's website at: www.nationalservice.gov/about/role_impact/index.asp. The Corporation anticipates that this pilot approach will improve its performance reporting by providing the most commonly sought information in the AFR and CBJ/APR with web links for the aspects of its reporting that are of special interest to a limited number of people. This pilot process also will enable the Corporation to have more performance data for the most recent fiscal year available in the APR. Agency historical performance also will be more closely tied to planned performance, thus providing a better context for making decisions on future actions.

DATA VALIDITY

Due to the timing of data collections from the Census Bureau, the Corporation is unable to report on many of its FY 2007 national performance measures until May 2008. Therefore, this report focuses primarily on FY 2006 national mission performance and FY 2007 Corporation mission and management performance. With this limitation, the financial and performance data provided are complete and reliable except where specifically noted. Although the agency took steps to improve its data collection across all its programs, resulting in improvements in data availability for each program, the timeliness of this data will continue to require a three-month delay in performance reporting beyond the AFR's scheduled November publication. To ensure data quality, the Corporation recently implemented the Performance Measurement Database System to track, document, and connect its national, Corporation, program, and operational metrics. The Corporation ensures the quality of this reporting as part of its grantee monitoring efforts.



AGENCY OVERVIEW

The agency provides volunteer service opportunities to over three million Americans each year, promotes volunteering in communities throughout the country, and helps nonprofit organizations to engage volunteers effectively. In so doing, the Corporation provides necessary, cost-effective, caring, and compassionate volunteer services to improve the lives of the nation's neediest citizens and communities.

The agency received an appropriation of about \$885 million in FY 2007, a decrease of slightly over \$25 million, or 2.8 percent from the prior year. For more information on the Corporation's history, legislation, and funding, see: www.nationalservice.gov/about/role_impact/performance.asp.

STRATEGIC GOALS

To achieve its mission, the Corporation works through its Senior Corps, AmeriCorps, and Learn and Serve America programs, as well as a number of smaller grant programs and special initiatives to achieve the following strategic goals:

- » **Meet Critical Needs in Local Communities Through Service:** Services provided by participants in Corporation programs help meet a broad range of the nation's educational, environmental, and other human needs;
- » **Strengthen the Capacity of Communities to Engage Citizens:** All Corporation programs help nonprofit organizations, public agencies, educational institutions, and volunteer connector organizations to build their capacity to engage citizens in service and strengthen the community's ability to meet local needs; and
- » **Engage Americans in a Lifetime of Volunteering and Service:** The Corporation helps to create an ethic of responsibility and citizenship by providing meaningful service opportunities for individuals of all ages and backgrounds.

STRATEGIC INITIATIVES

In February 2006, the Corporation adopted a Strategic Plan for FY 2006–FY 2010 (www.nationalservice.gov/about/focus_areas/index.asp). Incorporating input from hundreds of people and organizations in the nonprofit volunteer sector, the plan embraced a set of ambitious but achievable goals based on the data available at the time. The plan also was centered on a national vision that a better future for all Americans includes a culture of widespread service.

The plan identifies four key strategic initiatives that reflect emerging demographic, social, and economic trends—trends that pose both challenges and opportunities for the nation:

- » **Mobilize More Volunteers.** Seeks to increase the overall number of volunteers and the intensity of volunteering;
- » **Ensure a Brighter Future for All of America's Youth.** Seeks to provide mentors to disadvantaged youth and to engage such youth in service;
- » **Engage Students in Communities.** Seeks to increase volunteering among all students from kindergarten through college and to expand the use of service-learning in schools; and
- » **Harness Baby Boomers' Experience.** Seeks to expand volunteering among Baby Boomers and to provide frail elderly people with help to remain living independently.

In addition, the Corporation's Board of Directors recently approved a fifth key strategic initiative—**Support Disaster Preparedness and Response**—which is under development. The relationships of these initiatives to the agency's strategic goals are described in Table 1.

The Corporation's Board of Directors approves the agency's strategic plan, performance measures, and corresponding targets. The Board periodically reviews the agency's performance against the targets and determines actions necessary to improve agency outcomes. Such actions may include modifying agency priorities, measures, and targets.

Table 1. Contributions of each strategic initiative to the strategic goals

STRATEGIC GOALS	STRATEGIC INITIATIVES				
	Mobilize More Volunteers	Ensure a Brighter Future for All of America's Youth	Engage Students in Communities	Harness Baby Boomers' Experience	Support Disaster Preparedness and Response
Meet Critical Needs in Local Communities Through Service	Empower local citizens to meet their own communities' most pressing needs through effective volunteer engagement and management	Improve the circumstances and prospects for disadvantaged youth through mentoring and engaging disadvantaged youth in service	Turn students into a key resource to meet the most pressing needs of the communities in which they live	Utilize the large Boomer population as a major asset in responding to communities' most pressing needs, particularly needs exacerbated by the aging of the population	Mobilize national service participants and volunteers to help communities prepare for disasters and to recruit, manage, and coordinate otherwise unaffiliated volunteers in immediate relief efforts and long-term community recovery
Strengthen the Capacity of Communities to Engage Citizens	Provide volunteer management support, best practices, and partnerships to dramatically expand community capacity to recruit, manage, and retain volunteers	Build the capacity of communities across America to recruit, train, match, and support millions of mentors and to engage and support millions of disadvantaged youth in service	Strengthen the connection and natural alliance between key community organizations and institutions, and the local schools and students, and focus on a school goal of creating more connected, engaged citizens	Expand nonprofit capacity to engage, manage, and retain Baby Boomer volunteers	Build the capacity of communities to respond to disasters rapidly and effectively by strengthening partnerships among state, local and national governments, nonprofits, and profit-making organizations
Engage Americans in a Lifetime of Volunteering and Service	Promote service as a regular part of all Americans' lives	Make mentoring the epitome of ongoing, engaged service, and support the transition from episodic volunteering to committed mentoring	Maximize the opportunities for student service and service-learning to become the "on-ramp" to a lifetime of civic engagement for young Americans	Attract Boomers to service now so that they will stay engaged as they pass the traditional age of retirement and reaffirm the importance of civic engagement to subsequent generations	Develop disaster preparedness and response resources and inventories to enable immediate disaster response and long-term recovery

The Strategic Plan also identifies "Sustain Management Excellence" as one of the Corporation's key goals and puts forth a number of operational goals and strategies for improving virtually all areas of internal management and customer

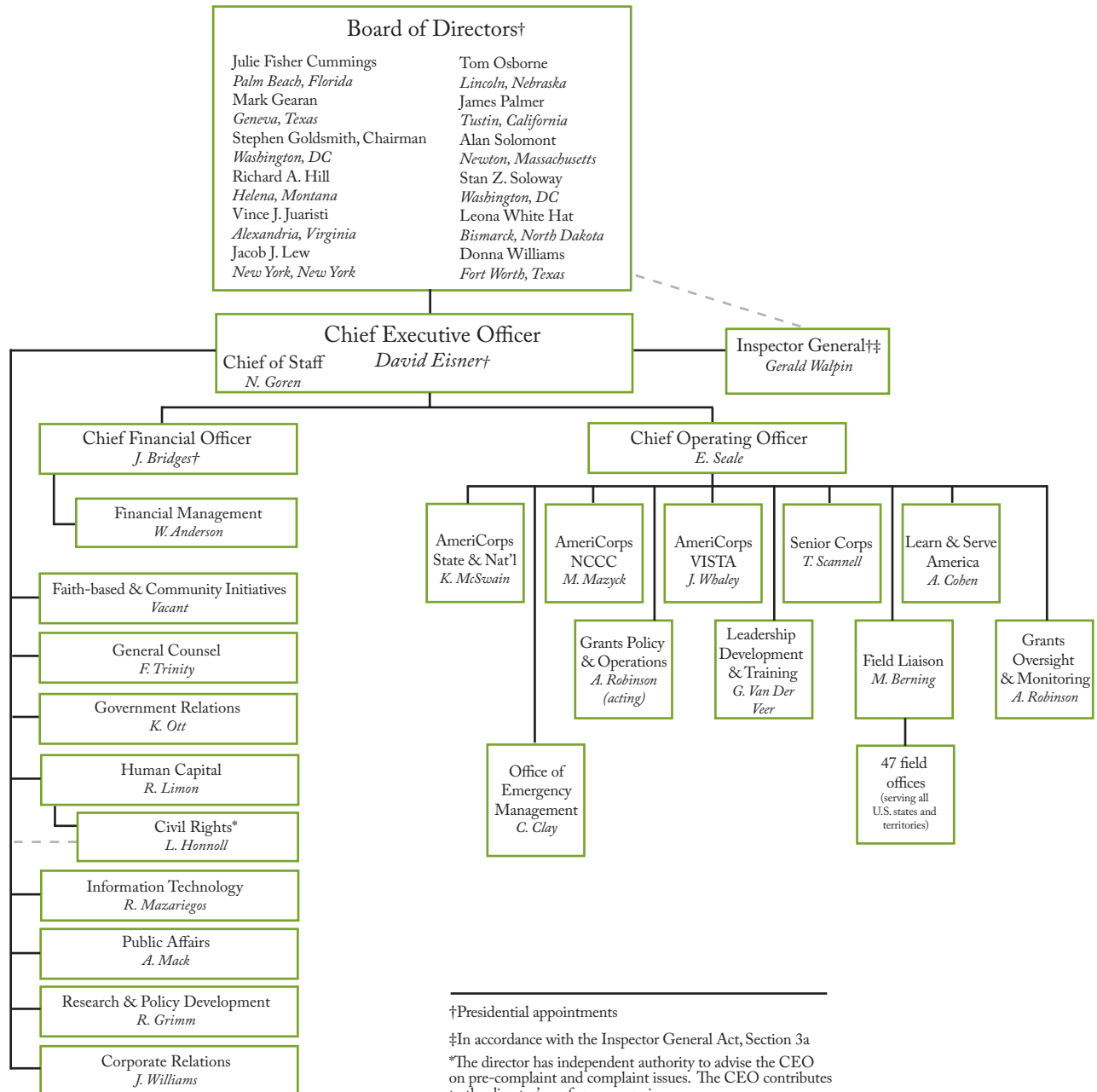
service for the agency's stakeholders. The agency's full strategic plan is available at: www.nationalservice.gov/about/focus_areas/index.asp.

ORGANIZATION

Headquartered in Washington, D.C., the Corporation is an independent federal agency with a Board of Directors, Chief Executive Officer (CEO), Chief Financial Officer (CFO), and Inspector General (IG) who are appointed by the President and confirmed by the Senate. In addition, the Corporation

has a Chief Operating Officer (COO) who manages the agency's progress. The CEO provides overall management of the agency's programs and operations, including about 560 employees who work throughout the United States and its territories. The Board of Directors sets policies and direction for the Corporation and is responsible for all actions taken by

Figure 1. Corporation organizational chart



programs, and initiatives necessary to carry out the mission of the Corporation. Field offices in nearly every state conduct public outreach and program support and are directly responsible for developing grants and projects and for overseeing all Senior Corps and VISTA projects in their states. The Corporation's structure also includes three National Civilian Community Corps (NCCC) campuses and one Field Financial Management Center.

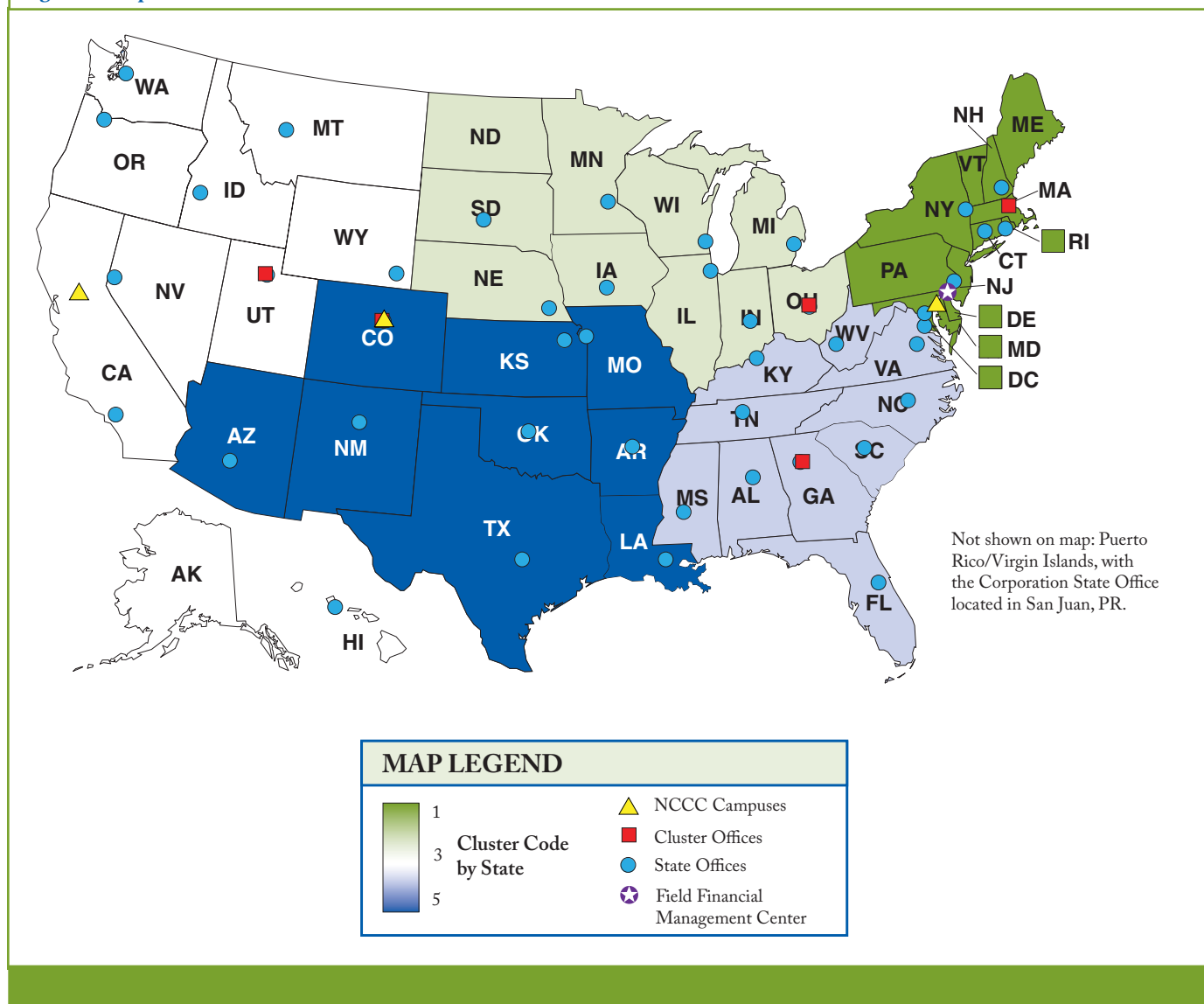
The agency also works through state-sponsored organizations.

- » **State Service Commissions** receive Corporation funding to support AmeriCorps programs through annual grant

competitions and manage, monitor, and evaluate these programs. The Commissions also encourage volunteering in their states and often administer special volunteer initiatives and community-based service-learning programs.

- » **State Education Agencies (SEAs)** receive formula-based funds from Learn and Serve America. Most of the funds are distributed by sub-grants to schools and school districts that work with one or more community partner organizations to create service-learning projects that meet community needs and support the development of students' academic, civic, and social skills.

Figure 2. Corporation field offices



PROGRAMS

The Corporation operates three major sets of programs—Learn and Serve America, AmeriCorps, and Senior Corps—and a number of smaller programs and activities. These programs are united in a common purpose: engaging citizens in volunteering to improve their communities. For more information about these programs, please visit: www.nationalservice.gov/about/programs/index.asp.

LEARN AND SERVE AMERICA

Learn and Serve America supports service-learning activities in schools, colleges, and community organizations, annually helping more than one million students from kindergarten through college to meet community needs, while improving their academic skills and learning the importance of good citizenship.

AMERICORPS

AmeriCorps is a network of national service programs that meet critical needs in areas such as education, public safety, health, and the environment through partnerships with nonprofit organizations such as faith-based and community-based organizations, colleges and universities, state and local governments, and other organizations. AmeriCorps members earn an education award upon completion of their service of up to \$4,725 to help finance their education. AmeriCorps includes three programs:

- » **National Civilian Community Corps (NCCC)** engages men and women ages 18–24 in a full-time, team-based, residential program as well as operates a Summer of Service program for those as young as 14, to provide flexible response capabilities to meet community needs;
- » **State and National** provides grants to nonprofit, public, and other organizations to engage Americans of all backgrounds in service to address community needs; and
- » **Volunteers in Service to America (VISTA)** provides full-time volunteers to community organizations to help create and expand anti-poverty programs.

SENIOR CORPS

Senior Corps is a network of more than 1,000 organizations sponsoring about 1,300 Senior Corps projects that use the experience, skills, and talents of about 500,000 older volunteers to meet community needs. Senior Corps includes three programs:

- » **RSVP** provides the most flexibility for service. Volunteers age 55 and older choose how, where, and how often they want to serve, with commitments ranging from a few hours to 40 hours per week. Volunteers are eligible to receive reimbursement for mileage and insurance coverage while on assignment;
- » **Foster Grandparent Program (FGP)** provides support and service to children and youth with special or exceptional needs in a variety of settings including schools, hospitals, drug treatment centers, and child care centers. Volunteers age 60 and over provide direct service 15 to 40 hours per

week. Volunteers must meet income eligibility requirements to receive a monetary stipend of \$2.65 per hour; and

- » **Senior Companion Program (SCP)** enables individuals aged 60 and older to assist frail, homebound individuals with daily living tasks. Senior Companions serve 15 to 40 hours per week and receive ongoing training in topics such as Alzheimer's disease and stroke. Those who meet income requirements receive a monetary stipend of \$2.65 per hour.

OTHER CORPORATION ACTIVITIES

A number of smaller grant programs, such as the Martin Luther King, Jr. Day of Service grants that engage volunteers in specific short-term community projects, and Disability Grants that engage individuals with disabilities in service, also achieve agency goals. The Corporation also provides extensive training and technical assistance to nonprofit and other organizations, operates a National Service-Learning Clearinghouse and The Resource Center (online nonprofit/project management support), provides President's Volunteer Service Awards to people who demonstrate a substantial commitment to volunteering, and recognizes colleges and universities that implement service-learning models and programs through the President's Higher Education Community Service Honor Roll.



MISSION PERFORMANCE

About 61 million Americans—including 2.6 million youth from disadvantaged circumstances, 2.8 million college students, and 23.6 million Baby Boomers—volunteered through organizations in FY 2006.¹ These volunteers contributed an estimated 8.1 billion hours of service to their communities. Youth are volunteering at about twice the rate of the rest of the population, leading to the potential for increased volunteering as they move into adulthood. About 3.4 million Americans served as mentors to young people, making an impact on the lives, opportunities, and success of these individuals.²

The Corporation engaged about 3.9 million people in service in FY 2007 through the Senior Corps, AmeriCorps, and Learn and Serve America programs—representing over 228 million hours of service. About 2.1 million Americans served as members or participants in Corporation programs. Another 1.8 million individuals were recruited and/or managed through these programs.

The Independent Sector, a coalition of organizations that works to strengthen nonprofits, places the value of each hour of service in FY 2006 at \$18.77. In comparison, the Corporation expended an estimated \$4.08 per hour of service, including all administrative expenses.³ Research on agency programs

demonstrates their value. For example, research on the Senior Companion Program shows that the services provided by the program are crucial to their clients, improve the health of the volunteers, and help informal care providers to continue to work and provide care for their loved one at home, among other benefits.⁴

These 228 million service hours resulted in major improvements in the lives of individuals and their communities, as well as reducing other government costs. According to data reported by grantees to the Corporation, in FY 2007 the agency also:

- » Expanded the capacity of over 70,000 non-profits, public agencies, and educational institutions to meet community needs;
- » Provided independent living services to about 470,000 frail or elderly clients;
- » Mentored about 598,000 disadvantaged youth, including 47,000 children of prisoners; and
- » Enabled about 663,000 children and youth from disadvantaged circumstances to serve their communities.

1. In FY 2007, 60.8 million people volunteered through organizations. Census data for FY 2007, for the number of disadvantaged youth, college students, and Baby Boomers will not be available until May 2008.

2. Bureau of Labor Statistics, Current Population Survey Volunteering Supplement. These numbers reflect volunteering through organizations and do not include informal volunteering.

3. The Independent Sector service hour valuation is not yet available for 2007; the 2006 valuation is available at: www.independentsector.org.

www.nationalservice.gov/programs/research/volunteer_time.html. The Corporation's hourly cost estimate reflects the Corporation's FY 2007 total expenses \$931,050,000 divided by the estimated hours of service provided.

4. See Corporation research available at: www.nationalservice.gov/about/role_impact/performance_research.asp.

Mobilize More Volunteers

LEVERAGING VOLUNTEERS TO BUILD HABITAT FOR HUMANITY HOMES

Building homes with volunteers is hard work. Training volunteers, managing deliveries, working with homeowners, and ensuring quality construction is a complex set of tasks. To help achieve its mission of building more homes for families in need, Habitat for Humanity has a longstanding partnership with AmeriCorps. In 2005 alone, 681 AmeriCorps members, serving in more than 200 Habitat for Humanity affiliates, recruited and managed more than 206,000 community volunteers to build 1,829 homes, housing more than 7,600 family members. They also generated more than \$4 million in grants and in-kind donations.



THE CORPORATION'S PERFORMANCE MANAGEMENT SYSTEM

The Corporation works to “operationalize” its Strategic Plan at all levels of the organization. The illustration below shows how the Corporation plans, measures, manages, and reports on its performance.

Figure 3. Pyramid illustrating the Corporation's performance planning, measurement, management, and reporting



The Corporation sets a strategic initiative national target (National Measures). Achieving this national target requires a combination of the Corporation's actions and the efforts by the Corporation's partners, many outside organizations, and America's citizens. The Corporation's contribution to the national target is reflected in the Corporation's targets (Corporation Measures). In turn, each program develops one or more measures (Program Measures) to identify and manage its contribution to the overall Corporation impact. To successfully meet the established program measures, each program develops an operating plan (Operating Plans) that includes strategies to achieve the program measure targets. These operational requirements are included in each manager's and staff's performance plan (Individual Performance Plans). The result of this planning and measurement process is a focused effort by the Corporation to meet its established goals.

PERFORMANCE TRENDS FOR NATIONAL GOALS

Table 2. Performance trends for national goalsⁱ

Strategic Initiative and Performance Measure	FY 2004	FY 2005	FY 2006 TARGET	FY 2006	FY 2007 TARGET	FY 2007	FY 2008 TARGET	FY 2010 TARGET
Mobilize More Volunteers								
Number of Americans volunteering annually through organizations (in millions) ⁱⁱ	64.5	66.0	67.8	61.2	69.9	60.8	71.3	75.0
Number of Americans regularly volunteering (in millions) ⁱⁱⁱ	32.2	31.8	34.0	32.1	36.5	Data Avail. 5/08 ^{iv}	39.2	43.0
Ensure a Brighter Future for All of America's Youth								
Number of Americans who mentor each year (in millions) ^v	NA ^v	NA ^v	NA ^v	3.4	3.8	Data Avail. 5/08 ^{iv}	4.5	6.0
Number of children and youth of incarcerated parents mentored through federal programs ^{vi}	NA	23,000	26,000	27,300	36,000	Data Avail. 5/08 ^{iv}	40,000	65,000
Number of children and youth from disadvantaged circumstances serving in their communities (in millions) ^{vii}	NA	NA	NA	2.6	2.7	Data Avail. 5/08 ^{iv}	2.8	3.0
Engage Students in Communities								
Number of college students who volunteer (in millions)	3.3	3.3	3.8	2.8	4.0	Data Avail. 5/08 ^{iv}	4.3	5.0
Percent of Federal Work Study funds devoted to community service ^{viii}	15.9%	15.0%	16.8%	16.1%	17.5%	Data Avail. 5/08	18.2%	20%
Percent of America's public kindergarten through grade 12 schools that have incorporated service-learning into their curricula ^{ix}	28%	NA	NA	NA	41%	Data Avail. 12/08	NA ^v	50%
Harness Baby Boomers' Experience								
Number of Baby Boomers volunteering (in millions)	NA	25.8	26.1	23.6	26.4	Data Avail. 5/08 ^{iv}	27.1	28.7

i. NA = Data not available. For more information on any of the Corporation's measures, please contact Tyndall Traversa at: ttraversa@cns.gov. No measures are included for the Support Disaster Preparedness and Response initiative; these measures are under development. The Corporation's Board of Directors determines the measures and measure targets for the agency. Since the publication of the agency's strategic plan in February 2006, the agency and its Board have improved the specific definitions, targets and data collection mechanisms for a number of measures, as well as discontinuing and adding measures. For a listing of the modified or discontinued measures, please see Table 4. The measures and data represented here reflect the agency's and its Board's most recent decisions and data. During the Board's FY 2008 Strategic Plan review, the Board will consider further modifications to the agency's measures and targets based on actual budget allocations and recent performance levels.

ii. Data for this measure is available through the "Current Population Survey: Supplement on Volunteering" available at: www.bls.gov/news.release/volum.toc.htm.

iii. Defined as those volunteering at any level of intensity (e.g., 1+ hours per week) for 12+ weeks during the year.

iv. FY 2007 data for these measures will be available 5/08; these data are developed by the Corporation using databases provided through the "Current Population Survey: Supplement on Volunteering" available at: www.bls.gov/news.release/volum.toc.htm.

v. In prior years, the Corporation planned to measure the "Number of children and youth in disadvantaged circumstances who receive mentoring services nationally each year." Data is not available for this measure; the measure has been discontinued and replaced with the measure presented here.

vi. Data provided by the Department of Health and Human Services for programs in that agency, the Department of Justice, the Corporation and other federal agencies.

Additional footnotes appear on page 17.

PERFORMANCE TRENDS FOR CORPORATION GOALS

Table 3. Performance trends for corporation goalsⁱ

Strategic Initiative and Performance Measure	FY 2004	FY 2005	FY 2006 TARGET	FY 2006	FY 2007 TARGET	FY 2007	FY 2008 TARGET	FY 2010 TARGET
Mobilize More Volunteers								
Total number of volunteers supported by Corporation-sponsored programs (including Corporation program members, participants, volunteers, and leveraged community volunteers) ⁱⁱ	2.6	3.6	3.3	3.7	3.4	3.9	3.6	4.0
Percent of former AmeriCorps members who continue to volunteer in their communities after their term of service ⁱⁱⁱ	NA	72%	NA	NA	NA	72%	88%	90%
Ensure a Brighter Future for All of America's Youth								
Number of children and youth from disadvantaged circumstances mentored through Corporation programs ^{iv,v}	NA	NA	NA	361,000	NA	598,000	450,000	500,000
Number of children of prisoners mentored through Corporation programs	NA	12,500	NA	26,000	NA	47,000	20,000	24,000
Number of children and youth from disadvantaged circumstances serving their communities through Corporation-sponsored programs ^{iv}	295,700	480,000	480,000	465,000	486,000	663,000	500,000	606,000
Engage Students in Communities								
Number of college students serving through Corporation programs	NA	NA	NA	108,000	NA	199,000	80,000	300,000
Number of higher education institutions matching the AmeriCorps Education Award	40	40	53	57	60	76	67	80
Percentage of organizations funded through Learn and Serve America grant programs that have adopted at least six of nine institutional supports leading to sustainability for service-learning ^{vi}	22.3%	27.4%	NA	26.8%	28%	27%	28%	30%
Harness Baby Boomers' Experience								
Number of Baby Boomer volunteers generated through Corporation-sponsored programs ^{vii}	NA	NA	NA	NA	NA	231,000	400,000	500,000
Number of clients who receive independent living services, including direct support and respite for informal caregivers through Corporation-sponsored programs ^{viii}	75,000	99,000	NA	137,000	NA	470,000	190,000	250,000

i. NA = Data not available. For more information on any of the Corporation's measures, please contact Tyndall Traversa at: ttraversa@cns.gov. No measures are included for the "Support Disaster Preparedness and Response" initiative; these measures are under development. The Corporation's Board of Directors determines the measures and measure targets for the agency. Since the publication of the agency's strategic plan in February 2006, the agency and its Board have improved the specific definitions, targets and data collection mechanisms for a number of measures, as well as discontinuing and adding measures. For a listing of the modified or discontinued measures, please see Table 4. The measures and data represented here reflect the agency's and its Board's most recent decisions and data. During the Board's FY 2008 Strategic Plan review, the Board will consider further modifications to the agency's measures and targets based on actual budget allocations and recent performance levels.

ii. Component measures (e.g., number of community volunteers, number of stipended volunteers, number of direct program participants) were discontinued as a primary Corporation measure. However, this data continues to be provided for the current year in the text of Corporation budget and performance documents. The data over time also continues to be monitored within the Corporation to support management decision-making.

Additional footnotes appear on page 17.

PERFORMANCE ANALYSIS

In FY 2007, the Corporation's performance was strong. The agency met or exceeded the targets for three of the four Corporation-level measures for which data and targets were available. The agency also performed at higher than anticipated levels on the remaining six measures for which no targets were available.⁵ This success reflects the increased emphasis placed on the agency's strategic initiatives, as well as improved data collection. For example, nearly all the Corporation programs now include a focus on volunteer recruitment, management, and retention. Moreover, grants made in FY 2006 and focused on these initiatives also entered their second and more productive year in FY 2007. The agency also made further changes to its grant criteria, improved training and technical assistance, conducted public awareness campaigns, and implemented volunteer recognition incentives, such as the Presidential Volunteer Service Award and the Higher Education Honor Roll. The Martin Luther King, Jr. Day of Service also was expanded and a Summer of Service implemented to engage students during their summer breaks. In addition, the Corporation partnered with volunteering and mentoring organizations throughout the nation to leverage its efforts. Such partners include Boys and Girls Clubs, Jumpstart, City Year, MENTOR, the Points of Light Foundation & Hands On Network, and many more.

The Corporation's performance also reflects its attention to improving the areas identified through the Program Assessment Rating Tool (PART) process conducted by OMB. While half of the Corporation programs assessed have been rated as "adequate," the agency intends to raise its scores considerably over the next few years, through improved performance focus and program evaluations. In addition, the agency intends to restructure one program to also achieve an adequate or better rating. The agency is working to identify cost-effective ways to conduct comprehensive program evaluations and research to meet other program performance improvements outlined in each program's PART review.

The Corporation's FY 2007 performance reflects significant improvements in the agency's data collection. For example, the large increase in the number of clients receiving independent living services includes an increase of about 300,000 due, in part, to the inclusion of activities through RSVP, such as Meals-On-Wheels programs, and the new reporting of such services provided through the AmeriCorps State and National program. In FY 2007, data was collected for the first time on the number of Baby Boomer volunteers generated through Corporation programs.

National performance remained at historically high levels in FY 2006, the latest year for which data are available. However, performance increased over the prior year for only about half of the measures for which data are available.⁶ Moreover, performance did not meet the FY 2006 national targets, with one

5. Many targets were not available due to various modifications to the agency's performance measures (e.g., excluding those children and youth who receive other support services from the measure related to mentoring).

6. Data for FY 2007 for most national measures will not be available until 5/08.

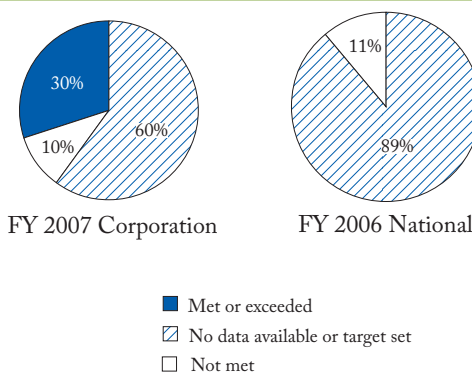
exception: the number of children and youth of incarcerated parents mentored through federal programs.

The Corporation is investigating the factors influencing these year-to-year national performance changes. However, insufficient data is available to identify all the factors leading to this decline. The agency nonetheless has identified likely influences and is developing actions to address these areas:

- » The attrition rate, where about one out of three volunteers does not continue to volunteer in the subsequent year, rose in FY 2006—possibly accounting for up to three-quarters of the national volunteering decline.
- » Evidence also indicates that Baby Boomers require more sophisticated volunteer opportunities than the nonprofit sector has traditionally provided, thus possibly discouraging higher levels of Baby Boomer volunteers.

More information on the Corporation's efforts and challenges in addressing each strategic initiative at the Corporation and national levels is available by contacting Shannon Maynard at: smaynard@cns.gov. For more information about the agency's PART reviews, visit: www.whitehouse.gov/omb/expectmore/index.html. Information on the Corporation's evaluations and research is available at: www.nationalservice.gov/about/role_impact/performance_research.asp.

Figure 4. Corporation and national performance measures



PERFORMANCE MANAGEMENT

The Corporation will continue to

- » Expand its partnerships with other organizations;
- » Lead a national effort to engage Americans of all ages, skills, and abilities in service;
- » Identify the most effective ways to influence the national goals; and
- » Improve program and management effectiveness.

More detailed information about the Corporation's plans to achieve its strategic goals is included in the FY 2009 Congressional Budget Justification/Annual Performance Report. This document is available via the web at: www.nationalservice.gov/about/budget/index.asp.

PERFORMANCE MEASUREMENT IMPROVEMENT

The Corporation has continued to refine its performance measures, targets, and data collection since establishing its strategic plan in February 2006. As a result, a number of measures have been modified or discontinued as described in Table 4.

MODIFIED OR DISCONTINUED AGENCY PERFORMANCE MEASURES

Table 4. Modified or discontinued national and corporation performance measuresⁱ

Strategic Initiative and Performance Measure	FY 2004	FY 2005	FY 2006 TARGET	FY 2006	FY 2007 TARGET	FY 2007	FY 2008 TARGET	FY 2010 TARGET
Mobilize More Volunteers								
Percentage of nonprofits and faith-based and community organizations that rely on volunteers regularly and utilize effective volunteer recruitment and management practices ⁱⁱ	31%	34%	37%	NA	40%	NA	NA	50%
Number of community volunteers, direct program participants, stipended volunteers and similar measures reported separately ⁱⁱⁱ	Available upon request	Available upon request	Available upon request	Available upon request	Available upon request	Available upon request	Available upon request	Available upon request
Number of hours of service generated through Corporation programs (in millions of hours) ^{iv}	204	208	202	216	197	228	NA	300
Percent of Corporation-funded grantees meeting program/project performance goals ^v	Data under development							
Percent of organizations that say AmeriCorps members helped them increase the number of persons served to a large or moderate extent ^{vi}	78%	92%	90%	NA	90%	NA	90%	90%
Percent of program/project resources provided by non-Corporation sources ^{vii}	40.6%	39.1%	42.0%	44.0%	43.9%	34.8%	NA	47.0%
Percent of former AmeriCorps members who accept public service employment (including governmental and non-profit work) within one year after completing their AmeriCorps service ^{viii}	50%	NA	NA	NA	NA	NA	NA	NA
Percent of former AmeriCorps members who say the skills they learned during their service have helped them in their current community service activities, job, or educational pursuits ^{ix}	92%	86%	93%	NA	93%	NA	NA	93%
Ensure a Brighter Future for All of America's Youth								
Number of children and youth in disadvantaged who receive mentoring services nationally each year (in millions) ^x	NA	NA	3.0	NA	3.5	NA	NA	5.5
Number of children of prisoners mentored or receiving other support services nationally ^{xi}	NA	NA	NA	NA	NA	NA	NA	200,000
Number of children of prisoners receiving mentoring or other support services through Corporation programs ^{xii}	NA	NA	16,500	NA	19,000	NA	NA	27,000

Footnotes appear at end of table on following page and on pages 17–18.

Table 4. Modified or discontinued national and corporation performance measuresⁱ-continued

Strategic Initiative and Performance Measure	FY 2004	FY 2005	FY 2006 TARGET	FY 2006	FY 2007 TARGET	FY 2007	FY 2008 TARGET	FY 2010 TARGET
Engage Students in Communities								
Percent of Learn and Serve America higher education programs using service learning as part of the core curriculum ^{xiii}	66%	71%	68%	68%	71%	Data available 8/08	74%	80%
Percent of Learn and Serve America K-12 schools using service learning as part of the core curriculum ^{xiii}	45%	44%	49%	57%	53%	Data available 8/08	57%	65%
Percentage of higher education institutions that provide at least one full-time person responsible for coordinating and supporting service on campus ^{xiv}	NA	NA	NA	NA	NA	NA	NA	NA
Percent of teenagers who participate in service-learning through their schools ^{xv}	NA	21.4%	23%	NA	25%	Data available 12/08	27%	33%
Percent of Learn and Serve America grantees reporting positive impacts on academic performance of participants ^{xvi}	35.0%	35.6%	41.0%	42.9%	43.0%	Data available 8/08	NA	45.0%
Harness Baby Boomers' Experience								
Percent of Baby Boomers engaged in service nationally ^{xvii}	33.1%	33.4%	33.7%	33.1%	34.1%	Data available 5/08	NA	37.0%
Number of Baby Boomers engaged as participants in Corporation programs ^{xviii}	40,885	39,247	45,000	NA	53,000	NA	NA	60,000
Percentage of Baby Boomer volunteers in RSVP who believe the programs provide a significant chance to bring about change ^{xix}	NA	NA	75%	NA	75%	NA	NA	85%
Number of clients who receive independent living services through Corporation-sponsored programs ^{xx}	102,100	100,900	NA	106,100	101,100	462,000	114,800	250,000
Number of families and caregivers of seniors who receive respite support through Corporation-sponsored programs ^{xxi}	9,000	9,000	9,000	9,000	9,000	8,600	9,000	10,000

i. NA = Data not available. The Corporation's Board of Directors determines the measures and measure targets for the agency. Since the publication of the agency's strategic plan in February 2006, the agency and its Board have improved the specific definitions, targets and data collection mechanisms for a number of measures, as well as discontinuing and adding measures, as identified in this table. The measures and data represented in Tables 2 and 3 reflect the agency's and its Board's most recent decisions and data. During the Board's FY 2008 Strategic Plan review, the Board will consider further modifications to the agency's measures and targets based on actual budget allocations and recent performance levels.

ii. This measure was discontinued since data is not available for future years. Data for prior years comes from the Volunteer Management Capacity Study sponsored by the Corporation, the UPS Foundation, and the USA Freedom Corps available at: www.nationalservice.gov/about/role_impact/performance_research.asp#CAPACITY.

Additional footnotes appear on pages 17-18.

ADDITIONAL MISSION PERFORMANCE MEASURE FOOTNOTES

Table 2. Performance trends for national goals (page 11):

- vii. Data from the 2005 Youth Volunteering and Civic Engagement Survey, conducted by the Corporation, in collaboration with the U.S. Census Bureau and Independent Sector. This data represents the responses of youth aged 12-18 who met the family income 2005 federal poverty guidelines, as set by the Department of Health and Human Services (see: www.aspe.hhs.gov/poverty/05poverty.shtml).
- viii. Historical data revised by the U.S. Department of Education in Fall 2007.
- ix. In FY 2008, the Corporation will implement a national survey to assess the prevalence of service and service-learning in the nation's kindergarten through grade 12 public schools. The survey will be repeated every three years.

Table 3. Performance trends for corporate goals (page 12):

- iii. This data was gathered through an annual National Performance Measurement Survey. The survey was initiated in 2004 with a sample of individuals who had completed AmeriCorps service in the State and National, VISTA or NCCC programs within the prior year. Respondents were asked if they had volunteered at any time since completing their AmeriCorps service. In 2005, the sample requirements were changed to include individuals who had completed AmeriCorps service within the past two to three years. In 2006, the question posed to respondents changed slightly to query whether they had volunteered within the past year, in order to make comparisons to national-level data. In 2006, the volunteer rate of AmeriCorps alumni was more than double the overall U.S. volunteer rate which was 28.8 percent. No changes were made for FY 2007 to the question. To supplement the understanding that this measure provides, the Corporation also gathers data through its longitudinal study of AmeriCorps members. To improve compatibility of the data across years, the Corporation is investigating alternative data sources. Although the Corporation currently does not have a comprehensive database of AmeriCorps alumni, the agency is exploring the use of the new "My AmeriCorps" web portal as an efficient and accurate data collection method for this measure. The viability of using this portal as the source for this data will be assessed during the coming year.
- iv. The definition of disadvantaged children and youth receiving Corporation mentoring services or participating in Corporation-sponsored programs is based on program statutes and regulations. This group includes those up to age 25 with exceptional or special needs (as defined in part 2552.81 of the DVSA regulations) or who are economically disadvantaged and for whom one or more of the following apply: 1) out-of-school, including out-of-school youth who are unemployed; 2) in or aging out of foster care; 3) limited English proficiency; 4) homeless or have run away from home; 5) at-risk to leave school without a diploma, and/or 6) former juvenile

offenders or youths at risk of delinquency. The referenced DVSA regulation includes "children with exceptional needs" who are defined as developmentally disabled, such as those who are autistic, have cerebral palsy or epilepsy, are visually impaired, speech impaired, hearing impaired, orthopedically impaired, are emotionally disturbed or have a language disorder, specific learning disability, have multiple disabilities, other significant health impairment or have literacy needs. Under this DVSA regulation, existence of a child's exceptional need is verified by an appropriate professional, such as a physician, psychiatrist, psychologist, registered nurse or licensed practical nurse, speech therapist or educator. "Children with special needs" is defined as those who are abused or neglected, in need of foster care, adjudicated youth, homeless youths, teen-age parents and children in need of protective intervention in their homes.

- v. This measure was revised from prior years to reflect only those being mentored, not also those receiving other support services. Data for FY 2006 represents only those receiving such services through the Learn and Serve America and Foster Grandparents programs. Data for FY 2007 reflects mentoring provided through all Corporation programs. Thus, FY 2007 data represents the agency's baseline performance level.
- vi. This measure was established during the FY 2007 PART review of the Learn and Serve America program and was established as a Corporation measure by the agency's Board in FY 2007.
- vii. Data not available prior to FY 2007.
- viii. FY 2007 data reflects a revision to the program activities recognized by this measure. Specifically, services such as "Meals-on-Wheels" provided through RSVP, as well as independent living services provided through AmeriCorps State and National were included in the FY 2007 actual reported.

Table 4. Modified or discontinued national and corporation performance measures (page 15):

- iii. Component measures of the agency's primary measure, "Total number of volunteers supported by Corporation-sponsored programs," were discontinued as regularly reported key Corporation measures. Such component measures include, for example: the number of community volunteers; number of stipended volunteers; and, number of direct program participants. However, this data continues to be provided for the current year in Corporation budget and performance documents. The data over time also continues to be monitored within the Corporation to support management decision-making.
- iv. Measure discontinued as a key Corporation measure; however, data continues to be reported in most agency budget and performance documents and continues to be monitored internally.
- v. Measure discontinued as a key Corporation mission performance measure, but continues as a key management performance indicator. Values for this measure will first be reported in FY 2009.

vi. Data from the National Performance Measurement Survey. Measure discontinued at the Corporation level, but continues to be monitored, as survey data becomes available, by the agency to support management decision-making. Results are for AmeriCorps State and National only. The survey that provides data for this measure was not conducted in FY 2006. In FY 2004, the survey allowed responses of “considerably helped” and “moderately helped,” as well as other less positive responses; in addition the survey did not include a filter question to identify those organizations where the member did/did not have the goal of increasing the number of persons served. In FY 2005, the survey allowed somewhat differently worded responses; in addition this survey included a filter question to identify those organizations for which this was an intended goal. These changes affected the percentages reported. The cause of the large increase from FY 2004 to FY 2005, however, has not been identified. The Corporation is investigating alternative survey mechanisms to obtain this or similar capacity-building data for all the AmeriCorps programs.

vii. Measure discontinued as a key Corporation program performance measure; measure continues to be monitored to support agency decision-making.

viii. Measure discontinued as a Corporation key measure; measure continues to be monitored, as data is available from the National Performance Measurement Survey, to support management decision-making. The Corporation is investigating alternative survey mechanisms to obtain this data for all the AmeriCorps programs.

ix. Measure discontinued as a key Corporation performance measure reported regularly; measure continues to be monitored by the agency to support management decision-making, as data is available from the National Performance Management Survey. The Corporation is investigating alternative survey mechanisms to obtain this data for all the AmeriCorps programs.

x. This measure was replaced with the corresponding measure in Table 2 focused on the number of mentors, since data to support this measure is not available.

xi. This measure was replaced with the corresponding measure in Table 2 focused on those receiving mentoring services through federal programs, since data to support this measure is not available.

xii. This measure was replaced with the corresponding measure in Table 3 focused on those receiving only mentoring services, since data to support this measure is not available.

xiii. Data provided here improve reporting to more closely tie data reported for the academic year to the corresponding fiscal year. This measure was discontinued as a key Corporation performance measure, but will continue to be monitored to support management decision-making. This measure was replaced by the corresponding

measure in Table 2 focused on those Learn and Serve America programs that have adopted at least six of nine institutional supports that lead to sustainability for service-learning. Although this newly adopted measure reflects only Learn and Serve America programs, it nonetheless assesses the agency’s performance toward the institutionalization of service learning across all schools.

xiv. Measure discontinued since data are not available.

xv. Measure discontinued as a regularly reported key national performance measure. The measure is duplicative of the measure, “Percent of K–12 schools with service-learning as part of the curricula.” The Corporation will continue to monitor this measure to support management decision-making. Data from the Youth Volunteering and Civic Engagement Survey, conducted by the Corporation, in collaboration with the U.S. Census Bureau and Independent Sector. Includes youth aged 12–18 years old. Study will not be repeated annually. Next study planned to be conducted in 2008; changes in survey methodology may occur, making the data from prior years non-comparable. Prior study available at: www.nationalservice.gov/about/role_impact/performance_research.asp#YHA.

xvi. Measure discontinued as a Corporation key measure; data available from LASSIE—the Learn and Serve America grantee reporting system; measure continues to be monitored to support management decision-making.

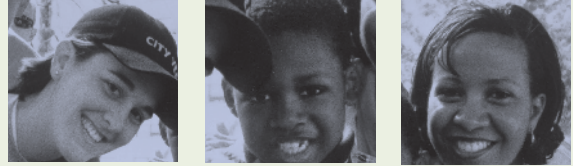
xvii. This measure was discontinued as a key national, regularly reported measure in order to reduce the total number of measures being reported. However, the Corporation continues to track performance against this measure to help inform agency decision-making. FY 2007 data for these measures will be available 5/08; these data are developed by the Corporation using databases provided through the “Current Population Survey: Supplement on Volunteering” available at: www.bls.gov/news.release/volun.toc.htm.

xviii. This measure was replaced with the corresponding measure in Table 3 focused on the volunteers generated through Corporation-sponsored programs, instead of only those engaged as direct participants.

xix. This measure was discontinued since data is not available to support performance reporting.

xx. Measure combined with measure of the number of families and caregivers of seniors who receive respite through Corporation-sponsored programs. Measure to continue to be monitored internally. This increase in FY 2007 is due to the inclusion of RSVP volunteers providing services such as “Meals-on-Wheels.”

xxi. Measure combined with measure of the number of clients receiving such services. Measure to continue to be monitored internally.



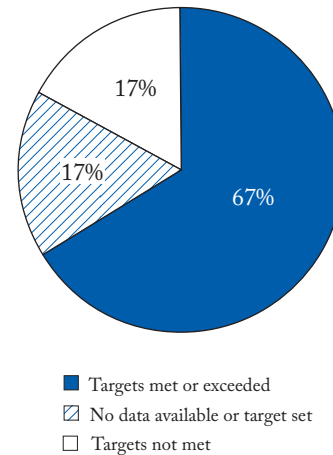
MANAGEMENT PERFORMANCE

The Corporation's management goal is to create a performance culture focused on achieving the agency's mission. Efforts to achieve and sustain a high level of performance are concentrated on four areas:

- » Improve program and project quality;
- » Cultivate a culture of performance and accountability;
- » Deliver exemplary customer service; and
- » Build a diverse, energized, and high-performing workforce.

In FY 2007, the Corporation implemented many management enhancements and will continue to do so in years to come. These changes helped to improve the agency's focus on management objectives and measures, leading to greater efficiency, effectiveness, and accountability. In FY 2007, the Corporation met its targets for 67 percent or four of the six key measures. While the agency did not meet the FY 2007 targets for one measure, performance on this measure improved from the prior year. Of major note, the Corporation received an unqualified audit opinion for the eighth consecutive year and, for the first time, with no significant deficiencies.

Figure 5. FY 2007 management measures



Ensure a Brighter Future for All of America's Youth

PEER MENTORING IN ARIZONA

Students from Mesa Community College in Arizona serve as AmeriCorps members at Mesa Arts Academy, a school where 79 percent of the students between kindergarten and 8th grade live in poverty. Seven years ago, just nine percent of 8th grade students passed Arizona's annual math assessment tests. With Mesa Community College students serving as tutors and mentors at the school, test scores have risen dramatically. In fact, this year 100 percent of the 8th graders passed the math assessment.



PERFORMANCE TRENDS FOR MANAGEMENT GOALS⁷

Table 5. Performance trends for management goals

PERFORMANCE OBJECTIVE AND MEASURE	FY 2004 ACTUAL	FY 2005 ACTUAL	FY 2006 TARGET	FY 2006 ACTUAL	FY 2007 TARGET	FY 2007 ACTUAL	FY 2008 TARGET	FY 2010 TARGET
Improve program and project quality								
Percent of Corporation-funded grantees meeting or on track to meet program/project performance goals ⁱ	Data under development							
Cultivate a culture of performance and accountability								
Number of material weaknesses (MW), significant deficiencies (SD) or reportable conditions (RC) identified in the annual financial statement audit ⁱⁱ	0 MW 1 RC	0 MW 2 RC	0 MW 0 RC	0 MW 1 RC	0 MW 0 SD	0 MW 0 SD	0 MW 0 SD	0 MW 0 SD
Percentage of Government-wide financial management metrics where the Corporation is rated "green" ⁱⁱⁱ	NA ^{iv}	67%	89%	56%	100%	62%	100%	100%
Deliver exemplary customer service								
Overall Corporation score on the American Customer Satisfaction Index (100 point scale)	NA ^{iv}	69	70	71	71	73	74	80
Overall score for satisfaction with the overall usability and effectiveness of the agency's major technology systems (100 point scale)	NA ^{iv}	58	63	62	65	70	70	80
Build a diverse, energized, and high-performing workforce								
Percent of employees who report overall satisfaction with their jobs	68%	NA ^{iv}	72%	72%	74%	77%	76%	80%

i. In FY 2004, the Corporation began implementing systems and grantee reporting guidance to enable the collection of data to calculate this measure. For example, requirements for grantees to identify and report on their performance against goals and measures established by the grantee were initiated in FY 2004. Since most Corporation grants cover a three-year period, data for the percentage of all Corporation grantees that meet the program/project performance goals will not be available until FY 2008–2009.

ii. For the audit of the FY 2007 financial statements, government-wide "Yellow Book" guidance revised the definitions of material weakness, eliminated the reportable conditions category and introduced a new category, "significant deficiency." For more information on this change, see OMB Circular A-123 at: www.whitehouse.gov/omb/circulars/index.html.

iii. Prior to May 2007 all agencies calculated their own results for these metrics using standardized methods on a monthly basis, as specified by the CFO Council. In May 2007, the General Services Administration (GSA) began calculating the value for the three metrics related to credit card delinquencies for the 24 CFO Act agencies. The Corporation has continued to calculate its metric scores using the same calculations specified by the Council and used by GSA. Prior to FY 2007, values shown represent the value for the last month of the fiscal year. For FY 2007, the value represents an average over the 12 months of the fiscal year. Also see "Accompanying Information: Government-wide Financial Management Metrics" available at: www.nationalservice.gov/about/role_impact/performance.asp.

iv. NA = data not available.

7. More detailed information regarding each of these measures is available at: www.nationalservice.gov/about/role_impact/performance.asp.

Engage Students in Communities



LEARNING TO PROTECT WETLANDS

Fifteen school districts in 11 northeastern and central Florida counties participate in the decade-old service-learning program sponsored by the St. Johns River Water Management District. The water management district acquires tracts of land to protect the St. Johns River Watershed, then links local schools with nearby land, encouraging schools to use the property as living laboratories for a variety of disciplines. The water management district staff offers its expertise on such topics as forestry and insect life. Students assist in developing and managing the land's recreational use. They have designed trail systems, cleared trails, posted signs, and developed interpretive materials. Through the service-learning project, students develop a variety of skills, the ability to function as a team, and an understanding of how to make a difference, while the communities benefit from enhanced recreational options and a growing number of active, involved citizens.

CULTIVATE A CULTURE OF PERFORMANCE AND ACCOUNTABILITY

In FY 2007, the Corporation received its eighth consecutive unqualified audit opinion, and for the first time in its history, had no material weaknesses or significant deficiencies.⁸ This reflects the Corporation's sustained efforts to improve grants oversight, strengthen internal controls, automate processes, and measure key management indicators. The agency's financial statements, notes, and audits are available at: www.cncoig.gov/pdf/auditreportsfy08/08-01.pdf.

Although the Corporation's performance against the CFO Council's Government-wide Financial Management Metrics has not yet improved significantly from prior years, the agency anticipates a significant increase in FY 2008 performance. In 2007, the Corporation notably expanded the percent of vendor payments made via Electronic Funds Transfer (EFT), moving from "red" to "green" through extensive efforts to persuade vendors to participate in EFT. In FY 2008, the upgrades to its automated financial systems and related controls, as well as the agency's improved internal controls process will help to improve performance.

Across the entire agency, performance and accountability has become a major focus. Some of the actions taken in FY 2007 that resulted in improved performance and accountability include the following:

- » Launched the data warehouse and established an initial "dashboard" that will help senior management track progress on key indicators throughout the year;
- » Made program PART reviews a component of the budget development process;
- » Implemented grantee reporting of select standardized measures;
- » Improved data collection efforts to ensure comparable reporting across all programs in a timely manner;
- » Targeted grantee monitoring through a risk-based focus and improved procedures;
- » Implemented a more comprehensive internal control process. This revised process will help to ensure the agency's operations meet legal requirements and ensure funds are correctly expended;
- » Implemented a Program Management Office. This office will help to maintain quality and investment control over the agency's systems development efforts to ensure projects are coordinated, designed, and managed to be on budget and on time;
- » Consolidated the five field service centers into one. This will reduce costs and enable better coordination of customer service;
- » Established an Emergency Management Office. This office develops the plans and procedures to ensure the Corporation responds to disasters quickly and appropriately and helps ensure prompt, effective responses to emergencies;
- » Reduced healthcare costs in the VISTA and NCCC programs by recompeting the contract

8. The full auditors report is available at: www.cncoig.gov/pdf/auditreports/fy08/08-01.pdf.

and carefully monitoring compliance;

- » Established the VISTA member support unit that provides the full array of administrative assistance required by VISTA members, including everything from the application to post-service support. This also paralleled the complete realignment of field offices; and
- » Developed and implemented the Performance Measurement Database System. This system tracks performance across all of the agency's performance measures—national, corporate, and program levels.

DELIVER EXEMPLARY CUSTOMER SERVICE

The Corporation continued to eliminate undue burdens to its customers in FY 2007, resulting in an increase on the American Customer Satisfaction Survey and a large increase in overall customer satisfaction with the agency's technology systems.

Feedback from the agency's grantees has been particularly important to its ongoing efforts to improve grantee satisfaction with the Corporation's information technology systems. In response to customer concerns, the Corporation developed and implemented the "My AmeriCorps" web portal which, for example, will provide members with ready access to their education award information. In FY 2008, the Corporation plans to move further toward a paperless office model by developing a records management system to eliminate excess documentation and continue its information technology modernization efforts.

Other significant improvements for the Corporation's customers include:

- » More than doubling the percent of AmeriCorps and Learn and Serve America grants awarded on time to 60 percent; and
- » Providing extensive training and technical support to grantees, particularly through the web.

BUILD A DIVERSE, ENERGIZED AND HIGH-PERFORMING WORK FORCE

Based on data from the Federal Human Capital Survey, the Corporation has achieved significant improvements in employee satisfaction, from 68 percent reporting overall job satisfaction in FY 2004 to 72 percent in FY 2006 and then 77 percent in FY 2007. The Corporation was also rated the third most improved out of the 31 small federal agencies reviewed by the Partnership for Public Service in FY 2006; and, in FY 2007, the same organization placed the agency on its "Best Places to Work" list.

Future efforts to strengthen the workforce will focus on:

- » Expanding employee training on targeted mission-critical competencies, as well as performance evaluation, management, and leadership;
- » Continuing the multi-year workforce planning study to identify key competencies and succession planning, particularly in mission-critical positions; and
- » Continuing efforts to advance telecommuting capability.

PRESIDENT'S MANAGEMENT AGENDA— SELF-ASSESSED ANALYSIS

Table 6. President's Management Agenda—Self-assessed Analysis

INITIATIVE	SELF- ASSESSED STATUS RATING	SELF- ASSESSED PROGRESS RATING
Strategic Management of Human Capital	Y	G
Improved Financial Management	G	G
Competitive Sourcing	G	G
Expanded e-Government	R	Y
Performance Improvement	Y	Y

As a small independent agency, the Corporation is not required to meet the specific requirements of the President's Management Agenda (PMA). However, the Corporation conducts a self-assessment against the PMA and uses the results to help focus its management resources and improve its administrative efficiency.

In FY 2007, the Corporation continued to use the PMA as a guide and report progress toward "green" self-assessment ratings. However, to achieve this rating in the area of e-Government and Performance Improvement, the Corporation must continue to change its business processes and invest in the development of viable approaches for a small agency to meet challenges such as data collection, comprehensive evaluations, and a range of information technology upgrades. For more information on the Corporation's ratings and efforts in support of the PMA visit: www.nationalservice.gov/about/role_impact/performance.asp. For information on the PMA progress government-wide, visit: www.whitehouse.gov/omb/budintegration/pma_index.html.

Harness Baby Boomers' Experience



PUTTING EXPERIENCE TO WORK IN COURT

Carolyn Parmeter retired as a systems manager and took her experience and skills directly to the courts as an RSVP volunteer to benefit families and the public. She began as a court observer in the RSVP of Tulsa, Inc., a collaborative domestic violence Court Watch program, and soon stepped in to help develop project data collection forms and mentor other court observer volunteers. When a county judge created a "rocket docket" to handle defendants who are delinquent in court-ordered child support, Carolyn saw the value of additionally searching and tracking the cases so the courts could tally the amount being recouped for dependent families. The total amount sent back to dependent families by 2006 was \$13 million. The amount is important to the community as it documents the value of specially created courts and services for vulnerable children whose mothers may otherwise have little choice but to turn to the public for support. Until Carolyn began her project, the courts had no way of knowing the impact of the special docket.



Financial Management





Message from the CHIEF FINANCIAL OFFICER

APRIL 2008

FY 2007 was a major turning point for the Corporation's management. We achieved our eighth consecutive unqualified audit opinion and, *for the first time in our history, had no material weaknesses or significant deficiencies*. This result reflects our sustained focus over the past four years on improving grants oversight, strengthening internal controls, automating systems, and measuring key management indicators. Our accomplishments in FY 2007 include

- » **Continued business process improvement.** Achieved cost savings, better performance, and reduced administrative burden in FY 2007—benefits that will continue in future years as well—by completing the consolidation of five field financial service centers into one, implementing a web-based time and attendance system, initiating an electronic travel system, launching a data warehouse/management dashboard, and planning for further automation of currently paper-based processes;
- » **Improved information security.** Enhanced the information security program and fully addressed issues identified in the 2006 Financial Information Security Management Act (FISMA) report by reorganizing the Office of Information Technology (OIT), completing Certification and Accreditations on all major systems, and revamping OIT governance documentation, resulting in no significant deficiencies noted in the Office of Inspector General's (OIG's) independent FISMA evaluation;
- » **Made further performance improvements on the CFO Council's government-wide financial management metrics.** Improved our performance over FY 2006 against the nine government-wide financial metrics, averaging 62 percent "green" scores in FY 2007. Much work remains to reach our 100 percent goal, including completing a major upgrade of our financial system in FY 2008;
- » **Linked resources and results.** Aligned all programs and activities toward five strategic initiatives with program performance measures supporting Corporation and national performance improvements. In FY 2007, we also completed an initial analysis of the economic benefits of our programs, which is helping to tie program outputs and outcomes to national and economic benefits. The agency also incorporated strategic goals into program operating plans and reviewed both the financial and performance status of each program periodically; and
- » **Strengthened internal controls.** Built a robust OMB Circular A-123 internal control improvement program. In FY 2007, we initiated the "Control Associates Team," a cadre of mid-level employees who perform internal control testing as a collateral duty. We also provided intensive training to the heads of our assessable units and introduced a new risk assessment tool to guide future testing.

We look forward to more success in FY 2008, including continued transition to the government-wide lines of business to streamline administrative processes and reduce costs. Specifically, we will fully implement the Human Resources Line of Business and actively participate in the Budget Formulation and Execution Line of Business development.

None of these accomplishments would be possible without the expertise and commitment of employees throughout the Corporation. We are very fortunate to have an outstanding team of professionals who understand that good management and hard work are essential to advancing national and community service.

Jerry G. Bridges
Chief Financial Officer



INTERNAL CONTROL, AUDIT RESULTS, AND MANAGEMENT ASSURANCES

The Corporation is subject to the reporting requirements of the Government Corporation Control Act (31 U.S.C. 9101 et. seq.). Under these requirements, the Corporation provides a statement on its internal accounting and administrative controls consistent with the requirements of the Federal Managers' Financial Integrity Act of 1982 (FMFIA), as amended (31 USC 3512, et seq.) and implemented by Office of Management and Budget (OMB) Circular A-123, Management's Responsibility for Internal Control (revised December 21, 2004). The statement reflects the Corporation's assessment of whether there is reasonable assurance that internal controls are achieving the intended results, reports any material weaknesses in internal controls present within the agency, and describes management's current plans to address and correct any deficiencies.

INTERNAL CONTROL ASSESSMENT PROGRAM

During FY 2007, the Corporation continued to refine its internal control assessment program, which is modeled on OMB Circular A-123. These efforts included further developing the internal control organizational structure and monitoring of internal controls initiated during FY 2006. The Corporation's internal control program is led by a Senior Assessment Team of key financial and program management executives and is staffed by the Internal Control and Analysis Team (ICAT) within the Department of the Chief Financial Officer. The Senior Assessment Team approved the internal control improvement program and oversees the maintenance and quarterly review of ICAT activities.

The risk-based approach being developed at the Corporation gives priority for annual internal control reviews, including testing, to specific organizational and functional areas where significant risks are known to exist. For example, the Corporation's Accounting and Grants Management Offices, Field Financial Management Center, VISTA Member Support Unit, Office of Procurement Services, and regional National Civilian Community Corps campuses are all considered as a high priority when developing the annual internal control testing plan. The Corporation also continued to improve its grantees oversight and monitoring program using a similar risk-based approach.

Details on the agency's internal control program may be found at: www.nationalservice.gov/about/role_impact/performance.asp.

BASIS OF FY 2007 ASSESSMENT

The Corporation's assessment of internal control is based on internal control reviews and other analysis of Corporation operations, programs, and grantees including the following:

- » Review of manager responses on the internal control risk assessment tool for selected Corporation units;
- » Office of Inspector General (OIG) reports, including the annual financial statement audit and recent audits of portions of the Corporation's operations;
- » In-Progress Reviews (IPR) at NCCC campuses. The IPR is a focused management control assessment that provides for a self-assessment by campus staff, followed by an independent review by headquarters staff. Review items include project management, Corps member management, and fiscal controls. Following the on-site review, a written report is prepared and campus staff develops corrective action plans in response to IPR recommendations; and
- » Comprehensive risk-based assessments and random-sample internal control testing of selected portions of Corporation program and administrative operations.

In addition, management's knowledge of the Corporation's day-to-day operations helps the agency to ensure that adequate controls are in place for all of the agency's operations. These controls include the announcement of funds availability for grants, the receipt and evaluation of applications for financial assistance, and the negotiation and award of grants, contracts, and cooperative agreements.

Risk assessment decisions regarding FY 2007 control testing were heavily weighted by the dollar volume of grant programs and findings associated with the FY 2006 financial statement audit report. The areas for which the agency performed comprehensive random-sample testing of internal controls included the following:

- » Grant Risk Assessments jointly performed by program officers and grants officers;
- » Grant Monitoring Activities, including on-site visits; and
- » Testing of Unprocessed Momentum Form Clearance, Cash Receipt Transactions, Payment Voucher Transactions, Travel Voucher Transactions, Reimbursable Bill Transactions and Credit Card Payment Transactions.

The testing identified opportunities to fine tune processes, improve efficiency, and diminish the likelihood of potential errors. No area of material weakness or significant deficiency were identified in any of the internal controls tested.

ANNUAL FINANCIAL AUDIT RESULTS

FY 2007 marks the eighth consecutive year the Corporation has earned an unqualified opinion on its financial statements.⁹ It also is the first year that the auditors identified no mate-

9. As an agency subject to the Government Corporation Control Act, the financial statements are prepared in accordance with standards issued by the Financial Accounting Standards Board.

rial weaknesses, significant deficiencies, or other significant internal control issues. While these results demonstrate the Corporation's efforts to ensure sound financial management, more can be done to further refine the agency's internal controls and improve the efficiency of its financial and program administration operations. The Corporation will continue to proactively work with the Office of Inspector General to identify areas for improvement. To review the financial statements, notes, and auditors' reports, visit: www.cncsoig.gov/pdf/auditreports/fy08/08-01.pdf.

MANAGEMENT ASSURANCES

Statement of Assurance for Financial Management Systems, Operations, and Compliance with Laws and Regulations

The Corporation is responsible for establishing and maintaining effective internal control and financial management systems that meet the objectives of the Federal Financial Management Improvement Act (FFMIA). The Corporation conducted its assessment of internal control over the effectiveness and efficiency of operations and compliance with applicable laws and regulations in accordance with OMB Circular A-123. Based on the results of this evaluation, the Corporation provides reasonable assurance that its internal control over the effectiveness and efficiency of operations and compliance with applicable laws and regulations as of September 30, 2007, was operating effectively and no material weaknesses were found in the design or operation of the internal controls.

Statement of Assurance for Internal Control over Financial Reporting

In addition, the Corporation conducted its assessment of the effectiveness of internal controls over financial reporting, which includes safeguarding of assets and compliance with applicable laws and regulations, in accordance with the requirements of Appendix A to OMB Circular A-123. Based on the results of this evaluation, the Corporation provides reasonable assurance that its internal control over financial reporting as of June 30, 2007, was operating effectively and no material weaknesses were found in the design or operation of the internal control over financial reporting.

Compliance with Financial Systems Requirements, Accounting Standards and U.S. Standard General Ledger

The FFMIA requires federal agencies to implement and maintain financial management systems that are in substantial compliance with federal financial system requirements, federal accounting standards issued by the Federal Accounting Standards Advisory Board, and implementation of the Department of the Treasury Standard General Ledger (USSGL) at the transaction level. Pursuant with FFMIA, OMB issued Circular A-127, Financial Management Systems. Circular A-127 prescribes the policies and standards for agencies to follow in developing, operating, evaluating, and reporting on financial management systems.

The Corporation utilizes Momentum Financials as its core financial system. This is a commercial off-the-shelf software application certified by the Office of Federal Financial Management as meeting the Circular A-127 financial system requirements. Activity is posted in Momentum following the USSGL at the transaction level.

Based on the Corporation's review of the auditors' report and other relevant information, the agency determined that the Corporation complies substantially with the requirements of the FFMIA for FY 2007.



David Eisner
Chief Executive Officer



Jerry Bridges
Chief Financial Officer

Support Disaster Preparedness and Response

FACING A HURRICANE'S WRATH

AmeriCorps NCCC has been an essential recovery partner to St. Bernard Parish, Louisiana, after Hurricane Katrina damaged virtually every structure in the parish. NCCC teams were among the first volunteers to begin mucking out houses that had been submerged by the storm surge, eventually mucking out 4,000 homes. However, Parish officials subsequently assigned the teams the task of coordinating the mucking operations for the entire St. Bernard Parish Recovery Effort. Two years after the hurricane, NCCC teams are providing the organizational leadership that makes it possible for episodic volunteers to make meaningful and substantive contributions.





ANALYSIS OF APPROPRIATIONS AND FINANCIAL CONDITION

COMPOSITION OF CORPORATION ASSETS

The Corporation's primary assets are Fund Balance with Treasury, Trust Investments and Related Receivables, and Advances to Others. The Fund Balance with Treasury represents annual, multi-year, and no-year funds that are available to pay current and future commitments. Fund Balance with Treasury decreased by about \$41 million, from \$928 million at September 30, 2006, to \$887 million at September 30, 2007. The decrease in the fund balance is due primarily to actual appropriations received being less than actual cash used in operating and investing activities.

Trust Investments, which are maintained in the National Service Trust, are restricted for use in paying education awards, student loan interest forbearance, and Presidential Freedom Scholarships to eligible participants, and are not available for use in the current operations of the Corporation. Trust Investments and Related Receivables showed an increase of \$17 million related to improved interest earnings during the year. Because of lower interest rates forecast over the next 12–18 months, interest earnings are expected to drop in 2008.

Advances to Others mainly represent funds provided to grantees in advance of their performance under a grant. For the most part, these advances are liquidated during the first quarter of the subsequent fiscal year. Advances to others increased slightly, by \$2 million, from \$60 million at September 30, 2006, to \$62 million at September 30, 2007, reflecting the similar level of drawdown activity as in the prior year.

COMPOSITION OF CORPORATION LIABILITIES

The Corporation's most significant liabilities are the Trust Service Award Liability and Grants Payable. Individuals who successfully complete terms of service in AmeriCorps programs earn education awards that can be used to make payments on qualified student loans or for educational expenses at qualified educational institutions. The awards, which can be used for a period of up to seven years, are paid from the National Service Trust. The Trust also pays forbearance interest on qualified student loans during the period members perform community service. The award liability components related to education awards and interest forbearance were adjusted, based on historical experience, to reflect the fact that some eligible participants may not use these benefits. The Trust Service Award Liability increased by about \$14 million, from \$267 million at September 30, 2006, to \$281 million at September 30, 2007. This change was largely due to the annual increase in the cumulative number of AmeriCorps members who have earned an education award.

Grants Payable represents funds due to grantees in payment of their performance under a grant. For the most part, these payables are liquidated during the first quarter of the subsequent fiscal year. Grants Payable increased by about \$13 million, from \$87 million at September 30, 2006, to \$100 million at September 30, 2007. The change between the two years is considered a normal operating variance.

TRUST SOLVENCY

The Strengthen AmeriCorps Program Act of 2003 (SAPA) directed that the Corporation record Trust obligations at the time of grant award for AmeriCorps State and National, or at the time the Corporation enters into an enforceable agreement with an individual participant in the AmeriCorps VISTA and NCCC programs. The amount to be obligated is the estimated value of authorized education benefits, discounted for the estimated enrollment, earning, and usage rates and the time value of money. As directed by the Act, the Corporation also established a Trust reserve that will protect the Corporation in the event that the estimates used to calculate obligations differ from actual results. Under SAPA, during FY 2007 the Corporation based its obligation amount on the full value of the education award, a 100 percent enrollment rate, and earning and usage rates of approximately 80 percent.

As of September 30, 2007, the National Service Trust had available cash and investments of about \$411 million to make education award and interest forbearance payments (about \$8 million of Trust assets were related to prepaid interest and receivables that are not available for obligation). Of this amount, Corporation obligations for awarded AmeriCorps positions totaled about \$402 million with additional commitments of about \$2 million. The Corporation also has set aside a reserve of \$46.7 million, including \$6.9 million set aside in FY 2007, in the event that estimates used to calculate obligatory amounts prove to be too low.

About \$6.7 million was available at year-end to fund new AmeriCorps member positions. Trust assets are estimated to be fully sufficient to pay for all awarded AmeriCorps positions. As grants expire, the Corporation has begun to deobligate funds related to member positions that were not filled. The Corporation also will continue to analyze the Trust liability projections to identify opportunities for improvement.

For detailed information on the agency's financial statements, including statements for the Trust, visit: www.cncsoig.gov/pdf/auditreports/fy08/08-01.pdf.

GLOSSARY

ACSI

American Consumer Satisfaction Index; produced by the Stephen M. Ross Business School at the University of Michigan; the ACSI measures trends in customer satisfaction. Scores are reported on a scale of 0 to 100, and are based on econometric data obtained through customer interviews. The Corporation score is a weighted average of program scores according to appropriations for the fiscal year. The ACSI was adopted in 1999 as the “gold standard” measure for federal agencies.

AGA

Association of Government Accountants

AMERICA’S PROMISE

America’s Promise is a collaborative network that works to build the character of children and youth through providing five promises—caring adults in their lives, safe places to learn and grow, a healthy start, an effective education and opportunities to contribute to their communities.

AMERICORPS NCCC

AmeriCorps National Civilian Community Corps; a Corporation program that engages men and women ages 18–24 in a full-time, team-based, residential program, providing flexible response capabilities to meet community needs.

AMERICORPS VISTA

AmeriCorps Volunteers in Service to America (VISTA); a Corporation program that provides full-time volunteers to community organizations to help create and expand anti-poverty programs and build the capacity of the organizations where they serve.

AMERICORPS S/N

AmeriCorps State and National; a Corporation program that provides grants to nonprofit organizations to engage Americans of all backgrounds in service to address community needs in education, public safety, health, the environment, and other human needs.

ATTRITION RATES

Attrition rate measures a reduction in number of employees, program members, mentors and other groups as percentages. For example, the percent of employees who leave the program or agency between the start and end of the year. (The employee attrition rate is affected by retirements, resignations and deaths, among other factors.)

BABY BOOMER

A person born in the generation after WWII, between 1946 and 1964.

BPR

Business Process Review; an effort to track the various actions that must take place in order to produce a given output with the objective to identify efficiency and/or effectiveness improvements.

CEAR

Certificate of Excellence in Accountability Reporting; the Association of Government Accountant’s (AGA) Certificate of Excellence in Accountability Reporting® Program has been helping federal agencies produce high-quality Performance and Accountability Reports since 1997. The program was established in conjunction with the Chief Financial Officers Council and the U.S. Office of Management and Budget to improve financial and program accountability by streamlining reporting and improving the effectiveness of such reports.

CERT

Community Emergency Response Training

CHILDREN AND YOUTH FROM DISADVANTAGED CIRCUMSTANCES

Children and youth up to age 25 with exception or special needs (as defined in part 2552.12(f) and (g) of the DVSA regulations, or who are economically disadvantaged and for whom one or more of the following apply: (1) out-of-school youth who are unemployed; (2) in or aging out of foster care; (3) limited English proficiency; (4) homeless or have run away from home; (5) at-risk to leave school without a diploma; and (6) former juvenile offenders or at risk of delinquency.

CHILDREN WITH EXCEPTIONAL NEEDS

Children who are developmentally disabled, such as those who are autistic, have cerebral palsy or epilepsy, are visually impaired, speech impaired, hearing impaired, orthopedically impaired, are emotionally disturbed or have a language disorder, specific learning disability, have multiple disabilities, other significant health impairment or have literacy needs.

GLOSSARY

CHILDREN WITH EXCEPTIONAL NEEDS (CONTINUED)

Existence of a child's exceptional need shall be verified by an appropriate professional, such as a physician, psychiatrist, psychologist, registered nurse or licensed practical nurse, speech therapist or educator before a Foster Grandparent is assigned to the child.

CHILDREN WITH SPECIAL NEEDS

Children who are abused or neglected; in need of foster care; adjudicated youth; homeless youths; teenage parents; and children in need of protective intervention in their homes. Existence of a child's special need shall be verified by an appropriate professional before a Foster Grandparent is assigned to the child.

COMPETITIVE SOURCING

In the summer of 2001, OMB introduced the President's Management Agenda (PMA), a part of which called upon agencies to use competition as a viable management practice to determine the best and most cost-effective provider of commercial activities currently performed by their employees. Since then, agencies have made important progress in implementing the practice of competitive sourcing as a resource management tool for improving mission performance and decreasing costs for taxpayers.

CONSTITUENTS

A broad term for the many people affected by the Corporation's programs, including volunteers, clients, grantees and sub-grantees, among others.

COOPERATIVE AGREEMENT

An assistance agreement by which the Corporation transfers resources to a grantee or state for the accomplishment of an authorized activity, most often used to provide training and technical assistance, as well as disaster relief.

CNCS

Corporation for National and Community Service (the Corporation)

CPS

Current Population Survey; conducted annually by the Census Bureau.

CRM

Customer Relations Management

DATA WAREHOUSE

Founded in FY 2007, the data warehouse provides a platform for which data from a variety of sources, including grantees, financial data, performance data and service data is readily available to managers. As further enhancements are implemented, this data warehouse will continue to improve monitoring and analysis of management issues.

DISADVANTAGED CHILDREN AND YOUTH

Individuals up to age 25 with exceptional or special needs (as defined in part 2552.81 of the DVSA regulations; see entry for children with exceptional needs and children with special needs for corresponding definitions), or who are economically disadvantaged and for whom one or more of the following apply: 1) out-of-school, including out-of-school youth who are unemployed; 2) in or aging out of foster care; 3) limited English proficiency; 4) homeless or have run away from home; 5) at-risk to leave school without a diploma; and 6) former juvenile offenders or at risk of delinquency.

DIVERSITY SPECIALIST

The Diversity Specialist is responsible for initiatives that uphold the Corporation's goals by promoting and helping to sustain diversity in both its federal and civilian workforce.

DVSA

Domestic Volunteer Service Act; one of the two Corporation authority statutes (the other being NCSA).

EAS

Employee Appraisal System

EFFICIENCY MEASURE (OR PROXY)

Measure of productivity, or the cost per unit of outcome or output. For the Corporation, these measures may include cost per member, volunteer, participant service year and service hour, such measures may be combined with measures of program outcomes such as improved academic performance.

GLOSSARY

EGRANTS

The Corporation's grants management system.

FBCI

Faith-based and Community Initiative; the Corporation's faith-based and community initiative aligns with the President's call to "rally America's armies of compassion" to provide community services. By devoting resources to, working with and providing equal opportunities for local, faith-based and other community organizations, the Corporation helps to energize civil society and increase social capital. Specific projects under the FBCI umbrella include the formation of a cross-Corporation task force; removal of barriers to participation at the federal, state, and local levels; and outreach and training to better prepare faith-based and community organizations to compete for grants.

FEDERAL AUDIT CLEARINGHOUSE

The Federal Audit Clearinghouse operates on behalf of the Office of Management and Budget (OMB) and its primary purposes are:

- » To disseminate audit information to federal agencies and the public;
- » To support OMB oversight and assessment of federal award audit requirements;
- » To assist federal cognizant and oversight agencies in obtaining OMB Circular A-133 data and reporting packages; and
- » To help auditors and auditees minimize the reporting burden of complying with Circular A-133 audit requirements.

FGP

Foster Grandparent Program (one of three Corporation-sponsored Senior Corps programs); this program provides support and service to children and youth with exceptional needs and engages individuals aged 60 and over in such service.

FISMA

Federal Information Security Management Act; Title III of the E-Government Act, which requires that all federal agencies provide security for the information and information systems that support the operations and assets of the agency, including those managed by other agencies or contractors.

FMFIA

Federal Managers' Financial Integrity Act

FSR

Financial Status Report

FY

Fiscal year; October 1, 2007 through September 30, 2008 is the 2008 fiscal year.

GARP

Grants Application Review Process

GMLoB

Grants Management Line of Business

GOVERNMENT-WIDE FINANCIAL INDICATORS

Nine financial measures or metrics developed by the CFO's Council for use government-wide

GPRA

Government Performance and Results Act; the Act seeks to shift the focus of government decision-making and accountability away from a preoccupation with the activities that are undertaken—such as grants dispensed or inspections made—to a focus on the results of those activities, such as real gains in employability, safety, responsiveness, or program quality. Under the Act, agencies are to develop multiyear strategic plans, annual performance plans, and annual performance reports.

GRANT

The Corporation provides monetary aid to states, organizations, educational institutions and others to assist them in their service-based objectives.

GRANTEE

An organization that has been awarded financial assistance under one of the Corporation's grant-making programs.

GRANTS.GOV INITIATIVE

As part of the President's Management Agenda, this initiative created Grants.gov, a centralized, online, grants management system where potential grantees can find, and apply for, over 900 grants programs offered by the 26 federal grant-making agencies.

GLOSSARY

HUMAN CAPITAL SURVEY

The Federal Human Capital Survey is a tool that measures employees' perceptions of whether and to what extent conditions which characterize successful organizations are present in a federal agency. This ground breaking survey was administered for the first time in 2002 and set a baseline for ongoing Human Capital assessment in the federal government.

IMPROPER PAYMENTS

Improper payments occur when federal funds go to the wrong recipient, the recipient receives the wrong amount of funds, or the recipient uses the funds improperly.

IMPROPER PAYMENTS INFORMATION ACT

The Improper Payments Information Act of 2002 contains requirements in the areas of improper payment identification and reporting. It requires agency heads to annually review all programs and activities, identify those that may be susceptible to significant improper payments, estimate annual improper payments in the susceptible programs and activities, and report the results of their improper payment activities. The legislation also requires OMB to prescribe guidance for federal agency use in implementing the act. OMB issued the guidance in May 2003.

INFORMATION TECHNOLOGY PLAN

The Information Technology Plan guides the use of electronic government, aligning information technology investments with the Corporation's strategic plan.

IT

Information technology

LASSIE

Learn and Serve Survey Information Exchange; the data collection mechanism used to provide information on Learn and Serve grantees, their projects, and participants.

LEVERAGED COMMUNITY VOLUNTEERS

Participants in Corporation-supported service programs, who were recruited, coordinated, or supported by Corporation-funded programs. This excludes direct AmeriCorps members, Learn and Serve America direct program participants, and Senior Corps direct volunteers.

LOGIC MODEL

Visual, systematic representations of relationships between the Corporation's goals, activities, and resource requirements. Logic models provide the backbone for the development of the Corporation's budget proposals.

LSA

Learn and Serve America; a Corporation program that supports service-learning activities in schools, colleges, and community organizations.

MANAGEMENT DASHBOARD

A selection of the most critical operational, output and outcome measures that assess key aspects of the Corporation's performance.

MANAGEMENT METRICS

Measures that reflect the Corporation's administrative performance.

MAS

Managerial Appraisal System

MATERIAL WEAKNESS

One or more significant deficiencies resulting in more than remote chance that a material misstatement of the financial statements will not be prevented or detected. Prior to FY 2007, a material weakness was defined as: a severe reportable condition—controls do not bring risk to low level that fraud or errors cause material financial statement misstatements and not be detected. See also the terms, "reportable condition" and "significant deficiency."

MEMBER

A stipended participant in one of the Corporation's AmeriCorps programs.

MEMBER SLOT MANAGEMENT

Process of tracking and monitoring the award and filling member positions through the Corporation's AmeriCorps grant-making programs.

GLOSSARY

MENTORING

Includes formal, sustained relationships established between an older or more experienced person and a younger or less experienced person for the purpose of academic, social, or career support. This does not include the relationship between a teacher and his or her students in a classroom setting.

MISSION CRITICAL

Those characteristics and behaviors of the Corporation, or its employees, which are essential to achieving the agency's goals.

MLK, JR. DAY

Martin Luther King, Jr. Day of Service

MOMENTUM

The Corporation's core financial management system.

MSY

Member Service Year; similar to full-time equivalent (FTE), but reflects the program's service year.

NAEP

National Assessment of Educational Progress; sponsored by the Department of Education.

NAPA

National Academy of Public Administration

NATIONAL SERVICE

Service to local communities throughout the country provided through Corporation programs.

NATIONAL SERVICE TRUST

The National Service Trust (the Trust) was established by the National and Community Service Trust Act of 1993 (42 USC12601, et seq.) to provide funds for education awards for eligible participants who complete AmeriCorps service.

NCCC

See AmeriCorps NCCC

NCSA

National and Community Service Act; one of the two Corporation authority statutes (the other being DVSA).

NEXT GENERATION GRANTS

Grants that foster the expansion of national service by providing seed money to help organizations plan and implement new service programs.

NOFA

Notice of Funds Availability; the public notification that grants are available, subject to the terms and process to apply for and implement a grant described in the notification.

OFFICE OF CIVIL RIGHTS AND INCLUSIVENESS

The department responsible for dealing with diversity, civil rights and discrimination issues within the Corporation.

OIG

Office of Inspector General

OMB

Office of Management and Budget

ON-SITE COMPLIANCE VISIT

A method by which the Corporation monitors its programs; on-site compliance visits help determine whether activities are following the requirements stipulated in the grant award, including programmatic and financial requirements.

OUTCOME-BASED METRICS

Measure of the impact of the Corporation's programs on the end-beneficiaries.

OUTPUT MEASURES

Metrics that directly assess the work that the Corporation carries out, ensuring accountability, for example, the number of grants or the number of training conducted.

GLOSSARY

OPM

Office of Personnel Management

PART

Program Assessment Rating Tool; the Office of Management and Budget (OMB) developed the PART as a means of assessing program performance so that the federal government can achieve better results. By identifying strengths and weaknesses, a PART review provides information useful to making funding and management decisions. PART looks at a consistent series of analytical questions, considering all factors that affect and reflect program performance, including program purpose and design; performance measurement, evaluations, and strategic planning; program management; and program results.

PART SIMULATION

The Corporation internally simulates the PART review to help identify weaknesses, evaluate operations and prepare for a potential future PART by OMB.

PARTICIPANT

An individual who participates directly in the Corporation's program activity, including Learn and Serve America and the Senior Corps programs, but does not include community volunteers who are recruited or managed by Corporation members and participants.

PENETRATION TESTING

Security testing that targets the vulnerability of the Corporation's electronic network in order to determine that its operational systems are secure, as required by the President's Management Agenda.

PERFORMANCE BASELINE

The data in a set, base year for the Corporation's performance measures, against which future outcomes and targets can be compared.

PMA

President's Management Agenda; the PMA aims to encourage accountability for performance and results throughout federal agencies. Developed in the summer of 2001, it identifies five areas in which the government needs improvement: human capital management, improved financial performance, competitive sourcing, expanded use of electronic-government, and the integration of performance and budget information. In addition, several agency-specific areas are identified, including FBCI for the Corporation. Each federal organization is given two separate green, yellow or red ratings, one reflecting the agency's status (i.e., does it meet all standards for success?) and the other, its progress (i.e., how effective it is in implementing its plans for improvement?).

PMDS

Performance Measurement Database System; a system recently developed by the Corporation to track all of its performance from the national to the operational level.

POA&M

Plan of Action and Milestones

POLF

Points of Light Foundation; the POLF is an organization devoted to helping Americans meet their community needs through volunteering. POLF helps to leverage volunteers, build the capacity of local groups, develop leaders in their communities, and raise public awareness. POLF and the Hands On Network recently merged their operation to form a more comprehensive and effective national network of volunteer centers.

PPVA

Project Profile of Volunteer Activity; a national data collection and management system that compiles data from local projects to assess activities, volunteer profiles and clients served. The PPVA survey is used in Congressional appropriations hearings, as well as for other information requests and agency management decisions.

PRESIDENT'S MANAGEMENT COUNCIL

Composed of departmental and agency chief operating officers, a group organized to help federal agencies achieve the President's Management Agenda.

PRESIDENTIAL FREEDOM SCHOLARSHIP

Presidential Freedom Scholarship; a former Corporation program, the Presidential Freedom Scholarships promoted student service and civic engagement. These scholarships recognized high school students for outstanding leadership in service to their community and neighbors.

GLOSSARY

PRIVACY ACT ASSESSMENT

Corporation assessments to ensure that new, or newly reformed, financial systems comply with the Privacy Act and do not compromise the integrity of any material containing personal information.

PROGRAM

One of the Corporation's established systems of projects and services, including AmeriCorps, Learn and Serve America, and the Senior Corps.

PROGRAM END-BENEFICIARIES

The specific demographic or organizational group that the Corporation's programs aim to benefit.

PROJECT

A set of systematic activities and services that the Corporation carries out through its grantees to achieve its goals.

PSO

Pre-Service Orientation

PY

Program year

REPORTABLE CONDITION

Matters that should be reported to audit committee. A significant internal control design or operation deficiency that could adversely affect ability to initiate, record, process, and report financial data accuracy. Term used prior to FY 2007. See also "significant deficiency" and "material weakness."

RPD

Research and Policy Development; the department within the Corporation that is responsible for evaluation and other functions.

RSVP

One of three Senior Corps programs run by the Corporation; this program offers "one stop shopping" for volunteers 55 and over who want to find challenging, rewarding, and significant service opportunities in their local communities, allowing volunteers to choose how, where, and how often they want to serve.

RULEMAKING

The process by which a federal agency creates and updates the formal regulations that will govern the implementation of its programs; rulemaking generally offers an opportunity to address significant policy issues and provide continuity for program operations. The rulemaking process involves proposing rules, receiving public comment, and the publishing of final rules.

SCP

Senior Companion Program (one of the three Corporation Senior Corps programs); this program enables individuals aged 60 and up to assist frail, homebound individuals with daily living tasks.

SEA

State Education Agency

SERVICE-LEARNING

Service-learning is an educational method by which schools and communities coordinate to allow students to engage in service activities and help to meet local needs while benefitting their education. Learn and Serve America provides grants to state education agencies, nonprofit organizations, and higher education institutions for this purpose, facilitating service learning and encouraging civic engagement.

SES

Senior Executive Service

SIGNIFICANT DEFICIENCY

One or more internal control deficiencies that adversely affect(s) an entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles so that there is more than a remote chance that misstatement of financial statements that is more than inconsequential will not be prevented or detected. The term, "significant deficiency," did not have an official meaning related to the audit of the financial statements. See also "material weakness," and "reportable condition."

GLOSSARY

SITE VISIT

A method by which the Corporation monitors and assesses its programs.

SMS

Salary Management System; the Corporation Office of Budget's recently-implemented system to help manage payroll costs. The system can run multiple scenarios on both on-board strength and vacant positions and provide a detailed breakout of all payroll costs, helping to determine actual benefits costs. The Corporation used the SMS to determine payroll projections for FY 2006 and FY 2007.

STATE SERVICE COMMISSIONS

Governor-appointed public agencies or private nonprofit organizations that serve at a state level and sub-grant federal funds to local sources to support service and volunteerism.

STATE ADMINISTRATIVE STANDARDS REVIEWS

Corporation monitoring and assessment of the operations of the public agencies and nonprofit organizations to which it provides grants.

STRATEGIC HUMAN CAPITAL PLAN

A workforce management strategy developed through discussions with employees, managers and agency officials; it encourages a results-driven performance culture, open communications, fact-based decision-making, diversity and an alignment of performance with Corporation goals.

STRENGTHEN AMERICORPS PROGRAM ACT

Signed in July, 2003 by the President, the Strengthen AmeriCorps Program Act established new accounting guidelines for education awards in the National Service Trust.

SUBGRANTEES

An organization that has been awarded financial assistance by a state service commission national grantee or other grantee; the state level organization first receives a grant from the federal government, and then redistributes the funds out to subgrantees.

TARGET

A performance measure goal set for a specific year based on prior year data and anticipated activities, to be compared against actual performance.

TTA

Training and Technical Assistance

U.S. CFO COUNCIL

Organization of the chief financial officers and deputy chief financial officers of the largest federal agencies, senior officials of the Office of Management and Budget and the Department of the Treasury who work collaboratively to oversee financial management in the government.

VISTA

See AmeriCorps VISTA

VPN

Virtual Private Network; a data network that utilizes the shared public infrastructure, yet still maintains privacy through tunneling protocol and security procedures. VPN is generally more cost-effective than exclusive, private lines.

VSU

Volunteer Service Year; as applied to the Senior Corps FGP and SCP programs.

WBRS

Web-based Reporting System; an electronic grant, project, and member tracking and management system that the Corporation is currently working to convert into its electronic government platform.

Report Preparation Statement

This report was prepared by the Office of the Chief Financial Officer (Tyndall Traversa) with the document design and editing support of MacroSys Research and Technology (Kalle Culotta and Katie Ferguson) and input from the Office of Management and Budget (Jeremy Moon). The Corporation's Deputy Chief Financial Officer, William Anderson, and his staff prepared the financial statements and related materials. Many others within the Corporation contributed their time and expertise in providing data, drafts, other information, and comments. Their responsiveness and support was critical to the preparation of this report.

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How wonderful it is that nobody need wait a single moment before starting to improve the world.

Anne Frank

I am only one; but still I am one. I cannot do everything, but I still can do something. I will not refuse to do the something I can do.

Helen Keller

The noblest question in the world is, What good can I do in it?

Benjamin Franklin

You must be the change you wish to see in the world.

Mahatma Gandhi

**Your world.
Your chance to make it better.**

Find out how...

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