

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

**Semiannual Report
to Congress**

October 1, 2009 - March 31, 2010
Fiscal Year 2010 Semiannual Report No. 1



Corporation for
**NATIONAL &
COMMUNITY
SERVICE** 

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About The Office Of Inspector General

In 1993, Congress created the Corporation for National and Community Service (Corporation), along with this Office of Inspector General (OIG), in the National and Community Service Trust Act (42 U.S.C. §§ 12501-681). Independent of the agency we oversee, and led by a presidential appointee, the OIG conducts audits and investigations of Corporation programs, including AmeriCorps, Volunteers In Service to America (VISTA), the National Civilian Community Corps, Learn and Serve America, and Senior Corps. The OIG also examines Corporation operations, and State community service programs that receive and distribute the majority of Corporation grant funds. Based on the results of our work, and in addition to its audit reports and criminal and civil referrals based on our investigations, the OIG recommends to the Corporation policies to promote economy and efficiency.

This semiannual report, as required by the Inspector General Act of 1978, details our work for the first six months of Fiscal Year (FY) 2010. It is being transmitted to the Corporation's Chief Executive Officer, Board of Directors, and Members of Congress.

A Message From Acting Inspector General Kenneth Bach

April 30, 2010

I am pleased to share with you our Semiannual Report to Congress, which details the achievements of the Office of Inspector General (OIG) for the period October 1, 2009, through March 31, 2010. During this reporting period, the OIG launched a major oversight effort of the American Recovery and Reinvestment Act (ARRA) grants made by the Corporation for National and Community Service (Corporation) and realigned its resources and strategic plan to respond to a major expansion of Corporation programs under the terms of the Edward M. Kennedy Serve America Act of 2009.



Our Audit Section issued eight reports, resulting in more than \$237,000 of questioned costs, the identification of more than \$96,000 in funds that could be put to better use and numerous recommendations for improvement in Corporation and grantee operations, policies and programs.

Our Investigations Section opened 22 new cases and closed 22 actions, including 13 cases with significant findings, resulting in the recovery of more than \$116,000 in taxpayer dollars and the potential recovery of more than \$2.5 million for reinvestment in national service.

We began our joint investigative-audit ARRA effort by performing a risk assessment of the hundreds of Corporation grantees that received stimulus funds to expand their existing AmeriCorps and Volunteers In Service to America (VISTA) programs. ARRA allocated \$200 million to the Corporation to create 10,000 additional AmeriCorps positions and to increase the ranks of VISTA by 3,000 members. Under the Act, the OIG received \$1 million to finance its ARRA oversight until 2012.

After compiling a list of higher-risk grantees, we conducted more than 30 grantee site visits, during which our investigative staff presented Fraud Awareness Briefings, reviewed grantee operations and records, and met with officials and volunteers. Concurrently, our auditors commenced an ARRA grantee accounting system audit of 22 of the higher-risk grantees. The objective of these audits is to assess the capability of these grantees to comply with ARRA accountability requirements and to ensure that:

1. Recipients of funds and uses of all funds are transparent
2. Reporting of the public benefit of ARRA funds is clear, accurate, and timely
3. Funds are used for authorized purposes and internal controls are in place to mitigate fraud, waste, error and abuse
4. Controls are in place to avoid unnecessary delays and cost overruns

As part of our ARRA work, we also began a comprehensive audit of VISTA, a major program and one of the oldest of the Corporation's anti-poverty initiatives. Our VISTA audit will be an ongoing effort, targeting select procedures and policies in smaller manageable phases. Audit reports will be issued as we complete each phase. Our VISTA audit is part an ongoing OIG shift from reviews of individual external grantees to projects and policies that address the core operations and functions of the

Inspector General's Message

Corporation. I feel these performance- and procedure-based reviews will have a more global impact in our shared mission to prevent and deter fraud, waste, and abuse of taxpayer dollars invested in national service.

Our audits of the Corporation's 2009 Financial Statements and the National Service Trust (the source of funds for education awards) resulted in clean opinions and our Federal Information Security Management Act (FISMA) Review of the Corporation's information technology systems found continued improvement, especially in the area of employee security awareness training.

The advent of the Edward M. Kennedy Serve America Act, which will result in considerable expansion of Corporation programs in the years ahead, as well as a number of new volunteer initiatives, makes it incumbent on the OIG to fully understand the implications of the Act and realign its resources to meet the challenge of oversight. We are closely monitoring the Corporation's rulemaking as it relates to the Serve America Act and are active participants in the Corporation Policy Council, offering recommendations on all new and amended policies with the primary goal of enhancing and protecting our joint ability to detect and prevent fraud, waste and abuse.

During this period we updated our strategic plan for the period 2010-2015 to align it with our new and expanded responsibilities. We worked with the Corporation and the Office of Personnel Management to redesign a new performance-based evaluation system for OIG employees. This new evaluation system will now align each employee's work plan with our new strategic plan.

I have requested an organizational review of the OIG to assist us in planning for the future. I want to ensure the OIG will have the right number of professionals with the right skills to meet our new challenges. The project includes extensive interviews of OIG staff, as well as our Corporation customers and other stakeholders and will include short-, medium- and long-term recommendations.

Given our advanced planning and our ability to react to the fast-changing challenges to our oversight efforts, I am confident that the OIG is well positioned to protect and support the Corporation, its grantees and volunteers, and the millions of Americans who benefit from national service.

Kenneth Bach
Acting Inspector General

Audit Section

The Office of Inspector General Audit Section is responsible for reviewing the financial, administrative, and programmatic operations of the Corporation for National and Community Service. The Audit Section's responsibilities include auditing the Corporation's annual financial statements, assessing the Corporation's management controls, reviewing the Corporation's operations, and auditing individual grants, contracts, and cooperative agreements funded by the Corporation. All OIG audit reports are issued to Corporation management for its action or information.



Audit Results

During this reporting period, the OIG Audit Section issued eight reports. Of special note is the fact that our audits of the Corporation's Fiscal Year 2009 Financial Statements and National Service Trust Schedules resulted in clean opinions and no material weaknesses.

There was also good news on the information technology front in our FY 2009 Federal Information Security Management Act (FISMA) Independent Evaluation of the Corporation's systems. We found that the Corporation has taken significant steps to enhance its information security program and address issues identified in the prior FISMA report. Our FY 2009 FISMA report specified two recommendations for improvement:

1. Information system owners should continue to develop and update the system security plans in accordance with guidance provided by the National Institute for Standards in Technology and
2. Corporation system owners, with assistance from the Privacy Officer, should continue the development of Privacy Impact Assessments in accordance with OMB M-03-22, and as required by the Privacy Policy and Certification and Accreditation procedures.

The five grantee audit reports issued during this period questioned more than \$237,000 in claimed costs and recommended that more than \$96,000 in funds be put to better use. There were 16 audits in process at the end of this reporting period.

The OIG Audit and Investigations Sections devoted considerable resources to outreach efforts within the non-profit community, with a special emphasis on grantees receiving funding for additional AmeriCorps and VISTA member slots under the American Recovery and Reinvestment Act (ARRA). Our objectives were to present information to encourage the development of systems to prevent fraud, waste and abuse to the large non-profits, some of which may be subject to our audits in the future. OIG Representatives attended Corporation grantee conferences in Crystal City, VA, Dallas and New Orleans. Through these interactions with the non-profit community, we sought to inform key groups on common audit and investigative findings, internal controls issues, and preparation for audits. We also addressed risk factors of which grantees should be aware and shared lessons learned during audits and investigations. Our staff answered questions and provided brochures and other educational materials.

Significant Issues

Report 10-08 - Agreed-Upon Procedures for Corporation Grants Awarded to the University of San Francisco - School of Education (USF)

The OIG questioned claimed Federal-share costs of \$192,972, plus education awards and accrued interest payments related to members' service under the terms of the grant, but funded outside of the grant of \$33,759 and \$3,593, respectively. Auditors noted that the grantee lacked effective procedures to monitor and evaluate its collaborative partners' performance, and failed to perform monitoring site visits in accordance with the grantee's Partner Policy Manual.

The questioned Federal-share costs relate to the lack of grantee receipts for Mini-grants. USF's Mini-grant program provided funding for approximately 200 projects in which AmeriCorps members applied for grant funds, ranging from \$300 to \$1,000, to use for supplies and materials for their projects. Upon completion of each project, USF required members to submit a final report that showed the project's achievements or outcomes. However, USF did not enforce its procedures for the recipients to submit the receipts to USF for Federal costs on their projects. Therefore, while there is evidence that the projects were completed, there is no assurance that the Mini-grant funds were spent as intended.

Audit Section

Audit Report 09-12 - Agreed-Upon Procedures of Grants Awarded to Volunteer New Hampshire

The OIG received the Corporation's Final Management Decision on our grant audit of Volunteer New Hampshire. The auditors questioned \$234,809 as unallowable grant costs, a \$1,374 education award, and also found numerous and pervasive instances of noncompliance with provisions of Federal laws, regulations and grant award provisions. The problems cited included lack of controls over recording and reporting Federal-share costs, late submissions to the Corporation of financial and progress reports, and lack of procedures and controls to ensure service hours were recorded properly and documentation was maintained. The Corporation concurred with all of our recommendations and disallowed \$198,760 in questioned grant costs and the entire cost of the questioned education award.

Proposed Management Decisions With Which The OIG Disagreed

The OIG did not entirely concur with the Corporation's Proposed Management Decisions (PMDs) for the following engagements:

- OIG Report No. 09-12, Agreed-Upon Procedures for Corporation for National and Community Service Grants Awarded to Volunteer New Hampshire
- OIG Report No. 09-13, Agreed-Upon Procedures of Corporation for National and Community Service Grants Awarded to the Civic Ventures

Disagreements involved the following two issues:

End of Term Evaluation

The OIG questioned the costs associated with AmeriCorps members' second terms of service, citing that the members were ineligible due to the lack of a mandatory evaluation that was to have been completed by the grantees at the end of the members' first term of service. The Corporation disagreed, stating that the member exit forms submitted to the Corporation by the grantees sufficed as formal notification that the members had successfully completed the first term. We find this position to be contrary to Corporation regulations, which require an end-of-term evaluation, and mandate that this evaluation be used as the primary assessment tool for determining a member's eligibility for a second term of service. The OIG believes that evidence of the mere completion of the first term, which is all that the exit form indicates, is not sufficient to document that a member's service performance is deserving of approval for a second term.

Budget Changes

For OIG Report No. 09-12, Agreed-Upon Procedures for Corporation for National and Community Service Grants Awarded to Volunteer New Hampshire, the OIG disagreed with the Corporation's PMD, which allowed costs in the amount of \$36,049 that were transferred from one budget section to another without obtaining required approval from the Corporation. The grantee claimed it had requested prior approval for the action, but we found no evidence the Corporation responded to the request. We also did not find documentation of the grantee's request. Prior approval is required for the budget change under AmeriCorps Special Provisions, *Section IV. M. Budget and Programmatic Changes, 3. Budget Changes a. Reallocation of Funds From the "Member Support Cost.*

Peer Review

During this period, the OIG Audit Section underwent a peer review that was conducted by the staff of the United States Nuclear Regulatory Commission, OIG. The peer review report, issued March 19, 2010, stated “In our opinion, the system of quality control for the audit organization of CNCS OIG in effect for the year ended September 30, 2009, has been suitably designed and complied with to provide CNCS OIG with reasonable assurance of performing and reporting and conforming with professional standards in all material aspects. Federal audit organizations can receive a rating of *pass*, *pass with deficiencies*, or *fail*. CNCS OIG has received a peer review rating of “*pass*.”

Investigations Section

The Office of Inspector General Investigations Section is responsible for the detection and investigation of fraud, waste and abuse in Corporation for National and Community Service programs and operations. The Investigations Section carries out these responsibilities by investigating allegations of criminal activity involving the Corporation's employees, contractors, and grant recipients. Criminal investigations are presented to the U.S. Attorney or, in some cases, the local prosecutor for criminal prosecution and monetary recovery, where the facts uncovered so warrant. Some investigative reports are referred to Corporation management for its administrative action.



Investigative Results

During this reporting period, the OIG Investigations Section opened 22 new cases and closed 22 cases, including 13 matters with significant findings. Our efforts resulted in the recovery of more than \$116,000 in taxpayer funds and the potential recovery of more than \$2.5 million from persons and programs found to have engaged in fraud, waste, or abuse of Corporation resources.

Our investigations also resulted in two individuals awaiting sentencing after pleading guilty to misusing Federal Program funds and five other matters that are pending legal action.

Proactive prevention is the objective of our Fraud Awareness Briefings (FABs). During this reporting period, OIG investigators fanned out across the country on site visits to present FABs to Corporation grantees that had received funds under ARRA. Besides presenting multimedia training presentations to Corporation employees, program officials and members, we also met with program officials and participants. Our goal was to assist Corporation management in determining if grantees were adhering to their goals and objectives, and also to give grantees the opportunity to give feedback on how effectively Corporation management was supporting their programs.

The Investigations Section partnered with the Audit Section to jointly develop a risk assessment plan and then reviewed all grantees receiving ARRA funding. We then prioritized proactive reviews of the higher-risk grantees. During this period, we conducted site visits to more than 30 grantees in 14 states and provided FABs for the staff and AmeriCorps members.

We also conducted a limited review of ARRA AmeriCorps member timesheets and conducted interviews of members to determine if they were providing service consistent with grant provisions. In those instances where we identified weaknesses or AmeriCorps members whose service was questionable, we worked with the grantees to make on-the-spot corrections.

Consisting of an Assistant Inspector General for Investigations, six agents with full Federal Law Enforcement Authority and an investigative assistant, the Investigations Section met the challenge of pursuing wrongdoers in Corporation operations that include hundreds of grantees and subgrantees in all 50 states and U.S. territories. We were assisted in our work by 41 calls, letters and e-mails to our Fraud Hotline and by referrals from Corporation managers, employees and program participants.

Significant Cases And Activity

Corporation Internal Investigations

During this reporting period, we conducted three investigations involving Corporation employees.

In one investigation, we determined that a Corporation National Service Trust Officer had instructed a former AmeriCorps member and a college official to submit fraudulent education award vouchers to the Corporation for payment by backdating the documents. The former AmeriCorps member's education award had expired. By backdating the vouchers, the former member was able to collect more than \$5,000 in expired education award benefits to which the member was no longer entitled. Our investigation also determined that a Corporation supervisor provided a false sworn statement when questioned by our investigators. We further determined that another Corporation employee had failed to report the fraud to his supervisor, or our office, when he learned the Corporation employee had been engaged in criminal misconduct. Corporation management took administrative action against the individuals.

In another investigation, we determined that, during a conference call on volunteer outreach strategies hosted by the Corporation in concert with the National Endowment for the Arts, the participants became sidetracked and had conversations that purportedly solicited members of the arts

Investigations Section

community to engage in grassroots lobbying efforts. Our review of transcripts of that call and other documents, and interviews of participants, revealed no indication that Corporation employees had attempted to further any goals other than those linked to the Corporation's mission of supporting service and volunteerism. However, our investigation identified that Corporation management failed to provide adequate supervision to temporarily assigned employees for special projects such as the conference call. Further, the Corporation did not have any policies to guide or assist staff with oversight of special project temporary employees. We recommended that the Corporation strengthen its supervision of temporary employees and establish administrative policies and procedures. The Corporation agreed with our recommendations and has since implemented policies and procedures to correct this matter.

A third investigation determined that a Corporation supervisor had violated Corporation Travel Policy and the Federal Travel Regulation when the supervisor authorized the reimbursement of local travel expenses for a Corporation employee totaling \$16,975. The investigation found that the employee submitted travel vouchers to cover expenses while commuting approximately three days a week from his Virginia residence to Washington, DC, the employee's designated official duty station. The employee was therefore not entitled to travel reimbursement. The Corporation has established a debt owed by the employee to recoup the funds and has provided training to the supervisor on travel issues.

Proactive Review of Corporation's Potential Debt Oversight

We completed an analysis of five final audits and two investigations, completed over the past three years. In each matter, we questioned the education awards of AmeriCorps members. The Corporation, in its Final Management Decisions, stated that, because the questioned education awards had not been accessed or used by the members, it would place those education awards in a potential debt status. The Corporation further stated that if the AmeriCorps members later accessed the questioned education awards, the Corporation would issue a demand letter to the grantee to repay the amount of the award accessed by the AmeriCorps members. Our review found that the Corporation did not have a policy in place to systematically monitor the potential debt and that the status of the questioned education awards had not been checked. The results of our analysis were provided to the Corporation, which has taken steps to recoup \$39,141 from grantees for questioned education awards that were accessed by AmeriCorps members. The Corporation has also developed a plan to monitor another \$85,856 in potential debt until the remaining questioned education awards expire.

Significant Cases

A director of a Texas AmeriCorps program misused more than \$950,576 in program funds over a three-year period. During our review of the program's financial records and through interviews, we determined that program officials were not able to account for, nor could they provide a logical explanation as to the whereabouts of, the funds in question. We further determined that the director submitted fraudulent Financial Status Reports to the Corporation that allowed him to continue to receive Federal funds. Our investigation has been referred to the U.S. Attorney's Office for prosecutorial consideration.

A VISTA program supervisor in Puerto Rico wrongfully enrolled 11 college students as VISTA members while they were enrolled in a university. The members continued to attend classes after they were enrolled as VISTA members, a violation of the current VISTA regulations that require full-time service from VISTA members and strictly limit college studies during terms of service. The supervisor further instructed the VISTA members to not disclose to Corporation program officers they were enrolled in college classes to further conceal the criminal activity. This investigation was referred to and accepted by the U.S. Attorney's Office for prosecution.

Investigations Section

Summary Of Cases	
Opened and Closed	
Cases Open at Beginning of Reporting Period	33
New Cases Opened	22
Cases Closed this Period With Significant Findings	13
Cases Closed this Period With No Significant Findings	9
Total Cases Closed	22
Cases Open at End of Reporting Period	33
Referred*	
Cases Referred for Prosecution	3
Cases Accepted for Prosecution	1
Cases Declined for Prosecution	2
Cases Pending Prosecutorial Review	1
Cases Pending Adjudication	7
Recommendations to Management	
Investigative Recommendations Referred to Management	9
Investigative Recommendations Pending this Reporting Period	2
Investigative Recommendations Pending from Previous Reporting Periods	1
* This includes cases referred for prosecution during the previous reporting period.	

Review Of Legislation And Regulations

Section 4(a) of the Inspector General Act directs the Office of Inspector General to review and make recommendations about existing and proposed legislation and regulations relating to the Corporation's programs and operations. The Office of Inspector General reviews legislation and regulations to determine their impact on the economy and efficiency of the Corporation's administration of its programs and operations. It also reviews and makes recommendations on the impact that legislation and regulations may have on efforts to prevent and detect fraud and abuse in Corporation programs and operations. The Office of Inspector General draws on its experience in audits and investigations as the basis for its recommendations.



Rulemaking to Implement the Serve America Act

In April 2009, Congress passed and the President signed into law the Edward M. Kennedy Serve America Act. In addition to reauthorizing the Corporation's programs and activities, the Act amended and added certain sections to the Corporation's governing statutes in the National and Community Service Act of 1993 and the Domestic Volunteer Service Act of 1973.

To implement certain time-sensitive changes brought about by the Serve America Act, the Corporation published final rules in the Federal Register in September 2009 that amended and added to existing Corporation regulations concerning the AmeriCorps State/National, Senior Corps, and Learn and Serve programs. We discussed many of the changes in our prior Semiannual Report.

During this reporting period, the Corporation continued the process of implementing the new law, and issued further changes to its regulations, this time in draft form and for public comment, in the Federal Register on February 23, 2010. The changes proposed by the Corporation include the implementation of two new education awards: a \$1,000 Silver Scholarship education award for seniors 55 and older who complete 350 hours of service, and a \$500 Summer of Service education award for school-age youth who complete 100 hours of service during the summer months.

Other key changes in education awards include:

- Increasing the amount of an education award earned for full-time term of AmeriCorps service from the static amount of \$4,725, set forth in the original 1993 statute, to an amount fixed to the annual Federal Pell Grant award, currently set at \$5,350.

- Allowing AmeriCorps State and National, and Silver Scholarship participants who are 55 or older to transfer an education award from the participant who earned the award to the participant's child, grandchild or foster child.

- Holding grantees financially responsible for improperly granted education awards caused by their incorrect or erroneous certification that a participant had completed their term of service.

- Limiting the number of a participant's terms of service in which they could earn education awards to no more than the aggregate amount of two full-time awards.

Comments on the proposed draft regulatory changes are due to the Corporation by April 26, 2010. The OIG continues to study the draft rules and intends to offer several suggested changes and clarifications by the due date.

Corporation Policy Council

The OIG continued its active participation in the Corporation's Policy Council, which is charged with developing and amending internal policies covering all operations. The OIG reviews new policies and changes and makes recommendations to Corporation management.

During this reporting period, we commented on several proposed Corporation policies. Of note, was a proposed VISTA policy, the purpose of which was to permit VISTA volunteers to have greater ability to enroll in educational coursework while serving. Currently, the Corporation permits VISTAs to enroll in "one educational course directly related to your project assignment and/or part of your career development plan," according to the VISTA Member Handbook. Members are also currently permitted to "be enrolled in an institution of higher education for the minimum number of hours required to maintain eligibility for a partial Federal Pell Grant." The proposed new policy would lift the one-course limitation and the requirement that the courses be related to the VISTA member's

Review Of Legislation And Regulations

assignment or career development. It would also permit enrollment in courses from unaccredited institutions.

The OIG objected to the proposed policy as permitting an encroachment on a VISTA member's term of service to the government and as inconsistent with the statutory instruction in the Domestic Volunteer Service Act of 1973 that VISTA "volunteers serving under this part shall be required to make a full-time personal commitment to combating poverty and poverty-related problems." The Corporation believes that loosening the current requirements on educational coursework is consistent with language in the statute that qualifies a VISTA member's full-time personal commitment to their service as being to "to the maximum extent practical."

The OIG then suggested refinements to the proposed policy, including:

- Requiring that the understanding of the type and amount of coursework taken by the VISTA members be documented in a written agreement between the project and the member before the member enrolls in the course;
- Maintaining the requirement that VISTAs be permitted to enroll only in accredited institutions; and
- Stating that the Corporation is not liable for any educational costs caused by the Corporation requiring the VISTA to withdraw from the course based on interference with VISTA program assignments.

The Corporation agreed to add language to the policy that the Corporation not be liable for a forced course withdrawal, but maintained that only a discussion, not a written agreement, between the VISTA and project should be required before enrollment, and that it will not limit a VISTA's coursework to accredited institutions. The proposed policy is in final form and awaits approval by the Corporation's Chief Executive Officer.

Statistical And Summary Tables

The statistical and summary tables in this section are submitted in compliance with the requirements enumerated in the Inspector General Act.



I. Inspector General Act Reporting Requirements

This table cross-references the reporting requirements prescribed by the Inspector General Act of 1978, as amended, to the specific pages in the report where they are addressed.

Section	Requirement	Page
4 (a)(2)	Review of legislation and regulations	15
5 (a)(1)	Significant problems, abuses, and deficiencies related to the administration of Corporation programs and operations	Throughout
5 (a)(2)	Recommendations with respect to significant problems, abuses and deficiencies found in the administration of Corporation programs and operations	Throughout
5 (a)(3)	Prior significant recommendations on which corrective action has not been completed	26
5 (a)(4)	Matters referred to prosecutorial authorities	13
5 (a)(5)	Summary of instances where information was refused	None this period
5 (a)(6)	List of audit reports by subject matter showing dollar value of questioned costs, unsupported costs and the dollar value of recommendations that funds be put to better use	22
5 (a)(7)	Summary of significant reports	Throughout
5 (a)(8)	Statistical table showing number of reports and dollar value of questioned costs	23
5 (a)(9)	Statistical table showing number of reports and dollar value of recommendations that funds be put to better use	24
5 (a)(10)	Summary of each audit issued before this reporting period for which no management decision was made by end of reporting period	25
5 (a)(11)	Significant revised management decisions	None this period
5 (a)(12)	Significant management decisions with which the Inspector General disagrees	6

Tables

II. Audit Reports Issued

Audit Reports Issued					
October 1, 2009 – March 31, 2010					
Report Number	Issue Date	Report Name	Dollars Questioned	Dollars Unsupported	Funds Put to Better Use
(Dollars in thousands)					
10-01	11/13/09	<i>Audit of the Corporation for National and Community Service's Fiscal Year 2009 Financial Statements</i>	0	0	0
10-02	11/13/09	<i>Audit of the Corporation for National and Community Service's National Service Trust Schedule of Fiscal Year 2009 Budgetary Resources and Obligations</i>	0	0	0
10-03	02/05/10	<i>Federal Information System Management Act FISMA</i>	0	0	0
10-05	10/23/09	<i>Agreed-Upon Procedures for Corporation Grants Awarded to the University of Maryland Center on Aging</i>	10	0	39
10-06	10/08/09	<i>Audit of the Learn and Serve America Grant Awarded to the American Association of Community Colleges</i>	1	0	0
10-07	03/09/10	<i>Audit of Corporation for National and Community Service Grants Awarded to Lutheran Community Services Northwest</i>	0	0	14
10-08	03/24/10	<i>Agreed-Upon Procedures for Corporation Grants Awarded to the University of San Francisco-School of Education</i>	193	193	37
10-09	03/16/10	<i>Agreed-Upon Procedures Review of Corporation Grants Awarded to Delaware Commission on Community and Volunteer Service</i>	33	0	6
TOTAL			<u>\$237</u>	<u>\$193</u>	<u>\$96</u>

Inspector General Act [5(a)(6)]

III. Reports With Questioned Costs

Report Category	Number	Federal Costs	
		Questioned	Unsupported
		(Dollars in thousands)	
A. Reports for which no management decision had been made by the commencement of the reporting period	5	\$1,076	\$916
B. Reports issued during the reporting period	4	237	193
C. Total Reports (A + B)	9	1,313	1,109
D. Reports for which a management decision was made during the reporting period	5	1,076	916
I. Value of disallowed costs	—	1,013	916
II. Value of costs not disallowed	—	<u>63</u>	<u>0</u>
E. Reports for which no management decision had been made by the end of the reporting period (C minus D)	<u>4</u>	<u>\$237</u>	<u>\$193</u>
F. Reports with questioned costs for which no management decision was made within six months of issuance	0	\$0	\$0

Inspector General Act [5(a)(8)]

Tables

IV. Reports With Recommendations That Funds Be Put To Better Use

Report Category	Number*	Dollar Value*
<i>(Dollars in thousands)</i>		
A. Reports for which no management decision had been made by the commencement of the reporting period	4	\$45,119
B. Reports issued during the reporting period	4	\$97
C. Total Reports (A + B)	8	\$45,216
D. Reports for which a management decision was made during the reporting period	4	\$45,119
i. Value of recommendations agreed to by management		\$4
ii. Value of recommendations not agreed to by management		\$45,115
E. Reports for which no management decision had been made by the end of the reporting period	4	\$97
F. Reports for which no management decision was made within six months of issuance	0	\$0
<p>*The Audit Section predominately performed cost-incurred and compliance audits that resulted in questioned costs and noncompliance findings. These types of audits typically do not lead to recommendations that funds be put to better use.</p>		

Inspector General Act [5(a)(9)]

V. Summary of Audits With Overdue Management Decisions

Report Number	Title	Federal Dollars Questioned	Mgmt. Decision Due*	Status as of March 31, 2010
None				
Total		\$0		

*Under section 6009 of the Federal Acquisition Streamlining Act of 1994, as amended, a final management decision must be made within six months of the issuance of the final audit report and corrective actions must be completed within one year.

Inspector General Act [5(a)(10)]

Tables

VI. Reports Described In Prior Semiannual Reports Without Final Action

Report Number	Title	Date Issued	Final Action Due
	None		

Inspector General Act [5(a)(3)]

**CORPORATION FOR NATIONAL AND
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