



November 28, 2011

The Honorable Joseph R. Biden, Jr.
President of the Senate
The Capitol
Washington, DC 20510

Dear Mr. Vice President:

Enclosed please find the Office Inspector General's (OIG) Semi-Annual Report (SAR) to Congress along with the Corporation for National and Community Service's (CNCS) Report on Final Action, as required under Section 5 of the Inspector General Act. These reports cover the six-month period from April 1, 2011 through September 30, 2011. During this period, CNCS made management decisions on ten audits and completed final action on or closed eleven audits. Subsequent to the end of the reporting period, we made two additional management decisions and completed final action on one additional audit. We are pleased to report again that no audits are overdue for final action.

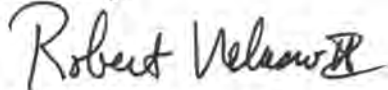
We continue to work closely with OIG staff to ensure the integrity of our operations. During this past year, CNCS expanded its monitoring activities and communicated audit and investigation findings to the grantee community at large so our programs can more thoroughly evaluate their own systems for compliance. We also took swift action to address issues discovered during our monitoring activities; including the removal of those AmeriCorps members discovered to be engaging in prohibited activities.

CNCS takes its responsibility to safeguard vulnerable populations very seriously and requires grantees to comply with our Criminal History Check regulations at 45 C.F.R. §2540.203(b). We established a working group on our Criminal History Check processes and continue to train grantees on our Check requirements. We will continue to work with our grantees and OIG to ensure safeguards are in place.

We are sending copies of this Semi-Annual Report to interested Congressional committees, the Office of Management and Budget, and CNCS' Board of Directors. We will also make copies available to others on request.

If you have any questions concerning these reports, please contact Kim Mansaray, Acting Chief Operating Officer on (202) 606-6632 or Deputy Inspector General, Kenneth Bach, on (202) 606-9377.

Sincerely,

A handwritten signature in black ink that reads "Robert Velasco". The signature is written in a cursive style with a stylized "R" and "V".

Robert Velasco
Acting Chief Executive Officer

Enclosures

Semiannual Report to Congress: April 1, 2011 through September 30, 2011

Table I

Table II

Table III

Distribution List



November 28, 2011

The Honorable John A. Boehner
Speaker of the House of Representatives
The Capitol
Washington, DC 20515

Dear Mr. Speaker:

Enclosed please find the Office Inspector General's (OIG) Semi-Annual Report (SAR) to Congress along with the Corporation for National and Community Service's (CNCS) Report on Final Action, as required under Section 5 of the Inspector General Act. These reports cover the six-month period from April 1, 2011 through September 30, 2011. During this period, CNCS made management decisions on ten audits and completed final action on or closed eleven audits. Subsequent to the end of the reporting period, we made two additional management decisions and completed final action on one additional audit. We are pleased to report again that no audits are overdue for final action.

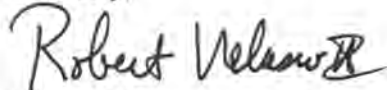
We continue to work closely with OIG staff to ensure the integrity of our operations. During this past year, CNCS expanded its monitoring activities and communicated audit and investigation findings to the grantee community at large so our programs can more thoroughly evaluate their own systems for compliance. We also took swift action to address issues discovered during our monitoring activities; including the removal of those AmeriCorps members discovered to be engaging in prohibited activities.

CNCS takes its responsibility to safeguard vulnerable populations very seriously and requires grantees to comply with our Criminal History Check regulations at 45 C.F.R. §2540.203(b). We established a working group on our Criminal History Check processes and continue to train grantees on our Check requirements. We will continue to work with our grantees and OIG to ensure safeguards are in place.

We are sending copies of this Semi-Annual Report to interested Congressional committees, the Office of Management and Budget, and CNCS' Board of Directors. We will also make copies available to others on request.

If you have any questions concerning these reports, please contact Kim Mansaray, Acting Chief Operating Officer on (202) 606-6632 or Deputy Inspector General, Kenneth Bach, on (202) 606-9377.

Sincerely,

A handwritten signature in black ink that reads "Robert Velasco". The signature is written in a cursive style with a large initial "R".

Robert Velasco
Acting Chief Executive Officer

Enclosures

Semiannual Report to Congress: April 1, 2011 through September 30, 2011

Table I

Table II

Table III

Distribution List

TABLE I
ACTION TAKEN ON AUDIT REPORTS
(for the Period April 1, 2011 through September 30, 2011)

	<u>Number of Reports</u>	<u>Disallowed Costs (\$000)</u>
A. Audit reports for which final action had not been taken by the commencement of the reporting period.	17	\$269
B. Audit reports issued by the OIG during the reporting period	14	\$8
C. Audit reports for which final action was taken during the reporting period	11	\$234
1. Recoveries ¹		
(a) Collections and offsets	2	\$39
(b) Property in lieu of cash	0	0
(c) Other (reduction of questioned costs)	0	0
2. Write-offs	0	0
3. Audits with no disallowed costs	2	0
D. Audit reports for which final action was not taken by the end of the reporting period. ²	20	\$43
E. Audit reports for which management decisions were made during or prior to the six-month reporting period and for which final action is underway.	10	\$116

¹ Recoveries include audits for which final action was taken in prior reporting periods and offsets reported in management decisions during the reporting period.

² Under OMB Circular A-50, final action is due on audits with one year of the date the report is issued. These audits were issued within that period and final action is not overdue.

TABLE II
REPORTS WITH RECOMMENDATIONS THAT
FUNDS BE PUT TO BETTER USE
(for the Period April 1, 2011 through September 30, 2011)

	<u>Number of Audit Reports</u>	<u>Dollar Value (\$000s)</u>
A. Reports for which final action had not been taken by the commencement of the reporting period.	9	\$270
B. Reports for which management decisions were made during the reporting period	3	\$178
C. Reports for which final action was taken during the reporting period	6	
i. Dollar value of recommendations completed		\$270
ii. Dollar value of recommendations that management has concluded should not or could not be implemented		\$90
D. Reports for which no final action had been taken by the end of the reporting period. ¹	11	\$119

¹ Final action is not overdue on these audits.

Table III
Reports Described in Prior Semiannual Reports Without Final Action
(for the Period April 1, 2011 through September 30, 2011)

Audit Number	Title	Date Issued	Date Due	Disallowed Cost	Status of Action/Reason No Final Action was Taken
	NONE				