

Corporation for
**NATIONAL &
COMMUNITY
SERVICE** 

November 30, 2007

The Honorable Richard Cheney
President
United States Senate
Room S-212, The Capitol
Washington, DC 20510

Dear Mr. Vice President:

Enclosed is the Inspector General's Semi-Annual Report to the Congress along with the Corporation's Report on Final Action, as required under Section 5 of the Inspector General Act.

As the Inspector General notes in the report, the OIG disagreed with the Corporation management decisions related to partial education awards. The Corporation is working with the OIG to address the concerns noted.

This report covers the six-month period from April 1, 2007 through September 30, 2007. During this period, the Corporation made management decisions on 8 audits and completed final action on or closed 10 audits. Subsequent to the end of this period, the Corporation completed final action on 4 additional audits.

We are sending copies of this semi-annual report to interested Congressional committees, the Office of Management and Budget, and the Corporation's Board of Directors. We will also make copies available to others on request.

If you have any questions concerning these reports, please contact me or the Corporation's Inspector General, Gerald Walpin.

Sincerely,



David Eisner
Chief Executive Officer

Enclosures:

Table I
Table II
Table III

Semiannual Report to Congress:
April 1, 2007 to September 30, 2007
Distribution List



1201 New York Avenue, NW ★ Washington, DC 20525
202-606-5000 ★ www.nationalservice.org

Senior Corps ★ AmeriCorps ★ Learn and Serve America



Corporation for
**NATIONAL &
COMMUNITY
SERVICE** 

November 30, 2007

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Room H-232, The Capitol
Washington, DC 20515

Dear Madam Speaker:

Enclosed is the Inspector General's Semi-Annual Report to the Congress along with the Corporation's Report on Final Action, as required under Section 5 of the Inspector General Act.

As the Inspector General notes in the report, the OIG disagreed with the Corporation management decisions related to partial education awards. The Corporation is working with the OIG to address the concerns noted.

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The President's Call to Service

TABLE I

ACTION TAKEN ON AUDIT REPORTS
(for the Period April 1, 2007 through September 30, 2007)

	<u>Number of Reports</u>	<u>Disallowed Costs (\$000)</u>
A. Audit reports with final action not taken by the commencement of the reporting period.	31	\$1,398
B. Audit reports issued by the OIG during the period	8	\$0
C. Audit reports for which final action was taken during the reporting period	9	\$95
1. Recoveries ¹		
(a) Collections and offsets	8	\$396
(b) Property in lieu of cash		
(c) Other (reduction of questioned costs)		
2. Write-offs	0	
3. Audits with no disallowed costs ²	3	
D. Audit reports for which final action was not taken by the end of the reporting period. ³	30	\$983
E. <hr/> Audit reports for which management decisions were made during or prior to the six-month reporting period and for which final action is underway.	18	\$1,081

¹ Recoveries include audits for which final action was taken in prior reporting periods

² These 3 audits had no questioned costs and, therefore, no costs to allow or disallow.

³ This includes 16 audits issued this period and those from the previous periods for which final action is not overdue.

TABLE II
REPORTS WITH RECOMMENDATIONS THAT
FUNDS BE PUT TO BETTER USE
(for the period April 1, 2007-September 30, 2007)

	<u>Number of Audit Reports</u>	<u>Dollar value</u>
A. Reports for which final action had not been taken by the commencement of the reporting period	15	\$1,193,501
B. Reports for which management decisions were made during the reporting period	6	\$475,454
C. Reports for which final actions was taken during the reporting period*	4	\$346,326
i. Dollar value of recommendations completed		\$321,698
ii. Dollar value of recommendations that management has concluded should not or could not be implemented		\$24,527
D. Reports for which no final action had been taken by the end of the reporting period	8	\$792,477

**Recommendations include audits resolved in prior periods*

**Table III
Reports Described in Prior Semiannual Reports Without Final Action**

Audit #	Title	Date Issued	Date Due	Disallowed Cost	Status of Action/Reason No Final Action was taken
06-05	Audit of Grants Awarded to Puerto Rico State Commission on Community Service and Social Action	2/13/06	2/13/07	\$12,697	Based on discussion with OIG, Corporation is re-evaluating grantee's documentation
06-24	Audit of Senior Corps Grants Awarded to the City of Kansas City	3/20/06	3/20/07	\$2,702	The Corporation is re-evaluating grantee's documentation
06-25	Audit of Grants Awarded to Illinois Commission on Volunteerism and Community Service	2/22/06	2/22/07	\$541,571	Subsequent to the end of the reporting period, the Corporation completed corrective action.
06-26	Audit of Grants Awarded to New Mexico Commission Volunteerism	5/31/06	5/31/07	\$38,943	Subsequent to the end of the reporting period, the Corporation completed corrective action.
06-29	Audit of Senior Corps Grants Awarded to Louisville Metro Community Action Partnership	5/26/06	5/26/07	N/A	The Corporation is re-evaluating grantee's documentation
06-31	Audit of Kentucky Dept of Mental Health Services Foster Grandparents Program	7/18/06	7/18/07	N/A	The Corporation is re-evaluating grantee's documentation
06-39	Audit of Corporations Internet Use and Management Control	8/1/06	8/1/07	N/A	Corrective action is complete. Implemented technology solution (hardware and software) for effective monitoring and reporting of all internet usage by all Corporate staff. Supported by procedures for remediating violations of Federal and Corporation policies.
06-40	Audit of Corporation's Office of Procurement Services	8/11/06	8/11/07	N/A	Corrective action relates to an annual report due in January after we resolve a confirmation issue in January 2008.
06-42	Audit of Corporation's Purchase and Travel Card Programs	8/7/06	8/7/07	N/A	Corrective action relates to an annual report due in January after we resolve a confirmation issue in January 2008.
06-43	Agreed upon Procedures Review FEMA Hurricane Relief	9/25/06	9/25/07	N/A	Subsequent to the end of reporting period, the Corporation completed three of four corrective actions. Policies for implementation/oversight of cooperative agreements, FEMA mission assignments, and deployments are being further refined.

11/27/07