

May 26, 2010

The Honorable Joseph R. Biden, Jr.
President of the Senate
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. These reports cover the six-month period from October 1, 2009 through March 31, 2010. During this period, the Corporation made management decisions on six audits and completed final action on or closed four audits. Subsequent to the end of this period, the Corporation completed final action on four 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 on (202) 606-6735 or the Corporation's Acting Inspector General, Ken Bach, on (202) 606-9377.

Sincerely,



Patrick A. Corvington
Chief Executive Officer

Enclosures

Semiannual Report to Congress: October 1, 2009 through March 31, 2010
Table I
Table II
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Distribution List

May 26, 2010

The Honorable Nancy Pelosi
Speaker of the House of Representatives
The Capitol
Washington, DC 20515

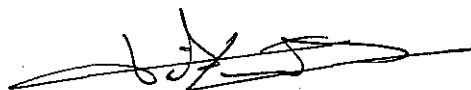
Dear Madam Speaker:

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Patrick A. Corvington
Chief Executive Officer

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TABLE I
ACTION TAKEN ON AUDIT REPORTS
(for the Period October 1, 2009 through March 31, 2010)

	<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.	13	\$63
B. Audit reports issued by the OIG during the reporting period	8	0
C. Audit reports for which final action was taken during the reporting period	7	\$34
1. Recoveries ¹		
(a) Collections and offsets	5	\$43
(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	4	0
D. Audit reports for which final action was not taken by the end of the reporting period. ²	14	\$231
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	\$229

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 Final action is not overdue on these audits.

TABLE II
REPORTS WITH RECOMMENDATIONS THAT
FUNDS BE PUT TO BETTER USE
(for the period October 1, 2009 through March 31, 2010)

	<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	4	\$ 45,119
B. Reports for which management decisions were made during the reporting period	4	\$ 45,119
C. Reports for which final actions was taken during the reporting period	4	\$ 45,148
i. Dollar value of recommendations completed	2	\$ 2
ii. Dollar value of recommendations that management has concluded should not or could not be implemented	2	\$ 45,146
D. Reports for which no final action had been taken by the end of the reporting period	7	\$ 106

Table III
Reports Described in Prior Semiannual Reports Without Final Action

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

Distribution

United States Senate

The Honorable Joseph R. Biden, Jr., Vice President of the United States
The Honorable Daniel K. Inouye, Chairman, Committee on Appropriations
The Honorable Thad Cochran, Ranking Member, Committee on Appropriations
The Honorable Tom Harkin, Chairman, Committee on Health, Education, Labor, and Pensions
The Honorable Michael B. Enzi, Ranking Member, Committee on Health, Education, Labor, and Pensions
The Honorable Kent Conrad, Chairman, Committee on the Budget
The Honorable Judd Gregg, Ranking Member, Committee on the Budget
The Honorable Joseph I. Lieberman, Chairman, Committee on Homeland Security and Governmental Affairs
The Honorable Susan M. Collins, Ranking Member, Committee on Homeland Security and Governmental Affairs

United States House of Representatives

The Honorable Nancy Pelosi, Speaker of the House of Representatives
The Honorable David R. Obey, Chairman, Committee on Appropriations
The Honorable Jerry Lewis, Ranking Member, Committee on Appropriations
The Honorable Todd Tiahrt, Ranking Member, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations
The Honorable George Miller, Chairman, Committee on Education and Labor
The Honorable John P. Kline, Ranking Member, Committee on Education and Labor
The Honorable Carolyn McCarthy, Chairwoman, Subcommittee on Healthy Families and Communities, Committee on Education and Labor
The Honorable Todd Platts, Ranking Member, Subcommittee on Healthy Families and Communities, Committee on Education and Labor
The Honorable John Spratt, Jr., Chairman, Committee on the Budget
The Honorable Paul Ryan, Ranking Member, Committee on the Budget
The Honorable Edolphus Towns, Chairman, Committee on Oversight and Government Reform
The Honorable Darrell E. Issa, Ranking Member, Committee on Oversight and Government Reform

Office of Management and Budget

The Honorable Peter Orszag, Director

Corporation for National and Community Service

Board of Directors

The Honorable Kenneth Bach, Acting Inspector General