

# For Your Inspection



“Mission First, People Always, Integrity Forever”  
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Office Of Inspector General, Corporation For National And Community Service

## OIG Profile

## NEW HIGH-TECH UNIT RAISES OIG'S INTELLIGENCE

### Joe Ella Day Budget Analyst

Joe Ella Day joined the OIG Support Section as a budget analyst in September 2010.

Day, who came to the OIG after serving two years as a budget analyst at the Department of Justice, has extensive experience as a budget analyst and senior accountant in the government, nonprofit and private business sectors.

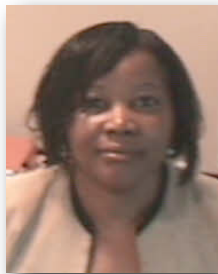
Her career has included positions with the District of Columbia and Prince George's County (MD) governments, United Cerebral Palsy, the American Council on Education, the Congress of National Black Churches and the Marriott Corporation.

A native of Scotland Neck, NC, Day earned a bachelor's degree in accounting from North Carolina A&T University, Greensboro, NC, in 1982 and a master's degree in finance and contract management from the University of Maryland, University College, in 1997.

A Maryland resident, Day has one adult son, who is also a graduate of North Carolina A&T.

### Case Information on Website

For insights into our investigative work, you can now access summaries of recently closed OIG cases on our website ([www.cncsoig.gov](http://www.cncsoig.gov))



With hundreds of grantees and thousands of participants to oversee, achieving the Office of Inspector General's mission to prevent and deter waste, fraud, and abuse might be likened to seeking out a needle in a haystack.

But timely and accurate intelligence can tip the odds against wrongdoers and in favor of the OIG's auditors and investigators.

That's the goal of the OIG's new Intelligence Operations Section (IOS), which is equipped to mine and analyze an array of data. IOS analysts support agents and auditors in the field and can assist in the early detection and interdiction of individuals and programs that misuse or mishandle Federal taxpayer funds.



Investigative Assistant Shirleen Chittams demonstrates data-mining technology.

Has a grantee been slow in paying its bills? Does it have a poor credit rating? Are program officials and participants related and possibly involved in nepotism or less-than-arm's length transactions? A check of the program's Dunn and Bradstreet rating report, filings to the Internal Revenue Service and other data sources can give insights into a grantee's financial health and other factors that might be conducive to waste, fraud and abuse.

The IOS and the analytical techniques it employs will allow us to become more proactive and effective. Before our auditors and investigators go into the field, we can give them vital information and leads," said Acting Inspector General Kenneth Bach. "The IOS will also allow us to better identify problem  
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## SERIOUS PROBLEMS IN AMERICAN SAMOA AMERICORPS PROGRAM

The Office of Inspector General, has completed a review that found serious problems in many aspects of the AmeriCorps program administered by American Samoa Special Services Commission (ASSSC). The audit report has been posted on the OIG website at [www.cncsoig.gov](http://www.cncsoig.gov).

ASSSC has received more than \$7 million in Federal funds since 2001 to operate the AmeriCorps program in American Samoa, a U.S. Territory in the South Pacific. The review, which focused on recent Corporation grants totaling more than \$4.8 million, questioned more than \$400,000 in claimed costs and education awards given to AmeriCorps members.

The reviewed grants included a \$375,000 outlay to ASSSC made under the American Reinvestment and Recovery Act (ARRA). The auditors questioned more than \$121,000 of ASSSC's claimed ARRA grant costs.

The auditors reported a lack of financial systems and controls to track and account for Federal grant funds. For example, computers purchased with taxpayer funds for ASSSC's office were found in the homes of officials and employees, who were also given routine salary advances, overtime pay and compensation for questionable or non-existent official travel.

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# For Your Inspection

## NEW ADDITIONS TO AUDIT SECTION

The OIG Audit Section has added new auditors and an intern to bolster its professional lineup as it shifts its emphasis to staff-produced audits of Corporation programs, operations, and grantees.

**Cat Moy** joined the OIG as an auditor in May 2010. She had served as a senior auditor at Clifton Gunderson, a CPA firm in Arlington, VA. Prior to that, Moy audited nonprofit organizations at LarsonAllen, a CPA firm in Arlington, VA. During her time at both firms, she performed single audits and financial statements audits. A Washington, DC, native, Moy received her accounting degree from Virginia Tech University in 2006.

**Sheyi Idowu** joined the OIG as an auditor in August 2010. She has more than nine years of financial management consulting and audit experience, including eight years of public accounting. She previously served as an Audit Manager at Deloitte & Touche, LLP. Idowu holds a Certified Public Accountant (CPA) Certification and is a member of the American Institute of Certified Public Accountants. She is pursuing Certified Information Security Auditor (CISA) and Project Manager Professional (PMP) certifications. She earned a bachelor's degree from Towson University in 2001.

**Hope Franklin** joined the Office of Inspector General as an auditor in September 2010. Prior to that, she served as a staff and senior auditor for 5 years at Clifton Gunderson, a CPA firm in Arlington, VA. During her time at Clifton Gunderson, Franklin performed financial statements audits for the Peace Corps, Corporation for National and Community Service, and Department of Veterans Affairs. A Virginia native, Franklin received her accounting and information systems degree from Virginia Tech University in 2005.

**Eric Krzys** joined the OIG Audit Section as an intern in January 2011. He graduated in 2010 from West Virginia University with a bachelor's degree in business administration and major in accounting. He is currently studying to obtain his CPA license.

## SERIOUS PROBLEMS IN AMERICAN SAMOA AMERICORPS PROGRAM

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The auditors further found that ASSSC's AmeriCorps programs had weaknesses in AmeriCorps members' timekeeping procedures and, in some instances, time sheets did not support member eligibility for education awards.

"These audit findings indicate some of the most serious misuses of Federal funds my office has seen in recent years," said Acting Inspector General Kenneth Bach. "We are continuing our inquiry into the findings."

Based on the OIG's management alert to the Corporation, the agency quickly suspended ASSSC's access to Federal grant funds and placed it on a manual draw of funds. The decision means that ASSSC is required to submit proof of appropriate expenses before being allowed access to Federal funds for reimbursement.

The OIG has recommended that the Corporation terminate all grants to ASSSC.

"We appreciate the Inspector General's analysis of the American Samoa Commission and are equally concerned about the findings," said Robert Velasco, the Corporation's Chief Operating Officer. "The Corporation has a statutory requirement to allocate one percent of appropriated funds for AmeriCorps programs to the U.S. Territories and we take the responsibility to protect these funds very seriously. Upon initial notification of the Inspector General's concerns, the Corporation suspended American Samoa's access to Federal funds. Based upon a thorough review of the final audit report, the Corporation will take appropriate corrective action, including recouping funds we disallow and terminating the grants, if necessary."

## NEW INTELLIGENCE UNIT DEVELOPS LEADS

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programs and wrongdoers and make earlier interventions to halt abuse before all grant funds have been expended."

The OIG has long relied on risk assessments to select candidates for audits and evaluations, as well as targets for its investigations. The IOS takes this process more precise. "As we work with a variety of data, we can develop predictive models that can alert us to fraud," said Robert Holland, Acting Assistant Inspector General for Investigations. "We can also develop models that identify the elements present in successful, well-run Corporation programs."

For all of its high-tech tools, the IOS, located in a remodeled space once filled with old-school paper files, is only as effective as its human element can make it. When it becomes fully operational later this year, the OIS will be staffed by a supervisor, a lead analyst and an investigative assistant.

Software can sift through data, arrange it, and display it," noted Holland. "But you have to have knowledgeable analysts to make sense out of that data and turn it into solid leads."