

Corporation for
**NATIONAL &
COMMUNITY
SERVICE** 

May 26, 2011

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 (SAR) to the 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. The report covers the six-month period from October 1, 2010 through March 31, 2011. During this period, CNCS made management decisions on eight audits and completed final action on or closed eight audits. Subsequent to the end of the reporting period, we made one additional management decision and completed final action on one more audit.

The report clearly indicates that OIG and CNCS staff worked closely together to ensure the integrity and efficiency of our operations so that the public can have confidence in our programs. There are a few matters on which we feel that CNCS' efforts in this regard are not represented in the report. First, the report states that CNCS did not respond to OIG's recommendation that CNCS not award new or renew grants to the City University of New York (RFCUNY). However, CNCS addressed that recommendation when we submitted the OIG's Semi-Annual Report to Congress last November (the period ending October 31, 2010). RFCUNY did not re-apply for AmeriCorps funding and existing grants will not be renewed.

Second, the report also notes that CNCS did not concur with OIG's recommendation on how grantees conduct the National Sex Offender Public Registry (NSOPR) searches. CNCS takes its responsibility to safeguard vulnerable populations very seriously and requires its grantees to fully comply with our current regulation, 45 C.F.R. §2540.203(b). We will continue to work with our grantees and OIG to ensure safeguards are in place.

The SAR indicates OIG made recommendations to CNCS to ensure its conference planning policies adhere to Federal travel regulations. CNCS does have mechanisms in place to ensure that its conference planning activities comply with all Federal travel rules. Conference planning for CNCS, like all Federal agencies, is governed by the Federal Travel Regulations. We will consider the OIG's specific recommendations as part of our ongoing efforts to implement the Federal Travel Regulation as it applies to conference planning as efficiently and effectively as possible.



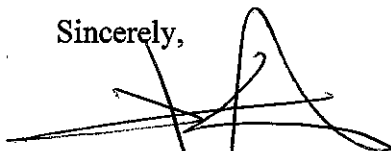
1201 New York Avenue, NW ★ Washington, DC 20525
202-606-5000 ★ www.nationalservice.org

Senior Corps ★ AmeriCorps ★ Learn and Serve America



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

Sincerely,

A handwritten signature in black ink, appearing to be 'Patrick A. Corvington', written over a horizontal line.

Patrick A. Corvington
Chief Executive Officer

Enclosures

Semiannual Report to Congress: October 1, 2010 through March 31, 2011

Table I

Table II

Table III

Distribution List

TABLE I

**ACTION TAKEN ON AUDIT REPORTS
(for the Period October 1, 2010 through March 31, 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.	18	\$126
B. Audit reports issued by the OIG during the reporting period	7	\$0
C. Audit reports for which final action was taken during the reporting period	8	\$10
1. Recoveries ¹		
(a) Collections and offsets	5	\$40
(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	3	0
D. Audit reports for which final action was not taken by the end of the reporting period. ²	17	\$81
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 October 1, 2010 through March 31, 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.	5	\$33
B. Reports for which management decisions were made during the reporting period	6	\$175
C. Reports for which final action was taken during the reporting period	5	\$12
i. Dollar value of recommendations completed		\$7
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	9	\$270

¹ Final action is not overdue on these audits.

Table III
Reports Described in Prior Semiannual Reports Without Final Action
(for the Period October 1, 2010 through March 31, 2011)

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

Corporation for
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May 26, 2011

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

Dear Mr. Speaker:

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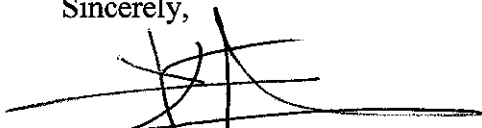
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We are sending copies of this semi-annual report to interested Congressional committees, the Office of Management and Budget, and CNCS' Board of Directors. We will also make copies available to others on request.

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

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