

**Office of Inspector General  
Corporation for National and  
Community Service**

**AGREED-UPON PROCEDURES FOR  
CORPORATION FOR NATIONAL  
AND COMMUNITY SERVICE GRANT  
AWARDED TO THE  
CATHOLIC NETWORK OF VOLUNTEER SERVICE  
OIG REPORT 08-11**



*Corporation for*  
**NATIONAL &  
COMMUNITY  
SERVICE** 

Prepared by:

Regis & Associates, PC  
1400 Eye Street NW, Suite 425  
Washington, DC 20005

This report was issued to Corporation management on July 14, 2008. Under the laws and regulations governing audit follow-up, the Corporation is to make final management decisions on the report's findings and recommendations no later than January 14, 2009 and complete its corrective actions by July, 14 2009. Consequently, the reported findings do not necessarily represent the final resolution of the issues presented.



## OFFICE OF INSPECTOR GENERAL

July 14, 2008

TO: Kristin McSwain  
Director, AmeriCorps\*State and National

Margaret Rosenberry  
Director, Office of Grants Management

FROM: Carol Bates /s/  
Assistant Inspector General for Audit

SUBJECT: Report 08-11, *Agreed-Upon Procedures of Corporation for National and Community Service Grants Awarded to Catholic Network of Volunteer Service*

We contracted with the independent certified public accounting firm of Regis & Associates, PC, (Regis) to perform agreed-upon procedures in its review of Corporation grants awarded to Catholic Network of Volunteer Service (CNVS). The contract required Regis to conduct its review in accordance with generally accepted government auditing standards.

Regis is responsible for the attached report, dated April 2, 2008, and the conclusions expressed therein. We do not express opinions on CNVS's Consolidated Schedule of Awards, and Claimed and Questioned Costs; conclusions on the effectiveness of internal controls; or compliance with laws, regulations, and grant provisions.

Under the Corporation's audit resolution policy, a final management decision on the findings in this report is due by January 14, 2009. Notice of final action is due by July 14, 2009.

If you have questions pertaining to this report, please call me at 202-606-9356.

Attachment

cc: James Lindsay, CNVS, Executive Director  
William Anderson, Deputy Chief Financial Officer, Financial Management  
Rocco Gaudio, Deputy Chief Financial Officer, Grants and Field Financial Management  
Sherry Blue, Audit Resolution Coordinator  
Lateef Abassi, CPA, Regis & Associates, PC



1201 New York Avenue, NW ★ Suite 830, Washington, DC 20525  
202-606-9390 ★ Hotline: 800-452-8210 ★ [www.cncsoig.gov](http://www.cncsoig.gov)

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**OFFICE OF INSPECTOR GENERAL  
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE**

**AGREED-UPON PROCEDURES FOR  
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE GRANT AWARDED TO  
CATHOLIC NETWORK OF VOLUNTEER SERVICE**

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## EXECUTIVE SUMMARY

The Office of Inspector General (OIG), Corporation for National and Community Service (Corporation), contracted with Regis & Associates, PC to perform agreed-upon procedures of Catholic Network of Volunteer Service (CNVS), solely to assist the OIG in compliance testing of member files for AmeriCorps Education Award Program (EAP) Grant No. 05EDHMD002 to CNVS for Program Years (PYs) 2005-2006, 2006-2007 and 2007-2008. As a result of applying these procedures, we have questioned administrative fees of \$1,600, education awards of \$23,625 and an accrued interest award of \$368.

The detailed results of our agreed-upon procedures (AUP) and questioned Administrative Fees, Education and Accrued Interest Awards, are presented in the *Independent Accountants' Report on Applying Agreed-upon Procedures*, Exhibit A. A questioned amount is an alleged violation of a provision of law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds; or a finding that, at the time of testing, such amounts is not supported by adequate documentation.

**Questioned Amounts.** As a result of testing a sample of transactions, we question the following:

<u>Program</u>	<u>Award Number</u>	<u>AUP Period</u>	<u>Questioned</u>		
			<u>Education Award</u>	<u>Accrued Interest</u>	<u>Administrative Fees</u>
Education Award Program	05EDHMD002	08/01/2005-07/31/2006	\$ 23,625	\$ 368	\$ 1,600

**Compliance Testing Results.** The results of our agreed-upon procedures revealed instances of non-compliance with grant provisions, regulations, or Office of Management and Budget (OMB) Circulars. Those instances of non-compliance are shown in Exhibit B in the Compliance Testing Results section of the *Independent Accountants' Report on Applying Agreed-Upon Procedures*.

**Exit Conference and Responses to Draft Report.** The contents of this report were discussed with CNVS and the Corporation at an exit conference held in Takoma Park Maryland, on April 2, 2008. In addition, on May 6, 2008, we provided a draft of this report to the CNVS and to the Corporation for comment. CNVS' response to the findings and recommendations in the draft report are included in Appendix A and summarized in each finding. The Corporation did not respond to the individual findings and recommendations. Its response is in Appendix B.

### Agreed-Upon Procedures Scope

These agreed-upon procedures had the objectives of determining whether members enrolled in the program were eligible, performed service in accordance with grant terms and conditions and, if certified for an education award, performed the minimum service hours required. We tested EAP Grant Number 05EDHMD002. The award period is August 1, 2005 to July 31, 2008. Members tested were limited to the period August 1, 2005, to December 31, 2007. We tested 46 member files as part of the engagement planning phase,

and 663 member files during the testing phase from a population of 3,317 member files. We performed our procedures during the period December 3, 2007, through April 2, 2008.

The OIG's agreed-upon procedures program, dated September 2007, provided guidance for understanding CNVS and testing compliance with provisions of the Education Award Program grant. We used IDEA sampling programming software to randomly select the sample for our testing; however, we did not project the results of the sample to the population of member files. These procedures are described in more detail in the *Independent Accountants' Report on Applying Agreed-Upon Procedures*.

## **Background**

The Corporation supports national and community service programs that provide full- and part-time opportunities for Americans to engage in service that fosters civic responsibility, strengthens communities, and provides educational opportunities for those who make a commitment to service. The AmeriCorps program is one of the Corporation's three major service initiatives. Approximately three-quarters of all AmeriCorps grant funding goes to governor-appointed State service commissions, which award competitive grants to nonprofit groups that then recruit AmeriCorps members to respond to local needs. The Corporation distributes most of the balance of its funding directly to multi-State and national organizations such as CNVS through a competitive grant process.

CNVS is a national membership organization of nearly 200 faith-based volunteer and mission programs (Programs) that foster and promote full-time national and international service opportunities for people of all backgrounds, ages and skills. CNVS supports and enhances the work of its members by providing training, resources, networking opportunities, and national advocacy.

Established in 1963, and formerly called International Liaison of Lay Volunteers in Mission, CNVS is an independent, nonprofit affiliate of the U.S. Conference of Catholic Bishops. CNVS' operation is supported through program membership fees, grants, and contributions. Eligible members participating in volunteer services with CNVS programs may earn an AmeriCorps education award funded by the Corporation's National Service Trust.

## **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Regis & Associates, PC performed the procedures that were agreed to by the OIG, solely to assist it in compliance testing of member files for Education Award Program (EAP) Grant No. 05EDHMD002 to CNVS for PYs 2005-2006, 2006-2007 and 2007-2008. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. The sufficiency of these procedures is solely the responsibility of the OIG. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or any other purpose.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on CNVS management's assertions. Accordingly, we do not express such an opinion. Had we performed other procedures, other matters might have come to our attention that would have been reported to you.

We performed the following procedure to verify that:

- Hours recorded on members' timesheets supported their eligibility to earn education awards;
- Member timesheets, forms, and contracts were in members' files and were signed, dated, and did not contain discrepancies;
- Members' service hours reported in the Corporation's Web-Based Reporting System (WBRS) agreed to hours recorded on members' timesheets;
- Members were U.S. citizens, nationals, or lawful permanent residents and obtained high-school diplomas or equivalency certificates;
- Criminal background checks were conducted for members with substantial recurring contact with children or other vulnerable individuals;
- Contracts were signed by members and included required AmeriCorps stipulations;
- Mid-term and end-of-term performance evaluations of members were performed and documented;
- Eligibility for education awards for those members released for compelling personal circumstances;
- Members' enrollment, exit, and change-of status-forms were completed and approved in WBRS within 30 days of members starting and ending service or changing their status;

- Members attended orientation;
- CNVS certified to the National Service Trust that members were eligible to receive education awards; and
- No more than 20 percent of the aggregate of all AmeriCorps members' service hours was spent in training and educational activities.

## **Results**

As a result of applying the agreed-upon procedures we questioned administrative fees of \$1,600, education awards of \$23,625 and a student loan accrued interest award of \$368. The questioned amounts are summarized in Exhibit A, *Schedule of Questioned Education Awards, Accrued Interest Award and Administrative Fees*. The compliance testing results are summarized in Exhibit B, *Compliance Testing Results*. Issues identified include the following:

1. Documentation in member files did not support eligibility.
2. Some timesheets did not include documentation to support eligibility to earn an education award.
3. Member files and related documentation were not retained by CNVS.
4. CNVS did not have documentation to support criminal record checks as part of the member screening process.
5. Members recorded service hours before contracts were signed.
6. Members' contracts lacked Corporation required clauses on Civil Rights and Equal Opportunity.
7. Lack of evidence that mid-term and end-of-term performance evaluations were performed.
8. CNVS did not complete member enrollment, exit, and change-of-status forms and enter them into the Corporation's WBRS in a timely manner.
9. CNVS did not retain documentation of member attendance at orientation sessions.
10. CNVS monitoring procedures were not fully performed, or results were not always documented.

**CATHOLIC NETWORK OF VOLUNTEER SERVICE  
EDUCATION AWARDS PROGRAM**

**SCHEDULE OF QUESTIONED EDUCATION AWARDS, ACCRUED INTEREST AWARD  
AND ADMINISTRATIVE FEES**

Operating Site	Exception Type	Program Year	Questioned		
			Education Award	Accrued Interest	Administrative Fees
Heifer Ranch	No Member Files	2005 - 2006	\$4,725	\$ 368	\$ 400
Augustinian Volunteers	No Member Files	2005 - 2006	\$4,725		\$ 400
Colorado Vincentian Volunteers	No Member Files	2005 - 2006	\$4,725		\$ 400
Augustinian Volunteers	No Member Files	2005 - 2006	\$4,725		\$ 400
<b>Total Files not Found</b>			<b>\$18,900</b>	<b>\$ 368</b>	<b>\$1,600</b>
Heifer Ranch	Missing Timesheet	2005 - 2006	\$4,725		
<b>Total Timesheet Discrepancies</b>			<b>\$4,725</b>		
<b>Total Questioned Amounts</b>			<b>\$23,625</b>	<b>\$ 368</b>	<b>\$ 1,600</b>



**CATHOLIC NETWORK OF VOLUNTEER SERVICE  
EDUCATION AWARD PROGRAM**

**COMPLIANCE TESTING RESULTS**

**Finding 1. Some timesheets did not include documentation to support eligibility, and hours were not accurately recorded in the Corporation's WBRS.**

Service hours recorded in WBRS for 41 members tested did not agree with hours reported on the members' timesheets. These differences did not affect the members' eligibility to earn education awards for 40 of the 41 members, because the earned and supported hours on timesheets exceeded the Corporation's service-hour requirements. We also noted that timesheets for eight members missing from their files could not be located, including the one member where the difference did affect member's eligibility to earn an education award.

We have questioned the education award for that member in the amount of \$4,725.

In addition, we determined that 345 members had timesheets exhibiting a combination of the following issues:

- Lack of member and/or supervisor signature.
- Untimely dates, or were all signed on the same date.
- Changes made to timesheets were not initialed as corrected.

The 345 member files included 167 members in the PY 2005 – 2006, 142 members in PY 2006 – 2007, and 36 members in PY 2007 – 2008, respectively.

Program officials did not always thoroughly review the timesheets and other forms used to ascertain completeness of hours recorded by the members, and also did not ensure that site supervisors signed the member timesheets. CNVS attributed the differences between the hours listed on the timesheets and the hours recorded in WBRS to its bi-weekly time reporting system. Although bi-weekly timesheet reporting may include hours across two months, CNVS would report all the hours on the timesheet in the month that the bi-weekly timesheet period began.

Additionally, in 2007 CNVS instituted a process where timesheets are sent to its headquarters on a monthly basis for review. Timesheets that are not properly completed are returned to the program office for correction, which sometimes may include the addition of a revised date that is outside the reporting period when the timesheets are returned to headquarters.

Without procedures to verify member activities or timesheet accuracy, the potential exists that members may perform prohibited activities or receive unearned education awards.

## **Criteria**

The 2005/2006 AmeriCorps Education Award Grant Provision Section IV.F.1. *Terms of Service, Program Requirements*, states that to be eligible for an education award:

Each Program must, at the start of the term of service, establish the guidelines and definitions for the successful completion of the program year, ensuring that these program requirements meet the Corporation's service hour requirements as defined below:

- a. Full-Time Members.** Members must serve at least 1700 hours during a period of not less than nine months and not more than one year.
- b. Half-Time Members.** Half-time members must serve at least 900 hours during a period of one or two years as indicated in the approved budget.
- c. Reduced Half-Time Members.** Reduced half-time members must serve at least 675 hours over a time not to exceed one year.
- d. Quarter-Time Members.** Quarter-time members must serve at least 450 hours over a time not to exceed one year.
- e. Minimum Time Members.** Minimum time members must serve at least 300 hours over a time not to exceed one year.

The CNVS Program Director's Handbook, Part II, Section 2-10, *Site Supervisor Requirements* states:

### **Monitor Service Hours and Activities**

One extremely important role of the Site Supervisor is to monitor the number of hours a member has served in order to verify the member's eligibility for the Segal Education Award. The Site Supervisor, therefore, must approve a record of the members' service hours. The service hours should be recorded by the members on their tracking tools. Site Supervisors should approve service hours on a weekly, bi-weekly, or monthly basis (with a signature), make sure they are approving only AmeriCorps-allowable activities.

## **Recommendation**

We recommend that the Corporation:

- 1a. Require CNVS to comply with its procedures to ensure the review and approval of hours recorded on timesheets takes place, timesheets are signed by the member and supervisor and changes to timesheets are initialed by the member and supervisor, and that documentation of the review exists.
- 1b. Disallow and recover education awards for members determined to be ineligible.

### ***CNVS' Response***

CNVS stated that, in PY 2005-06, it required that programs submit member paperwork directly to CNVS headquarters for processing. However, it took some time for programs to absorb many of the new changes and documentation requirements. CNVS said it will develop more detailed guidance on recording hours, submission schedules, and supporting documentation.

CNVS also stated that, starting in 2008, it will use an online time and reporting system, which will increase the efficiency of recording and monitoring of hours and service activities.

### ***Auditor's Comment.***

The actions proposed and implemented by CNVS should be considered by the Corporation, which should also follow up to ensure that the planned actions were implemented.

### **Finding 2. Documentation in member files did not support eligibility.**

Files for seven members did not include documentation to support evidence of citizenship or lawful permanent residency. The files for six of the seven members contained the CNVS standard form used to certify the program official's review of members' citizenship or residency documents "CNVS Member Eligibility Verification Form." However, the form did not specify the type of eligibility document that the authorized program official reviewed.

CNVS was able to subsequently provide copies of passports and birth certificates or other support for the seven members.

The program staff may have reviewed citizenship documentation, however it did not include properly completed CNVS/EAP Member Eligibility Verification Forms in the member file.

Programs that do not maintain documentation to ensure that applicants meet the citizenship or residency eligibility requirements are at risk of enrolling members who may not be eligible to participate in the AmeriCorps EAP.

### ***Criteria***

The 2005/2006 AmeriCorps Education Award Grant Provisions, Section IV.M.2. *Member Records and Confidentiality*, states in part,

Verification. To verify U.S. citizenship, U.S. national status or, U.S. lawful permanent resident alien status, the grantee must obtain and maintain documentation as required by 45 C.F.R. §2522.200(b) and (c). The Corporation does not require programs to make and retain copies of the actual documents used to confirm age or citizenship eligibility requirements, such as a driver's license, or birth certificate, as long as the grantee has a consistent practice of identifying the documents that were reviewed and maintaining a record of the review.

According to 45 C.F.R. § 2522.200, *What are the eligibility requirements for an AmeriCorps participant?*, every AmeriCorps participant is required to be a citizen, national, or lawful permanent resident alien of the United States.

### ***Recommendation***

We recommend that the Corporation:

2. Require CNVS to adhere to the grant provisions to ensure that adequate documentation is obtained and maintained to verify member eligibility.

### ***CNVS' Response***

CNVS acknowledged that programs or sites had not always filled out their standard eligibility form correctly and completely. CNVS now requires these eligibility forms be filled out completely before a member can be enrolled. CNVS noted that it has developed a policy for programs to maintain copies of eligibility documentation unless prohibited by state law.

Subsequent to the draft report issuance, CNVS provided proof of citizenship for one member whose eligibility documentation was questioned, and CNVS requested that the questioned amounts be excluded from the final report.

### ***Auditor's Comment.***

The policy to review completed eligibility forms before a member is enrolled is adequate, provided that the policy can be effectively enforced at the program or site level.

CNVS provided documentation that verified member eligibility for one member. The Schedule of Questioned Education Awards, Accrued Interest, and Administrative Fees on page 5 of the report was revised to exclude the questioned amounts for that member. However, the non-compliance with program requirements finding remains because the eligibility documentation was not in the member file during the auditors' review.

### **Finding 3. Member files and related documents were not retained by CNVS.**

Our review of 663 member files showed that CNVS did not retain any records for four members. We were unable to review documentation to determine eligibility to participate in the program, or review timesheets to support earned education awards.

As a result of the missing files, we questioned \$20,868, which consists of \$18,900 in education awards, a \$368 student loan accrued interest award for one of these members, and \$1,600 administrative fees paid to CNVS for the four members.

The four members participated during the PY 2005-2006. CNVS converted its paper-based files for that program year to electronic files. However, CNVS did not, in all cases, ensure that electronic files were successfully converted before discarding the paper files.

The inability to demonstrate member eligibility or to establish that adequate service hours were completed can result in a questioned education award.

## **Criteria**

The AmeriCorps 2005/2006 Education Award Grant Provision Section V.D. *Retention of Records* requires grantees to retain all program records for 3 years from the date of the submission of the applicable final closeout documents. If an audit is started prior to the expiration of the 3-year period, the records must be retained until the audit findings involving the records have been resolved and final action taken.

CNVS Program Director's Handbook, 2.8- *Member Records and Confidentiality*

- a. Record-Keeping. The grantee must maintain records that document each member's eligibility to serve pursuant to the member eligibility requirements in clause A.8. of these provisions. The records must be sufficient to establish that the individual was eligible to participate in the program and that the member successfully completed the program requirements.

Title 45 C.F.R. §2529.10 (a) *Eligibility*, states that the Corporation will pay interest that accrues on an individual's qualified student loan only if the member successfully completes a term of service in an approved AmeriCorps position

## **Recommendation:**

We recommend that the Corporation:

3. Disallow and recover from CNVS questioned education awards, accrued interest award and administrative fees.

## **CNVS' Response**

CNVS stated that a process has been established to manually review each file scanned and stored electronically before it is shredded. In addition, programs are required to keep copies of all original forms sent to CNVS. More detailed guidance on CNVS' record retention policy will be provided to the programs.

## **Auditor's Comment.**

The actions proposed and implemented by CNVS should be considered by the Corporation, which should also follow up to ensure that the planned actions were implemented.

## **Finding 4. CNVS did not have documentation to support criminal record checks as part of the member screening process.**

CNVS could not provide documentation to support criminal background checks completed as part of the screening process for 21 members. Sixteen members in PY 2005 – 2006 and five members in PY 2006-2007 did not have evidence that background checks had been conducted.

CNVS management noted that many of these members are continuing members, and they may have had criminal background checks conducted at the beginning of their service.

Without documentation of required criminal background checks, members who should not have been working with children or other vulnerable persons may have had substantial direct contact with them, thus resulting in a potential liability for CNVS and the Corporation and posing a potential danger to the persons being served.

***Criteria:***

The 2005/2006 AmeriCorps Education Award Program Grant Provisions, Section IV.C. *Member Enrollment*, states:

*Criminal Background Checks.* Programs with members (18 and over) or grant-funded employees who, on a recurring basis, have access to children (usually defined under state or local law as un-emancipated minors under the age of 18) or to individuals considered vulnerable by the program (i.e. the elderly or individuals who are either physically or mentally disabled), shall, to the extent permitted by state and local law, conduct criminal background checks on these members or employees as part of the overall screening process.

The grantee must ensure, to the extent permitted by state or local law, that it maintains background check documentation for members and employees covered by this provision in the member or employee's file or other appropriate file. The documentation must demonstrate that, in selecting or placing an individual, the grantee or the grantee's designee (such as a site sponsor) reviewed and considered the background check's results.

***Recommendation:***

4. We recommend that the Corporation require CNVS to develop and implement policies and procedures for obtaining and retaining documentation to show that criminal background checks were conducted and the results were considered as part of the member screening process.

***CNVS' Response***

CNVS now requires a complete criminal history check verification form for all members before enrollment, regardless of their service position or term of service.

***Auditor's Comment.***

The actions proposed and implemented by CNVS should be considered by the Corporation, which should also follow up to ensure that the planned actions were implemented and meet the requirements for background checks effective November 23, 2007.

**Finding 5. Members recorded service hours before contracts were signed.**

Our review of 663 member files showed that 122 members served and recorded service hours before they had signed member contracts. We did not question the education awards because the members earned sufficient hours after the contracts were signed to earn education awards.

According to CNVS, the dates on the contracts may not match those of the service dates because, in some cases, contracts were submitted to CNVS unsigned by the member or the program director. CNVS enrolled members as long as the paperwork was complete, but the contract was returned to the member or program director for the appropriate signature.

Individuals who record service time before contracts are in place may receive benefits, including an education and accrued interest awards, to which they are not entitled. Individuals do not become members until they have signed an AmeriCorps contract.

### ***Criteria***

The 2005/2006 AmeriCorps Education Award Grant Provisions, Section IV.C. *AmeriCorps Special Provisions, Member Enrollment*, states in part:

1. *Member Enrollment Procedures.*

- a. An individual is enrolled as an AmeriCorps member when all of the following have occurred:
  - i. He or she has signed a member contract;
  - ii. The program has verified the individual's eligibility to serve;
  - iii. The individual has begun a term of service; and
  - iv. The program has approved the member enrollment form in WBRS.
- b. Prior to enrolling a member in AmeriCorps, programs make commitments to individuals to serve. A commitment is defined as signing a member contract with an individual or otherwise entering into a legally enforceable commitment as determined by state law.

### ***Recommendation:***

5. We recommend that the Corporation require CNVS to ensure that members sign contracts before performing service and recording service hours.

### ***CNVS' Response***

CNVS acknowledged the finding as a weakness, and described its policy on training and member file review before enrollment. This policy has now been included in the member, site supervisor, and program handbooks.

### ***Auditor's Comment.***

The actions proposed and implemented by CNVS should be considered by the Corporation, which should also follow up to ensure that the planned actions were implemented.

**Finding 6. Member contracts did not include required clauses on Civil Rights and Equal Opportunity.**

The contract used by CNVS for PYs 2005-2008 did not include the AmeriCorps requirement that Civil Rights and Equal Opportunity clauses be stipulated. All member contracts reviewed lacked these requirements.

CNVS officials indicated that these provisions are included in its program director's handbook and that the information is communicated to members during orientation. CNVS noted that it will revise the member contract to ensure that it meets these requirements.

By not including these requirements in the member contracts, members may not be aware of rights under Civil Rights and Equal Opportunity as they relate to the EAP program.

***Criteria***

The 2005/2006 AmeriCorps Education Award Grant Provisions, Section V.F.3, *Public Notice of Nondiscrimination*, states:

The grantee must include information on civil rights requirements, complaint procedures and the rights of beneficiaries in member contracts, handbooks, manuals, pamphlets, and post in prominent locations, as appropriate.

***Recommendation:***

6. We recommend that the Corporation ensure that CNVS member contracts include all requirements stipulated in the grant.

***CNVS' Response***

CNVS has revised the member contract to include the required clauses, and all PY 2007-08 handbooks issued to programs as of June 2008 will include a contract addendum with the required clauses.

***Auditor's Comment.***

The actions proposed and implemented by CNVS should be considered by the Corporation, which should also follow up to ensure that the planned actions were implemented.

**Finding 7. CNVS did not have documentation that mid-term and end-of-term performance evaluations were performed.**

Our review of 663 member files found that 180 member files lacked either mid-term or end-of-term evaluation forms. CNVS program site supervisors at times did not identify evaluation forms as either mid-term-or-end of term.

Without final evaluations, CNVS or its program sites may not be able to determine whether a member satisfactorily completed his or her term of service, is eligible for an education award, or eligible to serve a second term. Properly completed evaluations are necessary to



ensure that members are eligible for additional service terms and that grant objectives have been met.

### **Criteria**

Title 45 C.F.R. § 2522.220(d) *Participant performance review*, states that:

For the purposes of determining a participant's eligibility for a second or additional term of service and/or for an AmeriCorps educational award, each AmeriCorps program will evaluate the performance of a participant mid-term and upon completion of a participant's term of service. The end-of-term performance evaluation will assess the following: (1) Whether the participant has completed the required number of hours described in paragraph (a) of this section.

The CNVS Program Director's Handbook, Section 4.8 *Member Performance Evaluation* provides a pre-established evaluation form that should be completed in its entirety, and provides a box to be checked for mid-term or end-of-term evaluations.

### **Recommendation:**

7. We recommend that the Corporation ensure that CNVS adheres to the grant provisions regarding the mid-term and end-of-term evaluation.

### **CNVS' Response**

CNVS has redesigned the standard member evaluation form and form titles to make it clear that one form is the Mid-Term Performance Evaluation and the other is End-of-Term Member Performance Evaluation. In addition, CNVS now sends reminders and guidance to programs and members regarding the timing of the mid-term and end-of-term evaluations.

### **Auditor's Comment.**

The actions proposed and implemented by CNVS should be considered by the Corporation, which should also follow up to ensure that the planned actions were implemented.

### **Finding 8. CNVS did not complete member enrollment, exit, and change-of-status forms and enter them into WBRS in a timely manner.**

Our review of 663 member files showed that CNVS did not have adequate documentation to demonstrate whether enrollment and exit forms were properly completed and submitted in a timely manner for 417 members. Specifically, we noted the following:

- CNVS did not enter 115 member enrollment forms into WBRS within 30 days of member start dates.
- CNVS did not enter 201 member exit forms in WBRS within 30 days of members completing service.

- CNVS did not properly complete 226 member enrollment and exit forms. These forms lacked member and/or supervisor signatures or were undated.
- CNVS did not enter two member change-of-status forms into WBRS within 30 days of the status change.
- Files for 10 members were missing either the entire enrollment and exit forms or pages of the forms, and did not contain the page requiring program directors to certify member eligibility for education awards to the National Service Trust.

Without accurate and timely submission of these forms, the Corporation cannot maintain timely and accurate member records and CNVS may not be able to properly review, track, and monitor program site activities and accomplishments.

**Criteria**

The 2005/2006 AmeriCorps Education Award Grant Provisions, Section IV.O.3. *AmeriCorps Special Provisions, Reporting Requirements*, states in part:

*AmeriCorps Member-Related Forms.* The grantee is required to submit the following documents to the National Service Trust at the Corporation on forms provided by the Corporation. Grantees and sub-grantees may use WBRS to submit these forms electronically. Programs using WBRS must also maintain hard copies of the forms.

a. *Enrollment Forms.* Enrollment forms must be submitted no later than 30 days after a member is enrolled.

b. *Change of Status Forms.* Member Change of Status Forms must be submitted no later than 30 days after a member’s status is changed. By forwarding Member Change of Status Forms to the Corporation, State Commissions and Parent Organizations signal their approval of the change.

c. *Exit/End-of-Term-of-Service Forms.* Member Exit/End-of-Term-of-Service Forms must be submitted no later than 30 days after a member exits the program or finishes his/her term of service.

**Recommendation:**

8. We recommend that the Corporation require CNVS to develop and implement policies and procedures to ensure that member enrollment, exit, and change-of-status forms are maintained in member files, and submitted to the Corporation as required.

**CNVS’ Response**

CNVS has developed a policy that requires headquarters receive enrollment and exit paperwork within 15 calendar days from the service start or end dates. In addition, all exiting members and corresponding programs will receive a reminder exit e-mail and checklist approximately 45 days before member’s expected exit date. CNVS is currently

developing a form and establishing a process which will ensure that change-of-status forms are processed and approved by CNVS and sent to the Corporation within the deadline.

**Auditor's Comment.**

The actions proposed and implemented by CNVS should be considered by the Corporation, which should also follow up to ensure that the planned actions were implemented.

**Finding 9. CNVS did not retain documentation of member attendance at orientation sessions.**

Our review of 663 member files showed that CNVS did not retain sign-in sheets or other documentation to support member attendance at AmeriCorps orientation sessions for four members.

According to CNVS officials, these instances of non-compliance were due to an oversight at the program site. CNVS noted that all members go through orientation.

Retention of orientation sign-in sheets is necessary to ensure that members are knowledgeable about properly fulfilling all program requirements. If a member does not participate in the required orientation, they may not be aware of requirements to which they must adhere to successfully complete the EAP program.

**Criteria**

The 2005/2006 AmeriCorps Education Award Grant Provision IV.E.3. *Training, Supervision, and Support*, states that:

The grantee must conduct an orientation for members and comply with any pre-service orientation or training required by the Corporation. This orientation should be designed to enhance member security and sensitivity to the community. Orientation should cover member rights and responsibilities, including the Program's code of conduct, prohibited activities (including those specified in the regulations), requirements under the Drug-Free Workplace Act (41 U.S.C. 701 *et seq.*), suspension and termination from service, grievance procedures, sexual harassment, other non-discrimination issues, and other topics as necessary.

**Recommendation:**

9. We recommend that the Corporation require CNVS to adhere to the grant provisions and ensure that it retains all documentation to support member attendance at orientation.

**CNVS' Response**

CNVS has an acknowledgement form as part of its enrollment forms, in which the member certifies that he or she attended the AmeriCorps orientation. These forms are now reviewed by CNVS for completeness before enrollment.

***Auditor's Comment.***

The actions proposed and implemented by CNVS should be considered by the Corporation, which should also follow up to ensure that the planned actions were implemented.

**Finding 10. CNVS monitoring procedures were not fully performed, or results were not always documented.**

CNVS did not comply with its guideline for program site monitoring. Site visits were done infrequently and were usually not documented. However, CNVS maintained verbal contact and other oversight functions with the various program sites.

Lack of adequate monitoring at the site level could lead to some of the findings discussed above, including missing files and lack of properly completed forms. These problems could eventually lead to disallowance of member education awards.

***Criteria***

The 2005/2006 AmeriCorps Education Award Grant Provisions, Section V.A. *General Provisions, Responsibilities under Grant Administration*, states in part:

1. Accountability of Grantee. The grantee has full fiscal and programmatic responsibility for managing all aspects of the grant and grant-supported activities, subject to the oversight of the Corporation. The grantee is accountable to the Corporation for its operation of the AmeriCorps Program and the use of Corporation grant funds. The grantee must expend grant funds in a judicious and reasonable manner, and it must record accurately the service activities and outcomes achieved under the grant.

Title 45 C.F.R. § 2543.51(a), *Monitoring by grantees*, states:

Recipients are responsible for managing and monitoring each project, program, subaward, function or activity supported by the award. Recipients shall monitor subawards to ensure subrecipients have met the audit requirements as delineated in Section § 2543.26.

***Recommendation:***

We recommend that the Corporation ensure and verify that CNVS:

- 10a. Follow its guidelines for program site monitoring.
- 10b. Document the results of monitoring procedures performed and retain evidence of monitoring in its files.

***CNVS' Response***

CNVS stated that turnover in its full-time staff resulted in inconsistent monitoring. CNVS also acknowledged that, while CNVS did perform monitoring site visits, they were not documented or documentation was not maintained. CNVS has developed an annual site visit schedule and is in the process of developing an internal manual, which will include procedures for documenting the site visits. A site visit follow-up report will also be prepared and will be maintained with the program file.

***Auditor's Comment***

The actions proposed and implemented by CNVS should be considered by the Corporation, which should also follow up to ensure that the planned actions were implemented.

This report is intended for the information and use of the Office of Inspector General, Corporation management, CNVS, and the U.S. Congress. However, this report is a matter of public record and its distribution is not limited.

*Regis & Associates, PC*

Regis & Associates, PC  
April 2, 2008

**Appendix A – Catholic Network of Volunteer Service’s Response to the Draft Report**



Catholic  
Network of  
Volunteer Service

Connecting People, Transforming Lives

Catholic Network of Volunteer Service  
AmeriCorps Education Awards Program



**Catholic Network of Volunteer Service  
Response to the Draft Audit Report  
June 3<sup>rd</sup>, 2007**

Catholic Network of Volunteer Service (CNVS) recognizes and values the importance of faithful and responsible stewardship of taxpayers' investment in national service. CNVS is committed to strengthening its program through the corrective actions and clarifications established in this response.

**CLARIFICATION/ERROR CORRECTION**

6930 Carroll Avenue

Suite 820

Takoma Park, MD

20912-4423

800.543.5046

301.270.0900

301.270.0901 fax

volunteer@cnvs.org

www.cnvs.org

**1. Discrepancy of hours in timesheets and in the Corporation's WBRs.**

The process through which CNVS enters hours on record has created what appears to be a discrepancy between the monthly record of hours in WBRs and the actual monthly record of hours. However, in reality there is no such discrepancy.

Members submit a record of hours for a two-week period to CNVS in a bi-weekly tracking tool. CNVS enters the tracking tool hours in chronological and consecutive order in the monthly record window in WBRs. It is often the case that a tracking tool will include dates from two consecutive months, which as assigned by CNVS, are entered into WBRs as belonging to one of the two months. The reason for this process is to allow for a more efficient and effective transfer of record from paper into WBRs for the more than 1,000 tracking tools that CNVS receives every month.

In addition, it should be noted that CNVS has processes in place to monitor members' progress towards the completion of the minimum hour requirement during their term of service; and upon a member's completion, CNVS carefully reviews the entries on WBRs to ensure that the overall record of hours matches the paper record before it certifies that the record is accurate and meets the minimum hour requirement.

**RESPONSE TO THE AUDIT FINDINGS**

**1. Some timesheets did not include documentation to support eligibility, and hours were not accurately recorded in the Corporation's WBRs.**

In 2005-06, CNVS began to require that programs submit member paperwork directly to CNVS for processing. This was designed to ensure that there was an accurate and appropriate review and approval process by CNVS. It took some time for programs to absorb many of the new changes and documentation requirements to be sent to CNVS. Throughout this process, CNVS has continually sought to strengthen trainings for programs and to establish greater clarity regarding program requirements. In 2007, CNVS reviewed its training and orientation strategies



# Catholic Network of Volunteer Service

*Connecting People, Transforming Lives*

for new and continuing programs and will develop more detailed guidance on the recording of hours, submission schedules, and supporting documentation.

Elsewhere we have addressed the issue of hours not accurately recorded in WBRS as a result of the bi-weekly tracking tool system. Notwithstanding, as of 2008, CNVS will use a time and reporting system which will allow for members to enter hours online and thereby minimize data entry error. It will also allow for an audit trail, an approval and correction system, and a more transparent and efficient recording and monitoring of hours and service activities that will be equally accessible to members, program directors, and CNVS AEAP staff.

Finally, CNVS is stepping up its efforts to develop specialized training modules for the program for members, site supervisors, and program directors to ensure that all parties understand their roles and responsibilities with respect to the reporting and monitoring of member hours by program directors.

## **2. Documentation in the member files did not support eligibility.**

CNVS has had a policy in place whereby program directors view and are required to sign off on one of several eligibility documents required by the Corporation that provides proof of citizenship or permanent residency. While it is true that in the past, programs have not always filled out this form correctly, CNVS took steps last year to review program forms and ensure they were filled out completely and correctly before a member can be enrolled. In addition, CNVS has developed a policy for programs to keep copies of eligibility documentation viewed unless prohibited by state law.

CNVS did receive proof of citizenship for the one member whose eligibility documentation was questioned by the auditors. This proof of citizenship was scanned and sent via email to the Audit Manager Stuart Axenfeld. CNVS therefore requests that the Corporation revise the Schedule of Questioned Education Awards, Accrued Interest, and Administrative Fees on page 5 of the report to exclude the questioned amounts for the 2005-06 member serving with Youth Services Opportunities Project whose award is being questioned.

## **3. Member files and related documents were not retained by CNVS.**

CNVS has taken the following measures to ensure the future integrity of its electronic file policy. A process has been established to manually review each file scanned and stored electronically before it is shredded. In addition, programs are now required to keep copies of all original forms sent to CNVS. A review of paperwork at the program level is included in monitoring visits. CNVS is also clarifying its record retention policy and providing programs with more detailed guidance on this issue.

## **4. CNVS did not have documentation to support criminal record checks as part of the member screening process.**

CNVS has established and implemented policies to ensure that the criminal record check has been properly reviewed before a member is enrolled. CNVS has developed specific policies on the requirements for enrollment, which now include the National Sex Offender Public Registry Check and the state criminal registry or FBI fingerprint check. CNVS has also developed a specific policy for consecutive year members. In addition, a complete criminal history check verification form is required for all members before enrollment, regardless of their service position, or whether it is their first or second term of service.

## **5. Members recorded service hours before contracts were signed.**

6930 Carroll Avenue

Suite 820

Takoma Park, MD

20912-4423

800.543.5046

301.270.0900

301.270.0901 fax

volunteer@cnvs.org

www.cnvs.org





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Over the past year, CNVS has done extensive training and re-education with programs regarding completeness of member forms as it has been one of our most significant weaknesses. CNVS has developed a manual review of each file before enrollment and has established a policy regarding this issue which is now included in member, site supervisor, and program handbooks.

For the coming grant year, CNVS is also developing a tutorial series for members and programs which will illustrate how to fill out forms and how incomplete forms may affect or delay an enrollment or exit.

### **6. Member contracts did not include required clauses on Civil Rights and Equal Opportunity.**

CNVS has revised the member contract to include the required clauses and all 2007-08 handbooks issued to programs as of June 2008 will include a Contract Addendum with the required clause. CNVS is also developing a section in the CNVS AmeriCorps Current Members site to include this important notice.

### **7. CNVS did not have documentation that mid-term and end-of-term performance evaluations were performed.**

In many of the cases cited by the auditors, we did find that programs had not specified whether the evaluation was mid-term or end-of-term. However, in most cases, the evaluation was performed and one could identify whether it was a mid-term or end-of-term form by the date of the signature.

Part of the problem is that the forms are identical and only distinguishable by a check box. CNVS has re-designed the form and form titles so it is clear that one form is the Mid-Term Performance Evaluation and one is the End-of-Term Member Performance Evaluation. In addition, CNVS has begun sending reminders and a guidance to programs and members regarding the timing of the mid-term and end-of-term evaluation.

### **8. CNVS did not complete member enrollment, exit, and change-of-status forms and enter them into WBRS.**

CNVS has developed a specific policy which states that CNVS must receive enrollment and exit paperwork within a 15 calendar day deadline from the service start and end dates, respectively, and it has established a process whereby late in-coming enrollments are handled so as to adhere to the Corporation's 30 day deadline. Moreover, all exiting members and corresponding programs receive a reminder exit email and checklist approximately 45 days before their expected exit date.

CNVS has also developed specific tutorials on completing paperwork which have been made available to members and programs, which include information on how CNVS will handle incomplete paperwork and advises members and programs on consequences of incomplete or late paperwork.

CNVS has an informal system for programs to request change of status which is usually via email. CNVS is currently developing a form and establishing a process which will ensure that changes of status are processed and approved by CNVS and sent to the Corporation within the limits of the deadline.

6930 Carroll Avenue

Suite 820

Takoma Park, MD

20912-4423

800.543.5046

301.270.0900

301.270.0901 fax

volunteer@cnvs.org

www.cnvs.org



Catholic  
Network of  
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Finally, all enrollment and exit paperwork are manually reviewed for completeness by CNVS AEAP before they are processed.

**9. CNVS did not retain documentation of member attendance at orientation sessions.**

CNVS programs conduct an AmeriCorps orientation every year and CNVS prepares and provides orientation materials to each program. CNVS has an Acknowledgement Form as part of its enrollment forms where the member certifies that he or she attended the AmeriCorps orientation. As mentioned earlier, these forms are now reviewed by CNVS for completeness before enrollment.

CNVS has the Acknowledgement Form in lieu of the sign-in sheet as a more reliable and consistent way to document member attendance of AmeriCorps orientation. This is preferable to a sign-in sheet given the logistic considerations posed by the number and structure of programs that participate in AEAP.

**10. CNVS monitoring procedures were not fully performed, or results were not always documented.**

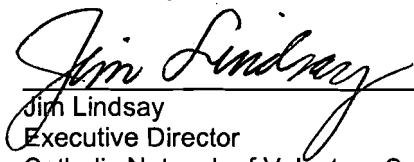
Due to the fact that CNVS experienced a 100% turn-over in its full-time staff for the AmeriCorps Education Awards Program, monitoring systems have not been fully developed or consistently implemented. However, as part of an organization-wide strategic initiative, CNVS is developing an internal manual for the AmeriCorps program that will include the necessary information for a smooth and seamless transition in case of future turn-over.

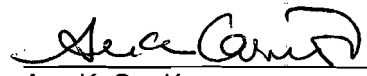
In two years of the three-year period under review, CNVS did perform monitoring site visits which were not documented or documentation was not found. As of 2007, CNVS has developed annual site visit schedule and procedures for documenting the site visit which include: a site visit follow-up report by CNVS with observations and findings and a response to the site visit report by the program that include any corrective actions to the findings. Both reports are stored with the program file. Site visit procedures will form part of the AEAP Monitoring System included in the internal manual.

6930 Carroll Avenue  
Suite 820  
Takoma Park, MD  
20912-4423

800.543.5046  
301.270.0900  
301.270.0901 fax  
volunteer@cnvs.org  
www.cnvs.org

Submitted by:

  
Jim Lindsay  
Executive Director  
Catholic Network of Volunteer Service

  
Ana K. Carrión  
Coordinator  
CNVS AmeriCorps Education Awards Program

**Appendix B – Corporation for National and Community Service’s Response to the Draft Report**

Corporation for  
**NATIONAL &  
COMMUNITY  
SERVICE** 

**To:** Gerald Walpin, Inspector General

**From:** Margaret Rosenberry, Director of Grants Management

**Cc:** Jerry Bridges, Chief Financial Officer  
Frank Trinity, General Counsel  
Kristin McSwain, Director of AmeriCorps  
Carol Bates, Assistant Inspector General for Audit  
Sherry Blue, Audit Resolution Coordinator

**Date:** June 5, 2008

**Sub:** Response to OIG Draft of Agreed-Upon Procedures of Grants Awarded to Catholic Network of Volunteer Service

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Thank you for the opportunity to review the draft Agreed-Upon Procedures report of the Corporation's grants awarded to the Catholic Network of Volunteer Service (CNVS). We are working with CNVS on its corrective action plan. We will respond with the management decision after we have reviewed the audit working papers and the CNVS corrective action plan.