



CORPORATION FOR NATIONAL & COMMUNITY SERVICE

OFFICE OF INSPECTOR GENERAL



Protecting the Integrity of National Service

Semiannual Report To Congress

April 1, 2019 - September 30, 2019

About the Corporation for National and Community Service

The Corporation for National and Community Service (CNCS or the Corporation) provides grants and technical assistance to volunteer organizations throughout the United States to strengthen communities, foster civic engagement and improve the lives of all Americans serving their local communities and the Nation. In 2019, the Corporation has invested over \$786 million in national service through its programs, AmeriCorps State and National (ASN), Volunteers in Service to America (VISTA), the National Civilian Community Corps (NCCC), Senior Corps and Innovation and Demonstration programs. A substantial portion of these funds is distributed through public service commissions in each U.S. State and Territory.

and the Office of Inspector General

Along with CNCS, Congress established the CNCS Office of Inspector General (CNCS-OIG), to promote economy, efficiency and effectiveness in the Corporation's programs and to prevent and detect waste, fraud, and abuse within CNCS or the entities that receive and distribute Corporation grant funds. CNCS-OIG is an independent organization, led by a Presidential appointee, which submits its reports and recommendations to the Corporation's Chief Executive Officer and to Congress.

Pursuant to the Inspector General Act of 1978, as amended, this Semiannual Report summarizes CNCS-OIG's work for the last six months of Fiscal Year (FY) 2019. It is being transmitted to the Corporation's Chief Executive Officer, Board of Directors and Members of Congress.

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Deborah J. Jeffrey
Inspector General

Message from the Inspector General

During the second half of Fiscal Year 2019, both the Corporation for National and Community Service (CNCS or Corporation) and the Office of Inspector General (CNCS-OIG) implemented significant changes. I am pleased to submit this Semiannual Report for the period April 2019 – September 2019, highlighting key improvements and continuing challenges.

I begin by noting two promising developments at CNCS. First, initial testing by the Chief Risk Officer indicates that the use of outside vendors to conduct criminal history checks has dramatically improved compliance with these important safety requirements and likewise significantly reduced improper payments. We are optimistic that if CNCS enforces compliance with substantial cost-based disallowance for noncompliance, more grantees will adopt the vendor solution. With the strong support of the Corporation's executive leadership, CNCS has begun to resolve this longstanding problem that has placed our communities at risk. CNCS-OIG will continue its oversight in this area, in coordination with CNCS's new Office of Monitoring.

Second, we applaud the leadership's decision to move to shared services for the critical functions of accounting and financial management, procurement, travel and human capital. It is difficult for a small agency to operate these functions and recruit and retain the necessary staff to perform them well. Through shared services, CNCS can outsource these burdens and should achieve economies of scale. However, the move to shared services is not a panacea; CNCS must still resolve its ongoing weaknesses in accounting and financial management, as well as procurement. We will monitor its progress in doing so. The audit of CNCS's financial statements, which will be published before the release of this Semiannual Report, indicates how much remains to be done.

CNCS-OIG continues to strengthen our enforcement program to deter fraud and recover the proceeds when it occurs. Fraud deprives at-risk communities of needed support, and we are working closely with United States Attorneys' Offices throughout the country to ensure that it does not go unpunished. In this reporting period, one investigation of a Senior Corps grantee whose employees fabricated timesheets and criminal history checks led to a civil fraud recovery of \$1.1 million. Another required an AmeriCorps member to repay the living allowance that she had wrongfully received based upon falsified documents. As of this writing, seven cases have been accepted for Federal civil or criminal prosecution, some involving losses in the millions of dollars. Additional cases are now under investigation. We hope that this vigorous enforcement effort will deter others from similar dishonesty. We have likewise expanded our use of administrative remedies to protect CNCS's programs from unscrupulous or unreliable individuals and organizations. To that end, we have issued multiple recommendations for government-wide debarment of persons who have demonstrated a lack of present responsibility. CNCS's favorable actions on these recommendations help us protect Federal funds.

Another priority has been our oversight of CNCS's Transformation and Sustainability Plan, which is reorganizing the administration of CNCS programs into a new field structure and has promised to improve the Corporation's core business processes. CNCS's leadership has determined that successful implementation of the Plan by June 2020 is essential to the agency's future success. While CNCS-OIG strongly supports a re-examination of the Corporation's structure, our experience indicates CNCS does not have the organizational capacity to carry out its complex transformation plan at the rapid pace envisioned. We detailed these concerns in a Management Alert, titled [Unrealistic Transformation Plan Unnecessarily Jeopardizes CNCS Mission](#). In particular, we questioned the organization's ability to fundamentally reorganize grant administration while simultaneously overhauling longstanding deficiencies in CNCS's core business functions – developing information technology sufficient to support grant management; preparing and testing an effective grant risk model and aligned cost-effective monitoring activities; achieving reliable financial management, accounting and reporting; and establishing effective cybersecurity.

In its response, CNCS reaffirmed its commitment to its aggressive schedule and made numerous representations about its progress in meeting these goals. Further, CNCS challenged our authority to issue the management alert in response to questions from multiple Congressional offices. *See Agency Response to the OIG's Management Alert Provided to CNCS on May 14, 2019, at 11.* CNCS's view of CNCS-OIG's authorities is unduly narrow and inconsistent with the plain terms of the Inspector General Act of 1978, as amended.

CNCS-OIG will continue to provide robust oversight of CNCS programs and operations, including the implementation of its Transformation and Sustainability Plan, and do what we can to promote its success. For example, we recently conducted a training session for the field staff in the first three regional offices to help them understand our work, recognize indications of potential fraud and mismanagement, and understand how to report such instances to our office so that we can together protect CNCS programs.

Shortly after the close of this Semiannual Period, key CNCS leaders either left CNCS or announced their upcoming departures. Among them are the Chief Risk Officer, the Acting Chief Operating Officer, the Deputy Director of the VISTA Program, the Deputy Chief Human Capital Officer, and the Director of Procurement Services. It is our hope that CNCS will promptly fill these important positions with the strong, experienced leaders needed to meet CNCS's challenges. As the new regions and Headquarters offices are stood up, and vacant CNCS leadership positions are filled, we look forward to working with CNCS staff to safeguard CNCS funds and strengthen the integrity of national service that is vital to communities across the country.

Respectfully,

A handwritten signature in black ink, reading "Deborah J. Jeffrey". The signature is fluid and cursive, with a long horizontal stroke extending from the end.



Audit Section

The Audit Section oversees the financial and programmatic operations of the Corporation. Its responsibilities include supervising the annual audits mandated by statute, including the audit of the annual financial statements, and reviewing CNCS compliance with the Improper Payments Elimination and Recovery Act of 2010 (IPERA), Digital Accountability and Transparency Act of 2014 (DATA Act) and government-wide cybersecurity mandates. The Audit Section also audits individual grants, contracts and cooperative agreements funded by CNCS, assesses management controls, reviews agency operations and internal business processes, identifies emerging issues, and provides outreach to educate CNCS stakeholders concerning recurring issues.

The Audit Section issued reports pertaining to CNCS's compliance with IPERA, CNCS's government credit card program and three CNCS grantees. Much of our efforts during the current period focused on the FY 2019 audit of CNCS's financial statement and that of the National Service Trust, the FY 2019 evaluation of cybersecurity and compliance with the DATA Act. At the end of this reporting period, we have six grantee audits in progress.

The Audit Section continues to work with CNCS, including the offices of the Chief Financial Officer, Chief Information Officer, and Chief Risk Officer, to address unimplemented recommendations from previous reports, with a focus on those that remained open for more than a year. During the reporting period, CNCS management closed 28 percent (38 of 134) recommendations from prior mandatory and program audits.

Highlights of audit work completed during this reporting period

Management Alert: Unrealistic Transformation Plan Unnecessarily Jeopardizes CNCS Mission

We issued a Management Alert regarding serious risks arising from CNCS's self-imposed rapid timeline to reorganize the Corporation's current structure and alter its core grantmaking and grant management business practices, known as The Transformation and Sustainability Plan (the Plan). As noted in our alert, the reorganization to a regional structure will involve at least 40 percent turnover in grant and program staff over the next 13 months.¹ Executing this reorganization while simultaneously attempting much-needed reforms to CNCS's core business infrastructure—developing information technology sufficient to support grant management; preparing and testing an effective grant risk model and aligned cost-effective monitoring activities; achieving reliable financial management, accounting and reporting; and establishing effective cybersecurity—overestimates the Corporation's capacities, in light of its resource limitations and lack of success in prior reform attempts.

Despite CNCS's efforts, it has been unable to achieve these improvements over the last several years, without the added stress of a major structural overhaul. Our management alert concluded that the decision to undertake these critical infrastructure upgrades while simultaneously regionalizing grantmaking, grant management, and grant administration is unrealistic, exceeds CNCS's capabilities and creates a substantial risk that CNCS will not be able to achieve its mission of supporting national service.

To promote the Plan's ultimate success and provide a suitable platform for effective, risk-based grant management and reliable financial management and reporting, we strongly recommended that CNCS delay the reorganization to a regional structure until it resolves its core infrastructure deficiencies.

¹ In fact, since the time of our management alert, the turnover rate at CNCS has already exceeded 50 percent, which constitutes a significant loss of institutional knowledge.

CNCS disagreed with our assessment, questioned our authority to issue this report, asserted that it can manage all the associated risks successfully and informed our office that it intends to proceed with the reorganization on its original schedule. We will continue to monitor the implementation of the Plan and the associated risks.

CNCS Remains Unable to Quantify Improper Payments in Its Programs (Report 19-04)

Despite a continuous focus on improving its IPERA compliance program, CNCS remains unable to reliably estimate the amount or the rate of improper payments in the AmeriCorps State and National Program (ASN), Foster Grandparent Program (FGP), Retired and Senior Volunteer Program (RSVP), and Senior Companion Program (SCP). In OIG Report No. 19-04, [“Performance Audit of the Corporation for National and Community Service’s Compliance with the Improper Payments Elimination and Recovery Act of 2010 \(IPERA\) for Fiscal Year 2018,”](#) we determined that the improper payment information reported in CNCS’s FY 2018 Annual Management Report remains unreliable and incomplete, though there have been substantial improvements.

With the strong leadership of the Chief Risk Officer, CNCS implemented corrective actions to address findings noted in the FY 2017 IPERA audit report and made improvements that resulted in the elimination of certain prior-year findings. As a result of this progress, we are pleased to report that CNCS met an additional Office of Management and Budget (OMB) criterion on conducting a program-specific risk assessment for IPERA compliance and fully resolved three prior audit findings in FY 2018.

However, additional work is required as CNCS was unable to meet three of the six OMB IPERA compliance criteria, all of which are recurring from the prior year. Specifically:

- CNCS did not properly identify improper payments, and the published improper payment estimate is not complete or accurate. Specifically, we noted issues with both the population that CNCS used to select IPERA samples and the manner in which CNCS processed the sample items;
- CNCS did not meet its annual improper payment reduction targets for the programs. In fact, the rate of improper payments for the four programs in FY 2018 was substantially higher than the rate for FY 2017; and,
- CNCS published an improper payment estimate that was greater than the acceptable threshold for IPERA compliance, or ten percent, for these programs.

In summary, we recommended that CNCS fully implement planned programmatic corrective actions in the ASN, FGP, RSVP, and SCP grant programs and develop a detailed plan to establish realistic reduction targets and implement actions to reduce the improper payment rates below ten percent

for FY 2019. We also recommended that CNCS update its sampling and estimation methodology to ensure that its future improper payment estimates are complete and accurate. Overall, CNCS agreed with our recommendations and, if fully implemented, its proposed corrective actions will address the intent of our recommendations.

Annual Assessment: CNCS Use of Charge Cards found to Pose Low Risk

Executive Branch agencies, including CNCS, are required to implement safeguards and internal controls for purchase cards (p-cards) and travel cards (t-cards) (collectively referred to as “government charge cards”). Under the Government Charge Card Abuse Prevention Act of 2012 (Public Law 112-194) (the Act), OMB Circular A-123 Appendix B, *Improving the Management of Government Charge Card Programs*, and OMB Memorandum M-13-21, *Implementation of the Government Charge Card Abuse Prevention Act of 2012*, Inspectors General are required to:

- Conduct annual risk assessments of agencies’ charge card programs;
- Identify and analyze the risks of illegal, improper or erroneous purchases and payments; and
- Develop a plan for using such risk assessments to determine the scope, frequency, and the number of periodic audits of government charge card transactions.

We are pleased to report that for 2019, CNCS-OIG assessed the overall risk of significant illegal, improper or erroneous purchases made through the CNCS’s purchase card and travel card program as low. Based on the limited review and procedures performed, CNCS-OIG auditors concluded that CNCS has policies and procedures in place for its t-card program and largely for its p-card program to address the requirements identified in the Act.

We do not plan to perform a full scope audit or review of the CNCS’s government charge card programs in FY 2020. We will continue to monitor the internal control environment for government charge card usage and conduct the required annual risk assessments. We will also consider the impact of CNCS’s reorganization, the influx of new staff and the transition to shared services as part of next year’s government charge card risk assessments.

Agreed-Upon Procedures for CNCS Grants Awarded to Conservation Legacy (Report 19-07)

We engaged a contract audit firm to conduct an Agreed-Upon Procedures review of selected AmeriCorps grant awards issued to Conservation Legacy, to include AmeriCorps Grants awarded by CNCS and the Corps Network, a nonprofit entity that received grant awards through CNCS. The auditors did not question any claimed Federal costs, match costs or member education awards, or identify any compliance findings.

Agreed-Upon Procedures for CNCS Grants Awarded to the Serve Guam Commission (Report 19-08)

The agreed-upon procedures review of AmeriCorps grant funds awarded to the Serve Guam Commission and two subgrantees, Sanctuary Incorporated and Guam Homeland Security, identified questioned Federal costs of \$14,447, questioned match costs of \$18,761, and compliance findings. Most of the questioned costs identified were caused by inadequate pre-award evaluations and post-award monitoring. The costs tested were incurred between January 1, 2016, and June 30, 2018.

The Serve Guam Commission concurred with most of the findings and is working on corrective actions. CNCS management also concurred with most of the recommendations and stated it will resolve the questioned costs during audit resolution.

Audit of CNCS VISTA Grant Awarded to Conservation Legacy (Report 19-09)

We engaged a contract audit firm to conduct an audit of the VISTA grant awarded to Conservation Legacy. VISTA is a national service program whose members assist building nonprofit organizations' capacity for carrying out programs that fight poverty. VISTA members recruit and manage community volunteers, raise funds, and help manage projects.

From a judgmental sample of ten of 91 VISTA sites that were closed in calendar years 2014 through 2018, the auditors found 40 percent (four) of the VISTA projects tested were not sustained. This 40 percent non-sustainability rate is similar to the 44 percent non-sustainability rate identified in [OIG report 18-12, VISTA Program Evaluation](#).

CNCS does not have a standard definition of sustainability. We, therefore, defined sustained projects as those projects that:

- Continued after being transferred to the supervisors or employees at the host sites; or,
- Continued because the host site hired a former VISTA member to continue working on the project; or,
- Continued with support from volunteers.

We defined unsustained projects as those projects that:

- Did not continue because the host site or its partners in the local community were unable to secure grant funding to continue the project or to hire an employee to continue managing the project; or,
- Lacked support and approval from the project sponsor to continue the project and to implement suggestions made by the VISTA members.

In our prior report, CNCS-OIG recommended that CNCS define sustainability and improve VISTA monitoring. In response to the VISTA Evaluation and in its March 11, 2019 Management Decision, CNCS concurred with these recommendations and included the corrective actions in process or completed. Therefore, there are no recommendations in this audit report.

In its response to the draft report, Conservation Legacy stated it is committed to improving the sustainability of the projects and looks forward to continuing to provide economically challenged communities with resources to help tackle pressing issues of poverty.

Agreed-Upon Procedures for CNCS Grants Awarded to the Delaware Governor's Commission on Community and Volunteer Service (Report 19-10)

The agreed-upon procedures review of AmeriCorps grant funds awarded to the Delaware Governor's Commission on Community and Volunteer Service (DGCCVS), and two subgrantees, Division of Parks and Recreation and Reading Assist Institute, identified questioned Federal costs of \$11,463, questioned match costs of \$46,380, questioned education awards and interest forbearance of \$8,721 and compliance findings. The costs tested were incurred between April 1, 2016, and March 31, 2018. Most of the questioned costs identified were associated with (1) food and beverages that were not adequately disclosed in the budget, and (2) full-term members who were changed to less than full-time without required DGCCVS approvals.

DGCCVS concurred with most of the compliance findings but generally disagreed with the recommended amount of questioned costs. CNCS management concurred with most of the recommendations and stated it will resolve the questioned costs during audit resolution.

Audit Section's Outreach Activities

The Audit Section continues to participate actively in events that keep CNCS staff and the grantee community informed about CNCS-OIG's initiatives and findings. From April through September 2019, members of the Audit Section made 10 presentations at the following events where CNCS-OIG discussed the audit process and common accountability findings, and highlighted key aspects of the Uniform Grant Guidance:

- North Central National Service Training Conference in St. Paul, MN;
- Pacific/Southwest National Service Training Conference in Boise, ID;
- Atlantic/Southern National Service Training Conference in Pittsburgh, PA;
- Senior Corps Seminar in Bethesda, MD; Denver, CO; and Columbus, OH;
- VISTA Sponsor Convening in Orlando, FL;

- Colorado Commission Training in Denver, CO; and
- AmeriCorps State and National Symposium in Arlington, VA (2 sessions, including a joint presentation with CNCS staff).

CNCS-OIG offered practical information on safeguarding Federal funds and conducted robust question-and-answer sessions to help grantees and subgrantees recognize and address current issues. These workshop sessions were well received, with representatives of more than 450 AmeriCorps and Senior Corps grantees and subgrantees in attendance.

In addition, CNCS-OIG continues to support initiatives sponsored by the Council of Inspectors General on Integrity and Efficiency (CIGIE). Our auditors actively participate in the following working groups and projects to offer suggestions and contributions to the Inspector General community:

- DATA Act Working Group;
- Quality Assurance Working Group;
- Grant Reform Working Group;
- Single Audit and Risk Management Framework Working Group;
- Financial Statements Audit Network; and
- Audit Peer Review Guide Revision Working Group.

CNCS-OIG auditors also participate in various audit forums or serve in a leadership role for professional organizations, such as:

- Federal Audit Executive Council;
- Single Audit Roundtable (sponsored by American Institute of Certified Public Accountants to discuss grant audit issues and best practices among Federal government and private-sector auditors); and
- Association of Government Accountants.



Audit Statistical and Summary Tables

The statistical and summary tables in this section are submitted in compliance with the requirements enumerated in the Inspector General Act of 1978, as amended.

I. Audit Reports Issued

Audit and Evaluation Reports Issued				
April 1, 2019-September 30, 2019				
Report Number Issued	Report Name	Dollars Questioned	Dollars Unsupported	Funds Put To Better Use
19-04	Performance Audit of the Corporation for National and Community Service's Compliance with the Improper Payments Elimination and Recovery Act of 2010 for Fiscal Year 2018	\$0	\$0	\$0
19-07	Agreed-Upon Procedures for Selected Corporation for National and Community Service Grants Awarded to Conservation Legacy	\$0	\$0	\$0
19-08	Agreed-Upon Procedures for the Corporation for National and Community Service Grants Awarded to the Serve Guam Commission	\$14,477	\$0	\$0
19-09	Audit of the Corporation for National and Community Service VISTA Grant Awarded to Conservation Legacy	\$0	\$0	\$0
19-10	Agreed-Upon Procedures for the Corporation for National and Community Service Grants Awarded to the Delaware Governor's Commission of Community and Volunteer Service	\$11,463	\$1,630	\$8,721
	TOTAL	\$25,940	\$1,630	\$8,721

II. Reports with Questioned Costs

Audit Reports with Questioned or Unsupported Costs				
Report Category		Number of Reports	Questioned Federal Costs	Unsupported Federal Costs
A.	Reports for which no management decision had been made by the commencement of the reporting period	2	\$904,309	\$786,954
B.	Reports issued during the reporting period	2	\$25,940	\$1,630
C.	Total Reports (A and B)	4	\$930,249	\$788,584
D.	Reports for which a management decision was made during the reporting period	2	\$141,567	\$43,626
	I. Value of disallowed costs		\$12,393	\$7,500
	II. Value of costs not disallowed		\$129,174	\$36,126
E.	Reports for which no management decision had been made by the end of the reporting period (C minus D)	2	\$788,682	\$744,958
F.	Reports with questioned costs for which no management decision was made within six months of issuance	0	\$0	\$0

III. Summary of Audits with Funds Put to Better Use

Funds Put to Better Use			
	Report Category	Number of Reports	Funds Put To Better Use
A.	Reports for which no management decision had been made by the commencement of the reporting period	2	\$197,148
B.	Reports issued during the reporting period	1	\$8,721
C.	Total Reports (A and B)	3	\$205,869
D.	Reports for which a management decision was made during the reporting period	1	\$20,055
	I. Value of disallowed costs		\$0
	II. Value of costs not disallowed		\$20,055
E.	Reports for which no management decision had been made by the end of the reporting period (C minus D)	2	\$185,814
F.	Reports with questioned costs for which no management decision was made within six months of issuance	0	\$0

IV. Audits with Overdue Management Decisions

Overdue Management Decisions				
Report Number	Title	Federal Dollars Questioned	Mgmt. Decision Due	Status at End of Reporting Period
N/A	None	\$0	N/A	N/A
	Total	\$0		

V. Reports Without Final Actions

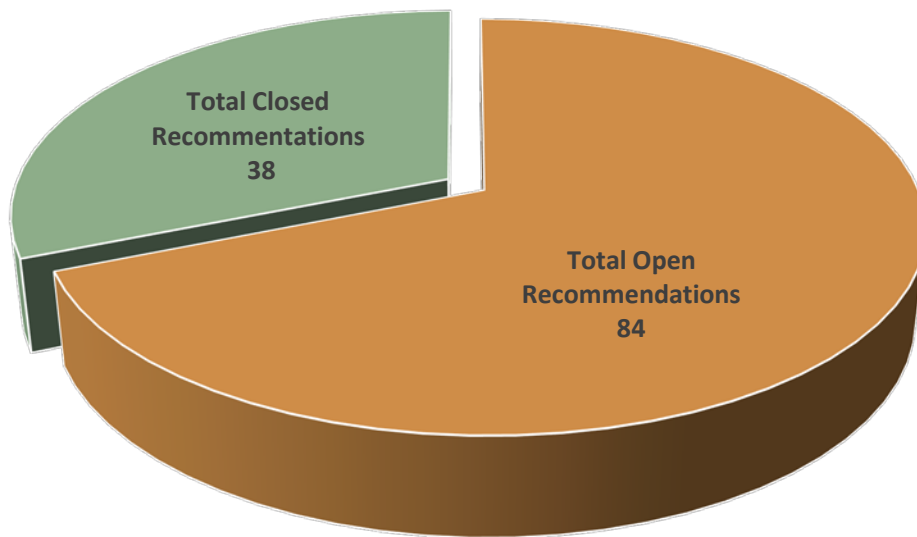
Audits Without Final Action			
Report Number	Title	Date Issued	Final Action Due
N/A	None	N/A	N/A

VI. Unimplemented Recommendations

The Inspector General Act of 1978, as amended, requires each Office of Inspector General to identify unimplemented recommendations, including their associated potential cost savings. As part of our validation follow-up, CNCS-OIG requests written notice of the completion of corrective actions, as well as documentary evidence of their implementation. We take the same approach whenever CNCS undertakes corrective actions that differ from our recommendations but effectively address our findings. We evaluate the submitted documentation and, if CNCS has corrected the deficiency, we close the recommendation.

During this semiannual reporting period, CNCS succeeded in closing 38 of 134 overdue recommendations (more than a year old). This represents a significant improvement from the prior reporting period, during which only three overdue recommendations could be closed.

**Open Recommendations vs Closed Recommendations
(as of September 30, 2019)**



CNCS has disagreed with, and declined to implement 34 of the remaining 96 overdue but unimplemented recommendations.² These pertain to issues such as oversight of high-dollar consulting/professional services contracts, modifications to the National Civilian Community Corps (NCCC) Program, monitoring controls to prevent and detect prohibited activities, and implementing a risk registry for effective risk management over CNCS programs. Forty-five of the overdue but unimplemented recommendations have been outstanding for more than two years.

Effective Closure of Recent CNCS-OIG Recommendations

We note further that CNCS has promptly taken measures sufficient to close 25 recommendations that were issued in FY 2019 but were not yet due. The quality control and internal validation processes adopted by CNCS's Office of Audit and Debt Resolution (OADR), Office of Information Technology (OIT) and Office of the Chief Risk Officer (OCRO) ensured that corrective actions were developed, fully implemented and clearly documented before submission to CNCS-OIG for evaluation. These exemplary measures have allowed us to timely confirm the implementation of corrective actions before the recommendations became overdue.

OADR submitted adequate documentation to close nine of 76 recommendations for reports issued in FY 2019 and 14 overdue during this reporting period. Under the leadership of the new Chief Information Officer and the Chief Information Security Officer, OIT closed twelve of the 25 recommendations not yet due, as well as nine overdue FISMA recommendations related to cybersecurity controls. OCRO was responsible for three of the four recommendations that were closed relating to the FY 2018 Financial Statements Audit and also submitted documentation sufficient to close three additional overdue recommendations, two of which were related to the FY 2017 Financial Statements Audit. Many other recommendations relating to the audits of CNCS's financial statements remain open.

Offices within CNCS that did not adopt a quality control/validation process often submitted inadequate or incomplete corrective actions, without sufficient documentation. An agency-wide quality control/validation process would help CNCS develop and implement clear corrective action plans and document and validate implementation before submitting materials to CNCS-OIG.

Financial Management

CNCS continues to face challenges in resolving overdue unimplemented recommendations to improve financial management processes that are critical to CNCS operations. For the past two years, CNCS received a disclaimer of opinion on its Financial Statements Audits, and multiple material weaknesses and significant deficiencies were identified. CNCS-OIG issued numerous recommendations to assist CNCS in bringing its financial systems into compliance, addressing the material weaknesses and significant deficiencies and making CNCS a strong steward of Federal funds.

² These are bolded in Appendix A for ease of reference.

Twenty-five overdue recommendations are related to CNCS's flawed accounting and financial management systems and processes. In 2018, CNCS hired a Director of Accounting and Financial Management Services (AFMS), who has attempted almost single-handedly to address these problems. The volume and difficulty of the issues, the absence of quality control and validation of her work and the lack of strategic direction for her efforts have prevented CNCS from completing the necessary corrective actions. The independent financial statement auditors have determined that CNCS's responses to these outstanding recommendations are incomplete or inaccurate. CNCS missed an opportunity to remedy these critical flaws in FY 2019.

Program-Related Open Recommendations

With respect to grant audits, CNCS has taken limited actions to resolve recommendations pertaining to preventing and detecting prohibited activities by CNCS grantees and improving the efficiency and effectiveness of the NCCC program.

In the *NACHC Prohibited Activities: Missed Opportunities Management Alert* issued November 2016, CNCS-OIG made recommendations to CNCS to implement risk assessments and monitoring strategies to detect and prevent members and grant-funded staff from engaging in prohibited activities, including those related to abortion. CNCS has acknowledged that it has agreed with these seven unresolved recommendations since December 2016 and will continue to address them through normal business operations. However, CNCS has yet to demonstrate that it correctly identifies and assesses prohibited activities risk or has developed targeted monitoring activities to detect violations. Therefore, CNCS-OIG will continue to report these recommendations as unimplemented, and more importantly, these programs remain vulnerable to these unattended risks.

Further, CNCS declined to implement 16 recommendations to improve the efficiency and effectiveness of its NCCC program. In OIG Report 17-05, *Evaluation of the NCCC Program*, we found that services performed by NCCC cost four to eight times more than the same services provided by CNCS's other AmeriCorps programs, and NCCC was not meeting its enrollment capacity. CNCS recently demonstrated successful corrective actions for 10 of the 31 outstanding recommendations, relating principally to reducing the rate of member attrition and strengthening AmeriCorps Disaster Response Teams (A-DRTs).

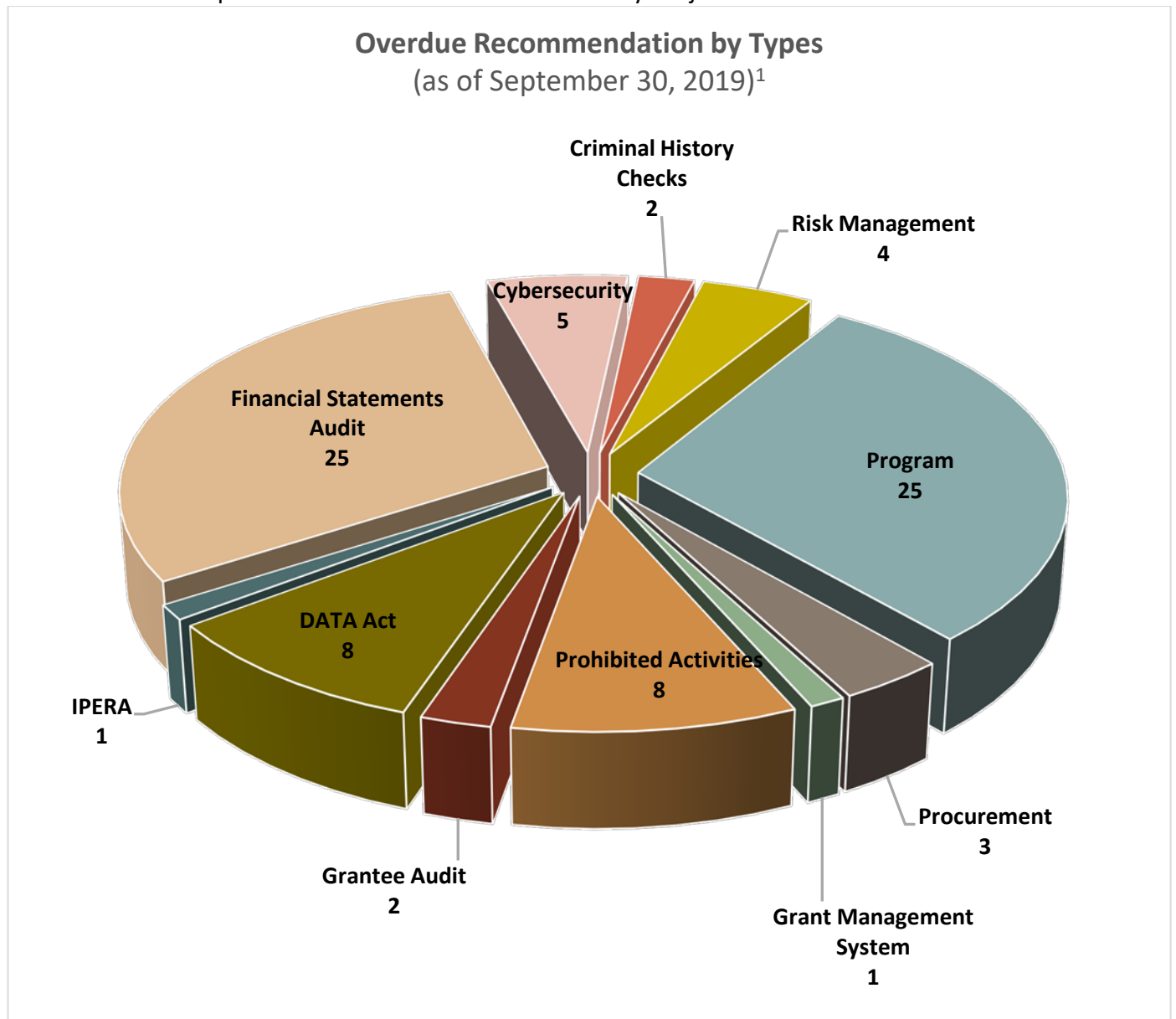
Criminal History Checks and Risk Management

CNCS previously used a penalty matrix to disallow a fraction of the costs associated with the service of staff or members who had not timely undergone complete criminal history checks. As we have set forth previously, the matrix did not succeed in deterring noncompliance, and more importantly, did not serve to protect our beneficiary communities. On July 1, 2019, following a contract with vendors to perform these checks, CNCS adopted a policy of partial cost-based disallowance of costs associated with an eligible individual's work or service during a period of noncompliance. This policy improves on the fatally flawed matrix approach. However, CNCS will disallow only six months' worth of costs, no matter how long the period of noncompliance.

With respect to enterprise risk management (ERM), CNCS-OIG has issued multiple reports recommending that CNCS develop an ERM model that incorporates risks from all CNCS programs and departments, including grants and information security risks. CNCS delayed the development of a new risk registry, which would serve as the basis of its risk model, from February 2019 to December 2019. As we had previously noted, CNCS did not have the bandwidth with its resources and personnel to address all its key priorities at the same time, while also implementing its Transformation and Sustainability Plan, a reorganization of functions and personnel. Adding to this delay is the fact that the ERM manager position has been vacant since September 2019 and the Chief Risk Officer, who has been instrumental in developing the risk model, recently announced her departure from CNCS. These vacancies call into question CNCS's ability to complete the risk registry, develop and implement a valid grant risk model or use it to guide monitoring of the \$760 million in grant funds that CNCS disburses each year to state and local communities throughout the United States. In the face of a reorganization that will have over 50 percent of new staff in positions responsible for reviewing grant applications and managing grantees, and a new monitoring office that is still in the process of developing a monitoring plan, an effective risk model is critical to the responsible administration of CNCS grants moving forward.

In sum, CNCS has resolved certain recommendations in discrete areas. However, in critical functions such as financial management and enterprise risk, CNCS has not taken the steps necessary to improve the core systems and processes necessary to a grant-making agency. This is especially concerning during the implementation of a fast-paced Transformation and Sustainability Plan that has already resulted in the departure of numerous personnel, to include key leadership positions, and the loss of key institutional knowledge. We will continue to collaborate with CNCS officials to address remaining recommendations that have not been fully implemented.

The chart below depicts the overdue recommendations by subject matter.



¹ A table of the status of overdue unimplemented recommendations can be found in Appendix A. Appendix B contains a table of the open recommendations that are pending but not yet due.



Investigation Section

The Investigation Section is responsible for the detection and investigation of fraud, waste, and abuse in CNCS programs and operations. Investigators probe allegations of serious—sometimes criminal—misconduct involving CNCS employees, contractors and grant recipients that threaten the integrity of CNCS service initiatives. Evidence of serious criminal or fraudulent conduct is referred to the appropriate U.S. Attorney or, in some instances, to a local district attorney for criminal or civil prosecution and monetary recovery. Other investigative results are referred to CNCS management for information or administrative action, to include government-wide suspension and debarment.

During FY 2019, the Investigation Section initiated 64 investigations, closed 47 actions (21 of which resulted in findings and recommendations) recovered more than \$1,160,000 and identified more than \$2,350,000 in funds that could be put to better use. The 257 Hotline complaints reviewed by investigators led to 58 investigations and 24 referrals to CNCS management; 157 complaints required no further action. As of September 30, 2019, various U.S. Attorneys' Offices (USAO) accepted seven cases that are a mix of criminal and civil matters, with more active cases on track for referral to USAOs in the next reporting period.

In line with our priorities, CNCS-OIG investigators are focused on pursuing enforcement actions for: (1) the fabrication or alteration of required Criminal History Checks (CHC), placing at risk the beneficiaries of national service; (2) the falsification and fabrication of volunteer, member and grant-funded staff time records; and (3) theft of government funds for personal use. These fraudulent acts

violate Federal criminal and civil statutes, and CNCS-OIG refers such matters for prosecution. In addition, CNCS-OIG has made several related referrals to CNCS for government-wide suspension and debarment, to protect the Federal government from those who have demonstrated that they are not presently responsible stewards of federal funds.

To protect its beneficiaries and taxpayer funds, CNCS's grant requirements unequivocally prescribe that CNCS grantees notify both CNCS-OIG and CNCS program officials without delay when they suspect illegal activities or fraud, waste or abuse. Despite this mandate, we have seen multiple failures to report or delayed reporting of allegations of fraud and misconduct to our office. As a result, we have increased our educational outreach efforts to remind grantees of this requirement, and we will recommend that CNCS impose administrative remedies on grantees and subgrantees for failure to make such required reports to CNCS-OIG.

Highlights of Investigative work completed during this reporting period

Our Lady of Lourdes Enters into Civil False Claims Act Settlement for Altered Criminal History Checks and Falsely Recorded Service Hours

CNCS-OIG investigated allegations that two employees of Our Lady of Lourdes (OLL) Foster Grandparent Program (FGP), Camden, NJ, altered the Criminal History Checks of FGP volunteers in advance of a CNCS monitoring visit. Investigators found that two employees altered and fabricated the CHCs of 46 FGP volunteers, allowing these volunteers to serve the community without assurance that they were not convicted murderers or sex offenders. A subsequent review showed none of the 46 individuals had a disqualifying criminal history. CNCS-OIG also identified fraudulent timesheets for FGP volunteers during the summer months; volunteers were paid during periods in which their service sites were closed.

This matter was referred to the United States Attorney's Office for the Eastern District of Pennsylvania, who pursued this matter with the United States Attorney's Office for the District of New Jersey under the Civil False Claims Act. OLL entered into a settlement agreement with the United States and paid \$1,143,881.19. This matter remains open pending completion of the debarment process (See Suspension and Debarment section). Case ID 2017-015.

AmeriCorps State and National Member Enters into Civil False Claims Act Settlement for Submitting Falsified Time Sheets and Fraudulent Receipt of Living Allowance

CNCS-OIG received an allegation that a former AmeriCorps member serving in the PartnerCorps Science, Technology, Engineering, and Mathematics (“PartnerCorps STEM”) AmeriCorps program in Berea, KY submitted false timesheets and was paid living allowance for periods in which she performed no service. The investigation found that the AmeriCorps member, who was assigned to tutor and mentor students at a public high school, ceased to report to her service site and provided no services over a three-month period, during which she submitted six timesheets falsely representing that she had performed her duties. Relying on the false timesheets, PartnerCorps STEM provided the AmeriCorps member with a CNCS-funded living allowance in January 2018 and February 2018 but did not provide a living allowance in March after realizing that she had not been performing service. Upon failing to receive the March living allowance, the individual contacted the program to seek payment, knowing she had not performed any service that month or the previous months.

This matter was referred to the United States Attorney’s Office for the Eastern District of Kentucky, which pursued the case under the Civil False Claims Act. Subsequently, the member settled and agreed to pay back the living allowances that she had obtained by fraud. This matter remains open pending completion of the debarment process (See Suspension and Debarment section). Case ID 2019-028.

AmeriCorps Grantee Overpaid Program Staff, Resulting in Disallowed Costs

CNCS-OIG investigated allegations that staff at the Salvation Army, Anchorage, AK, Safe Senior AmeriCorps Program (SSAP) mismanaged an AmeriCorps Planning Grant (Grant) and pressured AmeriCorps members to add unearned service hours to their timesheets. The investigation did not substantiate those allegations. However, CNCS-OIG determined that one employee failed to document time spent on the Grant and another employee was given a year’s salary, but only worked on the Grant for approximately nine months.

CNCS-OIG recommended that CNCS disallow \$6,006.37 of CNCS funds utilized to pay the salary of the employee who failed to document her time and \$6,130.22 for the employee who was paid a year’s salary for nine months of work.

Agency/Administrative Actions

CNCS management responded and partially concurred with CNCS-OIG’s recommendations. CNCS did not agree that one employee failed to properly document her time spent on the Grant but issued debt for \$3,321.37, the portion of her salary that was over the approved budget line item. CNCS disagreed that Salvation Army overpaid the other employee a year’s salary when the employee only worked on the program for nine months because she worked more hours than planned and the Salvation Army

did not exceed the approved budget limits for her salary. CNCS confirmed that the Alaska Commission updated its Program Director's Manual, which now contains adequate requirements for staff timekeeping. Case ID: 2018-006; Closed 7/31/19.

AmeriCorps Program Directed an AmeriCorps Member to Perform Staff Work, Resulting in Disallowed Hours and Additional Training

CNCS-OIG investigated allegations that Rebuilding Together (RT), New York City, NY, expended grant funds early, drew down grant funds on unfilled AmeriCorps member positions, paid grant funds to RT employees not listed on the grant, and assigned members to serve outside the scope of the grant. The investigation did not substantiate those allegations. However, during its investigation, CNCS-OIG found RT staff directed a member to perform the work of paid staff for a week. Another member reported significant idle time due to a lack of service opportunities. The investigation also found that RT staff violated the grant terms and conditions when it failed to notify CNCS and CNCS-OIG of a former member who submitted fraudulent timesheets. RT staff disallowed the false hours, terminated the member and adjusted its drawdowns accordingly.

Agency/Administrative Actions

CNCS management reviewed timesheets and activity logs and identified one eight-hour instance when the member engaged in staff work (website upgrades). RT disallowed the eight hours, which did not affect the member's eligibility for an education award. RT program staff received training on staff displacement and reporting fraud to CNCS-OIG. Case ID 2018-009; Closed 7/31/19.

AmeriCorps Grantee Overcharged Grant for Staff Salary Payments

CNCS-OIG investigated allegations that Sunset Park Health Council (Sunset Park), New York City, NY, operated two separate AmeriCorps programs to make a profit from grant funding and utilized AmeriCorps members to perform personal errands for staff.

The investigation found no evidence to support the allegations that Sunset Park profited from AmeriCorps grants or that members performed service outside the scope of the grant. However, the investigation determined that a Sunset Park employee improperly charged 100 percent of her time and effort to the AmeriCorps grant, even though she spent one-third of her time on non-AmeriCorps programs. CNCS-OIG recommended that CNCS disallow the costs associated with inaccurate salary charges.

Agency/Administrative Actions

CNCS agreed with CNCS-OIG regarding the recommendation to disallow salary charges for the employee and initiated action to recover \$4,808.96. Case ID 2018-010; Closed 7/24/19.

AmeriCorps Member Performed Prohibited Religious Activities

CNCS-OIG investigated allegations that AmeriCorps members in the City of Orlando, Orlando Partnership for School Success (O-PASS) AmeriCorps Program, Orlando, FL, submitted false timesheets and displaced staff. The investigation did not substantiate those allegations. However, during its investigation, CNCS-OIG found that one member performed prohibited religious instruction as part of her AmeriCorps service.

CNCS-OIG recommended that CNCS or the Commission assess and recommend revisions to the City of Orlando's policies and procedures for: (1) site supervisor training on prohibited activities; (2) member oversight; (3) and timely review of member time sheets. In addition, CNCS-OIG recommended that CNCS or the Commission confirm that the service hours for religious instruction were disallowed.

Agency/Administrative Actions

CNCS management concurred with CNCS-OIG's recommendations. CNCS reported that the City of Orlando provided additional training to its service sites on prohibited activities and member service activities, and the Commission confirmed that the hours performing prohibited religious instruction were disallowed and removed from the member's timesheet. Case ID 2018-033; Closed 7/31/19.

AmeriCorps Members Recorded Excessive, Unsupported Service Hours on Timesheets

CNCS-OIG investigated allegations that a former employee of Regional School Unit 14 (RSU14) - Windham-Raymond Schools, Windham, ME, approved false timesheets for two former AmeriCorps members. CNCS-OIG found the members recorded excessive service days on their timesheets, often ranging from 16-18 hours in a day. The RSU14 employee supervising the members was not able to validate whether members served the hours claimed, and she did not timely review and sign their timesheets. The CNCS-OIG investigation concluded that the hours submitted and approved for the two members were excessive and lacked adequate support.

Agency/Administrative Actions

CNCS management concurred with CNCS-OIG's findings, and RSU14 exited the two members without education awards. Case ID 2018-040; Closed 7/31/19.

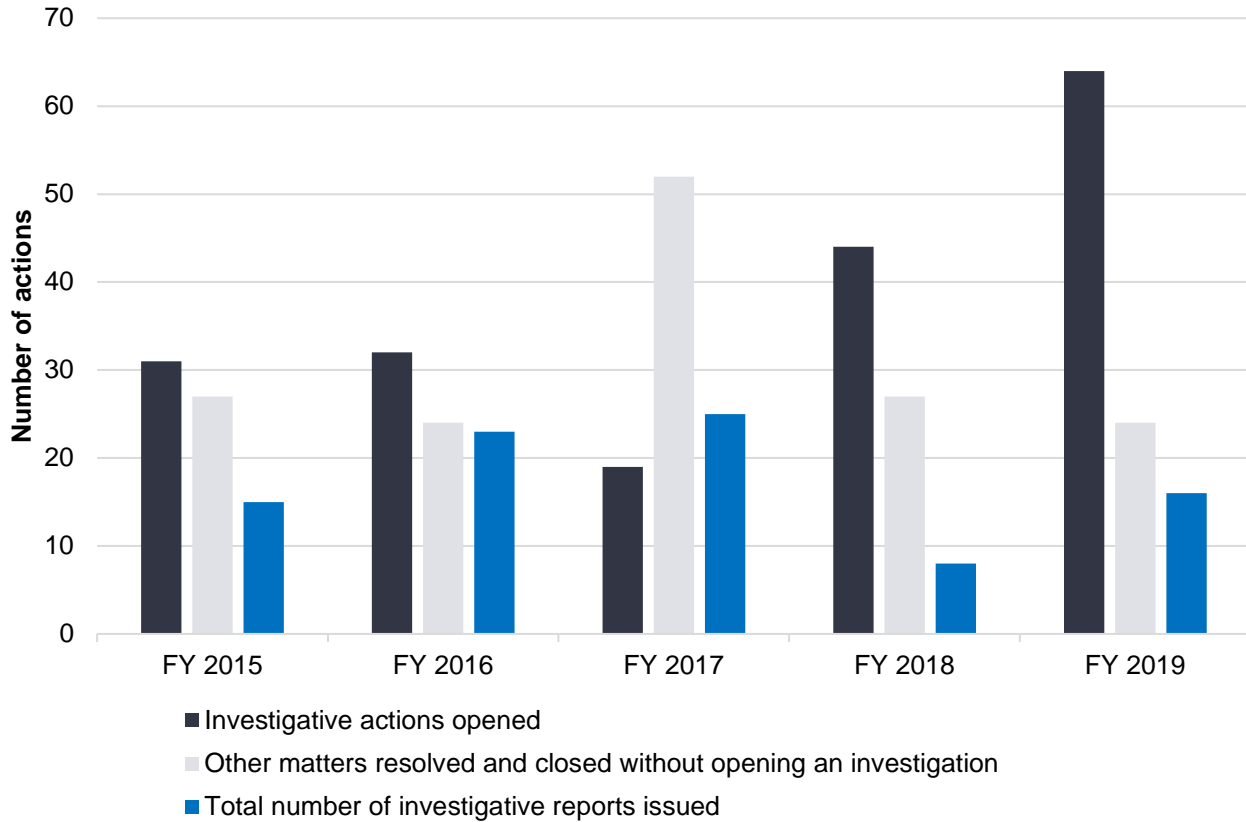
Investigation Section's Outreach Activities

Our investigators actively reach out to educate grantees and subgrantees, State Commission personnel and CNCS staff about preventing and detecting fraud, waste and abuse; developing strong internal controls and fraud indicators; and reporting requirements of suspected fraud. In FY 2019, this included presentations for grantees and CNCS staff in Nevada, Puerto Rico, Texas, and Colorado. Investigators also provided presentations at the three Senior Corps Seminar Series, three National Service Training Conferences, and the annual AmeriCorps Symposium.

Investigations Table

Investigative Statistical Summary					
Activity	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Investigative actions opened	31	32	19	44	64
Other matters resolved and closed without opening an investigation	27	24	52	27	24
Total number of investigative reports issued	15	23	25	8	16
Number of referrals to DOJ for criminal/civil action	3	9	6	6	11
Number of persons referred to state or local authorities for criminal prosecution	0	1	0	0	0
Number of criminal indictments and criminal information from the results of referrals	0	1	0	0	0
Investigative recoveries ¹	\$4,240,133	\$812,035	\$900,629	\$585,320	\$1,162,807
Funds to be put to better use	\$139,800	\$1,200,560	\$100,000	\$4,873,864	\$2,354,542
Administrative or management actions taken	10	14	21	6	13
¹ Includes money received by CNCS or other government agencies as a result of OIG investigations, including joint investigations with another OIG, Federal, or State investigative element. FY 2019 recoveries include civil settlements from case(s) pending administrative closure.					

Total Investigative Actions FY 2015-2019



¹ An investigative action is an investigation or preliminary investigation that has been assigned a case number.

² Other matters resolved without opening an investigation are hotline reports or other matters that can be resolved or handled without initiating an investigation.

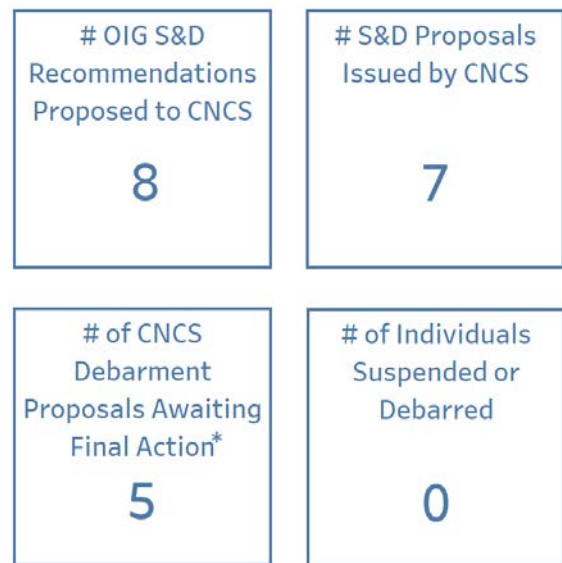
³ Total number of investigation reports issued are reports of investigation or closeout reports to the file reflecting the investigation results and findings.

Suspension and Debarment

Suspension and debarment are administrative tools available to all Federal agencies to protect the Federal government from individuals or entities whose prior conduct demonstrates that they cannot be trusted to comply with laws, rules, and regulations or to be good stewards of Federal funds. These individuals or entities engaged in conduct that established a lack of present responsibility, including contract or grant fraud; destruction, fabrication or falsification of documents; violation of policies or regulations; failure to adhere to grant conditions; or other misconduct that shows that they lack integrity.

Government-wide suspensions and debarments prevent an individual or entity suspended or debarred by CNCS or any other Federal agency from participating in future discretionary Federal government funding opportunities for a specified period.

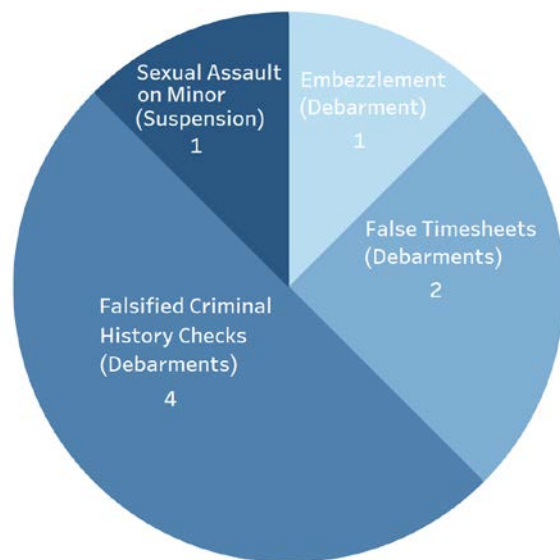
- Suspension temporarily excludes a person or entity from receiving government awards, generally for up to a period of 12 months, when there is adequate evidence that may merit debarment and immediate is needed to protect the government's interest.
- Debarment excludes a person or entity from receiving government awards for a set period of time, generally up to three years, based upon a finding of wrongdoing related to honesty or integrity, a history of poor performance or willful failure to perform the requirements of an award, or any cause so serious so as to affect present responsibility.



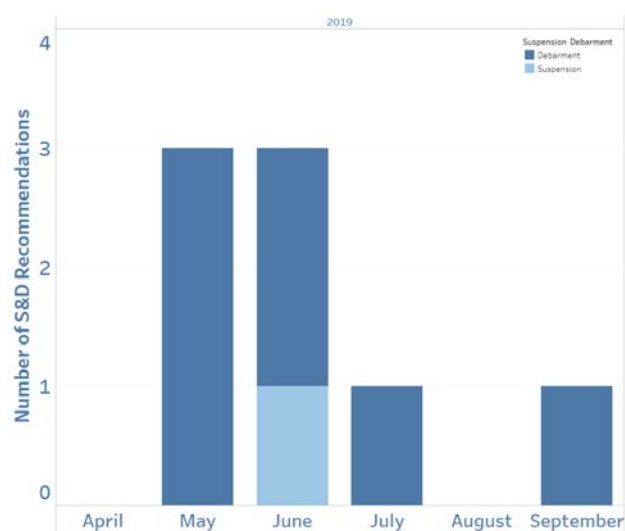
CNCS-OIG recommends individuals and entities that have demonstrated a lack of present responsibility to the CNCS Suspension and Debarment Official (SDO), who is ultimately responsible for determining whether the imposition of a suspension or debarment is appropriate.

CNCS leadership has timely pursued multiple debarment actions referred by CNCS-OIG. This active coordination strengthens the protection of Federal funds.

Conduct Resulting in S&D Recommendation



OIG S&D Recommendations by Month



During this reporting period, CNCS-OIG recommended a total of eight administrative exclusions: seven debarments and one suspension.

*This reflects the number of proposals issued by CNCS where the notice period concluded but final debarment actions have yet to take place.

CNCS promptly proposed debarments in response to all seven of CNCS-OIG's debarment recommendations, and those proposals were pending at the close of this semiannual period.³

CNCS declined to suspend a former Foster Grandparent volunteer who was indicted for and pleaded guilty to, sexual assault against minors during his Senior Corps service. CNCS declined to take further action on the grounds that the volunteer's criminal record would disqualify him from future participation in CNCS programs.

CNCS-OIG disagrees with this decision, though the impact is ultimately immaterial in this case. While status as a registered sex offender may prevent the former volunteer from participating in CNCS programs, it does not necessarily bar him from other Federal programs, whose beneficiaries may remain at risk. However, the issue is moot here because, following our suspension recommendation, the individual was sentenced to a period of incarceration that exceeds the period of debarment typically issued by CNCS. In a future case, the result may be different, and we continue to believe that CNCS should pursue government-wide remedies to protect the public from sex offenders, as other agencies do.

³ Under Office of Management and Budget guidance, a respondent must send, or make arrangements to appear and present, information and argument contesting a proposed debarment within 30 days of receipt of the Notice of Proposed Debarment. 2 C.F.R. § 180.820. CNCS adopted OMB's guidance, which is codified in Title 2, Part 2200 of the Code of Federal Regulations. 2 C.F.R. 2200.10. CNCS's Notices of Proposed Debarment typically provide a respondent with 35 days to contest a proposed debarment.

The following case examples involve CNCS-OIG debarment recommendations:

- **Embezzlement:** In March 2019, CNCS-OIG was notified of a December 2018 indictment in a Department of Labor-led investigation of Theodore Watson, the Business Manager for Local 74 (Des Moines, IA) of the International Association of Heat and Frost Insulators and Allied Workers. Watson devised a scheme to embezzle funds from United Way of Central Iowa (UWOI), a sub-grantee recipient of CNCS Social Innovation Fund funds, through Local 74, a recipient of UWOI funds. As part of the scheme, Watson sent fraudulent requests for payment of grant funds for training adults to the United Way of Central Iowa. These fraudulent requests were unauthorized and unknown to Local 74. He also embezzled from Local 74 by making unauthorized purchases and cash advances on a Local 74 credit card and then concealing the fraud by submitting altered credit card statements and false monthly reports to Local 74. In addition, Watson opened a bank account in the name of Local 74, without Local 74's consent or knowledge, and deposited Local 74 funds into this account, but used the money for his own purposes. Watson pleaded guilty to mail fraud and embezzlement of labor union assets. He was sentenced to 18 months in prison and ordered to pay restitution in the amount of \$125,443.24. CNCS-OIG recommended debarring Watson for three years based upon his guilty plea.
- **Altering Criminal History Checks and National Sex Offender Public Website Checks:** CNCS-OIG received an allegation that Our Lady of Lourdes Health Foundation (OLL) personnel falsified criminal history check documents. OLL administered multiple grants in CNCS's Senior Corps program, including in the Foster Grandparent Program (FGP), which places seniors in school and community settings to serve alongside youth with exceptional needs, and the Senior Companion Program (SCP), which places seniors in community and residential settings to assist other seniors who have difficulty with tasks of daily living. From 2014 until 2017, OLL either failed to perform these criminal history checks or failed to keep records of doing so, resulting in 46 individuals serving in an FGP or SCP project without any criminal history check documentation. When a CNCS monitoring visit was scheduled in 2017, OLL employees cut-and-pasted other background checks to conceal this failure from CNCS officials, and falsified time sheets showing program participants serving hours in locations that were closed. OLL Lourdes voluntarily relinquished the grants immediately and terminated all of the employees who had participated in the grant administration. In addition, OLL agreed to resolve civil allegations that they violated the False Claims Act by paying \$1,143,881.19 in a civil settlement. CNCS-OIG recommended debarring one OLL employee for three years based upon her admission to altering non-compliant criminal history checks and National Sex Offender Public Website checks and providing those falsified records to CNCS officials in an effort to deceive them.

- **Submitting False Timesheets:** CNCS-OIG investigated allegations that an AmeriCorps member serving with the PartnerCorps Science, Technology, Engineering, and Mathematics (PartnerCorps STEM), through Berea College, Berea, KY, submitted six fraudulent timesheets that caused the member to receive two months of living allowances for AmeriCorps services the member never performed. Further, the member sought the third month of fraudulent living allowance payments, but by that time the program had discovered the falsified timesheets. The former member returned the funds pursuant to the terms of a Civil False Claims Act settlement, and CNCS-OIG recommended that CNCS debar the former member for three years.



Peer Review

Offices of Inspectors General undergo periodic peer reviews to ensure their operations meet the professional standards of the IG community. The results of a peer review must be included in the Semiannual Report of the reviewed office, which must also identify any recommendations that have not been fully implemented. The OIG that conducts a peer review must likewise identify the outstanding and unimplemented recommendations pertaining to the office that it reviewed. The specific statutory requirements for this reporting are contained in Section 989C of Public Law 111-203, which amended Section 5 of the Inspector General Act of 1978.

Most Recent Peer Reviews of CNCS-OIG

Audit Section

Our most recent audit peer review was conducted in 2018 by the Government Accountability Office OIG. In a report issued on December 17, 2018, GAO OIG concluded that our Audit Section's system of quality control in effect for the year ended September 30, 2018, was suitably designed and complied with applicable professional standards. Audit organizations can receive a rating of pass, pass with deficiencies, or fail. CNCS-OIG received an external Peer Review rating of pass.

Beginning on August 29, 2019, CNCS-OIG also underwent its first external peer review of our Inspection and Evaluation (I&E) policies and procedures. The review was performed jointly by the Peace Corps and the Office of Personnel Management Offices of Inspector General. We look forward to reporting positive results in the next Semiannual Report.

Investigation Section

The Investigation Section's most recent Peer Review Report was issued in April 2018 by the Office of the Special Inspector General for Afghanistan Reconstruction. The report concluded that the internal safeguards and management procedures for investigative operations complied with the quality standards established by the CIGIE and Attorney General guidelines.

The Investigation Section performed a peer review of the Tennessee Valley Authority OIG (TVA-OIG) in March 2019. CNCS-OIG found TVA-OIG's system of internal safeguards and management procedures was in compliance with the CIGIE quality standards and Attorney General guidelines.

The positive peer reviews of the Investigation and Audit Sections confirm the quality of CNCS-OIG's contribution to rigorous oversight, which ensures that CNCS is accountable to the public.

Other Reportable Matters

Investigations Substantiating Misconduct by a Senior Government Employee

None

Whistleblower Retaliation

None

Interference with IG Independence

CNCS-OIG has faced recent challenges to its independence. In May 2019, fulfilling its duty to keep Congress and the agency head currently and fully informed, CNCS-OIG issued a management alert, summarized earlier in this Semiannual Report, about the significant risks associated with CNCS's Transformation and Sustainability Plan (TSP). CNCS's response challenged our legal authority to issue the management alert, characterizing it as an abuse of authority.⁴ CNCS later asserted that the management alert and other oversight follow-up activities interfered with CNCS's decision-making and management prerogatives.⁵

The agency's narrow view of Inspector General authorities is inconsistent with provisions of the Inspector General Act of 1978, as amended, that charge the Inspector General with reporting to Congress regarding agency problems and the status of corrective actions,⁶ providing leadership on policy issues to promote effective and efficient administration of the agency, including its relations with state and local grantees,⁷ and granting the Inspector General wide discretion to "make such

⁴ [CNCS Response to OIG's Management Alert](#), at 11 (characterizing the issuance of a management alert in response to questions from Congressional staff as "an improper use of [the IG's] authority and abuse of the management alert authority").

⁵ [CNCS Response to SAR 19-01](#), at 6 ("The agency's concern focuses on the IG's inappropriate interference with pre-decisional internal policy, management decisions and deliberations, and CNCS's Transformation and Sustainability Plan.") Prior to issuance of the Management Alert, CNCS briefed multiple members of Congress on the TSP, sought public comment and published a summary of the plan. Further, CNCS did not inform CNCS-OIG that it regarded any of the information in the Management Alert as pre-decisional.

⁶ Inspector General Act of 1978, as amended ("IG Act"), 5 U.S.C. App. 3, §§ 2(3), 4(a)(5), 5(b).

⁷ IG Act, §§ 2(2), 4(a)(1),(3) and (4).

investigations and reports relating to the administration of the programs and operations of the applicable establishment as are, in the judgment of the Inspector General, necessary or desirable.”⁸ CNCS-OIG will continue to fulfill its responsibilities under the Inspector General Act to provide independent oversight of CNCS’s programs and operations.

Undisclosed Audits, Investigations, Evaluations or Inspections

None

⁸ IG Act, § 6(a)(2).

Appendix A

This chart shows recommendations issued since 2011 that remain unimplemented in whole or in part.

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
1	OIG - 12-04 Issued 11/09/2011 Audit of Earned Education Awards Resulting from Compelling Personal Circumstances	Rec. No. 3(b): Implement the text description functionality in the MyAmeriCorps Portal to allow grantee personnel –to document the Compelling Personal Circumstances justifications.	Not quantified
2	OIG - 12-04 Issued 11/09/2011 Audit of Earned Education Awards Resulting from Compelling Personal Circumstances	Rec. No. 3(c): Implement monitoring controls requiring a secondary level of review of each approved partial education award.	\$448,926
3	OIG - 13-06 Issued 06/06/2013 Agreed-Upon Procedures for Corporation for National and Community Service Grants Awarded to Edna McConnell Clark Foundation	Rec. No. 1(c): Revise the Frequently Asked Questions for National Service Criminal History Checks to require searches to be conducted for employees with maiden, married or former married names.	Not quantified
4	OIG - 14-09 Issued 06/20/2014 Audit of Blanket Purchase Agreements for Professional Consulting Services	Rec. No. 2: A central review committee (including a representative of the Office of Procurement Services) approve any consulting projects that exceed pre-established cost thresholds.	Difficult to quantify but likely in the millions
5	OIG - 15-06 Issued 06/25/2015 Audit of Corporation for National and Community Service Cooperative Agreements Awarded to AFYA Incorporated and Education Northwest	Rec. No. 1: Identify risk areas for the training and technical assistance cooperative agreements and develop indicators to assess associated risks. Indicators could include special terms and conditions of the cooperative agreement, the status of a grantee's Negotiated Indirect Cost Rate Agreement, fraud risk indicators, deficiencies identified in prior OIG and non-OIG audits of the grantee, prior Corporation desk reviews, and prior Corporation site visits of the grantee.	Difficult to quantify but likely in the millions
6	OIG - 15-06 Issued 06/25/2015 Audit of Corporation for National and Community Service Cooperative Agreements Awarded to AFYA Incorporated and Education Northwest	Rec. No. 2: Establish customized monitoring priorities, plans, and procedures based on programmatic and financial risk assessments developed in accordance with specific requirements of training and technical assistance cooperative agreements.	Not quantified
7	Various Issued N/A Risk Management (multiple reports)	Various: Develop a risk-based process for monitoring grants, to replace its one-size-fits-all approach that uses risk assessment criteria developed for traditional cost reimbursement grants for fixed amount grants and grants for technical training and assistance. This system understates and/or ignores risks inherent in those other grants.	Difficult to quantify but likely in the millions

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
8	Various Issued N/A Risk Management (multiple reports)	Various: CNCS should validate its risk indicators for all grants against outcomes or use outcomes to identify other factors that could sharpen its analysis.	Difficult to quantify but likely in the millions
9	OIG - 16-05 Issued 11/13/2015 OIG 5-13-16 response to DMD for Audit of Corporation for National & Community Service Grants Awarded to Hoopa Valley Tribe	Rec. No. 1(a): Impose stronger enforcement approach to CHC violations that establishes effective penalties, recognizes the high risk that CHC violations impose on our beneficiary and grantee community, and incentives strong risk management.	Difficult to quantify, but likely in the millions
10	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 1(a): Increase impact of national service by targeting resources cost-effectively; scale back NCCC and scale up other programs that perform same/comparable activities.	\$60,000,000 for recommendation numbers 15-19
11	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 1(b): Determine optimal size of NCCC based on factors in report and reduce/eliminate activities that can be performed by other CNCS programs at lower cost.	See recommendation number 15
12	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 1(c): Work with Congress to reprogram funds from NCCC to other CNCS programs with comparable activities, to multiply effects of national service	See recommendation number 15
13	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 1(d): Enhance capacity of A-DRTs to deploy rapidly for disaster response.	See recommendation number 15
14	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 1(e): Limit types of projects undertaken by NCCC for activities that can be performed by other CNCS programs and track the time devoted thereto.	See recommendation number 15
15	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(a): Treat FEMA and NCCC separately for purposes of achieving 50 participation by individuals from disadvantaged circumstances.	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
16	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(b): Develop comprehensive risk-based enrollment and retention strategy that includes identifying the characteristics that make individuals, including those from disadvantaged circumstances, successful; develop interview and application questions to identify those individuals.	Not quantified
17	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(f): Improve data on members from disadvantaged circumstances by looking at zip codes of residence, schools attended, receipt of public assistance in recent past, to reduce dependence on recruitment partners as only source of information.	Not quantified
18	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(g): Reduce reliance on existing recruitment partners and develop better screening of their referrals.	Not quantified
19	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(h): Inform recruiting partners of their high NCCC attrition rates so they can take appropriate action.	Not quantified
20	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(i): Develop a policy that limits recruitment of members from other Federal programs.	Not quantified
21	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(j): Identify community organizations/activities likely to engage highly motivated youths and families from disadvantaged circumstances (faith-based, immigrant, athletic programs, etc.) and recruit from those. Consider pilot with Baltimore Archdiocese or charter schools serving target populations.	Not quantified
22	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(l): Identify the support that would increase retention and provide it. Engage Foster Grandparents and other local community groups to provide support.	Not quantified
23	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(n): Set program and campus recruitment and retention goals.	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
24	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(o): Develop granular information regarding root causes of attrition with better exit interviews of members and interviews of peers, sponsors and campus leaders; use the information for recruiting, selection and support.	Not quantified
25	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 2(p): Right-size NCCC and grow the program only after enrollment and retention have improved above a predetermined level	Not quantified
26	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 3(a): Collect timely, objective, substantive feedback from sponsors, measured against objective outcomes, with results broken out by campus.	Not quantified
27	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 3(b): Compare sponsor feedback to team leaders' assessments of each project.	Not quantified
28	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 4(a): Establish policies/procedures that give greater weight to proximity and travel costs for disaster projects, i.e., where possible, send the nearest team.	Not quantified
29	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 4(b): Expect that nearest teams will respond to a disaster and that disaster response takes priority over other projects.	Not quantified
30	OIG - 17-05 Issued 12/05/2016 Evaluation of the National Civilian Community Corps (NCCC) Program	Rec. No. 5(b): Connect NCCC alumni to non-profits in their home communities, to leverage the valuable training and experience provided by NCCC.	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
31	OIG Management Challenges Issued 12/07/2016 Modernizing Information Technology	Rec. No. 4: Ensure careful management and close oversight by senior executives of the \$43 million Grants and Member Management Modernization program, particularly because of the high-risk nature of this venture; the CNCS Office of Information Technology's lack of experience managing projects of this complexity and magnitude; the urgent need for better IT to support grant management; the amounts at risk; the lengthy delays already incurred; the expenditure of one third of the total estimated cost long before completing Phase 1; and the lack of any planned delivery dates for Phases 2 and 3.	\$24 million incurred to date
32	OIG Management Alert Issued 11/03/2016 NACHC Prohibited Activities: Missed Opportunities	Rec. No. 2: Identify all grantees and subgrantees whose service activities involve providing healthcare to women and girls of childbearing age, as well as those with service activities directed at education or mentoring of girls and young women middle school-aged and above and determine whether they have engaged in abortion-related prohibited activities within a pre-determined period.	Not quantified
33	OIG Management Alert Issued 11/03/2016 NACHC Prohibited Activities: Missed Opportunities	Rec. No. 3: Conduct similar risk assessments, identification of at-risk grantees, communications and targeted monitoring for other prohibited activities.	Not quantified
34	OIG Management Alert Issued 11/03/2016 NACHC Prohibited Activities: Missed Opportunities	Rec. No. 4: Identify any other factors that may increase the risk of individual prohibited activities and use that information for targeted education, training and monitoring as appropriate.	Not quantified
35	OIG Management Alert Issued 11/03/2016 NACHC Prohibited Activities: Missed Opportunities	Rec. No. 6: Enhance the capacity of eGrants to store and search critical emails; institutionalize policies and procedures to allow POs and GOs to capture key emails in eGrants; and develop criteria for identifying emails to be captured.	Not quantified
36	OIG Management Alert Issued 11/03/2016 NACHC Prohibited Activities: Missed Opportunities	Rec. No. 7: CNCS's to-be-developed Enterprise Risk Management strategy and planning include a component for specific prohibited activities, commensurate with magnitude of the risk, including the reputational and political risk to CNCS.	Not quantified
37	OIG Management Alert Issued 11/03/2016 NACHC Prohibited Activities: Missed Opportunities	Rec. No. 8: Accelerate the development of a more focused, targeted and risk-based model and approach to all grant monitoring including continuous assessment of the effectiveness of CNCS's grant risk assessments and monitoring.	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
38	OIG Management Alert Issued 11/03/2016 NACHC Prohibited Activities: Missed Opportunities	Rec. No. 9: Without waiting for the development of a comprehensive risk-based monitoring strategy, develop and implement monitoring strategies for specific prohibited activities that can be conducted frequently, do not depend on site visits and provide a meaningful opportunity for prompt detection of violations or red flags, including searches of social media sites and surveys of members in accessible language, using the MyAmeriCorps Portal.	Not quantified
39	OIG Management Alert Issued 11/03/2016 NACHC Prohibited Activities: Missed Opportunities	Rec. No. 10: Assess during the grant application process whether an applicant is at particular risk for one or more specific prohibited activities. If so, CNCS should require that the grantee develop customized ways to address compliance with that prohibition, including detection controls. The Corporation should incorporate the resulting information into the monitoring plan and target CNCS monitoring activities accordingly and assess the effectiveness of the measures taken by the grantee.	Not quantified
40	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 1: Prepare a complete set of financial statements and related notes at the interim periods; Pending since FY 2017	Not quantified
41	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 2: Decide on the accounting standards (FASB or FASAB) to be followed in preparing the financial statements;	Not quantified
42	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 3: Ensure that information presented in the Statement of Budgetary Resources and notes is in accordance with OMB Circular A-136 guidance;	Not quantified
43	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 4: Automate the financial statement preparation process insofar as possible to reduce the potential for human error in the financial statement template;	Not quantified
44	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 5: Develop detailed policies and procedures to reflect the financial statement preparation process; Pending since FY 2017	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
45	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 6: Review and research discontinued document types to determine whether unliquidated order balances are still valid; Pending since FY 2017	Not quantified
46	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 7: Update the Financial Reporting Cost Allocation process memorandum; Pending since FY 2017	Not quantified
47	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 8: Identify and remediate the causes that give rise to the recurring needs for Standard Vouchers and user functionality issues; and, Pending since FY 2017	Not quantified
48	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 9: Continue its efforts to be fully compliant with the object class reporting requirements. Pending since FY 2017	Not quantified
49	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 10: Document the authority that allows for the automatic obligation of interest and its compliance with the budget execution guidance in OMB Circular A-11, or discontinue its practices. Pending since FY 2017	Not quantified
50	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 11: Implement policies and procedures to address Trust Fund unpaid obligations issues; Pending since FY 2017	Not quantified
51	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 12: Perform a documented assessment to validate the transactions currently included in the unpaid obligations balance; and, Pending since FY 2017	Not quantified
52	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 13: Coordinate with the CNCS Office of Grants Management to implement a process to correctly account for the unpaid obligation balances at the grant transaction level. Promptly remove unused education from the unpaid obligations balance.	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
53	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 15: Develop or update the TSAL model documentation, document modelling assumptions, SOPs, and business process narratives; Pending since FY 2017	Not quantified
54	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 16: Protect cells within the TSAL model (Excel spreadsheet);	Not quantified
55	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 17: Conduct a detailed study to determine the historical awards granted to members by duration and by program year. Use the results of that study to adjust the calculation of the Education Awards Earning Percentage;	Not quantified
56	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 18: Assess the need and document management's position regarding the discounting factors for the model per FASAB standards; and, Pending since FY 2017	Not quantified
57	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 19: Cross-train staff and develop a succession plan to ensure the required expertise is available. Pending since FY 2017	Not quantified
58	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 20: Revise the grant accrual methodology so that it is based on historically reported expenses; all sources of information and calculations are clearly identified and the sources disclosed; the method for calculating the IBNR costs for the accrual is separately calculated and identified; a validation process is established to verify the accuracy of the grant accrual; and it addresses how the calculations are used to arrive at the Grants Payable and Advances to Other line items;	Not quantified
59	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 21: Develop a process to validate grant advances, IBNR and payable estimates; and,	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
60	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 22: Coordinate with the program and grant officers to gather and analyze its key grant programs' historical data and the grantees' spending patterns to develop various key factors Pending since FY 2017	Not quantified
61	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 1: Enforce the agency-wide information security program across the enterprise and improve performance monitoring to ensure controls are operating as intended at all facilities; Pending since FY 2017	Not quantified
62	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 2: Strengthen and refine the process for communicating CNCS facility-specific control deficiencies to CNCS facility personnel, and coordinate remediation of the control deficiencies; Pending since FY 2017	Not quantified
63	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 3: Strengthen and refine the process for holding system owners and information system security officers accountable for remediation of control deficiencies and ensuring that the appropriate security posture is maintained for CNCS information systems; Pending since FY 2017	Not quantified
64	OIG - 18-01 and 18-02 Issued 11/15/2017 Audit of the Corporation for National and Community Service's Fiscal Year 2017 Consolidated Financial Statements	Rec. No. 4: Strengthen and refine the process for holding contractors accountable for remediation of control deficiencies in CNCS information systems. Pending since FY 2017	Not quantified
65	OIG - 18-03 Issued 11/15/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 2: Improve agency's configuration management controls;	Not quantified
66	OIG - 18-03 Issued 12/18/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 4: Implement multifactor authentication for privileged and non-privileged accounts;	Not quantified
67	OIG - 18-03 Issued 12/18/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 9: Improve agency's vulnerability and patch management controls;	Not quantified
68	OIG - 18-03 Issued 12/18/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 10: Strengthen access controls for mobile devices;	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
69	OIG - 18-03 Issued 12/18/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 11: Strengthen monitoring of wireless access connections;	Not quantified
70	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 1: Ensure that detail needed to meet Data Act requirements is captured when transactions occur. This can be done by working with CNCS's shared service provider CGI Federal, Inc., to update transaction processing in Momentum ensuring current and upcoming DATA ACT requirements are incorporated.	Not quantified
71	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 2: Validate the required Program Activity Name, Program Activity Code, and Object Class data fields against the source system prior to its submission to the DATA broker for proper and accurate reporting.	Not quantified
72	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 3: Focus on reducing the amount of SVs by fixing the root causes. SV's should be limited to those related to accrual adjustments or one-time, unusual transactions only. However, in the event an SV is required the SVs recorded should contain data elements required for File B such as the program activity name, program activity code, and object class.	Not quantified
73	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 4: Validate the SVs to address errors and invalid balances carried forward from prior years and correct the data submissions.	Not quantified
74	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 5: Research and resolve warnings identified by the DATA broker before the DATA Act files submission. Document the actions taken to resolve the warnings so future errors can be avoided.	Not quantified
75	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 6: Capture institutional knowledge and mitigate the effects of employee turnover by documenting CNCS's DATA Act compliance processes and keeping them up to date. In addition, develop a succession plan to ensure that CNCS retains required expertise and capabilities.	Not quantified
76	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 7: Develop policies and procedures to ensure that reconciliations between internal files are completed prior to submission to the DATA broker.	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
77	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 9: Ensure that accurate and complete data is presented to the general public by reviewing the CNCS information from residing external systems and reconciling the external site information to the CNCS source systems.	Not quantified
78	OIG 18-07 Issued 03/19/2018 Audit of Corporation for National And Community Service Grants Awarded to Mayor's Fund to Advance New York City	Rec. No 2(a): Disallow and recover \$1,663,952 in Federal costs awarded to Madison;	\$1,663,952
79	<i>OIG 18-04</i> <i>Issued 05/23/2018</i> <i>Improper Payments Elimination and Recovery Act of 2010 (IPERA) for Fiscal Year 2017</i>	<i>Rec No. 1b: Determine whether other current SIF intermediaries have conducted criminal history checks for "partners" or other entities that perform core intermediary functions, ensure that any missing checks are completed and recover the costs for any missing or unperformed checks</i>	<i>Not quantified</i>
80	OIG 18-12 Issued 06/05/2018 VISTA Program Evaluation	Rec. No. 2: CNCS VISTA should develop a standard for capturing capacity building and measuring sustainability during and after the VISTA project is completed.	Not quantified
81	OIG 18-12 Issued 06/05/2018 VISTA Program Evaluation	Rec No. 5: VISTA should specifically measure the effectiveness of the policy allowing VISTA members to take classes while serving in the VISTA program. CNCS VISTA should build performance measures into all policy/procedure changes as a means to evaluate overall effectiveness of the change and allow for continuous process improvement.	Not quantified
82	Management Alert Issued 06/26/2018 Final Management Alert: Serious Weaknesses in National Civilian Community Corps Recruiting Contract May Jeopardize Program Success	Rec No. 2: Promptly undertake a new procurement, with clear objectives, statement of work, experience and professional attributes and deliverables which is structured as a performance-based contract, with metrics tied to recruitment of applicants who meet the program criteria, meet the diversity requirements and successfully complete their terms	Not quantified
83	Management Alert Issued 06/26/2018 Final Management Alert: Serious Weaknesses in National Civilian Community Corps Recruiting Contract May Jeopardize Program Success	Rec No. 3: Assign a COR who has strong recruitment knowledge and experience to effectively manage and oversee this contract	Not quantified

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	Dollar Value of Aggregate Potential Cost Savings
84	OIG 18-13 Issued 08/20/2018 Agreed-Upon Procedures for Corporation Grants Awarded SerVermont	Rec No. 2(d): Disallow and, if already used, recover education awards made to members who did not serve the minimum required service hours.	Not quantified
<p>** Bold: Recommendation is disagreed by CNCS.</p> <p>** <i>Italicized</i> : Recommendation is repeated.</p>			

Appendix B

This chart lists recommendations from recently issued audit reports, the implementation of which are not yet due.

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
1	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 1: Establish responsibility and accountability to ensure that CNCS complies with OMB Circular No. A-123 and holds appropriate CNCS management officials accountable in supporting the internal control assessment process.	Not quantified
2	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 2: Engage in periodic meetings with the functional offices to identify risks associated with significant financial statement line items and gather the necessary information to make informed decisions as part of the risk assessment process. Specifically, OCRO should:	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 2a: Stay informed regarding new and open audit recommendations to ensure that key operational and financial control deficiencies are identified, and those controls are documented in CNCS's business process narratives and risk control matrices.	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 2b: Actively participate in ongoing financial statement audit status meetings and stay informed on identified risks to ensure that functional offices are held accountable and addresses those specific risks through the assurance statement preparation process.	Not quantified
3	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 4: Develop guidance and best practices for functional offices for completing assurance statements. Guidance should clearly identify what would constitute an adequate internal control assessment from which the functional offices can rely on to submit an unmodified assurance statement. Guidance should also be provided to functional offices with clear definitions and examples on control deficiency, significant deficiency, material weakness; and when a modified or no assurance statement should be provided.	Not quantified
4	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 5: Require functional offices to provide supporting documents for their assurance statements. OCRO should establish quality control reviews of the support for function offices' assurance statements to ensure that they are complete, and the functional offices address business cycles, financial statement line items and systems under their purview of responsibility to ensure consistency with the assurance statements.	Not quantified
5	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 7: Record transactions in accordance with GAAP.	Not quantified
6	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 8: Prepare a complete set of CNCS and National Service Trust Fund interim financial statements and notes in accordance with GAAP. Pending since FY 2017	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
7	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 9: Implement effective internal controls to ensure interim financial statements and notes are properly reviewed and approved by appropriate CNCS staff and account balances are accurate as of and through the reporting periods.	Not quantified
8	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 10: Develop comprehensive policies and procedures for the financial statements preparation process and related internal controls. The policies and procedures should address, among other subjects: Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 10a: The process to determine and document CNCS's balance fluctuation expectations should be based on a combination of internal and external operating factors, and program and financial relevant information available. Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 10b: The materiality threshold used to determine significant balance fluctuations that require further research should be more conservative than that used by external auditors and consistent with the materiality thresholds used by the OCRO (as part of the OCRO's OMB Circular No. A-123 assessment) to ensure integration and consistency between AFMS and OCRO. Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 10c: Detailed process to research significant balance fluctuations. CNCS should research and explain all significant balance fluctuations at the account and transaction level. Maintain and have the supporting documentation readily available. Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 10d: Review balance differences between proprietary and budgetary accounts. Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 10e: Research and retain supporting documents required for any identified account balance differences derived from its abnormal balance review or the tie point analysis. Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 10f: Address fatal and non-fatal Government wide Treasury Account Symbol Trial Balance (GTAS) edit failures. Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 10g: Address all balance differences and retain supporting documentation of related research. Pending since FY 2017	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 10h: Complete the GAO Financial Audit Manual Checklist section 2010, Checklist for Federal Accounting, and section 2020, Checklist for Federal Reporting and Disclosures. Pending since FY 2017	Not quantified
9	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 11: Ensure its balance fluctuation analysis is complete, comprehensive, supported and substantive to allow management to detect accounting errors or evaluate reasonableness of balances.	Not quantified
10	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 12: Prepare a complete set of quarterly financial statements and notes for both CNCS and National Service Trust Fund.	Not quantified
11	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 13: Creates a monthly/quarterly accounting and financial reporting operational checklist with assigned responsibility for each AFMS staff. The AFMS Director and the Chief Financial Officer (CFO) should review the checklist to ensure all tasks are completed timely.	Not quantified
12	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 14: Revise its current cost allocation memorandum titled "Corporation for National and Community Service Financial Reporting Cost Allocation" to describe in detail the process for allocating indirect costs allocation among CNCS programs, including indirect cost allocation methodology, basis of allocation, assumptions, sources of data, allocation period timeline, and review process. Pending since FY 2017	Not quantified
13	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 15: Review and research the balances for discontinued document types, such as "TJ" and "JV" to determine their validity and correct them accordingly. Document and maintain support for any accounting adjustments made to correct the balances. Pending since FY 2017	Not quantified
14	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 16: Identify any additional unused document types and transaction types and related balances for possible liquidation. Pending since FY 2017	Not quantified
15	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 17: Work with the Momentum support team to remove any document types that are no longer used.	Not quantified
16	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 18: Develop a plan to upgrade its financial system to include OC codes which should be associated with USSGL in accordance with OMB Circular No. A-11. Pending since FY 2017	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
17	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 19: Provide mandatory training to CNCS accounting staff on the proper use of OC, sub general ledger accounts, and document/transaction types on all obligation and expense transactions.	Not quantified
18	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 20: Continue to evaluate and correct, if necessary, any ongoing negative impact of the financial system upgrade on financial reporting.	Not quantified
19	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 21: Identify and collect feedback from all stakeholders to ensure all concerns and risks on the system upgrade are addressed and risks are mitigated.	Not quantified
20	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 22: Develop milestones for the complete implementation of the resolutions related to the system upgrade issues.	Not quantified
21	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 23: Work with the financial system developer to identify and remediate the causes that give rise to the current excessive reliance on SVs.	Not quantified
22	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 24: As part of the process to correct long-standing financial system configuration issues, examine the document types in the transaction definitions against the USSGL and correct the transaction posting logic.	Not quantified
23	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 25: Track the outstanding balances with system configuration issues until their full liquidation.	Not quantified
24	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 26: Document and retain the results of actions taken for recommendations above, including the final decisions and solutions to resolve the system issue.	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
25	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 27: Develop and implement policies and procedures for the SV process that include:	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 27a: tracking the sequence of SVs for completeness;	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 27b: appropriate use of SVs;	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 27c: determining and maintaining relevant documentation to support each SV;	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 27d: use of specific and accurate SV descriptions;	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 27e: timely review and approval of SVs; and	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 27f: reviewing and approving all SVs for accuracy and propriety.	Not quantified
26	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 28: Discontinue obligating interest revenue automatically upon receipt and deobligate amounts representing interest previously obligated, or document the authority to automatically obligate interest earned. Pending since FY 2017	Not quantified
27	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 29: Document and implement policies and procedures to include the following Pending since FY 2017	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 29a: review obligations to verify that amounts, timeframe (i.e., grant dates are correctly reflected in the obligation) and age are accurately reflected in the status of the obligation to confirm their validity; Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 29b: ensure obligations are sufficiently supported (i.e., by documentary evidence); Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 29c: reconcile obligations to source documents (such as grant agreements); and Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 29d: perform complete reconciliations of all outstanding obligations monthly, and ensure any discrepancies identified are promptly researched and resolved. Pending since FY 2017	Not quantified
28	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 30: Implement a complete and correct mapping of the accounting transactions (such as downward adjustments to the obligations) incurred for the Trust Fund to the proper USSGL accounts and financial statement line items, for both the budgetary and proprietary accounts.	Not quantified
29	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 32: Document a complete and comprehensive policies, procedures and process narratives related to the National Service Trust's accounting and financial reporting, including obligation recording and reporting.	Not quantified
30	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 33: Ensure that the policies and procedures for the new methodology include properly designed internal control activities, such as the preparation of the estimate, periodic testing and periodic updates to the methodology.	Not quantified
31	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 34: Review the prior year recommendations provided and ensure that any applicable considered and incorporated in the new Trust Obligations and Liability model.	Not quantified
32	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 35: Develop a succession plan to ensure the required expertise is available in the event of employee turnover. Such succession planning is key to helping CNCS continue achieving its internal and external reporting objectives. CNCS needs to: Pending since FY 2017	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 35a: Train, mentor, and work to retain qualified employees; Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 35b: Institute continued cross-training so that knowledge of the model will reside with multiple staff rather than with one person; and Pending since FY 2017	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 35c: Implement a peer review process to carry out the necessary quality control reviews of the TSAL model. Pending since FY 2017	Not quantified
33	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 36: Strengthen controls to ensure the TSAL modelling is performed by trained personnel to:	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 36a: Conduct detailed analysis and validation of data sources;	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 36b: Review and ensure the reasonableness of assumptions used and document the rationale behind these assumptions;	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 36c: Consider changes in conditions or programs that require further research and analysis. Update the assumptions when necessary;	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 36d: Compare estimates with subsequent results to assess the reliability of the assumptions and data used to develop estimates.	Not quantified
34	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 37: Conduct a detailed study to determine the historical awards granted to members by duration and by program year, and use the results of that study to adjust the calculation of the Education Awards Earning Percentage.	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
35	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 38: Revise and update policies, key modelling assumptions, SOPs, and business process narratives relevant to the Trust Fund's accounting and financial reporting of education awards. Pending since FY 2017	Not quantified
36	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 39: Assess the need and document management's position regarding the discounting factors for the TSAL in accordance with applicable Federal Accounting Standards Advisory Board's standards. Pending since FY 2017	Not quantified
37	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 40: Update and implement policies and procedures for the accrual and validation of grant advances, IBNR, and payable estimates at the grant level. Such documentation should include management's:	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 40a: review process of its key assumptions based on relevant and reliable data;	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 40b: validation process for all program elements in the estimation process and over a few years to show a trend of the estimates. The validation process provides indication whether the resulting amounts are materially consistent with grantees' drawdown and spending patterns;	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 40c: documentation of the research, review and conclusions for unusual fluctuation between the accrual and the actual performance; and	Not quantified
	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 40d: documentation of how the advances versus grant accrual calculations are used to arrive at the Grants Payable and Advances to Other financial statement line items.	Not quantified
38	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 41: Coordinate with the program and grant officers to gather and analyze key grant programs' (AmeriCorps State and National and Senior Corps) historical data and the grantees' spending pattern to develop factors relevant for grant accrual estimation. Pending since FY 2017	Not quantified
39	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 42: Centralize storage of all procurement documents in contract files and maintain them electronically.	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
40	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 43: Strengthen internal control to ensure procurement documents are properly approved and retained.	Not quantified
41	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 44: Analyze procurement UDO balances quarterly to verify that balances are still valid for those without financial activities for an extended period.	Not quantified
42	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 45: Research, resolve and document the disposition of any abnormal UDO transactions/balances.	Not quantified
43	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 46: Correct the financial system's posting logic to ensure all future transactions are recorded properly in accordance with USSGL.	Not quantified
44	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 47: <i>Develop, document and implement an accounts payable accrual methodology to include the recognition and reporting of the IBNR. The methodology should also document key controls related to review and approval process of the accrual estimation.</i> <i>Pending since FY 2017</i>	Not quantified
45	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 48: Conduct validation assessment of amounts accrued for the IBNR on a periodic basis. As part of the validation, CNCS should consider the following:	Not quantified
	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 48a: Subsequent activities against the amount estimated to determine the level of precision in the estimation;	Not quantified
	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 48b: Trend the validation results and adjust the IBNR estimation process to address any recurring significant fluctuations; and	Not quantified
	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 48c: Update the IBNR estimation process as necessary to reflect changes in payment patterns.	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
46	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 49: Analyze contractor-developed-software costs that were expensed but not capitalized in accordance with accounting standards. CNCS should record appropriate adjustments to correct the IUS balance based on its analysis.	Not quantified
47	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 50: Update CNCS policy to recognize and record capitalized costs during the period they are incurred.	Not quantified
48	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 51: Determine the root causes and resolve discrepancies in the grant award amounts recorded in the NGA in eGrants and in Momentum to prevent such differences from occurring in future.	Not quantified
49	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 52: Determine the root causes and resolve expenditure differences between PMS and Momentum.	Not quantified
50	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 53: Strengthen controls around the review of expired grant obligations by ensuring that:	Not quantified
	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 53a: All financial, performance and other required reports are submitted no later than 90 calendar days after the end date of the period of performance.	Not quantified
	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 53b: Grants are promptly closed after submission of required reports and any unspent amounts are promptly deobligated.	Not quantified
	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 53c: Document justifications for all required reports submission extensions granted to the grantee.	Not quantified
51	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 54: Update the CNCS transaction code posting logic for recording grant expenditures to comply with the USSGL guidance.	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
52	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 55: Ensure grant officers validate Recoveries balance to supporting documentation. Also, ensure future Recoveries transactions recorded in Momentum are adequately supported and documented.	Not quantified
53	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 56: Require the program and grant officers who perform the grant close-out in Momentum to certify that all required grantee information has been received and reviewed; and any final notices or changes to grant funding have been communicated and accepted by grantees. The process should require a second-level of review before grants are closed-out. All supporting documents should also be made readily available for review.	Not quantified
54	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 57: Adhere to the accounting definition and guidance issued by OMB and Treasury for recording Recoveries and updates CNC's financial reporting policy accordingly.	Not quantified
55	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 58: Reconcile the amounts reported in Other Liabilities to supporting documents to verify that Other Liabilities is supported by valid transactions and properly classified.	Not quantified
56	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 59: Develop a financial reporting checklist to ensure completeness and recording of all transactions.	Not quantified
57	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 60 (40): Develop a multi-year strategy to better strategically prioritize and allocate resources to address the new and continuing weaknesses identified and work towards automation, continuous monitoring and consistent application of controls.	Not quantified
58	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 61 (41): Enforce the agency-wide information security program across the enterprise and improve performance monitoring to ensure controls are operating as intended at all facilities. Pending since FY 2017	Not quantified
59	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 62 (42): Strengthen and refine the process for communicating CNC's facility specific control deficiencies to CNC's facility personnel, and coordinate remediation of the control deficiencies. Pending since FY 2017	Not quantified
60	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 63 (43): Strengthen and refine the process for holding system owners and information system security officers accountable for remediation of control deficiencies and ensuring that the appropriate security posture is maintained for CNC's information systems. Pending since FY 2017	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
61	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 64 (44): Strengthen and refine the process for holding contractors accountable for remediation of control deficiencies in CNCS information systems. Pending since FY 2017	Not quantified
62	OIG-19-01 and 19-02 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 65 (45): Implement all detailed recommendations in the FY 2018 FISMA Evaluation report. Pending since FY 2017	Not quantified
63	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 66: Strengthen internal controls over the entire AR process cycle to ensure that AR transactions are properly supported, documented, and readily available for examination.	Not quantified
64	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 67: Reconcile the AR subsidiary ledger to the general ledger monthly.	Not quantified
65	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 68: Reevaluate the policies and procedures for calculating the allowance for doubtful accounts. Related policies and procedures should include: (a) CFO Office's staff's periodic review of the accounts receivable aging report, (b) assessment of the collectability of outstanding balances based on the age of the debt, collections attempted and received thus far and other information about the debtor and (c) determination for possible write-offs.	Not quantified
66	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 69: Revise the Allowance for Doubtful Accounts methodology to be consistent with the Debt Management Policy.	Not quantified
67	OIG-19-01 Issued 11/15/2018 Audit of the Corporation for National and Community Service's Fiscal Year 2018 Consolidated Financial Statements	Rec. No. 70: Track and revise collection efforts based on data analysis. A reasonable timeframe for writeoffs should be established for accounts receivable without any activity. Once an outstanding receivable is deemed uncollectible, it should be written off in accordance with management's established policy.	Not quantified
68	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 1: Ensure that OIT monitors and promptly installs patches and antivirus updates across the enterprise when they are available from the vendor. Enhancements should include: Pending since FY 2017	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	<i>Rec. No. 1a: Implement a process to track patching of network devices and servers by the defined risk based patch timelines in CNCS policy. (Modified Repeat)</i> <i>Pending since FY 2017</i>	Not quantified
	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	<i>Rec. No. 1b: Ensure replacement of information system components when support for the components is no longer available from the developer, vendor or manufacturer. (Repeat)</i> <i>Pending since FY 2017</i>	Not quantified
	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	<i>Rec. No. 1c: Monitor and record actions taken by the contractor to ensure vulnerability remediation for network devices and servers is addressed or the exposure to unpatchable vulnerabilities is minimized. (Modified Repeat)</i> <i>Pending since FY 2017</i>	Not quantified
	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	<i>Rec. No. 1d: Enhance the inventory process to ensure all devices are properly identified and monitored. (Modified Repeat)</i> <i>Pending since FY 2017</i>	Not quantified
69	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 2: Ensure that OIT evaluates if the internet connections at the Field Financial Management Center, National Civilian Community Corps Campuses, and State Office is sufficient to allow patches to be deployed to all devices within the defined risk based patch timeline in CNCS policy. If the internet connections are determined to be inadequate, develop and implement a plan to enhance the current internet connections.	Not quantified
70	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	<i>Rec. No. 4: Develop and document a comprehensive risk register at the mission and business process level. (Modified Repeat)</i>	Not quantified
71	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 7: Perform an analysis of the IG FISMA Metrics related to the security function "Identify" and develop a multi-year strategy to include objective milestones, and resource commitments by the Executive Review Board which addresses the corrective actions necessary to show steady, measurable improvement towards an effective information security program	Not quantified
72	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	<i>Rec. No. 8: Ensure that standard baseline configurations for all platforms in the CNCS information technology environment are appropriately implemented, tested, and monitored for compliance with established CNCS security standards. This includes documenting approved deviations from the configuration baselines with business justifications.</i> <i>Pending since FY 2017</i>	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
73	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 10: Implement a process to ensure that functional testing occurred and documentation is maintained for system changes. (Modified Repeat)	Not quantified
74	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 11: Implement Personal Identification Verification multifactor authentication for local and network access for privileged users. Pending since FY 2017	Not quantified
75	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 12: Implement Personal Identification Verification multifactor authentication for network access for non-privileged users. Pending since FY 2017	Not quantified
76	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 20: Require FFMC and the Vinton NCCC campus to conduct and document a physical security risk assessment.	Not quantified
77	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 21: Perform an analysis of the IG FISMA Metrics related to the security function “Protect” and develop a multi-year strategy to include objective milestones, and resource commitments by the Executive Review Board which addresses the corrective actions necessary to show steady, measurable improvement towards becoming an effective information security program.	Not quantified
78	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 23: Perform an analysis of the IG FISMA Metrics related to the security function “Detect” and develop a multi-year strategy to include objective milestones, and resource commitments by the Executive Review Board which addresses the corrective actions necessary to show steady, measurable improvement towards becoming an effective information security program.	Not quantified
79	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 24: Perform an analysis of the IG FISMA Metrics related to the security function “Respond” and develop a multi-year strategy to include objective milestones, and resource commitments by the Executive Review Board which addresses the corrective actions necessary to show steady, measurable improvement towards becoming an effective information security program.	Not quantified
80	OIG-19-03 Issued 3/1/2019 Fiscal Year 2018 Federal Information Security Modernization Act (FISMA) Evaluation of the Corporation for National and Community Service	Rec. No. 25: Perform an analysis of the IG FISMA Metrics related to the security function “Recover” and develop a multi-year strategy to include objective milestones, and resource commitments by the Executive Review Board which addresses the corrective actions necessary to show steady, measurable improvement towards becoming an effective information security program.	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
81	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 1: Ensure that Serve Indiana revises its policies and procedures over the Pre-Award Risk Assessment process to ensure that:	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : a) Each risk factor indicator is addressed and documented in the review;	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : b) Actions to address and correct all potential issues are documented; and	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : c) The Pre-Award Risk Assessment Summary of Results report is verified and approved by the Executive Director.	Not quantified
82	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 2: Verify that Serve Indiana implements the revised policies and procedures.	Not quantified
83	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 3: Verify that Serve Indiana revise its subgrantee monitoring procedures to ensure it complies with pass-through entity responsibilities for subrecipients' Single Audits and include the following procedures:	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : a) Identify all subgrantees with CNCS expenditures for each State fiscal year and determine which of the subgrantees underwent Single Audits;	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : b) Review the audit reports for findings that affect CNCS grants to determine if Serve Indiana records require an adjustment;	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : c) Develop a documented process to determine if subgrantees accurately presented CNCS awards on their Schedule of Expenditures of Federal Awards (SEFA) schedules;	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : d) Ensures that Serve Indiana implements the documented process to determine if subgrantees accurately presented CNCS awards on their SEFA; and	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : e) Retain documentation of Serve Indiana monitoring and reviews of subgrantee audit reports, along with management decisions made or corrective actions implemented.	Not quantified
84	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 4: Confirm that Serve Indiana puts controls in place to ensure that Federal Financial Reports are submitted in accordance with the Federal Financial Reporting requirement.	Not quantified
85	OIG-19-06 Issued 3/12/2019 Agreed-Up Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 5: Ensure that Serve Indiana undertakes a review of the remaining subgrantees' financial management systems to verify that:	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : a) All subrecipients are in compliance with the financial management system requirements as indicated under Title 2 C.F.R., Subpart D – Post Federal Award Requirements, §200.302 Financial Management, and	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : b) All subrecipients can meet the cost reporting requirements under the CNCS General Grant and Cooperative Agreement Terms and Conditions, Section III. General Terms and Conditions, subsection B. Financial Management Standards.	Not quantified
86	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 8: Verify that Serve Indiana monitored subgrantee matching requirements on these awards and, at the end of the grant, determine whether each subgrantee met the match requirements.	Not quantified
87	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 9: Require that Serve Indiana strengthens subgrantee monitoring to ensure that sub-recipient documentation is retained to support national sex offender public website searches and State and Federal Bureau of Investigation background check results for both employees and members.	Not quantified
88	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 10: Require Serve Indiana to review the remaining subgrantee's member and employee National Service Criminal History Checks to ensure they are performed timely and required documentation is retained.	Not quantified
89	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 11: Recover the \$43,626 in questioned Federal costs and \$19,390 in education awards and address any impact to Federal costs of the \$33,720 in questioned match costs for American Red Cross of Indiana for grant No. 15ACHIN001.	To be quantified during Audit Resolution Process
90	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 12: Verify that Serve Indiana monitored subgrantee matching requirements on this award and, at the end of the grant, determined whether each subgrantee met the match requirement.	Not quantified
91	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 13: Provide training to Serve Indiana personnel to ensure that:	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : a) Costs are being charged to the correct Federal award.	Not quantified
	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. : b) Claimed costs are included in the budget or approved in writing by CNCS when appropriate.	Not quantified
92	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 14: Recover the \$1,994 in questioned Federal and related administrative costs for grant No. 13CAHIN001.	To be quantified during Audit Resolution Process
93	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 15: Recover the \$3,730 in questioned Federal and related administrative costs and \$1,222 in questioned match and indirect costs for grant No. 16CAHIN001.	Not quantified
94	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 16: Confirm that Serve Indiana has strengthened the subgrantee monitoring to ensure that member service agreements are complete, accurate and signed by the members before service begins.	Not quantified

Recent Unimplemented Recommendations – Not Yet Due			
Number	Report Title and Number	Recommendations	Dollar Value of Aggregate Potential Cost Savings
95	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 18: Ensure that Serve Indiana strengthens the subgrantee monitoring to include verifying that AmeriCorps members' living allowance are paid in accordance with the Member Service Agreements.	Not quantified
96	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 20: Ensure that Serve Indiana includes late Periodic Expense Reports reporting as a risk factor for subrecipient monitoring.	Not quantified
97	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 21: Ensure that Serve Indiana follows-up on subgrantees with late Periodic Expense Reports to determine the reasons the reports are late and require immediate corrective action.	Not quantified
98	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 23: Ensure that Serve Indiana strengthens its subgrantee monitoring by including a specific requirement in its monitoring procedures to confirm that member files contain end-of-term service evaluations.	Not quantified
99	OIG-19-06 Issued 3/12/2019 Agreed-Upon Procedures (AUP) review of AmeriCorps grant funds to Serve Indiana	Rec. No. 24: Verify that Serve Indiana implements the revised procedures.	Not quantified
** Bold: Recommendation is disagreed by CNCS. **Italicized: Recommendation is repeated.			

Corporation Response



Agency Response to the Office of the Inspector General's Semiannual Report to Congress

April 1, 2019 – September 30, 2019
Fiscal Year 2019 Semiannual Report No. 2

Corporation for National and Community Service Response to the OIG Semiannual Report 19-02

The Corporation for National and Community Service (CNCS) is pleased to share its response to the Office of Inspector General's (OIG) Semiannual Report (SAR) covering the second half of Fiscal Year (FY) 2019 (SAR 19-02).

CNCS appreciates the Inspector General's recognition of the progress we have achieved in key elements of our Transformation and Sustainability Plan. This includes implementing new tools and policies to help grantees conduct compliant National Service Criminal History Checks (NSCHCs) and beginning the migration to shared services to strengthen our accounting, procurement, travel, and human capital functions. We recognize that there is still a lot of work ahead of us to get where our agency needs to be; however, we have a solid plan that balances the urgency to address agency issues with a timeline that positions us to successfully continue our important work in communities across the country.

While the OIG applauds our agency's recent history of progress, it is frustrating to see its continued reference to its historical experience with the agency not having the organizational capacity to carry out such change. Since the announcement of the Transformation and Sustainability Plan in June 2018, our agency has had a track record of on-time execution, demonstrating we have a solid, realistic plan and our staff across the agency are capable and ready to make many long-overdue improvements a reality.

It is disheartening that the OIG critiques the steady pace at which CNCS has proceeded with the changes to its field structure, without recognizing or acknowledging that those changes and timeline were critical to making the move to shared services possible – a decision that the OIG applauds. With the recent change to our field structure, the agency was able to avoid significant and imminent rising costs that – particularly with a flat Salaries & Expense budget like CNCS has had for the past two years – would have made it prohibitive to proceed with the investment required to improve our accounting systems, not to mention maintaining and investing in other areas the OIG notes as important – such as information technology, cybersecurity, and cost-effective monitoring.

During this reporting period, CNCS continued to make progress on many elements of its Transformation and Sustainability Plan, including:

- ***Investing in CNCS's accounting and financial management.*** In June 2019, following a nine-month discovery and evaluation phase, CNCS announced the decision to move to shared services with the Department of Treasury's Administrative Resource Center (ARC) for certain accounting, procurement, and human resource functions. This move is a critical step in CNCS's efforts to address challenges with its accounting and financial management. Years of underinvestment in CNCS's systems – including not maintaining or upgrading its financial system consistent with federal requirements – resulted in CNCS's inability to complete key financial reports without external validation and significant manual corrections and adjustments. The migration to shared services is a proven process that will result in CNCS utilizing a tested and compliant financial management system that meets federal accounting and cybersecurity requirements.

- Helping grantees improve compliance with criminal history checks.*** In response to high rates of grantee non-compliance, CNCS launched a vendor tool in November 2018 to make it easier for grantees to conduct compliant NSCHCs. A preliminary analysis of the agency's mandatory FY 2019 Improper Payments Elimination and Recovery Improvement Act (IPERIA) testing shows that the agency's improper payment rates – which are overwhelmingly driven by insufficient documentation for grantee criminal history checks – would have dropped by approximately 40-53 percent across its susceptible programs had the newly-approved vendor been utilized during the full FY 2019 IPERIA testing cycle. While CNCS's official FY 2019 results will not yet reflect that improvement, our preliminary data indicates the agency's approach is working. CNCS looks forward to these improved results officially reflecting in the FY 2020 IPERIA testing cycle. In the meantime, CNCS will encourage more grantees to utilize the vendor to support compliant criminal history checks and provide targeted training and technical assistance to help grantees address the root causes of non-compliant criminal history checks and improper payments.
- Launching a new grant management structure to improve service.*** In September 2019, CNCS transitioned to its new Portfolio Manager model for grant management in the first three regions (Mountain, North Central and Northeast) of its new eight-region organizational structure. The new model positions one person – rather than two or more in our legacy model – as the day-to-day CNCS contact for each grantee organization. In addition to simplifying the points of contact for grantees, the new model positions Portfolio Managers to bring to bear the full menu of national service programs when assessing solutions to a community's challenges. The regional office structure will also position CNCS to improve service consistency by addressing disparities in workload exacerbated by the legacy state-by-state staffing model. Additionally, the new regional office structure provides more robust career ladders and options for staff, which CNCS believes will help reduce high historic levels of staff attrition. Consistent with our planned three-phase approach to support evaluation and continuous learning, CNCS will transition to the Portfolio Manager model in the West, Midwest, and Southeast regions in March 2020 and the South Central and Mid-Atlantic regions in June 2020.
- Establishing a new, dedicated Office of Monitoring.*** CNCS's new Office of Monitoring positions certain CNCS staff to focus solely on monitoring grant recipients for compliance, an area that the OIG has noted as a long-standing deficiency within the agency's former organizational structure. The Office of Monitoring is charged with independently monitoring grant recipients and will utilize a risk-based framework that ensures monitoring activities are specific to the level of risk posed. CNCS acknowledges the importance of an effective risk model to support cost-effective monitoring and responsible administration of grants. CNCS's monitoring strategy will be informed by a refined risk assessment module and prioritized compliance assessments of the most common findings among the CNCS grant portfolio, such as NSCHC timekeeping, prohibited activities, and subrecipient oversight. Furthermore, with leadership and staff dedicated to monitoring, CNCS is now positioned to centralize and automate processes related to records collection and reporting to ensure that monitoring findings inform training and technical assistance.

- ***Investing in staff training and development.*** This past year, we devoted significant time and staff resources reviewing, standardizing, improving, and documenting the business processes for CNCS's grant and project award activities. We also devoted significant time and staff resources to create a standardized orientation and training curricula – refreshing existing materials and creating new material where gaps existed – which we began delivering to our grant management staff in the first three regions in September 2019. We will continue to assess the additional needs and evaluate the effectiveness of training as we progress through the annual grant cycle in the first year of our new grant management model.

Additionally, in response to feedback from staff and their managers, CNCS is making critical investments in the training and lifelong learning of staff throughout the agency. In October 2019, we announced a unique partnership with a training provider to offer unlimited access to hundreds of live and online training courses. This includes access to more than 25 professional certificate programs and specialty tracks – including financial grant management – to meet various professional development goals. This follows CNCS's recent investment in the leadership development of 48 mid-level staff who participated in a nine-month Emerging Leaders Program. The opportunity to acquire and develop critical leadership skills, advance solutions to agency challenges, and build connections with peers signaled to these high-potential employees that their talents are valued and that they have a bright future at CNCS.

- ***Investing in grantee training and technical assistance.*** In response to input we received from grantees and State Service Commissions in our monthly conference calls to discuss CNCS's Transformation and Sustainability Plan, we are renewing our efforts to ensure CNCS is equipping grantees and project sponsors with the training and technical assistance resources they need most to effectively administer national service programs. For example, in direct response to feedback about inconsistent and not-always-timely availability of training for new directors of Senior Corps programs, we recently launched a monthly "New Director Training" so that new staff at grantee organizations across the country can get oriented to their national service program and federal grant requirements in a timely manner. Similarly, in response to interest for greater collaboration between CNCS and State Commissions to expand awareness of national service opportunities, CNCS created a "CNCS 101" for State Commissions. Over the next year, CNCS will prioritize organizing and simplifying the training and technical assistance materials we make available to current and prospective grantees on www.nationalservice.gov, including updating the eCourses we require of grantees.
- ***Modernizing CNCS's grant and member management systems.*** CNCS continues to carefully evaluate options to modernize its grants and member management systems. CNCS recently concluded a 12-month initiative with Accenture to evaluate the work that had been done with the Salesforce platform in a previous CNCS modernization initiative (GMM) and to develop a minimally viable product built on Salesforce (MAGNet). The evaluation of GMM showed that best practices were not followed and the platform was not built in a reusable, scalable, and maintainable manner. This

information was used to improve the development work of MAGNet. The results of MAGNet showed that a minimal-viable product could be developed based on the GMM lessons learned and a structured development process.

CNCS is also in the process of evaluating other potential options, including the viability of another federal agency's shared services solution for grant management. CNCS is taking into account recent guidance from OMB that encourages the use of shared services over the development of customized, single-agency systems. Once this evaluation is complete, we will have the necessary information to make a decision on the optimal path forward for modernizing and sustaining CNCS's grants and member management systems. CNCS recognizes the inherent relationship between modernizing our information technology systems and advancing our goal of making it easier for individuals and organizations to access national service programs.

Throughout this period of change, we continue to deliver on CNCS's core mission to develop and support AmeriCorps and Senior Corps programming in communities across the country. Additionally, CNCS employees continue to provide training, technical assistance, and monitoring across the spectrum of our programs. During this SAR period, AmeriCorps and Senior Corps program achievements include:

- Disbursed approximately \$250 million of grants through AmeriCorps State and National, nearly 60 percent of which went to national program models. An additional \$140 million was provided to Governor-appointed State Service Commissions, which in turn were awarded to state-based organizations. These grants will support AmeriCorps State and National members across the country.
- Announced more than \$5.7 million in funding available to support the Senior Corps Foster Grandparent Program and Senior Companion Program replacement competition in more than 30 communities across the country. These grants continue supporting national service programs that engage aging populations in communities with proven needs.
- Announced more than \$21.6 million in funding to support Senior Corps RSVP programs in more than 225 locations across the country. These grants will leverage the experience and skills of more than 55,000 volunteers.
- Placed 6,461 AmeriCorps VISTA members at 2,600 service locations across 725 counties and in all 50 states. In addition, AmeriCorps VISTA hosted a nationwide convening for sponsors to provide important and timely information to critical community partners and improve VISTA project and member management. During this SAR period, VISTA also launched an in-service training program and delivered in-person training content to 850 members.
- Responded during the last two years to every major hurricane, the 2018 California wildfires, and 2019 Midwest floods. CNCS also received \$29.85 million in FEMA Mission Assignments and 6,000 national service participants from AmeriCorps and Senior Corps programs responded to these calls to assist during natural disasters over the last two years.

- Demonstrated that a workforce development model can be successful in preparing the next generation of Emergency Management professionals. During this SAR period, FEMA hired 44 percent of the most recent class of AmeriCorps NCCC - FEMA Corps graduates.
- Mobilized AmeriCorps NCCC members to support the VA's Adaptive Sports Summer Clinic in San Diego, CA, the National Veterans Wheelchair games in Louisville, KY and the National Veterans Golden Age Games in Anchorage, AK, in partnership with the Veteran's Administration (VA) and the Paralyzed Veterans' of America.
- Celebrated the 25th anniversary of CNCS and AmeriCorps with events throughout the country.

Improper Payments Recovery

As noted in the introduction, CNCS has done significant work to help grantees reduce instances of improper payments, which are primarily the result of grantees' insufficient documentation regarding national service criminal history checks. CNCS implemented the OIG's proposed recommendations for Improper Payment Elimination & Recovery Improvement Act (IPERIA) testing. Most of the testing issues identified during the 2018 audit related to how CNCS maintained documentation and testing results. The reperformance work conducted by the auditors identified only two instances where the auditors disagreed with CNCS's assessment. CNCS stands by the appropriateness of our sampling methodology, which yielded statistically valid results.

Grant Audits

CNCS continues to focus on oversight of its grants to ensure prudent stewardship of federal funds. Of the four grantee audits highlighted in this report, two contained no compliance findings. Another report highlighted significant improvement in the grantee's operations between the 2019 audit and the previous OIG audit performed in 2011. OIG staff credited the positive results of these recent audits to CNCS's staff monitoring and technical assistance efforts.

Response to "Audit of CNCS VISTA Grant Award to Conservation Legacy" (SAR pp. 10-11)

We appreciate and share the OIG's desire to ensure that VISTA projects have strong, sustainable impacts in local communities, including long after the VISTA projects cease operations. In previous responses to *Evaluation/OIG report 18-12*, we noted our belief that the OIG's methodology for determining sustainability was flawed. The OIG has since revised its definition and we believe that new definition of sustainability is flawed as well.

CNCS does not expect 100 percent of a VISTA member's duties or a former project's activities to continue after the project ends. Also, in many cases, sustainability cannot be achieved by continuing to perform the same activities that VISTA members performed when the VISTA project was operating. Instead, capacity and sustainability is achieved by creating valuable and long-term benefits for the host organization such as increasing community awareness, volunteer management tools and resources, and critical community relationships.

Financial Statement Audit

Throughout FY 2019, CNCS continued its financial remediation efforts. Our Director of Accounting and Financial Management Services (AFMS), hired last fall, led a coordinated effort to clean up CNCS's financial records and improve the quality of financial reporting, which included producing supported and complete quarterly financial statements. AFMS's efforts continue to be guided by a comprehensive Corrective Action Plan that was presented to OMB and the OIG. While we encountered some delays, our agency has seen significant improvement and progress over the past year.

As described in our cover letter, CNCS leadership announced the decision to migrate to shared services for certain accounting, procurement, travel, and human capital functions in June 2019. CNCS kicked off the shared services migration process with ARC in September 2019, and it anticipates going live with the new system for accounting and procurement functions in October 2020 and human capital services in Spring 2021. The new financial management system is proven, tested, and compliant with accounting and cybersecurity requirements.

Unimplemented Recommendations

As the OIG indicates, CNCS has achieved significant improvement in resolving OIG recommendations. However, CNCS has concerns with how the OIG tallies and tracks unimplemented recommendations. According to our records, there are 12 OIG recommendations that we consider open, which are listed on page 12 of this report. We note that some of the recommendations the OIG states are unresolved are not yet due. We are currently in the process of determining the best course of action for those items and will respond to these recommendations by the due date.

Additionally, we note the OIG keeps recommendations "open" even when it is impossible for the exact corrective action to be taken because, for example, the program or activity is no longer ongoing. Further, the OIG considers a recommendation to request new legislation or different amounts of appropriated funds an "open recommendation" because Congress has not made these changes. Additionally, the OIG is prescriptive when articulating its recommendations. While prescriptive recommendations may be well intentioned, OIG recommendations are not directives and management decisions remain the province of CNCS. Regrettably, the OIG leaves recommendations open indefinitely when CNCS chooses an alternate action, rather than acknowledging that there are multiple paths to address a concern.

NCCC Evaluation Report

CNCS had extensive communication over the past two years with the OIG regarding the NCCC Evaluation Report. CNCS provided great deference to the OIG regarding their recommendations, where the recommendations were consistent with law or within CNCS's control. Given that the OIG recommended changing the legislation and asking our appropriators to provide less money for NCCC activities (arguing that activities could be done more efficiently by a different branch of national service), NCCC was extremely thoughtful in considering the OIG's recommendations. CNCS has made its final determination regarding the NCCC recommendations and will be taking no further action to try to mollify the OIG with respect to the few remaining recommendations that it identifies as unimplemented.

Risk Management

CNCS acknowledges the importance of enterprise risk management, including an effective risk model to support cost-effective monitoring and responsible administration of grants. As planned, we look forward to developing a new risk registry and implementing a refined grant risk assessment model in the months ahead.

National Service Criminal History Check Compliance

As noted in the introduction, CNCS has done significant work to help grantees improve their compliance with the important NSCHC requirement. One component of our strategy is a new cost-based disallowance structure. In general, disallowance will be applied against six months of costs; however, CNCS reserves the right to disallow costs for more than six months in cases where noncompliance spans multiple program funding years and if facts and circumstances support that a different period of disallowance – including across multiple terms of service – will further CNCS’s compliance objectives.

Investigations

CNCS notes that the OIG has greatly increased the number of matters it refers to the agency for further investigation, rather than conducting the investigation itself. CNCS recognizes that both the OIG and CNCS face difficult choices about how to apply the increasingly limited resources that are available to respond to matters. We look forward to continuing to work with the OIG to determine which matters to focus on and how to balance the competing demands on each of our resources.

Foster Grandparent Suspension and Debarment

CNCS notes that it did not suspend and debar a Foster Grandparent (FGP) volunteer alleged to have committed the heinous sexual offenses discussed by the OIG on page 33 of their report because the individual had already been convicted, was released from our Senior Corps program, and will never be eligible to serve in any CNCS program in the future. CNCS had grave concerns about our agency’s authority to debar the individual. As we have pointed out to the OIG, the federal government’s authority to use procurement and non-procurement debarment authorities in the context of a sexually-oriented crime is untested. The extension of protections of the federal government’s funds to become a back-door means to achieve other purposes (even for a purpose as valuable as protecting vulnerable populations) raises important due process questions. While there was little chance that the convicted sex offender would have had the resources to contest the suspension in order to raise those issues, that fact should not be treated as an invitation to expand the use of the government’s debarment authority.

Moreover, CNCS has significant concerns about the efficacy of using the suspension and debarment processes to protect vulnerable populations from possible predatory conduct. The System for Award Management (SAM)—which would be the only way that any federal grantee would access information about individuals suspended or debarred by CNCS—does not inform the public about the precise nature of the conduct on which a suspension or debarment is based. Therefore, the placement of any individuals on the SAM exclusion list for predatory conduct would leave CNCS-funded programs in the position of having to treat all SAM-excluded parties (due to their lack of “present responsibility”) as predatory risks. This is well outside the intent of the suspension and debarment process. In addition, debarring such individuals would mean that their predatory conduct would exclude them from other

federal programs, such as Veterans benefits, thereby making the use of suspension and debarment a punitive measure, contrary to its mandate.

In this case, the protection of vulnerable populations served by national service programs was achieved in the manner provided by Congress. The individual was convicted of an offense that requires registration as a sex offender and therefore he became ineligible to participate in CNCS-funded programs.

IG Independence

CNCS recognizes the benefits of a strong OIG and is heartened by instances of an improved collaborative relationship with its OIG. We remain optimistic that the OIG's actions will reflect as much respect for the agency's management role as they do concerns about its own independence. Recently, for example, the OIG asserted that it has "general jurisdiction" over all agency matters – a claim the agency struggles to reconcile with the respective roles of the agency and an independent OIG.

Our agency continues to collaborate with the OIG to ensure that the OIG is effectively and reasonably notified about matters within its purview. CNCS would like to clarify that rejecting an OIG recommendation is not a challenge to the OIG's independence. However, several of the OIG's practices result in needlessly wasting the time and effort of multiple CNCS staff. For example, when an allegation has already been reported to the OIG, the OIG persists in demanding that grantees and CNCS staff with any knowledge of the allegation report the very same instance of "possible" waste, fraud and abuse to them. To that end, CNCS is taking steps to amend its policies and grant recipients' terms and conditions to ensure timely notification in a practical, reasonable manner, without duplicative communication.

Among the policy changes is the institution of a procedure to make it clear that responding to OIG information requests must be coordinated through the agency's OIG liaison and establishing processes for providing materials to the OIG. This update in our policies addresses the OIG's suggestion that the agency should have a quality control/validation process when developing and implementing corrective action plans *before* submitting materials to the OIG and institutionalizes consistency throughout the agency.

CNCS appreciates the independent oversight of CNCS's programs and operations and welcomes the recognition of the independent role of agency management. Our agency remains committed to operating efficiently and avoiding waste, fraud, and abuse. CNCS welcomes the OIG's recommendations, and gives them all very serious consideration when making management decisions.

TABLES SECTION

TABLE I

FINAL ACTION TAKEN ON AUDIT, INSPECTION, AND EVALUATION REPORTS (For the Period April 1, 2019 through September 30, 2019)

	<u>Number of Reports</u>	<u>Disallowed Costs</u>
A. Reports for which final action had not been taken by the commencement of the reporting period	4	-
B. Reports for which management decisions were made during the reporting period	1	\$7,500
C. Reports for which final action was taken during the reporting period	2	\$24,595
1. Recoveries ¹		
(a) Collections and offsets		\$158,545
(b) Property in lieu of cash		-
(c) Other (reduction of questioned costs)		-
2. Write-offs		-
D. Reports for which final action was not taken by the end of the reporting period	4	-

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

TABLE II
FINAL ACTION TAKEN ON AUDIT, INSPECTION, AND EVALUATION REPORTS WITH
RECOMMENDATIONS THAT FUNDS BE PUT TO BETTER USE
(For the Period April 1, 2019 through September 30, 2019)

	<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	3	-
B. Reports for which management decisions were made during the reporting period	1	-
C. Reports for which final action was taken during the reporting period	1	-
i. Dollar value of recommendations completed		-
ii. Dollar value of recommendations that management has concluded should not or could not be implemented or completed		\$52,141
D. Reports for which no final action had been taken by the end of the reporting period.	3	-

Table III

**AUDIT REPORTS ON WHICH MANAGEMENT HAS MADE A DECISION BUT FINAL ACTION HAS NOT BEEN
TAKEN (OTHER THAN MANAGEMENT DECISIONS MADE WITHIN THE PRECEDING YEAR)**

(For the Period April 1, 2019 through September 30, 2019)

The agency is not overdue on any reports where action has been taken but not completed.

OIG Recommendations that CNCS Recognizes are Open and Unimplemented

Open and Unimplemented Recommendations			
Number	Report Title and Number	Recommendation	CNCS Response
7	Various Issued N/A Risk Management (multiple reports)	Various: Develop a risk-based process for monitoring grants, to replace its one-size-fits-all approach that uses risk assessment criteria developed for traditional cost reimbursement grants for fixed amount grants and grants for technical training and assistance. This system understates and/or ignores risks inherent in those other grants.	The Office of Chief Risk Officer is working toward resolving risk-related recommendations, and a revised grantee risk assessment is in development.
8	Various Issued N/A Risk Management (multiple reports)	Various: CNCS should validate its risk indicators for all grants against outcomes or use outcomes to identify other factors that could sharpen its analysis.	See number 7 for response.
65	OIG - 18-03 Issued 12/18/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 2: Improve agency's configuration management controls;	CNCS has taken measures to address findings and is reviewing the draft FY 2019 FISMA Evaluation Report – which was provided to CNCS on November 25, 2019 -- for further action.
66	OIG - 18-03 Issued 12/18/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 4: Implement multifactor authentication for privileged and non-privileged accounts;	See number 65 for response.
67	OIG - 18-03 Issued 12/18/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 9: Improve agency's vulnerability and patch management controls;	See number 65 for response.
68	OIG - 18-03 Issued 12/18/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 10: Strengthen access controls for mobile devices;	See number 65 for response.
69	OIG - 18-03 Issued 12/18/2017 FY 2017 Federal Information Security Modernization Act Evaluation of the CNCS	Rec. No. 11: Strengthen monitoring of wireless access connections;	See number 65 for response.

73	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 4: Validate the SVs to address errors and invalid balances carried forward from prior years and correct the data submissions.	CNCS is implementing corrective actions to address findings.
74	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 5: Research and resolve warnings identified by the DATA broker before the DATA Act files submission. Document the actions taken to resolve the warnings so future errors can be avoided.	See number 73 for response.
75	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 6: Capture institutional knowledge and mitigate the effects of employee turnover by documenting CNCS's DATA Act compliance processes and keeping them up to date. In addition, develop a succession plan to ensure that CNCS retains required expertise and capabilities.	See number 73 for response.
76	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 7: Develop policies and procedures to ensure that reconciliations between internal files are completed prior to submission to the DATA broker.	See number 73 for response.
77	OIG 18-05 Issued 11/08/2017 Performance Audit of the Corporation for National and Community Service's Compliance with the Digital Accountability and Transparency Act of 2014	Rec. No. 9: Ensure that accurate and complete data is presented to the general public by reviewing the CNCS information from residing external systems and reconciling the external site information to the CNCS source systems.	See number 73 for response.

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