Corporation for NATIONAL & COMMUNITY SERVICE

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

October 1, 2017 – March 31, 2018

Fiscal Year 2018 Semiannual Report No. I

Corporation for National and Community Service
Response to the OIG Semiannual Report and
Report on Final Action

The Corporation for National and Community Service (CNCS) appreciates the Office of Inspector General's (OIG's) warm welcome to the agency's new Chief Executive Officer (CEO), Ms. Barbara Stewart. CNCS looks forward to continuing its collaborative working relationship with the OIG to identify areas of concern and develop cost effective solutions by maximizing available resources.

Since Ms. Stewart was appointed as CEO, she has met with AmeriCorps members and Senior Corps volunteers as well as the individuals they serve. She's witnessed firsthand the impact of service on the lives of Americans young and old. She has also met with a wide range of stakeholders and learned about the opportunities and challenges our grantees face. She has become well acquainted with the operational challenges CNCS is working to correct. She shares the OIG's concerns and is committed to making meaningful changes to improve CNCS operations. As she told the Subcommittee on Education and the Workforce on April 17, 2018 "Our responsibility is too great and our mission is too important not to make the improvements necessary to produce the lasting change we all desire."

CNCS continues to address several of the Inspector General's concerns:

1. Reducing Improper Payments
    National Service Criminal History Checks (NSCHC) is still the major cause of noncompliance and is in the process of taking significant steps to help grantees comply with the requirements of NSCHC (see below).

2. Strengthening National Service Criminal History Checks
    Building on the success of the FBI approved channeler that has helped grantees obtain timely and accurate checks, CNCS is in the process of selecting a vendor that can provide compliant National Sex Offender Public Website and certain state repository checks for grantees.

3. Modernizing Information Technology (IT)
    The agency has hired a new Chief Information Officer who has presented a plan on how to move forward with IT Modernization and the development of our Grants and Member Management Program for business stakeholders, OIT, and the vendor.

CNCS appreciates the Inspector General's acknowledgment that the Fiscal Year (FY) 2017 Federal Information Security Modernization Act Evaluation shows that meaningful progress has been made on the agency's cybersecurity. CNCS continues to work on improving its information security.

The agency is carefully analyzing the FY 2017 Financial Statements audit recommendations regarding current accounting procedures and internal controls. CNCS has been working with the Office of Management and Budget (OMB), the Department of the Treasury (Treasury) and the

Federal Accounting Standards Advisory Board to resolve the most material issues raised by the auditors - those dealing with the liabilities and operations of the National Service Trust. Notably, some of the issues raised by the auditors could only be resolved by changes to government-wide accounting guidance, some of which took effect in March, 2018 (well after the close of the FY 2017 Audit), and other changes that will be made specifically as a result of CNCS's discussions with OMB and Treasury.

The agency has committed to review and determine the final status on all unimplemented recommendations in the OIG's FY 2017 Semiannual Reports (SAR). This review is underway. Its purpose is to ensure more updated information is included about the current status of each recommendation and determine which require further action.

The inclusion of some of the recommendations in this SAR does not appear to fully reflect the agency's response or willingness to implement the OIG's recommendations. The agency looks forward to continuing to work with the OIG to reduce the list of unimplemented recommendations.

CNCS appreciates the OIG's commitment to review each of the unimplemented recommendations prior to the next SAR reporting period to ensure future reports provide a complete picture of the agency and the OIG's efforts to reach a resolution on these recommendations wherever possible. Eight of the OIG's recommendations (highlighted in red on the chart) require legislative action and will remain unimplemented despite CNCS's interest in seriously considering OIG recommendations.

Numbers 35 - 65 of the OIG's unimplemented recommendations resulted from the OIG's evaluation of AmeriCorps National Civilian Conservation Corps (NCCC). These include the OIG's recommendation for AmeriCorps NCCC to engage Senior Corps Foster Grandparents to serve as mentors for NCCC members to improve retention. To use its resources to support a program conducted by CNCS would be contrary to the DVSA, the NCSA and appropriations law. Moreover, NCCC members are age 18 - 24, by statute, and Foster Grandparents are limited by statute to only serve as mentors to individuals under the age of 18. Mentoring AmeriCorps NCCC members would be an unallowable program cost. The agency looks forward to removing recommendations like this example from future SARs.

CNCS continues to improve compliance in implementation of the Improper Payments Elimination and Recovery and Improvement Act (IPERIA) and strengthen its overall approach to the annual IPERIA assessment. The agency has strengthened its reporting and recovery processes by implementing guidance for disallowing costs related to improper payments. The agency has also committed additional resources to support the IPERIA team as it strives to improve the improper payments testing and reporting processes and address the root causes related to grantee noncompliance. CNCS is proud of the progress made to date but recognizes more needs to be done to address this issue.

CNCS looks forward to continuing to work with the OIG to strengthen the agency's programs, operations, and oversight of its grantees.

TABLE I

FINAL ACTION TAKEN ON AUDIT, INSPECTION, AND EVALUATION REPORTS
(For the Period October 1, 2017 through March 31, 2018)

		Number of Reports	Disallowed Costs
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	3	$696,611
C.	Reports for which final action was taken during the reporting period	2	$1,513
	1. Recovery of disallowed costs:[1]		
	(a) Collections and offsets		$219,624
	(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 October 1, 2017 through March 31, 2018)

		Number of Audit Reports	Dollar Value
A.	Reports for which final action had not been taken by the commencement of the reporting period	1	-
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	0	-
	i. Dollar value of recommendations completed		-
	ii. Dollar value of recommendations that management has concluded should not or could not be implemented or completed		-
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 October 1, 2017 through March 31, 2018)

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

Report No. and Title	OIG Recommendations	CNCS Response
OIG 12-04 Audit of Earned Education Awards Resulting from Compelling Personal Circumstances	3b. We recommend that the Corporation implement the text description functionality in the MyAmeriCorps Portal to allow grantee personnel and the Corporation (for NCCC) to document the Compelling Personal Circumstances justifications.	CNCS submitted its management decision to the OIG on August 24, 2016. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	3c. We recommend that the Corporation implement monitoring controls requiring a secondary level of review of each approved partial education award.	
OIG 13-06 Agreed-Upon Procedures for CNCS Grants Awarded to Edna McConnell Clark Foundation	1c. We recommend that the Corporation 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.	CNCS submitted its management decision to the OIG on February 20, 2015. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
OIG 13-07 Inadequate Internal Controls Prevent CNCS from Mitigating Significant Risks Inherent in the Fixed Amount Grants Program	1. We recommend that the Corporation reduce vulnerabilities in its fixed amount grant program by identifying the risk drivers (to include member enrollment and retention, drawdowns and non-CNCS resources) and developing indicators by which to assess the associated risks.	CNCS submitted its management decision to the OIG on September 25, 2014. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	3. We recommend that the Corporation obtain quarterly information from grantees on total program expenditures and/or development of non-CNCS funding for program support.	
	4. We recommend that the Corporation establish monitoring priorities, plans and procedures based on grantee risk assessments that address specific fixed amount grant requirements, distinguishing between financial and programmatic risk.	
OIG 14-04 Agreed-Upon Procedures for CNCS Grants Awarded to Arkansas Service Commission	11d. We recommend that the Corporation recover the grant costs associated with the second service terms of AmeriCorps members who were ineligible because they had not been evaluated at the end of their first terms, as required by statute. .	CNCS responded to this management decision on March 11, 2015. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.

OIG 14-09 Audit of Blanket Purchase Agreements for Professional Consulting Services	2. We recommend that a central review committee (including a representative of the Office of Procurement Services) approve any consulting projects that exceed pre-established cost thresholds.	CNCS responded to this management decision on September 29, 2016. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	6. We recommend that the Corporation require meaningful review of contractor and subcontractor cost proposals, including adequate documentation of the review and its conclusions in the contract file. The Corporation should develop procedures to guide staff in determining the types and sources of information to be considered.	
	10. We recommend that the Corporation create a centralized tool to track deliverables, to be reviewed periodically.	
	18. We recommend that the Corporation conduct a post-performance review of each consulting project to assess lessons learned; determine whether project objectives were met; and evaluate the impact of the deliverables and success of the project. This review should include a cost-benefit analysis. The results of the review should be used to maintain accountability and improve the procurement process.	
OIG 15-05 Audit of CNCS Grants Awarded to Tufts University/Massachusetts Campus Compact	6a. We recommend that the Corporation establish customized monitoring assessments and procedures based on the nature of programmatic and financial risk in all of its programs.	CNCS submitted its management decision to the OIG on June 22, 2016. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	6b. We recommend that the Corporation develop a notification system that promptly communicates significant and/or critical information across all Corporation program and grant offices.	

OIG 15-06 Audit of CNCS Cooperative Agreements Awarded to AFYA Incorporated and Education Northwest	1. We recommend that the Corporation identify risk areas for 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.	CNCS submitted its management decision to the OIG on July 25, 2016. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	2. We recommend that the Corporation 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.	
Risk Management (multiple reports)	N/A. We recommend that the Corporation 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 agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	N/A. CNCS should validate its risk indicators for all grants against outcomes and use outcomes to identify other factors that could sharpen its analysis.	
	1. We recommend that CNCS implement internal controls and review procedures over the Improper Payments submission of AFR section IV, Other Information, to ensure that it reports the required elements per OMB Circular No. A-136 and includes complete and accurate information.	

OIG 16-04 Performance Audit of CNCS's Compliance with the IPERIA Act of 2010 for Fiscal Year 2015	2. We recommend that CNCS improve the IPERA risk assessment process to ensure that it provides a complete, accurate and systematic method for assessing the improper payment risks of each program. CNCS lacks adequate procedures to ensure that the statistical methodology used to extrapolate the improper payment amount results in a complete and accurate estimate, particularly with respect to the Senior Companion Program and the Social Innovation Fund.	On May 9, 2016, CNCS submitted to the OIG its response to this audit. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	3a. We recommend that CNCS work with a qualified statistician to implement a straightforward sampling methodology that is statistically valid and realistic to execute.	
	3b. CNCS should ensure that it has allocated and committed sufficient resources to complete the sampling process and associated testing within the timeframe required to meet IPERA reporting requirements in the AFR.	
	3c. CNCS should implement procedures to hold grantees accountable for failing to respond to requests for documentation required to support the improper payments assessment.	
	4. We recommend that CNCS work with a qualified statistician to implement a statistically valid extrapolation methodology and provide oversight throughout the planning and estimation process to ensure that the agency is in compliance with IPERA.	
	5. We recommend that CNCS develop a comprehensive testing methodology and consistently apply that methodology to selected sample items. This includes updating its test plan evaluation sheets to address allowability and eligibility criteria applicable to CNCS-sponsored payments per relevant sections of the CFR, as well as updating the mandatory training for reviewers to ensure consistent testing and document retention.	

	6. We recommend that CNCS take appropriate programmatic corrective actions to address the root cause of improper payments identified in the AmeriCorps State and National Grant Program, to include realistic reduction targets for subsequent fiscal years, together with a rationale for the target, as part of the improper payments reporting in the Agency Financial Report (AFR).	
	8. We recommend that CNCS assess whether payment recapture audits or other recovery activities are cost-effective for programs that expend $1 million or more annually, and that it retains adequate supporting documentation of the analysis performed.	
	9. We recommend that CNCS take appropriate action to meet the reporting requirements for agencies that have been unable to comply with IPERA for three consecutive fiscal years, including submitting a plan to OMB and Congress that outlines the milestones for achieving compliance; designates a senior agency official accountable for achieving compliance; and assesses whether additional funding, program reauthorization or statutory changes would help bring CNCS into compliance with IPERA.	
OIG 16-05 Audit of CNCS Grants Awarded to Hoopa Valley Tribe	1a. In lieu of the nominal matrix-dictated penalties, establish penalties for criminal history check (CHC) violations that are high enough to command attention from grantee leaders and not create perverse incentives.	CNCS submitted its management decision to the OIG on June 13, 2016. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	1b. We recommend that the CHC enforcement regime be revised to apply risk concepts correctly (prospectively, not retrospectively) and to incentivize strong risk management.	
	1c. We recommend stronger sanctions for CHC violations to match the high risk and high stakes that CHC failures may pose for CNCS and grantees.	
	1d. We recommend that the Corporation's approach to CHC consider deterrence, which should be a key feature of any sanctions program.	
	1e. We recommend that CNCS correct the other specific flaws identified in the sanctions approach.	

Various - Criminal History Checks (multiple reports)	We recommend that CNCS sustain questioned costs for grantees that failed to conduct proper and timely checks of staff and member/volunteers' criminal histories. CNCS should not reward noncompliance by retroactively approving an Alternative Search Protocol (ASP), covering both late checks of the National Sex Offender Public Website and state criminal history checks performed by unapproved contractors.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
OIG 17-01 Audit for CNCS's Fiscal Year 2016 Financial Statements	1. Senior leadership should engage actively and comply with the operating guidelines for the Risk Management Council (RMC) and the Risk and Assessment Committee (RAC) in order to ensure comprehensive consideration and analysis of risks, proper attention to obstacles (e.g., resources and staff turnover), identification of deficiencies and active monitoring of and accountability for corrective actions.	CNCS submitted its response to the OIG on November 14, 2016. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	2a. We recommend that CNCS engage the RMC, RAC and program and financial managers in continuing efforts to build a comprehensive enterprise-wide risk assessment and monitoring process.	
	2b. The OCRO, along with other CNCS programs and offices, should utilize the results received thus far in its initial ELC assessment report established in July 2016 and further develop its responses to the risks identified.	
	2c. To further the agency's risk assessment and monitoring process at the transaction level, CNCS should fully develop internal control tests of design and tests of effectiveness to properly identify and respond to risks, as well as perform monitoring activities on a routine basis.	
	3. The Office of the Chief Risk Officer (OCRO) should align its internal control testing to management's responsibilities related to financial management (with an emphasis on grants management), Federal Information Security Modernization Act/information technology, Improper Payments Elimination and Recovery Act compliance and resolution of flaws identified in OIG audits.	

	1. Reevaluate the appropriate balance between NCCC and other programs that cost the taxpayers substantially less for comparable service activities.	CNCS has reevaluated the balance within the past month and believes the balance is appropriate at this time. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	1a. Increase the impact of national service on communities and participants, by targeting Corporation resources in a manner that maximizes the cost-effectiveness of CNCS programs and activities. NCCC should be scaled back, in favor of scaling up other, less expensive CNCS programs that perform many of the same activities.	Congress determines the agency's funding levels for CNCS's programs. To implement this would require congressional approval.
	1b. Determine the optimal size of NCCC based on the factors stated in this report, eliminating to the maximum extent practicable projects of the kind performed by ASN, VISTA and Senior Corps, and right-size NCCC accordingly, thereby reducing the excess overhead and per-member costs associated with those projects.	This is NCCC's standard business practice. NCCC evaluates operations for maximum effectiveness. In order to optimize federal resources and achieve cost savings, NCCC has closed the campus in Baltimore, realigned members, and redefined the regional coverage. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	1c. Work with Congress to reprogram the funds and responsibilities to expand ASN, VISTA and Senior Corps, thereby multiplying four to eight times the services provided to communities and the number of individuals who can participate in national and community service.	CNCS does not concur with this recommendation. Further, it would require congressional approval and possibly a change in legislation.

1d. Enhance the capabilities of A-DRTs to deploy rapidly for disaster response, in advance of FEMA mission assignments.	This is NCCC's standard business practice. NCCC enhances the capabilities of all National Service Partners and programs for disaster response that are critical; inclusive of ADRTS, Senior Corps, VISTA and State Commissions, to name a few. NCCC teams make up the largest ADRT. Unlike grantee ADRTs, NCCC may deploy without delay, with or without a FEMA Mission Assignment (MA), because it operates off of 100% Federal Resources. Most ADRTS, as grantees, require a match or local funding and partners to meet the obligations of their grant requirements. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
1e. Limit the types of projects that NCCC campuses can undertake to minimize use of NCCC members for activities that can be undertaken by other CNCS programs. Track the time devoted by each campus to such activities.	NCCC projects are developed in collaboration with National Service Partners to meet the most critical state and community needs. Issue areas are statutorily determined and priorities are determined based on critical needs and Administration Priorities and the agency's strategic plan. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
1f. Cultivate the expansion of and creation of A-DRTs, to increase disaster response and recovery capabilities throughout the United States and to expand opportunities for rigorous team-based training and service, without the costs of the full-time residential model now used by NCCC.	The agency plans to implement the NCCC program as authorized and appropriated by Congress. The agency will explore growing the ADRT programs while assessing short term direct response needs and longer term recovery needs. The ADRT Framework limits the grantee ADRTS to response efforts typically on 30 day deployments. Most of the disaster work of grantee ADRTS is in addition to their required grant priority areas such as conservation. Nonetheless, this will be part of the agency's comprehensive review of the recommendations in this chart to determine the final status of each.

1g. Create peer-to-peer education and mentoring for new A-DRTs to help them scale up quickly.	This is CNCS's standard business practice for Disaster Services Unit. CNCS and NCCC provide extensive training for new ADRTS. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
2. Developed a comprehensive and independent recruitment and retention program.	The agency is currently addressing this recommendation.
2a. Treat NCCC FEMA and traditional NCCC separately for purposes of achieving the goal of 50 percent participation by individuals from disadvantaged circumstances.	The statutory requirement is for the entire NCCC program inclusive of FEMA Corps. This recommendation requires congressional approval and possibly a change in legislation. Nonetheless, this will be part of the agency's comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
2b. Develop a comprehensive, risk-based enrollment and retention strategy that includes the features outlined in this report. This includes but is not limited to identifying the characteristics of individuals, including those from disadvantaged circumstances, who are most likely to succeed in NCCC and developing interview techniques and application questions to identify applicants likely to complete their service terms successfully.	The agency is currently addressing this recommendation.
2c. Establish enrollment and retention goals each fiscal year.	This is NCCC's standard business practice. The agency believes this recommendation has been implemented. Enrollment goals are established each year and retention is evaluated annually.
2d. Track enrollment and retention data to ensure that goals are met and/or to identify causes for failure to meet goals and implement corrective actions. Identify systemic issues and/or patterns.	This is part of NCCC's standard business practice. The agency is in the process of identifying systemic issues and/or patterns. Data is tracked and NCCC is planning for a retention study to improve retention rates.
2e. During the recruiting and the application processes, use a clear and consistent statement of behavioral expectations that highlights features of the program that cause individuals not to complete their service terms. Make clear what sorts of individuals will not be happy or successful in NCCC. Use the same behavioral expectations during the program.	This is NCCC's standard business practice. The agency believes this recommendation has been implemented.

OIG 17-05 Evaluation of the National Civilian Community Corps (NCCC) Program	2f. Gather and maintain better data on which NCCC members come from disadvantaged circumstances, for example by looking at the member's zip code of residence, tracking whether 22 the member or the member's family has received public assistance in the last five years, and any other indicators that NCCC may develop.	NCCC plans to explore this recommendation further. There are statutory definitions of disadvantaged youth and economically disadvantaged in section 101; (13 and14) of the NCSA.
	2g. Reduce reliance on existing recruitment partners and develop better screening of their referrals.	The agency is currently addressing this recommendation by working on expanding the recruitment partnerships with new organizations.
	2h. Inform recruiting partners of the attrition rate of their referrals so that they may implement action as they deem appropriate.	The agency believes this recommendation has been implemented. NCCC is in regular communications with the existing recruitment partners.
	2i. Develop a policy, with criteria, that limits the number of members who are recruited from other Federal programs.	The agency is unable to implement this recommendation without a change in its legislation. As currently written, the statement conflicts with statutory requirements.
	2j. Identify community organizations and activities likely to engage highly motivated youths and families, including faith-based, immigrant, after-school programs, athletic programs, etc., and recruit from those. Explore a pilot program with the Catholic Archdiocese of Baltimore and/or charter schools that serve target populations.	This is NCCC's standard business practice. NCCC recruitment efforts target a diverse variety of leads for application to the program. Some targeted relationships exist with disaster programs and universities, non governmental programs, civic and faith-based organizations. CNCS is unable to explore a pilot program with the Catholic Archdiocese of Baltimore because NCCC's Baltimore campus has closed.
	2k. Test whether structured interviews to assess specific traits and characteristics would improve selection and retention.	The agency is currently exploring this recommendation. NCCC will explore changes to the selection and placement process with great consideration to the expense and staffing structure required to execute the recommendations. NCCC is evaluating the pilot focused on pre-arrival retention of members.
	2l. Determine what kinds of support would increase retention, and provide it, whether it be behavior-management, counseling, mediation, etc. Engage nearby Foster Grandparents and other local community groups to provide support.	To the extent not barred by current legislation, NCCC will explore and test community engagement strategies to improve retention. However, Foster Grandparents are statutorily prohibited from providing support to NCCC.

2m. Identify those campuses and staffs with consistently high and low attrition. Share effective strategies.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
2n. Set program-wide and campus-wide performance goals for campus leaders and staff that tie together recruitment and retention.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
2o. Enhance the existing interviews of exiting members and conduct interviews of their peers, sponsors, and campus leaders to determine the root causes of attrition. Develop and maintain more granular information regarding the reasons for attrition. Use the resulting information to inform recruiting, selection and support.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
2p. Once NCCC is right-sized as recommended, defer any increase in the program's size until the program consistently achieves full enrollment and a retention rate above a predetermined threshold.	NCCC is optimizing the geographic footprint of the program operations. Inflationary costs continue to exist and the agency does not concur with the recommendation to reduce funding. NCCC operates accordingly under the authorization and appropriations of Congress. Nonetheless, this will be part of the agency's comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
3. Objectively assess the programmatic performance of campuses.	For many years NCCC has conducted In Progress Reviews for each campus and will continue to do so to assess performance. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
3a. Collect timely, objective, substantive feedback from sponsors, measured against objective outcomes, with the results broken out by campus.	Sponsor Surveys and periodic summary of results are broken out by campus. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
3b. Compare sponsor feedback to the team leaders' assessments of each project.	This is NCCC's standard business practice and the agency believes this recommendation has been implemented. Team leader's feedback is used in project evaluation in conjunction with NCCC staff.

3c. Use the results for performance management of campus leaders and peer-to-peer training to leverage the strategies of high-performing campuses, as well as to identify where corrective actions are needed.	This is NCCC's standard business practice and the agency believes this recommendation has been implemented.
4. Promote accountability and strategic collaboration.	This is NCCC's standard business practice. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
4a. NCCC should establish policies and procedures to place greater weight on cost-effectiveness, including proximity and transportation costs, when determining which teams should be deployed for a particular disaster relief project.	This is NCCC's standard business practice. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
4b. NCCC should operate under a presumption that the nearest teams will respond to a disaster, and that disaster response projects take priority over other assignments, where practicable.	This is NCCC's standard business practice. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
4c. To provide quality, professional supervision comparable to that of the A-DRTs, an experienced NCCC staff member should be on-site to oversee disaster-related spikes.	This is NCCC's standard business practice and the agency believes this recommendation has been implemented.
5. Improve member outcomes through additional efforts.	This is NCCC's standard business practice. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
5a. Given the substantial investment in training NCCC members, CNCS should leverage its relationships with Federal agencies and state and local governments to promote more pathways to public employment positions for which NCCC members developed skills and familiarity.	This is NCCC's standard business practice. This is achieved through 'Life after AmeriCorps' planning, career fair days on campus, and Employers of National Service. NCCC has pursued non-competitive eligibility (which requires legislation) unsuccessfully. FEMA has introduced a fast-track hiring procedure which has resulted in approximately 25-30% hiring of FEMA Corps graduates. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.

	5b. CNCS should leverage its State Offices and State Commissions to connect NCCC alumni with nonprofits in their local communities with missions aligned to their skills, such as the Red Cross, Habitat for Humanity and volunteer fire and rescue squads and other similar organizations.	This is NCCC's standard business practice. The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to resolve them. The agency does need to avoid any wrong perceptions that it is actually requiring State Commissions (CNCS grantees) to assist it in this endeavor.
OIG Management Challenges Modernizing Information Technology	4. CNCS must 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.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	2. We recommend that CNCS 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 in abortion-related prohibited activities within a pre-determined period.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	3. We recommend the Corporation conduct similar risk assessments, identification of at-risk grantees, communications and targeted monitoring for other prohibited activities.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	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.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.

NACHC CNCS Missed Opportunities	6. We recommend that CNCS 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.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	7. We recommend that 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.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	8. We recommend that the Corporation 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.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	9. Without waiting for the development of a comprehensive risk-based monitoring strategy, we recommend that CNCS 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.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	10. We recommend that CNCS 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. We also recommend that the Corporation 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.	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.

OIG 17-03 Fiscal Year 2016 Federal Information Security Modernization Act Evaluation of CNCS	A total of five recommendations, including many beginning in FY 2014, remained open from our prior year FISMA evaluations. These open recommendations address weaknesses noted in a variety of areas, including the following: • Multiple Weaknesses with Vulnerability Scanning and Remediation (FY 14-FISMA-NFR 2) • Inadequate Enterprise-Wide Risk Management Policies and Practices (FY 14-FISMA-NFR 9) • Inadequate Disaster Recovery Plan Documentation and Planning (FY 14-FISMA-NFR 14) • Secure Configuration Management Policies, Procedures, and Practices Need Improvement (FY 16-FISMA-NFR 1) • Insufficient Monitoring and Remediation of Server Backup Failures (FY 16-FISMA-NFR 2)	CNCS has provided documentation to the OIG related to a number of NFRs that we previously open. CNCS is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	With respect to financial reporting, we recommended that CNCS take the following nine actions: 1. Prepare a complete set of financial statements and related notes at the interim periods; 2. Decide on the accounting standards (FASB or FASAB) to be followed in preparing the financial statements; 3. Ensure that information presented in the Statement of Budgetary Resources and notes is in accordance with OMB Circular A-136 guidance; 4. Automate the financial statement preparation process insofar as possible to reduce the potential for human error in the financial statement template; 5. Develop detailed policies and procedures to reflect the financial statement preparation process; 6. Review and research discontinued document types to determine whether unliquidated order balances are still valid; 7. Update the Financial Reporting Cost Allocation process memorandum; 8. Identify and remediate the causes that give rise to the recurring needs for Standard Vouchers and user functionality issues; and, 9. Continue its efforts to be fully compliant with the object class reporting requirements.	

OIG 18-01 and 18-02 Audit of CNCS's Fiscal Year 2017 Consolidated Financial Statements	With respect to the unpaid obligations of the National Service Trust, we recommend that CNCS take the following four actions: 1. 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 modify its practices with respect to the treatment of interest revenue; 2. Implement policies and procedures to address Trust Fund unpaid obligations issues; 3. Perform a documented assessment to validate the transactions currently included in the unpaid obligations balance; and, 4. 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 awards from the unpaid obligations balance.	
	With respect to the National Service Trust's service award liability (TSAL) model, we recommended that CNCS take the following six actions: 1. Implement the CNCS consulting firm's recommendation to correct the erroneous member record types; 2. Develop or update the TSAL model documentation, document modelling assumptions, SOPs, and business process narratives; 3. Protect cells within the TSAL model (Excel spreadsheet); 4. 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; 5. Assess the need and document management's position regarding the discounting factors for the model per FASAB standards; and, 6. Cross-train staff and develop a succession plan to ensure the required expertise is available.	The agency is carefully analyzing the FY 2017 Financial Statements audit recommendations regarding current accounting procedures and internal controls. CNCS will continue to work with the OIG, Office of Management and Budget, the Department of the Treasury and the Federal Accounting Standards Advisory Board to address these recommendations.

With respect to grants accrual payable and advances, we recommended that CNCS take the following three actions: 1. 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; 2. Develop a process to validate grant advances, IBNR and payable estimates; and, 3. 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.

With respect to information technology security controls, we recommend that CNCS take the following five actions: 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; 2. Strengthen and refine the process for communicating CNCS facility-specific control deficiencies to CNCS facility personnel, and coordinate remediation of the control deficiencies; 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; 4. Strengthen and refine the process for holding contractors accountable for remediation of control deficiencies in CNCS information systems; and, Note - Implement the 34 detailed recommendations in the FY 2017 FISMA Evaluation report.

OIG 18-03 Fiscal Year 2017 Federal Information Security Modernization Act Evaluation of CNCS	To address information security weaknesses, we recommended 34 actions that CNCS take in the following 14 areas: 1. Strengthen agency's organization-wide information security program; (7 Recommendations) 2. Improve agency's configuration management controls; (2 Recommendations) 3. Strengthen account management controls; (3 Recommendations) 4. Implement multifactor authentication for privileged and non-privileged accounts; (2 Recommendations) 5. Enhance review and analysis of Momentum audit logs; (2 Recommendations) 6. Enhance the personnel screening process; (2 Recommendations) 7. Strengthen contingency planning controls; (3 Recommendations) 8. Enforce an agency-wide information security program across the enterprise; (1 Recommendation) 9. Improve agency's vulnerability and patch management controls; (1 Recommendation) 10. Strengthen access controls for mobile devices; (3 Recommendations) 11. Strengthen monitoring of wireless access connections; (2 Recommendations) 12. Strengthen the protection of personally identifiable information; (1 Recommendation) 13. Improve the information technology asset inventory management process; (1 Recommendation) and, 14. Improve physical and environmental protection controls. (3 Recommendations)	The agency is currently conducting a comprehensive review of the recommendations in this chart and will be meeting with the OIG to determine the final status of each.
	1. We recommend that CNCS ensure the detail level requirements for meeting the DATA Act will be 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.	
	2. We recommend that CNCS 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.	
	3. We recommend that CNCS focus on reducing the amount of Standard Vouchers (SVs) by fixing the root causes. SV's should be limited to those related to accrual adjustments or one-time, unusual transactions only.	

OIG 18-05 Performance Audit of CNCS's Compliance with the Digital Accountability and Transparency Act of 2014	4. We recommend that CNCS validate the SVs to address errors and invalid balances carried forward from prior years and correct the data submissions.	The OIG concurred on 4/27/18 with CNCS's response and corrective action plans (CAPs). Per the audit resolution process, the agency has until 11/8/18 to implement all CAPs and looks forward to working with the OIG to determine the final status of each.
	5. We recommend that CNCS 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.	
	6. We recommend that CNCS 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.	
	7. We recommend that CNCS develop policies and procedures to ensure that reconciliations between internal files are completed prior to submission to the DATA broker.	
	8. We recommend that CNCS obtain DATA Act training for CNCS staff on the use and functionalities of the Award Submission Portal.	
	9. We recommend that CNCS 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.	
OIG 18-09 Website Vulnerability Assessment	1. We recommend that CNCS improve the effectiveness of patching all web servers.	The OIG concurred on 3/20/18 with CNCS's response and corrective action plans (CAPs). Per the audit resolution process, the agency has until 11/30/18 to implement all CAPs and looks forward to working with the OIG to determine the final status of each.
	2. We recommend that CNCS update unsupported software to supported versions.	
	3. We recommend that CNCS address configuration changes required to fully address vulnerability remediation.	
	4. We recommend that CNCS evaluate secure coding practices and remediate Structured Query Language (SQL) Injection and Cross-Site Scripting weaknesses.	
	5. We recommend that CNCS update the contracted IT Service provider Interconnection Security Agreement to reflect the correct connection information.	