

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
MINORITY (202) 225-5051

<http://oversight.house.gov>

May 8, 2015

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street NW
Washington, D.C. 20548

Dear Mr. Dodaro:

The Corporation for National and Community Service (CNCS) assists nonprofit and faith-based groups throughout the United States by providing grants and technical assistance. The Committee values the work of the CNCS in its efforts to promote service initiatives and strengthen communities at the national, State, and local levels. As the largest grant-making agency for service and volunteering, CNCS must effectively manage its grants selection and distribution processes.

Recent reports from the CNCS Office of Inspector General (OIG) raise serious concerns about CNCS's lack of a comprehensive risk management strategy.¹ Inspector General Deborah Jeffrey stated that she remains "deeply concerned" that CNCS does not have "internal controls strong enough to safeguard the integrity and prudent use of Federal funds."² The OIG's reports expressed particular concerns related to CNCS's grants management, monitoring, and oversight functions, as well as the ability of its staff to oversee CNCS's grants programs effectively. The reports also stressed the need to modernize CNCS's information technology (IT) infrastructure in a way that complements and supports CNCS's grant monitoring systems.

According to the OIG, CNCS is contemplating a new plan for improving its grant monitoring and modernizing its IT infrastructure. A GAO study would support CNCS in developing its new plan and better enable Congress to oversee development and implementation of such plan.

¹ See Corp. for Nat'l & Community Serv. Inspector Gen., *Fiscal Year 2014 Semiannual Rep. No. 2* (April 1, 2014 – Sept. 30, 2014), available at http://www.cncsoig.gov/sites/default/files/2_sar_14-02_3.pdf [hereinafter *Semiannual Rep. No. 2*]; Corp. for Nat'l & Community Serv. Inspector Gen., *Fiscal Year 2014 Semiannual Rep. No. 1* (Oct. 1, 2013 – Mar. 31, 2014), available at http://www.cncsoig.gov/sites/default/files/sar_14-01_1.pdf.

² *Semiannual Rep. No. 2*, *supra* note 1, at 5.

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We therefore request that GAO conduct a study to examine the effectiveness of CNCS's grants monitoring and IT modernization plans. In particular, we request that the study address the following:

1. The extent to which CNCS has implemented a risk-based approach to grant monitoring;
2. The extent to which CNCS's approach to grants management at key stages of the grant life cycle compares with effective internal control and monitoring practices of other grant-making agencies;
3. The extent to which CNCS has the expertise necessary to monitor grantees' compliance with grant program requirements;
4. The extent to which CNCS's planned IT modernization projects align with business and management needs for the new grants monitoring program; and,
5. The status of CNCS's IT modernization efforts, including specific steps CNCS is taking to ensure successful and timely delivery of its new system.

Thank you for your attention to this important matter. Please contact Alexa Armstrong or Christopher D'Angelo of the Majority staff at (202) 225-5074 and Mark Stephenson of the Minority staff at (202) 225-5051 with any questions about this request.

Sincerely,



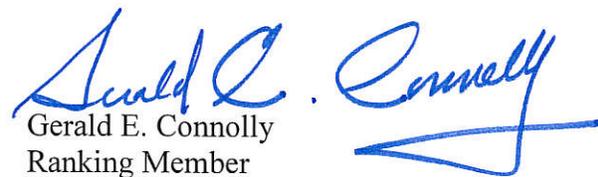
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Subcommittee on
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Gerald E. Connolly
Ranking Member
Subcommittee on
Government Operations