OFFICE OF INSPECTOR GENERAL
CORPORATION FOR NATIONAL AND
COMMUNITY SERVICE

Pre-Audit Survey of Communities in Schools, Inc. Grant Number 01SPHVA003

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Prepared by:

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Pre-Audit Survey of
Communities in Schools, Inc.
Grant Number 01SPHVA003

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CORPORATION
FOR NATIONAL
SERVICE

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We performed a pre-audit survey of Communities in Schools, Inc. (CIS) Grant Number 01SPHVA003. The primary purpose of this survey was to provide a preliminary assessment of:

- The grant award and terms;
- Findings from the most recent A-133 audit;
- Fiscal or program issues raised by CNCS site visits.

We were also to report on the recommended scope of additional audit procedures to be performed at the Grantee.

Overview of Communities in Schools, Inc.

CIS is a community-builder, delivering resources for children who need extra help. CIS partners with families, schools and community leaders to create a support system for students, and works in partnership with public schools to bring services to one million children each year.

Background

The National and Community Service Trust Act of 1993, P.L. 103-82, which amended the National and Community Service Act of 1990, established the Corporation for National and Community Service.

The Corporation, pursuant to the authority of the Act, awards grants and cooperative agreements to State Commissions, nonprofit entities, tribes and territories to assist in the creation of full and part time national and community service programs. Through these grantees, members perform service to meet the educational, human, environmental, and public safety needs throughout the nation, especially addressing those needs related to poverty. In return for this service, eligible members receive a stipend, accidental death and dismemberment insurance, personal liability insurance and automobile insurance, free meals at host institutions and physical examinations.

Communities in Schools was founded in 1977 and is the nation's leading community-based organization helping children succeed in school and prepare for life. CIS has programs and activities in 34 states, which include partnering with families, schools and community leaders to create a support system for students. CIS fulfills its goals by providing the following: Mentors, Tutors, and Parental Involvement Programs, After-School and Extended-Hours Programs, Mental Health Counseling, Family Strengthening Initiative, Drug Alcohol Education, Technology Training for the Future, Career Counseling, College Preparation and Scholarship opportunities, Community Service Opportunities, and Junior ROTC Programs.

Objectives, Scope, and Methodology

The scope of this engagement was to assess the use of grant funds, site visit information, as well as systems and procedures in place at the Corporation's headquarters for monitoring Grantee's fiscal activity. The survey's primary purpose was to preliminarily assess:

- The amount, term and grant provisions;
- The results of A-133 audits;
- Results of CNCS site visits.

We were also to report on the recommended scope of additional audit procedures to be performed at the Grantee.

Our survey included the following procedures:

- Reviewing the grant award, its provisions, the detailed grant proposal and budget;

- Reviewing OMB Circular A-133 reports and;

- Obtaining information from CNCS site visits and from discussion with CNCS Grants Management Office.

Our procedures were performed in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to, and did not perform, an audit of any financial statements and the procedures described above were not sufficient to express an opinion on the controls at the Grantee, or on its compliance with applicable laws, regulations, contracts and grants, or the allowability of grant costs incurred. Accordingly, we do not express an opinion on any such financial statements, or on the Grantee's controls or compliance. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Results

Based on the results of the limited procedures performed, we will proceed with an incurred cost audit of grant project period December 1, 2000 through May 31, 2002. The decision to audit is based on the following:

- Results of the February 2002 site visit and the resulting recommendations to the Grantee.
- Findings reported in the FY 2000 A-133 Audit.
- The award of $4,989,000 is considered material and the Grantee received additional funding in the Corporation's appropriations for Fiscal Year 2002.

This report is intended solely for the use of the Office of Inspector General and the Corporation for National and Community Service.

Terry E Bathen

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