OFFICE OF INSPECTOR GENERAL
CORPORATION FOR NATIONAL AND
COMMUNITY SERVICE

Pre-Audit Survey of
Youth Life Foundation
Grant Number 01SPHDC005

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July 26, 2002

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Youth Life Foundation
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FOR NATIONAL
SERVICE

July 26, 2002

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We performed a pre-audit survey of Youth Life Foundation, Grant Number 01SPHDC005. 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 Youth Life Foundation

The Youth Life Foundation (YLF) is a non-profit organization that opens doors of opportunity for boys and girls whose family lives and circumstances are limiting their chances to lead educated, moral, well-adjusted lives.

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.

The Youth Life Foundation is a not-for-profit organization established in 1988 by All-Pro Washington Redskins cornerback Darrell Green. In 1999, with receipt of a major contribution, an Endowment Fund was established to support the day-to-day operations of the Foundation, operation of the Youth Life Learning Centers (YLLC), and the National Youth Life Foundation Training Institute. The YLLC was launched in 1993 as an after-school, fall to summer program and is the centerpiece of the Foundation. The National Training Institute (NTI) was also added to teach others how to establish a Youth Life Foundation, and how to operate Youth Life Learning Centers. People who go to the NTI have a sincere desire to serve youth through Youth Life Learning Centers based on academic excellence and moral leadership. NTI's goal is to replicate Youth Life Learning Centers within the Washington metropolitan area, and assist others to carry the model to major cities throughout the country.

Objectives, Scope, and Methodology

The scope of this engagement was to assess the use of grant funds, site visit information, and systems and procedures in place at the Corporation's headquarters to monitor the 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 visit reports 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. The project period is January 1, 2002 through December 31, 2002. The audit will take place when the final Financial Status Report is available. The decision to audit is based on the following:

- This is the Grantee's first federal grant. The amount awarded for calendar year 2002 is $1,500,000.

- The Grantee has not received federal grants in the recent past and therefore there is no A-133 audit for our review. We have no audited information on the Grantee's internal or compliance controls.

- The recommendations made after the February 2002 Site Visit.

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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