CITIZEN'S REPORT | FY2009

Corporation for
NATIONAL & COMMUNITY SERVICE

Our Mission: Improve Lives, Strengthen Communities, and Foster Civic Engagement Through Service and Volunteering

Summary of Performance & Financial Results

Purpose of Citizen's Report

The purpose of the Citizen's Report is to provide financial and performance information about the Corporation for National and Community Service (the Corporation) in a format that is more user-friendly for the public than the Corporation's Annual Financial Report (AFR) and Annual Performance Report (APR). This report will communicate how the Corporation is organized, managed, and how well its mission and goals have been met. It also will provide an explanation of how its programs benefit the public. Moreover, this report contains snapshots of the Corporation's budget, its performance, and its financial status. These brief overviews provide concise, outcome-oriented pictures of the Corporation's operations in fiscal year (FY) 2009.

Corporation for NATIONAL & COMMUNITY SERVICE

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How to Serve

If you are interested in joining or learning more about Corporation programs, go to nationalservice.gov. Under the "For Individuals" menu, click on "Join Now" to discover which opportunity is right for you.

Senior Corps
seniorcorps.gov

AmeriCorps
americorps.gov

Learn and Serve America
learnandserve.gov

An electronic copy of this report can be found at:
http://www.nationalservice.gov/about/role_impact/performance.asp.

In addition, the FY 2011 Congressional Budget Justification (CBJ) is available online at:
http://www.nationalservice.gov/about/budget/index.asp

To request a printed copy of this report or provide any feedback regarding this report, please contact the Office of the Chief Financial Officer on (202) 606-5000 or at the address noted above.

February 2010

Message from the Acting Chief Executive Officer

The Corporation for National and Community Service is pleased to present our Fiscal Year 2009 Citizen's Report, a summary of our performance and financial condition in relation to our mission and goals.

This is an exciting moment for service and volunteering, as Americans respond to the challenges of a serious economic downturn by reaching out to help their neighbors and communities. The mission of the Corporation is to foster and support that spirit of civic engagement through service and volunteering. Fiscal Year 2009 was a year of major transition, growth and progress for us and the programs we support, and I am proud to report that in the midst of such an environment, this performance and financial review found us to be a well-managed agency, effectively moving toward accomplishing the goals set for us by Congress and the Obama Administration with accountability and appropriate planning for continued growth.

Corporation Performance

Last fiscal year, the Corporation awarded and oversaw more than $700 million in grants and engaged 5.5 million Americans in service, directly or by leveraging community volunteers. This is the largest total in the agency's history, and includes a record 1 million volunteers on the Martin Luther King, Jr. Day of Service, and the largest-ever class of AmeriCorps members. That class was partly funded by the American Recovery and Reinvestment Act, which the Corporation implemented quickly and carefully, enrolling the first members two months after the law was signed and the majority before the end of the fiscal year.

The Corporation and its programs continued to pursue the ambitious goals set forth in the agency's five-year Strategic Plan. Participants mentored 1.3 million children, including nearly 80,000 from families of prisoners, and enabled more than 725,000 children and youth from disadvantaged circumstances to serve their communities. The number of baby boomers serving also jumped significantly, from 333,000 to 385,000, and we provided independent living services to more than 740,000 elderly and disabled clients.

Edward M. Kennedy Serve America Act

In the midst of all this activity, the passage of the landmark Edward M. Kennedy Serve America Act by broad bipartisan majorities marked the greatest expansion of national service in generations, putting us on a path to 250,000 AmeriCorps positions by 2017. Among its many other provisions, the Act also charges the Corporation and our partners to dramatically expand opportunities for Americans to serve, to focus on critical national issue areas, to be a catalyst for social innovation, and to support the nonprofit sector in a variety of new ways. To facilitate the process, the new law also expands our existing programs and creates new initiatives designed to strengthen our nation's underlying civic infrastructure.

Immediately after passage of the legislation, we began a lengthy public input process, receiving thousands of comments through listening sessions, conference calls, emails, and web postings, in order to inform the implementation process and so that we could move quickly once the new law took effect on October 1. We

are now heavily focused on implementation of the new law, led by an executive steering committee consisting of our most senior managers and cross-agency working groups focusing on specific program areas and cross-cutting issues such as technology, training and performance measures. We have already released funding guidelines for several FY 2010 grant competitions, issued a first set of regulation changes and program guidance, and developed the implementation plan for new initiatives authorized under the Act.

One of the key provisions of the Serve America Act calls for an increased focus on measuring impact on key national challenges, using new national performance measures and other means. Working with our Board of Directors, we are in the process of developing these measures and integrating them into our next five-year Strategic Plan.

Corporation Management

Management reform remains our main focus, and we have continued to make improvements across the board. For the 10th consecutive year, we have received a clean, unqualified opinion on financial statements. This year's audit reports no material weaknesses or significant deficiencies. Our year-end budget close out went as scheduled and all accounts came in on budget.

Although we are not covered by the CFO Act, the Corporation measures itself against the same government-wide financial management metrics, and after a great deal of work over the past five years we are now ahead of the majority of federal agencies. From September 2004 through February 2005, the Corporation achieved "green" on only one out of 11 of these metrics; for FY 2009, the yearly average of "green" scores was 69 percent.

Through extensive work on technology, we removed a significant deficiency identified in FY 2008, executing a contract with a managed services provider to host our IT systems off-site in order to ensure continued operations of our technology for both our staff and our field.

Our previous authorizing statute at times forced us into silos and inefficient ways of doing business, but reforms in the Serve America Act will enable us to make our structure more efficient. Among those reforms are consolidated application and reporting procedures for our grantees, a streamlined grant-making process, and the flexibility to provide comprehensive training and technical assistance across all of the Corporation's programs.

These statutory reforms, coupled with the strong leadership of a new CEO, a highly-focused Board of Directors, a hardworking and dedicated staff and the outside expertise of an organizational and management consultant, will help the Corporation achieve even higher levels of efficiency, cost effectiveness and management excellence as we confront America's toughest challenges through service

In Service,

Nicola O. Goren
Acting Chief Executive Officer

Overview

Who We Are

Mission: The mission of the Corporation for National and Community Service (the Corporation) is to improve lives, strengthen communities, and foster civic engagement through service and volunteering. The Corporation leads, partners with, and makes grants to nonprofit, governmental, and other organizations to increase volunteering, strengthen community organizations, and meet community needs.

More information about the Corporation's mission can be found at:
http://www.nationalservice.gov/about/role_impact/mission.asp.

Organization: The Corporation is an independent federal agency, with a Board of Directors and Chief Executive Officer (CEO) appointed by the President and confirmed by the Senate. The CEO and its Board of Directors oversees the Corporation and sets policy directions for the agency. The Corporation operates three major programs:

- **AmeriCorps** engages both young and older adults in national service through three programs: AmeriCorps State and National, AmeriCorps Volunteers in Service to America (VISTA) and the AmeriCorps National Civilian Community Corps (NCCC).
- **Senior Corps** connects older volunteers to service opportunities through grants to a network of more than 1,000 organizations for three programs: the Retired and Senior Volunteer Program (RSVP), the Foster Grandparent Program, and the Senior Companion Program.
- **Learn and Serve America (LSA)** supports service-learning for students in kindergarten through college, meeting local, community needs and increasing students' academic and civic skills.

More information about the Corporation's programs can be found at:
http://www.nationalservice.gov/about/programs/index.asp.

Personnel: Headquartered in Washington, D.C., the Corporation employees more than 500 people throughout the United States and its territories. The Corporation's recent reauthorization allows the CEO to appoint the Chief Financial Officer (CFO).

A copy of the Corporation's Organizational Chart can be found at:
http://www.cns.gov/about/role_impact/organizationchart.pdf.

Budgetary Resources: In FY 2009, the Corporation received an appropriation of $890 million, an increase of $34 million or 3.9 percent from the prior year. Roughly $646 million or 63 percent of the funds awarded by the Corporation's major programs are distributed either using a statutory formula based on population or through a competitive process that identifies promising and successful initiatives. About 94 cents of each appropriated dollar goes towards program grants and assistance to States, tribes, local communities, and nonprofit grantees. The remaining funding supports agency and program administration, including salaries and IT costs.

More information about the Corporation's budget can be found at:
http://www.nationalservice.gov/about/budget/index.asp

What We Do

The Corporation operates three major sets of programs – Senior Corps, AmeriCorps, and Learn and Serve America – and a number of special programs and initiatives. These activities provide a variety of service opportunities and are united in a common purpose: engaging individuals in volunteering to improve their communities.

Senior Corps

Senior Corps is a network of about 1,200 organizations that sponsor over 1,300 projects funded by the Corporation and non-federal resources. These projects tap the experience, skills, and talents of Americans age 55 and over to meet a wide range of community needs. In FY 2009, an estimated 482,800 volunteers served through Senior Corps' three programs:

- **Retired Senior Volunteer Program (RSVP)** – Volunteers age 55 and older choose how, where, and how often they want to serve, with commitments ranging from a few hours to 40 hours per week. Volunteers are eligible to receive reimbursement for mileage and insurance coverage while on assignment and are provided the most flexibility in choosing service opportunities.
- **Foster Grandparent Program (FGP)** – Volunteers provide support and service to children and youth with special or exceptional needs in a variety of settings including schools, hospitals, drug treatment centers, and child care centers. Volunteers age 60 and over provide direct services, 15 to 40 hours per week. Volunteers must meet income eligibility requirements to receive a monetary stipend.
- **Senior Companion Program (SCP)** – Volunteers age 60[1] and older assist homebound seniors and other adults with daily living tasks; this assistance makes it possible for these individuals to live independently in their own homes. Senior Companions serve 15 to 40 hours per week and receive training and assistance to improve their service. Those who meet income requirements receive a monetary stipend of $2.65 per hour.

More information about Senior Corps programs can be found at:
http://www.nationalservice.gov/about/programs/seniorcorps.asp.

AmeriCorps

AmeriCorps is a network of national service programs that meet critical needs in areas such as education, public safety, health, and the environment through partnerships with nonprofit organizations such as faith- and community-based organizations, colleges and universities, as well as state and local governments. Since 1994, more than 574,000 Americans have served 718 million hours through AmeriCorps. In FY 2009, roughly 66,500 AmeriCorps members served in communities across the nation and mobilized nearly 2.5 million additional volunteers. Upon completion of their service term, AmeriCorps members are eligible to earn an education award to help finance their education or repay qualified student loans and eligible interest expenses.

AmeriCorps operates three programs:

- **AmeriCorps State and National** is the broadest network of AmeriCorps programs. It provides financial support through grants to public and nonprofit organizations that sponsor service programs around the country, including hundreds of faith-based and other community-based organizations, higher education institutions, Indian tribes, and public agencies. These groups recruit, train and place AmeriCorps members to meet critical community needs in education, public safety, health, and the environment.

[1] The Kennedy Serve America Act lowers the participant age to 55 in FY2010.

- **AmeriCorps Volunteers in Service to America (VISTA)** provides full-time AmeriCorps members to nonprofit, faith-based, and other community organizations as well as public agencies to create and expand programs that bring low-income individuals and communities out of poverty.
- **AmeriCorps National Civilian Community Corps (NCCC)** is a residential, team-based AmeriCorps program that provides leadership and service opportunities for young Americans between the ages of 18 and 24, to address pressing national and community needs in all 50 states. The program provides rigorous training that prepares its members to serve as first responders and as force multipliers who can effectively coordinate and manage episodic volunteers.

More information about AmeriCorps programs can be found at:
http://www.nationalservice.gov/about/programs/americorps.asp.

Learn and Serve America

Learn and Serve America provides an "on-ramp" to a lifetime of civic engagement for more than 1 million students each year. The program awards grants to state education agencies, schools, nonprofit groups, and institutions of higher education to engage students in service-learning activities that link academic achievement and community service. As part of its goal of making student service and service-learning a common practice, Learn and Serve America provides resources to teachers, faculty members, schools, and community groups across the country.

In FY2009, Learn and Serve will be issuing Summer of Service to grants support collaborative efforts implement community-based service-learning programs during the summer months. Summer of Service programs will engage 1,000 middle school students in projects that are intensive, structured, supervised, and designed to produce identifiable improvements to the community. This opportunity provides youth – particularly those from disadvantaged circumstances – with service-learning experiences that will motivate them to become more civically engaged and aspire to obtain higher education. Program participants who complete at least 100 hours of service within the summer program are eligible for a $500 education award.[1]

More information about Learn and Serve America programs can be found at:
http://www.nationalservice.gov/about/programs/learnandserve.asp.

Special Corporation Programs and Initiatives

The Corporation also operates a number of special programs and initiatives – Martin Luther King, Jr. Day of Service, faith- and community-based Initiatives, and the September 11th National Day of Service and Remembrance. These special programs and initiatives also:

- Provide grants aimed at engaging individuals with disabilities in service and extensive training and technical assistance to nonprofit organizations.
- Operate a Resource Center aimed at expanding the volunteer capacity of nonprofits.
- Convene a national conference on volunteering and service.
- Honor colleges and universities through the President's Higher Education Community Service Honor Roll for the commitment of their students, faculty, and staff to community service.

[1] At the discretion of the Chief Executive Officer, a participant who is deemed economically disadvantaged can earn a maximum of $750.

In FY 2009, the Corporation awarded six grants in honor of the legacy of Dr. Martin Luther King Jr. to support community organizations in their efforts to engage local volunteers in specific, short-term projects throughout the year and on the MLK Day of Service. The FY 2009 grants were a tremendous success, with 1 million volunteers serving across the nation – double the FY 2008 level. In addition, the number of MLK Day projects more than doubled from FY 2008 to FY 2009.

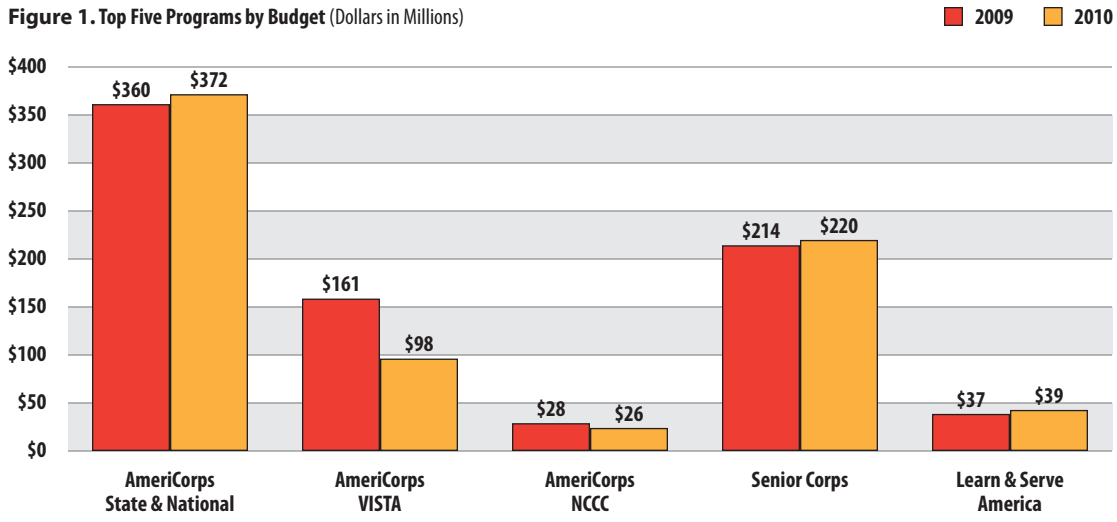
In 2009, the Corporation released a draft NOFA for its Social Innovation Fund (SIF) grant competition. The Corporation solicited public feedback on the funding notification and expects to award grants to intermediary grant making institutions. The SIF will support: (1) The production of measurable and transformational outcomes within specific issue areas or geographic regions; (2) An addition to the store of evidence of effective approaches to achieving impact; and (3) An expansion of proven initiatives to more communities.

As part of its implementation of the Kennedy Serve America Act the Corporation is developing a NOFA for the Volunteer Generation Fund for release in the spring of 2010. The Volunteer Generation Fund will strengthen our nation's volunteer infrastructure. It will provide organizations with assistance in the development of training, management and support for their programs in order to accommodate the large influx of new volunteers seeking service opportunities. The competition for the Volunteer Generation Fund will be open only to State Service Commissions, as indicated in the agency appropriation.

More information about special Corporation initiatives can be found at:
http://www.nationalservice.gov/about/initiatives/index.asp.

Corporation Budget and Performance Snapshot

Figure 1. Top Five Programs by Budget (Dollars in Millions)



Note: FY 2009 levels include a funding increase provided by the American Recovery and Reinvestment Act to support roughly 15,000 new AmeriCorps State and National ($89M) and AmeriCorps VISTA ($65M) members.

Budget and Performance Snapshot

In FY 2009, the Senior Corps programs provided $213.7 million to collectively fund 482,800 direct volunteers. RSVP volunteers delivered an estimated 62 million hours of service – tutoring and mentoring children, assisting victims of natural disasters, improving the environment, and mobilizing other volunteers. More than 28,000 volunteers in the Foster Grandparent Program served 248,000 children and youth with special or exceptional needs and acted as mentors to more than half of those served. In addition, 15,000 volunteers in the Senior Companion Program took care of the in-home needs of 68,200 frail, older adults and others with physical or developmental limitations. They transported clients to medical appointments, helped shop for food and basic necessities, provided companionship to offset isolation, and offered respite to nearly 9,000 family members and informal caregivers.

In FY 2009, AmeriCorps State and National provided $346.2 million in funding to recruit, place, and supervise AmeriCorps members, including $201 million awarded competitively to 267 national and local organizations, state service commissions, faith-based groups, educational institutions, and Indian Tribes. AmeriCorps members in these organizations and agencies tutored and mentored at-risk youth, built and rehabilitated homes, and worked to prevent high school dropouts and expand college access. They also conserved park and public lands, supported food banks and shelters, and recruited and mobilized nearly 1.2 million additional volunteers.

In FY 2009, AmeriCorps VISTA provided $161 million to support members who served in nearly 1,000 nonprofits, building their capacity in areas such as education, employment, housing, and financial development. AmeriCorps VISTA members leveraged more than 1 million community volunteers and raised over $183 million in support of these local initiatives.

In FY 2009, AmeriCorps NCCC provided $29 million to teams that completed 430 projects through partnerships with federal and state agencies and community-based organizations. The Corporation devoted 60 percent of AmeriCorps NCCC's total program resources to disaster relief and recovery efforts nationwide, supporting displaced and needy individuals, families, and communities. Also, four years after Hurricane Katrina brought AmeriCorps NCCC teams to the Gulf Coast to join in recovery efforts the Corporation successfully opened its fifth NCCC campus in Vicksburg, Mississippi with 160 Corps members.

In FY 2009, Learn and Serve America awarded $37.4 million in grants to support service-learning in schools, institutions of higher education, tribes, and faith-based institutions and community groups across America. In FY 2008 (the most recent year available), 1,613 LSA grantees and sub-grantees reported the participation of 1.2 million participants, 43,000 educators, 22 million service hours, and 22,000 community partners.

In FY 2009, the Corporation provided $990,000 in support Martin Luther King, Jr. Day of Service. This level of funding inspired an historic level of participation. An estimated 1 million volunteers took part in more than 13,000 projects; this was an increase of 8,000 projects from the FY 2008 level. Additionally, the 2009 National Conference on Volunteering and Service was the Corporation's largest conference to date, bringing together 5,000 volunteer and service leaders from across the nation and globe. The Corporation also led the United We Serve campaign, which focused on six core elements of the agency's recovery agenda: health care, energy independence, education, community and economic renewal, disaster preparedness, and support for our veterans.

In FY 2009, the American Recovery and Reinvestment Act provided $87 million for an estimated 11,500 additional AmeriCorps State and National members who will provide employment training, financial planning, and housing assistance. Their work will prevent home foreclosures, support tutoring and literacy programs, weatherize homes, and help to recruit and manage other volunteers.

In FY 2009, the American Recovery and Reinvestment Act provided $67 million for an estimated 3,765 additional AmeriCorps VISTA members will provide foreclosure prevention and financial counseling, expand college access, help ex-offenders re-enter society, organize literacy programs, and support health care and independent living services.

In FY 2009, the Corporation also received $6 million from the Recovery Act to begin the process of moving its IT infrastructure from headquarters to a more stable, off-site environment.

Financial Management Snapshot

Table 1. Total Spending FY 2006-2010 (dollars in millions)

Budget Account	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Mandatory	$ -	$ -	$ -	$ -	$ -
Discretionary					
Senior Corps	215	213	214	207	235
AmeriCorps	402	403	403	405	446
Learn and Serve	41	40	33	36	41
Other	184	242	240	267	258
Total Discretionary	**842**	**898**	**890**	**915**	**979**
Total	**$ 842**	**$ 898**	**$ 890**	**$ 915**	**$ 979**

[1] Note: Prior year data are from Combined Statements of Budgetary Resources for the years Ended September 30, CNCS Annual Financial Reports. FY 2010 numbers are estimates as of December 2009 and are subject to change.

Table 2. FY 2009 Financial Snapshot (dollars in millions)

	Status
Clean Opinion on Financial Statements	Yes
Timely Financial Reporting	Yes
Improper Payment Rate	n/a
Total Liabilities	$ 462
Material Weaknesses	0
Total Assets	**$ 1,542**
Net Cost of Operations[1]	0

[1] As a federal corporation, CNCS does not prepare a Statement of Net Cost but instead prepares a Statement of Operations and Changes in Net Position. For 2009, the net of revenue over expense was $15,648,000 in its audited and published financial statements.

Financial Management was a key focus in FY 2009 and the Corporation achieved success in several important areas. For the tenth consecutive year, the Corporation earned an unqualified opinion on its financial statements. The consistency of this result across the past decade demonstrates the commitment of staff and the Corporation's leadership to ensuring full accountability, improving grants oversight, strengthening internal controls, and stabilizing agency IT systems. In a self-assessment, the Corporation also exceeded the average percentage of "green" results on the Government-wide Financial Management Metrics achieved by the 24 major CFO Act agencies by 16 percentage points.

For FY 2009, Corporation revenue totaled $970.5 million, which is an increase of $56.4 million, or six percent, above the FY 2008 level. This increase was attributable to an increase in appropriations used of approximately $58.3 million related to the increased funding level for FY 2009. In addition to the annual appropriation from Congress, the agency received an additional $201 million under the Recovery Act to support additional members whose service will target improving conditions made worse by the economic downturn. This

includes providing and supporting financial planning and counseling, out-of-school time activities to allow parents more time to job hunt, and housing assistance to name a few areas. Of the total $201 million Recovery Act dollars received, $89 million went to the AmeriCorps State and National program. $65 million went to AmeriCorps VISTA. $40 million went to the National Service Trust. $6 million went to information technology improvements and operational support, and $1 million went to the Office of the Inspector General to audit the use of Recovery Act funds.

The Corporation's most significant liabilities are the Trust Service Award Liability and Grants Payable. Individuals who successfully complete terms of service in AmeriCorps programs earn education awards that can be used to make payments on qualified student loans or for educational expenses at qualified educational institutions. The awards, which can be used for a period of up to seven years, are paid from the National Service Trust. The Trust also pays forbearance interest on qualified student loans during the period members perform community service. The award liability components related to education awards and interest forbearance have been adjusted to reflect historical use rates. The Trust Service Award Liability increased by about $21 million – from $303 million at September 30, 2008 to $324 million at September 30, 2009. This change was largely due to the continued growth of the AmeriCorps State and National program and the additional members serving in Recovery Act positions.

Grants Payable liabilities represent funds due to grantees in payment of their performance under a grant. For the most part, these payables are liquidated during the first quarter of the subsequent fiscal year. Grants Payable increased by about $16 million – from $89 million at September 30, 2008 to $105 million at September 30, 2009. The change between the two years is considered a normal operating variance reflecting the increased funding levels for the Corporation.

The Strengthen AmeriCorps Program Act of 2003 (SAPA) directed that the Corporation record Trust obligations at the time of grant award for AmeriCorps State and National, or at the time the Corporation enters into an enforceable agreement with an individual participant in the AmeriCorps VISTA and AmeriCorps NCCC programs. The amount to be obligated is the estimated value of authorized education benefits, discounted for the estimated enrollment, earning and usage rates and the time value of money. As directed by the Act, the Corporation also established a Trust reserve that will protect the Corporation in the event that the estimates used to calculate obligations differ from actual results. Under SAPA, during FY 2009 the Corporation based its obligation amount on the full value of the education award, a 100 percent enrollment rate (allowing for refills), and earning and usage rates of ranging from 75 to 85 percent depending on term type.

Performance Management Snapshot

Figure 2. Corporation Performance on Strategic Goals

The Corporation demonstrates the impact of its mission in communities and organizations with clear and quantifiable measurement of the impact of its investments. Measuring this impact has presented challenges in the past, due in part to the diverse nature of the agency's programs, the range of needs that they address, the number and type of organizations that they support, and the varying activities that volunteers support in communities. The Corporation's FY2011 to FY2015 strategic plan will provide new and revised strategic goals, initiatives, and performance targets.

In FY 2009, the Corporation supported a record number of people and organizations across America because service and volunteering has been a key element of the federal government's response to the economic downturn. The Corporation awarded and oversaw over $700 million in grants and engaged 5.5 million individuals in results-driven service in FY 2009.

Accomplishments: In FY 2009, the Corporation provided targeted, critical support through its volunteers and grantees that, in turn, delivered much-needed services to communities throughout the country. The Corporation:

- Enabled more than 725,000 children and youth from disadvantaged circumstances to serve their communities through Corporation-sponsored programs.
- Provided mentoring and other support services to more than 1 million children.
- Delivered independent living services – including direct support and respite for informal caregivers – to more than 740,000 clients.
- Engaged more than 580,000 college students in service.

More information about the Corporation's accomplishments can be found in our FY 2011 Congressional Budget Justification at: http://www.nationalservice.gov/about/budget/index.asp

The Recovery Act included $152 million in funding for the Corporation to support an expansion of its AmeriCorps State and National and its AmeriCorps VISTA programs. Using these funds, the Corporation expects to put over 15,000 additional members into service to meet the needs of vulnerable populations and communities during the current economic recession. Funding from the Recovery Act was also used to provide current grantees with relief from requirements to provide matching funds.

More information about the Corporation's use of Recovery Act funds is available at: http://www.nationalservice.gov/about/recovery/index.asp.

In order to implement the Kennedy Serve America Act, the Corporation assembled a team of more than 80 staff from across the agency. An executive steering committee of senior managers led 15 working groups focused on specific program areas and on crosscutting topics such as technology, training, and performance measurement. This team has made significant progress in its work and has met all of its benchmarks for the initial implementation of the Kennedy Serve America Act.

More information about the Kennedy Serve America Act can be found at: http://www.nationalservice.gov/about/serveamerica/index.asp.

The Corporation is currently drafting a strategic plan to replace the FY 2006 to FY 2010 Strategic Plan. This plan will benefit from extensive public input, and it will act as a blueprint for increasing the effectiveness of the Corporation's programs and operations.

More information about the Corporation's current strategic plan can be found at: http://www.nationalservice.gov/about/focus_areas/index.asp

Table 2. Summary of FY 2009 Corporation Performance by Strategic Initiative

Strategic Initiative and Performance Measure	FY 2009 Target	FY 2009 Actual	
Mobilize More Volunteers			
Number of volunteers supported by Corporation-sponsored programs (including Corporations program members, participants, volunteers, and leveraged community volunteers)	4,958,000	5,536,261	■
Ensure a Brighter Future for All of America's Youth			
Number of children and youth from disadvantaged circumstances mentored through Corporation programs	924,700	1,226,034	■
Number of children of prisoners mentored through Corporation programs	63,800	79,546	■
Number of children and youth from disadvantaged circumstances serving their communities through Corporation-sponsored programs	570,300	725,452	■
Engage Students in Communities			
Number of college students serving through Corporation programs	529,000	586,649	■
Percentage of organization funded through Learn and Serve America grant programs that have adopted at least six of nine institutional supports leading to sustainability for service-learning	29%	25% (est.)	■
Harness Baby Boomers' Experience			
Number of Baby Boomer volunteers generated through Corporation-sponsored programs	312,590	385,810	■
Number of clients who receive independent living services, including direct support and respite for informal caregivers through Corporation-sponsored programs	804,500	740,418	■

Table 3. Summary of FY 2009 Management Performance by Strategic Initiative

Strategic Initiative and Performance Measure	FY 2009 Target	FY 2009 Actual	
Improve Program and Project Quality			
Percent of Corporation-funded grantees meeting or on track to meet program/project performance goals[1]	NA	NA	
Cultivate a Culture of Performance and Accountability			
Number of material weaknesses (MW), significant deficiencies (SD) or reportable conditions (RC) identified in the annual financial statement audit	0 MW 0 SD	0 MW 0 SD	■
Percentage of Government-wide financial management metrics where the Corporation is rated "green"	100%	69%	■
Deliver Exemplary Customer Service			
Overall Corporation score on the American Customer Satisfaction Index (100 point scale)	77	74	■
Overall score for satisfaction with the overall usability and effectiveness of the agency's major technology systems (100 point scale)	75	Data Available June 2010	
Build a Diverse, Energized, and High-Performing Workforce			
Percent of employees who report overall satisfaction with their jobs	72%	69%	■

[1] In FY 2004, the Corporation began implementing systems and grantee reporting guidance to enable the collection of data to calculate this measure; however, collection of this data in the aggregate across all Corporation programs is not currently possible due to limitations in the grants management system.

The Corporation's management goal is to create a culture of performance focused on achieving its mission. Efforts to achieve and sustain a high level of performance are concentrated in four areas:

- Improving program and project quality.
- Cultivating a culture of performance and accountability.
- Delivering exemplary customer service.
- Building a diverse, energized, and highly-performing workforce.

More information about the Corporation's management goals can be found at: www.nationalservice.gov/about/role_impact/performance.asp.

The Corporation has continuously improved the quality and effectiveness of its programs and projects by:

- Expanding its focus on performance management throughout the year, including regular reviews of progress.
- Expanding the use of standardized performance measures for grantees.
- Developing a better understanding of volunteering behavior at the local level through strong research.

More information about the quality and effectiveness of the Corporations programs can be found at: http://www.nationalservice.gov/about/focus_areas/index.asp.

Moreover, the Corporation conducts and supports high-quality, rigorous social science research designed to:

- Measure the impact its programs.
- Shape policy decisions.
- Encourage a culture of performance and accountability in national and community service programs.
- Provide information on volunteering, civic engagement, and volunteer management in nonprofit organizations.
- Assist in the development and assessment of innovative projects designed to shape future community service programs.

The Corporation exceeded its targets on six of eight performance measures for which data was collected. Since 2008, the Corporation has improved its data collection processes and has begun to require grantees to report performance information related to strategic initiatives at the end of the calendar year.

The Corporation has also exceeded all of its performance targets in the area of mentoring and providing service opportunities to disadvantaged children and youth, reflecting the Corporation's highly focused efforts to promote this activity among its grantees. It also reflects that agency's emphasis on engaging such youth in quality service-learning experiences in an attempt to increase both civic and academic engagement. The Corporation has devoted significant resources to this area and created partnerships with several organizations to expand mentoring services across the country.

More information on the Corporation's efforts and challenges in addressing each strategic initiative at the Corporation is available by contacting the Office of the Chief Executive Officer at 202-606-5000.

Table 4. National Volunteering Trends[1]

Strategic Initiative and Performance Measure	FY 2006 Actual	FY 2007 Actual	FY 2008 Target	FY 2008 Actual	FY 2009 Target	FY 2009 Actual	FY 2010 Target
Engage Students in Communities							
Number of Americans volunteering annually through an organization (in millions)[2]	61.2	60.8	71.3	61.8	73.5	63.4	75.0
Number of Americans regularly volunteering (in millions)[3]	30.9	32.1	39.2	32.3	41.0	Data Available 10/10	43.0
Ensure a Brighter Future For All of America's Youth							
Number of Americans who mentor each year (in millions)[4]	2.0	2.2	NA	2.3	2.2	NA	2.2
Number of children and youth of incarcerated parents mentored through federal programs[5]	30,200	93,400 (est.)	40,000	NA	96,400	NA	97,300
Number of teens from disadvantaged circumstances engaged in service in their communities (in million)[6]	2.6	NA	2.8	Available 12/09	NA	NA	NA
Engage Students in Communities							
Number of college students who volunteers (in millions)	2.8	2.7	4.3	3.0	4.7	Data available 10/10	5.0
Percent of Federal Work Study funds devoted to community service[7]	15%	15%	18%	16%	19%	Data available 5/10	20%
Harness Baby Boomers' Experience							
Number of Baby Boomers volunteering (in millions)	23.6	23.1	27.1	22.6	27.8	Data available 10/10	28.7

[2] Data for all measures is not available or collected annually.

In FY 2008, national measures indicate that 63.4 million Americans volunteered through organizations between September 2007 and September 2008, including 3 million college students and 22.6 million Baby Boomers. Of particular note, volunteering among older Americans (age 65 and older) has increased seven percentage points between 1989 and 2008, according to figures from the Current Population Survey, U.S. Census Bureau.

In July 2009, the Corporation published "Volunteering in America: 2009," the latest version of an annual study of trends in national volunteering. This research will allow the Corporation to identify more effective ways to influence the success of its programs and grantees.

Research from the report highlights the following:

- In 2008, 63.8 million Americans or 26.4 percent of the adult population contributed 8 billion hours of volunteer service worth $162 billion.
- Despite the challenges of a tough economic situation, the volunteering rate held steady between 2007 and 2008, while the number of volunteers slightly increased by about one million.
- Over 441,000 more young adults (age 16-24) volunteered in 2008 than 2007, representing an increase from about 7.8 million to more than 8.2 million.
- Neighborhood engagement levels have risen sharply since 2007, with a 31 percent increase in the number of people who worked with their neighbors to fix a community problem and a 17 percent increase in the number of people who attended community meetings.
- Volunteers were much more likely than non-volunteers to donate to a charitable cause in 2008, with 78.2 percent contributing $25 or more compared to 38.5 percent of non-volunteers.

On January 26th, 2010 the Bureau of Labor Statistics announced the results of its survey of volunteering in the United States. These data on volunteering were collected through a supplement to the September 2009 Current Population Survey (CPS) that is sponsored by the Corporation. The CPS is a monthly survey of about 60,000 households that collects monthly information about the U.S. population. For the purposes of the CPS, volunteers are defined as persons who did unpaid work (except for expenses) through or for an organization. The Bureau of Labor Statistics reported:

- Both the number of volunteers and the volunteer rate increased in 2009. About 63.4 million people, or 26.8 percent of the population, volunteered through or for an organization between September 2008 and September 2009.
- The volunteer rate among women increased from 29.4 percent in 2008 to 30.1 percent in 2009. The volunteer rate among men remained essentially unchanged at 23.3 percent. As in previous years, women volunteered at a higher rate than did men across all age groups, educational levels, and other major demographic characteristics.
- In FY2009, Whites volunteered at a rate of 28.3 percent. Blacks volunteered at a rate of 20.2 percent. Asians volunteered at a rate of 19.0 percent, and Hispanics volunteered at a rate of 14.7 percent. The volunteer rate of all races increased in 2009, although not all were significant.
- From 2008 to 2009, the number of volunteers employed at full time jobs increased from 27.8 percent to 28.7 percent. Volunteer rates among the unemployed showed little to no significant change during the same time period, however there was a noticeable increase in the volunteer rate among unemployed men from 17.0 to 18.2.

More statistical information about volunteering trends can be found at:
http://www.volunteeringinamerica.gov.

Recent volunteering statistics from the Current Population Survey can be found at:
http://www.bls.gov/news.release/volun.htm
Additional information about volunteering can be found at:
http://www.nationalservice.gov/about/role_impact/performance_research.asp
http://www.nationalservice.gov/pdf/08_0513_longstudy_report.pdf
http://www.nationalservice.gov/pdf/VIA_CITIES/VIA_cities_fullreport.pdf
http://www.nationalservice.gov/pdf/08_0902_rpd_vista.pdf
http://www.nationalservice.gov/pdf/07_0515_ac_memberimpact.pdf

Financial Management

Message from the Acting Chief Financial Officer

February 2010

I am pleased to present the fiscal year (FY) 2009 Citizen's Report for the Corporation for National and Community Service. Executing sound financial stewardship of the Corporation's resources is an essential element for achieving our mission of improving lives, strengthening communities, and fostering civic engagement through service and volunteering.

FY 2009 was a milestone year for the Corporation. For the first time since its establishment in 1993, the Corporation's programs were reauthorized and its mission expanded with the passage of the Edward M. Kennedy Serve America Act. This growth will come with significant challenges for our staff and field, and increases the need for effective financial management and internal controls.

Our successes in FY 2009 show that the Corporation can meet future challenges. Notably, the agency has earned an unqualified audit opinion on its financial statements for a tenth consecutive year. This year's audit includes no significant deficiencies and shows that the Corporation has demonstrated a commitment to strong internal controls and a sound financial system. This successful outcome is particularly important given the many initiatives that the agency undertook in FY 2009. These include:

- Resolving the significant deficiency included in the 2008 report related to the Corporation's Continuity of Operations Plan (COOP) and change control management;
- Successfully releasing the third update to the MyAmeriCorps Portal – the Corporation's online system used by AmeriCorps members to manage their experience and receive important information before, during, and after their service;
- Strengthening our IT infrastructure by beginning the process of moving our IT systems off-site to a managed services environment;
- Converting the agency's debit card program and making key improvements to our core financial system to better comply with requirements set forth by the U.S. Treasury;
- Refining the Corporation's Assessable Unit Risk Assessment Tool to enhance the relevance of the elements being rated and the objectivity with which the overall levels of inherent risk, control strength and residual vulnerability are determined; and
- Developing a user-friendly budget forecasting model to ensure consistent and accurate forecasting of the agency's financial resources;

In addition, staff across the agency acted swiftly to successfully implement the Corporation's work related to the American Recovery and Reinvestment Act – engaging an additional 14,000 members in improving the social and economic conditions worsened by the recession. The Corporation will continue this important work in FY 2010, awarding up to 1,000 additional AmeriCorps members.

While we are proud of these accomplishments, we recognize that the work before us is challenging and that there will be bumps in the road to the expansion envisioned by the Edward M. Kennedy Serve America Act. We will continue our work with the Corporation's Office of Inspector General and its financial auditors to identify areas where efficiencies can be made and internal controls improved. This will help us achieve greater transparency in our operations and continued diligence in the use of the financial resources entrusted to us by the public.

Finally, I want to thank our employees and grantees. This report – and the accomplishments it describes – is a reflection of their extraordinary dedication to the mission and guiding principles of the agency. Together, we look forward to tackling our ambitious agenda for the future.

William Anderson
Acting Chief Financial Officer

Improper Payments

The Corporation achieved its tenth consecutive unqualified audit opinion in FY 2009. This reflects the Corporation's sustained efforts to improve grants oversight, strengthen internal controls, automate processes, and measure key management indicators. The Improper Payments Information Act (IPIA—P.L. 107-300) requires Federal agencies to identify and report on significant payment programs that are susceptible to erroneous payments. The Act defines significant erroneous payments as those within a single payment program that exceed both 2.5 percent of that program's annual amounts paid and $10 million annually. The Corporation reviewed its operations identifying 12 payment programs, and assessed each to determine which, if any, were susceptible to significant erroneous payments. Only seven of the 12 programs make total annual payments that exceed $10 million. For any of the seven programs under which total payments exceed $10 million, preliminary error rates exceeding the 2.5 percent and $10 million threshold levels would have to be subsequently confirmed through a statistical sampling process to designate a payment program as a significant payment program susceptible to erroneous payments.

The two largest Corporation payment programs are the Domestic Volunteer Service Act and the National and Community Service Act grant programs. Together the annual payments for these programs account for about 62 percent of all Corporation payment amounts. As grant programs, these payments are administered by the Department of Health and Human Services' Payment Management System. There are numerous internal and external controls making erroneous grant program payments highly unlikely. For example, awards go through many levels of review and approval before obligations are created and transmitted to the Payment Management System. These payments are all requested by authorized grantees, and then they are validated and disbursed by Health and Human Services. Moreover, the receipt and use of grant funds by grantees are monitored by the Corporation and in many cases are subject to independent audits under the Single Audit Act and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

Based on the results of the FY 2009 IPIA review, there were no significant payment programs susceptible to erroneous payments.

Assurance of Financial Position and Integrity

The Corporation's financial statements demonstrate an appropriate balance of its assets and liabilities. Sufficient funds are available to meet the commitments it made in FY 2009. The National Service Trust which funds the Segal AmeriCorps Education Awards made to AmeriCorps members who complete their term of service continues to be fully solvent. Moreover, the Trust is able to meet its estimated future costs and currently maintains a reserve of about $50 million.

Although the Corporation is not a federal agency listed in the CFO Act, management measures its financial performance against the same U.S. CFO Council Government-wide Financial Management Metrics. In FY 2009, the Corporation achieved "green" scores for 64 percent of these metrics.

The Corporation conducted its assessment of internal controls over the effectiveness and efficiency of operations and compliance with applicable laws and regulations in accordance with OMB Circular A-123. Based on the results of this evaluation, the Corporation can provide reasonable assurance that its internal control over the effectiveness and efficiency of operations complies with applicable laws and regulations.

More information about the Corporation's financial performance can be found at: http://www.nationalservice.gov/pdf/afr_2009_fullreport.pdf.

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