

United States Senate

WASHINGTON, DC 20510-2101

January 11, 2012

The Honorable Tom Harkin
Chairman
Subcommittee on Labor, Health and Human Services,
Education and Related Agencies
Committee on Appropriations
Washington, DC 20510

Dear Chairman Harkin:

The recently passed Consolidated Appropriations Act of 2012 cuts by nearly half the funding of the Corporation for National and Community Service (Corporation) Office of Inspector General. This cut will profoundly affect the Inspector General's ability to conduct meaningful oversight and ensure that the Corporation is appropriately using taxpayer funds. Therefore, we request that you take steps to allow the transfer funds within the Corporation to the Office of Inspector General.

We have been informed by the Office of Inspector General that this cut, which totals nearly \$4 million, will result in a reduction of more than 75 percent of full time personnel in the next several days. Consequently, the Office will be unable to complete any of its attached audit plan, will be substantially limited in performing the three statutorily required audits, and will have to discontinue all ongoing investigations of waste, fraud and abuse of taxpayer resources.

It is vital that Inspectors General have the funding necessary to carry out their important mission. The return on investment for each dollar is many times that spent. For example, the Government Accountability Office calculated that Inspectors General returned the value of \$18 for each dollar spent in Fiscal Year 2009.¹ According to just the two most recent semi-annual reports, the Corporation's Inspector General has been protecting taxpayers and providing substantial assistance to improve national service. For example, Office of Inspector General auditors issued 21 reports that identified more than \$959,000 in questioned costs and more than \$581,000 that could be put to better use, and investigators opened 42 cases, closed 35 cases, recovered more than \$446,700, as well as identified more than \$4.1 million in potential recoveries from individuals and grantee organizations found to have engaged in fraud, waste and

¹ GAO-11-770, Sep 21, 2011.

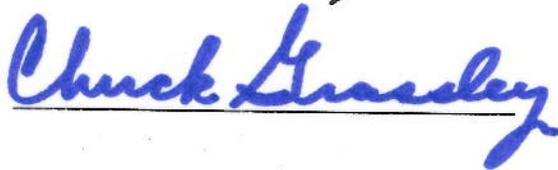
abuse. Among other things, the Office of Inspector General has recently investigated prohibited advocacy by Corporation sponsored volunteers and a conspiracy to steal more than \$325,000 of Corporation funds in Guam.²

We simply do not understand what motivated this cut considering the demonstrated need for a robust Office of Inspector General at the Corporation. Given the considerable amount of funding provided for the Corporation in FY 2012 – nearly \$752 million for operating expenses and \$83 million for salaries and expenses – we believe that \$4 million could be transferred to the Office of the Inspector General without harming the Corporation's overall mission.

We therefore request that the Labor-HHS Appropriations Subcommittee work with its House counterpart to quickly develop a one-time limited authority to allow a transfer of funds from the Corporation's general appropriations account to the Office of Inspector General to fund activities as requested in the President's FY 2012 budget proposal. Alternatively, the Corporation could also be allowed to incur obligations up to the equivalent value on behalf of the Inspector General for the remaining FY 2012.

Please have your staff contact Nicholas Geale of the Health, Education, Labor and Pensions Committee at 224-6770, Chris Lucas of the Judiciary Committee at 224-5225, or Trey Hicks of the Homeland Security and Government Affairs Committee at 224-4751 if you have any questions. Thank you for your attention to this important matter.

Sincerely,



Enclosure

cc: The Honorable Richard Shelby, Ranking Member
The Honorable Denny Rehberg, Chairman
The Honorable Rosa DeLauro, Ranking Member
The Honorable Daniel Inouye, Chairman
The Honorable Thad Cochran, Ranking Member
Acting Inspector General Kenneth Bach

² See CNCS IG Website at <http://www.cncsig.gov/index.html>.