

Corporation for National and Community Service

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MEMORANDUM

FROM: Barbara Stewart, Chief Executive Officer, Corporation for National and Community Service

TO: Deborah Jeffrey, Inspector General

DATE: May 2, 2019 (Rev. May 16, 2019)

SUBJECT: Agency Response to the OIG's Management Alert Provided to CNCS on May 14, 2019

"In a constrained budget environment, government agencies face considerable pressure to maximize the efficiency of their internal operations as they strive to 'do more with less.' The need is particularly acute at CNCS, where historic underinvestment in personnel and infrastructure, coupled with increasing demands and rising standards, requires rapid improvement across the agency."

- CNCS Office of Inspector General "FY 2017 Management Challenges" report, December 2016

"We are encouraged that the CEO and her leadership team are engaging these issues after years of inaction by their predecessors."

- CNCS Office of Inspector General Management Alert provided to CNCS on May 14, 2019

CNCS appreciates the opportunity to respond to the concerns and opinions that the Office of Inspector General (OIG) raises in the Management Alert provided to CNCS on May 14, 2019. CNCS is well underway in implementing a Transformation and Sustainability Plan, a set of six goals that will ensure that CNCS has a strong operational foundation that strengthens our ability to provide efficient and cost-effective services and position national service for greater impact and growth for another 25 years and beyond. The agency is 25 years old this year and, as the OIG notes in its FY 17 Management Challenges report: *"CNCS operates much as it did 23 years ago, when programs of different origins were cobbled together to form the Corporation. The intervening two decades have seen substantial changes in the nonprofit sector and across the Federal government. Re-examination of CNCS's fundamentals – agency structure, priorities, programmatic investments and administrative functions – is due."*

CNCS appreciates the support of the OIG and values the Inspector General's opinions. To her credit, many of the issues CNCS is addressing have been identified by the OIG for many years, as well as others including the Government

Accountability Office, Congress, and our customers who are grantees/sponsor organizations that CNCS serves in communities across the country.

Since I joined CNCS fifteen months ago as Chief Executive Officer, I have made it my priority to address these long-standing issues and position CNCS for long term sustainability. While change is never easy, I believe the plan addresses our agency's critical challenges and makes improvements that, in most cases, can not and should not wait. It's important to remember that most of these ideas came from multiple prior Administrations and this plan draws from recommendations developed by agency career staff more than two years prior to my arrival. CNCS leaders have spent significant time and effort since then listening to stakeholders and refining both the content and the implementation of the plan.

The OIG's Management Alert raises important topics; however, we believe that to avoid risk, CNCS must address more of these critical issues rather than fewer of them as the OIG is opining. CNCS's efforts to improve financial management are largely independent of the other Transformation and Sustainability Plan components, such as the realignment of grant management roles and office location structure. Our Transformation and Sustainability Plan, announced in June of 2018, will take numerous years to implement. We are already demonstrating that we can successfully execute on these improvements. Today:

- We are making significant progress in addressing the material weaknesses that were identified in the agency's FY17 and FY18 financial management audits. These problems built over time and they will take additional time – very likely beyond the completion of FY19 audit – to completely resolve. Additionally, resolving these issues may identify other issues we've not yet resolved. Nevertheless, this is a top priority for CNCS and we are making good progress.
- We are halfway through a very complex hiring process to support the realignment of our grant management roles and new regional office structure. Since the announcement of the Transformation and Sustainability Plan in June 2018, and the announcement of decisions on roles and locations in November 2018, we have consistently achieved or exceeded our stated timelines and milestones. We are thrilled to report that, so far, more than 60% of eligible employees who are impacted by these changes have applied for the new positions in the agency – an indication of the significant experience and institutional memory we will retain. We believe these changes – which are creating new career ladders for employees, among other benefits – will ultimately help our agency improve its historical 20%+ annual employee attrition rate.
- Meanwhile, we continue to deliver on CNCS's core mission. CNCS [recently announced](#) approximately \$560 million dollars in AmeriCorps State and National funding for communities across the country. The portion of ASN's grant dollars supported by strong or moderate levels of evidence grew to 41 percent, up from 27 percent in just two years. In March, we announced more than \$13.6 million in funding to support Senior Corps RSVP programs in more than 150 communities across the country. These grants will leverage the experience and skills of more than 50,000 Senior Corps volunteers. CNCS employees continue to provide training, technical assistance, and monitoring across the spectrum of our programs.

Generally, regarding the concerns that the OIG raises, we want to point out:

- **The OIG's analysis is incomplete – it opines about potential risks from taking action, but does not account for the risks of *not* taking action now.** Status quo is not an option for our agency. In fact, not acting now on the realignments CNCS is making to its grant management roles and office structure would force the agency to make staffing cuts this year to its program officer and grants officer positions that serve our grantees, sponsor organizations, and communities. Additional staffing cuts in our program officer and grants officer positions would be required to redistribute the staffing capacity needed to build our new, dedicated compliance monitoring office, which is enabling us to address the potential bias created by the same person

handling both grant approvals and compliance testing – a conflict that the OIG has long identified as a concern.

Instead, CNCS developed and is implementing a thoughtful, integrated strategy that enables options for staff, creates clear lines of accountability and responsibility for different program functions, immediately addresses fundamental flaws in our compliance monitoring structure, and carries less risk than continuing to administer our programs in the same old way – which creates pain points for our customers, and perpetuates state-by-state inconsistencies in the service levels we are able to provide.

- **The OIG’s ill-informed perceptions, regrettably, lead to inaccurate assertions.** For example, it was only after the OIG published its request to Congress for additional funding to provide oversight of CNCS’s Transformation & Sustainability Plan that we had an opportunity to learn of and correct an inaccurate assertion in their justification, claiming there is heightened risk in the next fiscal year from a “planned simplification of the grant application substance and process, with content not yet determined”. Since mid-2018, CNCS leadership has scheduled bi-weekly meetings with the Inspector General and Deputy Inspector General to maintain open lines of dialogue, and we regret that she did not use one of those opportunities to raise the subject to validate its accuracy or seek clarification.
- **The OIG’s analysis does not acknowledge the significant talent and capacities of CNCS employees who, with focused leadership, now have nearly 12 months of successfully advancing many facets of the Transformation and Sustainability Plan.** Additionally, the OIG’s analysis implies interdependencies that are not critical. We can advance improvements to our organizational structure before our modernized grant system or strengthened accounting systems are fully implemented. In fact, we suggest that some of the agency’s past paralysis in addressing problems has been because it waited for conditions across the organization to be perfect which, in my experience as a leader, is never a reality and simply kicks the proverbial can down the road, leading to fewer options, and greater urgency – which CNCS is confronting today.

We appreciate the opportunity to address the topics the OIG has raised and welcome continued discussion with stakeholders who are interested in the improvements CNCS is pursuing. Please see our detailed response to each of the OIG Management Alert assertions, below.

CNCS responses to OIG assertions:

I. Addressing the OIG’s assertion that “The changes associated with reorganization carry high risks.”

1. The OIG asserts: *“Consolidation of program and grant management. The plan calls for CNCS to consolidate into eight regional hubs: (a) 46 State Offices, which house the program officers for Senior Corps and VISTA; (b) program officers for AmeriCorps State and National (ASN), located at CNCS headquarters; (c) grant officers for ASN, now at CNCS headquarters; and (d) grant officers for Senior Corps and VISTA, located in Philadelphia, PA. CNCS will not pay relocation costs. This will likely lead to turnover in staff and career leaders and consequent loss of institutional knowledge about CNCS program operations, risks, requirements and grantees;”*

CNCS highly values the knowledge and hands-on experience of its workforce and remains committed to creating greater career advancement opportunities for staff by establishing a regional office structure with career ladders and new opportunities not available in our current state office structure. Retaining our staff is vital to our future success, which is why we intentionally accelerated the internal hiring process for new grant management and monitoring positions, making 97% of the agency’s new career opportunities available to internal employees first. So far, more than 125 current

employees have applied for CNCS's new roles, including 60% of the eligible employees who are impacted by the realignment.

The new positions created by the plan have proven to be appealing to staff not only because they enable them to further expand their knowledge of CNCS programs and develop new skill sets, but they provide more promising and robust career paths that do not exist within CNCS's current organizational structure. For example, over 1/3 of current state office staff work in an office with two people, limiting their advancement opportunities. The new regional structure addresses this disparity.

To date, CNCS has experienced a lower annualized attrition rate than its three previous years. The agency attributes this reduced rate to its dedicated workforce who have meaningful connections to the important work that we do, as well as leadership's continued focus on actively involving staff in the implementation of the Transformation and Sustainability Plan. CNCS has kept employee engagement at the core of its change management strategy, including involving more than 45 employees in important working groups over the past year to recommend implementation options and solutions, and create new business processes and training.

Additionally, the agency has consistently reinforced its commitment to the ongoing learning and development of its staff, even amidst implementing this plan. CNCS has also invested in the leadership development of 48 mid-level staff by launching a nine-month cohort-based Emerging Leaders Program. Approximately 55% of the program's participants encumber positions impacted by the realignment of grant management roles. The opportunity to acquire and develop critical leadership skills, advance solutions to agency challenges, and build connections with their peers signaled to these high-potential employees that their talents are valued and they have a bright future at CNCS.

The agency has been intentional about maintaining transparent and consistent communication during this transition period with staff through a variety of avenues including:

- Forums, including regular CEO town halls and Transformation Plan input sessions, where employees can ask questions and voice their thoughts, concerns, and suggestions
- Surveys, suggestion boxes, and a dedicated email address for employees to candidly share their ideas or feedback
- Dedicated SharePoint pages with relevant information, resources, tools, and frequently asked questions (FAQ) pertaining to implementation of the plan
- Regular email updates to inform employees of progress on the plan
- Information sessions on the human capital aspects of the plan, allowing employees to ask and get answers to questions about the plan's impact on them
- Online collaborative discussion forum, known as Service Jam, that encourages open dialogue and idea sharing among all staff, spurring creativity and involvement in the possibilities of our future organization model.

These engagement strategies coupled with our continuous reinforcement of the plan's focus to create a stronger future for our agency and the communities that we serve has paid dividends in retaining our dedicated staff, who remain vital to our plan's success.

2. The OIG asserts: *"Dramatic expansion in the responsibilities of regional staff. Under the current division of labor, staff members focus exclusively on programmatic issues or financial issues, and they service either ASN or Senior Corps/VISTA. Under the restructuring, regional staff members will be responsible for assisting grantees with programmatic and financial operations, across all CNCS grant programs. Even rehired seasoned staff members will need to learn the requirements of programs new to them and a new financial or programmatic skill set;"*

CNCS's realignment of roles adds some responsibilities, such as the financial review and support of grantees; however, it

removes other duties such as compliance monitoring from regional staff. This will provide a number of benefits to our customers including enabling them to work with one person at CNCS to navigate the full menu of national service programs and to administer the day-to-day programmatic and financial aspects of their grant. Under our current operating model, programmatic and financial support are siloed and grantees interact with multiple points of contact to take routine actions, such as budget amendments or grant renewals, often resulting in inconsistent information and duplication of work for both the grantees and our staff.

CNCS is already developing and implementing strategies to ensure we position employees for success in these new positions, including: establishing a cross-agency working group focused on reviewing and strengthening the documentation of standard operating procedures, policies, and training resources. Our new common resource architecture and training will improve our employees' ability to learn and do their jobs in a more standardized way: for example, we are launching new information tools such as the VISTA project dashboard developed in-house by a team of talented CNCS employees and launched in April 2019, and over the last two years, CNCS has made financial grants management training modules available to program employees.

3. The OIG asserts: *"Critical training not yet developed. The Government Accountability Office's (GAO's) 2017 evaluation of grant monitoring at CNCS identified inadequacies in the training offered to program officers. Nevertheless, training to acquaint the regional staff with their new responsibilities has not yet been developed or tested for adequacy, and planning has just begun. At our suggestion, CNCS has agreed in principle to pilot-test the not-yet-developed training plan, but no details as to the nature and extent of the testing are yet available. Reportedly, CNCS intends to rely heavily on the creation of comprehensive reference guides to fill gaps in knowledge. Agency leaders concede that staff will not be fully trained when the regional offices are established;"*

As CNCS realigns who does what, we are using this opportunity to standardize, streamline, and improve the resources provided to help employees succeed in their jobs, including standard operating procedures, policies, and training. CNCS established cross-agency Business Process and Training & Development working groups to prepare for the standup of the new roles later this fall, a majority of which we anticipate will be filled by experienced staff. It is important to note that because we are not actually introducing new tasks – in fact, we are finding opportunities to remove unnecessary or duplicative tasks, or reorder them as appropriate – the agency already has the necessary business process and training materials. Nevertheless, we are taking the opportunity to standardize, streamline, and improve training, including the creation of a new standardized orientation for all CNCS staff, standardized onboarding/training plans and materials for new positions, and ongoing career development plans for staff. As I have mentioned to employees in our recent Town Halls and Service Jam online forum, my aspiration is for CNCS to be a best-in-class learning organization.

4. The OIG asserts: *"Centralized compliance monitoring. Monitoring of a portfolio of more than 3,300 active grants per year will be performed by a new Monitoring unit based at headquarters, whose responsibilities, staffing (currently contemplated at 12-18 individuals) and strategies have not yet been determined. At present, monitoring is performed by the program and grant officers who have the greatest contact with and most knowledge of grantees. It is not clear how this small workforce will be able to handle the full grant monitoring portfolio and expand subrecipient monitoring, one of the key recommendations of GAO's 2017 report;"*

CNCS considered various approaches to compliance monitoring and evaluated our monitoring efforts in response to GAO's report 17-90 (*Monitoring Efforts by Corporation for National and Community Service Could Be Improved*) before finalizing our decision to centralize our compliance monitoring efforts. CNCS is centralizing our monitoring efforts to further standardize and strengthen our monitoring activities and provide both uniformity and consistency across our portfolio for our grantees and sponsors. In fact, CNCS met with the Inspector General and her staff on July 12, 2017 to gather her input as to whether compliance monitoring should be maintained at the regional level or centralized at headquarters. The Inspector General recommended at that time, that CNCS should consider centralizing this function due to potential bias

and conflict of interest given that current staff provide technical assistance and training to grantees and sponsors and then subsequently monitor them and take corrective action.

Centralizing the compliance monitoring function will eliminate both the perception and any actual bias and allow regional portfolio managers more time and opportunity to focus their efforts on training and technical assistance, including strengthening training and technical assistance about sub-recipient monitoring for Commissions and Social Innovation Fund (SIF) grants.

Lastly, the OIG notes in its management alert CNCS's responsibility to monitor 3,300 active grants; however, the OIG has also recommended that the agency focus its efforts on those grants that pose the highest risk to the agency, as opposed to those grants that pose a *de minimus* overall risk to CNCS. By focusing on the total number of grants, the OIG fails to recognize prior advice the office provided to agency leaders that not all risk is the same. The agency is now employing new strategies to remediate the root causes of risk – an example is our recent implementation of a new vendor tool to help grantees conduct a compliant National Service Criminal History Check (NSCHC) – and being more targeted to where the risk is greatest. This includes directing monitoring to grantees that have multiple grants and monitoring all grants within a particular grantee's portfolio.

5. The OIG asserts: *"Incomplete grant risk model. Grant monitoring will be based either on (a) modification of the existing grant risk model, known by CNCS to be inadequate and to omit known fraud risks; or (b) a new, more sophisticated grant risk model that is not yet complete or validated and which does not have individual monitoring activities aligned to specific risks. GAO's 2017 report found numerous inadequacies in the existing grant risk model, including, for example, requiring monitoring visits every six years without regard to the presence of risks, grouping multiple potentially serious risks under a single under-weighted factor, treating a grantee's lack of financial competency (including bankruptcy) as a low risk that would not trigger close monitoring, risk indicators that are too frequently applicable to distinguish relative risk among grants, and the lack of validation. CNCS-OIG has also identified the omission of significant known fraud risks, such as related-party transactions;"*

Over the last two years, the Office of the Chief Risk Officer (OCRO) completed a thorough review of government-wide practices in grant risk assessment, analyzed input from CNCS technical panels on scoring criteria, participated in the Office of Management and Budget's (OMB) Cross Agency Priority (CAP) Goal 8 Workgroup, and consulted with the OIG on the overhaul of the agency's risk assessment tool. During the review, OCRO learned, that while CNCS's grant risk assessment could be improved, the current tool is, in fact, more robust than most grant making entities we assessed. Nevertheless, CNCS is developing a new assessment scorecard that now comprises more than 80 scoring criteria that will appropriately weight those risks identified as most critical by internal and external stakeholders, including those identified by OMB and other federal participants from the CAP Goal 8 Workgroup. As was previously scheduled, on April 30, 2019, CNCS briefed the OIG on the status of the agency's work in developing the new scorecard and the IT platform that can house the tool until such time that OMB rolls out a government-wide resource. Once the new tool has been calibrated and launched into production (anticipated 1Q of FY20), the risk scores and mitigation recommendations will be available to inform decision-making for risk-based monitoring and grant making.

6. The OIG asserts: *"Reduction in onsite and related grant monitoring in FY 2019. Travel budgets for onsite monitoring have been reduced, limiting grant monitoring. In FY 2018, the programs conducted 309 onsite monitoring visits to grantees. In FY 2019, we are told that only 117 site visits will occur. The change was made as an interim measure, in part to redirect funds to the transformation plan and in part because the program heads feared that a large staff exodus would preclude the usual onsite monitoring. CNCS accomplished the reduction in two ways. First, it eliminated the requirement of a monitoring visit every six years, but it did not reassess what score should be considered "high" risk, did not recalibrate the model or reweight the risk factors, did not consult with GAO and did not make other changes recommended by GAO or by CNCS-OIG that might have increased risk scores. Second, CNCS decided not to conduct site visits for certain grants scheduled to*

end in FY 2019, because, according to the Chief Program Officer, it considered the agency's prospective risk to be low. (CNCS originally briefed us that 34 grants fell into this category, but later corrected the number to eight.) Certain fraud risks, however, increase substantially towards the end of a grant, especially where the grantee is not constrained by an ongoing relationship with the grantor.

In addition to travel limitations, half of ASN's program officer slots are vacant, increasing substantially the workload of the remaining ASN staff, who assist and monitor CNCS's largest grant program. CNCS's executive leadership did not anticipate this eventuality, have not acknowledged the program staff deficit and assert that ASN program leaders have not told them that lack of personnel or resources will impede oversight of the grant portfolio.

The reduction in onsite monitoring is significant, because CNCS has historically relied upon site visits for comprehensive monitoring of at-risk grants. While some programs have previously monitored individual compliance aspects via desk reviews, i.e., offsite review of documents furnished by a grantee, they do not have the tools to conduct comprehensive monitoring remotely. Although CNCS's risk assessments and onsite monitoring are far from perfect, it is difficult to understand the move to an improvised monitoring strategy developed on short notice, while CNCS was preparing to hire a Director of Monitoring whose responsibilities would include developing a new risk-based monitoring approach."

Consistent with the OIG's recommendation in its FY17 Management Challenges report ("This new risk model should inform every aspect of grant management, including: Expanding the menu of monitoring activities and customizing/targeting them to specific risks, to avoid wasting resources monitoring *de minimis* risks."), CNCS continues to reassess and refine its monitoring approach. Therefore, the OIG's comparison of this year's activity with previous years' activity does not accurately reflect CNCS's continued focus on risk and refined strategies. This more targeted approach includes:

- During the first half of FY19 and through June 30, 2019, the agency has undertaken a major effort – including providing new tools, new policies and grant augmentations – to fix the root problem with grantees' historical noncompliance with NSCHC requirements, which resulted in significant disallowed costs for grantees. This was done because CNCS and the OIG identified NSCHC noncompliance as both high-risk and as a significant, ongoing monitoring finding. During this time, CNCS has provided grantees an exemption period to conduct re-checks and, with the OIG's concurrence, opted to focus staff efforts on grantee adoption of the new vendor tool and process to conduct re-checks, rather than traditional CHC monitoring activities.
- The agency discontinued using 'duration since last visit' as a criterion for risk. We received counsel from GAO and the OIG that this criterion was flawed and did not represent true risk to the agency. Upon the removal of this criteria, the number of grantees classified as high-risk dropped to 13; these 13 grantees are being evaluated for the proper follow-up strategy.
- The agency decided not to monitor grants that have no members and/or no CNCS funds for program activity given the low-risk to the agency.
- For the first time, CNCS is piloting enterprise-wide monitoring to grantees that have several streams of service – sending all staff simultaneously to the grantee for a comprehensive visit.

We believe it is a mischaracterization to state that a reduction from last year in the agency's dollars spent on travel specifically targets monitoring. While it is accurate that travel budget allocations across the agency are less than last year, a further examination of the dollars expended thus far demonstrates that the reduction in FY19 has been applied most stringently to representational travel for senior level positions. In addition, FY18 travel dollars represented some very large dollar expenditures for extended disaster relief deployments to support long-term recovery after Hurricane Michael (not monitoring related), so a strict comparison of FY18 dollars to FY19 dollars results in inaccurate assumptions about monitoring.

Finally, we would like to again correct the OIG – as we did in our correspondence on April 12, 2019 – that CNCS has eight high-risk grants scheduled to end in FY19, rather than 34, for which we are choosing not to conduct on-site visits this year, so we can focus on other grants with risk. We are comfortable with this approach, because of those eight projects: three have \$0 in program funds in their current award; six have three or fewer members, including three with zero members; and four of those projects received on-site compliance monitoring visits in FY18. Together, the eight projects receive a total of \$1,911,724 in federal funding, 40 percent of which is attributed to one project, which barely met the threshold for high priority, and they received an on-site monitoring visit in FY18.

7. The OIG asserts: *“Extended periods of full-time telework for field staff during the transition. The 46 State Offices are slated to close during May-July 2019. Since the last regional offices are not scheduled to open until June 2020, some field staff may be required to telework for more than one year. As we understand it, CNCS has not developed any additional internal controls to avoid time and attendance fraud or to fill the gaps upon staff departures. Nor has CNCS prepared measures to compensate for the loss of motivation and focus that CNCS employees may exhibit due to job insecurities and searches for other employment -- creating a real risk that they will not provide the oversight and assistance needed to protect CNCS programs and beneficiaries;”*

Telework is a familiar environment for many of our employees, and CNCS is committed to ensuring our staff in the field are supported to succeed during the interim period of full-time telework. Best practices in telework urge a focus on outputs and, just as we do today, we will continue to have measures that track technical assistance, compliance monitoring, and VISTA project development and member support. Additionally, we are utilizing this opportunity to provide more clear guidance to staff about program expectations for activities such as monitoring and technical assistance. Managers continue to have tools available to observe the productivity of their staff by using technology to see when they are online and when they are not, through unknown periods of inactivity.

8. The OIG asserts: *“Planned simplification of the grant application substance and process, with content to be determined. Per Federal requirements, risk assessment and mitigation plans should play a substantial role in grant award decisions. An accurate understanding of the specific risks that each grantee poses is indispensable to prudent grantmaking and should precede and be incorporated into revisions to the grant application;”*

Traditionally, one barrier to entry for federal resources for organizations is the complexity of the grant and project application requirements. Over the past decade, GAO, Congress, and OMB have all weighed in and directed agencies to simplify their processes. In an effort to make CNCS resources available to the broadest set of organizations, while still upholding rigor and federal requirements, the agency has sought to simplify both what information it requires from potential applicants as part of the application process, while leveraging the review of other relevant information used in decision-making (e.g. information available from other public sources, such as Guidestar).

For example, over the past several years, we have decreased the narrative application length from a high of 27 pages down to 10 pages for AmeriCorps State and National applicants. Recently, we undertook an agency-wide approach to simplify the performance measures part of the application, a part of the application that we know – via drop-off rates in the eGrants system – has confounded applicants. This process allowed the agency to streamline the number of performance measures available to grantees during the application process from 233 down to 77 this past year, while simultaneously dropping the number of pages needed to explain the performance measures from 66 pages down to 23 pages.

While the OIG correctly alludes to CNCS’s ongoing interest in simplifying the grant application substance and process, they are incorrect to imply there is a significant change – such as a new common application – planned at this point in time.

9. The OIG asserts: *“Pressure to implement these changes by the end of FY 2020, limiting planning, issue spotting and risk mitigation. The net result is that, after the reorganization, the regional staff that administers \$755 million of grants will be incompletely trained for their duties and unfamiliar with some of the grant programs for which they are responsible. Many will likely be entirely new to CNCS. These staff will play integral roles in recommending which grants should be funded and will have primary responsibility for assisting grantees in understanding and complying with program rules and requirements. This condition poses a high risk of serious errors.*

These changes will leave CNCS especially vulnerable to fraud and waste and less able to prevent, mitigate or promptly detect abuses. To date, CNCS has not offered any strategies or plans to mitigate these risks. The goals, processes, techniques and priorities for grant monitoring remain undetermined and will likely be untested when the reorganization begins. Due to existing limitations, CNCS’s internal controls, grant risk management and grant management information technology cannot compensate for the added risks because they too are flawed and underdeveloped.”

Implementation of CNCS’s Transformation and Sustainability Plan will take many years, with each goal progressing on different timelines. The agency is transitioning to its new grant management and regional structure in three phases over two years, a carefully calibrated timeline that minimizes risk – including our ability to retain our talented employees who, since the June 2018 announcement of the plan, have been informed of the forthcoming change – and supports successful execution, including the ability to adjust and improve along the way during the three phases. This timeline enables CNCS to train existing or new staff in a timely fashion to carry out their responsibilities over the course of the year.

II. Addressing “unless they are resolved first, legacy core business deficiencies will hinder the reorganization.”

- A. The OIG asserts: *“CNCS’s IT infrastructure for grant management has long been inadequate and remains incapable of supporting CNCS’s core mission.”*

CNCS recognizes it is time to modernize our grant management system and work is underway to do so. In the meantime, CNCS continues to maintain its legacy grants and member management systems to support our core mission. As evidence of this, since January 2017, 108 change requests have been prioritized by the program offices in collaboration with the Office of Information Technology (OIT) to develop and deploy enhancements and new capabilities (see chart below). These enhancements to the legacy system have improved many aspects of the grant lifecycle including member management, award compliance and monitoring, member/grant/project application, and accounting and financial management; as well as general IT maintenance and security.

We are currently evaluating the work that was completed to modernize our grants management system. We have awarded a 12-month, \$3.9 million-dollar contract to Accenture for a minimally viable product that will help us determine whether the Salesforce platform is right for the agency. This effort is at its mid-point and has thus far produced promising results to help the agency answer some critical questions in terms of its IT platform and capabilities for a future risk-based grants and member management system.

Change Requests	Business Area Impacted
46	Member Management
20	Maintain Systems
11	Accounting & Financial Mgmt (e.g., Payroll, Cost Share)
10	Performance Measures & Progress Reports
6	Award Compliance & Monitoring

5	Member Recruitment & Application
3	Reports & Data Mining
2	Grant/Project Application
2	Grant/Project Award
1	Grant/Project Application Review (e.g., Reviewer Accts, Review Forms)
1	Institution Maintenance
1	Security
108	Total Change Requests since January 2017

- B. The OIG asserts: *“Regional and monitoring staff need a complete, validated grant risk model to inform risk-based grant decisions.”*

Please see our response to Item 5 above.

- C. The OIG asserts: *“Extraordinary efforts are needed to repair financial management, accounting, and reporting from the current un-auditable state.”*

CNCS acknowledges there are large projects to be completed to reach its financial management goals, and we are confident in the significant progress we have made since late FY18 when we filled key vacancies in our Accounting and Financial Management Services (AFMS) department, including two new Accounting Team Leads and a new Director of AFMS.

To date, and guided by the comprehensive Corrective Action Plan we developed last year, 42 of 82 recommendations in our FY18 financial statements audit have been addressed. Six of ten material weaknesses and one significant deficiency have been remediated and are ready for auditor review. By the end of FY19, work will have begun, or will be completed, for all of the financial statements audit’s recommendations, material weaknesses, and significant deficiencies. Additional remediation work is ongoing as the AFMS team identifies issues that need to be addressed.

Additionally, CNCS is far along in evaluating alternative, sustainable solutions to how our agency manages its accounting and financial operations. In June 2017, CNCS approached the Administrative Resource Center (ARC) within the Department of Treasury’s Bureau of the Fiscal Service for cost estimates for shared services support in the areas of financial management, procurement, travel, and human capital. In June 2018, CNCS engaged ARC to provide more detailed analysis of customer requirements and costs. The final engagement report for all four service areas was delivered in April 2019, and CNCS is currently conducting a cost-benefit analysis.

CNCS recognizes there are potential risks to migrating to shared services and is actively working to mitigate those risks before committing to a migration. First, and foremost, CNCS is only considering a financial management system that is established, tested, and compliant with accounting and cybersecurity requirements. CNCS is not considering customization to system processes, thereby helping to ensure a smooth migration. CNCS is working with a shared services provider (ARC) with a proven track record of migrating and supporting federal agencies. Additionally, during the decision-making process, CNCS and ARC are discussing, at length, potential migration challenges that could arise and mitigation strategies based on ARC’s past experience.

We conclude by noting that our efforts to improve financial management are largely independent of the other Transformation and Sustainability Plan components, such as the realignment of grant management roles and office location structure.

D. The OIG asserts: *“Efforts to improve cybersecurity have stagnated.”*

CNCS’s IT security profile has improved considerably over the last few years and we are on track to have closed or remediated 40 of 45 open recommendations. CNCS’s remaining five recommendations are contingent on: implementation of the new regional office locations, the new Enterprise Infrastructure Solutions contract, and e-authentication.

Below is a summary of the current OIG’s recommendation on CNCS’s security profile:

	FY14	FY16	FY17	FY18	Percentage
Total Number of Open Recommendations	1	3	16	25	
Total Approved by OIG to Close			2		4% approved for closure
Total Submitted to OIG for Closure			3	9	27% submitted for closure
Scheduled to remediate by Sep 2019	1	3	7	15	58% on target for remediation in FY19
Scheduled to remediate by TBD			4	1	11% with a TBD remediation date

In conclusion, CNCS appreciates the opportunity to respond to the concerns and opinions that the OIG raises in the Management Alert provided to CNCS on May 14, 2019. We think the IG’s use of a Management Alert as a response to Congressional staff questions is an improper use of her authority and abuse of the management alert authority. My top priority is to address the long-standing issues that have been identified by the OIG, Government Accountability Office, Congress, as well as our customers, and position CNCS for long term sustainability. CNCS is well underway in implementing our plan, and we are already demonstrating that we can successfully execute on these improvements, many of which are independent from one another. It is important to reiterate that our Transformation and Sustainability Plan, announced in June of 2018, will take numerous years to implement. We look forward to continuing to keep the OIG, Congress, our customers, and other stakeholders informed of our progress and welcome continued discussion with those who are interested in the improvements CNCS is pursuing.

Corporation for National and Community Service

NationalService.gov



April 15, 2019

The Honorable Chris Coons
218 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Bill Cassidy
520 Hart Senate Office Building
Washington, D.C. 20510

The Honorable David Price
2108 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Doris Matsui
2311 Rayburn House Office Building
Washington, D.C. 20515

Dear Senator Chris Coons, Senator Bill Cassidy, Congressman David Price, and Congresswoman Doris Matsui,

Thank you for contacting me regarding the Corporation for National and Community Service's (CNCS) Transformation and Sustainability Plan. I welcome your interest and share your passion for strengthening our national service programs. The implementation of this plan is crucial for CNCS to do just that – by better serving our customers, meeting the needs of communities throughout our nation, and being responsible stewards of taxpayer dollars.

As you know, CNCS's Transformation and Sustainability Plan is a comprehensive plan that includes a set of six goals that will better position CNCS to support national service. These goals include:

- Strengthening core business functions
- Streamlining the application process
- Prioritizing evidence-based interventions
- Simplifying and strengthening the CNCS brand
- Strengthening and aligning grants management and monitoring to improve efficiencies and maximize effectiveness
- Aligning our workforce and workplaces to better serve our customers, meet evolving needs, and ensure efficient use of public funds.

Ultimately, this plan is about strengthening our agency: positioning CNCS so more people, more organizations, and more communities will access and benefit from national service.

The six goals were developed following months of intensive review of our operations and programs. This process took into account a wide range of ideas and recommendations from staff, grantees, national service members, the Office of Management and Budget, Congress, the CNCS Office of the Inspector General, and the Government Accountability Office. Additionally, our review included many years of CNCS evaluations and reports which noted the need for our agency to implement significant changes to how we conduct business.

Over the past year, my team and I have also met with Members of Congress, their staff, and appropriations and authorizing committees to further discuss our plan and its impact on national service. This feedback period enabled me to hear a multitude of perspectives on the plan, including the proposal to align our workforce and workplaces to a regionalized structure.

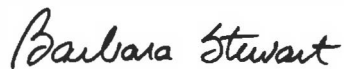
Overall, the input has reaffirmed my belief that this plan puts CNCS on the right path. It has also underscored the importance of operationalizing these changes in smart ways that strengthen – and do not diminish – the amazing work being done by grantee and sponsor organizations. These changes will better position CNCS and our programs for long-term sustainability. I want to stress that this plan will not change our important mission and commitment to getting things done in communities across the country, nor will it reduce program funds that flow into states and communities – several streams of which are statutorily and formulaically prescribed. Rather, it will enhance the foundation of our service delivery model to ensure CNCS can better support national service in the future.

It is important to note that to maintain our existing 46 state offices over the coming two years and beyond, CNCS anticipates significant cost increases due to expiring office leases and a GSA-required upgrade of the information technology platform in all federal government office spaces. If our agency remained as status quo with maintaining 46 offices, CNCS will need to make cuts in other areas of its budget to manage increased expenses. The changes in the Transformation and Sustainability Plan will help us minimize those cost increases and, more importantly, position CNCS with a better operating model that enables us to provide improved and more consistent service.

Your continued feedback and interest in national service is greatly appreciated as we work to better support our grantees, project sponsors, employees, national service members, and volunteers. CNCS's responsibility is too great and our mission is too important to put off the improvements necessary to strengthen our agency's foundation.

I am grateful for all of your support in our mission to improve lives and strengthen communities through service. My team and I provided responses to your questions in the attached document; I am also providing this response to the co-signers of your letter. I am happy to schedule a meeting with you to further discuss the Transformation and Sustainability Plan and how it will better position CNCS and national service for a sustainable future.

Sincerely,



Barbara Stewart
Chief Executive Officer
Corporation for National and Community Service

Corporation for National and Community Service

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National Service Congressional Caucus Questions and Answers

1. **Have the CNCS Board of Directors met since September 2017? If so, please explain the lack of recorded meeting minutes on the CNCS website and provide all meeting minutes from September 2017 to present in your response to the undersigned Members of Congress.**

The CNCS Board of Directors has held two public Board meetings since September 2017, one on September 19, 2018, and one on March 25, 2019. The minutes for both meetings are posted on our website [at this link](#) and attached to this email. In addition to the public meetings, the Board has held other discussions and conference calls and received briefings and information about a range of topics, including the Transformation and Sustainability Plan.

Over the past two years, the CNCS Board of Directors has had extensive and ongoing discussions and input about the Transformation and Sustainability Plan and reform initiatives. The Board has publicly stated its support for the plan on several occasions.

At the September 19, 2018 public meeting, Board Chair Shamina Singh stated that:

“I compliment Barbara and her team for the careful and thoughtful approach that they’ve taken in developing the Plan and for going the extra mile to get input from the staff of CNCS and grantees and partners in the field, so thank you for that, Barbara.

“The Board shares the goal of the Plan to strengthen programs, expand opportunities for Americans to serve, and increase our impact in communities. We agree that this is an opportune time to strengthen the core operational functions that we need to do in order to build long-term sustainability and growth for CNCS.

“As a Board of Directors, ensuring that efficiencies to promote service and to produce more impact of service is our key priority. The Board appreciates how CNCS is always looking for ways to strengthen operations, risk management, and accountability.

“We recognize that national service is built on partnerships and appreciate how Barbara and her team have actively sought input from State Commission staff and grantees around the country on how to implement the Plan and we encourage that dialogue to continue. We’re also appreciative of how many staff are engaged in the process on the working groups to support the Plan. The Board will continue to be engaged in transformation and sustainability and the implementation of the components that will put CNCS on the path to growth and impact.”

At the March 25, 2019 public meeting, Board Chair Shamina Singh stated that:

“As I said in our last meeting, the Board shares the goals of the Transformation and Sustainability Plan and agrees that changes are necessary to build long-term sustainability and position CNCS for future growth.

“National service is built on a strong foundation and has achieved extraordinary results. But there are longstanding challenges that have held the agency back that need to be addressed for national service to reach its potential.

“The plan addresses issues that the Board has been concerned about for years: improving the criminal history background check process, modernizing our information technology systems, strengthening financial management, simplifying branding, and more. The changes will improve customer service, reduce administrative burdens, fix core business functions, and make it easier for individuals and organizations to participate in our programs. Overall...this plan will not change our mission or the commitment or program funds that flow into states and communities, but it will strengthen the organizational infrastructure to allow CNCS to better support future growth of national service.”

2. Were enough Board members present to reach a quorum and approve the strategic plan prepared by the Chief Executive Officer?

Yes, the Board had a quorum of its members present to approve the agency’s latest strategic plan and annual grantmaking plans, which are all posted on our website. The FY 2019 Annual Plan for Grantmaking that the Board approved in February 2019 references specific actions being taken by programs to strengthen compliance with National Service Criminal History Check and streamline performance measure requirements.

3. Has CNCS advised the President on any Board nominations to be confirmed by the Senate? If so, how many?

Yes, CNCS has provided several suggestions for consideration to the White House for individuals to serve on the CNCS Board of Directors. In addition, on April 17, 2018, President Trump sent two Board member nominations to the Senate: Heather Reynolds (to serve on a term expiring September 14, 2021), and Victoria Ann Hughes (for a term expiring October 6, 2021). Both nominees were approved by the Senate Committee on Health, Education, Labor, and Pensions and placed on the Senate Executive Calendar, but were not confirmed by the full Senate prior to the adjournment of the 115th Congress.

On January 16, 2019, President Trump resubmitted the nominations of Heather Reynolds and Victoria Ann Hughes to serve on the CNCS Board of Directors. On February 21, 2019, the nominations were placed on the Executive Calendar. We are hopeful the Senate will act swiftly to confirm these and future nominees as we will see the expiration of one of the two remaining board members in October 2019. CNCS highly values the guidance and insights provided by our bipartisan Board of Directors.

4. What, if any, changes or adjustments were made to the agency's Transformation and Sustainability Plan following the conclusion of the public comment period?

The Transformation and Sustainability Plan was developed following more than a year of intensive review of our agency's operations and programs. That process took into account a wide range of ideas and recommendations from staff, grantees, sponsors, national service members, the Office of Management and Budget, Congress, the CNCS Office of the Inspector General, CNCS Board Members, leadership from prior administrations, the Government Accountability Office, as well as many years of CNCS evaluations and reports that noted the need for our agency to implement significant changes to how we conduct business. In addition, we received further feedback from Congress during an oversight hearing held in April of 2018, as well as through other informal meetings.

Since the announcement of the plan in June 2018, our Chief Executive Officer and senior leadership have spent additional months listening to and gathering feedback from Members of Congress, grant recipients, project sponsors, stakeholders, and agency staff across the country. More than 500 people attended CNCS's seven in-person and teleconference listening sessions in summer 2018, and the agency received written comments from more than 260 individuals and organizations. We have also met with approximately 100 Members of Congress or their staff about the plan. We continue to seek input from grantees, project sponsors, and other stakeholders to inform our ongoing implementation of the plan.

This input has enabled us to hear a multitude of perspectives across all six goals of the plan and has informed our decision making and implementation. Examples of feedback we incorporated includes streamlining our grant application, creating a predictable way for nonprofit organizations to access AmeriCorps VISTA, and making it easier for grantees and sponsors to conduct compliant criminal history checks using an optional vendor tool. In addition, we developed new specialty portfolio manager positions to support unique relationships that may require specialized skillsets, such as supporting our vulnerable populations, hard to reach frontier areas, and tribal grantees and sponsors. Another result of the public comments and other input includes a new regional focus on staff training and development. Further examples of how CNCS listened and incorporated input from public comments can be found on CNCS's website at [this link](#).

5. What considerations were made in determining the timeline for implementation, and why was the timeline between the public announcement of regional office sites and the scheduled first round of hiring and state office closures so short?

CNCS's timeline to implement the regional structure and re-aligned grant management and monitoring roles will span more than two years from the time the plan was announced in June 2018, and more than a year and a half from the time the specific regional office locations were announced in November 2018. CNCS carefully weighed a number of implementation scenarios and determined that a deliberate, three-phase approach – standing up three regions in September 2019, three regions in February 2020, and two regions in June 2020 – best positioned the agency to execute the transitions successfully and minimize risk, while also ensuring that it could maintain staff capacity during the transition to administer and provide oversight of its national service programs.

An example of employee feedback our agency incorporated is accelerating the internal priority hiring timeline to April 2019 in order to provide clarity and certainty about our staff's options as soon as possible. To support the transition to the new regional offices, CNCS is closing the physical state office spaces and transitioning staff to telework from their current location between May 1 and July 1, 2019. Many CNCS field staff already telework for part of their work week. During this time, staff will continue to support grantees and sponsor organizations the same way they do today, including travel for site visits, monitoring, and other needs.

This timeline enables CNCS to support an orderly wind-down of its state office spaces and an orderly standup of the new regional offices. Additionally, CNCS will be able to utilize the temporary rent savings to support the additional cost of staff overlap when projects and grantees transition to the new regional offices and new Portfolio Manager roles.

6. What specific cost savings or increases in agency efficiency are projected over the first two and five years as a result of the Plan?

Specific to CNCS's changes to its grant management and monitoring roles and regional structure, CNCS projects that the newly-created structure will create modest savings over the status quo scenario, starting in the third fiscal year of the plan and beyond. CNCS will be positioned to reinvest these cost savings in agency priorities that include employees and training to support our grantees and sponsors, as well as information technology to support CNCS's service delivery.

It is important to note that to maintain our 46 state offices over the coming two years and beyond, CNCS anticipates significant cost increases due to expiring office leases and a GSA-required upgrade of the information technology platform in all federal government office spaces. If our agency continued maintaining 46 offices, CNCS would need to make significant cuts in other areas of its budget to manage expense increases. In the status quo scenario for our program roles and field office structure, CNCS anticipated cost increases of 9.7% in Year 2 and approximately 7.4% in Year 5 compared to costs in Fiscal Year 19. With the changes CNCS proposes, we will be able to avoid many of those cost increases in Year 2, and by Year 5, realize approximately \$1.3 million in savings below status quo FY19. For additional context, since FY15, CNCS's budget for agency operations has increased 2.5%, yet during that time our agency has absorbed composite annual cost of living adjustments (COLA) for its employees of 7.9%.

Most importantly, the Plan will position CNCS with a stronger operating model that enables our agency to provide better service by:

- **Making it easier for organizations to work with CNCS by providing grantees and sponsors with one person at CNCS to help navigate the full menu of national service programs and to administer the day-to-day programmatic and financial aspects of their grant(s).** Under our current operating model, programs are siloed and grantees interact with multiple points of contact for a single grant, often resulting in inconsistent information and duplication of work.
- **Positioning CNCS to improve and be more equitable with our customer service.** Today, 74% of our offices—which comprise multi-state and single state offices—have three or fewer staff. Program officers in some states manage an average of eight projects, while program officers in other states manage 22

projects. More balanced workloads created through a regional structure will lead to more consistent and higher levels of service for grantees and all communities. More balanced workloads will also ensure that national service investments go where they are needed most rather than where we have the staff capacity to manage them.

- **Enabling CNCS to keep more resources in the field supporting grantees, sponsors, and communities.** Our existing 46 offices spaces are becoming more costly to maintain. This leaves us with a choice whether to support real estate maintenance through budget cuts or have more staff to support national service.
- **Addressing long-standing concerns by the Government Accountability Office and CNCS Office of Inspector General about weaknesses and potential bias in CNCS's grant oversight.** CNCS will create a new Office of Monitoring to separate the duties of those who approve grants and provide day-to-day technical assistance from those who conduct compliance testing of grants.

7. Which specific state office leases are set to expire between January 1, 2019 and December 31, 2019, and what, if any, additional cost would CNCS have incurred to renew each of these leases?

Leases for six state office spaces – Helena, MT; Kansas City, MO; Orlando, FL; Minneapolis, MN; Hato Rey (San Juan), PR; and Austin, TX – were set to expire between January 1, 2019 and December 31, 2019. CNCS would have incurred approximately \$1,063,874 in costs to continue with state office spaces in those locations. That figure includes \$77,815 for buildout costs in a federal space in Helena, MT (CNCS was to move from commercial to federal space); \$71,067 for build-out costs in a federal space in Orlando, FL (CNCS was to move from commercial to federal space); \$325,620 for build-out costs in a federal space in Minneapolis, MN (CNCS was to move from commercial to federal space; \$325,620 was the known build-out cost for the federal space available – however, CNCS planned to investigate more cost-effective solutions if we moved forward); an estimated \$589,372 for build-out costs in a to-be-determined space in Austin, TX; and unknown costs and timing for space in Hato Rey (San Juan), PR. In Kansas City, MO, CNCS anticipated moving into GSA Regional Office space which would not have carried any build-out costs.

8. On what dates will each state and regional office be closed and employees supporting those states or regions required to begin teleworking?

Physical office spaces will close and current employees supporting those states or regions will move to full-time telework in three phases between May 1 and July 1, 2019. These offices are now well underway with their wind-down activities, which includes digitizing many years of paper files. The schedule for the physical office space closures and telework transition dates is attached at the end of this document.

9. What specific plans are in place to ensure state and local programs continue to be supported while offices are in transition and employees are forced to telework?

During the transition from state offices to regional offices—the time period field-based employees will be asked to telework full time—state and local programs will continue to work with their existing program

officer(s) and grant officer(s). CNCS staff will support grantees, sponsors, and communities as they do today, which is predominantly done by phone, email, and webinar. It is important to note many CNCS staff already telework 20-40 percent of their work week. Additionally, the transition timeline was intentionally designed to allow for the overlap of staff to help ensure continuity for our grantees, project sponsors, and staff. CNCS will continue to regularly communicate with grantees, sponsors, and partners about upcoming changes to ensure a smooth transition.

10. Following implementation of the Plan, will there be a difference in the number of staff that will be employed by each regional office versus how many combined staff are currently supporting each region in the existing state offices?

We anticipate that all regional offices will have more staff than the sum of state office staff that comprise those regions today. It is important to note that without these changes it would be challenging for CNCS to maintain its existing staffing levels. Our 46 field offices are becoming more costly to maintain and CNCS anticipates having to make significant cuts in its Salaries & Expenditures budget to manage those increased expenses.

11. If current state staff is rehired by a CNCS regional office, how many state staff would be required to relocate a distance in excess of over 100 miles, and how many days would they have to do so following an offer of employment?

Current CNCS employees have a wide range of options in terms of new positions, regional offices, or headquarters opportunities. As a result, it is possible that a staff person serving in one area will use this opportunity to relocate to a new part of the country or to a new professional opportunity within the agency. However, if all current state office staff members are rehired by a CNCS regional office, 95 employees would need to relocate over 100 miles to accept a regional office position.

CNCS has prioritized hiring internal permanent staff for nearly all of the new regional office and Washington, DC Headquarters positions, as well as accelerated the hiring timelines to give employees certainty as soon as possible. Our agency began the priority hiring process for internal candidates in March 2019, even for regions that won't stand up until February 2020 or June 2020. Additionally, CNCS has already hired the new managers to lead the region operations and monitoring office.

Internal permanent staff who accept a job offer will have sufficient lead time to relocate to a new duty station. Staff who are hired into the first three regional offices that will open in September 2019 (Denver, CO; Manchester, NH; and Kansas City, MO) will have two months to relocate to their new positions. Those hired into the second phase of regional offices that will open in February 2020 (Atlanta, GA; Los Angeles, CA; and Columbus, OH) will have up to seven months to relocate; and those hired into the third and final phase of regional offices that will open in June 2020 (Philadelphia, PA and Austin, TX) will have nearly 11 months to relocate to their new duty station.

12. Could an individual state's Service Commission absorb some or all of the dedicated state CNCS staff and oversight of state grantee programs considered before finalizing the Transformation and Sustainability Plan?

The capacities of the 52 State Service Commissions vary widely from state to state. They vary in terms of personnel, caseload capacity, funding, and knowledge and understanding of the AmeriCorps VISTA and Senior Corps programs currently managed by the CNCS state office employees. There is also a high degree of variation among State Commissions on the concept of taking over CNCS state office program portfolios. In addition, the current statute governing the structure of AmeriCorps VISTA and Senior Corps programs would limit the ability of the State Service Commissions to absorb the personnel and the administration of these programs.

13. Has CNCS considered offering early retirement options to employees in state offices who are unable or unwilling to relocate to a regional office?

CNCS offered early retirement to all CNCS employees, including employees in state offices who are unable or unwilling to relocate to a regional office. Employees had the opportunity to apply for early retirement in March 2018. In addition, staff directly impacted by the changes in our Transformation and Sustainability Plan who did not select early retirement are eligible for discontinued service retirement upon their separation from the agency.

14. How are portfolio managers assigned to ensure that state and territory specific needs are met with regional CNCS offices?

We know that national service is made stronger with personal contact. In the new regional structure, every grantee or sponsor – including State Commissions – will have a Portfolio Manager assigned as their day-to-day contact for all aspects of grant management. Senior Portfolio Managers will be assigned as leads for each state and will supervise the Portfolio Managers who carry grants/projects for those states. The Senior Portfolio Managers will also lead on new program/project development for their assigned states, supported by their respective team of Portfolio Managers. Like today, we will travel as needed to meet in person with grantees, sponsors, and prospective partners, to provide trainings and technical assistance, or to engage with projects.

15. Following the completion of the regionalization process, does CNCS have plans in place to ensure they are able to adequately accommodate any future program expansions within the new office structure?

The new regional office structure is specifically designed to position CNCS for future program expansion. There are many benefits to a regional staffing structure, including greater elasticity to enable more balanced staff workloads, ensure that national service investments go to where they are needed rather than only where we have staff capacity, and build surge capacity for agency priorities. Today's state-based staffing structure is more rigid, which contributes to unequal workloads, cases of inequitable distribution of national service resources, and inconsistent levels of service across the country.

Attachments:

- Question 1 – September 2018 meeting minutes; March 2019 meeting transcript
- Question 8 – State office space vacancy schedule (below)

Question 8:

City	State	Office Closing Date	Effective Date for Change in Duty Station
Offices that CNCS is vacating in Spring/Summer 2019			
Birmingham	AL	6/1/2019	5/26/2019
Little Rock	AR	7/1/2019	6/30/2019
Phoenix	AZ	5/1/2019	4/28/2019
Los Angeles	CA	5/1/2019	4/28/2019
Denver (Lakewood)	CO	5/1/2019	4/28/2019
Hartford	CT	6/1/2019	5/26/2019
	DE	No existing office space	
Orlando	FL	5/1/2019	4/28/2019
Atlanta	GA	5/1/2019	4/28/2019
	GU	No existing office space	
Honolulu	HI	7/1/2019	6/30/2019
Des Moines	IA	6/1/2019	5/26/2019
Boise	ID	6/1/2019	5/26/2019
Chicago	IL	5/1/2019	4/28/2019
Indianapolis	IN	7/1/2019	6/30/2019
	KS	No existing office space	
Louisville	KY	5/1/2019	4/28/2019
Baton Rouge	LA	7/1/2019	6/30/2019
Boston	MA	CNCS plans to vacate but not yet given notice	
	MD	No existing office space	
	ME	No existing office space	
Detroit	MI	6/1/2019	5/26/2019
Minneapolis	MN	5/1/2019	4/28/2019
Kansas City	MO	5/1/2019	4/28/2019
Jackson	MS	7/1/2019	6/30/2019
Helena	MT	5/1/2019	4/28/2019
Raleigh	NC	6/1/2019	5/26/2019
Fargo	ND	7/1/2019	6/30/2019
Lincoln	NE	7/1/2019	6/30/2019
Concord	NH	CNCS plans to vacate but not yet given notice	
Trenton	NJ	5/1/2019	4/28/2019
Santa Fe	NM	6/1/2019	5/26/2019
Reno	NV	7/1/2019	6/30/2019
Albany	NY	5/1/2019	4/28/2019
Columbus	OH	5/1/2019	4/28/2019
Oklahoma City	OK	6/1/2019	5/26/2019
Portland	OR	6/1/2019	5/26/2019

Hato Rey (San Juan)	PR	CNCS plans to vacate but not yet given notice	
Providence	RI	6/1/2019	5/26/2019
Columbia	SC	7/1/2019	6/30/2019
	SD	No existing office space	
Nashville	TN	5/1/2019	4/28/2019
Austin	TX	5/1/2019	4/28/2019
	USVI	No existing office space	
Salt Lake City	UT	6/1/2019	5/26/2019
Richmond	VA	6/1/2019	5/26/2019
	VT	No existing office space	
Seattle	WA	5/1/2019	4/28/2019
Milwaukee	WI	6/1/2019	5/26/2019
Charleston	WV	6/1/2019	5/26/2019
Cheyenne	WY	7/1/2019	6/30/2019