

Corporation for National Service Financial Management Control Weaknesses¹

Process	1994 – 1996	1997		1998	
	Unauditable	Balance Sheet Auditable		Balance Sheet Auditable ²	
	Materially Weak ³	Materially Weak	Reportable Conditions ³	Materially Weak	Reportable Conditions ³
General Control Environment	✓	✓		✓	
Financial Management & Reporting	✓	✓		✓	
National Service Trust	✓	✓		✓	
Fund Balance with Treasury	✓	✓		✓	
Payroll & Allowances	✓	✓			✓
Grants Management	✓	✓		✓	
Revenue	✓		✓	✓	
General Expenditures & Budget	✓		✓		✓
Financial Systems & EDP Controls	✓	✓		✓	
Net Position (Appropriations & Obligations)	✓		✓	✓	
Procurement	✓		✓	✓	

¹ See following page.

² The OIG attempted a full-scope audit; however, the auditors were only able to issue an opinion on the balance sheet.

³ Under standards established by the American Institute of Certified Public Accountants, reportable conditions involve matters coming to an auditor's attention relating to significant deficiencies in the design or operation of the internal control structure that, in the auditor's judgment, could adversely affect CNS's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. A material weakness is a reportable condition in which the design or operation of the internal control structure does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

The information cited in this table comes from the following OIG reports:

- 96-36 Audit Report: The Corporation for National and Community Service's Fiscal Year 1994 Financial Statements, dated March 15, 1996
- 96-38 Reports on the Results of the Auditability Survey, Volumes I & II, dated March 29, 1996
- 97-09 Report on the Follow-up Study to the Auditability Survey, dated December 9, 1996
- 97-27 Audit of the National Service Trust Fund, Fiscal Year 1995 and 1994 Financial Statements, dated January 15, 1997
- 97-29 Report on the Follow-up Study to the Auditability Survey, Phase 2, dated July 14, 1997
- 98-23 Auditability Assessment of the Corporation for National Service at September 30, 1997, dated May 15, 1998
- 98-24 Audit of the Corporation's Procurement and Contracting Processes and Procedures, dated August 7, 1998
- 99-01 Audit of the Corporation for National and Community Service: Statement of Financial Position – September 30, 1997, dated September 14, 1998
- 99-12 Audit of the Corporation for National and Community Service's Fiscal Year 1998 Financial Statements, dated March 24, 1999