



Opening Statement of Rep. Virginia Foxx (R-N.C.), Chairwoman, Committee on Education and the Workforce Hearing on “Fraud, Mismanagement, Non-Compliance, and Safety: The History of Failures of the Corporation for National and Community Service”

Good morning, and welcome to today’s full committee hearing. I’d like to thank our witness, Ms. Barbara Stewart, for joining today’s important discussion on the need for continued oversight of the Corporation for National and Community Service (CNCS) following a pattern of failures in management of CNCS in the past.

From the founding of our country millions of Americans have always volunteered and served not only their own communities, but those in need of assistance across the country. This devotion to service is one of the things that makes America exceptional, and is a hallmark of the people of this country.

Not until 1993 did the federal government get actively involved with channeling taxpayer dollars to local communities and volunteers and illustrated again that the federal government often does not add value to an endeavor.

CNCS issues \$750 million in grants annually, and at any given time oversees more than 2,100 active grants, ranging in size from \$40,000 to \$10 million. Additionally, CNCS operates programs in over 50,000 locations across the country.

This funding was designed to carry out essential programs such as those that strengthen workforce development opportunities, provide economic recovery, support struggling neighborhoods, and promote health and well-being in areas impacted by natural disasters.

While these are the intended outcomes of programs under the jurisdiction of CNCS, a series of reports from the Office of Inspector General (OIG) discovered that CNCS has not fulfilled its mission to serve for several years.

Reports filed by OIG have noted patterns of fraud, mismanagement, noncompliance, and safety hazards within CNCS.

These are not words members of Congress like to hear coming from an agency that received over a billion dollars in taxpayer funding for fiscal-year 2018.

It is troubling to read through the incidents of misconduct and mismanagement of CNCS, and even more troubling to see that little has been done to the present to bring significant changes to the Corporation after several years of oversight and demands from Congress to change the way CNCS conducts its operations. The

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failures of the Corporation in these areas have put at risk those who the mission it is to serve, including the most vulnerable among us.

The OIG has provided CNCS with ample ideas to change its operations, and has even outlined a uniform set of 19 criteria across the entire grant portfolio. Additionally, CNCS has spent more than \$24 million in attempts to modernize its critical grants management system, yet OIG has found that the program is still not up to standards after spending these millions in taxpayer funds.

Despite the OIG's recommendations, as well as the monetary resources provided, CNCS still has not implemented these recommendations, and has failed to correct mistakes of the past.

Today's hearing is also not the first time this committee has addressed the glaring mismanagement of CNCS in recent years. As far back as 2011, the Higher Education and Workforce Development subcommittee examined the issues plaguing CNCS.

In each of these hearings, CNCS management has assured Congress that it would correct mistakes of the past, and bring accountability to the programs under its jurisdiction.

These promises have proven to be empty, and here we are again addressing these issues with CNCS. While the practices of CNCS have not changed yet, there has been a change in the agency's management.

Ms. Barbara Stewart recently has taken over as CEO of CNCS in February of this year, after being confirmed by the Senate. Ms. Stewart has a strong career in management and public service, and has been praised by others for her commitment to service, and devotion to addressing challenges in America's most vulnerable communities.

Since being confirmed by the Senate, Ms. Stewart has expressed intentions to continue the mission of CNCS, and it is the obligation of Congress to understand how Ms. Stewart will address the fraud, mismanagement, non-compliance, and safety that has undermined the mission of CNCS.

I look forward to Ms. Stewart's testimony, and thank members of this committee for joining today's discussion.

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