

## **AmeriCorps Disallowed Education Award Costs of Over \$90,000 Due to Inadequate Compelling Personal Circumstance Documentation**

Closed 03/21/2024

The AmeriCorps Office of Inspector General (AmeriCorps OIG) investigated an allegation that Teach for America (TFA) improperly exited an AmeriCorps member (member) for Compelling Personal Circumstances (CPCs) who allegedly provided a fictitious reason for a CPC exit in order to participate in a teacher strike and still earn her education award.

The OIG substantiated the allegation and determined that the TFA member's claim of intimidation leading to the CPC was fraudulent, due to public statements that she made to the media. The TFA member's claim prompted a further review of TFA's CPC documentation. The OIG found additional instances of TFA members nationwide exiting early with limited or no documentation to establish their exits for CPCs.

The investigation found that TFA's CPC documentation requirements varied depending on the location. Some CPC exits were approved without the submission of any documentation in support of the CPC, in violation of 45 C.F.R. § 2522.230(a)(3). Finally, the investigation supported a finding that TFA misclassified the exits of two members who served less than their full terms, exiting them from AmeriCorps systems without identifying their exits as early for CPCs. TFA did not produce CPC documentation for either member but provided one with a pro-rated education award.

AmeriCorps OIG referred the member who falsely claimed intimidation for her CPC to the Department of Justice, who declined the matter. AmeriCorps OIG issued a Report of Investigation (ROI) to AmeriCorps State and National (ASN) recommending that it disallow costs associated with education awards distributed to TFA members with inadequate CPC justifications, issue formal guidance to ASN grantees on what minimum documentation is acceptable to document CPCs, and implement controls in AmeriCorps' information technology systems to prevent organizations from exiting members with pro-rated education awards without noting the exit was early and due to a CPC.

### **Agency/Administrative Actions**

ASN directed TFA to disallow costs associated with disbursed education awards and to assume responsibility for paying any outstanding education awards not yet distributed that were based on inadequate CPC documentation. TFA disagreed with one of the inadequate CPC findings and agreed with the rest, which resulted in a disallowance of over \$90,000. TFA noted that it is in the process of revising its policy on CPC documentation to reduce variation and further substantiate members' claims.

ASN declined to issue formal guidance to grantees on what minimum documentation is acceptable to document CPCs, stating that CPC guidance is outlined in AmeriCorps' regulations and it is up to grantees to issue their own policies on how CPCs would be documented.

Regarding the recommendation to implement controls in information technology systems related to CPC exits, AmeriCorps intends to design system features that will support increased awareness of scenarios that increase a likelihood of fraud or noncompliance, and that functionalities affecting CPC exits will be considered in the development of future systems.

Case ID 2019-050