

Major AmeriCorps Grantee Allowed Members to Provide Abortion-Related Services Prohibited by Law; CNCS Management Undertakes Robust Actions in Response

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Between 2013 and 2015, the National Association of Community Health Centers (NACHC), Bethesda, MD, allowed a few AmeriCorps members to provide emotional support (doula care) to women during abortion procedures at three New York City clinics operated by the Institute for Family Health (IFH), a subgrantee. The Edward M. Kennedy Serve America Act (the Serve America Act), the Federal statute authorizing the AmeriCorps program expressly prohibits the use of AmeriCorps resources to “provid[e] abortion services or referrals for receipt of such services.” See 42 U.S.C. §12584a(a)(9). The same prohibition appears in the regulations governing the AmeriCorps program. See 45 C.F.R. §2520.65(a)(10). NACHC is one of AmeriCorps’ largest grantees, receiving \$ 30 million over the last five years. The organization also receives support from the U.S. Department of Health and Human Services, which is aware of this investigation.

Investigators discovered that NACHC had disregarded the direction of CNCS’s General Counsel in 2010 to include in its training materials and member agreements the abortion prohibition precisely as stated in the Serve America Act. Instead, NACHC adopted a narrower restriction: *“Providing or promoting abortions; Providing a direct referral for an abortion. A referral consists of a name, address, telephone number, and other relevant factual information, such as what insurance is accepted.”* The grantee continued to deviate from the prescribed language even after a 2011 Congressional hearing following CNCS’s disclosure that two other grantees had committed abortion-related prohibited activities. CNCS thereafter communicated repeatedly with all grantees about the need for scrupulous compliance with the prohibitions laid out by Congress.

Nevertheless, in 2013, only two years after those much publicized events, NACHC’s former National Director chose to authorize AmeriCorps members at IFH to provide doula care during abortions, without informing CNCS or inquiring whether those services were permissible. IFH relied on that authorization.

CNCS-OIG also learned that NACHC failed to follow up on, and report to CNCS, allegations that AmeriCorps members at this same subgrantee were tasked to perform work ordinarily performed by employees, a further violation of the Serve America Act and CNCS’s regulations. When these allegations surfaced during NACHC’s monitoring, NACHC did not interview the affected members or conduct its own inquiry, but simply accepted on the subgrantee’s unsupported assertion that the members undertook the staff tasks on their own initiative. NACHC did not quantify or disallow the hours, nor did it notify CNCS.

Finally, multiple staff members told investigators that they had reported various instances of waste, fraud and abuse to NACHC’s senior management, which chose not to inform CNCS, despite its obligation to do so under the grant terms and conditions. Investigators concluded that the tone at the top of NACHC, a key feature of the control environment, discouraged transparency and the reporting of negative information.

The investigative findings reflect a lack of institutional control, oversight and good faith dealing in NACHC's administration of this substantial grant: a pattern of ineffective subgrantee management; inadequate internal controls to recognize, prevent, detect and remedy instances of non-compliance; inadequate supervision, monitoring and support of subgrantees and host sites; ineffective follow-up on reports of problems and allegations of misconduct; and other similar mismanagement.

Upon learning from NACHC's current National Director of members' participation in abortion services, CNCS immediately requested that CNCS-OIG investigate. Pending completion of the investigation, the Corporation immediately took interim steps to protect the integrity of the AmeriCorps program, including:

- CNCS suspended advance drawdowns on the grants, instead allowing only reimbursement of incurred expenses;
- CEO Wendy Spencer contacted NACHC's AmeriCorps National Director to emphasize the seriousness of the allegations and the importance of prompt and full cooperation with the CNCS-OIG investigation;
- CNCS required NACHC to disallow the hours devoted to the prohibited activities, suspend the members involved, issue new guidance and conduct new training for members and site supervisors regarding prohibited activities, and revise and reissue every member's service contract to include more precise language concerning the scope of the abortion prohibition.

Upon completion of the investigation, CNCS and AmeriCorps leadership recognized that extraordinary measures would be required to restore confidence in NACHC's ability to manage the substantial Federal funds entrusted to them. In lieu of terminating the grant, CNCS took the following additional actions:

- Forbidding NACHC to enroll new members on its current grant;
- Requiring NACHC to engage, at its own expense, an independent oversight monitor with plenary access to information and broad authority to determine and report periodically to CNCS whether any prohibited activities have occurred, a measure unprecedented at CNCS;
- Requiring NACHC to designate an Ombudsperson to develop a policy on transparency, investigation of misconduct allegations and reporting and serve as a channel for reporting such allegations and ensuring that they are addressed; and
- Requiring NACHC to task an experienced AmeriCorps administrator to increase substantially NACHC's monitoring of its AmeriCorps grants and communications with subgrantees and members.

CNCS also made clear that NACHC's willingness to implement these reforms would be factored into any decision about whether to renew NACHC's grant in the pending grant competition. Although NACHC disputes certain of the investigative findings and characterizations, it has agreed to adopt the reforms specified by CNCS.