

APPENDIX


CORPORATION RESPONSE TO REPORT

Corporation for
**NATIONAL &
COMMUNITY
SERVICE** 

MEMORANDUM

Date: November 12, 2008

To: Gerald Walpin, Inspector General

From: David Eisner, Chief Executive Officer 

Subject: Draft report on the results of OIG's audit of the Corporation's Fiscal Year 2008 Financial Statements

Thank you for the opportunity to comment on the draft report on the audit of the Corporation's fiscal 2008 financial statements. The Corporation received an unqualified opinion for the ninth year in a row and had no reported instance of noncompliance with laws and regulations. These results reflect the Corporation's commitment to sound financial management and the hard work by staff over the past year to improve operations.

Beginning in January 2008, we experienced significant challenges in our information systems when we upgraded our agency's core financial system and concurrently rolled out an improved version of the AmeriCorps member portal. We took immediate action to identify and correct the source of the problem and instituted additional short- and long-term remedial actions. At all times, our general ledger system continued to process required transactions, as evidenced by transaction logs for fiscal 2008, and there is no record of any financial adjustments necessitated by the system challenges.

We note that the draft report contains numerous significant inaccuracies and omissions relating to testing that was performed, organizational structure, applicable continuity of operations procedures, and disaster recovery protocols. Our staff will communicate separately with your office on these concerns to inform your audit work moving forward. Nevertheless, we are heartened that the auditors' recommendations, relating to our information systems and continuity of operations, are either in line with what we have already put in place or can be readily adopted through improved documentation.



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