




Pension Benefit Guaranty Corporation
1200 K Street, N.W., Washington, D.C. 20005-4026

Office of the Director

MEMORANDUM

November 5, 2008

To: Rebecca Anne Batts
Inspector General

From: Charles E.F. Millard 
Director

Subject: Response to Draft Independent Auditor's Combined Report Issued in
Connection with the FY 2008 Financial Statement Audit

I welcome the opportunity to comment on the Office of Inspector General's FY 2008 combined report, which includes the opinions on PBGC's financial statements, management's assertion on the effectiveness of internal controls, and matters relating to compliance with laws and regulations.

Management sincerely appreciates the work of your office in overseeing this audit. As PBGC has become an increasingly important financial institution, it is worthy of note that the Corporation has once again received unqualified opinions on our financial statements and internal controls for FY 2008.

We appreciate the report's acknowledgement of the progress we have made over the past year in addressing our significant deficiencies. We concur with the three related recommendations in the areas of information security, access controls, and financial management systems integration. These represent issues that need to be addressed in a measured, rational way, and we look forward to working with you as we update and work through our Corrective Action Plans.

Again, I value the work of the OIG, and PBGC management stands ready to work with your office in fully addressing the issues that you have called to our attention.

cc: Vincent K. Snowbarger
Stephen E. Barber
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Patricia Kelly
Richard H. Macy
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