

Dear Senator Bond and Senator Mikulski,

I regret that a teaching commitment prevents me from appearing at the Committee's hearing. However, I am pleased that the Corporation's Chief Executive Officer, David Eisner, and our Chief Financial Officer, Michelle Guillermin, will be on hand to answer your questions and to thank you on my behalf for your steadfast support during the 2004 budget process.

Management of the Corporation is far stronger today than it was a year ago. We have instituted a number of significant management reforms in the areas of grant making, grant review, data management, budgeting, organizational structure, and personnel policies. In addition, in a short period of time our new CEO has made great strides in rebuilding trust in the agency, in part by working tirelessly to oversee the first stage of the AmeriCorps rulemaking process, through which we are reforming the AmeriCorps program. Having witnessed his ability to engage Corporation stakeholders in discussion of difficult issues and balance competing points of view, I have complete confidence that he can lead national and community service to the next level.

Despite the progress of the past year, our efforts are far from over. Indeed, we are striving to create a deeply rooted and lasting commitment to accountability and performance-based management throughout the organization. To ensure that the information we use to make decisions is timely, accurate, and reliable and that the Corporation is accountable, we will need to modernize our technological systems, under the direction of our new Chief Information Officer.

Last year, this Committee expressed concern about the Board's oversight of Corporation operations. The Board has taken significant steps over the past year to increase and strengthen our oversight responsibilities, as well as to ensure that we have a more active role in guiding Corporation policy.

The Board now requires that it approve guidelines issued by the Corporation for upcoming grant competitions and that the CEO certify to the Board that grants recommended for funding meet its priorities. The Board also requires that the CEO consult with the Board prior to issuance of cash awards and pay increases. In addition, the Board has developed and submitted to Congress a Comprehensive Management Reform Plan, and we have reorganized the Board's committee structure to more appropriately reflect and provide oversight to the various functions of the Corporation. In short, we have heard your concerns, taken steps to address our shortcomings, and remain committed to the highest levels of organizational accountability and responsible governance.

Please let me know if you require any further information, and I would be happy to provide it to you.

Sincerely,

Stephen Goldsmith
Chairman of the Board