

STATEMENT FROM THE SECRETARY

As the Department's 34th Secretary of Commerce, I begin my appointment on a positive note by presenting the Department of Commerce's second Accountability Report. The Report provides a picture of the Department's FY 2000 performance and discusses programmatic, financial, and management issues in order to assess accountability in meeting our mission. The Report includes our Consolidated Financial Statements, which received an Unqualified Opinion for the second year in a row. In addition, the Department continued to decrease the number of material weaknesses and reportable conditions identified at our bureaus. As Secretary, I will ensure the continued focus on financial management and financial reporting to support sound decision making by program managers.



The Report also highlights significant accomplishments of the Department during FY 2000. Most notably, the Bureau of the Census conducted the 22nd Decennial Census, our Nation's largest peacetime mobilization of resources. Every major operation performed better than or as expected. Most significantly, the census achieved a 67 percent response rate, which reversed a 30-year slide in census participation. The Department also continued to play a role in closing the digital divide and promoting digital inclusion. Specifically, the Digital Inclusion Tour aimed at ensuring that Americans of all ages, including the disabled, disadvantaged, and rural residents, have access to the equipment and training they need to make the most of technology. In addition, NOAA completed implementation of the Advanced Weather Interactive Processing System, which completes the National Weather Service's modernization effort, an effort that should produce dramatic improvements in our weather services.

The Report also includes a section detailing the Department's most pertinent performance results from our combined FY 2000 Annual Program Performance Report / FY 2002 Annual Performance Plan. The Department continues to strengthen its capacity to implement the Government Performance and Results Act's requirements. We are pleased with our performance results, as we have met most of our planned targets. However, we are still in the process of establishing the procedures, which will give assurances that our performance information is not only appropriate, but also complete and reliable. It should be noted that the measures included in this Accountability Report were subject to basic review procedures, but we will be strengthening our data validation and verification methods.

As we look forward, the Department will be a key player in implementing the President's agenda. The President envisions a government that has a citizen-based focus, is results oriented and, where practicable, market-driven. As the Secretary of Commerce, I look forward to using the tools discussed in this report to focus the Department on achieving that vision.

A handwritten signature in black ink, appearing to read "Donald L. Evans".

Donald L. Evans
Secretary of Commerce

U. S. D E P A R T M E N T O F C O M M E R C E

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

The Department of Commerce continued to make improving financial management a top priority. The significant progress made in our goal to achieve a sound financial management environment is evident in the following accomplishments that I am pleased to present to you:

- We received an unqualified audit opinion on our Consolidated Financial Statements for a second year in a row. In addition, all reporting entities received clean opinions.
- We continued to streamline our reporting requirements by preparing our second Accountability Report, a consolidated presentation of the Department’s financial and programmatic results. The report provides our many stakeholders with a single, concise source of information regarding our mission, operations, and performance. In addition, we are preparing a combined FY 2000 Annual Performance Plan / FY 2002 Annual Program Performance Report, which will be submitted to OMB in the spring.
- We continued progress with the implementation of the Department-wide financial management system, the Commerce Administrative Management System (CAMS). CAMS has been fully implemented at the Bureau of the Census and the Office of the Secretary, and is the grants accounting system of record at the Economic Development Administration. The National Oceanic and Atmospheric Administration (NOAA) has also made significant progress by using CAMS to process local travel and small purchase reimbursements. In addition, NOAA’s implementation schedule has been restructured. A line office will be fully operational October 2001, followed by all of NOAA by October 2002.
- From FY 1999 to FY 2000, the number of reportable conditions identified during our financial statement audits decreased from 12 to 7 and material weaknesses noted decreased from 7 to 6, respectively.

We plan to build on these accomplishments during FY 2001. The implementation of CAMS will remain a primary focus. We also plan to address the remaining issues noted by the auditors and to monitor the execution of all audit action plans. We will continue to work as a team to strengthen accountability in FY 2001 and beyond. Our goal is to establish a performance-based management system through the full integration of our performance and financial information and processes.

K. David Holmes, Jr.
 for the Chief Financial Officer
 and Assistant Secretary for Administration