



Message from the Secretary of Energy

On behalf of the Department of Energy's nearly 15,000 Federal and 100,000 contract employees nationwide, I am pleased to provide our customers,

the American taxpayer, this annual report on the status of our ongoing effort to transform the Department's management.

Energized by the President's Management Agenda, the Department has been recognized for leadership in management excellence since this significant reform initiative was launched in 2001. The Office of Management and Budget (OMB) noted the Department has "taken ownership of the President's Management Agenda to make lasting management improvements" and is working to "more responsibly account for the people's money and maximize the value of their human resources."

Our path of progress has been well documented by extensive internal reviews and quarterly scorecards issued to all agencies by OMB. At the beginning of the President's first term, the Department of Energy was among the lowest-rated agencies in terms of management across the Federal Government. As the President begins his second term, the Department is among the best in Government and, in OMB's words, is "leading the pack with regard to management improvement."

This report updates you on our progress in making the Department of Energy more efficient, more effective, more results-oriented, and more accountable to the citizens who pay taxes and benefit from our programs and services. The President's Management Agenda has fundamentally changed the way we conduct business. As demonstrated in this annual report, achieving success on each agenda initiative has enabled us to deliver significant returns on the taxpayer's investment.

Much hard work remains as we strive to meet the challenge of continuous improvement. Working together, we will achieve our goal of steadily improving every Department of Energy program and continue to transform the Department into an organization that makes good on its promises and delivers results for the Nation.

A handwritten signature in black ink that reads "Samuel W. Bodman".

Samuel W. Bodman
Secretary of Energy