

November 15, 2007

It is my pleasure to present to you our Fiscal Year 2007 *Performance and Accountability Report*—an annual report card of the U.S. Department of Education’s efforts and outcomes during the past fiscal year.

This year’s report builds on our efforts to increase transparency, and more effectively communicate our goals and objectives. This report emphasizes our achievements and challenges associated with implementing the Department of Education’s new mission statement: to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.



Over the past year, we’ve been hard at work to reauthorize the *No Child Left Behind Act of 2001* and build on President George W. Bush’s and the Congress’s historic commitment to ensure a high-quality education for every child. Thanks to *No Child Left Behind*, student achievement is on the rise and the long-standing achievement gap continues to narrow. The recent 2007 Nation’s Report Card confirms the tremendous progress we’ve made. The new results show across-the-board improvement in 4th and 8th grade reading and math, with African-American and Hispanic students posting all time highs in a number of categories.

Reauthorization provides an opportunity to make some commonsense improvements, such as using growth models, that will make the law more workable for educators. We’re also continuing to focus on strengthening math and science education, increasing academic rigor in our high schools, and expanding access to higher education for more Americans.

Although our performance data are fundamentally complete and reliable, we continue to improve timeliness and accuracy as discussed in the Management’s Discussion and Analysis section of this report. The report includes information and assurances about the Department’s financial management systems and management controls required by the *Federal Managers’ Financial Integrity Act of 1982*. The Department’s financial management systems and management controls, taken as a whole, provide reasonable assurance that the objectives of the Act are being met, except for two material weaknesses identified by management. The two material weaknesses identified are related to Information Security and Program Management Controls. For further discussion, please see the Management’s Assurances section of the Management’s Discussion and Analysis on pages 26-29 of this report.

The Department is setting high expectations for itself with the creation of crosscutting goals focused on excellent management practices, fiscal integrity, and a culture of high performance. In support of these management goals, the Department has invested significantly in developing a Department-wide management tool. The tool is designed to ensure that our strategic priorities are aligned across the principal offices, that we have high standards of performance, and that we achieve our commitments.

Education touches everyone. The Department of Education is committed to the highest standards of accountability as we carry out our mission.

Sincerely,

/s/

Margaret Spellings