

## A MESSAGE FROM THE CHIEF FINANCIAL OFFICER

November 14, 2006

The Department of Justice is continuing to make progress in achieving measurable improvements in its financial management practices. Fiscal Year (FY) 2006 was a year of tremendous challenge and opportunity. This is the third year we have successfully issued this Report within 45 days after the close of the fiscal year, as directed by the Office of Management and Budget (OMB). Moreover, I am pleased to report that the Department received an unqualified opinion on its FY 2006 consolidated financial statements. This year was also marked by substantial progress in reducing the number of internal control material weaknesses and reportable conditions in our accounting and reporting operations. Aided by our implementation of the OMB Circular A-123 financial reporting assurance process, significant improvement was made in the integrity of our financial reporting, and I am pleased to report that our components have demonstrated an increased emphasis on overall financial controls.

We are firmly dedicated to fulfilling the Attorney General's commitment to sound financial practices and to the financial management improvement goals of the President's Management Agenda. Our A-123 work provides a strong basis for us to improve financial reporting readiness and reliability. I recognize we have more work to do, both in addressing remaining financial control issues, and in addressing longstanding weaknesses associated with controls in our information systems environments. To aid in the remedy of those weaknesses, I remain committed to implementing uniform financial management practices across the Department, and committed to continued progress with our Unified Financial Management System project. The Department takes its financial accountability seriously, and I look forward to a productive year ahead, as we once again demonstrate that accountability to the American public.



Lee Lofthus  
Acting Chief Financial Officer

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