



## Introduction

### Purpose of This Report

The Department of Health and Human Services' (HHS) fiscal year (FY) 2006 Performance and Accountability Report provides performance and financial information that enables the President, Congress, and the American people to assess the Department's accomplishments for the period October 1, 2005, through September 30, 2006. The report provides an overview of the Department's programs, accomplishments, and challenges, and HHS' management and accountability for the resources entrusted to it. HHS prepared this report according to the requirements in Office of Management and Budget Circular A-136, Financial Reporting Requirements, which defines the form and content for Performance and Accountability Reports.

### How This Report is Organized

This report includes a Message from the Secretary, followed by four sections:

**Section I: Management's Discussion and Analysis**, which contains information on the Department's mission and organizational structure; performance goals, objectives, and results; financial statements; and systems, controls, and legal compliance.

**Section II: Annual Performance Report**, which provides information required by the Government Performance and Results Act on HHS' actual performance and progress in achieving the goals in its strategic plan and performance budget.

**Section III: Financial Report**, which contains a Message from the Chief Financial Officer, the independent auditor's report on HHS' financial statements, the financial statements and notes, Required Supplementary Stewardship Information, and Required Supplementary Information.

**Section IV: Other Accompanying Information**, which includes the Inspector General's Summary of Management and Performance Challenges Facing HHS and the Department's detailed Improper Payments Information Act Report.

### We Welcome Your Comments

Thank you for your interest in the Department of Health and Human Services. We welcome your comments and questions regarding this Performance and Accountability Report and would appreciate any suggestions for improving this report for our readers. Please contact us at:

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*This report is available online at <http://www.hhs.gov/of/reports/account/index.html>*