

Management of DOL's Financial Resources

This section of the report highlights DOL's key financial outcomes, and includes the required elements for Accountability Reporting. FY 2002 was a very successful year for the Department in terms of financial management. DOL was the first cabinet agency to move from red to yellow on the President's Management Agenda scorecard for financial management, and moved to green in achieving progress in this area (see box below). The audit on DOL's consolidated financial statements produced a sixth consecutive unqualified opinion. And the Department substantially achieved each of its target financial management goals. (See Departmental Management Goals section of this report.)

The DOL financial community, led by the Office of the Chief Financial Officer (OCFO), is currently focused on three new areas of improvement in support of the Department's critical mission:



- 1) Ensure that the Department is accountable to the American people by providing accurate and timely financial information;
- 2) Improve the accuracy of benefit and assistance payments to recipients; and
- 3) Integrate financial and performance management to support day-to-day operations across DOL.

Following are some of the highlights and key results in each of these strategic areas:

Accurate and Timely Financial Information:

- Met and exceeded Office of Management and Budget timeframes for submission of interim and annual consolidated financial statements.
- All DOL financial management systems and internal controls maintained compliance with the Federal Managers' Financial Integrity Act (FMFIA).
- Through leadership of DOL's CFO Advisory Council and regular consultations with Executive Staff and Administrative Officers, OCFO provided a critical forum for the identification, discussion and resolution of financial issues and concerns.

SUMMARY OF THE PRESIDENT'S MANAGEMENT AGENDA FINANCIAL MANAGEMENT SCORECARD (AS OF 9/30/02)

<p>CURRENT STATUS</p> 	<ul style="list-style-type: none"> ■ FFMIA AND FASAB COMPLIANCE ■ UNQUALIFIED AND TIMELY AUDIT OPINION ON ANNUAL FINANCIAL STATEMENTS ■ NO MATERIAL INTERNAL CONTROL WEAKNESSES ■ NEED TO INTEGRATE FINANCIAL AND PERFORMANCE MANAGEMENT SYSTEMS TO SUPPORT DAY-TO-DAY OPERATIONS
<p>PROGRESS IN IMPLEMENTING THE PMA</p> 	<ul style="list-style-type: none"> ■ SOLICITING COMMENTS FROM STATES ON A COMMON DEFINITION OF UI OVERPAYMENTS; ■ OPTIONS FOR A NEW PERFORMANCE MEASURE ON UI PAYMENTS ACCURACY ■ FINALIZED NEW UI PAYMENTS ACCURACY PERFORMANCE MEASURE ■ CONTINUED WORK WITH SSA ON DATA EXCHANGE BETWEEN SSA AND STATE UI AGENCIES ■ IMPLEMENTED NEW INTEGRATED PAYROLL/PERSONNEL MANAGEMENT SYSTEM ■ BEGIN PRE-ACQUISITION PHASE TO REPLACE AGING FINANCIAL MANAGEMENT SYSTEM, INCLUDING DEVELOPMENT OF A DETAILED BUSINESS CASE AND PROJECT PLAN
<p>COMMENTS</p>	<ul style="list-style-type: none"> ■ DOL MEETS THREE OF FOUR SCORECARD STANDARDS FOR SUCCESS <p>RISK ASSESSMENT:</p> <ul style="list-style-type: none"> ■ DUE TO DELAYS IN IMPROVEMENTS TO ESA'S WAGE & HOUR BACK WAGE AND CIVIL MONETARY PENALTY SYSTEMS, THE SYSTEMS ARE REPEAT "REPORTABLE CONDITIONS"