



Message from the Chief Financial Officer



As a Federal entity, the Department of Labor must be transparent and accountable to its broad community of stakeholders. To that end, I am proud to report that for the twelfth year in a row the Department received an unqualified “clean” opinion from its Inspector General on its consolidated financial statements.

We have also received other external validation of the Department’s ongoing effort to improve financial management and produce user-friendly and transparent reports. In the past year, the Department earned its eighth consecutive Certificate of Excellence in Accountability Reporting from the Association of Government Accountants and once again was recognized by the Mercatus Center for producing an annual report that was one of the best in government in terms of accuracy, transparency, and public benefit.

The Department also produced a “highlights” version of last year’s report, which the Mercatus Center deemed the best in government. The Department also maintained its “green” ratings on key President’s Management Agenda scorecards for improving financial performance and eliminating improper payments, remaining one of only a handful of Federal entities to demonstrate continued success and improvement in these areas.

With such substantial recognition both inside and outside of government for sound, accountable, and transparent financial management, our stakeholders should have confidence in our efforts to further strengthen financial management practices at the Department moving forward. To that end, allow me to share several of the Department’s financial management accomplishments during FY 2008.

The value and benefit of managerial cost accounting continues to be recognized throughout the Department, as more users are being trained and new functionality is being developed for Cost Analysis Manager (CAM), the Department’s cost accounting system. Managers are taking the vast amount of data available and using it to make more informed decisions on the directions of their programs. Departmental users are able to share best practices and lessons learned with each other to ensure that this resource is being utilized optimally.

We are on schedule to launch a new core financial management system by this time next year. The system will enable us to continue to ensure compliance with financial management requirements in a more effective manner. The system will foster better customer service and more efficient financial management operations, while facilitating accountability and transparency at all levels.

We are laying the foundation for a more effective risk management program at the Department. By integrating risk into the decision-making process, we will be well positioned to address the varied challenges facing our programs.

As we move into the new fiscal year, I am confident that we will continue to build on our accomplishments and provide more effective and efficient financial management. This will enable us to provide the transparent and accountable information our stakeholders have come to expect.

Douglas W. Webster
Chief Financial Officer
November 17, 2008

