

A Message From the Chief Financial Officer

November 9, 2009

During the past year, the Department of Justice has made measurable progress in improving our financial management practices. Our financial managers recognize their commitment to financial stewardship directly supports critical mission programs while ensuring transparency and accountability throughout the Department's programs.

I am very pleased to report that the Department has earned an unqualified audit opinion on its FY 2009 consolidated financial statements. More importantly, for the third straight year, the auditor's report on internal controls identified no material weaknesses at the consolidated level. For the fourth straight year, we had no Department-level material weaknesses in financial reporting. Overall, we were able to substantially reduce significant deficiencies across our components, yet another positive accomplishment. We will continue to aggressively correct the underlying causes of the remaining deficiencies in financial reporting and information systems controls.

This year, new challenges were addressed with the implementation of the Unified Financial Management System (UFMS) in the Drug Enforcement Administration. This was an important milestone, as it has set the stage for additional component conversions over the next several years. In addition, the Bureau of Prisons implemented the procurement acquisition solution of UFMS, and the United States Marshals Service is soon to follow. Also, the Federal Bureau of Investigation began use of the UFMS contract writing tool. These efforts have helped provide a strong baseline for further implementations throughout the Department.

Important to the American Taxpayers, the Department is committed to the accountability of four billion dollars associated with the American Recovery and Reinvestment Act of 2009. Efforts continue to ensure that all monies were not only awarded but accounted for throughout the Office of Justice Programs, Office on Violence Against Women, the Community Oriented Policing Services and in the Bureau of Alcohol, Tobacco, Firearms and Explosives. The trends in financial management reporting involving transparency and accountability from this initiative are already being focused on other targeted financial management areas.

We take our financial accountability seriously, and as demonstrated, we believe our positive results in FY 2009 demonstrate our commitment to sound agency performance results and providing taxpayer value. We look forward in FY 2010 to building on our achievements as we continue to support the important work of the Department, for our nation and our taxpayers.



Lee Lofthus
Chief Financial Officer