



MESSAGE FROM THE SECRETARY



In FY 2003, the Department's top priorities have been keeping the traveling public safe, increasing mobility, and ensuring that our transportation system enables the Nation's economic growth and development. We continue to explore consolidating and streamlining programs and improving project delivery. We are addressing system performance and enhanced program accountability.

Earlier this year, two major DOT Operating Administrations, the United States Coast Guard and the Transportation Security Administration (TSA), transitioned to the new Department of Homeland Security. On November 25, 2002, President Bush signed the Homeland Security Act of 2002 (Public Law 107-296) that initiated the transfer. DOT is proud to have supported the Coast Guard for more than 35 years. We are also honored to have guided TSA from its inception through its first full year of operation.

For three years in a row, from FY 2001 to FY 2003, DOT obtained a "clean opinion" in its financial statements. I believe that a clean opinion demonstrates that we have provided proper stewardship and accountability over the resources entrusted to us by the Nation. We are working toward eliminating material weaknesses in our financial processes and systems to meet the requirements of the Federal Managers Financial Integrity Act. Our FY 2003 *Performance and Accountability Report* contains performance and financial data that are substantially complete and reliable. The "Management Control" section in the report contains a detailed assessment of the inadequacies in DOT's performance data, and explains how we will remedy those deficiencies.

The Department is committed to implementing the President's Management Agenda. The Office of Management and Budget rated DOT "green," for progress in all five Presidential Management Agenda goals. Specifically, DOT is moving ahead on competitive sourcing by identifying over 12,000 positions as performing commercial functions and reviewing 25 percent of the commercial positions. In addition, we have developed a Human Capital Plan that is now being used as a model for other departments. Also, DOT is integrating performance and budget by producing budget requests that clearly link results with funding levels. In e-Government, DOT is working closely with partner agencies to develop practices that improve service to our customers. Finally, DOT is the first in the Federal government to transfer all of its Operating Administrations onto an integrated financial system that meets Federal requirements and improves DOT's financial management.

Our accomplishments underscore DOT's commitment to improving its overall management.

All of us at the Department are proud that the Mercatus Center ranked DOT's *Performance and Accountability Report* as one of the best in government for the past three years. I look forward to continuing to work with the President, the Administration, and Congress to achieve a safer, simpler and smarter transportation system for our Nation.



Norman Y. Mineta