



A MESSAGE FROM THE CHIEF FINANCIAL OFFICER

I am proud to join NSF Director Dr. Arden Bement in presenting the National Science Foundation's *FY 2005 Performance and Accountability Report*. This report is an integrated presentation of our programmatic and management achievements over the past year and our financial status as of September 30, 2005.

NSF has a strong tradition as an efficient and effective organization, and builds continuously on its legacy of excellence. Our core business operations are based on the principles of effective internal controls to ensure timely access to reliable financial data. NSF's electronic communications and processing systems are at the forefront of e-government, providing streamlined functions within the agency, as well as to our research and education communities. A few notable achievements of the past year include the following:

- Recognized as the first agency to earn a "Green" rating for financial performance on the President's Management Agenda (PMA) scorecard and sustaining this rating for 14 consecutive quarters.
- Earned "Green" ratings for the PMA's Budget and Performance Integration initiative and for progress in the Improper Payments initiative.
- Recognized by the Department of Treasury and the Office of Management and Budget for achieving the highest agency marks on Treasury's Financial Management Scorecard and the governmentwide CFO Council's financial management metrics.
- Our *Performance Highlights* report was named as one of the top government annual reports by the League of American Communications Professionals for the fourth consecutive year

In addition, I am pleased to report that the agency received its eighth unqualified audit opinion. The audit includes two reportable conditions: post-award monitoring and contract monitoring. In resolving all FY 2004 post-award monitoring corrective action plan recommendations, management believes we have a program that is comprehensive and stronger than ever. We will continue to strengthen the program with the goal of being recognized as the gold standard in the federal government. With regard to contract monitoring, significant progress has been made and we will continue to pursue corrective action. Additional information can be found in Management's Response to the Independent Auditors' Report.

For NSF, excellence in financial management has enabled the agency to pursue critical investments in science and engineering research and education. Underlying all of these efforts is our guiding mission: to promote progress in science and engineering in order to help ensure the Nation's security, prosperity and well being. Our success reflects the quality, integrity and professionalism of the NSF staff. Our successes are a result of their collective outstanding performance.

A handwritten signature in blue ink that reads "Thomas N. Cooley". The signature is fluid and cursive.

Thomas N. Cooley

November 7, 2005

