Why GAO Did This Report
In its 2001 performance and accountability report on the Department of Commerce, GAO identified important trade, export, weather prediction, and other issues facing the department. The information GAO presents in this report is intended to help to sustain congressional attention and a departmental focus on continuing to make progress in addressing these challenges. The majority of these challenges reflect the diverse and complex nature of the department's work and the difficult, long-term problems the department is working to manage. This report is part of a special series of reports on governmentwide and agency-specific issues.

What GAO Found
Commerce has taken steps to address the challenges that GAO previously identified. Because they reflect the complex nature of Commerce's work, these challenges continue. In addition, GAO has identified planning and conducting an accurate, cost-effective 2010 census and improving other commerce statistical programs as a new challenge for Commerce.

- **Census 2010 and other statistical programs.** In general, Commerce’s implementation of the 2000 census was consistent with its operational plans. Now it must plan and implement a cost-effective 2010 census of an increasingly large and diverse population as well as ensure the accuracy of its other statistical products.

- **Promoting and liberalizing trade while creating jobs.** Commerce has improved the accuracy and completeness of its trade agreement archive and has met performance targets related to creating jobs. In helping U.S. exporters gain access to foreign markets, Commerce needs to continue to support negotiations on trade agreements, monitor and enforce these agreements, and assist potential exporters. Commerce also needs to continue its assistance in areas of the nation experiencing high unemployment, low income, or severe economic distress.

- **Strengthening export controls while facilitating global enterprise.** In response to GAO’s concerns, Commerce established a group to monitor trends in exports of controlled items to Hong Kong. Commerce needs to continue to control and require licenses for exporting items that may pose a national security risk or foreign policy concern.

- **Improving predictions of weather and climate and management of key natural resources.** Commerce reported that it met many of its performance targets for improving weather predictions and forecasts. Continuing to provide scientific, technical, and managerial expertise to monitor and predict changes in the Earth’s environment and to conserve and manage U.S. marine and coastal resources are important for Commerce.

- **Improving financial management functions.** Commerce has made substantial progress in its financial management activities in recent years. In order to comply with applicable laws and safeguard its assets, Commerce should continue to emphasize improvements in financial management and complete its planned financial system.

To view the full report, click on the link above.
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