



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF THE  
CHIEF FINANCIAL OFFICER

I am pleased to present the Environmental Protection Agency's web-based *FY 2013 Financial and Program Performance Highlights*, our second online-only report designed to enable easy access to information about our annual performance and financial results.

During FY 2013, EPA worked cooperatively with our federal, state, and tribal partners and used the financial resources entrusted to us to advance our mission to protect human health and the environment. We continued to enhance our financial stewardship responsibilities. For the 14<sup>th</sup> consecutive year, EPA's Office of Inspector General issued an unqualified or "clean" opinion on the Agency's financial statements. We made progress in addressing our key management challenges, increasing our efficiency, and reducing costs. During FY 2013, EPA completed a major effort to review and update its financial policies: we reviewed 100 percent of our financial policies and implemented a new 3-year review cycle to ensure that policies do not become outdated. Other financial accomplishments for FY 2013 include implementing electronic processing and 100 percent auditing of travel expenses and receipts. We reduced travel expenditures by 29 percent from FY 2012, increased the speed and accuracy of payments, and improved financial reporting.

Throughout FY 2013, we maintained a strong focus on ensuring that effective internal controls were in place to manage our limited resources as efficiently and effectively as possible. The Agency implemented new procedures to increase the accuracy of employee time and attendance reporting. We upgraded our systems to improve time and attendance approval procedures to reduce erroneous payments. Further, we tightened our controls over conference-related costs and provided EPA's first public report on Agency conferences. Based on the Agency's annual review and assessment, the Administrator provided reasonable assurance on the adequacy and effectiveness of EPA's internal controls over programs, financial activities, and financial systems.

EPA remains committed to financial excellence, and we will continue to strive to use taxpayer dollars effectively in fulfilling our mission. I look forward to continuing our successes through collaboration with our partners and stakeholders and implementing innovative strategies to help meet the challenges ahead.

A handwritten signature in blue ink, reading "Maryann Froehlich", is positioned above the printed name.

Maryann Froehlich  
Acting Chief Financial Officer