Dear Colleagues,

From the day sequestration went into effect, the No. 1 priority of EPA's senior leadership has been to minimize the burden on EPA employees, while still enabling the Agency to meet our obligations and fulfill our mission. We have worked hard to that end, but I am keenly aware of the impact administrative furloughs can have – not only on you, but also on your families. I also know the ripple effect this can have on morale throughout offices and on our ability to tackle the important work we do across the Agency, day in and day out.

For all of these reasons, we have been committed to using as much flexibility as possible to reduce those impacts and ensure every furlough hour required of employees is absolutely necessary.

When I announced the Phase One (April 21 – June 15) furloughs, there was still some uncertainty around the Agency's funding for the remainder of the fiscal year. However, in recent weeks, we have worked hard to carefully and comprehensively review our resources and our priorities again, with a focus on minimizing furloughs. Now that we have an operating plan in place, I can announce with certainty that we will not need to implement as many employee furlough hours during Phase Two as we initially feared.

During Phase Two, employees will now be required to take 23 furlough hours, including the two designated furlough days on Friday, July 5 and Friday, August 30.

These 23 furlough hours during the Phase Two furlough period, combined with the 32 furlough hours taken during Phase One, add up to a total number of 55 furlough hours required for each employee – significantly less than our original projection. Therefore, we will not have any further re-evaluation period, and the Phase Two furlough period will begin on June 16, rather than June 30, and end on September 30. Part time schedules will be adjusted accordingly as well.

I certainly understand that, even at the reduced level, these furloughs will continue to impact you and your families, and I assure you that our employees' well being has remained top of mind for the entire leadership team – and certainly for me. For our Agency to continue to protect the health and environment of the American people, there are certain items we simply cannot cut any further, from mission-critical travel and necessary new hires, even at reduced replacement rates, to workforce training and new internal management tools. Non-payroll cuts account for almost 80 percent of our total sequestration cuts, but we have come to the difficult conclusion that we cannot raise that percentage any higher.

This period is without a doubt one of the most challenging times in EPA's history. But I also believe it has been one of the most inspiring.

In the face of unprecedented uncertainty and budgetary pressures, the Agency has accomplished extraordinary things. Over the past few months alone, we have proposed new standards for fuels and cars that will help avoid up to 2,400 premature deaths per year and 23,000 cases of respiratory ailments in children. We have expanded the Urban Waters Federal Partnership to address the degredation of urban waterways in 11 new cities across the country. We have continued to hold polluters accountable and address dangerous contamination in communities like Rialto, CA; Providence, RI; Woods Cross, UT and Chicago, IL.

As Acting Administrator, I have been enormously proud of the Agency's ability to continue making real progress on our mission, despite hurdle after hurdle in our path. But I also know that the hurdles are not

yet behind us.

To discuss this further, I invite you to participate in a town hall meeting tomorrow at 1 PM ET via IPTV. Employees here at headquarters are also welcome to join me in the Green Room, but space is extremely limited and seating is first come, first serve. If you are interested in attending in person, please enter through the Ariel Rios South entrance no later than 12:45 PM.

This agency-wide event will give me the opportunity to answer your questions, address your concerns and thank you for your continuing efforts. To ensure that we can touch on as many different topics as possible during the one-hour meeting, please submit any questions you may have for me here, no later than 12 PM ET tomorrow.

Once again, thank you sincerely for your hard work as One EPA during these demanding times. I look forward to speaking with you tomorrow afternoon.

Sincerely,

Bob Perciasepe Acting Administrator