

State of Oregon  
Department of Environmental Quality

Memorandum

**Date:** February 1, 2010  
**To:** Environmental Quality Commission  
**From:** Dick Pedersen, Director  
**Subject:** Agenda item I, Informational item: DEQ's annual financial report  
February 18-19 EQC meeting

**Purpose of item** DEQ staff will present the agency's annual financial report, review and discuss the report with the commission and gather feedback for improvements to financial reports.

**Background** The commission has three financial performance measures as part of its 15 best practice measures. These measures require the commission to periodically review key financial information and audit findings, appropriately account for resources and assure that DEQ adheres to accounting rules and other relevant financial controls. An additional key performance measure requires the commission to approve DEQ's biennial budget.

The annual financial report contains audit findings, information on financial monitoring and compliance and additional key financial information for the agency and programs.

**EQC involvement** DEQ will present budget updates at each regular commission meeting in 2010, and submit the agency budget for approval in August 2010. DEQ budget and accounting staff will ask the commissioners for feedback on the report's format and content, and any additional financial information they would like to see presented at commission meetings.

**Attachments** A. DEQ's 2009 annual financial report.

Approved:

Division: \_\_\_\_\_

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