441 G St. N.W.
Washington, DC 20548

B-336351

December 20, 2024

The Honorable Kamala Harris
President of the Senate

The Honorable Mike Johnson
Speaker of the House of Representatives

Subject: *Fiscal Year 2024 Antideficiency Act Reports Compilation*

The Antideficiency Act prohibits an officer or employee of the federal government from obligating or expending federal funds in advance or in excess of an appropriation or an apportionment, and from accepting voluntary services. 31 U.S.C. §§ 1341, 1342, 1517. Agencies that violate the Antideficiency Act must report the violation to the President and Congress and transmit a copy of the report to the Comptroller General at the same time. *Id.* §§ 1351, 1517(b). The report must contain all relevant facts and a statement of actions taken.

Since fiscal year (FY) 2005, GAO, in its role as repository for the Antideficiency Act reports that agencies submit, has produced and publicly released an annual compilation of summaries of the reports. We base the summaries on unaudited information we extract from the agency reports. Each summary includes a brief description of the violation, as reported by the agency, and of remedial actions agencies report that they have taken. We also include copies of the agencies' transmittal letters. We post the summaries and the agency transmittal letters on our public website. In some cases, the agencies also send us additional materials with their transmittal letters. We make these additional materials available to Members and their staffs upon request.

Please find enclosed the compilation of summaries of the nine Antideficiency Act violation reports and agency transmittal letters submitted to GAO in FY 2024. The United States Department of Defense, Department of Agriculture, Department of Homeland Security, and Chemical Safety and Hazard Investigation Board each submitted two reports, while the Interagency Council on Homelessness submitted one report. One of the reports from the Chemical Safety and Hazard Investigation Board was a correction to a report submitted to GAO in 2022.

While GAO has not opined on the agency reports or the remedial actions taken, we do note that some of the reported violations resulted from similar agency actions. For example, three of the reported violations resulted from government officials or employees obligating or expending funds in violation of statutory spending restrictions, while two other violations resulted from government officials or employees obligating or expending funds in excess of an apportionment.

If you have any questions, please contact Shirley A. Jones, Managing Associate General Counsel, at (202) 512-8156, or Kristine Hassinger, Assistant General Counsel for Appropriations Law, at (202) 512-8152.

Edda Emmanuelli Perez

Edda Emmanuelli Perez
General Counsel

Enclosure

Antideficiency Act Reports – Fiscal Year 2024

GAO No.: GAO-ADA-24-01

Agency No.: Navy, N21-01	**Date Reported to GAO:** October 4, 2023
Agency: Department of the Navy (Navy)	**Date(s) of Violation(s):** Fiscal Years (FYs) 2011-2018
Account(s): Military Personnel, Marine Corps; Operation & Maintenance, Marine Corps; and Reserve Personnel, Marine Corps	**Amount Reported:** $5,655,891.07

Description: Navy, through the Department of Defense, reported that it violated the Antideficiency Act (ADA), 31 U.S.C. § 1341(a), when the Training and Education Command improperly obligated and expended funds to acquire items for and pay personal expenses of student members of the Marine Corps National Defense Cadet Corps (MCNDCC).

According to Navy, the Marine Corps Junior Reserve Officer Training Corps (MCJROTC) program office is responsible for the management of both the MCJROTC program and MCNDCC programs. Navy reported that a key difference between these programs is how they are funded, including what the government may fund in support of MCJROTC programs versus MCNDCC programs, which is limited by 10 U.S.C. § 2034. This provision of law authorizes the military departments to issue "arms, tentage, and equipment" to educational institutions where no MCJROTC program exists, if the school offers the requisite course in military training and meets minimum student body requirements. However, according to Navy, the MCNDCCs were treated almost identically to a standard MCJROTC unit, and units were issued more items for student usage than just arms, tentage, and equipment. The Navy stated that uniforms were acquired for student members, personal costs associated with the uniforms were also paid for with appropriated funds, and other expenses such as food and travel were improperly paid.

Remedial Action Taken: To prevent a recurrence of this type of violation, Navy reported that it now requires the MCJROTC/MCNDCC program office to route all procurement requests (clearly identifying MCJROTC schools or MCNDCC units) through the budget branch to ensure all procurements are authorized by law. Additionally, Navy reported that MCJROTC fund control personnel are required to take fiscal law training and maintain current certifications.

According to Navy, the current MCJROTC/MCNDCC Director and Program Support Branch Manager, and three previous MCJROTC/MCNDCC employees were found responsible for the violation. The current MCJROTC Director and Program Support Branch Manager received an oral admonishment. Navy determined that there was no willful or knowing intent to violate the ADA.

Source: Unaudited information GAO extracted from agency Antideficiency Act reports.

Antideficiency Act Reports – Fiscal Year 2024

GAO No.: GAO-ADA-24-02

Agency No.: None Reported	**Date Reported to GAO:** January 9, 2024
Agency: United States Department of Agriculture (USDA)	**Date(s) of Violation(s):** October 19, 2018
Account(s): Economic Research Service (ERS)	**Amount Reported:** $159,627.51

Description: GAO previously concluded that USDA's ERS violated the Antideficiency Act (ADA), 31 U.S.C. § 1341, when USDA transferred an amount appropriated to ERS under a fiscal year (FY) 2019 Continuing Resolution to the Office of the Secretary to satisfy an obligation to a contractor for relocation planning assistance.[1] GAO concluded that the transferred funds were subject to the same notification requirement contained in the FY 2018 appropriations act, yet USDA did not submit a notification to the Appropriations Committees for this amount.[2]

USDA's report expressed disagreement with GAO's determination. It asserted that ERS complied with all relevant notice requirements when USDA informed Congress of its relocation plans on August 9, 2018, and that additional notice was not required simply because the transfer in question occurred in the next fiscal year.

Remedial Action Taken: USDA stated that the ERS Associate Administrator and the Budget Officer were responsible for the violation and neither are still with USDA. USDA's ERS determined there was no knowing or willful intent to violate the ADA.

Source: Unaudited information GAO extracted from agency Antideficiency Act reports.

[1] GAO concluded that a FY 2019 Continuing Resolution (CR) carried forward the terms and conditions of the prior full-year appropriation, making that CRs amounts subject to the notification provision of the prior full-year appropriation. Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2018, Pub. L. No. 115–141, div. A, title VII, § 717(a), 132 Stat. 348, 385 (Mar. 23, 2018); Continuing Appropriations Act, 2019, Pub. L. No. 115-245, div. C, §§ 101(1), 105(3), 132 Stat. 2981, 3123–24 (Sept. 28, 2018); B-334306, Aug. 15, 2023.

[2] B-334306.

Antideficiency Act Reports – Fiscal Year 2024

GAO No.: GAO-ADA-24-03

Agency No.: None Reported	**Date Reported to GAO:** March 1, 2024
Agency: United States Department of Agriculture (USDA)	**Date(s) of Violation(s):** March 23 - May 17, 2022
Account(s): Commodity Credit Corporation Fund	**Amount Reported:** $23,840,132.00

Description: USDA reported that it violated the Antideficiency Act (ADA), 31 U.S.C. § 1517(a), when the Commodity Credit Corporation exceeded the FY 2022 original apportionment.

According to USDA, it relies on a software system that captures the borrowing and repayment requirements to Treasury. USDA reported that this software system is limited in that it is unable to verify the amount of appropriation remaining for interest expenses and therefore must be monitored manually. USDA stated that following apportionment, interest rates were not closely monitored by USDA's Farm Production and Conservation (FPAC) Business Center, the office responsible for processing payments, and the payments, therefore, exceeded the apportioned amount between March 23 and May 17, 2022.

USDA reported that an FPAC Business Center accountant noticed the deficiency, and FPAC Business Center suspended interest payments in the Intra-Governmental Payment and Collection system. According to USDA, FPAC Business Center then sought an additional apportionment from the Office of Management and Budget for the rest of FY 2022 to cover the rate increase, and the revised apportionment was approved. USDA reported that inadequate controls and tracking at the team level allowed the funding to be deficient and for the deficiency to remain undetected.

Remedial Action Taken: To prevent a recurrence of this type of violation, USDA reported that it instituted additional controls and tracking methods. The approver for daily financing now runs a report daily that validates the current interest apportionment and expense: (1) if the interest apportionment is insufficient for the expense, daily financing will be suspended; (2) once the process for daily financing is complete, the remaining apportionment and expense to date is listed on an email distributed to FPAC leadership to assure visibility across the agency; and (3) FPAC Business Center Financial Management Division (FMD) Payment Team 3 also tracks the amount of interest expense daily and utilizes this to track the burn rate of the current funds throughout the year. USDA reported that this burn rate is reviewed and assessed monthly by team leadership to determine if a request for additional funds should be submitted. According to USDA, the monthly reconciliation for the Commodity Credit Corporation additionally now includes the interest expense to date and the remaining apportionment. According to USDA, its FPAC Business Center FMD Payment Team 3 team lead had no knowledge and willful intent to violate the ADA.

Source: Unaudited information GAO extracted from agency Antideficiency Act reports.

Antideficiency Act Reports – Fiscal Year 2024

GAO No.: GAO-ADA-24-04

Agency No.: None Reported	**Date Reported to GAO:** May 30, 2024
Agency: U.S. Interagency Council on Homelessness (USICH)	**Date(s) of Violation(s):** FY 2013
Account(s): Operating Expenses	**Amount Reported:** $23,124.24

Description: USICH reported that it violated the Antideficiency Act (ADA), 31 U.S.C. § 1517(a), when it incurred obligations above the total amount apportioned and available for obligation for FY 2013. According to USICH, it did not have adequate funds controls in place for accurately tracking expenses at the point of obligation. USICH stated it discovered after the end of the fiscal year when reconciling all of its expenses, including Citibank purchase card invoices received months after the end of the fiscal year, that it did not have sufficient funds to pay for all of its FY 2013 obligations.

USICH reported that extenuating circumstances for the deficiency include the agency's small staff size, with the Director of Finance and Administration (DFA) serving as the only professional staff member performing financial management, among other unrelated activities. According to USICH, it did not have adequate funds controls in place for accurately tracking expenses at the point of obligation.

Remedial Action Taken: To prevent a recurrence of this type of violation, USICH reported that the Executive Director and DFA reviewed and revised USICH's internal budget and expenditure tracking and forecasting method to include more detailed projection information.

USICH determined that the violations contained no willful or knowing intent on the part of the responsible parties to violate the ADA.

Source: Unaudited information GAO extracted from agency Antideficiency Act reports.

Antideficiency Act Reports – Fiscal Year 2024

GAO No.: GAO-ADA-24-05

Agency No.: DIA 23-01	**Date Reported to GAO:** June 6, 2024
Agency: Defense Intelligence Agency (DIA)	**Date(s) of Violation(s):** September 27, 2017; August 7, 2018; August 28, 2018
Account(s): Operation and Maintenance, Defense (O&M); Research, Development, Test and Evaluation, Defense (RDT&E)	**Amount Reported:** $1,441,389.18

Description: DIA, through the Department of Defense (DOD), reported that it violated the Antideficiency Act (ADA), 31 U.S.C. §§ 1341(a)(1), 1517(a)(1), when it incorrectly funded a contract with O&M funds as opposed to RDT&E funds and sufficient RDT&E funds were not continuously available from the time of an initial service contract award until the time of the correction. According to DIA, the incorrect funding of the contract for the Spearheading Chief Information Office Applied Research and Leading Edge Technologies artificial intelligence project resulted in a violation of the purpose statute, 31 U.S.C. § 1301(a), as RDT&E funds, and not O&M funds, should have been used for the development project.

DIA reported that on the mistaken advice of a budget analyst, the Chief Technological Officer (CTO) rewrote the Statement of Work (SOW) as an operations and maintenance service contract, requesting O&M funding. According to DIA, the budget analyst should have rejected the acquisition request because the scope and objectives sections within the SOW demonstrated that the work included developing and testing recommender engine prototypes and processes, requiring RDT&E funds, not O&M funds.

Remedial Action Taken: To prevent a recurrence of this type of violation, DIA reported that the Deputy Chief Financial Officer (CFO) implemented mandatory CFO-wide monthly targeted training. DIA also reported that the DIA Budget Executive Team has implemented a monthly validation of funding obligation activities against the DIA spend-plan details. Finally, DIA reported corrective actions to strengthen internal control deficiencies were implemented to reinforce segregation of duties for a budget analyst performing multiple contract management system roles on a single acquisition. According to DIA, the CTO and the budget analyst were found responsible for the violation, but the CTO has retired, and the budget analyst is no longer employed by DIA or DOD, thus discipline against them was not pursued. DIA also reported that there was no willful or knowing intent on the part of the responsible individuals to violate the ADA.

Source: Unaudited information GAO extracted from agency Antideficiency Act reports.

Antideficiency Act Reports – Fiscal Year 2024

GAO No.: GAO-ADA-24-06

Agency No.: None Reported	**Date Reported to GAO:** August 22, 2024
Agency: Department of Homeland Security (DHS)	**Date(s) of Violation(s):** April 26, 2019 – November 26, 2019
Account(s): Operations and Support, Federal Emergency Management Agency (FEMA)	**Amount Reported:** None Reported

Description: DHS reported that it violated the Antideficiency Act (ADA), 31 U.S.C. § 1342, when FEMA accepted voluntary services from a former employee during FYs 2019 and 2020. According to DHS, a former employee continued to support FEMA's partnership with United States Northern Command after retiring in April 2019 and prior to starting employment as a subcontractor in January 2020. DHS reported that during this time, the individual was not a FEMA employee, was not compensated for services provided, and was not party to a gratuitous service agreement with FEMA prior to these voluntary services. According to DHS, the violation occurred due to a lack of awareness of the legal limitations on accepting voluntary services.

Remedial Action Taken: To prevent a recurrence of this type of violation, DHS reported that it has educated personnel on the legal limitations on accepting voluntary services and implemented ADA training for specific grades and job series. DHS reported that FEMA's Deputy Director of International Affairs Division in the Office of Policy and Program Analysis was responsible for the violation. According to DHS, no disciplinary action for the matter was taken. DHS determined the responsible party had no knowing or willful intent to violate the ADA.

Source: Unaudited information GAO extracted from agency Antideficiency Act reports.

Antideficiency Act Reports – Fiscal Year 2024

GAO No.: GAO-ADA-24-07

Agency No.: None Reported	**Date Reported to GAO:** August 22, 2024
Agency: Department of Homeland Security (DHS)	**Date(s) of Violation(s):** December 30, 2020-January 12, 2021
Account(s): Procurement, Construction, and Improvements (PC&I), U.S. Customs and Border Protection (CBP)	**Amount Reported:** $8,990,166.00

Description: DHS reported that it violated the Antideficiency Act (ADA), 31 U.S.C. § 1341, when it incurred obligations prior to the submission of a spend plan required by the Department of Homeland Security Appropriations Act, 2021.[3] According to DHS, the Act restricted obligations of PC&I funds until DHS submitted an expenditure plan. While DHS previously submitted expenditure plans, according to DHS the Act had the effect of restricting further obligation of carry-over funds until CBP submitted a new expenditure plan. DHS reported that partly due to the unusual nature of the restriction and timing of enactment during the winter holidays, personnel responsible for obligating or directing the obligation of funds within their respective program offices either did not receive the email notifications, overlooked the emails, or did not read them in a timely manner.

Remedial Action Taken: To prevent a recurrence of this type of violation, DHS reported that it implemented systematic controls to restrict the ability of offices to execute PC&I funds prior to submission of an expenditure plan. DHS also reported that it established a working group to address the policies and communications related to budget guidance and training requirements for funds certifying officials and approving officials. DHS reported that program office headquarters budget officers, funds certifying officials, and approving officials were responsible for the violations. According to DHS, due to the nature of the violation, no disciplinary action was taken. DHS determined that the responsible parties had no knowing or willful intent to violate the ADA.

Source: Unaudited information GAO extracted from agency Antideficiency Act reports.

[3] Department of Homeland Security Appropriations Act, 2021, Pub. L. No. 116-260, div. F, title II, § 208, 134 Stat. 1182, 1448, 1456 (Dec. 27, 2020).

Antideficiency Act Reports – Fiscal Year 2024

GAO No.: GAO-ADA-24-08

Agency No.: None Reported	**Date Reported to GAO:** September 20, 2024
Agency: U.S. Chemical Safety and Hazard Investigation Board (CSB)	**Date(s) of Violation(s):** FY 2014
Account(s): Salaries & Expenses	**Amount Reported:** $6,528,286.00

Description: GAO, following CSB's request, determined that CSB violated the Antideficiency Act (ADA), 31 U.S.C. § 1341(a), when CSB entered into a ten-year real-property lease without sufficient available appropriations at the time of lease execution to cover the full obligation under the ten-year lease.[4] GAO concluded that CSB's annual appropriation for FY 2014 was not available to cover the office space costs for FYs 2016 through 2025 under the ten-year lease for CSB's headquarters.[5] At the time it executed the lease, CSB did not yet have appropriations available for FYs 2016 through 2025 and, therefore, GAO determined that CSB violated the ADA.[6]

Remedial Action Taken: To prevent a recurrence of this type of violation, CSB reported that it has been consulting with the General Services Administration about CSB's office space needs, and the Office of Management and Budget to ensure compliance with federal appropriations laws relevant to this matter. CSB is also taking steps to ensure that relevant agency staff are trained in the requirements of the ADA, including staff in the CSB's Office of Contracting, Office of Financial Operations, and Office of General Counsel.

According to CSB, no disciplinary action was taken against the former contracting officer, former financial management officials, or other former senior agency leaders

[4] B-332205, Aug. 9, 2023, at 1 (finding that CSB also "lacked the statutory authority to lease real property situated in the District of Columbia and, therefore, violated 40 U.S.C. § 8141 when it entered into a real-property lease for space in a privately-owned building there).

[5] *Id.*

[6] *Id.*

who were responsible for this violation. CSB also reported that these responsible parties appear to have had no knowing or willful intent to violate the ADA.

Source: Unaudited information GAO extracted from agency Antideficiency Act reports.

Antideficiency Act Reports – Fiscal Year 2024

GAO No.: GAO-ADA-24-09

Agency No.: None Reported	**Date Reported to GAO:** September 20, 2024
Agency: U.S. Chemical Safety and Hazard Investigation Board (CSB)	**Date(s) of Violation(s):** FY 2020
Account(s): Salaries & Expenses	**Amount Reported:** $16,761.00

Description: CSB reported a violation of the Antideficiency Act (ADA), 31 U.S.C. § 1341, that occurred when CSB incurred obligations and made expenditures without providing advance congressional notification in violation of a statutory prohibition.[7]

According to CSB, in FY 2020, a statutory provision required it to notify Congress in advance of obligating or expending amounts in excess of $5,000 to furnish the office of an agency head. CSB reported that it incurred expenses for new furnishings and an air purifier in an amount that exceeded the statutory limit by $16,761, and that the agency did not provide prior notification to Congress. CSB previously submitted this violation report to GAO in April 2022, and it was included as part of GAO's FY 2022 Antideficiency Act Reports Compilation, but CSB's report incorrectly stated the amount of the violation, making the report here a correction rather than a new violation.[8]

Remedial Action Taken: To prevent a recurrence of this type of violation, CSB stated it now has a formal written policy on office furnishings for political appointees to ensure strict adherence to the expenditure limit. CSB reported that this policy was distributed to all agency personnel and was subsequently posted on the CSB intranet site.

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[7] Financial Services and General Government Appropriations Act, 2020, Pub. L. No. 116-93, div. C, title VII, § 710, 133 Stat. 2317, 2486 (Dec. 20, 2019). ("During the period in which the head of any department or agency, or any other officer or civilian employee of the Federal Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is transmitted to the Committees on Appropriations of the House of Representatives and the Senate.").

[8] FY 2022 Antideficiency Act Reports Compilation, B-334682, GAO-ADA-22-03 (Feb. 8, 2023) at 5-6 (showing the amount reported as $4,690.38).

Additionally, CSB reported that financial operations and contracting personnel have been trained on that new policy. CSB stated it is also in the process of securing approval for its administrative fund control policies with the appropriate office within the Office of Management and Budget.

CSB reported that the Environmental Protection Agency Office of Inspector General uncovered no evidence of a knowing or willful intent by CSB staff to violate the ADA.

Source: Unaudited information GAO extracted from agency Antideficiency Act reports.

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

SEP 29 2023

The Honorable Gene Dodaro
Comptroller General of the United States
Washington, DC 20548

Dear Mr. Dodaro:

This letter reports violations of the Antideficiency Act (ADA), contained in Navy case number N21-01 (enclosed), as required by 31 United States Code (U.S.C.) § 1351. The violations involved fiscal years 2011 through 2018 Military Personnel, Marine Corps; Operation & Maintenance, Marine Corps; and Reserve Personnel, Marine Corps funds. The violations totaled $5,655,891.07 and occurred at the Marine Corps Base Quantico, VA. The Training and Education Command (TECOM) improperly obligated and expended funds to acquire items for and pay personal expenses of student members of the Marine Corps National Defense Cadet Corps (MCNDCC). As a result, TECOM incurred uncorrectable violations of the Purpose Statute (31 U.S.C. § 1301) and the ADA (31 U.S.C. § 1341(a)(1)(A)).

TECOM's Marine Corps Junior Reserve Officer Training Corps (MCJROTC) program office is responsible for the management of both the MCJROTC program and MCNDCC programs. A key difference between these programs is how they are funded, including what the Government may fund in support of Junior Reserve Officer Training Corps programs versus National Defense Cadet Corps programs, which is limited by title 10 U.S.C. § 2034. This provision of law authorizes the military departments to issue "arms, tentage and equipment" to educational institutions where no JROTC program exists, if the school offers the requisite course in military training and meets minimum student body requirements. However, the MCNDCCs were treated almost identically to a standard MCJROTC unit, and units were issued more items for student usage than just arms, tentage, and equipment.

With the approval of the MCJROTC/MCNDCC Directors and the MCNDCC Finance Officer, the Supply Officer acquired uniforms for the student members. Personal costs associated with the uniforms were also paid with appropriated funds. Other expenses were also improperly paid, including food and travel.

The current MCJROTC/MCNDCC Director and Program Support Branch Manager, and three previous MCJROTC/MCNDCC employees (Director, Acting Director, and Fiscal Manager) were found responsible for causing the ADA violations. The three previous employees have retired and are no longer employed by the United States Government, and discipline was not pursued. The current MCJROTC Director and Program Support Branch Manager received an oral admonishment. The violations contained no willful or knowing intent on the part of the responsible individuals to violate the ADA.

To prevent a recurrence of this type of violation, the TECOM Comptroller requires the MCJROTC/MCNDCC program office to route all procurement requests (clearly identifying MCJROTC schools or MCNDCC units) through the Budget Branch to ensure all procurements are authorized by law. In addition, MCJROTC fund control personnel are required to take fiscal law training and maintain current certifications.

Identical reports are being submitted to the President (through the Director of the Office of Management and Budget), President of the Senate, and Speaker of the House of Representatives.

Sincerely,

Michael McCord

Michael McCord

Enclosure:
As stated

GAO-ADA-24-02

United States Department of Agriculture
Office of the Secretary
Washington, D.C. 20250

January 9, 2024

THE HONORABLE GENE DODARO
Comptroller General
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Comptroller General Dodaro:

This letter reports a violation of the Antideficiency Act (ADA), as required by 31 U.S.C. 1351, by the Economic Research Service (ERS). The Government Accountability Office (GAO) determined that a violation of 31 U.S.C. 1341 occurred in the Agency Treasury account 1291701D, Economic Research Service (ERS), Agriculture, in the total amount of $159,627.51. According to GAO, this violation occurred on October 19, 2018, in connection with the Continuing Resolution for the Agency Annual Direct Appropriation for fiscal year 2019. The ERS Associate Administrator and the Budget Officer, neither of whom are still with the Agency, were responsible for the violation. ERS has determined that the responsible parties had no knowing or willful intent to violate the ADA.

The ADA violation occurred when ERS transferred an amount appropriated under a 2019 Continuing Resolution to the Office of the Secretary to satisfy an obligation to a contractor for relocation planning assistance. Although USDA had notified Congress of the relocation on August 9, 2018, GAO determined that the transfer by ERS violated section 717(a) of the 2018 Agriculture Appropriations Act, Pub. L. No. 115-141, when it did not also provide notice in fiscal year 2019.

The USDA Office of the General Counsel (OGC) disagrees with the GAO finding that an ADA violation occurred. It is due to this disagreement that ERS did not discover or report an ADA violation. OGC believes that ERS complied with all relevant notice requirements when USDA informed Congress of its relocation plans on August 9, 2018, and that additional notice was not required simply because the transfer in question occurred in the next fiscal year.

The ERS operates within the confines of OMB A-11 Internal Controls and received a clean audit opinion for fiscal year 2019.

Identical reports are being submitted to the President, President of the Senate, and the Speaker of the House of Representatives.

Sincerely,

THOMAS J. VILSACK
Secretary

GAO-ADA-24-03

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250-0100

February 28, 2024

THE HONORABLE EUGENE LOUIS DODARO
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Comptroller Dodaro:

This letter is to report a violation of the Antideficiency Act (ADA), as required by 31 U.S.C. § 1517(b).

<u>Background</u>

A violation of 31 U.S.C. § 1517(a) occurred in account 12X4336 in the total amount of $23,840,132. The violation occurred in fiscal year (FY) 2022 when the Commodity Credit Corporation (CCC) exceeded the FY 2022 original apportionment.

The U.S. Department of Agriculture's (USDA) CCC requested, and the Office of Management and Budget (OMB) approved, an apportionment to repay Treasury interest in the amount of approximately $19 million in FY 2022. The requested amount was derived by comparing previous years' interest rates and the average daily borrowing balance from the previous 5 years. This data was then utilized to project an estimated amount for the FY. USDA's Farm Production and Conservation (FPAC) Business Center utilizes an internal customized software system, Financial Accounting Information System (FAIRS), that captures, from multiple internal and external sources, the borrowing and repayment requirements to Treasury. FPAC Business Center employees utilize FAIRS to determine the appropriate amount required to borrow for that day, along with the appropriate amount of interest to be repaid from the previous day of borrowing. This process is completed on a daily basis, excluding weekends and Federal holidays. Once the calculations are complete for the day and confirmed by Treasury, FPAC Business Center employees then complete the required steps in FAIRS and complete an IPAC to process the borrowing and repayment for the day. That data is then passed to the appropriate accounting system of record for USDA. FAIRS is limited in that it is unable to verify the amount of appropriation remaining for interest expense and therefore must be monitored manually. Following apportionment, interest rates were not closely monitored by the USDA's FPAC Business Center, the office responsible for processing payments, and payments, therefore, exceeded the apportioned amount between March 23 and May 17, 2022. An FPAC Business Center accountant noticed the deficiency, and FPAC Business Center suspended interest payments in the Intra-Governmental Payment and Collection system. FPAC Business Center then sought from OMB an additional apportionment for the rest of FY 2022 to cover the rate increase, and the revised apportionment was approved. Although the new apportionment provided additional budget authority for the rest of the fiscal year, CCC exceeded the original apportionment in violation of the ADA and this must be reported under 31 USC § 1517(b). Inadequate controls and tracking at the team level allowed the funding to be deficient and for the deficiency to remain undetected. The FPAC Business Center Financial Management Division (FMD) Payment Team 3 Team Lead had no knowledge and willful intent to violate the ADA.

Corrective Action

As a direct result of this violation, FMD/Payment Operations Section/Payment Team 3 instituted additional controls and tracking methods as follows. The approver for Daily Financing now runs a report daily that validates the current interest apportionment and expense: (1) if the interest apportionment is insufficient for the expense, daily financing will be suspended; (2) once the process for daily financing is complete, the remaining apportionment and expense to date is listed on an email distributed to FPAC leadership to assure visibility across the agency; and (3) FMD/Payment Team 3 also tracks the amount of interest expense daily and utilizes this to track the burn rate of the current funds throughout the year. This burn rate is reviewed and assessed monthly by team leadership to determine if a request for additional funds should be submitted. The monthly reconciliation for the CCC additionally now includes the interest expense to date and the remaining apportionment. This is done as a monthly check to assure funding requirements for interest expense.

Identical reports are being submitted to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives. The Director of OMB has also been informed of the ADA violation.

Sincerely,

THOMAS J. VILSACK
Secretary

GAO-ADA-24-04

The President
The White House
Washington, DC 20500

This letter is to report violations of the Antideficiency Act, as required by 31 U.S.C. 1517(b).

A violation of 31 U.S.C. 1517(a) occurred in the U.S. Interagency Council on Homelessness (USICH) Operating Expenses account (Treasury Account Fund Symbol 48-1300 /13) in the total amount of $23,124.24. The violation occurred in FY 2013 when the Agency incurred obligations above the total amount apportioned and available for obligation for the fiscal year, post-sequestration and post-across-the-board-rescission. Specifically, as USICH did not have adequate funds controls in place for accurately tracking expenses at the point of obligation, USICH discovered after the end of the fiscal year when reconciling all of its expenses, including Citibank purchase card invoices received months after the end of the fiscal year, that it did not have sufficient funds to pay for all of its FY 2013 obligations. The responsible officer was the then-Director of Finance and Administration (DFA). One extenuating circumstance in this matter was the Agency's small staff size, with the DFA serving as the only professional staff member performing financial management, in addition to a wide range of other unrelated activities. The ADA violation further involved an expenditure that was made for the agency's credit card balance that included the over-obligation. USICH, together with its then-financial service provider, corrected the erroneous credit card payment of the $23,124.24.

The Agency has determined that the violations contained no willful or knowing intent on the part of the responsible parties to violate the Anti-deficiency Act and has utilized its OPM approved employee performance review process to address issues related to the violation.

In order to prevent future ADA violations, the Agency Executive Director and DFA reviewed and revised the Agency's internal budget and expenditure tracking and forecasting method to include more detailed projection information. These improved internal processes assist with ensuring that all transactions are accounted for, identifying and making adjustments, as needed, and supporting USICH's accurate execution of its budget. Further, the DFA now involves additional staff in a monthly review of forecast and spending, in order to have additional assurance of the accuracy of reporting. USICH has since changed Federal financial service providers and has worked closely with its current service provider to record obligations in a timely manner and support regular reporting. In FY 2019, USICH liquidated the outstanding obligations with available resources pursuant to 31 U.S.C. 1553. Lastly, the Agency has drafted an Administrative Control of Funds Policy that details a system for positive funds control and is working with OMB and its current financial services provider to finalize the Policy.

Identical reports will be submitted to the President of the Senate, the Speaker of the House of Representatives, and the Comptroller General.

Respectfully,

Anthony Love

Anthony Love
Acting Agency Director, USICH

www.usich.gov | 301 7th Street, SW, Room 2080, Washington, DC 20407 | 202.708.4663

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

JUN 04 2024

The Honorable Gene Dodaro
Comptroller General of the United States
Washington, DC 20548

Dear Mr. Dodaro:

This letter reports a violation of the Antideficiency Act (ADA), contained in Defense Intelligence Agency (DIA) case number 23-01 (enclosed), as required by Title 31 United States Code (U.S.C.) § 1351. The violation involved fiscal years (FY) 2017 through 2018 Operation and Maintenance, Defense (O&M); and Research, Development, Test and Evaluation, Defense (RDT&E) funds. The violation totaled $1,441,389.18 and occurred at the Defense Intelligence Agency Headquarters, Washington, DC. The incorrect funding of the contract for the Spearheading Chief Information Office (CIO) Applied Research and Leading Edge Technologies (SCARLET) artificial intelligence project resulted in a violation of Title 31, U.S.C. § 1301(a) the Purpose Statute as RDT&E funds, and not O&M funds, should have been used for the development project. At that time there were insufficient RDT&E funds continuously available from the time of the initial service contract award until the time of the correction. This resulted in an ADA violation of Title 31, U.S.C. § 1517(a)(2).

DIA has been modernizing its data and analytics process. The DIA CIO Division of Data and Technology Exploitation submitted a requirement to purchase an existing artificial intelligence recommender engine and then enable it to work in the DIA environment. The scope of the acquisition and project later changed from purchasing to building an artificial intelligence engine. The acquisition was further changed to a contract for services. The Statement of Work (SOW) for the service contract was changed to require the vendor to design, architect, and implement recommender and interference engine strategies. It also required the vendor to develop, operate, and test a recommender and interference engine capable of operating in a DIA classified network on multiple data set, and then provide the resultant artificial intelligence capabilities as a service.

The budget analyst within the Office of the Chief Financial Officer, correctly rejected the request to build the recommender engine due to a lack of RDT&E funds.as the SCARLET was not included in the DIA RDTE spend plan. On the mistaken advice of a budget analyst, the CIO Chief Technology Officer (CTO) rewrote the SOW as an operations and maintenance service contract, requesting O&M funding. The budget analyst should have again rejected the acquisition request because though the fund cite information provided in the SOW was for O&M, the scope and objectives sections within the SOW demonstrated that the work included developing and testing recommender engine prototypes and processes, requiring RDT&E funding.

The CIO CTO and the budget analyst (the latter certified the availability of O&M funds for the development work in the service contract) were found responsible for committing the

ADA violation based on the mistaken belief that a service contract requiring development work could be O&M funded. As the CIO CTO has retired, and the budget analyst is no longer employed by the DIA or the Department of Defense, discipline against them was not pursued. The report concludes that there was no willful or knowing intent on the part of the responsible individuals to violate the ADA.

To prevent a recurrence of this type of violation, the Deputy CFO implemented mandatory CFO-wide monthly targeted training. The first strategic training session was conducted by the Deputy CFO in August 2023 focusing on the fiscal environment corporate process and emphasized the critical importance of adherence to established business processes, segregation of duties, and validating purpose, time, and amount of obligations against requirements to prevent an ADA violation. The DIA Budget Execution Team has also implemented a monthly validation of funding obligation activities against the DIA Spend Plan details. This process ensures all lines of accounting are balanced between the target amount, the requisition amount, and all attributes, including the appropriate type of funding. Finally, corrective actions to strengthen internal control deficiencies were implemented to reinforce segregation of duties for a budget analyst performing multiple contract management system roles on a single acquisition.

Identical reports are being submitted to the President (through the Director of the Office of Management and Budget), President of the Senate, and Speaker of the House of Representatives.

Michael McCord

Michael McCord

Enclosure:
As stated

Secretary
U.S. Department of Homeland Security
Washington, DC 20528

Homeland Security

August 19, 2024

The Honorable Gene L. Dodaro
Comptroller General of the United States
Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Dodaro:

This letter is to report a violation of the Antideficiency Act (ADA), as required by 31 U.S.C. § 1351, at the Department of Homeland Security (the "Department"), Federal Emergency Management Agency (FEMA).

The ADA violation for acceptance of voluntary services occurred in Treasury Appropriation Fund Symbol 070 0700. The violation happened between April 26, 2019, and November 26, 2019, in connection with the FEMA, Operations and Support account. The Department determined that FEMA's Deputy Director of International Affairs Division in the Office of Policy and Program Analysis was responsible for the violation.

In August 2020, the Department's Office of the Chief Financial Officer completed an investigation into whether the Department violated 31 U.S.C. § 1342 when FEMA accepted voluntary services from a former employee during fiscal years 2019 and 2020 in support of FEMA's partnership with United States Northern Command (USNORTHCOM) on helping strengthen Mexico's emergency management capabilities.

The violation was discovered in March 2020 when the Office of Chief Counsel reviewed an inquiry from FEMA's Director of International Affairs Division about potentially improper voluntary services. A former employee had continued to support FEMA's partnership with USNORTHCOM after retiring in April 2019 and prior to starting employment as a subcontractor in January 2020. During this time, the employee was not a FEMA employee, was not compensated for services provided, and was not party to a gratuitous service agreement with FEMA prior to these voluntary services. These voluntary services were accepted in violation of 31 U.S.C. § 1342, which prohibits the Federal Government from receiving voluntary services except in certain circumstances. The Department determined the violation occurred due to lack of awareness of the legal limitations on accepting voluntary services.

The voluntary services were terminated when FEMA hired the former employee as a subcontractor in January 2020. FEMA has educated personnel on the legal limitations on accepting voluntary services, and also implemented ADA training for specific grades and job series. These actions will strengthen awareness of the requirements to ensure this type of violation does not occur again within the Agency.

No disciplinary action for this matter was taken. The Department determined that the responsible party had no knowing or willful intent to violate the ADA.

The Department's system of administrative control of funds was approved by the Office of Management and Budget (OMB) on January 19, 2022.

An identical copy of this letter is being sent to the President, President of the Senate, and the Speaker of the House of Representatives.

Sincerely,

Alejandro N Mayorkas

Alejandro N. Mayorkas
Secretary

Secretary

U.S. Department of Homeland Security
Washington, DC 20528

Homeland Security

August 19, 2024

The Honorable Gene L. Dodaro
Comptroller General of the United States
Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Dodaro:

This letter is to report violations of the Antideficiency Act (ADA), as required by 31 U.S.C. § 1351, at the Department of Homeland Security U.S. Customs and Border Protection (CBP).

The ADA violations involve the CBP Procurement, Construction, and Improvements (PC&I) appropriations in Treasury Appropriation Fund Symbols 070 18/22[1] 0532, 070 19/21 0532, 070 19/23 0532, 070 20/22 0532, and 070 20/24 0532. The 26 violations happened between December 30, 2020, and January 12, 2021, when $8,990,166 was obligated prior to the submission of a spend plan required by the Department of Homeland Security Appropriations Act, 2021 (division F of Public Law 116-260; the Act).

Section 208 of the Act restricted obligations of PC&I funds made available "in this Act and prior Acts" until the Department submitted an expenditure plan. The Department had previously submitted expenditure plans for funds made available in fiscal year 2020 and during the continuing resolution in early fiscal year 2021. However, the Act had the effect of restricting further obligation of carry-over funds until the Department submitted a new expenditure plan.

The CBP Budget Directorate distributed several notifications about the restriction both prior to and upon enactment of the Act on December 27, 2020. However, partly due to the unusual nature of the restriction and timing of enactment during the winter holidays, CBP personnel responsible for obligating or directing the obligation of funds within their respective program offices either did not receive the email notifications, overlooked the emails, or did not read them in a timely manner.

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[1]Multi-year fund numbers represent the first year funds are available, and the last year funds are available for obligation.

CBP discovered 26 obligations against the PC&I appropriation between enactment of the Act and the Department's January 13, 2021, submission of the expenditure plan:

- Obligations of $8,378,836 for land and structures against 070 18/22 0532 on December 31, 2020.
- Obligations of $20,198 for travel against 070 19/21 0532 on January 7-8, 2021.
- Obligations of $10,802 for travel against 070 19/23 0532 on December 30, 2020, and January 7, 11, and 12, 2021.
- Obligations of $577,464 for contractor services, supplies & materials, and travel against 070 20/22 0532 on December 30-31, 2020, and January 5-8, 2021.
- Obligations of $2,866 for travel against 070 20/24 0532 on January 8, 2021.

Program office headquarters budget officers, funds certifying officials (FCO), and approving officials (AO) were responsible for the violations.

The Department conducted an investigation which included interviewing those responsible. The Department determined the violations occurred due to timing of the enactment and availability of CBP personnel during the holidays, lack of and ineffective use of system-based controls, and insufficient FCO and AO training. CBP has taken corrective actions to prevent future violations by implementing systematic controls to restrict the ability of offices to execute PC&I funds prior to submission of an expenditure plan. CBP also established a working group to address the policies and communications related to budget guidance and training requirements for FCOs and AOs. The Department concurred with these steps. Additionally, the Department worked with the Office of Management and Budget to amend the expenditure plan provision in subsequent appropriations Acts to avoid incurring similar ADA violations in the future.

The Department's system of administrative control of funds was approved by the Office of Management and Budget (OMB) on January 19, 2022.

Due to the nature of this violation, no disciplinary action against the employees involved in this matter was taken. The Department has determined that the responsible parties had no knowing or willful intent to violate the ADA.

An identical copy of this letter is being sent to the President, the President of the Senate, and the Speaker of the House of Representatives. A similar letter is also being provided to the Director of OMB.

Sincerely,

Alejandro N Mayorkas

Alejandro N. Mayorkas
Secretary

U.S. Chemical Safety and Hazard Investigation Board

1750 Pennsylvania Avenue NW, Suite 910 | Washington, DC 20006
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Steve Owens
Interim Executive Authority

Sylvia E. Johnson, Ph.D.
Board Member

Catherine J.K. Sandoval
Board Member

September 19, 2024

The Honorable Gene L. Dodaro
Comptroller General of the United States
Government Accountability Office
441 G Street, NW
Washington, DC 20548

Sent by Email to: AntideficiencyActRep@gao.gov

Dear Mr. Dodaro:

The purpose of this letter is to report a violation of the Antideficiency Act (ADA), 31 U.S.C. § 1341(a)(1)(A), as required by 31 U.S.C. § 1351, that occurred in the U.S. Chemical Safety and Hazard Investigation Board's (CSB) Salaries & Expenses account (Treasury Appropriation Fund Symbol 510 3850) totaling $6,528,286.00.

On August 9, 2023,[1] the Government Accountability Office (GAO) determined that the CSB violated the ADA when the Agency entered a ten-year real-property lease in fiscal year 2014 without sufficient available appropriations at the time of lease execution to cover the full obligation under the ten-year lease for fiscal years 2016 through 2025.

GAO issued this opinion in response to a request made by the then-General Counsel of the CSB in September 2019 for a determination from GAO about the CSB's lease for its headquarters office space at 1750 Pennsylvania Avenue NW in Washington, DC. The CSB General Counsel made that request in light of two decisions issued by GAO in 2016 and 2018 involving leases by another federal agency. Both of these decisions were issued years after the CSB had already entered into the original lease in fiscal year 2014.

GAO concluded that the CSB's annual appropriations for fiscal year 2014 were not available to cover the office space costs for fiscal years 2016 through 2025 under the executed ten-year lease for the CSB's Washington D.C. headquarters. GAO summarized that the *bona fide* needs rule dictates that appropriations made available for a specific fiscal year are available only to fulfill *bona fide* needs of that fiscal year, and that an agency's need for office space arises in the fiscal year in which it occupies the space. Thus, the CSB's lease for office space for fiscal years 2016 through 2025 required appropriations to be available for those fiscal years at the time of lease execution. GAO

[1] GAO, B-332205, Application of the Antideficiency Act, Bona Fide Needs Statute, and Recording Statute to Real-Property Lease and to Occupancy Agreement with the U.S. General Services Administration.

found that the CSB's annual appropriation for fiscal year 2014 was only available for office space obligations for the agency's needs of that fiscal year, and not for future fiscal years arising under the lease, in the absence of statutory authority. GAO determined that the CSB did not have statutory authority to use its annual appropriations for fiscal year 2014 for the needs of future fiscal years through a multi-year lease, despite the CSB's statutory authority to enter into private leases as needed to support board operations. *See* 42 U.S.C. § 7412(r)(6)(N). At the time of execution, the CSB also did not yet have appropriations available for fiscal years 2016 through 2025. Therefore, GAO concluded, the CSB violated the ADA by incurring the subject ten-year lease obligation in advance of appropriations available for fiscal years 2016 through 2025.

The CSB received a non-modified or "clean" audit opinion in fiscal year 2014, the year in which the CSB signed the lease, when the ADA violation occurred. For each fiscal year from 2016 through 2023, the CSB similarly received non-modified audit opinions. However, the CSB received a qualified audit opinion in FY 2024 based on this issue.

No disciplinary action for this matter was taken against the former contracting officer, former financial management officials, or other former senior agency leaders who were responsible for this violation. These CSB employees were the ones who negotiated, advised on, approved, and signed the lease agreement; however, they all are no longer employed by the CSB. The CSB has also determined that these responsible parties appear to have had no knowing or willful intent to violate the ADA and were unaware of the impact that the *bona fide* needs rule and the recording statute should have had in limiting the CSB's ability to sign the ten-year lease for its headquarters space back in 2014.

Despite disagreement with some underlying factual assertions in the GAO opinion, the CSB is taking steps to ensure that safeguards are in place to prevent recurrence of the circumstances presented in this matter, and to avoid any new ADA violations with respect to private lease agreements. The CSB has been consulting with the General Services Administration (GSA) about the CSB's office space needs in Washington, D.C. The CSB also has been consulting with the Office of Management and Budget (OMB) to ensure compliance with federal appropriations laws relevant to this matter. In addition, the CSB is taking steps to ensure that relevant agency staff are trained in the requirements of the ADA, including staff in the CSB's Office of Contracting, Office of Financial Operations, and Office of General Counsel. This training includes, but is not limited to, issues related to a federal agency's responsibilities and limitations when leasing private office space.

Last, in accordance with the Federal Financial Management Improvement Act of 1996 (FFMIA), the CSB acknowledges the agency has the responsibility for establishing and maintaining effective internal controls to meet the objectives delineated in the FFMIA. The CSB believes that its internal controls are adequate with respect to supporting the effectiveness and efficiency of operations, and sufficient to ensure the reliability of financial reporting and to ensure compliance with applicable laws and regulations. These controls include, but are not limited to, financial internal controls, procurement internal controls, human resources internal controls, information technology internal controls, and systems controls provided through an inter-agency agreement with the Bureau of Fiscal Services. The CSB is also in the process of securing approval for its administrative fund control policies with the appropriate office within the Office of Management and Budget, in accordance with Section 150 of OMB Circular A-11.

Identical notices are being submitted to the President, President of the Senate, and the Speaker of the House of Representatives. A similar letter is being provided to the Director of OMB.

Sincerely,

Steve Owens
Chairperson

cc: Sylvia E. Johnson, Ph.D., Board Member, CSB
Catherine J.K. Sandoval, Board Member, CSB
Christopher M. Lyon, Acting General Counsel, CSB

U.S. Chemical Safety and Hazard Investigation Board

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Steve Owens
Interim Executive Authority

Sylvia E. Johnson, Ph.D.
Board Member

Catherine J.K. Sandoval
Board Member

September 19, 2024

The Honorable Gene L. Dodaro
Comptroller General of the United States
Government Accountability Office
441 G Street, NW
Washington, DC 20548

Sent by Email to: AntideficiencyActRep@gao.gov

Dear Mr. Dodaro:

This letter is to report a violation of the Antideficiency Act (ADA), as required by 31 U.S.C. 1351, at the U.S. Chemical Safety and Hazard Investigation Board (CSB).[1]

In Fiscal Year 2020 a violation of 31 U.S.C. § 1341 occurred in the CSB's Salaries & Expenses account (Treasury Appropriation Fund Symbol 510 3850) in the amount of $16,761. The violation occurred when then-CSB Chairperson Katherine Lemos directed that her office be furnished with new furnishings and an air purifier by employees in the CSB's contracting office. The total cost of these furnishings and associated expenses (delivery, installation, wiring, etc.) was $21,761.

These furnishings and expenses violated 31 U.S.C. § 1341(a)(1)(A). Section 710 of the Consolidated Appropriations Act, 2020 (Public Law 116-93), dictates that no more than $5,000 may be obligated or expended "to furnish or redecorate the office of . . . [an] agency head." Section 710 placed an internal cap on the CSB's appropriations in FY 2020 – prohibiting CSB from expending any of its funds in excess of that $5,000 amount for certain office furnishings. The total sum of the furnishings and related expenses for former Chairperson Lemos' office exceeded the statutory limit by $16,761.[2]

Following an extensive investigation and report into this issue and other matters, the Environmental Protection Agency Office of Inspector General (EPA OIG) determined that the former Chairperson was the agency official responsible for exceeding the statutory cap on office furnishings without prior notification to Congress. The EPA OIG did not identify any knowing and willful intent on the part of the Chairperson. In addition, the

[1] CSB previously submitted an ADA violation report to the Comptroller General on April 15, 2022, signed by then-CSB Chairperson Katherine Lemos, which incorrectly stated the amount of the violation as $4,690.38. As stated in this letter, the subject violation in fact amounts to $16,761.

[2] The EPA OIG found that the CSB incurred total expenses of $22,057.26, just slightly more than the CSB concluded in its own internal review.

EPA OIG uncovered no evidence that the CSB staff who made the acquisition of these office furnishings at the Chairperson's direction and on her behalf had a knowing or willful intent to violate the Antideficiency Act. Although not identified within the EPA OIG's report by name or position title, the individuals who would have been involved with such purchases in the ordinary course of business at the direction of and on behalf of the former Chairperson (e.g., former contracting personnel and other administrative staff) are no longer employed with the CSB, and so no administrative discipline is required.

The CSB has updated its system of administrative controls to prevent recurrence of this type of ADA violation. The CSB now has a formal written policy on office furnishings for political appointees to ensure strict adherence to the expenditure limit. This policy was distributed to all agency personnel and was subsequently posted on the CSB SharePoint intranet site. Additionally, financial operations and contracting personnel have been trained on that new policy. The CSB is also in the process of securing approval for its administrative fund control policies with the appropriate office within the Office of Management and Budget, in accordance with Section 150 of OMB Circular A-11.

Identical notices are being submitted to the President, President of the Senate, and the Speaker of the House of Representatives. A similar letter is being provided to the Director of OMB.

Sincerely,

Steve Owens
Chairperson

cc: Sylvia E. Johnson, Ph.D., Board Member, CSB
Catherine J.K. Sandoval, Board Member, CSB
Christopher M. Lyon, Acting General Counsel, CSB