



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

DEC 1 2010

COMPTROLLER

The President  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Dear Mr. President:

This letter is to report a violation of the Antideficiency Act (ADA), Air Force case number 09-03, as required by section 1351 of Title 31, United States Code. A violation of section 1341(a)(1)(A) occurred in account 57 5 3500, Air Force Military Personnel Appropriation (MPA), in the amount of \$87,535,000.00. The violation occurred during mid to late Fiscal Year 2005, at the Air Force Personnel Center, Randolph Air Force Base, San Antonio, Texas. Mr. Joseph M. DeMouy, GS-115-13, Chief PCS Budget and Assignment Analysis; Mr. Gregory W. Den Herder, SES, Executive Director (Retired); Colonel Donald L. Hall, Director of Assignments (Retired); and then-Major General Stephen R. Lorenz, Deputy Assistant Secretary for Budget were responsible for the violation.

This ADA violation concerns the over-obligation of the Air Force Centrally Managed Allotment (CMA) for its MPA for Fiscal Year 2005. The evidence from the investigation shows that for Fiscal Year 2005 a significant number of Permanent Change of Station (PCS) moves were charged to the next fiscal year, while the PCS moves were commenced and completed in the current fiscal year. For a short time, this Fiscal Year 2005 account was also over-expended. As a result there is a reportable violation of the ADA with respect to the Fiscal Year 2005 MPA.

Disciplinary action has been administered to the four individuals identified as responsible for the violation. Stephen R. Lorenz, who is now a full General, and Colonel Donald L. Hall (Retired) were administered Letters of Admonishment. Mr. Gregory W. Den Herder, SES (Retired) and Mr. Joseph M. DeMouy were administered Letters of Concern. It was determined that the violation did not involve willful or knowing intent on the part of the responsible parties.

To prevent a recurrence of this type of violation, the Air Force has taken and/or initiated action necessary to make appropriate fiscal adjustments. The Air Force has also accomplished substantial institutional changes intended to strengthen routine oversight of the MPA CMA and to avoid future violations.

Identical reports will be submitted to the President of the Senate, Speaker of the House of Representatives, Acting Comptroller General of the United States, and Director of the Office of Management and Budget.

Respectfully yours,

A handwritten signature in cursive script that reads "Robert F. Hale".

Robert F. Hale

Enclosures:  
As stated



COMPTROLLER

UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

DEC 1 2010

The Honorable Joseph R. Biden, Jr.  
President of the Senate  
United States Senate  
Washington, DC 20510

Dear Mr. President:

This letter is to report a violation of the Antideficiency Act (ADA), Air Force case number 09-03, as required by section 1351 of Title 31, United States Code. A violation of section 1341(a)(1)(A) occurred in account 57 5 3500, Air Force Military Personnel Appropriation (MPA), in the amount of \$87,535,000.00. The violation occurred during mid to late Fiscal Year 2005, at the Air Force Personnel Center, Randolph Air Force Base, San Antonio, Texas. Mr. Joseph M. DeMouy, GS-115-13, Chief PCS Budget and Assignment Analysis; Mr. Gregory W. Den Herder, SES, Executive Director (Retired); Colonel Donald L. Hall, Director of Assignments (Retired); and then-Major General Stephen R. Lorenz, Deputy Assistant Secretary for Budget were responsible for the violation.

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Identical reports will be submitted to the President, Speaker of the House of Representatives, Acting Comptroller General of the United States, and Director of the Office of Management and Budget.

Sincerely,

A handwritten signature in cursive script that reads "Robert F. Hale".

Robert F. Hale

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COMPTROLLER

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

Dear Madam Speaker:

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