



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

COMPTROLLER

MAY 30 2006

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, as required by Title 31, United States Code, Section 1517(b).

The Antideficiency Act violation, by the Department of the Navy, case number 05-03 totaled \$320,000. The violation occurred in fiscal year 1998, in the Operation and Maintenance, Navy appropriation when Naval Forces Marianas Support Activity personnel accepted funds from the Federated States of Micronesia and Palau and used the funds to purchase Civil Engineering Support Equipment. These funds should have been used for training in general engineering skills, civic action projects, and community development projects. The equipment should have been purchased with Other Procurement, Navy appropriation funds. The Naval Forces Marianas Support Activity did not have sufficient Other Procurement, Navy funds available for obligation. This resulted in a violation of Title 31, United States Code 1517(a)(1).

Enclosed is a report from the Director, Budget Policy and Procedures Division, Office of the Assistant Secretary of the Navy (Financial Management and Comptroller). The following individuals were named responsible for the violation:

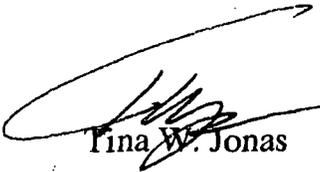
Mr. Gerald Dunn, Comptroller, Naval Forces Marianas Support Activity
SKCS Gary F. Esposito, United States Navy, Detached Civil Action Team,
Naval Forces Marianas Support Activity
Rosita S. Wright, Accounting Officer, Naval Forces Marianas Support Activity

The Navy concluded there was no knowing or willful violation of the Antideficiency Act by the individuals named responsible. One individual was verbally counseled and required to take training in Fiscal Law and Appropriations Law. One individual received an oral admonishment. One individual was counseled by her supervisor to reinforce the need to question positional authority, no matter how high, when in conflict with fiscal law.

Accounting classification adjustments and corrections have been made by the Defense Finance and Accounting Service. Other Procurement, Navy funds were available for obligation to correct the violation.

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

Respectfully yours,



Tina W. Jonas

Enclosure:
As stated



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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAY 30 2006

The Honorable Richard B. Cheney
President of the Senate
285 Eisenhower Executive Office Building
Washington, DC 20501

Dear Mr. President:

This letter is to report a violation of the Antideficiency Act, as required by Title 31, United States Code, Section 1517(b).

The Antideficiency Act violation, by the Department of the Navy, case number 05-03 totaled \$320,000. The violation occurred in fiscal year 1998, in the Operation and Maintenance, Navy appropriation when Naval Forces Marianas Support Activity personnel accepted funds from the Federated States of Micronesia and Palau and used the funds to purchase Civil Engineering Support Equipment. These funds should have been used for training in general engineering skills, civic action projects, and community development projects. The equipment should have been purchased with Other Procurement, Navy appropriation funds. The Naval Forces Marianas Support Activity did not have sufficient Other Procurement, Navy funds available for obligation. This resulted in a violation of Title 31, United States Code 1517(a)(1).

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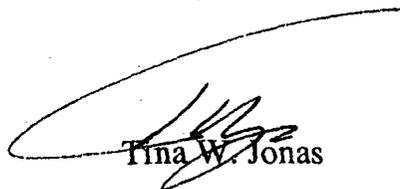
Mr. Gerald Dunn, Comptroller, Naval Forces Marianas Support Activity
SKCS Gary F. Esposto, United States Navy, Detached Civil Action Team,
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Rosita S. Wright, Accounting Officer, Naval Forces Marianas Support Activity

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Identical reports are being submitted to the President, the Speaker of the House of Representatives, and the Comptroller General of the United States.

Sincerely,



Tina W. Jonas

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As stated



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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

MAY 30 2006

The Honorable J. Dennis Hastert
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

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The Antideficiency Act violation, by the Department of the Navy, case number 05-03 totaled \$320,000. The violation occurred in fiscal year 1998, in the Operation and Maintenance, Navy appropriation when Naval Forces Marianas Support Activity personnel accepted funds from the Federated States of Micronesia and Palau and used the funds to purchase Civil Engineering Support Equipment. These funds should have been used for training in general engineering skills, civic action projects, and community development projects. The equipment should have been purchased with Other Procurement, Navy appropriation funds. The Naval Forces Marianas Support Activity did not have sufficient Other Procurement, Navy funds available for obligation. This resulted in a violation of Title 31, United States Code 1517(a)(1).

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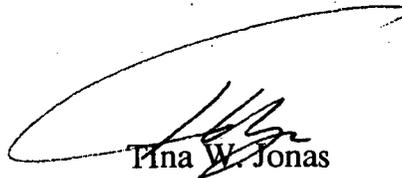
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Identical reports also are being submitted to the President, the President of the Senate, and the Comptroller General of the United States.

Sincerely,



Tina W. Jonas

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As stated