U. S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Washington, DC 20507

APR 17 2007

Office of the Chair

The Honorable David M. Walker
Comptroller General
General Accountability Office
Washington, D.C. 20548

Dear Comptroller Walker:

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

A violation of section 1517 occurred in account 45 X 4019, Education, Technical Assistance and Training revolving fund in the total amount of $189,498. The violations occurred beginning October 1, 2006 through January 31, 2007 in connection with the EEOC Training Institute for FY 2007. Mr. Jeffrey A. Smith, Senior Executive Service, Acting Director of the Budget Division and Chief Financial Officer, is the individual responsible for the violation.

The violation occurred because EEOC incurred obligations in FY 2007 prior to obtaining an apportionment from the Office of Management and Budget at the beginning of that new fiscal year. The violation was the result of EEOC's mistaken assumption that automatic apportionments authorized under the Continuing Resolution (CR) also applied to revolving funds. However, OMB Bulletin 06-04 indicated that automatic apportionments only applied to amounts provided by the continuing resolution. Because the revolving fund was not appropriated, it was not covered by the CR.

EEOC's obligations did not exceed the balance of the revolving fund. Thus, the violation was limited to the obligations authorized and made in the absence of an apportionment. The error was corrected as soon as notification of the violation was received from the Office of Management and Budget.

The employee has received an oral admonishment and the Inspector General has been asked to review and recommend any changes in the organization, systems, processes and operations of the Education, Technical Assistance and Training revolving fund that are needed to prevent a recurrence of the violation.

The EEOC's system of administrative control has been approved through the configuration, implementation and operation of a financial system approved by the Financial

Systems Integration Office within the General Services Administration (formerly Joint Financial Management Improvement Program (JFMIP)).

Respectfully,

Naomi C. Earp
Chair