



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

FEB 23 2008

COMPTROLLER

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

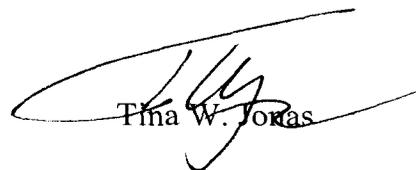
Dear Mr. President:

This letter is to report a violation of the Antideficiency Act as required by Title 31, United States Code, Section 1351. The Antideficiency Act violation, Navy case number 07-09, totaling \$31,650.14, occurred in fiscal year 2004. The violation occurred when personnel from the Navy Region Southwest, Naval Base Ventura County, Point Mugu, California improperly awarded a 14 month severable services contract that exceeded the 12 month limit set forth in Title 10, United States Code, Section 2410(a). The obligation for services that exceeded the limit obligated funds in advance of an appropriation and resulted in a violation of Title 31, United States Code, Section 1341(a)(1)(B).

Ms. Carol Korth, General Schedule-12, Lead Budget Analyst and Captain William Short, Comptroller were found responsible for the violation. Ms. Korth received a letter of caution and Captain Short has retired from active duty and disciplinary action was not deemed appropriate. The Navy concluded there was no knowing or willful violation of the Antideficiency Act. To prevent a reoccurrence of this type of violation, the Navy has developed policy to better define contract requirements and strengthened contract oversight.

Enclosed is a letter and report from the Director, Budget Policy and Procedures Division, Office of the Assistant Secretary of the Navy (Financial Management and Comptroller) transmitting the violation of Title 31, United States Code, Section 1341(a)(1)(B). Copies of the letter and report were submitted to the President of the Senate, the Speaker of the House of Representatives, the Comptroller General of the United States, and the Director of the Office of Management and Budget.

Respectfully yours,



Tina W. Jones

Enclosure:  
As stated



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COMPTROLLER

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

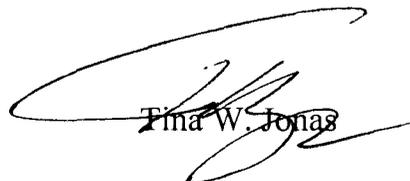
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Sincerely,



Tina W. Jonas

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As stated



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COMPTROLLER

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

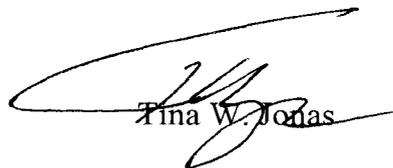
Dear Madam Speaker:

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Sincerely,



Tina W. Jonas

Enclosure:  
As stated