



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

COMPTROLLER

JAN 12 2009

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

Dear Mr. President:

This letter is to report an Antideficiency Act (ADA) violation, Army case number 08-05, as required by Title 31, United States Code, Section 1517(b). The violation occurred when U.S. Southern Command (USSOUTHCOM) authorized and enabled the National Institutes of Health to administer contracts for information technology services without ensuring that unused Army funds were returned to USSOUTHCOM when no longer legally available for new obligation. As a result, some of these unused funds were used for needs other than the bona fide needs of the period of availability, causing a violation of the ADA. The violation of Title 31, United States Code, Section 1517(a) totaled \$2,183,000.00.

Mr. Mark A. Smith, former Deputy Director of Training, Intelligence Directorate, USSOUTHCOM, and Mr. John S. Samson, Comptroller, USSOUTHCOM, were found responsible for the violation. Based on mitigating factors, no disciplinary action was taken. Corrective action has been taken by the Army to ensure that adequate controls are in place to prevent recurrence. The Army concluded there was no knowing or willful violation of the Antideficiency Act.

Enclosed is a letter and report from the Deputy Assistant Secretary of the Army, Office of the Assistant Secretary of the Army (Financial Management and Comptroller) transmitting the violation of Title 31, United States Code, Section 1517(a). Copies of the letter and report were submitted to the President of the Senate, the Speaker of the House of Representatives, the Acting Comptroller General of the United States, and the Director of the Office of Management and Budget.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Douglas A. Brook".

Douglas A. Brook  
Acting

Enclosure:  
As stated



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1100

COMPTROLLER

JAN 12 2009

The Honorable Richard B. Cheney  
President of the Senate  
The Capitol  
Washington, DC 20501

Dear Mr. President:

This letter is to report an Antideficiency Act (ADA) violation, Army case number 08-05, as required by Title 31, United States Code, Section 1517(b). The violation occurred when U.S. Southern Command (USSOUTHCOM) authorized and enabled the National Institutes of Health to administer contracts for information technology services without ensuring that unused Army funds were returned to USSOUTHCOM when no longer legally available for new obligation. As a result, some of these unused funds were used for needs other than the bona fide needs of the period of availability, causing a violation of the ADA. The violation of Title 31, United States Code, Section 1517(a) totaled \$2,183,000.00.

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Enclosed is a letter and report from the Deputy Assistant Secretary of the Army, Office of the Assistant Secretary of the Army (Financial Management and Comptroller) transmitting the violation of Title 31, United States Code, Section 1517(a). Copies of the reports were submitted to the President, the Speaker of the House of Representatives, the Acting Comptroller General of the United States, and the Director of the Office of Management and Budget.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Brook".

Douglas A. Brook  
Acting

Enclosure:

As stated



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

COMPTROLLER

JAN 12 2009

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

Dear Madam Speaker:

This letter is to report an Antideficiency Act(ADA) violation, Army case number 08-05, as required by Title 31, United States Code, Section 1517(b). The violation occurred when U.S. Southern Command (USSOUTHCOM) authorized and enabled the National Institutes of Health to administer contracts for information technology services without ensuring that unused Army funds were returned to USSOUTHCOM when no longer legally available for new obligation. As a result, some of these unused funds were used for needs other than the bona fide needs of the period of availability, causing a violation of the ADA. The violation of Title 31, United States Code, Section 1517(a) totaled \$2,183,000.00.

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Enclosed is a letter and report from the Deputy Assistant Secretary of the Army, Office of the Assistant Secretary of the Army (Financial Management and Comptroller) transmitting the violation of Title 31, United States Code, Section 1517(a). Copies of the reports and similar letters were submitted to the President, the President of the Senate, the Acting Comptroller General of the United States, and the Director of the Office of Management and Budget.

Sincerely,

A handwritten signature in black ink, appearing to read "Douglas A. Brook".

Douglas A. Brook  
Acting

Enclosure:  
As stated