



**BROADCASTING BOARD OF GOVERNORS
UNITED STATES OF AMERICA**

December 18, 2014

The Honorable Gené L. Dodaro
Comptroller General
Government Accountability Office
441 G Street, NW
Washington, DC 20548

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Dear Mr. Dodaro:

In the enclosed letters, the Broadcasting Board of Governors has reported alleged violations of the Antideficiency Act. Specifically, the Office of Inspector General (OIG) for U.S. Department of State and the Broadcasting Board of Governors (BBG) has alleged that a decades-old contracting practice by the Agency violates the "personal services" prohibition in 31 U.S.C. § 1342. The OIG also concluded that two orders to two contractors, totaling \$37.731, constituted obligations in excess of an internal administrative division of funds per 31 U.S.C. § 1517(a)(2).

The Agency does not agree with either finding by the OIG. Nevertheless, this letter is being submitted at the direction of the OIG that the BBG report the OIG's finding in accordance with the OMB Circular A-11 process. Notwithstanding our legal position, we have already transitioned a significant portion of the contract workforce in question to a staffing agency. As detailed in the enclosed transmittal letters, the transition will be completed in the near future, ending the practice of relying so-called "Purchase Order Vendor" contractors.

Pursuant to 31 U.S.C. §§ 1351 and 1517(b), the Comptroller General is to receive a copy of each Antideficiency Act report on the same day such reports are transmitted to the President and Congress. The enclosed letters satisfy this requirement. My staff is available to respond further to any of the Government Accountability Office's inquiries regarding this material.

Respectfully yours,

Jeffrey Shell
Chairman

Enclosures