



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

MAR 23 2012

COMPTROLLER

The Honorable Gene Dodaro
Comptroller General of the United States
Washington, DC 20548

Dear Mr. Dodaro:

This letter is to report a violation of the Antideficiency Act as required by section 1351 of Title 31, United States Code. The Department of the Army violation, case number 11-09, was in the amount of \$1,653,084.00.

Enclosed are copies of the letters transmitting a report of violation of section 1341 of Title 31, United States Code. Copies were submitted to the President, the President of the Senate, the Speaker of the House of Representatives, and the Director of the Office of Management and Budget.

Sincerely,

A handwritten signature in cursive script that reads "Robert F. Hale".

Robert F. Hale

Enclosures:
As stated



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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

MAR 23 2012

COMPTROLLER

The Honorable Jeffrey Zients
Acting Director
Office of Management and Budget
Washington, DC 20503

Dear Mr. Zients:

Enclosed are a letter and report transmitting a violation of section 1341 of Title 31, United States Code, to the President. The Antideficiency Act violation, Army case number 11-09, totaled \$1,653,084.00. This violation report is required by section 1351 of Title 31, United States Code, to be submitted to the President through the Director of the Office of Management and Budget. The Army did not receive a clean audit opinion during the fiscal year in which the violation occurred.

It was determined that the violation contained no willful or knowing intent on the part of the responsible parties to violate the Antideficiency Act. To comply with the aforementioned provisions, copies of the report are also being submitted to the President of the Senate, the Speaker of the House of Representatives, and the Comptroller General of the United States.

Sincerely,

A handwritten signature in cursive script that reads "Robert F. Hale".

Robert F. Hale

Enclosures:
As stated



COMPTROLLER

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

MAR 23 2012

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

Dear Mr. President:

This letter reports a violation of the Antideficiency Act (ADA), Army case number 11-09 (enclosed), as required by section 1351 of Title 31, United States Code. The violation occurred within the Operation and Maintenance, Army (OMA), account 2020 during Fiscal Year 2010 at the Headquarters United States Army Accessions Command (USAAC), Fort Knox, Kentucky. The violation totaled \$1,653,084.00.

The violation occurred when the USAAC improperly obligated OMA funds for the Project Partnership for All Students' Success (PASS) program. Project PASS is neither an operation or maintenance activity of the Army, nor is it a legally authorized function. Based upon the facts and circumstances, Project PASS is a program that provides academic and social supports broadly to at-risk students in order to increase graduation rates and thereby increase the pool of qualified Army applicants. While recruiting is a legally authorized function, this kind of support to children is too far removed from any legitimate recruiting activity. Moreover, even if the provision applicable to middle schools were to be removed from the contract, Project PASS remains outside the scope of the Army's operation and maintenance appropriation. The inappropriate funding of the project resulted in a violation of section 1341 of Title 31, United States Code.

Lieutenant General Benjamin Freakley, Commanding General; Mr. Charles Wilson, GS-15, Deputy Chief of Staff; and Mr. John Myers, GS-14, Director of Marketing, were found responsible for the violation and issued memorandums of concern. The violation contained no willful or knowing intent on the part of the responsible parties to violate the ADA.

To prevent a recurrence of this type of violation, recommendations have been made that the Army issue new guidance on Army Outreach programs to include definitions, oversight responsibilities, limits, assessment criteria, and funding guidance.

Identical reports will be submitted to the President of the Senate, Speaker of the House of Representatives, Comptroller General of the United States, and Director of the Office of Management and Budget.

Respectfully yours,

Robert F. Hale



COMPTROLLER

UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

MAR 23 2012

The Honorable Joseph R. Biden, Jr.
President of the Senate
United States Senate
Washington, DC 20510

Dear Mr. President:

This letter reports a violation of the Antideficiency Act (ADA), Army case number 11-09 (enclosed), as required by section 1351 of Title 31, United States Code. The violation occurred within the Operation and Maintenance, Army (OMA), account 2020 during Fiscal Year 2010 at the Headquarters United States Army Accessions Command (USAAC), Fort Knox, Kentucky. The violation totaled \$1,653,084.00.

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Identical reports will be submitted to the President, Speaker of the House of Representatives, Comptroller General of the United States, and Director of the Office of Management and Budget.

Sincerely,

Robert F. Hale

Enclosure:
GAG-ADA-12-09
As stated



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

MAR 23 2012

COMPTROLLER

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

This letter reports a violation of the Antideficiency Act (ADA), Army case number 11-09 (enclosed), as required by section 1351 of Title 31, United States Code. The violation occurred within the Operation and Maintenance, Army (OMA), account 2020 during Fiscal Year 2010 at the Headquarters United States Army Accessions Command (USAAC), Fort Knox, Kentucky. The violation totaled \$1,653,084.00.

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Identical reports will be submitted to the President, President of the Senate, Comptroller General of the United States, and Director of the Office of Management and Budget.

Sincerely,

A handwritten signature in cursive script, reading "Robert F. Hale", is positioned above the printed name.

Robert F. Hale

Enclosure:

As stated
GAO-ABA-12-09