



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

JAN 18 2017

The Honorable Gene L. Dodaro
Comptroller General of the United States
Government Accountability Office
441 G St., NW
Washington, D.C. 20548

Dear Mr. Dodaro:

This letter reports violations of the Antideficiency Act (ADA), as required by section 1351 of Title 31, United States Code.

A violation of section 1341 occurred during the execution of a fiscal year 2013 appropriation in the amount of \$100,913.39 in account 75-13-1536 of the Administration for Children and Families (ACF) within the Department of Health and Human Services (HHS) when appropriated funds were obligated and then expended for an ACF-hosted conference in violation of an appropriations provision, section 3003(e) of division G of Public Law 113-6, which stated:

“None of the funds made available in this or any other appropriations Act may be used for travel and conference activities that are not in compliance with Office of Management and Budget Memorandum M-12-12 dated May 11, 2012.

That memorandum provided that Deputy Secretaries (or their equivalents) were to approve the spending for all proposed new conferences to be sponsored or hosted by the agency (or by other Federal or non-Federal entities) where the net conference expenses by the agency would be in excess of \$100,000. Without obtaining such approval, ACF obligated its appropriation in September 2013 to procure a variety of administrative support services for the Office of Community Services (OCS), including more than \$100,000 to support a Community Economic Development (CED) program conference. ACF expended \$100,913.39 on that conference without having the approval of the Deputy Secretary.

An additional violation of section 1341 occurred on May 29, 2014, during the execution of a fiscal year 2014 appropriation in the amount of \$101,738 in ACF's account 75-14-1536 when ACF incurred an obligation for another ACF-hosted conference in violation of an identical appropriations provision, section 742(e) of division E of Public Law 113-76. This violation resulted when ACF executed a modification to the above mentioned contract to exercise Option Year 1 and obligated \$101,738 to pay for services in support of an ACF-hosted conference without obtaining the prior approval of the Deputy Secretary as required by such section 742(e). No funds were expended in violation of this provision, as the planned conference was cancelled once the potential ADA violation was discovered.

The allotment holder for the OCS Community Economic Development program was responsible for the violations. This individual unknowingly violated these statutory limitations, which had only recently been implemented at the time of the violations. ACF has substantially increased its oversight of conference planning activities, and staffs have been educated to avoid future violations. ACF also will issue a corrective action letter to the Director of OCS.

The HHS system of administrative control of funds has been approved by the Office of Management and Budget.

Identical reports are being submitted to the President, the President of the Senate, and the Speaker of the House of Representatives.

Sincerely,

A handwritten signature in black ink that reads "Sylvia M. Burwell". The signature is written in a cursive, flowing style.

Sylvia M. Burwell