



# INSPECTOR GENERAL

*U.S. Department of Defense*

MAY 6, 2014



## Improvement Needed for Management of Commemorative Program Funds

INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

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# Results in Brief

## *Improvement Needed for Management of Commemorative Program Funds*

May 6, 2014

### Objective

We determined whether accounting of funds used for the Korean War 60<sup>th</sup> Commemoration (KWC60) program was accurate and complete.

### Findings

The Army's accounting of funds used for the KWC60 program was incomplete and inaccurate. Specifically, the Army Deputy Chief of Staff (DCS), G-2 did not accurately record or report all of KWC60 program funding and costs, or maintain source documents to support transactions recorded in the accounting system. As a result, funding and cost data of the KWC60 program are not reliable, and a potential for improper payments exists. Additionally, the Army spent at least \$2.5 million more than the \$5 million spending limit set by Public Law 111-383. As a result, the Army did not comply with the Public Law 111-383 spending limit and may have violated the Antideficiency Act. These conditions occurred because the Army did not effectively perform the Executive Agent responsibilities, such as monitoring resources or preserving records, in accordance with DoD Directive 5101.1.

An Army contracting officer obligated \$125,100 of donations on behalf of the Army DCS, G-2 after the funds were no longer available to use for the KWC60 program. In addition, the Army DCS, G-2 transferred less money to the DoD Vietnam War Commemorative Fund than required. These conditions occurred because the Army DCS, G-2 indicated on a purchase order that the

### Findings Continued

funds had no expiration date instead of citing the reference to Public Law 111-383, which limited the period the funds were available for obligation to September 30, 2013. As a result, the Army DCS, G-2 initiated actions that violated Public Law 111-383 and may have violated the Antideficiency Act.

### Recommendations

The Secretary of the Army should issue implementing guidance for effectively performing Executive Agent responsibilities in accordance with DoD Directive 5101.1, which includes developing standard operating procedures that identify key processes, roles, and responsibilities for resource management.

The Assistant Secretary of the Army (Financial Management and Comptroller) should:

- obtain and review supporting documentation for \$517,510 in disbursements and initiate corrective actions if improper payments are found;
- initiate a preliminary review in accordance with DoD Regulation 7000.14-R, volume 14, chapter 3 to determine whether the Army violated the Antideficiency Act, and, if it did, recommend corrective actions, including actions for responsible officials; and
- initiate corrective action to identify and transfer all unobligated amounts that remained in the DoD Korean War Commemoration Fund as of September 30, 2013.

### Management Comments and Our Response

Comments from the Secretary of the Army and the Assistant Secretary of the Army (Financial Management and Comptroller) were responsive. No further comments are required. Please see the Recommendations Table on the back of this page.

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## ***Recommendations Table***

<b>Management</b>	<b>Recommendations Requiring Comment</b>	<b>No Additional Comments Required</b>
Secretary of the Army		A.1
Assistant Secretary of the Army (Financial Management and Comptroller)		A.2.a, A.2.b, A.2.c, B.1, B.2, B.3



**INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
4800 MARK CENTER DRIVE  
ALEXANDRIA, VIRGINIA 22350-1500**

May 6, 2014

MEMORANDUM FOR AUDITOR GENERAL, DEPARTMENT OF THE ARMY

**SUBJECT: Improvement Needed for Management of Commemorative Program Funds  
(Report No. DODIG-2014-067)**

We are providing this report for your information and use. We performed the audit in response to Public Law 111-383. The Army's accounting of funds used for the Korean War 60<sup>th</sup> Commemorative program was not accurate or complete. The Army spent at least \$2.5 million more than the \$5 million spending limit set by Public Law 111-383, and, as a result, may have violated the Antideficiency Act. Additionally, the Army Deputy Chief of Staff, G-2 initiated a contracting action that improperly obligated \$125,100 after the funds were no longer available and transferred less money than required to the DoD Vietnam War Commemorative Fund—another potential violation of the Antideficiency Act.

We considered management comments on a draft of this report when preparing the final report. Comments from the Secretary of the Army and the Assistant Secretary of the Army (Financial Management and Comptroller) conformed to the requirements of DoD Directive 7650.3; therefore, we do not require additional comments.

We appreciate the courtesies extended to the staff. Please direct questions to me at (703) 601-5945 (DSN 329-5945).

A handwritten signature in black ink that reads "Lorin T. Venable".

Lorin T. Venable, CPA  
Assistant Inspector General  
Financial Management and Reporting

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## Introduction

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### Objective

Our objective was to determine whether the accounting of funds used by the Department of Defense for the Korean War 60-year commemoration was accurate and complete. See Appendix A for Scope and Methodology.

### Background

Public Law 111-383, effective January 7, 2011, authorized the Secretary of Defense to establish and conduct a commemorative program for the 60<sup>th</sup> anniversary of the Korean War. The purpose of the commemoration was to:

- honor the service and sacrifice of Korean War Veterans, including American Service members and their allies, who fought heroically to preserve freedom;
- commemorate the key events of the war; and
- educate the American people about the significance of the Korean War.

The law also required the Secretary of the Treasury to establish the DoD Korean War Commemoration (KWC) Fund, available to and administered by the Secretary of Defense for conducting the commemorative program. The law limited the Secretary of Defense's spending for the commemorative program to \$5 million in amounts appropriated to the Department of Defense. In addition, Public Law 111-383 required that at the end of the commemorative program, the DoD Inspector General report to Congress, an accounting of:

- all funds deposited into and expended from the KWC Fund;
- any other funds expended for the program; and
- any unobligated funds remaining in the KWC Fund as of September 30, 2013, that are transferred to the DoD Vietnam War Commemorative Fund.

### ***Designation of Executive Agent***

On May 25, 2010, before implementation of Public Law 111-383, the Deputy Secretary of Defense designated the Secretary of the Army as the DoD Executive Agent to plan and conduct commemorative activities for the 60<sup>th</sup> Anniversary of the Korean War for the remainder of FY 2010. The designation memorandum stated

that the Assistant Secretary of Defense for Public Affairs will provide guidance to the Executive Agent regarding the proper use of manpower, equipment, and other DoD assets in support of the 60<sup>th</sup> Anniversary of Korean War Commemorative activities. See Appendix B for the DoD Designation of the Executive Agent.<sup>1</sup> The Secretary of the Army further delegated DoD Executive Agent responsibilities to the Army Deputy Chief of Staff (DCS), G-2. See Appendix C for the Army Delegation of the Executive Agent. The Executive Agent responsibilities included coordinating with the Office of the Chief of Legislative Liaison, the Office of the Chief of Public Affairs, and the Secretary of the Army on plans for the way ahead and the status of activities. The Korean War 60<sup>th</sup> Commemoration (KWC60) Committee, as a joint planning committee made up of the Army, Navy, Air Force, and Marine Corps, was formed to plan, coordinate, and execute program events and activities. The KWC60 Committee sponsored or participated in 159 events and activities attended by more than 1.8 million Korean War veterans and members of the general public.

### ***Management of Program Funds***

The KWC60 program used the Army Operations and Maintenance (O&M) Fund and donations to the DoD KWC Fund to finance the KWC60 program events and activities. Army O&M funds are annually appropriated and used for day-to-day operations, civilian salaries, travel, training and education, base operations support, and other routine expenses. O&M funds expire after 1 year and must be obligated or used in the fiscal year the funds are appropriated. The DoD KWC Fund<sup>2</sup> was specifically set up for the KWC60 program and only used for donations received. Unlike O&M funds, there was no fiscal-year restriction on the use of donations. However, in accordance with Public Law 111-383, donations in the DoD KWC Fund were available to finance KWC60 program events and activities only until September 30, 2013. The law required that any unobligated amounts remaining in the DoD KWC Fund as of September 30, 2013 be transferred to the DoD Vietnam War Commemorative Fund.

The Army Budget Office (ABO) distributed O&M funds as authorized by the Army, to the Army DCS, G-2 Budget Office for use in support of the program. The G-2 Budget Office functioned as the fund manager for the KWC60 Committee and accounted for funds distributed to and executed by the KWC60 Committee. The

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<sup>1</sup> This designation was effective for FY 2010. As Appendix B shows, on September 27, 2011, the Deputy Secretary of Defense issued a memorandum stating the Secretary of the Army would maintain the designation as DoD Executive Agent to plan and conduct commemorative activities for the 60<sup>th</sup> Anniversary of the Korean War until September 30, 2013.

<sup>2</sup> The Treasury Financial Manual lists the Department of Defense Korean War Commemoration Fund, Army, 21X5752 as established pursuant to Public Law 111-383.

Deputy Director of the KWC60 Committee certified contractors' charges for the contracts awarded for event planning and management support.

## **Review of Internal Controls**

DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013, requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls. We identified control weaknesses pertaining to the accuracy and completeness of funds spent for the KWC60 program. In addition, the Army exceeded its statutory spending limit for the KWC60 program by at least \$2.5 million and improperly obligated \$125,100 in donations. We will provide a copy of the report to the senior official responsible for internal controls in the Army.

## Finding A

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### Accounting of Korean War 60<sup>th</sup> Commemoration Program Funding and Costs Was Not Complete or Accurate

The Army's accounting of funds used for the KWC60 program was incomplete and inaccurate. Specifically, the Army DCS, G-2 did not:

- accurately record or report all the obligations and disbursements related to the KWC60 program; or
- maintain source documents to support obligations and disbursements recorded in the accounting system.

In addition, the Army spent at least \$2.5 million<sup>3</sup> more than the \$5 million spending limit set by Public Law 111-383 for the KWC60 program. This occurred because the Army did not effectively perform the Executive Agent responsibilities, such as monitoring resources or preserving records, in accordance with DoD Directive 5101.1. As a result, funding and cost data of the KWC60 program are not reliable, and a potential for improper payments exists. The Army also did not comply with the Public Law 111-383 spending limit and may have violated the Antideficiency Act.

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<sup>3</sup> We estimated the excessive spending based on disbursements the Army DCS, G-2 reported for each of three consecutive fiscal years beginning with FY 2011. Therefore, the excessive spending is expected to be greater when other obligated funds are disbursed.

### Improvement Needed in Recording and Reporting Obligations and Disbursements

The Army DCS, G-2 report on obligations and disbursements related to the KWC60 program was inaccurate and incomplete. Specifically, the Army DCS, G-2 did not record or report to the DoD Office of Inspector General \$262,768 of the \$10.7 million in obligations and \$1.2 million of \$8.7 million in disbursements for the KWC60 program. For example, the Army DCS, G-2 incorrectly recorded an obligation of

The Army reported \$6.8 million in disbursements for contracted services, which was \$1 million less than \$7.8 million disbursed.

\$66,826 instead of \$86,471 for contracted services, because the Army DCS, G-2 did not include \$19,645 of labor cost. The Army DCS, G-2 also reported \$323,088 as disbursed for travel, which was \$49,953 less than the \$373,041 travel costs incurred. In addition, the Army reported \$6.8 million in disbursements for contracted services, which was \$1 million less than \$7.8 million disbursed.

## Improvement Needed in Maintaining Source Documents

The Army DCS, G-2 Budget Office did not maintain source documents to support all the obligations and disbursements recorded in the accounting system, as required by DoD Directive 5101.1, "DoD Executive Agent," September 3, 2002. Specifically, the Army DCS, G-2 could not provide support for \$74,021 of \$10.7 million in obligations and \$4 million of \$8.7 million in disbursements it reported for the KWC60 program. To validate the amounts disbursed, we contacted the Defense Finance and Accounting Service (DFAS) and obtained source documents to support \$3.5 million in disbursements. Neither DFAS, Indianapolis, nor the Army DCS, G-2 could provide the appropriate source documents to support the remaining \$517,510 in disbursements or identify the location of the documents.

The unsupported disbursements of \$517,510 are potentially improper payments. According to the Office of Management and Budget Circular A-123, Appendix C, "Requirements for Effective Measurement and Remediation of Improper Payments," April 14, 2011, a payment is improper when an agency's review is unable to discern whether a payment was proper, as a result of insufficient or lack of documentation. The Assistant Secretary of the Army (Financial Management and Comptroller) should obtain and review supporting documentation for the \$517,510 in disbursements and initiate corrective actions if improper payments are found.

## Statutory Spending Limit Exceeded

The Army spent at least \$2.5 million more than the \$5 million spending limit set by Public Law 111-383 for the KWC60 program. Specifically, the Army spent a total of \$9.0 million for the KWC60 program, of which \$1.5 million was spent before the law was enacted on January 7, 2011.

The Army spent at least \$2.5 million more than the \$5 million spending limit set by Public Law 111-383 for the KWC60 program.

We did not question the \$1.5 million spent before the law was enacted.<sup>4</sup> However, spending for the KWC60 program was limited to \$5 million after the public law became effective, but the Army spent approximately \$7.5 million—\$2.6 million in FY 2011, \$2.4 million in FY 2012, and \$2.5 million in FY 2013—which exceeded the \$5 million spending limit by \$2.5 million.

## Executive Agent Responsibilities Not Effectively Performed

The Deputy Secretary of Defense designated the Secretary of the Army as the DoD Executive Agent for the KWC60 program. However, the Army did not effectively perform the Executive Agent responsibilities in accordance with DoD Directive 5101.1, which requires the Executive Agent to:

- designate a focal point to coordinate matters regarding assigned DoD Executive Agent responsibilities, functions, and authorities;
- monitor resources used in performing assigned responsibilities and functions;
- report results of performance as may be required by law;
- establish, maintain, and preserve information as records that document the transaction of business and mission of the DoD Executive Agent; and
- identify requirements and resources to the extent permitted by law.

Although the Army designated the Director of the KWC60 Committee as the focal point, no single individual or office monitored resources used for the KWC60 program. Personnel in the Army DCS, G-2 Budget Office stated that the responsibilities and functions for the KWC60 program were not tasks they would normally perform. Rather, the responsibilities and functions were ad-hoc tasks they considered outside the scope of their operations, and Army DCS, G-2 Budget Office personnel were not familiar with the process and procedures for carrying out the commemorative program. Because there were no defined procedures, roles, or responsibilities for fund management, neither Army DCS, G-2 Budget Office personnel nor the KWC60 Committee reconciled accounting data to verify accuracy and completeness or maintained supporting documents. As a result, funding and cost data of the KWC60 program are not reliable.

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<sup>4</sup> The law authorized establishment of the commemorative program as of January 7, 2011, and did not indicate it included expenditures made prior to that date within the program's spending limit.

The Army DCS, G-2 did not agree that the Executive Agent responsibilities were not performed effectively in accordance with DoD Directive 5101.1, stating that it accounted for and managed the KWC60 program using the General Fund Enterprise Business System (GFEBS) and DFAS databases and reports. The Army DCS, G-2 stated that DFAS was responsible for keeping the accounting and payment records for the KWC60 program. However, DoD Directive 5101.1 specifically requires that the Executive Agent monitor resources; report results of performance; and establish, maintain, and preserve information as records documenting the transaction of business. Therefore, the responsibility of record retention remains with the Army DCS, G-2 as part of its required Executive Agent responsibilities. The Secretary of the Army should issue implementing guidance for effectively performing Executive Agent responsibilities in accordance with DoD Directive 5101.1, which includes developing standard operating procedures that identify key processes, roles, and responsibilities for resource management.

The Army also did not identify requirements and resources permitted by law in accordance with DoD Directive 5101.1. Specifically, the Army did not identify the \$5 million spending limit imposed by Public Law 111-383 and authorized \$12.2 million to fund the KWC60 program, which was \$7.2 million more than the law allowed. The Director of Army Staff approved the KWC60 spending plan based on an action plan submitted by the Director of the KWC60 Committee. Although the action plan noted that a public law approving the KWC60 program and authorizing funding was pending before Congress, neither the Director of KWC60 Committee nor the Director of Army Staff reduced the spending plan to comply with the public law when it was passed. The Army DCS, G-2 acknowledged that it exceeded the \$5 million spending limit for the KWC60 program and stated that it “did so unintentionally and without malice in keeping with the perceived intent of Public Law 111-383, Section 574 . . . .” Violating a spending limitation imposed by the public law may constitute a violation of the Antideficiency Act under section 1341, title 31, United States Code.<sup>5</sup> DoD Regulation 7000.14-R, “DoD Financial Management Regulation,” volume 14, chapter 3, “Preliminary Reviews of Potential Violations,” requires the Assistant Secretary of the Army (Financial Management and Comptroller) to evaluate whether a potential violation identified by the audit report has occurred and, as a result of the evaluation, initiate a preliminary review. The Assistant Secretary of the Army (Financial Management and Comptroller), should initiate a preliminary review of the potential Antideficiency Act violation, in accordance with DoD

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<sup>5</sup> DoD Regulation 7000.14-R, “DoD Financial Management Regulation,” volume 14, chapter 2, paragraph 020202, identifies general circumstances when Antideficiency Act violations occur, including when a statutory limitation is exceeded for the amount authorized in an appropriation or fund, to include special and recurring statutory limitations or restrictions on the amounts for which an appropriation or fund may be used.

Regulation 7000.14-R, and provide the results to the DoD Office of Inspector General. If the Assistant Secretary of the Army (Financial Management and Comptroller) determines that a reportable Antideficiency Act violation occurred, he should determine which officials are responsible, recommend corrective actions, and provide the results to the DoD Office of Inspector General.

## **Recommendations, Management Comments, and Our Response**

### ***Recommendation A.1***

**We recommend the Secretary of the Army issue implementing guidance for effectively performing Executive Agent responsibilities in accordance with DoD Directive 5101.1, which includes developing standard operating procedures that identify key processes, roles, and responsibilities for resource management.**

#### *Secretary of the Army Comments*

The Vice Director of the Army Staff, responding for the Secretary of the Army, agreed, stating that the Army will draft an Army directive by October 31, 2014, and an Army regulation by May 31, 2016, to provide guidance for effectively performing Executive Agent responsibilities. Specifically, the regulation will establish a workgroup to periodically assess existing Army Executive Agent responsibilities and provide oversight and support to new Army Executive Agent responsibilities.

The Vice Director also provided comments on other sections of the report that related to the background information, findings, and recommendations. Those additional comments and our responses are summarized in Appendix D.

#### *Our Response*

The Vice Director of the Army Staff addressed all specifics of the recommendation, and no further comments are required.

### ***Recommendation A.2***

**We recommend the Assistant Secretary of the Army (Financial Management and Comptroller):**

- a. initiate a preliminary review in accordance with DoD Regulation 7000.14-R, “DoD Financial Management Regulation,” volume 14, chapter 3, to determine whether a reportable violation of the**

**Antideficiency Act occurred when the Army spent appropriated funds to carry out the Korean War 60<sup>th</sup> Commemoration program in excess of the spending limit imposed by Public Law 111-383, and provide the results to the DoD Office of Inspector General.**

- b. determine which officials are responsible if an Antideficiency Act violation has occurred, recommend corrective actions, and provide the results to the DoD Office of Inspector General**
- c. obtain and review supporting documentation for the \$517,510 in disbursements and initiate corrective actions if improper payments are found.**

*Assistant Secretary of the Army (Financial Management and Comptroller) Comments*

The Deputy Assistant Secretary of the Army (Financial Operations), responding for the Assistant Secretary of the Army (Financial Management and Comptroller), agreed, stating that the Assistant Secretary of the Army (Financial Management and Comptroller) directed the U.S. Army Resource and Programs Agency to initiate an investigation and submit a preliminary report by June 20, 2014, which concludes the potential violation of the Antideficiency Act as coupled with a legal review. In addition, the preliminary investigation report will include reviewing disbursement data to determine whether improper payments occurred. If the investigation and legal review determine that a reportable Antideficiency Act violation occurred, the Assistant Secretary of the Army (Financial Management and Comptroller) will conduct a formal investigation to determine responsible officials and require corrective actions to prevent recurrence of similar violations. The Deputy Assistant Secretary will provide the results of preliminary investigation to the DoD Office of Inspector General, as well as the results of the formal investigation, if conducted.

*Our Response*

The Deputy Assistant Secretary addressed all specifics of the recommendation, and no further comments are required.

### *Secretary of the Army Comments*

Although not required to comment, the Vice Director of the Army Staff, responding for the Secretary of the Army, agreed, stating that the Army has opened a preliminary investigation and reiterated the comments from the Assistant Secretary of the Army (Financial Management and Comptroller).

### *Our Response*

The comments from the Vice Director of the Army Staff confirmed the Assistant Secretary of the Army's (Financial Management and Comptroller) on-going and planned actions to implement our recommendations.

## Finding B

### Donations Were Obligated After Period of Availability

An Army contracting officer obligated \$125,100 of donations on behalf of the Army DCS, G-2 after the period of availability in support of the KWC60 program. In addition, the Army DCS, G-2 transferred less money than required to the DoD Vietnam War Commemorative Fund. These conditions occurred because Army DCS, G-2 indicated on a purchase order for contracted services that the funds had no set date for expiration instead of referencing Public Law 111-383, which limited the use of the funds to no later than September 30, 2013. As a result, the Army DCS, G-2 initiated actions that violated Public Law 111-383 and may have violated the Antideficiency Act.

### Donations Improperly Obligated

An Army contracting officer obligated \$125,100 of donations on behalf of the Army DCS, G-2 after the end of the program, when funds were no longer available for obligation. The \$125,100 in donations was collected and deposited into the DoD KWC Fund. On September 27, 2013, the Army DCS, G-2 Budget Office used the donations to issue a \$125,100 purchase request to the Army contracting office, Picatinny Arsenal, New Jersey, to fund contracted services for the KWC60 program. On September 28, 2013, the certifying officer at Picatinny Arsenal certified the availability of the funds requested for obligation and issued a work order. However, the contracting officer at Fort Dix did not sign the contract modification obligating the \$125,100 until October 10, 2013, 10 days after the period of availability for the funds expired on September 30, 2013.

Public Law 111-383 authorized the KWC60 program to receive donations from the public, but required donations to be deposited in the DoD KWC Fund and limited the use of those funds for the KWC60 program through September 30, 2013. Specifically, the law required the Secretary of the Treasury to transfer unobligated amounts remaining in the DoD KWC Fund as of September 30, 2013, to the DoD Vietnam War Commemorative Fund. The contracting officer at Fort Dix stated that she was not aware of the existence of Public Law 111-383 and did not know that donations were unavailable for obligation after September 30, 2013. She stated she relied on the work order, which certified the availability of funds, and the purchase request. According to the work order prepared by the certifying

officer, the funds were available for obligation until October 31, 2013. Additionally, the contracting officer stated that the purchase request cited the funds as no-year funds, which have no set expiration date.

The Army DCS, G-2 Budget Office should have notified the Army contracting office in the September 27, 2013, purchase request that the funds were available for obligation only through September 30, 2013. The Army DCS, G-2 should have ensured that all unobligated funds in the DoD KWC Fund as of September 30, 2013, transferred to the DoD Vietnam War Commemorative Fund, in accordance with Public Law 111-383. Therefore, \$125,100 in donations in the DoD KWC Fund was not available for obligation on October 10, 2013, to fund contracted services for the KWC60 program. As a result of the Army DCS, G-2's actions, the Army may have violated the Antideficiency Act, section 1341, title 31, United States Code. The Assistant Secretary of the Army (Financial Management and Comptroller), should initiate a preliminary review to determine whether the \$125,100 obligation of donated funds violated the Antideficiency

The Army may have violated the Antideficiency Act, section 1341, title 31, United States Code.

Act and provide the results to the DoD Office of Inspector General. If the Assistant Secretary of the Army (Financial Management and Comptroller) determines a reportable Antideficiency Act violation occurred, he should determine which officials are responsible, recommend corrective actions, and provide the results to the DoD Office of Inspector General. In addition, the Assistant Secretary of the Army (Financial Management and Comptroller), should initiate corrective action to identify and transfer all unobligated amounts that remained in the DoD KWC Fund as of September 30, 2013, to the DoD Vietnam War Commemorative Fund, in accordance with Public Law 111-383; and consider whether other appropriated funds are available for transfer into the DoD Vietnam War Commemorative Fund to account for the \$125,100 that should have transferred in accordance with Public Law 111-383.

## Transfer of Donations

Public Law 111-383 required that unobligated funds remaining in the DoD KWC Fund as of September 30, 2013, be transferred to the DoD Vietnam War Commemorative Fund. In an October 31, 2013, memorandum, the Army Assistant DCS, G-2 reported that the Army DCS, G-2 deposited a total of \$126,420 of public donations into the DoD KWC Fund; obligated \$125,100 of \$126,420 for

contracted services; and identified the remaining balance of \$1,320 for DFAS to transfer to the DoD Vietnam War Commemorative Fund, in accordance with Public Law 111-383. We reviewed source documents for donated amounts and determined that in addition to the improper obligation of \$125,100, donations totaled \$200 more than the \$126,420 reported. Therefore, public donations totaled \$126,620, and at least \$1,520, if not the entire amount, should be transferred to the DoD Vietnam War Commemorative Fund.

Army DCS, G-2 officials acknowledged and attributed the signing of the contract modification on October 10, 2013, to a contract backlog caused by the sequestration of Government employees along with the erroneous report that the funds were available after September 30, 2013. Army DCS, G-2 officials stated that the contracting officer executed the donated funds of \$125,100 on good faith, consistent with the purpose and intention of the donor, in support of the KWC60 program. Army DCS, G-2 officials also stated that they transferred all funds remaining in the DoD KWC Fund to the Vietnam War Commemorative Fund except for the \$125,100 donated funds. According to Army DCS, G-2 officials, the \$125,100 was not available for transfer to the DoD Vietnam War Commemorative Fund because it was obligated on October 10, 2013 and expended for a contract service performed. However, as of September 30, 2013, the \$125,100 was unobligated and, based on Public Law 111-383, not available for obligation to fund contracted services for the KWC60 program on October 10, 2013. This amount was intended by Public Law 111-383 to benefit the DoD Vietnam War Commemorative Fund.

## **Recommendations, Management Comments, and Our Response**

### ***Recommendation B***

**We recommend the Assistant Secretary of the Army (Financial Management and Comptroller):**

- 1. initiate a preliminary review in accordance with DoD Regulation 7000.14-R, "DoD Financial Management Regulation," volume 14, chapter 3, to determine whether a reportable violation of the Antideficiency Act occurred when the Army obligated amounts remaining in the DoD Korean War Commemoration Fund after September 30, 2013, in support of the DoD Korean War**

**60<sup>th</sup> Commemoration program, and provide the results to the DoD Office of Inspector General.**

- 2. determine which officials are responsible if an Antideficiency Act violation has occurred, recommend corrective actions, and provide the results to the DoD Office of Inspector General.**
- 3. initiate corrective action to identify and transfer, or to otherwise account for, all unobligated amounts that remained in the DoD Korean War Commemoration Fund as of September 30, 2013, to the DoD Vietnam War Commemorative Fund, in accordance with Public Law 111-383. If \$125,100 in donations is not available for transfer because it was obligated and expended for a contract service after September 30, 2013, then determine whether other appropriated funds are available for transfer into the DoD Vietnam War Commemorative Fund to account for the \$125,100 that should have transferred in accordance with Public Law 111-383.**

*Assistant Secretary of the Army (Financial Management and Comptroller) Comments*

The Deputy Assistant Secretary of the Army (Financial Operations), responding for the Assistant Secretary of the Army (Financial Management and Comptroller), agreed, stating that the Assistant Secretary of the Army (Financial Management and Comptroller) directed the U.S. Army Resource and Programs Agency to initiate an investigation and submit a preliminary report by June 20, 2014, which concludes the potential violation of the Antideficiency Act as supported by a legal review. In addition, the preliminary investigation report will include determination of other appropriated funds available for transfer to the DoD Vietnam War Commemorative Fund to meet the public law requirement. If the investigation and legal review determine that a reportable Antideficiency Act violation occurred, the Assistant Secretary of the Army (Financial Management and Comptroller) will conduct a formal investigation to determine responsible officials and require corrective actions to prevent recurrence of similar violations. The Deputy Assistant Secretary will provide the results of the preliminary investigation to the DoD Office of Inspector General, as well as the results of the formal investigation, if conducted.

### *Our Response*

The Deputy Assistant Secretary addressed all specifics of the recommendation, and no further comments are required.

### *Secretary of the Army Comments*

Although not required to comment, the Vice Director of the Army Staff, responding for the Secretary of the Army, agreed, stating that the Army has opened a preliminary investigation and reiterated the comments from the Assistant Secretary of the Army (Financial Management and Comptroller). Additionally, the Vice Director stated that the Army will work to take corrective action if all appropriate funds were not transferred to the DoD Vietnam War Commemorative Fund.

### *Our Response*

The comment from the Vice Director of the Army Staff confirmed the Assistant Secretary of the Army's (Financial Management and Comptroller) on-going and planned actions to implement our recommendations, and confirms that the Army will take appropriate corrective action, if necessary.

## Appendix A

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### Scope and Methodology

We conducted this performance audit from August 2013 through March 2014 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We visited the ABO and the Army DCS, G-2 Headquarters and interviewed key personnel responsible for the planning, funding, and executing the KWC60 program and obtained an understanding of the key processes, functions, and responsibilities. We reviewed obligations and disbursements related to KWC60 program funds and cost. The Army DCS, G-2 could not provide the supporting documentation for all obligations and disbursements related to the KWC60 program. Therefore, we contacted DFAS and obtained supporting documentation for \$3.5 million in disbursements. We obtained and examined the following documents:

- Status of Funds Reports generated from the Standard Finance System and GFEBs;
- delegation letters, spending plans, course of action plans, funding authorization documents;
- supporting documentation for donated funds, including checks received from the public and deposit tickets;
- obligation documents, such as contracts and modifications, military interdepartmental purchase requests and acceptances, travel authorizations, and preapproval forms for Government purchase-card purchases; and
- billing and payment documents, such as invoices, disbursement vouchers, receiving reports, travel vouchers, Government purchase-card bank statements, and vendor receipts.

## **Use of Computer-Processed Data**

We used the funding and cost data that Army DCS, G-2 Budget Office personnel manually compiled from the reports generated by two accounting systems: the Standard Finance System and the GFEBS. We tested the reliability of system-generated data by tracing transaction amounts to source documents to test data accuracy. We traced the source documents to the transaction data, including documents we obtained from the Electronic Data Access website and DFAS, to test for completeness. As a result, we identified discrepancies between the transaction data and source documents, as discussed in Finding A. Therefore, we concluded that transaction data that the Standard Finance System and GFEBS generated to provide the KWC60 program funding and costs information were not reliable.

## **Use of Technical Assistance**

We did not use technical assistance in conducting this audit.

## **Prior Coverage**

No prior coverage has been conducted on Korean War Commemoration programs during the last 5 years.

## Appendix B

### DoD Designation of Executive Agent



DEPUTY SECRETARY OF DEFENSE  
1010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1010

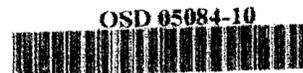
MAY 25 2010

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
ASSISTANT SECRETARIES OF DEFENSE  
GENERAL COUNSEL OF THE DEPARTMENT OF  
DEFENSE  
DIRECTOR, OPERATIONAL TEST AND EVALUATION  
INSPECTOR GENERAL OF THE DEPARTMENT OF  
DEFENSE  
ASSISTANTS TO THE SECRETARY OF DEFENSE  
DIRECTOR, ADMINISTRATION AND MANAGEMENT  
DIRECTORS OF THE DEFENSE AGENCIES  
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING

SUBJECT: Executive Agency for the Commemoration of the 60<sup>th</sup> Anniversary of the Korean War

The Secretary of the Army is hereby designated the Executive Agent of the Department of Defense to plan and conduct commemorative activities for the 60<sup>th</sup> Anniversary of the Korean War, within the scope of existing authorities for the remainder of FY 2010. The Department of the Army shall also commence planning for an expanded program of activities for FY 2011. For these purposes, the Executive Agent may issue policy and direction to the Military Departments and other DoD components and may coordinate with other Federal entities and non-Federal organizations on behalf of the Department of Defense. Tasking to Combatant Commander-assigned forces must be coordinated with the Director, Joint Staff.

The Assistant Secretary of Defense for Public Affairs will provide guidance to the Executive Agent regarding the proper use of manpower, equipment, and other DoD assets in support of 60<sup>th</sup> Anniversary of Korean War commemorative activities.



100520495

## DoD Designation of Executive Agent (cont'd)



### DEPUTY SECRETARY OF DEFENSE

1010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1010

SEP 27 2011

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
DIRECTOR, OPERATIONAL TEST AND EVALUATION  
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE  
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE  
ASSISTANT SECRETARIES OF DEFENSE  
ASSISTANTS TO THE SECRETARY OF DEFENSE  
DIRECTOR, ADMINISTRATION AND MANAGEMENT  
DIRECTORS OF THE DEFENSE AGENCIES  
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING

SUBJECT: Executive Agency for the Commemoration of the 60th Anniversary of the Korean War

The Secretary of the Army shall maintain the designation as the Executive Agent of the Department of Defense (DoD) to plan and conduct commemorative activities for the 60th Anniversary of the Korean War. The Executive Agent may issue policy and direction to the Military Departments and other DoD components and may coordinate with other Federal entities and non-Federal organizations on behalf of the Department of Defense. Tasking to Combatant Commander assigned forces must be coordinated with the Director, Joint Chiefs of Staff. This designation and accompanying authority will expire on September 30, 2013.

The Assistant Secretary of Defense for Public Affairs will provide guidance to the Executive Agent regarding the proper use of manpower, equipment, and other DoD assets in support of 60th Anniversary of Korean War commemorative activities.

OSD 10230-11



# Appendix C

## Army Delegation of Executive Agent

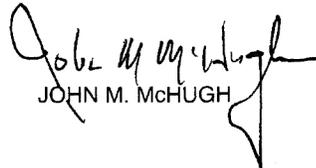


SECRETARY OF THE ARMY  
WASHINGTON  
JUL 02 2010

MEMORANDUM FOR DEPUTY CHIEF OF STAFF, G-2

SUBJECT: Delegation of Authority for Executive Agent Responsibilities for the Commemoration of the 60<sup>th</sup> Anniversary of the Korean War

1. a. Reference Memorandum, DepSecDef, 25 May 10, subject: Executive Agency for the Commemoration of the 60<sup>th</sup> Anniversary of the Korean War.  
  
b. DoD Directive 5101.1 (DoD Executive Agent), with change 1, 9 May 03.
2. Pursuant to reference 1b, I hereby delegate to the Deputy Chief of Staff, G-2 the authority to act on my behalf for any and all DoD Executive Agent responsibilities, functions and authorities assigned to me by reference 1a. Any taskings to non-Army organizations must be coordinated with me. Also, because of the importance of and extensive publicity associated with these commemorative events, the Deputy Chief of Staff, G-2 will coordinate with the Offices of the Chief of Legislative Liaison and Chief of Public Affairs and brief me on plans for the way ahead and the status of activities.
3. You may further delegate this authority within your organization, but no lower than a general officer or member of the Senior Executive Service. Delegations must be in writing. A copy of the delegation must be maintained in the office where the authority is held and a copy will be provided to the Administrative Assistant to the Secretary of the Army, who serves as the Army's focal point for Executive Agents. You will remain cognizant of, and accountable for, all actions taken pursuant to the delegated authority.
4. Resources associated with these DoD Executive Agent responsibilities will be closely monitored and are not to exceed \$2 million during FY 10. Exercise prudent financial judgment in budgeting, expending and accounting for funds because resources will come from within the current Army FY 10 budget. Also, as specified in the DepSecDef memorandum, you are authorized to begin planning for an expanded program of activities for FY 11.
5. This delegation will remain in effect until commemoration activities are complete or unless earlier revised or rescinded.

  
JOHN M. MCHUGH

CF:  
Chief of Staff, Army  
Assistant Secretary of the Army (Financial Management and Comptroller)  
Administrative Assistant to the Secretary of the Army  
Chief of Legislative Liaison  
Chief of Public Affairs  
Director of the Army Staff

## Appendix D

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### Other Management Comments and Our Response

#### ***Management Comments on the DoD KWC Fund***

The Vice Director of the Army Staff, responding for the Secretary of the Army, stated that the report was not accurate in discussing the DoD KWC Fund. He stated that any and all references to the DoD KWC Fund throughout the report were inaccurate because the Department of the Treasury never established the fund as Public Law 111-383 prescribed.

#### ***Our Response***

The statement of the Vice Director of the Army Staff is incorrect. The Federal Account Symbols and Titles Book, a supplement to the Treasury Financial Manual, lists the Department of Defense Korean War Commemoration Fund, Army, 21X5752 as established pursuant to Public Law 111-383. Additionally, Treasury's annual reports for FYs 2012 and 2013—specifically the Combined Statement of Receipts, Outlays, and Balances, Part Three, Department of Defense-Military Detail of Appropriations, Outlays, and Balances—include financial entries for this account.

#### ***Management Comments on Appropriated Funds***

The Vice Director of the Army Staff stated that there were no monies appropriated to the DoD for the KWC60 program and the Army used the Army O&M funds for over 99 percent of the program expenses.

#### ***Our Response***

Our report, in the Management of Program Funds section, stated that the KWC60 program used the Army O&M Fund and donations to the DoD KWC Fund. The specific report statement that the Vice Director referenced was the statutory requirements excerpted from Public Law 111-383.

#### ***Management Comments on the Role of the Assistant Secretary of Defense for Public Affairs***

The Vice Director of the Army Staff stated that the report failed to acknowledge the role of the Assistant Secretary of Defense for Public Affairs to provide guidance and oversight for the KWC60 program.

### ***Our Response***

We added a description of the oversight role assigned to the Assistant Secretary of Defense for Public Affairs to the Designation of Executive Agent section of the report.

The Vice Director of the Army Staff included a matrix to support his rationale for the above comments. We did not include the matrix in the report as the comments were editorial in nature or factually incorrect.

# Management Comments

## Secretary of the Army Comments



DEPARTMENT OF THE ARMY  
OFFICE OF THE CHIEF OF STAFF  
200 ARMY PENTAGON  
WASHINGTON DC 20310-0200

MEMORANDUM FOR Ms. Venable, Assistant Inspector General, Financial Management and Reporting, DoD Office of Inspector General **APR 14 2014**

SUBJECT: DoDIG Audit Draft Report Project No. D2013-D000FE-0150.000

1. Reference DoDIG Audit Draft Report, Improvement Needed for Management of Commemorative Program Funds, issued March 28, 2014, Project No. D2013-D000FE-0150.000.

2. We have reviewed the subject audit draft report and recommendations. Our responses to the findings and recommendations are in enclosure 1. We have also added some concerns and line-in and line-out comments in enclosure 2 to address factual matters with the draft report.

3. I am the Army point of contact. You can reach me [REDACTED]

Encls

VR,  
  
STEVEN J. REDMANN  
Vice Director of the Army Staff

## Secretary of the Army Comments (cont'd)

### Enclosure 1 - IMPROVEMENT NEEDED FOR MANAGEMENT OF COMMEMORATIVE PROGRAM

#### FUNDS – FINDINGS AND RECOMMENDATIONS

DoDIG PROJECT NO. D2013-D000FE-0150.000

Finding A: Accounting of Korean War 60<sup>th</sup> Commemoration Program Funding and Costs was Not Complete or Accurate

Recommendation A.1: We recommend the Secretary of the Army issue implementing guidance for effectively performing Executive Agent responsibilities in accordance with DoD Directive 5101.1, which includes developing standard operating procedures that identify key processes, roles, and responsibilities for resource management.

Army Comments: Concur. The Army (Office of the Administrative Assistant to the Secretary of the Army (OAA)) will draft an Army Directive for Secretary of the Army signature articulating the organizational and functional requirements for effectively performing Executive Agent responsibilities. The completion date is slated for October 31, 2014. As a long term solution, the Army (OAA) will draft an Army regulation identifying key processes, roles, and responsibilities for Executive Agent resource management. The regulation will also establish a workgroup comprised of principal stakeholders to convene periodically and assess the status and functionality of current Army Executive Agent responsibilities, as well as provide oversight and support to new Army Executive Agent responsibilities. A completion date for the new Army regulation is May 31, 2016.

Recommendation A.2: We recommend the Assistant Secretary of the Army (Financial Management and Comptroller):

a. Initiate a preliminary review in accordance with DoD Regulation 7000.14-R, "DoD Financial Management Regulation," volume 14, chapter 3, to determine whether a reportable violation of the Antideficiency Act occurred when the Army spent appropriated funds to carry out the Korean War 60<sup>th</sup> Commemoration program in excess

## Secretary of the Army Comments (cont'd)

of the spending limit imposed by Public Law 111-383, and provide the results to the DoD Office of the Inspector General.

Army Comments: Concur. The Army has opened a new preliminary investigation, Case 14-03. The Investigating Officer is to submit a preliminary report to the Assistant Secretary of the Army (Financial Management and Comptroller) no later than June 20, 2014.

b. Determine which officials are responsible if an Antideficiency Act violation has occurred, recommend corrective actions, and provide the results to the DoD Office of Inspector General.

Army Comments: Concur. If the investigation and legal review determine a reportable Antideficiency Act violation occurred, the Army will open a formal investigation to determine, among other things, responsible officials for causing the Antideficiency Act violation, and required corrective actions to prevent recurrence of similar violations. Results will be provided to the DoD Office of Inspector General.

c. Obtain and review supporting documentation for the \$517,510 in disbursements and initiate corrective action if improper payments are found.

Army Comments: Concur. The preliminary report will examine the facts surrounding the alleged violations. This will include a review of disbursement data to determine if improper payments occurred and a legal review, which supports the conclusion an Antideficiency Act violation did or did not occur.

### Finding B: Donations Were Obligated After Period of Availability

Recommendation B: We recommend the Assistant Secretary of the Army (Financial Management and Comptroller):

1. Initiate a preliminary review in accordance with DoD Regulation 7000.14-R, "DoD Financial Management Regulation," volume 14, chapter 3, to determine whether a reportable violation of the Antideficiency Act occurred when the Army obligated amounts remaining in the DoD Korean War Commemoration Fund after September 30, 2013, in support of the DoD Korean War 60<sup>th</sup> Commemoration program, and provide the results to the DoD Office of Inspector General.

## Secretary of the Army Comments (cont'd)

Army Comments: Concur. The Army has opened a new preliminary investigation, Case 14-03 (combined with Finding A, Recommendation A.2). The Investigating Officer is to submit a preliminary report to the Assistant Secretary of the Army (Financial Management and Comptroller) no later than June 20, 2014.

2. Determine which officials are responsible if an Antideficiency Act violation has occurred, recommend corrective action, and provide the results to the DoD Office of Inspector General.

Army Comments: Concur. If the investigation and legal review determine a reportable Antideficiency Act violation occurred, the Army will open a formal investigation to determine, among other things, responsible officials for causing the Antideficiency Act violation, and required corrective actions to prevent recurrence of similar violations. Results will be provided to the DoD Office of Inspector General.

3. Initiate corrective action to identify and transfer, or to otherwise account for; all unobligated amounts that remained in the DoD Korean War Commemoration Fund as of September 30, 2013 to the DoD Vietnam War Commemoration Fund, in accordance with Public Law 111-383. If \$125,000 in donations is not available for transfer because it was obligated and expended for a contract service after September 30, 2013, then determine whether other appropriated funds are available for transfer into the DoD Vietnam War Commemoration Fund to account for the \$125,000 that should have transferred in accordance with Public Law 111-383.

Army Comments: Concur. The Army will specifically review the status of funds held by the Korean War 60<sup>th</sup> Commemoration Committee on September 30, 2013. If all appropriate funds were found not to be transferred to the DoD Vietnam War Commemoration Fund, the Army will work to take appropriate corrective action.

## Secretary of the Army Comments (cont'd)

### Enclosure 2 - IMPROVEMENT NEEDED FOR MANAGEMENT OF COMMEMORATIVE PROGRAM

#### FUNDS – CONCERNS AND LINE-IN, LINE-OUT COMMENTS

DoDIG PROJECT NO. D2013-D000FE-0150.000

In general, three important overriding corrections/updates need to be made in the draft report as they are at least tangential to the funding issues identified in the draft report:

- No Department of Defense Korean War Commemoration (KWC) Fund established. Page 12, paragraph 3, 1<sup>st</sup> sentence. The Secretary of Treasury did not establish the Department of Defense Korean War Commemoration (KWC) Fund as prescribed by law. Therefore, it was not available to nor administered by the Secretary of Defense for conducting the commemorative program. Any and all references to this Secretary of Treasury Department of Defense Korean War Commemoration Fund, throughout this draft report, would be inaccurate.
- No Korean War Commemoration Monies Appropriated to the Army. Page 1, paragraph 3, 2<sup>nd</sup> sentence. There were no monies appropriated to the Department of Defense for the Korean War Commemoration. The Army used Operations and Maintenance, Army funds for over 99% of the expenses.
- Report Fails to Acknowledge Assistant Secretary of Defense (Public Affairs) Role in Providing Guidance and Oversight. Page 15, Dep Sec Def memo, subject: Executive Agency for the Commemoration of the 60<sup>th</sup> Anniversary of the Korean War, May 25, 2010, paragraph 2 of the memo; and Page 16, Dep Sec Def memo, subject: Executive Agency for the Commemoration of the 60<sup>th</sup> Anniversary of the Korean War, Sep 27, 2011, paragraph 2 of the memo.

Line-in, line-out comments are provided in the attached spread sheet with supporting rationale.

## Assistant Secretary of the Army (Financial Management and Comptroller) Comments



REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY  
FINANCIAL MANAGEMENT AND COMPTROLLER  
109 ARMY PENTAGON  
WASHINGTON DC 20310-0109

SAFM-FO

APR 04 2014

MEMORANDUM THRU Auditor General, Department of the Army, 3101 Park Center Drive, Alexandria, Virginia 22302-1596

FOR Inspector General, Department of Defense, Financial Management and Reporting, 4800 Mark Center Drive, Alexandria, Virginia 22350-1500

SUBJECT: Improvement Needed for Management of Commemorative Program Funds (Project Number D2013-D000FE-0150.000)

1. We appreciate the opportunity to provide comments on the subject report.
2. The audit asserts the U.S. Army may have violated the Antideficiency Act (ADA) when the Army Deputy Chief of Staff (DCS), G-2 failed to record all funding and cost data and exceeded the \$5 million spending limit established by Public Law (P.L.) 111-383. The audit also finds a contracting officer obligated \$125,100 of donations after the funds were no longer available for use in support of the Korean War 60th Commemoration (KWC60) program. The audit makes the following recommendations:
  - a. Initiate a preliminary review in accordance with DoD Regulation 7000.14-R, "DoD Financial Management Regulation (DoD FMR)," volume 14, chapter 3, to determine whether a reportable violation of the ADA occurred pursuant to the DCS, G-2 management of the KWC60 program and provide the results to the DoD Office of Inspector General.
  - b. Determine which officials are responsible if an ADA violation has occurred, recommend corrective actions, and provide the results to the DoD Office of Inspector General.
  - c. Obtain and review supporting documentation for the \$517,510 in disbursements and initiate corrective actions if improper payments are found.
  - d. Initiate corrective action to identify and transfer, or to otherwise account for, all unobligated amounts, which that remained in the DoD KWC60 fund as of September 30, 2013 to the DoD Vietnam War Commemorative Fund, in accordance with P.L. 111-383.
3. Concur.
  - a. On March 7, 2014 the DCS, G-2 reported potential violations of the ADA may have occurred with respect to obligations in excess of the \$5 million limit established in P.L. 111-383, Section 574 (h) and a contract not signed until the expiration of the KWC60 fund's legal period of availability.

## Assistant Secretary of the Army (Financial Management and Comptroller) Comments (cont'd)

SAFM-FO

SUBJECT: Improvement Needed for Management of Commemorative Program Funds  
(Project Number D2013-D000FE-0150.000)

b. Consequently, on March 14, 2014 we issued a memo to the U.S. Army Resources and Programs Agency (OA-22) directing them to initiate an investigation in accordance with DoD FMR, volume 14 and appoint an independent and qualified investigating officer. The Investigating officer will submit a preliminary report through command channels to this office no later than June 20, 2014. The preliminary report must include the facts surrounding the alleged violations, review disbursement data to determine if improper payments occurred, determine if other appropriated funds are available for transfer into the DoD Vietnam War Commemorative Fund to satisfy P.L. 111-383 and include a legal review, which supports the conclusion an ADA violation did or did not occur. Results will be provided to the DoD Office of Inspector General.

c. If the investigation and legal review determine a reportable ADA violation occurred, we will open a formal investigation to determine, among other things, responsible officials for causing the ADA violation, required corrective actions to prevent recurrence of similar violations. Results of this investigation, if required, will similarly be provided to the DoD Office of Inspector General.

4. The Army point of contact is [REDACTED]

  
James J. Watkins  
Deputy Assistant Secretary of the Army  
(Financial Operations)

## Acronyms and Abbreviations

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<b>ABO</b>	Army Budget Office
<b>DCS</b>	Deputy Chief of Staff
<b>DFAS</b>	Defense Finance and Accounting Service
<b>GFEBs</b>	General Fund Enterprise Business System
<b>KWC</b>	Korean War Commemoration
<b>KWC60</b>	Korean War 60th Commemoration
<b>O&amp;M</b>	Operations and Maintenance

# **Whistleblower Protection**

## **U.S. DEPARTMENT OF DEFENSE**

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Public.Affairs@dodig.mil; 703.604.8324

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