

The Honorable Gene Dodaro  
Comptroller General of the United States  
U.S. Government Accountability Office  
Antideficiency Act Reports  
Room 7165  
411 G Street, NW  
Washington, DC 20548

SEP 14 2011

Dear Mr. Dodaro:

This letter reports a violation of the Antideficiency Act, as required by title 31, U.S.C., section 1351. Two violations occurred: (1) title 31, U.S.C., section 1341, limitations of expenses and obligations, resulting from violations of title 10, U.S.C., section 2802, military construction projects; and (2) title 31, U.S.C., section 1301, purpose statute. The Antideficiency Act violations, National Geospatial-Intelligence Agency (NGA) case number 10-04, totaled \$64,331,238, of which \$57,033,875 is from the National Intelligence Program and \$7,297,363 is from the Military Intelligence Program.

The violations occurred from September 2004 through July 2009 when NGA improperly used operations and maintenance (account 97\*0100), procurement, (account 97\*0300), and research, development, test, and evaluation (account 97\*0400) funds for the NGA Data Center-West (NDC-W) and the NDC-W expansion project. For both projects, the work was mischaracterized as minor construction and equipment installation rather than conversion of existing warehouse space. The work for the NDC-W expansion project was improperly split to remain below the \$750,000 military construction threshold.

Mr. Edwin Lawless, Pay Band 5, Facility Program Manager, and Ms. Verna Jean Nightingale, Defense Intelligence Senior Level, Chief, Financial Execution Division, were found responsible for the violation. Both individuals received an oral admonishment. Mr. Lawless was directed to take remedial training and Ms. Nightingale was directed to review the appropriate military construction rules and regulations. The violation did not contain willful and knowing intent on the part of the responsible parties to violate the Antideficiency Act.

To prevent a recurrence of this type of violation, NGA initiated a series of procedural changes to strengthen the review process for construction type funding documents and increased fiscal law training. The administrative control system prescribed in Volume 14 of the *Department of Defense Financial Management Regulation* is adequate.

Enclosed are copies of the letter and report of violation from the NGA Inspector General. Copies were submitted to the President, President of the Senate, Speaker of the House of Representatives, and Director of the Office of Management and Budget.

Sincerely,



Robert F. Hale  
Under Secretary of Defense (Comptroller)/  
Chief Financial Officer  
Department of Defense



Marilyn A. Vacca  
Associate Director of National Intelligence  
and Chief Financial Officer  
Office of the Director of National Intelligence

Enclosures:  
As stated

SEP 14 2011

The Honorable Jack Lew  
Director  
Office of Management and Budget  
Washington, DC 20503

Dear Mr. Lew:

Enclosed is a letter transmitting two Antideficiency Act violations to the President. The first is a violation of title 31, U.S.C., section 1341, limitations of expenses and obligations, resulting from violations of title 10, U.S.C., section 2802, military construction projects. The second is a violation of title 31, U.S.C., section 1301, purpose statute.

The Antideficiency Act violation, National Geospatial-Intelligence Agency case number 10-04, totaled \$64,331,238, of which \$57,033,875 is from the National Intelligence Program and \$7,297,363 is from the Military Intelligence Program. This violation report is required by title 31, U.S.C., section 1351, to be submitted to the President, through the Director of the Office of Management and Budget. The National Geospatial-Intelligence Agency did not receive a clean audit during the fiscal years in which the violation occurred. The violation did not contain willful and knowing intent on the part of the responsible parties to violate the Antideficiency Act.

To comply with the aforementioned provisions, copies of the report were also submitted to the President of the Senate, the Speaker of the House of Representatives, and the Comptroller General of the United States.

Sincerely,



Robert F. Hale  
Under Secretary of Defense (Comptroller)/  
Chief Financial Officer  
Department of Defense



Marilyn A. Vacca  
Associate Director of National Intelligence  
and Chief Financial Officer  
Office of the Director of National Intelligence

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SEP 14 2011

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

Dear Mr. President:

This letter reports a violation of the Antideficiency Act, as required by title 31, U.S.C., section 1351. Two violations occurred: (1) title 31, U.S.C., section 1341, limitations of expenses and obligations, resulting from violations of title 10, U.S.C., section 2802, military construction projects; and (2) title 31, U.S.C., section 1301, purpose statute. The Antideficiency Act violation, National Geospatial-Intelligence Agency (NGA) case number 10-04, totaled \$64,331,238, of which \$57,033,875 is from the National Intelligence Program and \$7,297,363 is from the Military Intelligence Program.

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Mr. Edwin Lawless, Pay Band 5, Facility Program Manager, and Ms. Verna Jean Nightingale, Defense Intelligence Senior Level, Chief, Financial Execution Division, were found responsible for the violation. Both individuals received an oral admonishment. Mr. Lawless was directed to take remedial training and Ms. Nightingale was directed to review the appropriate military construction rules and regulations. The violation did not contain willful and knowing intent on the part of the responsible parties to violate the Antideficiency Act.

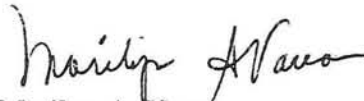
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Enclosed are copies of the letter and report of violation from the NGA Inspector General. Copies were submitted to the President of the Senate, Speaker of the House of Representatives, Comptroller General of the United States, and Director of the Office of Management and Budget.

Respectfully yours,



Robert F. Hale  
Under Secretary of Defense (Comptroller)/  
Chief Financial Officer  
Department of Defense



Marilyn A. Vacca  
Associate Director of National Intelligence  
and Chief Financial Officer  
Office of the Director of National Intelligence

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SEP 14, 2011

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, as required by title 31, U.S.C., section 1351. Two violations occurred: (1) title 31, U.S.C., section 1341, limitations of expenses and obligations, resulting from violations of title 10, U.S.C., section 2802, military construction projects; and (2) title 31, U.S.C., section 1301, purpose statute. The Antideficiency Act violation, National Geospatial-Intelligence Agency (NGA) case number 10-04, totaled \$64,331,238, of which \$57,033,875 is from the National Intelligence Program and \$7,297,363 is from the Military Intelligence Program.

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Robert F. Hale  
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Chief Financial Officer  
Department of Defense



Marilyn A. Vacca  
Associate Director of National Intelligence  
and Chief Financial Officer  
Office of the Director of National Intelligence

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SEP 14, 2011

The Honorable John 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, as required by title 31, U.S.C., section 1351. Two violations occurred: (1) title 31, U.S.C., section 1341, limitations of expenses and obligations, resulting from violations of title 10, U.S.C., section 2802, military construction projects; and (2) title 31, U.S.C., section 1301, purpose statute. The Antideficiency Act violation, National Geospatial-Intelligence Agency (NGA) case number 10-04, totaled \$64,331,238, of which \$57,033,875 is from the National Intelligence Program and \$7,297,363 is from the Military Intelligence Program.

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