



DEPARTMENT OF THE NAVY
THE ASSISTANT SECRETARY OF THE NAVY
(INSTALLATIONS AND ENVIRONMENT)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

28 January 2003

The Honorable Duncan Hunter
Chairman
Committee on the Armed Services
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Section 128 of the Fiscal Year 2000 Military Construction Appropriations Act (Public Law 106-52) required prior Congressional notification for expenditures exceeding \$25,000 per unit on the maintenance and repair of general and flag officer quarters. The purpose of this letter is to notify the Committee that a total of \$33,454, or \$8,454 more than the \$25,000 authorized amount, was expended on maintenance and repair of General Officer Quarters at 24154 Vandergrift Boulevard, Marine Corps Base Camp Pendleton, California, during Fiscal Year 2000.

A preliminary Antideficiency Act review, requested by the Commanding General, Marine Corps Base Camp Pendleton, led to a formal review. The formal review determined the following:

- There was no willful intent to violate provisions of the Antideficiency Act.
- Implementation of a new software system (MAXIMO) to track maintenance and repair efforts during fiscal year 2000 contributed to the failure to adequately capture all costs.
- Periodic reconciliation of costs tracked in the MAXIMO system with those in the official Marine Corps SABRS accounting system had not been accomplished.
- Corrective action implemented by Marine Corps Base Camp Pendleton should be sufficient to adequately capture and report costs in the future.

The Department of the Navy regrets that funds were expended without the appropriate prior Congressional approvals. We are

committed to strengthening existing practices to ensure there is no reoccurrence of this problem.

Similar letters have been sent to the House and Senate Appropriations Subcommittees on Military Construction and the Senate Armed Services Committee. As always, if I can be of further assistance, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "H T Johnson". The letters are dark and fluid, with a prominent loop on the "J" and a long tail on the "n".

H. T. Johnson

Copy to:
The Honorable Ike Skelton
Ranking Minority Member