

**SUMMARY OF MAJOR CHANGES TO
VOLUME 14, CHAPTER 3
“PRELIMINARY REVIEWS OF POTENTIAL VIOLATIONS”**

Substantive revisions are denoted by a ★ preceding the section or paragraph with the substantive change or revision.

PARA	EXPLANATION OF CHANGE/REVISION	PURPOSE
030102	Deleted Army-specific reporting guidance on suspected or potential violations of the Anti-deficiency Act (ADA).	Deletion
030103	Deleted Navy-specific reporting guidance on suspected or potential violations of the ADA.	Deletion
030104	Deleted Air Force-specific reporting guidance on suspected or potential violations of the ADA.	Deletion

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CHAPTER 3**PRELIMINARY REVIEWS OF POTENTIAL VIOLATIONS****★0301 REPORTING SUSPECTED VIOLATIONS**

030101. Upon learning of or detecting a possible violation of the [Anti-deficiency Act](#) (hereafter referred to as “violation”), the individual concerned shall, within 10 working days, report the possible violation to his or her chain of command. The report may require a preliminary review control number and shall include the following information:

- A. Accounting classification of funds involved.
- B. Name and location of the activity where the alleged violation occurred.
- C. Name and location of the activity issuing the fund authorization, if different than subparagraph 030101.B, above.
- D. Amount of fund authorization or limitation that allegedly was exceeded.
- E. Amount and nature of the alleged violation.
- F. Date the alleged violation occurred and date discovered.
- G. Means of discovery.
- H. Description of the fact and circumstances of the case.
- I. Anticipated dates of completion of the investigation and submission of the report.
- J. The names and work phone numbers for members of the preliminary investigation [team](#).

0302 PRELIMINARY REVIEWS

030201. Purpose. The purpose of a preliminary review is to gather basic facts and determine whether a violation apparently has occurred. When a Department of Defense (DoD) Component has some evidence that a violation may have occurred, preliminary checks of the applicable business transaction and accounting records shall be made to determine whether a potential violation exists. This should be done in a timely manner (usually within 90 days).

- A. These actions include:
1. Checking for duplications or other errors in recording;
 2. Checking commitments and obligations to ensure they are valid and properly chargeable against the funds involved; and
 3. Checking actual fund status in the account affected at the time the questionable transaction occurred.

B. A preliminary review shall focus on the potential violation and not the corrective actions. If a potential violation occurs at an appropriation level, then an individual meeting the criteria specified in [Chapter 4](#), paragraph 040201, of this volume shall complete the preliminary review.

030202. Interpretation and Legal Issues. The existence of a violation may depend upon an interpretation of statutory or regulatory constraints imposed on using a particular appropriation or account, the proper fiscal year to be charged, or similar issues. In all cases, the reviewer shall request and obtain the advice of legal counsel on legal issues raised during the preliminary review.

030203. Review Results. The results of the preliminary review shall be documented in a report of preliminary review and forwarded for approval to the cognizant Assistant Secretary of a Military Department for Financial Management; or the Comptroller or Senior Financial Manager of the Joint Staff; Unified Combatant Commands; Inspector General, DoD; Defense Agency; DoD Field Activity; or the Uniformed Services of the University of Health Sciences (hereafter referred to collectively as DoD Components). The preliminary review report shall be coordinated with the applicable DoD Component office of legal counsel.

030204. Formal Investigations. If the DoD Component involved determines that there is a potential violation, then a formal investigation shall be initiated within 15 business days of the approval of the report of preliminary review. The provisions in Chapters 4 and [5](#) of this volume shall be followed when conducting a formal investigation. Procedures for reporting progress and the status of investigations are contained in [Chapter 6](#) of this volume. Reporting procedures for violations are discussed in [Chapter 7](#) of this volume. If the DoD Component involved determines there is no violation, then the preliminary review report completes the actions regarding the potential violation. No further action is required after the report is approved.

0303 PRELIMINARY REVIEWS INITIATED BY THE UNDER SECRETARY OF DEFENSE (COMPTROLLER)

030301. Preliminary Review. When the Office of the Under Secretary of Defense (Comptroller) is apprised of a potential violation by an audit report or otherwise learns of a potential violation, the applicable DoD Component may be requested, by memorandum, to perform a preliminary review of the circumstances surrounding the potential violation in a timely manner (usually within 90 days).

030302. When the preliminary review report has been completed and the findings indicate a potential violation, a formal investigation shall be initiated by the applicable DoD Component within 15 business days of the approval of the report. An investigating officer shall be assigned in accordance with the provisions of [Chapter 4](#) of this volume, and the Under Secretary of Defense (Comptroller) shall be advised of the results of the review report.

030303. If the results of the preliminary review indicate that “no violation” occurred, then the preliminary review report completes the actions regarding the potential violation and no further action is required after the report is approved. The results of the review, however, shall be coordinated with the Office of the Under Secretary of Defense (Comptroller).

0304 PRELIMINARY REVIEWS INITIATED AS A RESULT OF EXTERNAL REPORTS

030401. In some cases, the General Accounting Office; Inspector General (IG), DoD; a Military Department Audit Agency; or other organizations external to a DoD Component may advise in a report that a potential violation may have occurred. Generally, in the case of audit reports, a recommendation to investigate the potential violation is included in the report.

030402. Within 10 business days of receipt of a draft report that alleges a potential violation, the Office of the Under Secretary of Defense (Comptroller), the Assistant Secretary for Financial Management of a Military Department or the Comptroller of a Defense Agency or DoD Field Activity, as applicable, shall request that a preliminary review of the potential violation be initiated within the next 30 days.

030403. In responding to the findings and recommendations in the reports, the DoD Component shall supply the status of the preliminary review or formal investigation as requested by the applicable organization. Otherwise, follow the policies and procedures prescribed in paragraph 030201, above, for the preliminary review.

0305 ROLE OF THE INSPECTOR GENERAL, DOD

030501. The “[Inspector General Act of 1978](#)” gives the Inspector General, DoD, the authority to conduct investigations of violations of the Antideficiency Act.

030502. The IG, DoD, reserves the right to initiate investigations of potential violations of the Antideficiency Act, depending upon the type, amount, or significance of the violation.

030503. The IG, DoD, may elect to conduct investigations not requested by the Under Secretary of Defense (Comptroller) or other DoD official.

030504. When the IG, DoD, conducts such investigations, the resultant report shall constitute the official DoD report on the matter; no other DoD Component shall conduct parallel or supplemental investigations unless directed to do so by the Secretary of Defense, Deputy Secretary of Defense, or Under Secretary of Defense (Comptroller).