

**CHAPTER 2****PRELIMINARY REVIEWS OF POTENTIAL VIOLATIONS**0201 REPORTING SUSPECTED VIOLATIONS

020101. When a possible violation of the Antideficiency Act is detected if at the Center level it is to be reported it to the Center Chief Financial Officer. When the possible violation is detected at the Headquarters level, report it to the Office of the Chief Financial Officer (OCFO). The report may require a preliminary review (see 0202, below) control number (according to procedures that may be in effect at that time) and shall include the following information:

- A. Accounting classification of funds involved
- B. Name and location of the activity where the possible violation occurred
- C. Name and location of the activity issuing the fund authorization, if different than subparagraph 020101.B, above
- D. Amount of fund authorization or limitation that possibly was exceeded
- E. Amount and nature of the possible violation
- F. Date the possible 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 preliminary review and submission of the report
- J. The names and work phone numbers for members of the preliminary review team.

0202 FOR ALL PRELIMINARY REVIEWS IN GENERAL

020201. Purpose. The purpose of a preliminary review is to gather basic facts and determine whether a violation has occurred. When a NASA employee has 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 30 days). The NASA CFO and Center CFOs will conduct preliminary reviews based on the following:

- 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 same general selection criteria for those conducting formal investigations specified in Chapter 3, 030201 of this volume shall complete the preliminary review.

020202. 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 NASA legal counsel on legal issues raised during the preliminary review. When the possible violation occurred at Headquarters, advice should be sought from the Office of the General Counsel. When the violation occurs at a field center, advice should be sought from the Office of the Chief Counsel of the center.

020203. Review Results. The results of the preliminary review shall be documented in a report which is to include sufficient evidence to support the findings and is signed and dated by the official doing the preliminary review, and is forwarded for approval to the CFO or the Deputy Administrator for Headquarters and the Center CFOs for Center reviews. The preliminary review report shall be coordinated with the Office of General Counsel or Chief Counsel of the center as appropriate, consistent with 020202 above.

020204. Formal Investigations. If it is determined that there is a potential violation at Headquarters or one of the Centers, then a formal investigation shall be initiated within 15 business days of the approval of the report of preliminary review. The provisions in Chapters 3 and 4 of this volume shall be followed when conducting a formal investigation. If it is determined that 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.

## 0203 REQUIREMENTS FOR A PRELIMINARY REVIEW INITIATED BY NASA

020301. Preliminary Review. When the Office of the Chief Financial Officer (OCFO) is apprised of a potential violation by an audit report or otherwise learns of a potential violation, the applicable NASA office may be requested, by memorandum, to perform a

preliminary review of the circumstances surrounding the potential violation in a timely manner (usually within 30 days). These reviews are to be responsive to the requirements in this Section as well as 0202 above.

020302. When the preliminary review report has been completed and the findings indicate a potential violation, a formal investigation shall be initiated by the applicable NASA office within 15 business days of the approval of the report.

020303. 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 OCFO.

#### 0204 PRELIMINARY REVIEWS INITIATED AS A RESULT OF EXTERNAL REPORTS

020401. In some cases, the Government Accountability Office; Inspector General (IG), or other organizations external to NASA 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. These reviews require additional reporting (see 020402 and 020403 below) and are to be responsive to the requirements in this Section as well as 0202 and 0203 above as applicable.

020402. Within 10 business days of receipt of a draft report that alleges a potential violation, the OFCFO shall request that a preliminary review of the potential violation be initiated within the next 15 days.

020403. In responding to the findings and recommendations in the reports, the NASA office shall supply the status of the preliminary review or formal investigation as requested by the applicable organization.