



United States General Accounting Office  
Washington, D.C. 20548

General Government Division

B-282870

September 15, 1999

Mr. William McCafferty  
Acting Director of Human Resources  
Human Resources Center  
Naval Sea Systems Command  
U. S. Department of the Navy

Subject: Personnel Practices: Reimbursable Interagency Details

Dear Mr. McCafferty:

We want to bring to your attention the importance of obtaining reimbursement from agencies when the U. S. Department of the Navy (Navy) details employees to them. In connection with our recent review of the personnel practices of the Small Business Administration (SBA), we found that several agencies, including the Navy, had detailed employees to SBA on a reimbursable basis but had not billed SBA for reimbursement.<sup>1</sup> According to an Interagency Agreement signed by officials of SBA and the Navy, an employee from your agency, Ms. Pearlette Pullen, was detailed to SBA on a reimbursable basis from August 29, 1994, to October 15, 1994. The Interagency Agreement provided for reimbursement of Ms. Pullen's salary and benefits. However, an SBA official informed us that as of May 25, 1999, SBA had not received a bill from the Navy for this employee's services and, therefore, reimbursement had not been made.

In accordance with a 1985 Comptroller General decision, details for which reimbursement is not made would, except in limited circumstances, (1) violate the statutory provision that appropriations must be spent only for the purpose for which they are appropriated and (2) unlawfully augment the appropriations of the receiving agency.<sup>2</sup>

We have not examined interagency details at the Navy. Consequently, we do not know if this particular case is an anomaly or symptomatic of a broader misapplication of internal controls governing reimbursements for interagency details. For this reason, we call your attention to this specific case in the possibility that you may wish to examine whether your agency's internal controls are working appropriately to ensure timely reimbursements for such details. A contact at SBA about the specific case is the current Associate Deputy Administrator for

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<sup>1</sup> Small Business Administration: Review of Selected Personnel Practices (GAO/GGD-99-68, Apr. 23, 1999).

<sup>2</sup> 64 Comp. Gen. 370 (1985).

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Management and Administration, Ms. Elizabeth Montoya at (202) 205-6610. We would appreciate being notified of any action taken on Ms. Pullen's detail or on the agency's internal controls for interagency details. Please call me at (202) 512-8676 or Assistant Director Richard Caradine at (202) 512-8109 if you have any questions.

Sincerely yours,

A handwritten signature in cursive script that reads "Michael Brostek".

Michael Brostek  
Associate Director, Federal Management and  
Workforce Issues

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