



UNITED STATES MARINE CORPS
Marine Corps Recruit Depot/Western Recruiting Region
1600 Henderson Avenue, Suite 238
San Diego, California 92140-5001

DepO 7510.4B

7

SEP 22 2003

DEPOT ORDER 7510.4B

From: Commanding General
To: Distribution List

Sub: FRAUD, WASTE, AND ABUSE (FWA) OVERSIGHT, AWARENESS, PREVENTION, REMEDIES

Ref: (a) MCO 7510.5A (NOTAL)
(b) 10 U.S.C. 5947 (NOTAL)
(c) U.S. Navy Regulations (NOTAL)
(d) SECNAVINST 5430.92A (NOTAL)
(e) DODINST 5505.2 OF 16 JUL 90 (NOTAL)
(f) SECNAVINST 5520.3B (NOTAL)
(g) DepO 7510.3B

Encl: (1) Definitions
(2) Remedies Plan Report Format

1. Situation. FWA and related improprieties, such as theft or misuse of Government resources or conflicts of interest are serious matters, which can significantly increase costs to the Government, and reduce available resources needed to support Marine Corps operating forces. Throughout the U.S. Government, actions are underway to counter illegal and wasteful activities. Marine Corps efforts to foster management economies and efficiencies, and prevent FWA, require the highest command attention and individual awareness. In affirming the Marine Corps' commitment to this effort, this Order establishes Depot requirements and responsibilities for this program.

2. Cancellation. Depot Order 7510.4A.

3. Mission. To prescribe FWA program duties and responsibilities, establish procedures for preparing and submitting Fraud Remedies Plan, and to implement the policies prescribed in reference (a).

4. Execution

a. Commander's Intent and Concept of Operation

(1) Commander's Intent

(a) The Depot is committed to an aggressive program of oversight, awareness, prevention, and remedies of FWA.

(b) All members of this Command are required to strictly comply with regulations governing the receipt, accounting, and expenditures of manpower, money, and materials. Reference (b) and Articles 702 and 1102 of reference (c) pertain.

(c) Our goal is to preclude even the slightest impression of impropriety in the handling of our manpower, material, and finances.

(d) Significant terms are defined in enclosure (1). Corrective actions, to include punitive and administrative action, if appropriate, will be taken to remedy FWA, inefficiency, and related improprieties.

(2) Concept of Operations. All Assistant Chiefs of Staff and COs will:

(a) Ensure that all personnel are familiar with Articles 1139 and 1140 of reference.

(b) Conduct at least annually, FWA awareness briefing to personnel (to include military and civilian employees of both appropriated and non-appropriated fund activities); and,

(c) Display pertinent aspects of this order (as applicable) on all unit/departmental bulletin boards.

b. Subordinate Elements Missions

(1) The Depot Inspector will:

(a) Develop and maintaining an overall inspection system for the Depot to detect, report, and remedy FWA, inefficiency, and related improprieties.

(b) Task appropriated activities, when required, with the reporting of a Remedies Plan for all significant cases, including the investigation of fraud or corruption related to procurement activities. The basic requirements are provided in references (a) and (d) and the format of this plan is provided in enclosure (2). Each Remedies Plan will coordinate with the Assistant Chief of Staff, Staff Judge Advocate.

(c) Refer significant incidents of FWA, collusion, and improper conduct, to include those of a criminal nature, to the appropriate activity for investigation per references (e) and (f). All significant cases, as defined in the enclosure, will be reported in the most expeditious manner to the Deputy naval Inspector General for Marine Corps Matters/Inspector General of the Marine Corps (DNIGMC/IGMC).

(d) Administer the "MCRD San Diego Hotline" in accordance with reference (g).

(2) The Assistant Chief of Staff, Comptroller, will:

(a) Coordinate and overseeing FWA prevention and detection for the Depot as it relates to resources and fiscal matters.

(b) Refer significant incidents, and those matters not involving finances/resources, to the Depot Inspector for appropriate action.

(c) Conduct reviews of local financial and resource management issues and problems to detect FWA and mismanagement.

(d) Perform follow-up reviews to ensure that accepted deficiencies in Resource Evaluation and Analysis (REA) reports and external audit reports are corrected.

(e) Coordinate all matters involving audits for both appropriated and non-appropriated fund activities and the Internal Management Control Program.

(f) Make wide distribution of HQMC, DON, and DOD FWA related publications and correspondence.

(3) The Assistant Chief of Staff, Staff Judge Advocate, will:

(a) Assist the Depot Inspector and any tasked activities with the preparation and execution of each Remedies Plan in accordance with references (a) and (d).

(b) Provide advice concerning investigations of FWA, inefficiency, or related improprieties.

(4) The Assistant Chief of Staff, G-4, will:

(a) Provide Recommendations for contractor suspension and debarment actions, when appropriate, in accordance with references (a) and (d).

(b) Coordinate FWA matters involving government contracts, acquisition, and procurement, as directed.

(c) Coordinate FWA matters when unauthorized individuals or groups use Marine Corps equipment, property, training areas, or receive Marines in support of events. (Reference MCO 4400.162)

(d) Support the development of training materials and programs regarding fraud and corruption in the procurement process.

(5) The Depot Provost Marshal will:

(a) Ensure investigation of all criminal cases.

(b) Refer cases to Naval Criminal Investigative Service (NCIS) or investigation, as required.

(c) Advise the Depot Inspector concerning the results of all investigations.

(6) Depot military and civilian personnel will:

(a) Conform to the Navy and Marine Corps standards of conduct, the UCMJ, and lawful directives for reporting infractions of these standards to the proper authority. In this regard, "proper authority" will include:

(1) An individual's immediate supervisor.

(2) The individual's CO.

(3) A superior commander in the chain of command, if either (1) or (2) above are apparently implicated.

(4) The CO of any suspected offender.

(5) The Provost Marshal.

(6) The Assistant Chief of Staff, Comptroller for financial/resource related incidents.

(6) The Depot Inspector.

(7) The DNIGMC/IGMC.

(8) The DNIGMC/IGMC.

(9) An agent of the NCIS.

(b) Reporting, to the appropriate authority, any cases of fraud, collusion, or improper conduct relative to procurement actions, receiving/receipting for supplies, or other offenses committed by persons in the DON, in accordance with Articles 1139 and 1140 of reference (c).

5. Administrative and Logistics. All Assistant Chiefs of Staff and COs will ensure compliance with this Order.

6. Command and Signal

a. Command. This Order is applicable to MCRD and WRR.

b. Signal. This Order is effective the date signed.


T. W. SPENCER
Chief of Staff

DISTRIBUTION: A

DEFINITIONS

Acquisition. The term includes, but is not limited to: the determination of requirements for supplies and services; the test, evaluation, qualification, or selection of particular products or services; the preparation and adoption of procurement specifications and standards; and the award and administration of Government contracts. These items encompass all appropriated and non-appropriated fund contracts, including research and development contracts. The foregoing applies also to similar production processes within the DON.

DON Personnel. All U.S. military personnel serving in the DON and all civilian employees of the DON (including those in non-appropriated fund activities).

Fraud. Any willful means of taking or attempting to take unfair advantage of the Government, including but not limited to: the offer, payment, or acceptance of gratuities, as set forth in SECNAVINST 5370.2J; making of false statements, submission of false claims, or use of false weights or measures; evasion or corruption of inspectors and other officials; deceit, either by suppression of the truth or misrepresentation of a material fact; adulteration or substitution of materials; falsification of records and books of account; arrangements for secret profits, kickbacks, or commissions; and conspiracy to use any of these devices. It also includes those cases of conflict of interest, criminal irregularities, and unauthorized disclosure of official information, which is, connected with acquisition and disposal matters.

Waste and Abuse. Any extravagant, careless, or needless expenditure of Government funds or the consumption or misuse of Government property, resulting from deficient or improper practices not usually involving prosecutable fraud.

Internal Management Controls. The plan of organization and all of the methods and measures adopted within an organization to safeguard its resources, assure the accuracy and reliability of its information, assure adherence to applicable laws, regulations, and policies; and promote operational economy and efficiency. This term is interchangeable with "internal controls".

Significant Cases. Any fraud case opened or monitored by the Naval Investigative Service Command (NISCOM) or other DOD criminal investigative agencies which involves any of the following:

(1) A potential dollar loss of \$100,000 or more to the Government.

(2) Corruption related to procurement, which involves bribery, gratuities, or conflicts of interest, regardless of the amount.

(3) Defective products or product substitution in which a serious hazard to health, safety, or operational readiness is indicated, regardless of value.

(4) Suspected misconduct involving Lieutenant Colonels, Commanders, GS-13's, and above.

(5) Computer fraud.

ENCLOSURE (1)

(6) Cases which are otherwise significant because of unusual or noteworthy conditions, including: the extent of actual or potential interest; the effect on unit readiness, security, or morale; the potential for extensive fraud using similar methods; the number of defendants or conspirators; the potential scope of contractors affected; or a demonstrated absence of adequate controls leaving the activity vulnerable to further loss.

REMEDIES PLAN REPORT FORMAT

(DATE OF PLAN)

SECTION I (ADMINISTRATIVE DATA):

A. Subject of Allegation _____

B. Principal Investigative Agency _____

C. Investigative Agency File Number _____

D. Subject's location _____

E. Location Where Offense Took Place _____

F. Responsible Action Commander _____

G. Responsible Major Subordinate Command Commander _____

H. Contract Administrative Date (If Applicable):

1. Contract Number _____

2. Type of Contract _____

3. Dollar Amount of Contract _____

4. Period of Contract _____

I. Principal Case Agent (Name and Telephone Number) _____

J. Civilian Prosecutor (If Applicable) (Name, Address, and Telephone Number)

K. Is Grand Jury Investigating This Matter? _____

L. Audit Agency Involved (If Applicable) _____

M. Suspense Date for Update of this Plan _____

SECTION II (SUMMARY OF ALLEGATIONS AND INVESTIGATIVE RESULTS TO DATE):

Provide sufficient detail for reviewers of the plan to evaluate the appropriateness of the planned remedies. If information is "close-hold" or if grand jury secrecy applies, so state.

SECTION III (ADVERSE IMPACT STATEMENT)

Describe any adverse impact on the DON/DOD mission. Adverse impact includes but is not limited to endangerment of personnel or property; monetary loss; denigration of program or personnel integrity; compromise of the procurement process; and reduction or loss of mission readiness. Identify impact as actual or potential. Describe the impact in terms of monetary loss, endangerment to personnel or property, mission readiness, etc. This information should be considered in formulating your remedies as described below and provided to prosecutors for their use in prosecution of the offense.

SECTION IV (REMEDIES TAKEN AND/OR BEING PURSUED)

(A) Criminal Sanctions. As a minimum, address the following: Are criminal sanctions appropriate? If so, which ones? If "no", why not? Has the local U.S. Attorney or other civilian prosecutor been notified and briefed? What actions have been taken or are intended? If and when action is complete, describe action and final results of the action. Other pertinent comments should be included.

(B) Civil Remedies. As a minimum, address the following: Which civil remedies are appropriate? Has the local U.S. Attorney or other civilian prosecutor been notified or briefed? How, when, where, and by whom are the appropriate civil remedies implemented? If and when action is completed, describe action and final results. Other pertinent comments should be included.

(C) Contract/Administrative Remedies. As a minimum, address the following: Are contractual and administrative remedies appropriate? If so, which ones? If not, Why? If contractual or administrative remedies are considered appropriate, describe how, when, and by whom the remedies are implemented. If and when action is completed, describe action and results of the action. Other pertinent comments should be included.)

(D) Personnel Actions. As a minimum, address the nature and type of personnel actions taken or anticipated, recoupment or recovery (if any), identification and position of individual taking action and when taken.

(E) Restrictions on Remedies Action. Comment as to why obvious remedies are not being pursued. For example, the U.S. Attorney requests suspension action held in abeyance pending criminal action.

SECTION V (MISCELLANEOUS COMMENTS/INFORMATION)

ENCLOSURE (2)