

AMENDMENT TO H.R. 1540, AS REPORTED
OFFERED BY MS. LEE OF CALIFORNIA

At the end of subtitle F of title X, add the following
new section:

1 SEC. 10 ____ . REQUIREMENT FOR AUDIT READINESS AT THE
2 DEPARTMENT OF DEFENSE.

3 (a) PROHIBITION ON USE OF FUNDS.—None of the
4 funds authorized to be appropriated or otherwise made
5 available by this or any other Act may be used for any
6 account of the Department of Defense (other than ac-
7 counts excluded by subsection (b)) in excess of the amount
8 made available for such account for fiscal year 2011, un-
9 less the financial statements of the Department for fiscal
10 year 2011 are validated as ready for audit within 180 days
11 after the date of the enactment of this Act.

12 (b) ACCOUNTS EXCLUDED.—The following accounts
13 are excluded from the prohibition in subsection (a):

14 (1) Military personnel, reserve personnel, and
15 National Guard personnel accounts of the Depart-
16 ment of Defense.

17 (2) The Defense Health Program account.

18 (c) VALIDATION DEFINED.—In this section, the term
19 “validation”, with respect to the auditability of financial

1 statements, means a determination, following an examina-
2 tion, that the financial statements comply with generally
3 accepted accounting principles and applicable laws and
4 regulations and reflect reliable internal controls.

