

AMENDMENT TO RULES COMMITTEE PRINT 119-8
OFFERED BY MR. ROSE OF TENNESSEE

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

1 SEC. 10 ____ . REPORT ON RED FLAGS MISSED IN FRAUD
2 SCHEME PERPETRATED BY JANET
3 YAMANAKA MELLO.

4 (a) REPORT REQUIRED.—Not later than one year
5 after the date of the enactment of this Act, the Secretary
6 of Defense shall submit to the Committees on Armed Serv-
7 ices of the Senate and the House of Representatives a re-
8 port on the fraud scheme perpetrated by Janet Yamanaka
9 Mello, a civilian employee of the Department of the Army,
10 who was indicted and pleaded guilty to stealing over
11 \$100,000,000 in 4-H Military Partnership Grant program
12 funds.

13 (b) CONTENTS OF REPORT.—The report required
14 under subsection (a) shall include each of the following:

15 (1) A description of the breakdown in the su-
16 pervision of Mello, including any failures of manage-
17 ment or oversight that contributed to the ability of
18 Mello to carry out the fraud scheme undetected.

1 (2) A description of the breakdown in account-
2 ability with respect to the loss of the stolen funds,
3 including any failures to ensure that such funds
4 were actually being spent for the purposes for which
5 such funds were intended.

6 (3) A description of the failure to ensure that
7 financial program managers, such as Mello, are not
8 able to funnel Government funds to themselves or
9 their own entities.

10 (4) An identification of any other red flags or
11 warning signs that were missed or ignored by em-
12 ployees of the Department of Defense, including any
13 instances of whistleblower retaliation or suppression
14 of concerns.

15 (5) An assessment of the policies and proce-
16 dures of the Department of Defense and Depart-
17 ment of the Army, as of the date of the enactment
18 of this Act, designed to prevent employees from per-
19 petrating similar fraud schemes in the future.

20 (6) Recommendations for improvements to the
21 policies, procedures, and oversight of the Depart-
22 ment of Defense and Department of the Army to
23 prevent employees from perpetrating similar fraud
24 schemes in the future.

1 (7) A description of any disciplinary or adminis-
2 trative actions taken against any individuals or enti-
3 ties found to have contributed to the ability of Mello
4 to carry out the fraud scheme.

5 (8) A description of any changes made, or
6 planned to be made, to the financial management
7 and oversight processes of the Department of De-
8 fense and the Department of the Army as a result
9 of the fraud scheme perpetrated by Mello.

10 (9) An assessment of the effects of the fraud
11 scheme perpetrated by Mello on the programs and
12 operations of the Department of Defense and the
13 Department of the Army.

14 (10) Any other information the Secretary of
15 Defense determines relevant to understanding the
16 fraud scheme perpetrated by Mello and preventing
17 employees from perpetrating similar fraud schemes
18 in the future.

19 (c) PUBLIC AVAILABILITY.—The Secretary of De-
20 fense shall make the report required under subsection (a)
21 publicly available on an appropriate website of the Depart-
22 ment of Defense.

