

AMENDMENT TO
RULES COMMITTEE PRINT 118-36
OFFERED BY MR. ROSE OF TENNESSEE

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

1 **SEC. 10___ . REPORT ON RED FLAGS MISSED IN JANET**
2 **YAMANAKA MELLO FRAUD SCHEME.**

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

11 (b) **CONTENTS OF REPORT.**—The report required
12 under subsection (a) shall include a detailed examination
13 of the following:

14 (1) Breakdown in supervision of Mello, includ-
15 ing any failures of management or oversight that
16 contributed to the ability of Mello to carry out the
17 fraud scheme undetected.

1 (2) Breakdown in accountability, including any
2 failures to ensure that funds were actually being
3 spent for their intended purposes.

4 (3) Failure to ensure that financial program
5 managers, such as Mello, cannot funnel money to
6 themselves or their own entities.

7 (4) Any other red flags or warning signs that
8 were missed or ignored, including any instances of
9 whistleblower retaliation or suppression of concerns.

10 (5) An assessment of the current policies and
11 procedures in place to prevent similar fraud schemes
12 from occurring in the future.

13 (6) Recommendations for improvements to poli-
14 cies, procedures, and oversight to prevent similar
15 fraud schemes from occurring in the future.

16 (7) A description of any disciplinary or adminis-
17 trative actions taken against any individuals or enti-
18 ties found to have contributed to the ability of Mello
19 to carry out the fraud scheme.

20 (8) A description of any changes made or
21 planned to be made to the Army's financial manage-
22 ment and oversight processes as a result of this inci-
23 dent.

24 (9) An assessment of the impact of the fraud
25 scheme on the Army's programs and operations.

1 (10) Any other information the Secretary of
2 Defense determines relevant to understanding the
3 fraud scheme and preventing similar incidents in the
4 future.

5 (c) PUBLIC AVAILABILITY.—The report required
6 under subsection (a) shall be posted publicly on the
7 website of the Department of Defense

