



DIGEST - NO CIRCULATION - GGM
UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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Released

OFFICE OF GENERAL COUNSEL

B-211074

December 15, 1983

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Brigadier General Robert B. Adams
Deputy Commander
U.S. Army Finance and
Accounting Center
Department of the Army
Indianapolis, Indiana 46249

Dear General Adams:

This is in response to your letter of April 1, 1983, requesting that Finance and Accounting Officer Lieutenant Colonel (LTC) D. Mathis, Finance Corps, symbol number 5062, Fort Meade, Maryland, and Private E-2 (PV2) Walter E. Douglas be relieved of liability in connection with an incorrect payment of Government funds, pursuant to 31 U.S.C. § 3527(c). For the reasons stated below, it is not necessary to seek relief since no loss to the Government was actually sustained.

On January 27, 1981, Staff Sergeant (SSG) Jimmie Ortega presented a copy of a voucher for payment of his claim for \$1,099.80 at the cashier's cage of the Finance and Accounting Office which already had been stamped with a date of payment, January 8, 1981, and the voucher number. The claim was for damages to his household goods sustained during a permanent change of station. Although the payee block on the voucher did not bear Ortega's signature, an examination of the finance records disclosed that SSG Ortega was paid \$1,099.80 by PV2 Douglas, cashier for LTC Mathis, at the cashier's cage on January 8, 1981. Upon receipt of this information, the Finance and Accounting Office refused to make any further payment on SSG Ortega's claim. SSG Ortega admits that he presented his voucher for payment on January 8, 1981, but he insists that he never received payment. The Army has determined that payment was actually made to SSG Ortega on January 8, 1981, although the cashier neglected to secure his signature in the payee block.

The failure to obtain the payee's signature was an error on the part of the cashier, PV2 Douglas. An Army Finance Memorandum dated April 1978, outlining policies and responsibilities contains procedures to be followed by cashiers in processing vouchers for cash payments. It states that after the payee has been identified, the cashier is to obtain his signature on the voucher and compare this signature with the

one appearing on the payee's ID card. Evidently PV2 Douglas did not comply with this procedure. This non-compliance, however, did not result in a loss of Government funds. The Army has concluded that the correct payment was made, thus overcoming any implication of a shortage of funds because the supporting voucher was not properly completed. Accordingly, there is no need to relieve either LTC Mathis or PV2 Douglas from liability.

Please refer to title 7, subsection 28.14 of GAO's Manual for Guidance of Federal Agencies (revised July 14, 1983), which discusses how to handle such irregularities.

Sincerely yours,

Harry R. Van Cleve
Harry R. Van Cleve
Acting General Counsel

ACCOUNTABLE OFFICER
Irregularities, etc.
Accounting procedures