

GAO

United States  
General Accounting Office  
Washington, D.C. 20548

Office of the General Counsel

B-247581

June 4, 1992

Mr. David J. Holland  
Chief, Division of Finance  
United States Department of the Interior  
Bureau of Land Management

Dear Mr. Holland:

This responds to your letter of February 7, 1992, asking whether you can relieve Ms. Susan Wannebo, alternate imprest cashier, of her personal liability for a loss from the Susanville District Imprest fund of \$100. As discussed below, the record provided to us does not support relieving Ms. Wannebo of her liability.

Background

Your submission and supplemental information provided by Mr. Jerry Fries, Bureau of Land Management, indicates that Ms. Carmella Farrace, principal imprest cashier at the Bureau of Land Management (BLM), Susanville, California District Office transferred imprest funds to Ms. Wannebo on Thursday, April 12, 1990 since Ms. Farrace was going to be out of the office on April 13. Ms. Wannebo did not count the funds turned over to her by the principal cashier and neither she nor the principal cashier counted the funds when Ms. Wannebo returned them on Monday, April 16 to the principal cashier. On Tuesday, April 17, 1990, Ms. Farrace noticed a shortage in her account of \$100.

Your submission indicates that the Bureau is unable to determine exactly when or how the loss occurred, or who is responsible. There is no evidence of wrongdoing by Ms. Wannebo or of forced entry to the imprest funds. However, Ms. Wannebo has admitted that she is partly responsible for the loss, and the Deputy State Director, Division of Administration to the District Manager, Susanville, California, determined that liability for the loss is attributable equally to the primary and alternate cashier. As a result, the Deputy State Director required both cashiers to restore \$50 each to the fund. The agency deducted \$50 from Ms. Wannebo's pay to restore the fund and we understand that the principal cashier made a \$50 payment to the agency as required. Ms. Wannebo has requested that the \$50 deducted from her paycheck be returned although her submission does not offer a legal rationale for her request.

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Discussion

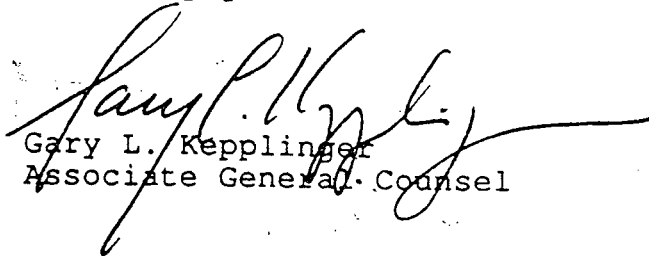
Under 31 U.S.C. § 3527(a), this Office is authorized to relieve accountable officers of liability for a physical loss of government funds if we concur in the determination by the head of the agency that: (a) the loss occurred while the officer was carrying out his or her official duties and (b) there was no fault or negligence on the part of the cashier which contributed to the loss. However, we lack jurisdiction to act under section 3527(a) on request for relief from Ms. Wannebo since she is neither an agency head nor an authorized designee. E.g., B-204740, Nov. 25, 1981.

GAO has delegated authority to agency and department heads to administratively resolve certain irregularities in the accounts of accountable officers. This authorization applies to physical losses or deficiencies in amounts not to exceed \$1,000 for a single incident. The authority to relieve accountable officers in such cases is to be exercised in accordance with the statutory standards and consistent with prior decisions of this Office. See B-243749, Oct. 22, 1991. See also, Policy and Procedures Manual for Guidance of Federal Agencies, Title 7, sec. 8.9C (TS-42, Feb. 12, 1990) (7 GAO-PPM). Since the amount involved in this case is only \$100, the Interior Department has authority to grant or deny relief of liability to Ms. Wannebo without submission to this Office, upon making appropriate determinations, in accordance with the standards set forth in Comptroller General decisions.

We note that the head of the agency has not made a determination required by 31 U.S.C. § 3527(a)(1)(B) that the loss in question was not the result of fault or negligence on the part of the cashier. We would not grant relief unless and until the agency made the requisite determinations. E.g., B-202597, May 10, 1982. In contrast, the agency found that Ms. Wannebo failed to count or verify the money she received from the principal cashier and neither Ms. Wannebo nor the principal cashier counted or verified the amount of funds being returned to the principal cashier. The Bureau of Land Management (BLM) Manual 1385 describes the duties and responsibilities of imprest fund cashiers and indicates that cashiers are personally responsible for any shortage in cashier funds and that the cashiers must take appropriate measures to insure that funds are protected to the fullest extent possible. See BLM Manual 1385.04G and 1385.1-15. Ms. Wannebo's failure to count the funds and to follow the procedures set forth in the BLM manual is evidence of her fault or negligence. Further, you advise that BLM has reviewed the case and found no reason to change its finding that Ms. Wannebo was partly responsible for the loss. Therefore, we conclude that the

record you provided does not support relieving Ms. Wannebo of her liability.

Sincerely yours



Gary L. Kepplinger  
Associate General Counsel

APPROPRIATIONS/FINANCIAL MANAGEMENT

Accountable Officers

Cashiers

Relief

Physical losses