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B-226214, Nov 3, 1987, Office of General Counsel

Number: B-226214

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B-226214, Nov 3, 1987, Office of General Counsel

APPROPRIATIONS/FINANCIAL MANAGEMENT - Accountable Officers - Relief - Physical Losses DIGEST: Internal Revenue Service official accountable for a loss of tax collections is relieved from liability under 31 U.S.C. Sec. 3527(a) when the record indicates that the loss was directly attributable to a machine malfunction and occurred without fault or negligence on the part of the accountable officer.

Mr. Murphy:

This responds to your request of August 31, 1987, that we relieve Mr. Theron C. Polivka, Director of the Fresno Service Center, Internal Revenue Service, under 31 U.S.C. Sec. 3527(a) for a loss of tax collections totaling $999.50. For the reasons stated below, relief is granted.

The record indicates that the loss occurred on April 25, 1985, when a malfunction of a checksorter prevented reconciliation between machine totals and deposit ticket totals. The deposit tickets were understated by $999.50 when compared to the machine totals. You have determined that the loss occurred without fault or negligence on the part of Mr. Polivka and therefore recommend that our Office relieve him for the unrecovered loss of $999.50.

Under 31 U.S.C. Sec. 3527(a) the General Accounting Office is authorized to relieve an accountable officer of liability for a physical loss or deficiency where the head of the agency determined that (1) the loss or deficiency occurred while the officer was acting in the discharge of official duties; and (2) the loss or deficiency occurred without fault or negligence on the part of the officer. B-226214 et al., June 18, 1987.

In this case, we agree with your determination that the loss of funds was directly attributable to a machine malfunction and was not the result of the fault or negligence on the part of Mr. Polivka. Accordingly, we grant relief.