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[Request for Relief From Liability for VA Cashier]

Number: B-226847

Date: 1987-06-25

B-226847, JUN 25, 1987, OFFICE OF GENERAL COUNSEL

APPROPRIATIONS/FINANCIAL MANAGEMENT - ACCOUNTABLE OFFICERS - CASHIERS - RELIEF - PHYSICAL LOSSES - THEFT DIGEST: IMPREST FUND CASHIER IS RELIEVED OF LIABILITY FOR LOSS OF FUNDS RESULTING FROM APPARENT THEFT. THE PERVASIVE LAXITY OF OFFICE PROCEDURES WAS THE PROXIMATE CAUSE OF THE THEFT. MOREOVER, UNCONTROLLED ACCESS TO THE FUNDS PROVIDES AN INDEPENDENT BASIS FOR RELIEF.

MR. CONRAD R. HOFFMAN:

THIS IS IN RESPONSE TO YOUR REQUEST OF APRIL 16, 1987, THAT MS. JO ANN WIESE, PRINCIPAL IMPREST FUND CASHIER AT THE VETERANS ADMINISTRATION (VA) MEDICAL CENTER, WACO, TEXAS, BE RELIEVED FROM LIABILITY FOR A $1,126.25 IMPREST FUND LOSS. THE LOSS RESULTED FROM AN APPARENT BURGLARY WHICH TOOK PLACE SOMETIME BETWEEN CLOSE OF BUSINESS ON APRIL 17, 1986 AND 8:00 A.M. ON APRIL 21, 1986. FOR THE REASONS SET FORTH BELOW, WE GRANT RELIEF.

THE RECORD INDICATES THAT AT THE CLOSE OF BUSINESS ON THURSDAY, APRIL 17, ALL FUNDS WERE PROPERLY ACCOUNTED FOR BY MS. WIESE. THE NEXT DAY MS. WIESE WAS ON LEAVE AND THE TWO ALTERNATE CASHIERS, MS. SHERRY COCKRELL AND MR. RON HICKS, CONDUCTED TRANSACTIONS FROM THEIR OWN CASH BOXES. THE FOLLOWING MONDAY, ALL CASH WAS MISSING FROM THE CASH BOXES OF MS. WIESE AND MS. COCKRELL. NONE WAS MISSING FROM MR. HICKS' BOX. AN INVESTIGATION WAS CONDUCTED BY THE SECRET SERVICE AND IT WAS CONCLUDED THAT THE LOSS WAS AN APPARENT BURGLARY. THE REPORT INDICATED THERE WAS NO SIGN OF FORCED ENTRY INTO THE SAFE WHERE THE CASH BOXES WERE KEPT, OR INTO THE BOXES THEMSELVES. ALL THREE CASHIERS GAVE SWORN STATEMENTS THAT THEY WERE NOT RESPONSIBLE FOR THE LOSS, AND NO DIRECT EVIDENCE IMPLICATING ANYONE ON THE DISAPPEARANCE OF THE FUNDS WAS UNCOVERED.

AN ADMINISTRATIVE INVESTIGATION UNCOVERED A NUMBER OF SERIOUS DEFICIENCIES IN THE MANNER IN WHICH THE IMPREST FUND WAS INTERNALLY CONTROLLED. THE ROOM IN WHICH THE CASHIERS WORKED AND WHERE THE SAFE WAS LOCATED WAS ACCESSIBLE TO NUMEROUS EMPLOYEES, INCLUDING CUSTODIAL WORKERS. THE COMBINATION TO THE SAFE WAS TAPED TO A DESK UNDERNEATH A CALENDAR AND THE KEY TO EACH CASHIER'S CASH BOX WHICH WAS TO REMAIN ON THEIR PERSONS WAS KEPT IN THEIR DESK DRAWERS. THE CASH BOXES WERE OF LOW SECURITY CONSTRUCTION AND HAVE SINCE BEEN REPLACED WITH BOXES OF A MORE SECURE DESIGN. AT THE TIME OF THE LOSS, THERE WERE NO STANDARD OPERATING PROCEDURES IN EFFECT OUTLINING PROCEDURES, RESPONSIBILITIES AND CONTROLS RELATING TO THE IMPREST FUND CASHIER FUNCTION. ALSO, NONE OF THESE CASHIERS HAD BEEN TRAINED REGARDING THESE RESPONSIBILITIES. THEY HAVE ALL BEEN SUBSEQUENTLY REPLACED BY INDIVIDUALS QUALIFIED AND TRAINED FOR THE CASHIER POSITION. IN ADDITION, WRITTEN PROCEDURES HAVE BEEN ESTABLISHED AND ARE ENFORCED.

ON THE BASIS OF THIS INFORMATION, THE VA ASCRIBES THE LOSS TO THE PERVASIVE LAXITY OF MANAGEMENT IN THE PROTECTION OF THE IMPREST FUND. ACCORDINGLY, THE VA HAS MADE THE ADMINISTRATIVE DETERMINATION THAT MS. WIESE WAS WITHOUT FAULT OR NEGLIGENCE AND THAT THE LOSS OCCURRED WHILE THIS ACCOUNTABLE INDIVIDUAL WAS ACTING IN THE DISCHARGE OF HER OFFICIAL DUTIES.

THE GENERAL ACCOUNTING OFFICE IS AUTHORIZED TO GRANT RELIEF FROM LIABILITY TO AN ACCOUNTABLE OFFICER UPON ITS CONCURRENCE WITH AGENCY DETERMINATIONS THAT (1) THE LOSS OR DEFICIENCY OCCURRED WHILE THE OFFICER OR AGENT WAS ACTING IN THE DISCHARGE OF HIS/HER OFFICIAL DUTIES, OR THAT IT OCCURRED BY REASON OF ACT OR OMISSION OF A SUBORDINATE OF THE OFFICER OR AGENT, AND (2) THE LOSS OR DEFICIENCY OCCURRED WITHOUT FAULT OR NEGLIGENCE ON THE PART OF THE OFFICER OR AGENT. 31 U.S.C. SEC. 3527(A).

A FEDERAL ACCOUNTABLE OFFICER IS HELD TO A HIGH STANDARD OF CARE WITH RESPECT TO THE FUNDS WITH WHICH HE OR SHE IS CHARGED. A LOSS OF FUNDS GENERALLY GIVES RISE TO A PRESUMPTION OF NEGLIGENCE ON THE PART OF THE ACCOUNTABLE OFFICER AND THE BURDEN IS ON THE ACCOUNTABLE OFFICER TO REBUT THE PRESUMPTION WITH EVIDENCE TO THE CONTRARY. B-217945, JULY 23, 1985.

WE AGREE WITH THE ADMINISTRATIVE DETERMINATION THAT THE EMPLOYEE WAS ACTING IN THE DISCHARGE OF HER DUTIES AT THE TIME THE LOSS OCCURRED, AND THAT THERE WAS NO EVIDENCE THAT MS. WIESE WAS NEGLIGENT IN SAFEGUARDING THE IMPREST FUNDS. THE INVESTIGATION UNCOVERED NUMEROUS SERIOUS DEFICIENCIES IN THE MANNER IN WHICH THE IMPREST FUND WAS INTERNALLY CONTROLLED. OUR OFFICE HAS PREVIOUSLY HELD THAT WHEN AN AGENCY FAILS TO PROVIDE PROPER SECURITY ARRANGEMENTS FOR THE SAFEKEEPING OF GOVERNMENT FUNDS, THAT FAILURE MAY BE VIEWED AS THE PROXIMATE CAUSE OF THE LOSS AND THE ACCOUNTABLE OFFICER MAY BE RELIEVED FOR LIABILITY. B-217876, APRIL 29, 1986 AND B-215477, NOVEMBER 5, 1984. UNDER THE CIRCUMSTANCES, IT IS REASONABLE TO CONCLUDE THAT THE PERVASIVE LAXITY OF OFFICE PROCEDURES WAS THE PROXIMATE CAUSE OF THE THEFT. WE NOTE PARTICULARLY THAT THE READY ACCESS TO THE SAFE COMBINATION PERMITTED POTENTIALLY UNCONTROLLED ACCESS TO THE FUNDS, AND PREVENTS THE PLACEMENT OF RESPONSIBILITY. THIS PROVIDES AN INDEPENDENT BASIS FOR RELIEF UNDER OUR DECISIONS. B-214080, MARCH 25, 1986. ACCORDINGLY, WE GRANT RELIEF.