GAO

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

Office of the General Counsel

B-258357

January 3, 1996

Mr. Darold D. Foxworthy
Authorized Certifying Officer
Washington Office, Forest Service
Department of Agriculture

Dear Mr Foxworthy:

In your letter of August 26, 1994, you requested that imprest fund cashier Bonnie J. Luckman "be relieved of the responsibility to reimburse" her imprest fund for a shortage that resulted from the physical loss of subvouchers from the fund. You indicated that Ms. Luckman had been billed for the loss because United States Department of Agriculture (USDA) "was unable to show that she was not negligent" in the loss of the subvouchers. You further stated that you believed "that the government has not sustained a monetary loss but a loss of documenation." You conclude that "it would not be in the best interest of the government or in good conscience" to require Ms. Luckman to repay her imprest fund shortage because the government did not sustain an actual monetary loss.

For the reasons indicated below, we are unable to free Ms. Luckman of the responsiblity to repay the shortage in her imprest fund. Further, because USDA has been unable to find that the shortage was not the result of Ms. Luckman's fault or negligence, we are unable to relieve her of liablity under 31 U.S.C. § 3527(a).

Background

On August 14, 1992, Bonnie Luckman, imprest fund cashier at the supervisor's office, Sawtooth National Forest, Twin Falls, Idaho, reported the loss of a blue folder containing subvouchers (receipts) that she was processing for payment to the National Finance Center. The folder also contained a cashier subvoucher register, which Ms. Luckman had been using as a subvoucher log to permit reconstructing the file in case of loss. Ms. Luckman indicated that at the time the folder disappeared she had been carrying it with her during a fire situation at the forest

awaiting an opportunity to complete reporting payments. An extended search over more than two months failed to locate the folder.

Ms. Luckman has indicated that the subvouchers represented purchases that she made for the national forest. However, because her subvoucher log as well as the subvouchers were lost, Ms. Luckman's attempt to reconstruct her account proved unsuccessful. She was only able to identify a small proportion of the purchases she made. Further, although Forest Service budget and accounting officer Jerry Gibbons indicates that he saw the subvouchers and the subvoucher log in the folder, he apparently cannot verify the amounts and the payees represented by the subvouchers.

A Forest Service investigation indicated there was a shortage of $1,967.81 in Ms. Luckman's account. On February 22, 1994, the Forest Service determined that Ms. Luckman was responsible for paying back the shortage in her account.

Discussion

Government accountable officers, including imprest fund cashiers, are insurers of the public funds in their custody and are strictly liable for any losses of those funds. 48 Comp. Gen. 566 (1969). This Office may relieve an accountable officer of liability for a loss if we agree with the determination by the head of an agency that (1) the officer was carrying out official duties when the loss occurred, and (2) the loss was not the result of fault or negligence by the officer. 31 U.S.C. § 3527(a).

As we indicated above, however, you are not requesting that we relieve Ms. Luckman of liablity under 31 U.S.C. § 3527(a). Rather, you are requesting that we determine that she is not liable because you say the government sustained no loss. We cannot grant your request.

A cashier must fully account for the money with which he or she has been entrusted. See 4 Treasury Financial Manual § 3040.80. If the cashier has made cash payments from an imprest fund he or she must have sales slips, invoices or some other receipts to support those payments. Id. [1] Without some documentary evidence to support payments from the fund, an unexplained shortage exists in the fund.

The USDA investigation indicates that there is a shortage of $1,967.81 in Ms. Luckman's imprest fund. Although Ms. Luckman claims that she spent all the

---

[1]The Manual of Procedures and Instructions for Cashiers in effect at the time of the Ms. Luckman's loss indicates that obtaining a receipt is a condition that must be met before a cashier may make a cash payment. See Chapter 7, pp. 23-24 (1985).

missing money purchasing items for the Forest Service and that the Forest Service received these items, she has no documentation to support her assertion. She is unable to reconstruct her account to establish any record of purchases with the missing money. She is liable for the shortage in her account and we have no authority to free her of that liability. Moreover, since USDA has not (and apparently cannot) determine that the loss in her account did not result from Ms. Luckman's fault or negligence, we cannot relieve her under 31 U.S.C. § 3527(a).

Sincerely yours,

Gary L. Kepplinger
Associate General Counsel

B-258357

January 3, 1996

DIGEST

GAO cannot relieve an imprest fund cashier "of the responsibility to reimburse" the imprest fund for a shortage resulting from the loss of receipts. A cashier must fully account for the money with which he or she has been entrusted. If payments have been made from the fund, the cashier must have sales slips, invoices, or some other receipt to prove the validity of the payments. Without documentary evidence to support the payments the fund has an unexplained loss for which the cashier is liable.