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United States General Accounting Office
Washington, DC 20548

Office of
General Counsel

In Reply
Refer to: B-197092

February 13, 1980

Mr. William Livengood
Acting Chief, Central Accounting Division
Office of Financial Management
Agency for International Development
Department of State

DLG08916

[REQUEST FOR RELIEF]

Dear Mr. Livengood:

This responds to your request for relief for five Agency for International Development (AID) Imprest fund cashiers for total losses of \$387,916.96. You also ask that restoration of the losses be charged to local currency and dollar funds held in trust by the United States Government for the former Government of South Vietnam (accounts 72x8502, 72FT800, DLG02233) in amounts of \$48,840.62 and 256,002,649 (\$339,076.34) Vietnamese piastres respectively. You claim the loss was unavoidable and not due to the negligence of any of the cashiers. We concur in your determination that relief should be granted but conclude that restoration of the losses should come from the current appropriation available for the disbursing function.

On April 29, 1975, AID personnel were evacuated from Saigon, Vietnam as a result of a rapid and unexpected enemy advance. Prior to the evacuation, the American Embassy ordered destruction of currency and supporting documents, among which were imprest funds advanced to AID by the Treasury Department. You assert that since the loss, unsuccessful efforts have been made to reconstruct accounting records for the imprest fund. DLG03917

You ask relief for the following cashiers in the following respective total amounts of dollars and the dollar equivalents of piastres: Vu Thi Thao (Saigon), \$69,735.09; Tan Lieu (Can Tho), \$111,337.75; Lee Thi Dao (Danang), \$100,104.88; Nguyen Thi Thuy (Nhatrang), \$70,723.63; Tran Kim Thuy (Bien Hoa), \$36,015.61. You also request that the loss be considered a proper charge against funds held in trust by the United States Government for the former Government of South Vietnam since the funds represent amounts the United States Treasury Department advanced to AID and the loss was the result of enemy action.

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Physical losses by accountable officers are covered by 31 U.S.C. § 82a-1. That section provides:

"The General Accounting Office is authorized, after consideration of the pertinent findings and if in concurrence with the determinations and recommendations of the head of the department or independent establishment concerned, to relieve any disbursing or other accountable officer or agent or former disbursing or other accountable officer or agent of any such department or independent establishment of the Government charged with responsibility on account of physical loss or deficiency of Government funds * * *, if the head of the department or independent establishment determines (1) that such loss or deficiency occurred while such officer or agent was acting in the discharge of his official duties, or that such loss or deficiency occurred by reason of the act or omission of a subordinate of such officer or agent; and (2) that such loss or deficiency occurred without fault or negligence on the part of such officer or agent. * * * Whenever it is necessary in the opinion of the Comptroller General to restore or otherwise adjust the account of any disbursing or accountable officer or agent or former disbursing or other accountable officer for relief heretofore or hereafter granted under this section, the amount of such relief shall, unless another appropriation is specifically provided therefor, be charged to the appropriation or fund available for the expense of the disbursing or other accountable function at the time the adjustment is effected."

Apparently, the funds here in question were lost under the same circumstances discussed in 56 Comp. Gen. 791 (1977). Based on the discussion in that case, we concur in the agency determination that the loss of the funds by the five cashiers named above was unavoidable and not due to their negligence. Although the request for relief does not specifically state that the losses occurred while the accountable officers were discharging their official duties, we think this can be inferred from the emergency destruction of the currency and rapid evacuation. Accordingly, we agree that relief should be granted to the five cashiers for the sums indicated above.

B-197092

We cannot agree that restoration of the lost imprest monies may be charged to the funds held in trust by the United States Government for the former Government of South Vietnam. Section 82a-1 requires that, unless another appropriation is specifically provided, the loss should be charged to the "appropriation or fund available for the expense of the disbursing or other accountable function at the time the adjustment is effected." Accordingly, the appropriation which currently supports AID's disbursing function should be charged with these losses. See 56 Comp. Gen. 791, supra.

Sincerely yours,

Harry R. Van Cleave

for Milton J. Socolar
General Counsel