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GAO

United States General Accounting Office
Washington, DC 20548

Office of
General Counsel

In Reply
Refer to: B-196660

June 2, 1980

The Honorable Max Cleland
Administrator, Veterans Administration

Dear Mr. Cleland:

2662603

This is in answer to a letter from the Controller of the Veterans Administration (VA) requesting that Theresa Williams, Class B-Cashier at the VA Regional Office Center, Philadelphia, Pennsylvania, be **Request** relieved of liability under the authority of 31 U.S.C. 82a-1 (1976) for the loss of \$1,610.38 in Government funds, incurred as a result of an apparent burglary.

The shortage of \$1,610.38 occurred between 4:30 P.M. on May 21, 1979 and approximately 7:40 A.M., May 22, 1979, at the start of business, when Lucille Ivey, an alternate cashier, upon entering the cashier cage discovered that the safe had been opened, that two cash boxes had been taken from the safe, and that the third one left at the scene had been opened and all the contents removed. She called her supervisor, Theresa Williams, and reported the loss.

The U.S. Secret Service and the Philadelphia Police both investigated the incident but neither organization would consent to the release of their findings to the VA. The FBI was also called, but refused to investigate because the loss did not exceed \$5,000.

A VA investigation was conducted by Mr. Roe E. Ritt, who interviewed all persons who might be able to furnish any information concerning the burglary. Three employees, Theresa Williams, Jennie Wray, and Lucille Ivey, had the combination to the safe and a copy of the combination was in the Director's office. Mrs. Ivey testified that she locked the safe about 4:30 P.M. on May 21st and Miss Edwina Lilly stated she had checked the safe immediately thereafter. There was no evidence that the door to the cashier's section was forced, nor was there evidence of forcible entry into the safe. Athletic shoe footprints found in the office, however, reinforced the burglary determination. The perpetrator could have easily climbed over the top of the glass partition at the front of the cashier's cage.

Our Office is authorized to grant accountable officers relief from liability for losses arising under certain conditions prescribed



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by 31 U.S.C. § 82a-1 (1976), which provides in pertinent part as follows:

"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* * * 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."

It has been administratively determined that there was no fault or negligence on the part of Ms. Theresa Williams, Class-B Cashier, and that at the time the loss occurred, she was acting in the discharge of her official duties. In view of the uncontroverted account of the circumstances, we concur in the administrative determination and grant relief to Ms. Williams in the amount of \$1,610.38, under the provisions of 31 U.S.C. 82a-1.

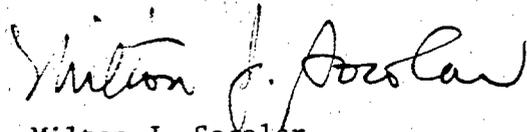
In addition to Ms. Williams, whoever was responsible for the money in Ms. Williams' absence is also an accountable officer with respect to these funds. Apparently this was Lucille Ivey, the Alternate Agent Cashier. An alternate cashier with responsibility for Government funds at the time of a loss is accountable for the funds and must make good the loss if relief is not granted. We cannot at this time grant relief to Miss Ivey because the VA has not made the requisite findings. It appears, however, that she locked the safe and that another employee verified that it was locked. Under the circumstances, we see no basis for a finding that she was negligent. Upon submission of VA's findings, we would, at least on the present record, grant relief to Miss Ivey.

Since the loss, a log system has been initiated requiring the signatures of the person locking and the person checking the safe. In addition, a sensor type burglar alarm has been installed to improve security. Also, the Philadelphia Center reports it is buying a new safe. In that connection, the practice apparently followed of

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allowing three people to have the combination of a safe which did not contain separately lockable drawers (evidently there were lockable but removable cash boxes) is unsound. Each accountable officer must have a storage space to which other accountable officers do not have access.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Milton J. Socolar".

Milton J. Socolar
General Counsel