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**DECISION**



**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D. C. 20548

FILE: B-115388

DATE: October 12, 1976

MATTER OF: Relief for Treasurer for overpayment of checks

**DIGEST:** Record indicates that credit in the amount of \$271,865.97 may be allowed in the account of the Treasurer of the United States pursuant to 31 U.S.C. § 156 for certain uncollectible items ("Receivables on Overpayments of Checks" Symbol Account 17-862). However, since such checks were paid in due course without negligence, no authority exists for writing off \$271,865.97 uncollectible receivables by charging appropriation "Salaries and Expenses, Bureau of Government Financial Operations."

This decision is in response to a request by the Fiscal Assistant Secretary, Department of the Treasury, that credit be granted to Mrs. Francine I. Neff, Treasurer of the United States, for certain uncollectible items ("Receivables on Overpayments of Checks," Symbol Account 17-862) in the amount of \$271,865.97, pursuant to 31 U.S.C. § 156 (1970), which provides:

"Whenever any check, draft, or warrant, drawn upon the Treasurer of the United States or upon the Treasurer of the United States through any Federal Reserve bank, or any public debt obligation of the United States, including any obligation of any type whatever, the payment of which is guaranteed by, or assumed by, the United States, heretofore has been or hereafter may be paid in due course and without negligence by or on behalf of the Treasurer of the United States, the Treasurer shall not be liable for any such payment, and the Comptroller General of the United States is authorized and directed to allow credit in the Treasurer's account for such payment: Provided, That nothing contained in this section

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shall be construed to relieve any person, other than the Treasurer of the United States, from any civil or criminal liability now existing or which may hereafter exist on account of any such check, draft, warrant or public debt obligation."

The uncollectibles involved comprise 2,206 cases covering the period April 1959 through May 7, 1976. Should the request be granted, the Fiscal Assistant Secretary indicates that they "shall write off the \$271,865.97 uncollectible receivables by charging appropriation 2061801, Salaries and Expenses, Bureau of Government Financial Operations." The request states that:

"\* \* \* double payments have accounted for the greatest amount of charges to the Symbol Account 17-862. They now approximate more than 90 percent of the charges in the account. These double payments arise from claims for nonreceipt of checks by payees for amounts due to them after an administrative agency confirms continued entitlement. In these instances Treasury issues a substitute check for the original one. Although the payee is advised not to cash the original check if it is subsequently located, the payee does cash both the original and substitute check and a double payment results. While many of these double payment situations are resolved by the payee refunding the amount of the overpayment, many still remain as outstanding items along with cases originating from other causes. Included in the foregoing 2,206 uncollectible cases are 1,589 double payment cases, 505 holder-in-due-course cases, 36 altered check cases, 35 administrative error cases and 41 miscellaneous other cases."

A review of Enclosure D to the Fiscal Assistant Secretary's request, which provides documentation of selected uncollectible cases charged to Symbol Account 17-862, indicates that the types of uncollectibles for which credit is requested were "paid in due course and without negligence by or on behalf of the Treasurer of the United States." In this regard, it is noted that credit was previously

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granted to a former Treasurer in the amount of \$138,210.47 pursuant to 31 U.S.C. § 156 (1970), and that amount is apparently included in the amount presently requested for credit. Accordingly, credit is granted to Mrs. Neff in the amount of \$271,865.97.

However, we cannot concur in the proposal to write off the \$271,865.97 uncollectible receivable by charging appropriation 2061801, "Salaries and Expenses, Bureau of Government Financial Operations." As stated in our letter to the Secretary of the Treasury dated February 26, 1960, B-141329:

"It is our view that while the terms of 31 U.S.C. 156 direct the Comptroller General of the United States to allow credit in the Treasurer's account for any payments made out of the Treasury in due course without negligence by or on behalf of the Treasurer, there is nothing contained therein, either expressly or impliedly, which may be said to appropriate funds to adjust any deficiencies in the account of the Treasurer which may result from such payments. Also; there is nothing in the provisions of 31 U.S.C. 82a-2 or in its legislative history to justify a view that the Treasurer of the United States may be considered a disbursing officer within the purview of such statute."

We had understood in connection with the 1960 matter that language would be sought to make appropriations available to adjust the particular losses involved there, and that an amendment would be proposed to provide permanent authority to charge appropriations for credits granted under 31 U.S.C. § 156. However, 31 U.S.C. § 156 has not been amended, and we have not been advised that the appropriation proposed to be charged here is available to adjust credits. Accordingly, the position stated in our 1960 letter still applies.

In view of the foregoing, we must again conclude that, while the granting of credit by the Comptroller General to the Treasurer for such losses affects the personal liability of the Treasurer, it does not accomplish any adjustment in the Treasurer's account to make up the cash shortage. Assuming that the appropriation "Salaries

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and Expenses, Bureau of Government Financial Operations" has not been made available by the Congress for this purpose, charging of the appropriation as proposed would contravene 31 U.S.C. § 628 (1970), which limits the use of appropriations to the objects for which they are made.

Deputy

*Ryker 1142*  
Comptroller General  
of the United States