



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

Office of the General Counsel

B-236229

October 31, 1989

Colonel David H. Parrish
Chief of Staff, Finance Corp.
U.S. Army Finance and Accounting Center
Indianapolis, Indiana 46249-0001

Dear Colonel Parrish:

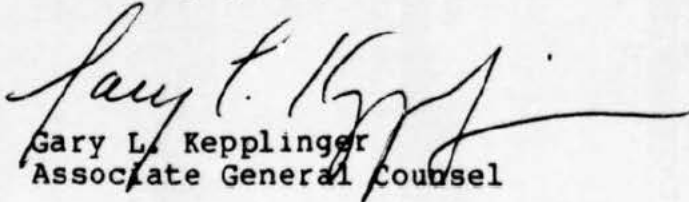
This responds to your request of July 11, 1989, that we relieve Major [redacted], Finance Corps, DSSN 5066, Finance and Accounting Office, U.S. Army Garrison, Fort Indiantown Gap, and his deputy, Ms. [redacted] under 31 U.S.C. § 3527(c), for an improper payment of \$2,722.12 payable to Mr. [redacted]. For the reasons stated below, relief is granted.

The loss resulted when the payee, Mr. [redacted], negotiated both the original and a recertified check. Both checks were in the same amount. The recertified check was issued on the payee's allegation that the original check had not been received and a request for stop payment was made. The recertified check was issued by the Army under authority delegated by the Department of the Treasury. 31 C.F.R. § 245.8 (1988).

It appears from your submission that the issuance of the recertified check was within the bounds of due care since the payee signed a statement of non-receipt of the original check, DA Form 3037, and a stop payment order, SF 1184, was consequently placed on the original check, in accordance with regulations. Army Regulation 37-103, Disbursing Operations for Finance and Accounting Offices, para. 5-45, 5-46. There was no indication of bad faith on the part of the disbursing officer or his deputy, and adequate collection efforts are being made, 4 C.F.R. § 102 (1989).

Collection efforts were begun within the 90 day time frame we require where the payee has left the Army or its employ, B-227757, B-227759, Aug. 25, 1987. Accordingly, we grant relief.

Sincerely yours,



Gary L. Kepplinger
Associate General Counsel