



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

Mr. Zelkowitz

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OFFICE OF GENERAL COUNSEL
B-198949

July 15, 1980

The Honorable William A. Medina
Assistant Secretary for Administration
Department of Housing and Urban
Development
Washington, D.C. 20410

Dear Mr. Medina:

Request for Relief From

This is in response to your request, transmitted to the General Accounting Office (GAO) by the Chief Disbursing Officer, Department of the Treasury, that Barbara J. Douglas, Class "B" Cashier, and C. Joan Montfort, Class "A" Cashier, both employed with the Federal Disaster Assistance Administration (FDAA) Office in Chicago, Illinois, be relieved of liability for a shortage in imprest funds of \$1,000 and \$5,000, respectively. For the reasons stated below, we grant relief from liability.

The record submitted to us contains a Federal Protective Service (FPS) report which states that some time between 3:15 p.m., on May 6, 1979, and 7:55 a.m., on May 7, 1979, the front door to the office, in which the cashiers worked, was forced open and the safe containing the separate imprest funds and the vouchers and receipts pertaining to them was stolen. The report indicates that the safe contained \$3,000 in cash, although the Accounting Division of the Chicago Regional Office of the Department of Housing and Urban Development (HUD) indicates that the exact amount of the cash loss cannot be determined. The report also indicates that the office was secured for the day by the Administrative Assistant and another employee at approximately 3:15 p.m., on May 6, 1979. The burglary was discovered the next day upon the arrival of an employee of the office at 7:55 a.m., who discovered that the front door had been forced open.

Besides being reported to FPS, the Federal Bureau of Investigation (FBI), the Chicago police, the Regional Office of Inspector General, the Regional Disbursing Office (U.S. Treasury), and the Secret Service were notified of the burglary. The FBI received a tip concerning two possible suspects. However, the FBI has failed to link these two possible suspects with the theft of the safe. The case remains in an open status and the stolen safe and its contents have not been recovered.

Our Office is authorized to grant accountable officers relief from liability for physical losses of Government funds under the specific conditions delineated by 31 U.S.C. § 82a-1 (1976), which provides in pertinent part:

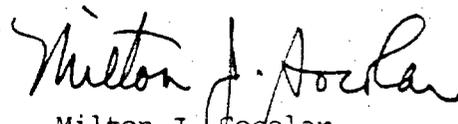
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"The General Accounting Office is authorized, after consideration of the pertinent findings and if in concurrence with the determinations and recommendations of the head of the department or independent establishment concerned, to relieve any disbursing or other accountable officer or agent * * * charged with responsibility on account of physical loss or deficiency of Government funds, vouchers, records, checks, securities, or papers in his charge * * * 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 appears from the record that the funds and the documentation of payments made from the funds of the two cashiers were located in the stolen safe. There was no evidence in the record of fault, negligence, breach of security, or failure to observe requisite procedures to insure maximum safety by either of the two cashiers which could have resulted in the loss of the stolen funds.

It has been administratively determined by the Department of Housing and Urban Development that the respective losses occurred while Barbara J. Douglas and C. Joan Montfort were acting in the discharge of their official duties, and that the losses occurred without fault or negligence on their part. Since there is evidence of a forceable entry into the office and subsequent removal of the entire safe, and since there is no evidence which in any way implicates the cashiers, we concur in the agency's determination. Since both the remaining currency and the documentation to support payments from the funds were stolen, it is apparently impossible to determine how much of the loss was in cash. Since all was lost, the entire imprest fund must be restored. Accordingly, under the provisions of 31 U.S.C. § 82a-1 (1976), we grant relief to cashiers Barbara J. Douglas and C. Joan Montfort in the respective amounts of \$1,000 and \$5,000.

Sincerely yours,


Milton J. Socolar
General Counsel