



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

Office of the General Counsel

B-227627

September 16, 1987

Brigadier General B. W. Hall
Deputy Commander for Operations
U.S. Army Finance and Accounting
Center
Indianapolis, IN 46429

Dear General Hall:

This responds to your request of June 29, 1987, that we relieve Lieutenant Colonel (Lt. Col.) M.D. Erickson, Finance Corps, DSSN 5577, Finance and Accounting Officer, U.S. Army Finance and Accounting Center, Europe, and his deputy, Ms. D. J. Turner under 31 U.S.C. § 3527(c), for an improper payment of \$418.58 payable to Mr. Joe C. Evans. For the reasons stated below, relief is granted.

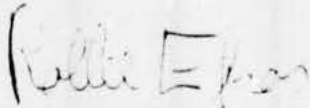
This loss resulted when the payee negotiated both the original and a recertified check. Both checks were in the same amount. The recertified check was issued on the basis of the payee's allegation that the original check had not been received and a request for stop payment had been made. Both checks were issued by the Army under authority delegated by the Department of the Treasury. 31 C.F.R. § 245.8 and Treasury Fiscal Requirements Manual for Guidance of Departments and Agencies, Bulletin No. 83-28.

It appears that the issuance of a recertified check in this case was within the bounds of due care. See 62 Comp. Gen. 476 (1986). There was no indication of bad faith on the part of the disbursing officer or his deputy, and adequate collection efforts are being made. Accordingly, we grant relief.

While we have granted relief to the finance officer and his deputy in this case, we note that this loss was not referred to your Collections Division in a timely manner. As we

previously indicated to you, for cases involving notices of loss received after June 1, 1986, where the payee has left the Army or its employ, we will no longer grant relief if Army delays more than 3 months in forwarding the debt to your Collections Division. However, since the chargeback from Treasury was received prior to that date, we will not deny relief here.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Rollee Efros".

(Mrs.) Rollee H. Efros
Associate General Counsel