

PART 2075 - VOUCHER AND PAYROLL ACCOUNTING

Subpart B - Responsibility for Overpayments

§2075.51 General.

This subpart delineates responsibilities for payments made by Rural Development offices in excess of the amount due, because of incorrect certification or approval and the methods to be used for handling requests for relief or recovery of these funds. See Exhibit I of RD Instruction 2024-A for responsibilities of certifying and disbursing officers.

§§2075.52 - 2075.53 [Reserved]

§2075.54 Delegation from the Administrator.

The following delegations are made:

(a) The Deputy Administrator for Management (DAM), shall have the authority to make final decisions concerning the liability of Rural Development employees who authorized incorrect payments. The DAM may also make final decisions on requests for relief from individuals who authorized incorrect payments. In making these decisions the DAM may ask for the advice of the Office of General Counsel or establish or utilize any existing committee to make the necessary decisions.

(b) The Assistant Administrator, Finance Office (AAFO) shall have the authority to:

- (1) Receive reports of any incorrect payments from certifying officers, State Directors, or Division Directors in the National Office,
- (2) Determine which Rural Development employee was responsible for approving any incorrect payment,
- (3) Conduct a review of any explanation provided by any Rural Development employee, and make a recommendation based upon this review to the DAM, and
- (4) Submit to the General Accounting Office (GAO) a notification when a decision has been made that a Rural Development employee is liable for an incorrect payment.

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§2075.55 Reporting payments over the amount due that are not GAO exceptions.

The AAFO will be notified by the certifying officer of any payment they have approved in excess of the proper amount, and the certifying officer will provide the AAFO with a report in writing within 10 days which describes the circumstances of the overpayment. A copy of this report shall be sent to the appropriate State Director.

(a) State Directors will report incorrect payments, other than those made by certifying officers, caused by improper approval of their employees. State Directors shall also report improper payments made by certifying officers when these are discovered and the certifying officer has not notified the AAFO.

(b) Division Directors in the National Office will report incorrect payments caused by approval of their employees.

§2075.56 Recovery action by certifying officer.

The certifying officer will sign a letter notifying the payee of incorrect payment and will ask for repayment of the excess. Requests will be made by certified mail.

§2075.57 Actions to be taken if the payee does not make restitution.

(a) If the payee makes no refund, the AAFO will determine which Rural Development employee was responsible for approving the incorrect payment. This employee will be notified by the AAFO and asked for repayment, and given time to make an explanation. In the event the employee provides an explanation, the AAFO will conduct a review of the facts together with the employee's explanation. Based upon this review, the AAFO will make recommendations to the DAM.

(b) The DAM will make a final decision concerning the liability of the Rural Development employee based upon a review of the recommendation made to him/her and the explanation made by the employee.

(c) If a Rural Development employee has been found liable, a second letter will be sent to the employee with a copy to their supervisor. The letter will give the amount due, reasons for the request, provide a copy of the determination made by the DAM and stipulate the recovery procedure to be followed.

(1) Voluntary payment to Rural Development shall be sent to the AAFO. Payments can be in installments.

(2) If the Rural Development employee will not pay, and a determination has been made that the Rural Development employee is liable, the AAFO will take the amount out of the employee's salary payment, travel reimbursement vouchers, or final payment for accrued annual leave. The AAFO will be notified of each deduction by the National Finance Center and shall maintain the necessary records of account.

§2075.58 Relief of liability.

(a) Request for relief for amounts up to \$500 shall be made to the DAM for consideration for relief. This request must be made by letter setting out all the facts involving incorrect payment. The DAM will notify the applicant of the decision on the request in writing.

(b) Relief for amounts of \$500 or over must be referred to GAO for consideration. Accountable officers seeking relief shall write a letter to the DAM stating the reasons why relief should be granted. The DAM shall prepare a recommendation for the Administrator's signature to GAO. GAO will inform the accountable officer of its action on relief cases. Further details on obtaining relief are contained in Exhibit I of RD Instruction 2024-A. If further instruction or clarification is needed, the DAM should be contacted.

§2075.59 Payments over the amount due found by the GAO or the Office of Inspector General (OIG).

When incorrect payments have been uncovered as a result of a GAO review or audit, the appropriate certifying officer will be notified of the nature and amount of the incorrect payment by GAO. GAO will use GAO Form 1100, "Notice of Exception and Repay to Exception." Certifying officers should give prompt consideration to this matter and reply directly to GAO on the "Reply to Exception" portion of GAO Form 1100. A copy of the completed GAO Form 1100 shall be sent to the appropriate State Director. Other agency officials may present their views to GAO, when necessary, to clarify the circumstances relating to the overpayment. If GAO makes a disallowance of the overpayment, restitution will be made as provided for above.

§§2075.60 - 2075.100 [Reserved]

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