

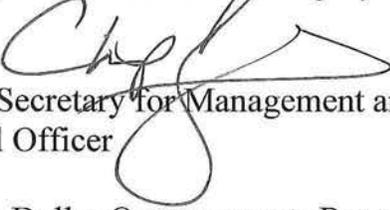


Homeland
Security

JAN 28 2016

MEMORANDUM FOR: John Roth
Inspector General

Council of Inspectors General on Integrity and Efficiency

FROM: Chip Fulghum 
Deputy Under Secretary for Management and
Chief Financial Officer

SUBJECT: Quarterly High-Dollar Overpayments Report
October to December 2015

Attached is the Department's Quarterly High-Dollar Overpayments Report for the period October to December 2015, as required by Section 3(f) of Executive Order 13520, *Reducing Improper Payments*. During this period, Components reported three high-dollar overpayments totaling \$736 thousand, two overpayments were recovered for \$659 thousand and one overpayment is still outstanding for \$77 thousand as of December 31, 2015. This report also contains information on high-dollar overpayments reported in previous reports that remained uncollected as of the beginning of this reporting period.

This report supports the Department's commitment to fulfilling the Executive Order's goals of eliminating payment error in federal programs and increasing transparency. As responsible stewards of taxpayer dollars and reinforced by the tight budget environment, reducing improper payments remains a top priority for the Department. We continue to monitor programs and strengthen controls to reduce the instances of improper payments, take steps to mitigate systemic weaknesses, and address specific root causes.

This report will be made publicly available within 15 days.

Attachment

**Department of Homeland Security
High-Dollar Overpayments Report
for the Quarter Ending December 31, 2015**

Current Quarter Activity																		
Component	Recipient Type (Entity or Individual)	City	State	Program(s) Responsible	Recovery Actions Taken or Planned	Category (Bill)	Cause of Overpayment Category	Why the Overpayment Occurred And Actions to Prevent Recurrence	Payment Date	High \$ Overpayment Date Identified	Date Overpayment Recouped	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Waived Amount or Documentation Received	Outstanding Balance	Days taken to Recoup Overpayment
DPS	Entity	Bedford	MA	Office of Applied Technology	The finance center was contacted on 1/21/15 regarding two payments for the same invoice, one payment was received on 1/22/15 and the other on 1/21/2015. The finance center provided reimbursement details to the vendor and the funds were received on 1/22/15.	Duplicate Invoice	Vendor Billing Error	The vendor submitted the same invoice to two different Components within the Department of Homeland Security, Management Office of Applied Technology and Science and Technology. Both Components have services performed with the vendor.	December 10, 2015	December 17, 2015	December 26, 2015	\$543,737.49	\$0.00	\$543,737.49	\$543,737.49	\$0.00	\$0.00	30
USCG	Individual	Houston	Texas	Coast Guard Pay & Personnel - Military Action & Reserve Pay Office	Payroll deduction at maximum rate	Ineligible Recipient	Enrollment Error	Member paid in confinement status from 10 Sep 2014 through 7 Jul 2015, while appeal was pending. Member lost the court martial appeal and owes for pay plus a court ordered fine. A debt letter has been sent to the member requesting payment.	July 15, 2015	December 17, 2015		\$76,905.38	\$0.00	\$76,905.38	\$0.00	\$0.00	\$76,905.38	
USCG	Entity	Baton Rouge	LA	National Pollution Funds Center	Refund check received from the vendor on 10/19/15.	Invoice	Incorrect vendor payment.	The incorrect vendor (Louisiana State Police) was paid by FINCEN in error. As of 10/19/15, payment has been received from Louisiana State Police and payment was returned to the correct vendor. To prevent recurrence, the responsible supervisor provided team training, re-emphasizing the importance of adhering to established internal controls.	September 25, 2015	October 6, 2015	October 19, 2015	\$115,104.18	\$0.00	\$115,104.18	\$115,104.18	\$0.00	\$0.00	13
Total												\$735,747.05	\$0.00	\$735,747.05	\$658,841.67	\$0.00	\$76,905.38	

**Department of Homeland Security
High-Dollar Overpayments Report
for the Quarter Ending December 31, 2015**

Debts Under Collection by DHS - Prior Quarter Outstanding

Component	Recipient Type (Entity or Individual)	City	State	Program(s) Responsible	Recovery Action Taken or Planned	Payment Date	High \$ Overpayment Date Identified	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Amount waived or determined to be uncollectable	Outstanding Balance	Days Outstanding
FLETC	Individual	Glynco	GA	Human Capital Division	A debt has been created with National Finance Center	March 26, 2014	April 4, 2014	\$36,725.84	\$0.00	\$36,725.84	\$1,000.00	\$0.00	\$35,725.84	636
USCG	Individual	Aurora	CO	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay Office	Payroll deduction at maximum rate	January 1, 2015	March 9, 2015	\$37,254.30	\$0.00	\$37,254.30	\$2,459.99	\$0.00	\$34,794.31	297
USCG	Individual	St. Johns	FL	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay Office	Payroll deduction at maximum rate	March 1, 2014	May 15, 2014	\$18,420.83	\$0.00	\$18,420.83	\$1,751.71	\$0.00	\$16,669.12	595
USCG	Individual	Orange	CA	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay Office	Payroll deduction at maximum rate	March 1, 2014	May 1, 2014	\$7,784.04	\$0.00	\$7,784.04	\$1,217.34	\$0.00	\$6,566.70	609
USCG	Individual	Santa Rita	Guam	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay Office	Payroll deduction at maximum rate	March 15, 2014	April 1, 2014	\$7,801.55	\$0.00	\$7,801.55	\$6,431.00	\$0.00	\$1,370.55	639
USCG	Individual	Baltimore	MD	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay	Payroll deduction at maximum rate.	October 1, 2013	December 4, 2013	\$12,307.00	\$0.00	\$12,307.00	\$4,621.54	\$0.00	\$7,685.46	757
USCG	Individual	Chesapeake	VA	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay	Payroll deduction at maximum rate.	August 15, 2009	December 3, 2013	\$5,685.13	\$0.00	\$5,685.13	\$3,810.90	\$0.00	\$1,874.23	758
USCG	Individual	Honolulu	HI	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay	Payroll deduction at maximum rate.	August 15, 2013	October 1, 2013	\$5,318.99	\$0.00	\$5,318.99	\$1,295.04	\$0.00	\$4,023.95	821
USCG	Individual	San Francisco	CA	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay	Payroll deduction at maximum rate.	April 15, 2013	April 30, 2013	\$5,923.50	\$0.00	\$5,923.50	\$2,700.60	\$0.00	\$3,222.90	975
USCG	Individual	Nashville	TN	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay	Payroll deduction at maximum rate.	March 14, 2013	April 25, 2013	\$9,195.67	\$0.00	\$9,195.67	\$8,111.72	\$0.00	\$1,083.95	980
USCG	Individual	New Orleans	LA	Coast Guard Pay & Personnel Center - Military Active and Reserve Pay	Payroll deduction at maximum rate.	October 1, 2011	November 25, 2011	\$7,135.16	\$0.00	\$7,135.16	\$2,322.53	\$0.00	\$4,812.63	1497
USCG	Individual	Seattle	WA	Coast Guard Pay & Personnel Center - Military Active and Reserve Pay	Payroll deduction at maximum rate.	November 1, 2008	June 15, 2011	\$8,903.21	\$1,051.71	\$7,851.50	\$6,329.02	\$0.00	\$1,522.48	1660
USSS	Individual	Paris	France	Payroll	The USSS employee agreed to a Salary Offset to repay the \$27,229.44 overpayment that was identified in January 2015. \$250 is automatically deducted from his bi-weekly salary beginning with pay period 6. Salary deductions were made from the employee's salary during payperiod 21 (paydate November 12, 2015) & payperiod 22 (paydate November 25, 2015) for this reporting period.	October 18, 2014	January 30, 2015	\$27,229.44	\$0.00	\$27,229.44	\$4,750.00	\$0.00	\$22,479.44	335
Total								\$189,684.66	\$1,051.71	\$188,632.95	\$46,801.39	\$0.00	\$141,831.56	

**Department of Homeland Security
High-Dollar Overpayments Report
for the Quarter Ending December 31, 2015**

Debts Sent to Treasury Offset Program for Collection

Component	Recipient Type (Entity or Individual)	City	State	Program(s) Responsible	Recovery Action Taken or Planned	Payment Date	High \$ Overpayment Date Identified	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Outstanding Balance	Days Outstanding
FEMA	Entity	U.S Virgin Islands	U.S. Virgin Islands	Port Security Grant Program	Recoupment package sent to Entity. Debt sent to the Treasury Offset Program for collection.	November 11, 2008	September 30, 2010	\$19,239.54	\$0.00	\$19,239.54	\$0.00	\$19,239.54	1918
USCG	Individual	New York	New York	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay	Debt sent to the Treasury Offset Program for collection.	September 30, 2011	April 8, 2013	\$10,893.70	\$0.00	\$10,893.70	\$1,349.76	\$9,543.94	997
USCG	Individual	Alameda	California	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay	Debt sent to the Treasury Offset Program for collection.	March 15, 2014	July 23, 2014	\$5,554.90	\$0.00	\$5,554.90	\$0.00	\$5,554.90	526
USCG	Individual	Portsmouth	VA	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay	Debt sent to the Treasury Offset Program for collection.	June 15, 2013	December 10, 2013	\$51,074.15	\$824.99	\$50,249.16		\$50,249.16	751
USCG	Individual	Santa Rose	CA	Coast Guard Pay & Personnel Center - Military Active & Reserve Pay	Debt sent to the Treasury Offset Program for collection.	July 31, 2012	September 26, 2012	\$29,842.78	\$0.00	\$29,842.78	\$18,802.71	\$11,040.07	1191
Total								\$116,605.07	\$824.99	\$115,780.08	\$20,152.47	\$95,627.61	

**Department of Homeland Security
High-Dollar Overpayments Report
for the Quarter Ending December 31, 2015**

Debts Cleared or Collected by Component														
Component	Recipient Type (Entity or Individual)	City	State	Program(s) Responsible	Recovery Action Taken To Recoup Overpayment	Payment Date	High \$ Overpayment Date Identified	Date Overpayment Recouped	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Waived Amount or Documentation Received	Outstanding Balance
ICE	Entity	Greenfield	MA	Financial Operations Burlington/ Financial Operations Dallas/ Enforcement and Removal Operations	Financial Operations was notified by ICE Enforcement and Removal office as well as the Commonwealth of Massachusetts that funds were received by Franklin County rather than Suffolk County. Both counties operate under the same tax identification number (TIN). The obligation was established with the vendor identification number of Franklin County. The vendor did not include electronic banking information on the invoice, however a Data Universal Numbering System number (DUNS) was included on the invoice which is tied to the Suffolk County vendor identification number. A Letter of Indemnification was sent to the bank requesting funds be returned electronically. Franklin County has requested a check be sent to Financial Operations by the State of Massachusetts Treasury Department.	July 30, 2015	September 24, 2015	October 14, 2015	\$488,610.00	\$0.00	\$488,610.00	\$488,610.00	\$0.00	\$0.00
Total									\$488,610.00	\$0.00	\$488,610.00	\$488,610.00	\$0.00	\$0.00