

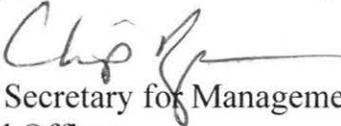


Homeland  
Security

APR 27 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  
January to March 2016

Attached is the Department's Quarterly High-Dollar Overpayments Report for the period January to March 2016, as required by Section 3(f) of Executive Order 13520, *Reducing Improper Payments*. During this period, Components reported four high-dollar overpayments totaling \$344 thousand, two overpayments were recovered totaling \$254 thousand, and two overpayments are still outstanding totaling \$90 thousand as of March 31, 2016. This report also contains information on high-dollar overpayments reported in previous reports that remained uncollected as 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 March 31, 2016**

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
USCG	Entity	Tampa	FL	USCG HQ (CG-912)	Refund check received from the vendor on 3/28/16.	Incorrect Vendor	Document submission problem; Data entry error	The Contract Number on the Approval Form was discovered incorrect during the CG FINCEN technician review process. The Contractor corrected the Contract Number, however, the Vendor ID was not updated by the technician in the system. As of 3/28/16, the payment has been recouped from CAE USA Incorporated. To prevent reoccurrence, the responsible supervisor provided team training, re-emphasizing the importance of adhering to established internal controls.	March 4, 2016	March 21, 2016	March 28, 2016	\$123,656.00	\$0.00	\$123,656.00	\$123,656.00	\$0.00	\$0.00	7
CBP	Entity	Vienna	VA	Office of Technology Innovation & Acquisition and Office of Administration	Overpayment was returned by the vendor	Vendor Billing Error	Vendor Billing Error	The vendor submitted 2 invoices with different invoice numbers for the same service period, one was revised and the other the original. The original invoice was intended as support for the revised invoice but the program office mis-typed this for 2 different invoices and entered the goods receiving for both invoices in error. The payment certification process did not catch this because the invoices also referenced different contract lines.	25-Nov-15	February 16, 2016	February 19, 2016	\$261,205.50	\$130,602.75	\$130,602.75	\$130,602.75	\$0.00	\$0.00	3
USCG	Individual	Seattle	WA	Coast Guard Pay & Personnel Center - Military Active and Reserve Pay	Payroll deduction at maximum rate	Insufficient Documentation	Entitlement Error	Data was received changing Basic Allowance for Housing and Cost of Living Allowance from with dependents to without dependents. This also affects the Family Separation Allowance. Member is being investigated for fraud. PPC cannot prevent reoccurrence.	August 15, 2015	February 1, 2016		\$64,687.36	\$0.00	\$64,687.36	\$0.00	\$0.00	\$64,687.36	
USCG	Individual	Miramar	CA	Coast Guard Pay & Personnel Center - Military Active and Reserve Pay	Payroll deduction at maximum rate.	Insufficient Documentation	Entitlement Error	Overpayment due to Basic Allowance for Housing w/Dep, Clothing Maintenance Allowance, & Coast Guard Standard Meal Rate while demoted and sent to confinement. The Servicing Personnel Office has been notified by letter of the consequences of not entering data into the system in a timely manner.	February 1, 2016	February 5, 2016		\$25,122.97	\$0.00	\$25,122.97	\$0.00	\$0.00	\$25,122.97	
<b>Total</b>												<b>\$474,671.83</b>	<b>\$130,602.75</b>	<b>\$344,069.08</b>	<b>\$254,258.75</b>	<b>\$0.00</b>	<b>\$89,810.33</b>	

**Department of Homeland Security  
High-Dollar Overpayments Report  
for the Quarter Ending March 31, 2016**

Debts Under Collection by DHS														
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	\$5,539.00	\$0.00	\$31,186.84	727
USCG	Individual	Houston	Texas	Coast Guard Pay & Personnel Center - Military Active and Reserve Pay	Payroll deduction at maximum rate	July 15, 2015	December 17, 2015	\$76,905.38	\$0.00	\$76,905.38	\$0.00	\$0.00	\$76,905.38	105
USCG	Individual	Aurora	CO	Coast Guard Pay & Personnel - Military Active & Reserve Pay Office	Payroll deduction at maximum rate	January 1, 2015	March 9, 2015	\$37,254.30	\$0.00	\$37,254.30	\$3,279.98	\$0.00	\$33,974.32	388
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	\$2,004.79	\$0.00	\$16,416.04	686
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	\$1,318.07	\$0.00	\$6,465.97	700
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	\$7,327.53	\$0.00	\$474.02	730
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	\$5,240.77	\$0.00	\$7,066.23	848
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	\$4,311.60	\$0.00	\$1,373.53	849
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	\$1,360.17	\$0.00	\$3,958.82	912
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	\$2,952.07	\$0.00	\$2,971.43	1066
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	\$8,906.77	\$0.00	\$288.90	1071
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	\$2,580.75	\$0.00	\$4,554.41	1588
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	1751
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. <b>Salary deductions were made from the employee's salary during payperiod 03 (paydate March 3, 2016), payperiod 04 (paydate March 17, 2016), &amp; payperiod 05 (paydate March 31, 2016) for this reporting period.</b>	October 18, 2014	January 30, 2015	\$27,229.44	\$0.00	\$27,229.44	\$6,500.00	\$0.00	\$20,729.44	426
<b>Total</b>								<b>\$266,590.04</b>	<b>\$1,051.71</b>	<b>\$265,538.33</b>	<b>\$57,650.52</b>	<b>\$0.00</b>	<b>\$207,887.81</b>	

**Department of Homeland Security  
High-Dollar Overpayments Report  
for the Quarter Ending March 31, 2016**

Debits 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	2009
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	1088
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	617
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	\$0.00	\$50,249.16	842
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	\$19,075.70	\$10,767.08	1282
<b>Total</b>								<b>\$116,605.07</b>	<b>\$824.99</b>	<b>\$115,780.08</b>	<b>\$20,425.46</b>	<b>\$95,354.62</b>	

**Department of Homeland Security  
High-Dollar Overpayments Report  
for the Quarter Ending March 31, 2016**

Debts Cleared or Collected by Component					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
Component	Recipient Type (Entity or Individual)	City	State	Program(s) Responsible										
<b>Total</b>									<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>