



# Homeland Security

October 4, 2012

MEMORANDUM FOR: Charles K. Edwards  
Acting Inspector General

Council of Inspectors General on Integrity and Efficiency

FROM: Secretary Napolitano

SUBJECT: Quarterly High-Dollar Overpayments Report  
April to June 2012

Attached is the Department's Quarterly High-Dollar Overpayments Report for the period April to June 2012, as required by Section 3f of Executive Order 13520, *Reducing Improper Payments*. In addition, information is included on high-dollar overpayments from prior reports which remain uncollected as of June 30, 2012. This report will be made publicly available within 15 days.

This report supports the Department's commitment to fulfilling the Executive Order's goals of eliminating payment error and waste in federal programs and increasing the transparency and public scrutiny of significant improper payments.

Attachment

**Department of Homeland Security  
High-Dollar Overpayments Report  
for the Quarter Ending June 30, 2012**

Component	Recipient Type (Entity or Individual)	City and State	Program(s) Responsible	Collection Actions Taken or Planned	Why the Overpayment Occurred And Actions to Prevent Reoccurrence	Payment Date	Date High \$ Overpayment Identified for Reporting to the Department	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Outstanding Balance
CBP	ENTITY	Chicago, IL	National Finance Center Office of Administration	Vendor returned overpayment.	A duplicate payment was entered with an incorrect invoice number. The accounting system did not recognize the duplicate payment. Training will be provided to the technician and batch certifiers.	April 5, 2012	April 6, 2012	\$28,474.71	\$0.00	\$28,474.71	\$28,474.71	\$0.00
FO	ENTITY	Cherry Hill, NJ	Office of Infrastructure, Planning, and Control	Vendor returned overpayment.	An incorrect invoice number was keyed in by the staff using the support invoice documentation submitted by the vendor. The Dallas Finance Center will provide training to staff on processing payments using the summary invoice amount instead. The Program Office will also inform the Contracting Officer's Technical Representative to review invoices for duplicate remittances before approving for payment.	April 10, 2012	April 25, 2012	\$266,400.87	\$0.00	\$266,400.87	\$266,400.87	\$0.00
FO	ENTITY	McLean, VA	Chief Administrative Front Office	The overpayment will be applied to the second invoice.	The vendor submitted duplicate invoices that were processed for payment. Training will be provided to staff members on steps to take for researching and identifying duplicate payments prior to processing.	April 16, 2012	June 22, 2012	\$40,606.79	\$0.00	\$40,606.79	\$0.00	\$40,606.79
ICE	ENTITY	Montgomery City, Missouri	Office of Financial Management Burlington Finance Center	Vendor notified Treasury to pull back payment via EFT.	The Payment Technician selected incorrect vendor information when processing the payment. Training will be provided to staff members on researching, identifying and selecting the correct vendor information when processing payments.	April 3, 2012	April 17, 2012	\$38,111.40	\$0.00	\$38,111.40	\$38,111.40	\$0.00
ICE	ENTITY	Montgomery City, Missouri	Office of Financial Management Burlington Finance Center	Vendor notified Treasury to pull back payment via EFT.	The Payment Technician selected incorrect vendor information when processing the payment. Training will be provided to staff members on researching, identifying and selecting the correct vendor information when processing payments.	February 21, 2012	April 5, 2012	\$43,005.50	\$0.00	\$43,005.50	\$43,005.50	\$0.00
USCG	INDIVIDUAL	Honolulu, HI	Pay & Personnel Center	Overpayment collected.	Member received Basic Allowance for Housing with dependents while only entitled to Basic Allowance for Housing without dependents. Training will be provided to Personnel Office staff members.	March 15, 2012	April 1, 2012	\$8,717.37	\$0.00	\$8,717.37	\$8,717.37	\$0.00
USCG	INDIVIDUAL	Montgomery, TX	Pay & Personnel Center	Estate returned overpayment.	Received report of retiree's death after payment made. The USCG performs monthly and quarterly checks using data from the Department of Defense, the Social Security Administration, and the Veteran's Administration to prevent issuance of retiree benefits to deceased members. Additionally, families and estates are required to immediately notify the USCG of a retiree's death. Late notification of death by the family is not uncommon due to the stress of the situation.	March 30, 2012	April 4, 2012	\$7,173.67	\$0.00	\$7,173.67	\$7,173.67	\$0.00
USCG	INDIVIDUAL	Guam	Pay & Personnel Center	Notice of overpayment letter sent to member.	Service member received duplicate payment of Overseas Housing Allowance because the payment office was not informed that the member had vacated housing. Remedial training will be provided to Personnel Offices staff members.	April 1, 2012	May 5, 2012	\$6,736.72	\$0.00	\$6,736.72	\$0.00	\$6,736.72
<b>Totals</b>								<b>\$439,227.03</b>	<b>\$0.00</b>	<b>\$439,227.03</b>	<b>\$391,883.52</b>	<b>\$47,343.51</b>

Department of Homeland Security  
 Current Status of Outstanding High-Dollar Overpayments Reported on the Previous Secretary's High-Dollar Overpayment Report  
 for the Quarter Ending June 30, 2012

Debts Under Collection by DHS

Component	Recipient Type	City and State	Program(s) Responsible	Recovery Action Taken or Planned	Payment Date	Date High \$ Overpayment Identified for Reporting	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Outstanding Balance	Days Outstanding
FEMA	Entity	Randolph County, IL	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program	December 1, 2009	November 15, 2011	\$25,364.00	\$0.00	\$25,364.00	\$0.00	\$25,364.00	228
FEMA	Entity	Richland County, OH	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program.	November 23, 2009	November 15, 2011	\$26,837.50	\$11,137.50	\$15,700.00	\$0.00	\$15,700.00	228
FEMA	Entity	Duval County, FL	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program.	May 18, 2009	November 15, 2011	\$27,830.00	\$15,782.74	\$12,047.26	\$0.00	\$12,047.26	228
FEMA	Entity	Tuscaloosa County, AL	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program.	September 10, 2010	November 15, 2011	\$40,993.00	\$0.00	\$40,993.00	\$0.00	\$40,993.00	228
FEMA	Entity	Talladega County, AL	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program.	October 28, 2009	November 15, 2011	\$52,549.00	\$0.00	\$52,549.00	\$0.00	\$52,549.00	228

Department of Homeland Security  
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FEMA	Entity	Sedgwick County, KS	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program.	May 7, 2010	November 15, 2011	\$59,952.00	\$31,246.12	\$28,705.88	\$0.00	\$28,705.88	228
FEMA	Entity	Yuma County, AZ	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program.	October 7, 2009	November 15, 2011	\$60,000.00	\$36,000.00	\$24,000.00	\$0.00	\$24,000.00	228
FEMA	Entity	Utah County, UT	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program.	April 27, 2010	November 15, 2011	\$82,000.00	\$30,000.00	\$52,000.00	\$0.00	\$52,000.00	228
FEMA	Entity	Puerto Rico	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program.	April 27, 2010	November 15, 2011	\$98,758.00	\$48,033.11	\$50,724.89	\$0.00	\$50,724.89	228
FEMA	Entity	Bergen County, NJ	Emergency Food & Shelter Program	FEMA's Office of the General Counsel has determined that FEMA does not have the legal authority to process debt collections for the Emergency Food and Shelter Program. Instead, FEMA's Servicing Agent will collect the funds from the Charitable Organizations on our behalf. Funds collected are remitted back to FEMA.  The Servicing Agent has reached out to the applicable Charitable Organizations and informed them that either they supply additional documentation to support their drawdowns or return the funds. If Charitable Organizations do not comply with the Servicing Agent's request, they will be denied any future funding from the Emergency Food and Shelter Program.	October 7, 2009	November 15, 2011	\$178,890.00	\$118,489.40	\$60,400.60	\$0.00	\$60,400.60	228

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**Debts Under Collection by DHS**

Component	Recipient Type	City and State	Program(s) Responsible	Recovery Action Taken or Planned	Payment Date	Date High \$ Overpayment Identified for Reporting	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Outstanding Balance	Days Outstanding
FEMA	Entity	Carson City, NV	Homeland Security Grant Program	A collection bill was sent to the recipient to collect overpayment.  FEMA's Program Office will provide additional training for HSGP stakeholders to include compliance with financial management practices, responding to documentation requests, and document retention.	September 30, 2009	August 5, 2010	\$27,609.10	\$0.00	\$27,609.10	\$0.00	\$27,609.10	695
FEMA	Entity	Washington, DC	Homeland Security Grant Program	A collection bill was sent to the recipient to collect overpayment.  The error detected was an isolated incident. FEMA's Program office will provide construction cost training to Grantees & staff to improve awareness and accountability. The Program Office will update HSGP Guidance to disallow Grantees to reimburse for any construction costs without accompanying documentation that the Sub-Grantee met all of the requirements.	August 19, 2009	July 28, 2010	\$3,133,009.25	\$2,489,893.60	\$643,115.65	\$0.00	\$643,115.65	703
FEMA	Entity	Albany, NY	Homeland Security Grants Program	A collection bill was sent to the recipient to collect overpayment.  FEMA's Program Office will provide additional training for HSGP stakeholders to include compliance with financial management practices, responding to documentation requests, and document retention.	November 23, 2009	November 15, 2011	\$48,474.76	\$0.00	\$48,474.76	\$0.00	\$48,474.76	228
FEMA	Entity	U.S. Virgin Islands	Port Security Grant Program	A collection bill was sent to the recipient to collect overpayment.  FEMA will develop and distribute to Grantees a "Grantee Supporting Documentation Retention Strategy" document detailing the types of supporting documentation Grantees should retain at each phase of the grant lifecycle. This document should be updated regularly to reflect changes in Program guidance and outlines the PSGP's documentation retention requirements.	September 13, 2010	November 15, 2011	\$53,000.00	\$0.00	\$53,000.00	\$0.00	\$53,000.00	228
FEMA	Entity	Silver Creek, NY	Public Assistance	A collection bill was sent to the recipient to collect overpayment.  FEMA's staff prepared project worksheet incorrectly. FEMA Staff will require project specialists to take training courses on proper project worksheet data entry and development, project writing skills, and audit review requirements.	March 17, 2010	November 15, 2011	\$75,440.99	\$0.00	\$75,440.99	\$0.00	\$75,440.99	228
USCG	Individual	Seattle, WA	Pay & Personnel Center	Payroll deduction.  Reserve member was called on orders for the period 9/17/2008 to 10/18/2008 member was paid for 32 days, but only on active duty for 4 days. Training to Servicing Personnel Offices regarding timely & accurate submission of documents.	November 11, 2008	June 15, 2011	\$8,903.21	\$1,051.71	\$7,851.50	\$2,116.07	\$5,735.43	381
USCG	Individual	New York, NY	Pay & Personnel Center	Payroll deduction.  Reservist continued to receive pay and allowances after orders were terminated. Training to Servicing Personnel Offices regarding timely and accurate submission of documents.	August 31, 2011	October 31, 2011	\$5,994.00	\$0.00	\$5,994.00	\$382.51	\$5,611.49	243
USCG	Individual	Alameda, CA	Pay & Personnel Center	Payroll deduction.  Member continued to receive housing allowance while assigned to government quarters. Training to Servicing Personnel Offices regarding timely and accurate submission of documents.	September 30, 2011	October 31, 2011	\$5,603.55	\$0.00	\$5,603.55	\$3,290.88	\$2,312.67	243
USCG	Individual	New Orleans, LA	Pay & Personnel Center	Payroll deduction.  Reservist continued to receive pay and allowances after orders were terminated. Training to Servicing Personnel Offices regarding timely and accurate submission of documents.	October 1, 2011	November 25, 2011	\$7,135.16	\$0.00	\$7,135.16	\$260.60	\$6,874.56	218

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**Debts Under Collection by DHS**

Component	Recipient Type	City and State	Program(s) Responsible	Recovery Action Taken or Planned	Payment Date	Date High \$ Overpayment Identified for Reporting	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Outstanding Balance	Days Outstanding
USCG	Individual	Kodiak, AK	Pay & Personnel Center	Payroll deduction. Member continued to receive housing allowance while assigned to government quarters. Training to Servicing Personnel Offices regarding timely and accurate submission of documents.	November 1, 2011	November 18, 2011	\$6,307.41	\$0.00	\$6,307.41	\$1,762.15	\$4,545.26	225
USCG	Individual	Kodiak, AK	Pay & Personnel Center	Payroll deduction. Late submission of documents transferring member from active duty to retirement. Training to Servicing Personnel Offices regarding timely and accurate submission of documents.	October 31, 2011	November 8, 2011	\$10,241.50	\$0.00	\$10,241.50	\$4,261.11	\$5,980.39	235
USCG	Individual	Miami, FL	Pay & Personnel Center	Payroll deduction. Member had a permanent change of station and transactions were not reported timely and accurately. Training to Servicing Personnel Offices regarding timely and accurate submission of documents.	December 15, 2011	December 29, 2011	\$5,124.83	\$0.00	\$5,124.83	\$967.04	\$4,157.79	184
USCG	Individual	Washington, DC	Pay & Personnel Center	Payroll deduction. Reserve member continued to receive pay and allowances after orders were canceled. Training to Servicing Personnel Offices regarding timely & accurate submission of documents.	December 30, 2011	February 23, 2012	\$9,280.24	\$0.00	\$9,280.24	\$846.30	\$8,433.94	128
USCG	Individual	Washington, DC	Pay & Personnel Center	Payroll deduction. Member married to Air Force member received housing allowance while residing in government quarters. Training to Servicing Personnel Offices regarding timely and accurate submission of documents.	December 30, 2011	February 27, 2012	\$20,197.18	\$0.00	\$20,197.18	\$1,673.35	\$18,523.83	124
USCG	Individual	New Orleans, LA	Pay & Personnel Center	Transferred debt to USCG Finance Center for collection. Duplicate payment issued. Ensure internal communications between branches regarding special payments are clear and understood.	December 27, 2011	January 24, 2012	\$6,990.34	\$0.00	\$6,990.34	\$0.00	\$6,990.34	158
USCG	Individual	Juneau, AK	Pay & Personnel Center	Payroll deduction. Member continued to receive housing allowance while assigned to government quarters. Training to Servicing Personnel Offices regarding timely and accurate submission of documents.	February 1, 2012	March 1, 2012	\$19,996.20	\$0.00	\$19,996.20	\$5,004.20	\$14,992.00	121

Total	\$4,096,481.22	\$2,781,634.18	\$1,314,847.04	\$20,564.21	\$1,294,282.83
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Department of Homeland Security  
 Current Status of Outstanding High-Dollar Overpayments Reported on the Previous Secretary's High-Dollar Overpayment Report  
 for the Quarter Ending June 30, 2012

Debts Sent to the Treasury Offset Program for Collection

Component	City and State	Recipient Type	Program(s) Responsible	Recovery Action Taken or Planned	Payment Date	Date High \$ Overpayment Identified for Reporting	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Outstanding Balance	Days Outstanding
FEMA	Seabrook, TX	Individual	Individual and Households Payments	Recoupment package sent to individual. Debt later 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	639
USCG	Miami, FL	Entity	CG-84, Office of Financial Policy and Systems	Contacted vendor who confirmed overpayment. Vendor added to USCG 'Do Not Pay List' with automatic offset of overpayment on next invoice. Debt sent to Treasury Offset Program for collection.	September 25, 2010	January 10, 2011	\$76,740.37	\$38,177.37	\$38,563.00	\$0.00	\$38,563.00	537

Total	\$95,979.91	-\$38,177.37	\$57,802.54	\$0.00	\$57,802.54
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Department of Homeland Security  
 Current Status of Outstanding High-Dollar Overpayments Reported on the Previous Secretary's High-Dollar Overpayment Report  
 for the Quarter Ending June 30, 2012

Debts Cleared or Collected by DHS

Component	Recipient Type	City and State	Program(s) Responsible	Recovery Action Taken or Planned	Payment Date	Date High \$ Overpayment Identified for Reporting	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Outstanding Balance
FEMA	Entity	Bloomington, IN	Federal Insurance and Mitigation Administration	NFIP Staff collected overpayment from recipient.	July 29, 2010	November 15, 2011	\$20,000.00	\$0.00	\$20,000.00	\$20,000.00	\$0.00
FEMA	Entity	Bloomington, IN	Federal Insurance and Mitigation Administration	NFIP Staff collected overpayment from recipient.	November 18, 2009	November 15, 2011	\$30,000.00	\$0.00	\$30,000.00	\$30,000.00	\$0.00
FEMA	Entity	Borough of Dover, PA	Public Assistance	Grantee returned funds to FEMA.	July 26, 2010	November 15, 2011	\$47,452.04	\$0.00	\$47,452.04	\$47,452.04	\$0.00

Total	\$97,452.04	\$0.00	\$97,452.04	\$97,452.04	\$0.00
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