



Homeland Security

NOV 20 2018

MEMORANDUM FOR: John V. Kelly
Acting Inspector General

Mark D. Jones
Council of Inspectors General on Integrity and Efficiency

FROM: Stacy Marcott 
Acting Chief Financial Officer

SUBJECT: Quarterly High-Dollar Overpayments Report
July to September 2018

Attached is the Department's Quarterly High-Dollar Overpayments report, as required by Section 3(f) of Executive Order 13520, *Reducing Improper Payments*. During the reporting period, there were no High-Dollar Overpayments identified for the DHS programs identified as highly susceptible to improper payments, and thus applicable to high dollar overpayment reporting. This report contains information on a high-dollar overpayment reported in the previous report that remains uncollected as of this reporting period.

The Department is committed to eliminating payment error in federal programs and increasing transparency. As responsible stewards of taxpayer dollars, reducing improper payments remain a top priority. 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.

Attachments

**Department of Homeland Security
High-Dollar Overpayments Report
for the Current Quarter Ending September 30, 2018**

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 Reoccurrence	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
Total												\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	

**Department of Homeland Security
High-Dollar Overpayments Report
for the Quarter Ending September 30, 2018**

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
FEMA	Entity	Farmington Mills	MI	Vendor Payment	Transaction was improper due to nonsubmission of supporting documentation. The incentive fee for the time period of June 23, 2014 - June 27, 2014, for the vendor was 6% when it should have only received 3%. The contract, under SSPA-3 it states that they must have an error rate of less than 10% to get the 6% incentive payment and therefore would only qualify for a 3% incentive. The error rate for this period was 11%. Thus the total incentive should have been \$54,384.59 not \$108,769.17. The Bill for Collection was sent on March 8, 2018 to FEMA Finance Center by the Contracting Officer. The AON Contractor has put in Appeal and the Notice of Debt Letter. The Contracting Officer and the COR will be working on it to address issue.	November 25, 2014	December 31, 2016	\$108,769.17	\$54,384.59	\$54,384.58	\$0.00	\$0.00	\$54,384.58	767
Total								\$108,769.17	\$54,384.59	\$54,384.58	\$0.00	\$0.00	\$54,384.58	

* Based on additional FEMA research performed around the Vendor Payment overpayment, the correct amount was adjusted from \$0.00 reported on the Quarter 4 High Dollar Overpayment report to \$54,384.59 to accurately reflect that the vendor was owed a 3% incentive fee but the original payment was issued for 6%.

**Department of Homeland Security
High-Dollar Overpayments Report
for the Quarter Ending September 30, 2018**

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	Recovered Amount	Waived Amount or Documentation Received	Outstanding Balance	Days taken to Recoup Overpayment
									Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**Department of Homeland Security
High-Dollar Overpayments Report
for the Quarter Ending September 30, 2018**

Debts Sent to Treasury Offset Program for Collection					Recovery Action Taken or Planned	Payment Date	High \$ Overpayment Date Identified	Amount Paid	Correct Amount	Overpayment Amount	Recovered Amount	Outstanding Balance	Days Outstanding
Component	Recipient Type (Entity or Individual)	City	State	Program(s) Responsible									
								Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00