

Secretary

U.S. Department of Homeland Security
Washington, DC 20528




**Homeland
Security**

November 29, 2011

MEMORANDUM FOR: Charles K. Edwards
Acting Inspector General

Council of Inspectors General on Integrity and Efficiency

FROM: Janet Napolitano
Secretary 

SUBJECT: Quarterly High-Dollar Overpayments Report
July to September 2011

As required by Section 3F of Executive Order 13520: Reducing Improper Payments, attached is the Department's Quarterly High-Dollar Overpayments Report for the period July to September 2011. Additionally, information is included on high-dollar overpayments from prior reports which remain uncollected as of September 30, 2011. 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
Quarterly High-Dollar Overpayments Report
for the Quarter Ending September 30, 2011**

A	B	C	D	E	F	G	H	I	J	K	L	M
Component	Recipient Type (Entity or Individual)	City and State	Program(s) Responsible	Recovery Actions Taken or Planned	Actions to Prevent Reoccurrence	Payment Date	High \$ Overpayment Date Identified	Amount Paid	Correct Amount	OVERPAYMENT AMOUNT	RECOVERED AMOUNT	OUTSTANDING BALANCE
CBP	ENTITY	Fairfax, VA	Office of Border Patrol	Vendor returned overpayment.	Receiving information was entered twice by the Program Office. As a different invoice number was used, it was not flagged as a duplicate and another payment was issued. The Program Office was reminded to follow procedures to prevent processing duplicate invoices and requested to reverse the duplicate receiving report.	July 6, 2011	July 7, 2011	\$69,854.47	\$0.00	\$69,854.47	\$69,854.47	\$0.00
CBP	ENTITY	McLean, VA	Office of Information and Technology	Vendor returned overpayment.	Receiving information was entered twice by the Program Office. As a different invoice number was used, it was not flagged as a duplicate and another payment was issued. The Program Office was reminded to follow procedures to prevent processing duplicate invoices and requested to reverse the duplicate receiving report.	June 9, 2011	September 2, 2011	\$378,555.39	\$0.00	\$378,555.39	\$378,555.39	\$0.00
OHA	ENTITY	Alexandria, VA	Burlington Finance Center	Vendor returned overpayment.	The system of record was not updated with expedited payment information as quickly as needed. As a result, the expedited payment was picked up on the regular payment schedule and a duplicate payment resulted. In the future, an email will go out to all payment certifiers alerting them of an expedited payment. No payment schedules should be generated until the expedited payment is accomplished. The process will be reviewed with staff at least quarterly.	August 15, 2011	August 17, 2011	\$1,214,577.78	\$0.00	\$1,214,577.78	\$1,214,577.78	\$0.00
TSA	ENTITY	West Palm Beach, FL	U.S. Coast Guard Finance Center-Commercial Payables (Note: USCG processes payments on behalf of TSA)	Collection package sent to vendor.	Use of an incorrect Data Universal Numbering System (DUNS) number led to payment to the wrong vendor. Internal training was conducted regarding the Commercial Payment process and the importance of attention to detail, especially regarding vendor information. The invoice, the Central Contractor Registration website and the Workflow Imaging Network System Vendor Query should be utilized to verify vendor data.	September 12, 2011	September 21, 2011	\$38,054.79	\$0.00	\$38,054.79	\$0.00	\$38,054.79
USCG	INDIVIDUAL	Honolulu, HI	CG-84, Office of Financial Policy and Systems	Notice of Overpayment sent to member and copy to Servicing Personnel Office. Payroll deductions begun.	Reserve orders were originally for 147 days but were revised to 97 days. Reservist paid based on original dates. Training provided to Servicing Personnel Offices on need to timely and accurately submit documents.	May 15, 2011	July 11, 2011	\$11,479.77	\$2,942.25	\$8,537.52	\$665.48	\$7,872.04
USCG	INDIVIDUAL	Seattle, WA	CG-84, Office of Financial Policy and Systems	Notice of Overpayment sent to member and copy to Servicing Personnel Office. Payroll deductions begun.	Reservist paid for 32 days of active duty (based on call up orders) but only served 4 days. Training provided to Servicing Personnel Offices on need to timely and accurately submit documents.	November 1, 2008	July 11, 2011	\$8,903.21	\$1,051.71	\$7,851.50	\$59.46	\$7,792.04
USCG	INDIVIDUAL	Alameda, CA	CG-84, Office of Financial Policy and Systems	Notice of Overpayment sent to member and copy to Servicing Personnel Office.	Member paid for 60 days of unused leave at retirement but was then immediately recalled to active duty. Servicing Personnel Office did not notify payment office timely of need to stop requested payment. Training provided to Servicing Personnel Offices regarding timely and accurate submission of documents.	June 1, 2011	July 11, 2011	\$9,767.26	\$0.00	\$9,767.26	\$0.00	\$9,767.26
USCG	INDIVIDUAL	Portsmouth, VA	CG-84, Office of Financial Policy and Systems	Notice of Overpayment sent to member and copy to Servicing Personnel Office.	While processing multiple changes to member's account, pay technician input an incorrect number. Pay technicians and auditors counseled/reminded of need for accuracy.	August 15, 2011	August 31, 2011	\$5,468.08	\$0.00	\$5,468.08	\$0.00	\$5,468.08

**Department of Homeland Security
Quarterly High-Dollar Overpayments Report
for the Quarter Ending September 30, 2011**

USCG	INDIVIDUAL	Tawas City, MI	CG-84, Office of Financial Policy and Systems	Payment returned from the United States Treasury.	Received report of retiree's death after payment made. 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. This payment occurred in between the monthly and quarterly control checks, and prior to receipt of notification from the family.	August 1, 2011	September 1, 2011	\$5,938.00	\$0.00	\$5,938.00	\$5,938.00	\$0.00
USCG	ENTITY	Baltimore, Maryland	CG-84, Office of Financial Policy and Systems	Vendor returned overpayment.	Original invoice number was incorrectly entered into system. After vendor requested payment status of correct invoice number, a duplicate payment was issued. Training provided on the importance of accurate data entry and review.	July 6, 2011	September 9, 2011	\$56,272.64	\$28,136.32	\$28,136.32	\$28,136.32	\$0.00
USSS	INDIVIDUAL	Washington, DC	Relocation & Travel Services	Contacted employee, overpayment collected.	Employee was paid for ineligible relocation expenses. Training provided to improve eligibility reviews.	August 10, 2011	August 17, 2011	\$9,598.87	\$0.00	\$9,598.87	\$9,598.87	\$0.00

Totals	\$1,808,470.26	\$32,130.28	\$1,776,339.98	\$1,707,385.77	\$68,954.21
--------	----------------	-------------	----------------	----------------	-------------

**Department of Homeland Security
Outstanding High-Dollar Overpayments
from Prior Quarterly Reports**

DHS Component	Recipient Type (Entity or Individual)	Recipient's City/County	Recipient's State	Program(s) Responsible	Recovery Actions Taken or Planned	Payment Date	High \$ Overpayment Date Identified	Amount Paid	Correct Amount	Recovered Amount	Outstanding Balance	Days Outstanding as of September 30, 2011
FEMA	ENTITY	District of Columbia	District of Columbia	Homeland Security Grant Program	Program office completed a review of recipient provided documentation and fully discussed results with grant recipient. Proper support was found for an additional \$1,348,108.50 of the original payment. A collection bill for the remaining \$643,115.65 was sent.	August 19, 2009	July 28, 2010	\$3,133,009.25	\$2,489,893.60	\$0.00	\$643,115.65	429
FEMA	ENTITY	Carson City	Nevada	Homeland Security Grant Program	Additional supporting documentation received from grantee. FEMA reviewing for sufficiency with resolution expected by January 2012.	September 30, 2009	August 5, 2010	\$27,609.10	\$0.00	\$0.00	\$27,609.10	421
FEMA	INDIVIDUAL	Seabrook	Texas	Individual and Households Payments	Refund package sent to individual. Debt sent to the Treasury Offset Program for collection.	November 11, 2008	September 30, 2010	\$19,239.54	\$0.00	\$0.00	\$19,239.54	365
USCG	ENTITY	Miami	Florida	Air Station Miami	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	\$0.00	\$38,563.00	263
Totals								\$3,256,598.26	\$2,528,070.97	\$0.00	\$728,527.29	