February 1, 2011

MEMORANDUM FOR: Richard L. Skinner
Inspector General
Council of Inspectors General on Integrity and Efficiency

FROM: Secretary Napolitano

SUBJECT: Quarterly High-Dollar Overpayments Report
October to December 2010

Attached, as required by Section 3f of Executive Order 13520: Reducing Improper Payments, is the Department’s Quarterly High-Dollar Overpayments Report for the period October to December 2010. 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 December 31, 2010

<table>
<thead>
<tr>
<th>DHS Component</th>
<th>Recipient Type</th>
<th>Recipient's City/County</th>
<th>Recipient's State</th>
<th>Program(s) Responsible</th>
<th>Recovery Actions Taken or Planned</th>
<th>Actions to Prevent Reoccurrence</th>
<th>Payment Date</th>
<th>High $ Overpayment Date Identified</th>
<th>Amount Paid</th>
<th>Correct Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>NPPD</td>
<td>Entity</td>
<td>Washington, DC</td>
<td>Washington, DC</td>
<td>Burlington Finance Center</td>
<td>Refund package sent to vendor</td>
<td>Controls to prevent payments to the wrong bank account will be strengthened and tested to ensure accurate payment processing. Controls to prevent selection of incorrect vendor at obligation stage will be implemented as part of internal controls over Budgetary Resources Management.</td>
<td>November 2, 2010</td>
<td>December 21, 2010</td>
<td>$417,905.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>TSA</td>
<td>Entity</td>
<td>McLean</td>
<td>Virginia</td>
<td>Transportation Security Support</td>
<td>Contacted vendor; overpayment collected</td>
<td>Increased Contracting Officer Technical Representative training to ensure that periods of performance are checked to prevent processing of more than one invoice for the same time period (a vendor had billed for the same services and time period on two separate invoices).</td>
<td>October 25, 2010</td>
<td>October 29, 2010</td>
<td>$252,294.16</td>
<td>$126,147.08</td>
</tr>
<tr>
<td>USCG</td>
<td>Entity</td>
<td>Stonington</td>
<td>Connecticut</td>
<td>Future Force 21</td>
<td>Contacted vendor; overpayment collected</td>
<td>Additional training for contracting officers to minimize the risk that incorrect information is cited on the payment approval form. Additional training of accounting technicians on invoice processing requirements. Implementation of a checklist to standardize the process used by authorized certifying officers for reviewing the completeness and accuracy of invoices.</td>
<td>December 8, 2010</td>
<td>December 10, 2010</td>
<td>$26,085.70</td>
<td>$0.00</td>
</tr>
</tbody>
</table>