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**Comptroller General  
of the United States**

**Washington, D.C. 20548**

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B-275605

March 17, 1997

**HEADS OF DEPARTMENTS, AGENCIES, AND OTHERS CONCERNED**

**SUBJECT: TRANSFER OF CLAIMS SETTLEMENT AND RELATED ADVANCE  
DECISIONS, WAIVERS, AND OTHER FUNCTIONS**

The 104th Congress enacted two laws that resulted in the transfer of the above functions from the Comptroller General of the United States and the General Accounting Office to several Executive branch agencies. The two laws are the Legislative Branch Appropriations Act, 1996, Public Law 104-53, 109 Stat. 514, November 19, 1995, and the General Accounting Office Act of 1996, Public Law 104-316, 110 Stat. 3826, October 19, 1996.

**THE LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1996**

Section 211 of the Legislative Branch Appropriations Act, 1996, Public Law 104-53, 109 Stat. 514, 535, November 19, 1995, effective June 30, 1996, transferred the claims settlement and certain related functions previously assigned by law to the Comptroller General of the United States and the General Accounting Office (GAO) to the Director of the Office of Management and Budget (OMB), who was authorized to delegate any such function, in whole or in part, to any other agency or agencies.

These functions include the general authority under 31 U.S.C. § 3702 to settle claims of and against the United States; the certifying of payments from the permanent and indefinite appropriation provided by 31 U.S.C. § 1304 (the so-called judgment fund); and the review, at the request of a transportation carrier, of the General Services Administration's audit action on the carrier's bill under 31 U.S.C. § 3726.

Accordingly, as of June 30, 1996, the General Accounting Office no longer performs these claims settlement and related functions, and any claims or inquiries concerning a transferred function should be directed to the agency to which the Director of OMB has delegated the function, as shown below. Any such claims on hand in our Office and unsettled as of June 30, 1996, and any such claims and

appeals of previous settlements of such claims, received by our Office on or after June 30, 1996, are being forwarded to the appropriate agency.

In the "Determination with Respect to Transfer of Functions Pursuant to Public Law 104-53," dated June 28, 1996, the Acting Director of OMB delegated certain transferred functions to other agencies. The delegations include the following:

Federal employees' claims for compensation and leave, and settlement of deceased employees' accounts—assigned to Office of Personnel Management, Office of General Counsel, Claims Adjudication Unit.

Federal employees' claims for travel, transportation, and relocation expenses and allowances—assigned to General Services Administration, Board of Contract Appeals (GSBCA).

Claims for military personnel pay, allowances, travel, transportation, retired pay, and survivor benefits, and final settlement of the accounts of such personnel—assigned to Department of Defense, Office of General Counsel, Defense Office of Hearings and Appeals (DOHA).

Judgment fund payments (amounts payable from the permanent and indefinite appropriation authorized by 31 U.S.C. § 1304) and setoffs against such payments (31 U.S.C. § 3728)—assigned to Department of the Treasury, Financial Management Service, Judgment Fund Group.

Transportation carriers' requests for review of audit actions taken by the General Services Administration on their bills for services provided the government—assigned to General Services Administration, GSBCA.

Transportation carriers' disputes of amounts collected from them for loss and damage incurred in government shipments—assigned to Department of Defense, DOHA.

For a detailed listing of transferred functions, see ATTACHMENT A.

#### THE GENERAL ACCOUNTING OFFICE ACT OF 1996

Effective on the date of enactment, section 204 of the General Accounting Office Act of 1996 (GAO Act of 1996), Public Law 104-316, 110 Stat. 3826, 3845-46, October 19, 1996, amended the Comptroller General's authority under 31 U.S.C. § 3529 to issue advance decisions with respect to the functions transferred to OMB by section 211 of Public Law 104-53, *supra*. Section 204 transferred the authority to issue advance decisions with respect to the claims settlement functions transferred

by section 211 to the Director of OMB or to the head of the agency to which the function was delegated.

The Comptroller General, however, retains the authority under 31 U.S.C. § 3529 to issue decisions to disbursing or certifying officers and heads of agencies on matters involving the use of appropriated funds that do not specifically involve settling a claim or the other functions transferred to OMB. In addition, the Comptroller General retains the authority under 31 U.S.C. §§ 3527, 3528, to grant relief to disbursing and certifying officers.

Also, the GAO Act of 1996, in sections 103(d), 105(b), and 116, 110 Stat. 3828-29, 3830, and 3835, effective December 18, 1996, provided for the transfer of the Comptroller General's authority to prescribe standards for and to waive collection of government claims against federal employees and members of the uniformed services and the National Guard arising out of erroneous payments of pay and allowances, and travel, transportation, and relocation benefits. Congress transferred the waiver authority to the head of an agency with respect to an employee in the legislative branch and the Director of OMB with respect to any other employee or member of a uniformed service or the National Guard. The Director of OMB was authorized to delegate this authority to any other agency before the effective date.

In the "Determination with Respect to Transfer of Functions Pursuant to Public Law 104-316," dated December 17, 1996, the Director of OMB delegated the transferred functions as follows:

The authority to waive collection of erroneous payments from civilian employees under 5 U.S.C. § 5584 is delegated to the Executive Branch agency that made the erroneous payment (within DOD, the authority to waive collection has been delegated to the Defense Office of Hearings and Appeals (DOHA)). Upon request, DOHA has agreed to provide advice to other agencies on requests for waiver.

The authority to waive collection of erroneous payments from uniformed members, including the National Guard, under 10 U.S.C. § 2774 and 32 U.S.C. § 716 is delegated to the Department of Defense and assigned to DOHA.

The claims settlement authority not otherwise transferred to DOD, GSA, or OPM by section 202(n) of the GAO Act of 1996 is delegated to the Executive Branch agency out of whose activity the claim arose.

The authority to render advance decisions concerning a function under section 211(a) of the Legislative Branch Appropriations Act, 1996, that was previously delegated by

OMB has been transferred by virtue of section 204 of the GAO Act of 1996 to the agency to which such function was delegated. Finally, the advance decision authority concerning claims not otherwise transferred by section 202 is also delegated to the Executive Branch agency out of whose activity the claim arose.

ATTACHMENT B contains the names, addresses, and telephone numbers of the agencies and offices to which functions have been transferred under the two statutes.

Inquiries may be directed to Associate General Counsel Gary L. Kepplinger or Assistant General Counsel David F. Engstrom at the U.S. General Accounting Office, Washington, DC 20548, (202) 512-5624.

/s/James F. Hinchman  
for Acting Comptroller General  
of the United States

ATTACHMENT A: Detailed Listing of Transferred Functions

ATTACHMENT B: Addresses and Telephone Numbers of Transferee Agencies

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### Digest

A letter to heads of departments, agencies, and others concerned informing them of the transfer of functions from the Comptroller General and the General Accounting Office (GAO) to the Executive Branch pursuant to Public Laws 104-53, November 19, 1995, and 104-316, October 19, 1996. The two laws transferred GAO's authority over claims settlements and related advance decisions, waivers, and other functions (including judgment fund payments and transportation carriers appeals) to the Director of the Office of Management and Budget who in turn delegated specified functions to the Departments of Defense and Treasury, the General Services Administration, and the Office of Personnel Management. Attached to the letter are a detailed listing of the functions transferred and a listing of the addresses and telephone numbers of the principal transferee agencies.

## **Delegated Functions and Statutory Authorities**

### **Department of the Treasury**

- Claims for amounts payable from the permanent and indefinite appropriation authorized at 31 U.S.C. § 1304 (the judgment fund) pursuant to judgments rendered against the United States and as otherwise provided for by law, and related matters. 28 U.S.C. §§ 2414, 2517; 31 U.S.C. §§1304, 3728; 10 U.S.C. §§ 2733, 2734; and 32 U.S.C. § 715. In extraordinary cases, typically involving claims for unusually large amounts or claims that will have significant precedential effect, OMB may request that the Treasury Department consult with OMB as part of the Department's review of the claim(s) under the above authorities. Remission of claims for liquidated damages assessed against government contractors. 41 U.S.C. § 256a; and 10 U.S.C. § 2312. Certain international claims. 22 U.S.C. § 1626.

### **Department of Defense**

- Claims related to uniformed services members' (does not include civilian employees of the service) pay, allowances, travel, transportation, retired pay, and survivor benefits; and claims by transportation carriers for amounts collected from them for loss or damage incurred to property incident to shipment at government expense. 31 U.S.C. § 3702.
- Claims for proceeds of sale of unclaimed property coming into the custody or control of the Army, Navy, Air Force, or Coast Guard. 10 U.S.C. § 2575.
- Final settlement of accounts of members of the Armed Forces, including the National Guard. 10 U.S.C. § 2771; and 32 U.S.C. § 714.
- Reports on disposition of the effects of deceased members of the Army and Air Force for settlement under 10 U.S.C. § 2771, 10 U.S.C. §§ 4712 and 9712.
- Claims for the proceeds of the sale of motor vehicles and items of household goods and personal property of members of the Uniformed Services (Army, Navy, Air Force, Marine Corps, Coast Guard, National Oceanographic and Atmospheric Administration commissioned officers,

and the Commissioned Corps of the Public Health Service) reported dead, injured, ill, or absent for a period of more than 29 days in a missing status. 37 U.S.C. § 554.

- Claims for the proceeds from the disposition of effects of deceased residents of the Armed Forces Retirement Home. 24 U.S.C. § 420.

Attachment A

## **Delegated Functions and Statutory Authorities**

### **General Services Administration**

- Claims for expenses incurred by federal civilian employees for official travel and transportation, and relocation expenses incident to transfers. 31 U.S.C. § 3702.
- Requests by carriers for review of General Services Administration's actions taken pursuant to audits of carriers' bills. 31 U.S.C. § 3726.
- Claims for the proceeds of the sale of motor vehicles and items of household goods and personal effects of federal civilian employees reported dead, injured, ill or absent for a period of more than 29 days in a missing status. 5 U.S.C. § 5564.

### **Office of Personnel Management**

- Claims involving federal civilian employees' compensation and leave, and settlement of deceased employees' accounts. 31 U.S.C. § 3702; 5 U.S.C. § 5583.
- Claims for proceeds of canceled checks for veterans' benefits payable to deceased beneficiaries. 38 U.S.C. § 5122.

### **Department of State**

- Claims for money or personal property of certain United States citizens who die outside the United States. 22 U.S.C. § 4195.

**Attachment B**

Addresses and Telephone Numbers of Transferee Agencies

General Services Administration  
Board of Contract Appeals  
ATTN: Clerk of the Board (Room 7022)  
18th & F Streets, N.W.  
Washington, D.C. 20405  
Tel: (202) 501-0116

Department of Defense  
Defense Office of Hearings and Appeals  
Claims Division  
Post Office Box 3656  
Arlington, VA 22203  
Tel: (703) 696-8524

Office of Personnel Management  
Office of the General Counsel  
Claims Adjudication Unit  
1900 E Street, N.W.  
Washington, D.C. 20415  
6D37  
Tel: (202) 606-1700

Department of the Treasury  
Judgment Fund Group  
Financial Management Service  
Prince George's Metro Center 2  
3700 East West Highway, Mailstop  
Hyattsville, MD 20782  
Tel: (202) 874-6664