

DEPARTMENTAL REGULATION		Number: 2200-004
SUBJECT: Fiscal Liability for Improper Acts	DATE: March 17, 1986	
	OPI: Office of Finance and Management	

1 PURPOSE

This regulation sets policy and procedures for handling investigation, internal audit, and other reports involving a determination of fiscal liability resulting from improper acts of employees, or persons performing personal services for the Department under contract.

2 RELATED INSTRUCTIONS

DR 2270-1, Irregularities Affecting the Accounts of Accountable Officers.

3 POLICY

Individuals may be held financially liable for their improper acts which result in monetary or other personal gain to which they are not entitled.

4 TYPES OF IMPROPER ACTS FOR WHICH FISCAL LIABILITY MAY BE ESTABLISHED

The more common types of acts for which fiscal liability may be established are:

- a Theft, misuse, or loss of funds, or failure to transmit public money promptly.
- b Making improper claims for services and travel.
- c Making or authorizing improper expenditures.
- d Using or authorizing the use of Government-owned or leased equipment, facilities, supplies, and services for other than official purposes.
- e Engaging in personal business transactions or private arrangements for profit which accrue from or are based on the official position or authority.

5 DETERMINATION OF FISCAL LIABILITY

- a Agencies must determine whether disclosures in investigation, audit and other reports indicate fiscal liability to the Government, and the amount of the liability. Determinations must be made promptly.
- b When doubt exists as to the sufficiency of evidence or legality of the proposed determination, guidance should be requested from the Office of the General Counsel.
- c Fiscal liability determinations must be approved by the agency head or designee.
- d Fiscal liability for lost, stolen, destroyed or damaged personal property should be determined and handled in accordance with AGPMR 104-50.106-108.

6 COLLECTION

- a Once fiscal liability to the Government has been established, agencies must take decisive action to effect collection from those responsible. The fiscal aspects of each case should be considered separately from any punitive action.
- b Whenever feasible, agencies must use administrative offset to collect debts due the United States. Administrative offset should be used in accordance with 4 CFR 102.3 and 7 CFR Part 3, Debt Management, Subpart B, Section 3.23, Collection by Administrative Offset.
- c Charges assessed for the use or authorizing the use of Government-owned or leased motor vehicles for other than official purposes should include all direct and indirect expenses. Mileage rates used for the computation of charges should be consistent with costs developed for the Agency Report of Motor Vehicle Data (SF-82 revised).
- d Interest must be charged in accordance with 31 U.S.C. 3717, 4 CFR Part 102.13, and Treasury's Cash Management Regulations (I TFM 6-8000).

7 REPORTING CRIMINAL AND CIVIL VIOLATIONS

- a Allegations against an individual that might involve a violation of criminal statutes must be referred to the Office of the Inspector General by memorandum describing the improper acts and specifying the fiscal liability of each individual involved, the action taken or contemplated by the agency to prevent similar improper acts, and status of collection action. The memorandum should be supported by a copy of the investigation report.
- b Copies of all investigations or other reports indicating possible violation of civil statutes will be forwarded to the Office of General Counsel.

8 CORRECTIVE ACTION

Agency heads must insure that measures are taken to correct internal control procedural or other deficiencies that may have contributed to improper acts.

9 INQUIRIES

Inquiries should be directed to the Office of Finance and Management, 382-1200.