Lesson Introduction

Certifying Officers have specific rights. In this lesson, we'll take a detailed look at the specific rights of Certifying Officers.

We'll also look at the process for requesting relief of pecuniary liability and the factors that bear on such a request.
Lesson Objectives

Terminal Learning Objective: Determine the rights of the Certifying Officer to minimize their pecuniary liability. At the end of this lesson you will be able to:

- Identify the rights of the Certifying Officer.
- Recognize how a Certifying Officer can be relieved of pecuniary liability, including partial recovery of a loss.
- List outcomes if request for release of pecuniary liability is denied.
- Identify factors that are not relevant to granting relief of pecuniary liability.
Lesson Objective 1

The concept of the Certifying Officer being held financially liable is weighty stuff! As a Certifying Officer, what rights do I have to protect me?

Well Chris, there are rights that Certifying Officers can exercise in order to maintain the integrity of the certification process and minimize their pecuniary liability.

Let's do a quick Warm Up Activity to see how much you may already know about rights of a Certifying Officer.
Warm Up Activity

The Certifying Officer has the right to not certify a payment voucher if he or she questions the propriety or correctness of the voucher. True or false?

- True
- False

This statement is true
Fraud Types

In the Purchase Card program there are two distinct fraud types that may lead to an erroneous payment. They are:

1. Third-Party (merchant or external party with a compromised account).
2. Government (cardholder, billing official, or other).

Next we’ll look at how the Certifying Officer can combat these types of fraud.
Rights

There are three rights that Certifying Officers can exercise in order to maintain the integrity of the certification process and minimize their pecuniary liability. These are:

1. Option to Not Certify a Payment
2. Option to Seek an Advance Decision
3. Option to Seek Additional Backup Materials

Any of these rights can result in postponing the certification of a payment.

Let's look at the details of each of these three rights.
Option to Not Certify a Payment

The Certifying Officer has the option not to certify a payment voucher if the propriety or correctness of the voucher is questionable.

During the voucher review process, the Certifying Officer has the right not to certify payment if, in his or her judgment, the payment voucher certification package (Bank Invoice/Cardholder Certified Transactions) does not properly support a valid and legal payment.

Certifying Officers are required to follow the terms of the GSA contract for the card issuing bank. The contract may require certifying and then disputing the transaction (see US Code, Title 10, Section 2784(b)(3)). It is important to have all documentation that supports a position prior to certification. Disputing a transaction does not relieve the Certifying Officer of pecuniary liability. In the case of government or internal fraud, the Certifying Officer must contact the appropriate command representatives and/or criminal investigative activity department as soon as possible.

If the Cardholder processed an unauthorized purchase, the purchase cannot be disputed with the bank. The Cardholder will be required to reimburse the Government for the unauthorized purchase.
Option to Seek an Advance Decision

Before certifying a questionable payment voucher, the Certifying Officer, by statute and regulation (31 U.S.C. 3529 and 32 CFR Part 282, Appendix F), has the right to seek an advance decision.

All advance decision requests must go through General Counsel of the Component concerned. What this means for a DFAS certifier is that an advance decision request must go through the chain of command to the DFAS Office of General Counsel.
Option to Seek Additional Backup

The Certifying Officer has the right to seek additional back-up materials to substantiate an otherwise questionable payment.
Knowledge Review 1

The Certifying Officer does not have the right to deny certification of a payment voucher if proper documentation accompanies the request for payment. True or false?

- False

This statement is false
Lesson Objective 2

So pecuniary liability is defined as the personal financial liability of Certifying Officers for erroneous payments. What's next?

Next we'll describe how a Certifying Officer can be relieved of pecuniary liability, including partial recovery of a loss.
Seeking Relief From Pecuniary Liability

Following the identification of an erroneous payment, diligent collection action will be taken. If collection action is unsuccessful, the Certifying Officer will remain pecuniarily liable for the uncollected balance, and may request relief of liability.

There are four possible outcomes to this request:

- Partial recovery/pecuniary liability relief granted.
- Partial recovery/pecuniary liability relief denied.
- No recovery/pecuniary liability relief granted.
- No recovery/pecuniary liability relief denied.
Successful Recovery of Payment

A successful recovery of payment relieves the Certifying Officer of pecuniary liability. The Certifying Officer may request relief of liability for any unrecovered amount for which he or she is liable by submitting a statement explaining how the evidence shows a lack of negligence on his or her part.

The request is routed through the appropriate chain of command to DFAS Headquarters for consideration. Requests for relief may be delayed pending the outcome of collection efforts against the recipient. In all cases, the maximum delay is for one year following the attachment of liability against the Certifying Officer.

If no recovery is made, the same statement explaining that evidence shows a lack of negligence on the part of the Certifying Officer may be submitted. If relief is not requested, personal funds equal to the amount of the loss must be remitted.
Granting Relief

Relief may be granted if the evidence shows that the erroneous payment was not the result of a Certifying Officer's negligence. Evidence that the Certifying Officer followed official Department of Defense regulations, policies, and procedures including local standard operating procedures may support a finding that there was no negligence.

Following orders is not evidence of the absence of negligence or bad faith. No relief will be granted if the payment was not for a legal obligation or the payment violated a statute or law prohibiting payment.

If a request for relief is granted, an individual is not pecuniarily liable.
Knowledge Review 2

The Certifying Officer will remain pecuniarily liable for an uncollected balance but may request:

- Forgiveness because they were busy.
- Forgiveness because the commander wanted it.
- Relief of liability because they were sick.
- Relief of liability (accompanied with documentation showing no negligence).

The Certifying Officer may request Relief of liability accompanied with documentation showing not negligence.
Lesson Objective 3

So my rights include:

The option to Not Certify a Payment, the option to Seek an Advance Decision, and the option to Seek Additional Backup Materials.

Correct.

Now we'll describe outcomes if a request for release of pecuniary liability is denied.

If a request for relief is denied, the individual must remit personal funds equal to the amount of the liability less any amounts collected. Alternatively, payment arrangements for settlement of the liability may be made between the individual and DFAS.
If a request for relief is denied, what happens?

- The Certifying Officer must remit personal funds.
- The Certifying Officer may appeal the decision to their supervisor.
- The Certifying Officer may ask to have the judgment deferred.
- The Certifying Officer may request a judicial hearing, because they were following orders.

The Certifying Officer must remit personal funds if a request for relief is denied.
Lesson Objective 4

Good information, Hector. Anything else I should know about Certifying Officer rights?

We'll wrap up the lesson by identifying factors that are not relevant to granting relief of pecuniary liability.
Factors That May Not Be Used as a Basis for Relief

Factors that May Not Be Used as a Basis for Relief of Pecuniary Liability:

- Heavy Workload
- Shortage of Personnel
- Good Work Record
- Length of Service
- Lack of Supervision, Training, or Experience
- Extra Duties
- Financial Hardship
- Following Orders
Knowledge Review 4

Which of these factors may be used as a basis for relief of pecuniary liability?

- [ ] Heavy workload
- [x] No negligence
- [ ] Lack of supervision
- [ ] Following orders

No negligence may be used as a basis for relief.
Lesson Summary

In this lesson, we discussed the Certifying Officer's rights. Certifying Officers have the right to request additional back-up information or they can refuse to certify a voucher if they have questions or doubts. They also have a right to request an advance decision.

This lesson also discussed relief of liability, including partial recovery of a loss and the role of negligence as it relates to relief of liability.

Several factors are not relevant to granting relief, including workload, lack of training or experience, and personal financial situation.
Module Completion

You have completed the content for this lesson.

At this point you should have completed all of the lessons in this module.

Please take the Module Exam and complete the Module Survey so you may receive credit for this course.

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