



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE CHIEF FINANCIAL OFFICER

THE CHIEF FINANCIAL OFFICER

MEMORANDUM

TO: Kathleen Tighe, Inspector General
Office of the Inspector General

FROM: Thomas P. Skelly *Thomas P. Skelly*
Delegated to Perform Function and Duties of the Chief Financial Officer

SUBJECT: Report on High-Dollar Overpayments for the Quarter Ended June 30, 2013

The purpose of this memorandum is to comply with the high-dollar overpayment reporting requirements addressed in the Office of Management and Budget (OMB) implementation guidance M-10-13, dated March 22, 2010, relative to Executive Order 13520. The OMB implementation guidance requires agency heads to submit quarterly reports on high-dollar overpayments to the Office of Inspector General, and the Council of Inspectors General on Integrity and Efficiency.

During the reporting period covering April 1, 2013 through June 30, 2013, the U.S. Department of Education (Department) identified improper payments totaling \$5,350.50. See attachment for additional details.

The Department is committed to ensuring the integrity of its programs and is focused on identifying and managing the risk of improper payments and mitigating the risk with adequate control activities. The Department will continue to work closely with the Office of the Inspector General and OMB to explore additional opportunities for identifying and reducing potential improper payments.

If you have any questions, please contact Craig Stanton at (202) 245-8102.

Attachment

Cc: w/attachment
Ms. Phyllis Fong, Chair
Council of Inspectors General
on Integrity and Efficacy

Mr. Danny Werfel, Controller
Office of Federal Financial Management
Office of Management and Budget

U.S. Department of Education
 High-Dollar Overpayments
 April 1, 2013 to June 30, 2013

Date	Amount	Payment Type (Individual/ Entity)	Location			Cognizant Program	Recovery Action(s) Taken / Planned	Future Preventive Action(s)
			City	County	State			
5/3/2013	\$5,350.00	Individual	Atoka	Atoka	OK	Direct Loan	This overpayment was the result of duplication of transactions between two loan servicers. A previous servicer submitted duplicate payment transactions for a borrower. This submission of a duplicate payment caused the current servicer to generate a refund of \$5,350.00 to the borrower's account. The refund was an error and was discovered on 5/3/2013. The borrower was notified of the overpayment and the refund was cancelled via stop payment order. The refund amount was recovered on 5/30/2013.	The servicer will perform quality checks while processing refund transactions to ensure that a refund is not created in error.