

**Lesson Introduction**

This lesson describes the pecuniary liability as defined by the Certifying Officer Legislation (COL).

### Lesson Objectives

Terminal Learning Objective: Recognize the concept of pecuniary liability as defined by the Certifying Officer Legislation (COL). At the end of this lesson you will be able to:

- Define pecuniary liability.
- Indicate how the Certifying Officer is held pecuniary liable for erroneous payments.

Lesson Objective 1



What exactly does it mean that a Certifying Officer is pecuniarily liable?

Well Chris, improper payment by a Certifying Officer's certification of a payment voucher results in a presumption of negligence in the performance of duties. Pecuniary liability is the personal financial liability of Certifying Officers for erroneous payments.

This Warm Up Activity will give you an idea of how much you may already know about the concept of pecuniary liability.



**Warm Up Activity**

Drag the two correct answers to the Answer Box on the right.

Pecuniary liability helps to protect the U.S. Government against Certifying Officer:

Corruption

Theft

Burglary

Laundering

Embezzlement

Error  
Dishonesty

Check Answer

The correct answers are provided.

## Unauthorized Payments

Whenever an erroneous, illegal, or improper payment results from a Certifying Officer's certification of a payment voucher, the Certifying Officer is presumed to be negligent in the performance of her or his duties. To rebut the presumption of negligence, a Certifying Officer must present sufficient evidence that he or she was not negligent or his or her actions did not contribute to the erroneous payment.

Investigators must determine whether or not an erroneous payment occurred and if evidence shows the absence of fault or negligence on the part of the Certifying Officer, debt collection procedures must be performed. See [DoD FMR, Volume 5, Chapter 6](#) for additional guidance."



### Knowledge Review 1

When investigators attempt to determine whether or not an erroneous payment occurred, they look for evidence of:

- Errors or negligence
- Errors and laundering
- Errors and burglary
- Corruption

Check Answer

**Investigators look for errors or negligence**



## Lesson Objective 2



So pecuniary liability is defined as the personal financial liability of Certifying Officers for erroneous payments.

Yes, that's correct Chris. Next we'll look at describing how the Certifying Officer is held accountable for erroneous payments.



## Personal Financial Liability

Pecuniary liability is the personal financial liability of Certifying Officers for erroneous (i.e., illegal, improper, or incorrect) payments. This liability acts as an incentive to guard against errors and theft by others. It ultimately helps protect the U.S. Government against Certifying Officer error and dishonesty.

Certifying Officers are automatically pecuniarily liable when there is an erroneous payment.

Generally, the amount of pecuniary liability is determined during the investigation of the erroneous payment and is equal to the erroneous payment less any amounts recovered from the payee (bank).



## Knowledge Review 2

Certifying Officers are automatically pecunarily liable when there is erroneous payment. True or false?

True

False

Check Answer

**This statement is true**



### Lesson Summary

Pecuniary liability is the personal financial liability that automatically attaches to the Certifying Officer whenever an erroneous payment occurs.

To gain relief of liability, Certifying Officers must prove that they were neither negligent nor the proximate cause of the irregularity.



**Lesson Completion**

You have completed the content for this lesson.

To continue, select another lesson from the Table of Contents on the left.

If you have closed or hidden the Table of Contents, click the Show TOC button at the top in the Atlas navigation bar.