

COUNTY OF SAN DIEGO, CALIFORNIA
BOARD OF SUPERVISORS POLICY

Subject

Recovery of Payments Made in Error

**Policy
Number**

Page

B-3

1 of 2

Purpose

To provide a policy for the recovery of monies paid in error by the County.

Background

Occasionally the County may make a payment in error. This can include payment to the wrong individual or entity, payment for goods not received or services not completely performed, or an incorrect calculation of the amount to be paid. Such erroneous payments may result from inaccurate or incomplete information furnished by the department initiating payment action, systems problems, or human error at any point in the payment process. This policy provides a process for cancellation or recovery of a payment made in error.

Policy

It is the policy of the Board of Supervisors that:

-Upon discovery that a County payment has been made in error, the county department originating the payment will take immediate action to remedy the situation. Action should include positive steps to locate the warrant and advise its holder that the payment has been made in error.

-The department involved will immediately provide a written report to the Auditor and Controller describing the circumstances and steps taken for solution.

If the warrant has not been paid by the bank:

-The department involved will immediately contact the Auditor & Controller Accounts Payable Division to request a "Notice to Stop Payment" form and submit a stop payment order to the Accounts Payable Division.

If the warrant has been paid by the bank:

-The department involved will prepare documentation, including proof of communication to the payee receiving the incorrect payment, and forward the packet to the Auditor and Controller, Office of Revenue and Recovery for follow-up and possible collections activity.

Sunset Date

This policy will be reviewed for continuance by 12-31-18

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Number**

Page

B-3

2 of 2

Board Action

6-6-56 (54 and 55)

9-4-56 (35)

8-24-56

6-23-69 (98)

11-6-84 (5)

1-31-89 (28)

11-7-95 (34)

5-16-06 (16)

12-09-08 (33)

11-08-11 (24)

CAO Reference

1. Chief Financial Officer/Auditor and Controller