

COUNTY OF SAN DIEGO, CALIFORNIA
BOARD OF SUPERVISORS POLICY

Subject

Recovery of Payments Made in Error

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Purpose

To provide a policy for the recovery of money 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.

If the warrant has not been paid by the bank and was issued by:

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

-A County department authorized to process warrants – The department involved will immediately contact their bank (via online portal or other bank authorized method) to request a stop payment.

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 collection activity.

Sunset Date

This policy will be reviewed for continuance by 12-31-25

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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)

10-30-18 (23)

CAO Reference

1. Deputy Chief Administrative Officer/Auditor and Controller