



United States
General Accounting Office
Washington, D.C. 20548

Office of the General Counsel

B-229753

December 30, 1987

Mr. Roger B. Feldman
Comptroller
United States Department of State
Washington, D.C. 20520

Dear Mr. Feldman:

This is in response to your letter of December 3, 1987, requesting that the General Accounting Office grant relief in the amount of \$94,919.86 for Class B Cashier , and \$3,554.69 for Class B Cashier , who were employed, respectively, at the American Embassy in Tehran and the American Consulate in Tabriz in 1979. For the reasons stated, we grant the requested relief.

On November 4, 1979, due to hostile actions taken against representatives of the American Government by Iranians after the fall of the Shah, the American Embassy in Tehran was placed in imminent danger. At that time the Foreign Service National staff was instructed to secure all funds and lock all safes. Subsequently, all personnel vacated the Budget and Fiscal section and proceeded to another section of the Embassy.

Section 3527 of Title 31, United States Code (1982) authorizes this office to grant relief for physical loss of funds when we agree with a determination by the agency that the loss occurred while the accountable officer was acting in the discharge of his or her duties and that the loss occurred without fault or negligence on the officer's part.

A November 4, 1979 memorandum signed by Bruce W. German, Budget and Fiscal Officer at the Embassy in Tehran states that the cashiers, Messrs. Pezeshkian and Josephbegian and other Foreign Service National staff were instructed to secure all funds and lock the safes and did so. The funds were lost in the attack which followed the carrying out of those orders. No fault or negligence on the part of either cashier was evident.

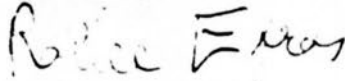
The State Department Foreign Affairs Manual makes the Budget and Fiscal Officer responsible for determining what is to be done with funds on Embassy premises when emergency evacuation becomes necessary:

" He [the BFO] also issues necessary instructions to all budget and fiscal personnel regarding the use of official funds held for emergency evacuation purposes." Section 832.2 Protection of Funds and Accounting Records.

Having complied with those instructions , there is no basis on which to hold the cashiers liable here in the absence of fault or negligence. Importantly, we have already recognized that hostilities at the Embassy earlier in 1979 were serious enough to relieve the Imprest Fund Cashier and Deputy Director of the United States Trade Center in Tehran of liability for the loss of \$5,000 from the United States Embassy in Tehran. See B-194666, August 6, 1979.

Therefore, in view of the foregoing, relief is granted and the loss may be charged to the proper appropriation in accordance with 31 U.S.C. § 3527 (1982).

Sincerely,



(Mrs.) Rollee Efros
Associate General Counsel