SOPP # 128	Prepared By: Department of Finance – Treasury Division
Effective Date: 08/10/2026	**Approved By: Commissioner of Finance**
Title	**Refund Policy**
Purpose	The purpose of this Standard Operating Policies and Procedures (SOPP) is to establish standardized procedures, internal controls, documentation requirements, approval protocols, and accountability measures governing the processing of refunds by the Government of the Virgin Islands (GVI). This SOPP is intended to ensure refunds are processed accurately, timely, consistently, and in accordance with applicable laws, financial management standards, audit requirements, and governmental best practices.
Policy	No Department or Agency is authorized to independently issue refunds under any circumstances. The issuance of refunds by Departments and Agencies is **strictly prohibited**. All refunds will be processed exclusively by the Department of Finance in accordance with established policies, procedures, and internal controls. **Exception:** For credit card transactions, Departments and Agencies may process a **same-business-day void** when the transaction is entered in error or requires immediate cancellation. Such transactions must be processed as a **void** through the merchant processing system and **will not be processed as a refund**. Once the business day has closed or the transaction has settled, any reimbursement to the customer must be processed through the Department of Finance's established refund process. The Government of the Virgin Islands will process refunds only upon receipt of a properly authorized written request from the respective Department or Agency. All refund requests must include complete supporting documentation substantiating the request and demonstrating that the refund is valid, properly authorized, and supported by available funding. Refunds will only be processed for legitimate overpayments, duplicate payments, erroneous payments, canceled transactions, or other authorized purposes approved by the Department of Finance.

	Refunds will generally be processed within **seven (7) to ten (10) business days** following receipt of a complete and properly approved refund package. The Department of Finance reserves the right to reject any refund request that is incomplete, unsupported, duplicative, unauthorized, noncompliant with established policies, or otherwise determined to be ineligible for processing.
Responsibilities	**Department/Agency Responsibilities** **Departments and Agencies requesting refunds must adhere to the following:** • Submit a formal written refund request addressed to the Commissioner of Finance • Ensure requests are signed and approved by the Fiscal Officer and/or authorized approving authority • Provide complete supporting documentation • Verify the validity and accuracy of the refund request prior to submission • Ensure sufficient budget availability where applicable • Maintain departmental records related to the refund request
	Treasury Division Responsibilities **The Treasury Division will:** • Review refund requests for completeness and compliance • Verify supporting documentation and funding availability • Ensure requests comply with applicable policies and procedures • Coordinate refund processing with the Office of Management & Budget and the Accounting Division • Maintain proper records and audit trails for all refunds processed
	Accounting Division Responsibilities **The Accounting Division will:** • Review and approve Accounts Payable Invoice (API) entries • Ensure proper accounting treatment and coding • Process approved refund transactions in the ERP system • Maintain financial records related to refunds issued

	Disbursement Office Responsibilities **The Disbursement Office will:** • Notify the responsible Department or Agency that the check(s) are available for pickup upon completion of check processing. •Verify the identity of everyone authorized to pick up the check(s) and obtain their signature acknowledging receipt prior to releasing the check(s).
Procedures	**All refund requests must include the following:** • Payee name • Mailing address • Amount of refund requested • Detailed explanation and purpose of refund • Original receipt and/or proof of payment • Supporting documentation substantiating the refund request • Appropriate approvals and signatures **Refund requests must be submitted to the Commissioner of Finance with a copy provided to the Treasury Division.** **Upon receipt, the Treasury Division will review the request for:** • Completeness • Accuracy • Proper supporting documentation • Budget availability • Compliance with applicable policies and procedures **After review and approval, the refund request will be forwarded to the Commissioner's Office for Invoice Entry into the ERP and further review and approval through the Accounting Division.** • Refunds will be issued via check unless otherwise authorized by the Department of Finance.

	Caveat – Property Tax Refunds (Office of the Lieutenant Governor) **All property tax refunds will continue to be administered and processed by the Office of the Lieutenant Governor (LGO).** The following additional requirements will apply: • The Office of the Lieutenant Governor must submit all approved property tax refund requests, together with all required supporting documentation, to the Department of Finance Accounting Division through the Commissioner's Office. • Where applicable, the request shall include budget placement authorization or other funding authorization necessary to facilitate payment. • The Department of Finance Accounting Division and Treasury Division will review the request to verify funding availability, accounting treatment, and compliance with applicable laws, regulations, and Department of Finance policies prior to the issuance of the refund. • This caveat is intended to establish the Department of Finance's review and payment responsibilities and shall not be construed as transferring the administration or processing of property tax refunds from the Office of the Lieutenant Governor.
Internal Controls	To strengthen accountability and safeguard public funds, the following internal controls will apply: • All refund requests must be supported by written documentation • Segregation of duties shall be maintained between request initiation, approval, processing, and disbursement functions • Refunds will not be processed based solely on verbal requests or stand-alone email instructions absent supporting documentation • Incomplete refund packages will be returned to the requesting Department/Agency • Refund requests are subject to audit and review by the Department of Finance and oversight entities • Duplicate refunds are strictly prohibited • Departments/Agencies must maintain supporting documentation in accordance with records retention requirements

Reporting	The Department of Finance may require periodic reporting of refunds processed, including: • Refund amounts • Departments/Agencies requesting refunds • Refund categories • Outstanding or rejected refund requests • Refund processing timelines Such reporting may be utilized for financial reporting, audit purposes, internal monitoring, and compliance oversight.
Compliance & Accountability	Failure to comply with this SOPP may result in delayed processing, rejection of refund requests, audit findings, corrective action, or other administrative measures deemed appropriate by the Department of Finance. Departments and Agencies are responsible for ensuring compliance with all refund processing requirements, internal controls, supporting documentation standards, and applicable governmental policies and procedures.

Revision#	Date	Description of changes	Requested By
0	08/05//26	Initial Release	BC, MW, KM