

**SUMMARY OF MAJOR CHANGES TO  
DoD 7000.14-R, VOLUME 5, CHAPTER 7  
“U.S. TREASURY CHECKS”**

All changes are denoted in blue font

Substantive revisions are denoted by a ★ preceding the section, paragraph, table, or figure that includes the revision.

Hyperlinks are denoted by *underlined, bold italic, blue font*

PARA	EXPLANATION OF CHANGE/REVISION	PURPOSE
Multiple	Revises the address and office code for Disbursing/Debt Management Policy Division, Policy and Performance Management Directorate, to reflect the transfer of function from the Defense Finance and Accounting Service (DFAS) Kansas City to DFAS-Indianapolis.	Update

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## CHAPTER 7

U.S. TREASURY CHECKS0701 GENERAL

070101. Authorized Purposes. Disbursing Officers (DOs) shall issue U.S. Treasury checks only in accordance with applicable laws and regulations for the following purposes: military pay and allowances; civilian payrolls; public vouchers for purchases and services; travel claims; authorized advances to travelers and agents; deposits to the credit of the Department of the Treasury; and exchanges for cash.

070102. Negotiability. All U.S. Treasury checks are payable up to 1 year from the date of issue. This limited payability became effective October 1, 1989; checks issued prior to October 1, 1989, became void as of October 1, 1990. Checks presented for payment that are not negotiable due to the above criteria shall be verified for validity and replaced, if appropriate, as prescribed in [Chapter 8](#) of this volume.

070103. Check Types

A. Regular Issue Checks. Regular issue checks are standard checks with preprinted check symbol, serial numbers, and magnetic ink character recognition (MICR) encoding. Standard checks are the only instruments which DOs are authorized to draw on the account of the Department of the Treasury.

B. Test Grid Checks. Test grid checks provide the format of the check by grid lines for use in testing or aligning automated check-writing equipment. They are white with a nonreproducible blue test grid (eight vertical lines per inch and ten horizontal character positions per inch). Test grid checks are printed for government-wide use. Date and dollar boxes are to be ignored since these boxes are not preprinted on checks. Test grid checks are not for issuance.

C. Unnumbered Checks. Unnumbered checks are regular issue checks without preprinted check symbol, serial numbers, and MICR encoding. These checks are for use only by the Defense Finance and Accounting Service (DFAS) sites. Unnumbered checks are controlled by a preprinted Inventory Control Number (ICN). Special check-writing equipment is required to issue unnumbered checks.

D. Specimen Checks. Specimen checks are identical to unnumbered checks except that each specimen check is overprinted with the words "SPECIMEN CHECK - NONNEGOTIABLE" in the signature space. Specimen checks should be safeguarded the same as blank checks although they have "SPECIMEN - NONNEGOTIABLE" preprinted across them. A blank check marked "Void - Not Negotiable, No Check Issued Under this Number" should be used, if available, in the absence of a specimen check; otherwise, a piece of paper or card of check size then 7 3/8 inches in length and 3 1/4 inches in width may be used instead.

E. Check Serial Numbers. When all serial numbers of a symbol have been used, the Financial Management Service (FMS), Department of the Treasury, will assign a new checking account symbol for the next supply of checks, if necessary. Accordingly, as serial numbers of checks issued approach 99,999,999, the DO should notify the FMS, Check Analysis Branch, through the [Director, Disbursing/Debt Management Policy Division, Policy & Performance Management Directorate \(DFAS-NPD/IN\)](#), 8899 E. 56th Street, Column 329F, Indianapolis, IN 46249-0500, so that action can be taken to assign a new checking account symbol before the next supply of blank checks is ordered. When ordering the new check supply, the DO should allow additional time for the proof to be changed (in addition to the time normally required to print and deliver the checks).

F. Check Numbers. The initial order for serially numbered checks shall specify that the numbers begin with 00,001,000. Depending on the quantity of checks ordered, the serial numbers shall end in “999,” as appropriate. Subsequent orders shall specify serial numbers that follow exactly in sequence as those on preceding orders.

070104. Check Features

A. General. Disbursing activities are authorized to issue only multi-hued, standard size checks against the account of the Department of the Treasury. A standard size check measures 7 3/8 inches in length and 3 1/4 inches in width.

B. Preencoded Magnetic Ink Characters. Certain information is encoded in MICR format along the lower edge of regular issues. The MICR area extends across the width of the check from positions 14 to 54 and from the bottom edge of the check up 5/8 inch. The MICR line will consist of a 9-digit check serial number in positions 23 through 31, a 9-digit transit number in positions 34 through 42, a 5-digit check symbol number in positions 49 through 53, and the appropriate MICR symbols denoting preprinted symbol and serial numbers.

070105. Check Dating and Handling

A. Drawing the Check. All checks drawn on the Department of the Treasury shall be inscribed to the payee by name, or to a financial institution for credit to the account of the named payee, except when the check is drawn as an exchange-for-cash. The rules governing exchange-for-cash checks are in section 0705 of this chapter. Under no circumstances will a check be made payable to “cash.”

B. Dating and Mailing of Checks. DOs shall not issue checks in payment of salaries prior to the completion of the service for which the payment is being made or prior to the scheduled payday, unless authorized (e.g., advance pay). A Department of Defense (DoD) Component is authorized, however, to have a policy of mailing checks to payees prior to a military or civilian payday to ensure that the payment is available when due. If it is necessary to mail the check prior to payday, then the check shall not be dated prior to the date of the scheduled payday. In the event that this method of pay delivery is used, the agencies being serviced shall have internal controls that alert the DO when a payee becomes ineligible for

scheduled pay (due to, for example, unauthorized absence or separation) and ensure that pay intercept procedures can be initiated.

C. Legal Representatives

1. Legal Representative of Estate of Decedent. A check may be drawn payable to the order of a legal representative of the estate of a deceased person; e.g., “John K. Smith, Executor (Administrator, etc.) of the estate of James R. Jones.” Under no circumstance shall checks be made payable to “the estate of” a decedent or to a deceased person.

2. Committee or Guardian. A check may be drawn and made payable to the order of a legally appointed committee, guardian, or other legal representative of a mentally incompetent payee when specifically authorized as prescribed in Volumes 7A, B, or C and 8 of this Regulation.

3. Power of Attorney. The payee of a check may authorize another person to pick up the check by execution of a specific power of attorney that clearly states the holder is entitled to pick up U.S. Treasury checks on the payee’s behalf. The person picking up the check shall sign his or her own name on the voucher next to the words, “Attorney-in-Fact,” followed by the name of the person granting the power of attorney. A copy of the power of attorney shall be retained by the DO. The DO shall verify the identity of the holder. Payments made to the holder of a power of attorney that require “secret” or “confidential identity” shall be processed using a cover voucher inserted instead of the original. The original voucher with a copy of the power of attorney shall be transmitted to the supporting DFAS site for proper handling and storage.

070106. Signing Blank Checks. The signing of blank checks is prohibited.

070107. Security and Storage. Blank U.S. Treasury checks shall be stored in a secure container following the specifications in Chapter 3 of this volume. The checks shall be kept under lock and key or in the safe of the DO or deputy. The DO shall ensure that the conditions of storage prevent any deterioration of the surface tint and design of the check, which is sensitive to moisture, light, and heat. The DO shall accept checks which bear printing of a satisfactory color and strength and, if subsequent deterioration occurs, then a replacement supply shall be obtained. Check stock may be stored in safes or vaults to which both the DO and the primary deputy have access. Only one individual, however, should be given primary responsibility for maintaining the check stock and related control records. Access by others should be limited to those occasions when the principal custodian is absent. Check stock shall be maintained under the control of the DO. In cases of joint custody, the DO shall ensure that no break in accountability occurs. The DO or deputy shall be accountable for the check stock at all times. This provision is intended only to provide for access to the check stock during periods of brief or unexpected absence of the single individual (either the DO or a deputy) who exercises normal day-to-day responsibility for the check stock.

070108. Blank Check Control Log. Each DO shall maintain a blank check control log for each series of checks used. This log shall be used to maintain a perpetual inventory of checks on hand as well as controlling the release of checks. At a minimum, the blank check control log shall contain the following data elements: date; beginning check number; ending check number; balance of checks on hand; initials of the persons advancing or receiving checks; and initials of persons receiving or returning checks. (NOTE: Roll stock at central sites use Inventory Control Numbers (ICN) rather than check numbers.) The DO or designee shall examine the blank check control log daily to ensure that all checks drawn and checks returned unused are accounted for and that no checks have been removed without authority.

070109. Blank Check Issue and Audit. Blank checks shall be issued from the check stock in blocks of appropriate size by serial numbers. The DO shall use a blank check control log as prescribed in paragraph 070108 of this chapter to release blank checks to check-writers and to monitor return of blank, voided, or spoiled checks to the vault. The control log also shall be used to control issuance and return of checks between the DO and sites external to the disbursing office where the checks are prepared. In this case, a receipt shall be obtained for the checks issued, and the person(s) in charge of the working stock shall keep a record of checks issued daily to each clerk for preparation and shall examine daily the record of checks drawn and checks returned unused by the clerks to determine that all checks are accounted for and that no checks have been removed without authority. At a minimum of once every 90-days, the DO or designee shall take inventory of the check stock. Any open container shall be inventoried by individual count of the checks contained therein. All damaged cartons, or those bearing evidence of having been tampered with, shall be opened and the checks contained therein individually counted. A record of the inventory and total checks on hand shall be retained in the disbursing office and given to the cash verification team for attachment to the quarterly cash verification report.

070110. Lost or Stolen Blank Checks. When blank checks are lost or stolen, the DO immediately shall notify the commander, the nearest office of the U.S. Secret Service (by message or telephone), as well as the Department of the Treasury. The notice shall be confirmed by letter to the Department of the Treasury, FMS, Check Reconciliation Branch, PGMC-2, Room 700A, 3700 East-West Highway, Hyattsville, MD 20782, with copies to: U.S. Secret Service; appropriate DoD Component investigative service; DFAS-NPD/IN; and local banks (if appropriate). For information, the FMS telephone number is (202) 874-8259. The notice may be transmitted to the Department of the Treasury by facsimile transmission (FAX) to telephone (202) 874-8536 or the most rapid means of communication available and shall include the following information: ICN, Disbursing Station Symbol Number (DSSN); serial numbers of the checks involved; a statement giving complete information concerning the circumstances of the loss or theft; and the date the loss was referred to the U.S. Secret Service for investigation. NOTE: If the loss involves a range of consecutive serially numbered checks, then only the beginning and ending serial numbers of the range is required. Only after the report advising of the loss is sent will the check serial numbers be reported to the Department of the Treasury as check issues. Checks that are discovered to be missing, lost, or stolen prior to issuance (including any items missing from blank check shipments received from the contractor), shall be

treated as voids in accordance with I TFM 4-6045.30 and reported on hard copy to FMS, Check Reconciliation Branch.

070111. Reporting Check Issues. All check issues, including lost or stolen checks, shall be reported to the Department of the Treasury. Detailed check issue reporting procedures are contained in [Chapter 9](#) of this volume. For each lost or stolen blank check, the check issue detail data shall show the amount as “0” (zero) dollars. If any of the checks later are negotiated, the Department of the Treasury will then issue an FMS Form 5206 (Advice of Check Issue Discrepancy) to the DO. Where the lost checks have been reported by the DO (by both message/phone and memorandum) as required, receipt of the FMS Form 5206 is not recorded on the Standard Form (SF) 1179 (Month End Check Issue Summary) or the SF 1219 (Statement of Accountability). To clear the item, the erroneous FMS Form 5206 shall be returned to the Department of the Treasury with a copy of the memorandum reporting the lost or stolen checks. The DO immediately shall respond to every FMS Form 5206, either by return to the Department of the Treasury with an explanation or by entry on the SF 1179 and SF 1219, as prescribed in section 0706 of this chapter.

070112. Evidence of Payment. The issuance and mailing of a check to a creditor of the United States does not, of itself, constitute payment of a debt. A debt is not discharged until a creditor has received the amount of the debt in money or its equivalent in law. An acknowledgement of receipt of the check is also not evidence of payment. The endorsed and negotiated check is the receipt to the government.

## 0702 PROCUREMENT OF U.S. TREASURY CHECKS

070201. General. All orders for U.S. Treasury checks shall be made using Government Printing Office (GPO) Form 2431 (Print Order-Department of the Treasury Checks and Proofs). No other purchasing documents are required or authorized. Disbursing offices should order a supply of checks to last 1 year, unless there is a good reason to request a supply for a longer or shorter period. Any such reason should be explained on GPO Form 2431 under “Remarks.” The minimum amount of any assembly should be 1,000 checks. Larger quantities should be in even multiples of the quantities shown on the GPO Form 2431. The order and shipping time for the checks is 90-days. To ensure continuity of operations, DOs should not allow check stock to be less than a 6-month supply. Therefore, reorder levels should be set for when the check stock falls to the 9-month supply-on-hand level. All check orders shall be prepared and forwarded to the following address using the detailed guidance given by that office. See Figure 7-2.

Defense Finance and Accounting Service-Indianapolis  
Disbursing/Debt Management Policy Division  
Policy & Performance Management Directorate (DFAS-NPD/IN)  
8899 E. 56th Street  
Column 329F  
Indianapolis, IN 46249-0500

The DO at a newly established DSSN should submit the check order at least 4 months prior to the planned commencement of disbursing operations. Cancellation of check orders shall be requested in writing through the DFAS-NPD/IN. The GPO will charge a fee of \$10 for each order canceled. In addition to the GPO cancellation fee, a separate fee will be charged by the contractor if an order is canceled after check production operations have begun.

A. Designation of Officials Authorized to Sign Check Requisitions. The DFAS-NPD/IN is the sole check-ordering agency for all DoD activities and has been designated the authority to sign check purchase orders by completion and submission of an FMS Form 1186 (Signature File-U.S. Treasury Check Orders) to the FMS Check Analysis Branch. The FMS Form 1186 is used to verify the signature on check purchase orders to ensure that only authorized officials requisition checks.

B. Blank Check Assemblies

1. Assembly A. Single check style.
2. Assembly B. Single check and two prenumbered tissue copies assembled in snap-out style interleaved with one-time carbons and 1/2 inch binding stub on the right end of the check.
3. Assembly C. Single check with one prenumbered tissue copy assembled in snap-out style interleaved with a one-time carbon and a 1/2 inch binding stub on the right end of the check.
4. Assembly D. Continuous form single checks, 8 1/2 inches wide (including a 9/16 inch perforated margin on each side for pinfeed or overplaten feed devices).
5. Assembly E. Continuous form checks with right stub (4,000 checks and 4,000 stubs per carton), 15 7/8 inches wide (including a check-sized stub on the right side and a 9/16 inch perforated margin on each side for pinfeed or overplaten feed devices). The stub may be preprinted with the check serial number and other information desired by disbursing offices.
6. Assembly ER. Continuous form checks with right stub (40,000 checks and 40,000 stubs on a roll), 15 7/8 inches wide (including a 9/16 inch margin on each side for pinfeed or overplaten feed devices). Checks do not have any preprinted symbol or serial numbers. A consecutive ICN is printed at the top of the check.
7. Assembly F. Continuous form of two checks in tandem in fanfold (8,000 checks per carton), 15 7/8 inches wide (including a 9/16 inch perforated margin on each side for pinfeed or overplaten feed devices). Checks with preprinted symbol and serial numbers are numbered with even numbers on the left and odd on the right.



8. Assembly G. Continuous form checks with a check-sized stub on top, 8 1/2 inches wide (including a 9/16 inch perforated margin on each side for pinfeed or overplaten feed devices). The stub may be preprinted with the check serial number and other information desired by disbursing offices.

9. Assembly H. Continuous form of two checks in tandem (80,000 checks on a roll), 15 7/8 inches wide (including a 9/16 inch margin on each side for pinfeed or overplaten feed devices). Checks do not have any preprinted symbol or serial numbers. A consecutive ICN is printed at the top of the check. Checks ordered without prenumbered symbols and serial numbers have a consecutive ICN printed at the top.

10. Assembly I. Continuous form checks with stub, 15 7/8 inches wide (including a check-sized stub on the left side and a 9/16 inch perforated margin on each side for pinfeed or overplaten feed devices). The stub may be preprinted with the check serial number and other information desired by disbursing offices.

11. Assembly J. One-up marginally punched sheet, 8 1/2 inches by 13 inches, includes a 9/16 inch marginal aligning strip left and right, with the option of having the marginal aligning strips removed prior to shipping (horizontal perforations every 3 1/4 inches). Each sheet will yield 4 checks, detached size 7 3/8 inches by 3 1/4 inches.

12. Assembly K. Two-up marginally punched continuous roll, with statement on the bottom. Overall width 15 7/8 inch (includes 9/16 inch aligning strip left and right). Horizontal perforations at the bottom of each check, every 6 1/2 inches. Each roll contains a leader strip (with alignment marks) a minimum of 5 feet; 40,000 checks and 40,000 statements; and a trailing strip of 5 feet minimum.

070202. Emergency Checks

A. Ordering Emergency Checks. An order for emergency checks shall be made to the DFAS-NPD/IN. The DO's request shall be in writing and include complete justification for the order. The request shall specify the DSSN under which the checks will be issued and the name of the DO. Orders should specify quantities in multiples of 1,000 checks and the quantity should be sufficient to last until regular issue checks are received. When applicable, identify the unfilled check order number and date of that order in the request. Orders for emergency checks shall be kept to an absolute minimum and shall be placed only as a last resort. Emergency checks shall be completely used before any new stock of regular issue checks is issued. Cancellation of emergency check orders shall be requested in writing to the DFAS-NPD/IN. No fees are charged for canceling emergency check orders.

B. Emergency Check Stock. DFAS sites with high volume printing equipment using check stock without preprinted check symbol, serial numbers and MICR encoding must have check printing equipment that can print the check symbol, serial numbers, and related MICR encoding on the blank check stock. Under emergency situations only, these offices may use their print systems to produce prenumbered and MICR encoded check stock for use by other offices within that agency. An example of an emergency situation is when office

“A” has a fire and its entire supply of symbol 1234 check stock is destroyed. The DFAS-NPD/IN can request that a DFAS site create a limited supply of emergency symbol 1234 checks for office “A” to last until regular stock is available through normal channels. The emergency check stock created bears symbol 1234 and check serial numbers in the 90-99 million range, in accordance with arrangements with the Department of the Treasury, FMS, Check Analysis Branch. Another example where one emergency check stock system may be used is during unexpected military deployment. Emergency checks will bear the appropriate check symbol and serial numbers in the 90-99 million range. The emergency check stock system is not to be used to avoid ordering checks through normal channels. Any emergency check stock shall be produced only on a print system that has a post print verification feature to ensure the integrity of the printed and MICR encoded check symbol and serial numbers, and where internal control procedures are in place to prevent issuing duplicate payments bearing the same check symbol and serial numbers. NOTE: The FMS Check Analysis Branch shall be notified of the check symbol and serial number ranges involved prior to the use of emergency checks.

070203. Receipt of U.S. Treasury Checks

A. Receipt. Upon receipt of a check shipment, the DO or designee shall verify that all checks have been received and, based on a representative sample, make an examination of the accuracy of the printing and check symbol/serial numbers in the upper right corner of the checks and in the MICR field. Any box which bears evidence of tampering shall be opened and the checks individually counted. An acknowledgment of receipt of the checks to the vendor is not required. An “Advice of Shipment” form is mailed by the vendor to the ordering activity after check orders are shipped if shipment is by means other than registered first class mail. The upper portion of the form describes the checks being shipped. The lower portion of the form is an inspection, receipt report. This form shall be signed and forwarded to the DFAS-NPD/IN after receipt and verification of the order.

B. Warranty. The vendor provides a 120-day warranty on the checks it produces. The warranty period begins the day the checks are delivered to the user. Therefore, it is the responsibility of the office that receives the checks to determine any obvious defects or missing stock before the warranty period expires. Otherwise, the vendor may not be liable for making replacements.

C. Defective Check Shipments

1. If checks are missing from the shipment, or if check stock is defective in some other way and replacement of stock is warranted, then contact the DFAS-NPD/IN.

2. If checks are damaged upon receipt, in addition to the notification above, the DO should then contact the trucking company; if checks were sent by registered mail, then contact the U.S. Postal Service to initiate a claim for damages, if appropriate.

3. If a check shipment is received that contains more than one check with the same check serial number, in addition to the notification to the DFAS-NPD/IN, then the DO shall destroy each check which bears a duplicate serial number. The check serial numbers of

the duplicate checks shall not be reported as zero dollar amounts in the check issue report since the remaining checks bearing these serial numbers may be issued in the normal manner. The checks bearing the duplicate numbers shall be marked “VOID - NOT NEGOTIABLE” and destroyed locally within 30-days.

4. If checks are discovered missing in the receipt verification process, or at any time thereafter, then the DO shall notify both the DFAS-NPD/IN and the nearest DoD Component investigative service for referral and liaison with the U.S. Secret Service.

5. If checks are received that are intended for another disbursing office, then the DO shall immediately contact the DFAS-NPD/IN for instructions regarding the shipment.

070204. Transfers Between DOs. Checks transferred between DOs as a part of the relief from disbursing duty process shall be counted individually by both the transferring and the receiving parties when they are not in the original packages.

### 0703 ISSUANCE OF U.S. TREASURY CHECKS

070301. Check Preparation. Checks shall be used and issued in strict numerical sequence within each series. The information essential to a check includes place of issue, date, serial number of check, payee, amount, signature of drawer, and other identifying information such as the symbol number and designation of title. The legends “SALARIES AND EXPENSES” and “DRAWN FOR ABOVE OBJECT” will not be preprinted on the face of the check. Check explanations (e.g., exchange for cash or salary) and other special information unique to each disbursing activity may be entered at the bottom of the check to the left of the signature area. Extraneous data shall be kept to a minimum. Spaces allotted on the printed check form for specific information shall be used only for the purpose intended. No spaces will be left unfilled in a manner that would allow or facilitate alterations and additions that could lead to forgery or fraud. The completed check will have an orderly appearance and all parts will have good legibility for accurate reading in rapid handling. Overprinting, intersecting, and crowding shall be avoided. No check may be issued for more than \$99,999,999.99. In instances when the total payment exceeds that amount, two or more checks shall be issued which total to the payment required. No deviation in the check writing procedures outlined herein is permitted unless authority first is obtained from the DFAS-NPD/IN.

070302. Reporting Large Disbursements by Check. Since the FMS solely is responsible for the management of the government’s daily cash position, disbursement transactions by check affecting the cash position shall be made known to the FMS in advance of the time of actual disbursement. DOs who disburse \$50 million or more in a single transaction, or in multiple transactions of a common nature, shall report to the FMS the following information at least 2-business days prior to the payment date. For example, when the DO issues 350 various vendor payments totaling \$50 million or more on the same day or issues a payroll totaling \$50 million or more on one day, then he or she shall transmit a report to the FMS. If a disbursement of over \$500 million is anticipated, then a minimum of 5-business days advance notice is required. When specific disbursement information has not been finalized, inform the

FMS daily (by 9:30 a.m. eastern time) of approximate amount(s) and approximate payment date(s). Information on large disbursements should be reported by FAX to the FMS at commercial (202) 874-9945 or (202) 874-9984 using FMS Form 187 (Advance Notice of Large Deposits or Payments of \$50 Million or More). If the report is given to the FMS on other than an FMS Form 187, then that report, at a minimum, shall contain:

- A. Name and address of the DoD Component (e.g., Air Force)
- B. Name and telephone number of DO
- C. DSSN
- D. Appropriation or fund account charged (minimum of six digits, with the first two digits identifying the department)
- E. Description of transaction
- F. Transaction settlement date
- G. Amount of the disbursement
- H. Payment mechanism (wire transfer or check)
- I. Check number for check payments
- J. Payee name and address.

A copy of the report shall be retained with the DO's monthly retained financial records.

070303. Check Print Requirements

A. General. All data printed or typewritten on the checks shall be imprinted in such a manner that the print is permanent and not affected by erasure, smudging, moisture, handling, the passage of time, or by other methods that might intentionally or unintentionally be employed to remove or to alter the printing without affecting the check itself. Impact printers may be used. Laser type printers which lay an image on the surface of the paper shall not be used. Laser type printers with toner may be used provided the toner is used to fuse the print onto the check. Correctable ribbons used in manual preparation of checks lack the permanence necessary to protect against undetectable alteration, therefore such ribbons shall not be used under any circumstances. The correct position of the date, amount, payee name, and the signature of the DO is determined by the physical characteristics and layout of the blank check. Deviations from the normal positioning of this information should be avoided. In order to standardize printing and facilitate accuracy verification, words on checks should be inscribed all in uppercase (i.e., capital) letters and punctuation should be omitted, except commas used in addresses and to set off names of more than two payees.

B. Pay to the Order of. The payee's name shall be inscribed on checks in such a manner as to assure positive identification. To ensure correct endorsement and for other reasons that have established the custom, the surname of the payee should appear last; the correct order is first name, middle name or initial, and last name. Where the payee has an often used surname (such as "R T Jones" or "J G Smith"), the use of initials only instead of the full given name is inadequate to provide a positive identification of the rightful payee. An initial, in lieu of a first name, will be used only as follows: in cases where the payee's legal given names consist of initials only in which case the words, "Initials Only," should be shown after the initials; the length of the surname would leave insufficient space for the full first name; or where the check writing system makes the use of a first name impractical, in which case other positive identifying data such as the payee's social security number (SSN) or address shall be shown on the check. While not a violation of the Privacy Act, when a payee's SSN is entered on the check, the SSN should be inscribed in a location where, if mailed, it will not then be visible in the envelope window. When checks are to be mailed, care should be exercised to assure that the full and complete address of the payee is entered on the checks or envelopes, including as necessary; rural route numbers, box numbers, house numbers, zip codes, and any other information essential for correct delivery.

C. Date. The date is to be printed on the right side of the check below the DSSN and check number, or at the top of the check immediately to the right of, and on a line with, the place of issue with a base line 9/32 inch from the top of the check. Check signers equipped with date bands may be used as long as the location of the stamped date does not interfere with preprinted data or other data to be printed or typed on the check.

D. Numeric Dollar Amount. The numeric dollar amount is to be printed in the upper right quarter section of the check in the area above the signature of the DO and below the checking account symbol; it should be in horizontal alignment with the name of the payee or the amount in the body. The money amount shall be preceded by a dollar sign followed by asterisks to fill the allotted area completely (e.g., \$\*\*\*\*\*123.45). No space should be left unfilled that otherwise might be susceptible to use for fraudulent insertion. Zeroes shall not be used for fill-in characters preceding amounts. The money amount shall contain no commas, which helps to reduce opportunities for simple amount alterations.

E. Written Dollar Amount. The printing of the amount in the body of a check in words offers greater protection against the alteration of amounts. If it is then determined by a disbursing activity that substantial savings in the cost of issuing checks would result or that space is limited, figures only, without any spacing within the amount, may be used in one of the following formats: \$50 and 75 cents; \$50 and 75/100; or, \$\*\*\*\*\*123.45.

F. Other Special Information. Special information (e.g., distribution code, computer or typewritten check serial number, SSN, or explanations for check issuance) should be printed at the bottom of the check to the left of the signature area. When checks are drawn for public vouchers or payroll payments, the disbursing office voucher number, or the bureau voucher number if applicable, may then be inserted on the check at the option of the DO. When checks are issued by an industrial-commercial activity or on a voucher to various payees, and no copy of the invoice or voucher is available for forwarding to the payee, the invoice number or

other data necessary for the payee to identify the purpose of the payment shall be shown in the special information area. Activities issuing individual electronic funds transfer (EFT) payments to financial institutions that are not part of the National Automatic Clearing House Association System shall include the required EFT information: routing and transit number; account type (“C” or “S,” for checking or savings account, respectively) or “CR” to indicate a correction reversal transaction; account number, and type of payment; recipient’s name and SSN; and local activity information. NOTE: If used, the local activity information shall be inscribed on the check so it is readable, does not interfere with any of the other inscribed or preprinted information, and does not appear in the envelope window.

G. Area for Drawer’s Signature. Each check issued shall bear one of the following: the manual signature of the DO; an approved facsimile signature of the DO; or the manual signature of a deputy DO who has been appointed as prescribed in [Chapter 2](#) of this volume. Manual signatures should generally agree with specimens previously submitted to the agency official responsible for maintaining specimen signature files. Checks drawn by a deputy DO shall be signed below the printed, typed, or stamped title of the disbursing officer for whom he or she is acting, as follows:

Disbursing Officer

By  
(Signature of Deputy)

All signatures on checks (whether manual or by facsimile signature) shall be of a permanent dark blue, blue-black, or black ink. The ink should not be subject to fading and not readily soluble in water.

070304. Erasures and Alterations. The DO shall not release checks bearing erasures, alterations, overprinting, or imperfect figures or letters. Such checks shall be spoiled or voided and a new check issued.

070305. Record of Checks Issued. Each DO shall maintain a record of every check issued by his or her DSSN. The record shall contain at least the following data elements: payee, amount, DSSN, check serial number, and date of the check. Other information as to the purpose for which the check was issued, document number, voucher number, and local identification code or number is optional and subject to the discretion of the issuing DO. The record may be kept on paper, diskette or electronic medium designed for data processing use. Copies of check issue records shall be included in the retained disbursing records.

070306. Supporting Documents. Attach documents and payroll vouchers used to support the record of checks issued to the original vouchers submitted to the supporting DFAS site. These supporting documents are not transmitted to the Department of the Treasury with the check issue reports. Diskettes formatted for check issue reporting are submitted to the DFAS site for consolidation and entry to DCRM. The electronic flat file shall contain all the necessary data for the Department of the Treasury’s reporting purposes. Requirements for submission of the SF 1179 are contained in [Chapter 9](#) of this volume.

0704            CHECK SIGNING MACHINES

070401.        Machine Specifications. Machines to be used for signing checks shall be selected on the basis of their ability to perform in agreement with the Department of the Treasury regulations and standards. Impact check signers using rubber signature die or approved laser check printers containing digitized signatures may be used. The machines should have the following mechanical features:

A.        A dating device capable of placing the date either immediately above or immediately to the right of the words "UNITED STATES". It is preferable to have the signature and date imprinted in a single operation; if the check writing equipment also imprints the date, then the check signing equipment does not need to have this capability.

B.        A mechanism capable of processing paper checks. Those offices issuing checks with detachable stubs shall ensure that the feeding device is capable of handling this type of check.

C.        Laser check printers with digitized facsimile signature capability. The DO signature feature must be key controlled or the computer chip containing the digitized signature must be removable. The key and/or the chip controlling the signature capability will be kept in a locked safe or vault or under other equally effective safeguards when not in use.

070402.        Signature PlatesA.        Requisition

1.        General. Immediately upon receipt of orders to disbursing duty, the prospective DO shall contact the disbursing activity to determine if the check signing equipment is available and then obtain all necessary information such as type of equipment, model, serial number, and number of plates required. If the prospective DO already has plates or digitized signature medium compatible with the equipment, then the DFAS-NPD/IN shall be contacted and requested to forward those plates or digitized signature medium to the new location. If the plates are not available, then the prospective DO shall forward three specimen official signatures to the new duty station for use in procuring a new signature plate. The signatures shall be in black ink on blank, unlined, 3 by 5 inch white cards and shall be accompanied by a statement designating the number to be shown on the plate as explained in subparagraph 070402.A.2 of this chapter. Upon receipt of the specimen signatures, the DO to be relieved immediately shall prepare and forward a request for procurement to the office regularly providing procurement service. The purchase order for signature plates shall be forwarded to the DFAS-NPD/IN for approval and forwarding to the contractor. DFAS-NPD/IN will ensure that plates are ordered in sequential numbering. The purchase order shall include the following statement: "Signature plates for impact type check signers are rubber stamps containing the prescribed facsimile signature of the DO. Digitized signature medium are normally Dual In-Line Memory Module (DIMM) or Single In-Line Memory Module (SIMM) computer chips containing the DO signature or Computer Diskettes containing a digitized signature of the DO

that is loaded to the laser printer check signing software.” Additionally, the following information is required:

- a. The type, manufacturer’s name, model, and serial number of the check signing machine.
- b. Whether the signature plate or digitized signature medium is for a machine currently in use.
- c. If the plate or digitized signature medium is to be used on a new and undelivered machine, then refer to the procurement papers for the machine including the manufacturer, type, and model.
- d. The plate number and the name of the DO.

2. Numbering of Signature Plates and Digitized Signature Medium.

Department of the Treasury regulations require that the signature plates or digitized signature medium of each DO be numbered in sequence in the lower left corner of the border beginning with the number 1. Each order for signature plates or digitized signature medium shall include the next sequential number for the ordering DO.

3. Multiple Plates or Digitized Signature Medium. Normally, only one signature plate or digitized signature medium will be used by the DO and authorized deputies. Additional plates, digitized signature medium or multiple types of signature medium may be obtained only upon approval of the DFAS-NPD/IN. Requests for additional plates, digitized signature medium or multiple types of signature medium, shall contain complete justification of the need for more than one plate for digitized signature medium or multiple types of signature medium. If the check-signing machine uses one set of two plates for signing, then approval for multiple plates is required for more than one set of plates.

B. Format and Quality of Impression or Digitized Signature. The DFAS-NPD/IN will not accept facsimile signatures that do not meet the required standards. Facsimile signature plates or digitized medium shall be designed such that the frame or border, which encloses the facsimile signature, shall contain no identifying characteristics. The frame or border shall be a single wavy line. The impression of the signature plate or digitized signature shall be characterized by sharpness of lines, a continuous and homogeneous deposit of ink, absence of filling, and absence of pronounced ribbon pattern.

C. Approval of Plates or Digitized Signature Medium. When the plates or digitized signature medium are received, the DO whose signature is reproduced on the plates or digitized signature medium shall run 14 specimen copies of each facsimile signature. The DO shall certify two of the copies as true facsimile signatures. All 14 copies shall be mailed to the DFAS-NPD/IN with a memorandum requesting approval of the facsimile for signing checks. The reply of approval from the DFAS-NPD/IN shall be the authority to use the check-signing machine. In the case of Cummins check signing machines, the contractor (Cummins) runs 14 specimen copies of each plate. The plates are mailed to the DFAS-NPD/IN, where the



specimen copies are compared to the original signatures on the purchase order, and approval is forwarded to the disbursing office. If the specimen copies do not match or the plate does not meet required standards, the DFAS-NPD/IN notifies the contractor and requests correction. NOTE: Checks shall not be signed by facsimile signatures prior to receipt of the DFAS-NPD/IN approval.

D. Custody of Signature Plates and Digitized Signature Medium. DOs shall establish necessary procedures to ensure control and prevent unauthorized use of signature plates and digitized signature medium. Custody receipts shall be maintained for all signature plates and digitized signature medium held by authorized deputies. A record of each run of checks through the check signer shall be maintained and shall be reconciled with the report of checks issued. When not in use, signature plates and digitized signature medium shall be kept in an approved safe or vault. If the signature dies or digitized signature medium are not removable from the check signing machine, then the keys to the machine (or the check signing machine) shall be kept in an approved safe or vault.

E. Use of Signature Plates and Digitized Signature Medium. Check signing by signature plate or digitized signature medium should be performed by the DO or designated deputies. When considered necessary for efficient operation of the disbursing office, the DO may authorize the holder of a specified position other than a deputy to perform the check signing function. This authorization shall be made in writing. Individuals shall not be appointed as deputies solely to sign checks by signature plate or digitized signature medium.

F. Destruction of Signature Plates and Digitized Signature Mediums. If a signature plate or digitized signature media is to be withdrawn from service (e.g., not to be used again, DO retiring from service), or it is unserviceable, then it shall be destroyed locally. When the plate or digitized signature media is to be destroyed, it must be destroyed at the site by someone other than the DO and witnessed by two individuals equal to or senior to the DO. Prior to the destruction of the signature plates or digitized signature medium, the signature plate number and serial number of the digitized signature medium shall be verified by the DO and witnesses with the information on the certificate of destruction. The certificate of destruction shall be signed only after the actual destruction of the signature plate or digitized signature medium. Immediately upon destruction, the original letter attesting to the destruction shall be forwarded by the DO to DFAS-NPD/IN for inclusion in the DO's DSSN file and a copy of the letter shall be retained at the disbursing office. The letter shall identify the typed name, title, grade or rank of the DO complete mailing address of the disbursing station, date of destruction, method of destruction, DSSN, typed name, title, grade or rank of the witnessing individuals, and the DO's signature, and a statement as to whether the digitized signature medium had or had not to be loaded to a printer or check signer software. If a signature plate is destroyed, then the letter shall include the specific plate number and an inked impression of the plate. If a digitized medium containing the DO's signature is destroyed, and that signature has been loaded to a printer or check-signer software, then the DO shall forward a properly executed certificate of destruction certifying that the signature has been permanently removed from the printer or check signer software. DFAS-NPD/IN shall compare the signature plate number and digitized signature media serial number listed in the certificate of destruction to the original purchase documents to verify that the witnesses actually monitored the destruction of official plates or

signature media.

G. Disposition of Plates and Digitized Signature Mediums. When a signature plate or digitized signature media is expected to be used again at a new duty station, the plate or digitized signature media shall be forwarded to the DFAS-NPD/IN for safekeeping.

#### 0705 EXCHANGE-FOR-CASH CHECKS

070501. General. Accommodation exchange-for-cash checks are permitted only when satisfactory banking facilities do not exist, and typically only overseas. Personnel eligible to receive accommodation exchange-for-cash checks are listed in [Chapter 4](#) of this volume. Exchange-for-cash checks may be prepared and issued by DoD DOs for official purposes to a deputy, agent, or cashier as an advance of funds; to the U.S. Postal Service for remitting collections for the sale of postal money orders; or to the Western Union for remitting collections for personal messages of military personnel transmitted over DoD communications facilities to points inside the continental United States. When exchange-for-cash checks are issued for advances of funds, the deputy, agent, or cashier shall give the DO a signed Department of Defense (DD) Form 1081 (Statement of Agent Officer's Account) as prescribed in [Chapter 3](#) of this volume. Exchange-for-cash checks issued as advances of funds shall be endorsed to the order of the bank or other institution furnishing the cash or, when cashed by another DO, to such officer by title and activity rather than by name as "Pay to the order of the Disbursing Officer (name of ship, station, activity, or unit)." When exchange-for-cash checks are issued for remitting collections for the sale of postal money orders or personal messages, the checks shall be made payable to the "Disbursing Officer, U.S. Postal Service," or "Western Union," as appropriate.

070502. Preparation and Handling. When required by security regulations, the name of the remitter and identifying references to invoices will not be shown on exchange-for-cash checks. Exchange-for-cash checks to payees within the United States shall be drawn on the Department of the Treasury. Exchange-for-cash checks for payees outside the United States shall be drawn on a limited depository checking account if such an account is maintained by the DO. DOs may inscribe exchange-for-cash checks to themselves, a deputy, or an agent for purposes of obtaining operating or accommodation cash. When authorized in writing by the DO, deputy DOs may inscribe exchange-for-cash checks to themselves for purposes of obtaining operating or accommodation cash. Support the exchange-for-cash check by a memorandum Optional Form (OF) 1017-G. Number the OF 1017-G with a separate series of voucher numbers peculiar to the functional area where the voucher is prepared.

070503. Funds of Deceased or Missing Persons. Funds found in the personal effects of a person who has died or is missing, or whose whereabouts is unknown (including an absentee or deserter), shall be exchanged for a U.S. Treasury check. The check shall be made payable to the payee designated by the officer having custody of the personal effects. The object for which drawn shall be "Exchange-for-cash—Remittance; personal effects of (name, rank or rate, file or service number)." A separate exchange-for-cash check shall be drawn for safekeeping deposits of each such person and the object for which drawn shall include the safekeeping deposit number in addition to the information noted above.

070504. Exchange-for-Cash Checks Returned as Not Required. Exchange-for-cash checks issued for advances of funds to deputies, agents, and/or cashiers which are returned to the DO as not required shall not be canceled. The deputy, agent, or cashier shall provide the DO with a completed DD Form 1081 indicating return of the check as prescribed in [Chapter 3](#) of this volume. No endorsement on the check by the payee is required. The check shall be endorsed by the DO and deposited as prescribed in [Chapter 5](#) of this volume. DOs shall not accept the return of exchange-for-cash checks from any payee other than a deputy, agent, or cashier. Other exchange-for-cash checks are issued payable to the purchaser and shall be negotiated by the payee.

070505. Exchange-for-Cash Checks Lost, Stolen, or Destroyed

A. When Issued to an Individual. When the payee of an exchange-for-cash check reports that the check has been lost, stolen, or destroyed, the DO shall follow the procedures in [Chapter 8](#) of this volume for unavailable check cancellations except that under no circumstances will the DO issue a recertified payment to the payee prior to receipt of credit for the original check from the Department of the Treasury. This prohibition is required since the original check was issued in exchange for cash and was not based on any entitlement chargeable to an appropriation.

B. When Issued as an Advance of Funds to a Deputy, Agent, or Cashier. In the case of lost, stolen, or destroyed exchange-for-cash checks that were issued as advances of funds, the deputy, agent, or cashier shall remain accountable for the funds. The deputy, agent, or cashier shall account for the check as a loss of funds on the DD 1081. The procedures for reporting and accounting for a physical loss of funds in [Chapter 6](#) of this volume shall be followed. If considered necessary by the DO due to operational requirements, then the lost check may be replaced by a recertified payment (or a new advance given in cash). The recertified payment or the new advance shall be documented on a DD 1081 signed by the deputy, agent, or cashier. A copy of the SF 1184 (Unavailable Check Cancellation) shall be attached to the DD 1081 to document the status of the lost check and the accountability of the deputy, agent, or cashier. Procedures for processing and accounting are described in [Chapter 8](#) of this volume. When credit for the lost check is received, the DO shall prepare a SF 1080 to transfer the credit from “Unavailable Check Cancellations and Overpayments, Suspense, \*\*F3880,” to offset the loss of funds in the DO’s accountability. A copy of the SF 1080 shall be given to the deputy, agent, or cashier to document the Department of the Treasury’s cancellation of the lost check and use of the credit to offset the loss of funds. A copy of the SF 1080 should be filed with the unavailable check cancellation documentation. In cases where the lost check is subsequently negotiated after cancellation by the Department of the Treasury (in which case, the Department of the Treasury will reverse the previous credit), the deputy, agent, or cashier accountable for the original lost check shall be held accountable and the loss of funds shall be re-established. Apply normal loss of funds and relief of liability procedures.

0706 ACCOUNTING FOR CHECK ISSUE DISCREPANCIES

070601. Advice of Check Issue Discrepancy. The Department of the Treasury uses the FMS Form 5206 (Advice of Check Issue Discrepancy) to notify DOs of check issue discrepancies. The FMS Form 5206 is a computer-generated form that contains a complete description of the discrepancy. The Department of the Treasury furnishes three copies of the FMS Form 5206 and a copy of the check referenced on the form to the DO, who is responsible for making the required adjustment. The FMS Form 5206 is a correcting entry and changes the amount reported on the check issue report to the actual amount on the face of the check.

A. DO Action When FMS Form 5206 is Received. Upon receipt of the FMS Form 5206, the DO shall research the check issue data to determine if a payee has been overpaid or underpaid and then collect or disburse the adjustment amount for the check that was issued for the wrong amount. If the payee has not been overpaid or underpaid, but incorrect check issue information has been reported to the Department of the Treasury, then the FMS Form 5206 shall be processed on the DO's SF 1179 and SF 1219, even though the documents net to zero. If offsetting FMS Forms 5206's have not been received, then the DO shall identify the offsetting error(s) to make the transaction net to zero, and prepare a Journal Voucher (OF 1017-G) to advise the Department of the Treasury of the discrepancy. The DO shall make the necessary adjustment following the procedures described in this section.

B. For Navy DOs Aboard Ships. If the FMS Form 5206 affects the accountability of a previous DO, then the current DO shall forward the form with a covering memorandum to the office where the monthly financial reports are submitted for processing. If the FMS Form 5206 is received during the 90-day record retention period, a copy of the applicable check issue record, the SF 1179, and disbursement voucher shall be reproduced from the former DO's retained records and forwarded with the FMS Form 5206.

C. FMS Form 5206 for Another DSSN. In the event an FMS Form 5206 is received which cites a DSSN other than that of the receiving disbursing station, the form shall be forwarded with a memorandum to the correct disbursing station, if identifiable. If the receiving DO is unable to identify the disbursing station indicated on the FMS Form 5206, then the form shall be returned to the Department of the Treasury with a memorandum stating the reason for returning the form without action.

D. Corrective Action Previously Accomplished. If an FMS Form 5206 is received citing a discrepancy which was discovered and reported by use of an OF 1017-G, then a copy of the OF 1017-G shall be attached to the FMS Form 5206 and the documents returned to the Department of the Treasury without further action.

E. DO Identifies Check Issue Report Discrepancy Prior to Receipt of FMS Form 5206. If a check issue report discrepancy is discovered after the DO reports the check issues to the Department of the Treasury and a FMS Form 5206 has not been received, then the DO must notify the Check Analysis Branch, the Department of the Treasury, in writing to request a reporting adjustment. The Check Analysis Branch will issue a Notification of Check Issue Correction-DO Requested for each adjusted check. The DO must forward all adjustment requests to the Check Analysis Branch within a 1-year timeframe. Once a "limited payability" cancellation has occurred, the Check Analysis Branch cannot process the requested adjustment.

070602. Differences of \$1 or Less

A. Check Issue Discrepancies of \$1 or Less. Discrepancies of \$1 or less between the amount of a check as reported issued in level 8 and the actual amount of the check paid by the Department of the Treasury will be adjusted by Department of the Treasury.

B. Claims for Underpayments of \$1 or Less. A supplemental check shall be issued and reported as a regular check issue if a disbursing office receives a claim from a payee for an underpayment of \$1 or less. The check shall be included as a regular check issue in Section II, Part A, Column 2 on the reverse of the SF 1219, and a minus adjustment of prior month's issues in Section II, Part A, Column 4 on the reverse of the SF 1219. The amount of the check shall also be reported as a minus adjustment on line 2(b) of the SF 1179.

070603. Check Issue Discrepancies of \$1.01 or More. The DO shall prepare an OF 1017-G, as prescribed in this section, to account for a check issue discrepancy of \$1.01 or more for any prior month or current month's check issue errors that are detected by the disbursing office. No OF 1017-G shall be prepared for check issue errors detected over 1 year from the issue month of the check. The OF 1017-G shall be prepared as soon as the DO becomes aware of a discrepancy. All OFs 1017-G shall reference the voucher number and date on which the error occurred as well as any other documents affected. The DO shall not wait to receive an FMS Form 5206 from the Department of the Treasury.

070604. Adjustment of Duplicate Checks. The Department of the Treasury will charge the disbursing office, using a SF 5515, for the second check received for payment with the same DSSN and check serial number. Should a DO receive an SF 5515 for a duplicate check to which the payee is entitled, the normal presumption is that the wrong original check number was entered on the second check. The DO shall submit a SF 1184 for the correct original check serial number in order to receive credit. The DO should cross-reference the SF 1184 with the memorandum copy of the SF 5515 in the event that the disbursing office may, in the future, need a copy of the duplicate check for claim purposes.

070605. Overdrafts

A. Advice of Check Issue Discrepancy. Adjustments of discrepancies of \$1.01 or more for overdrafts require collection of the overpayment or, in infrequent cases, a supplemental charge to an appropriation or fund. Upon receipt of the FMS Form 5206, the DO shall review the retained records of checks issued, applicable payment vouchers, SF 1179, and SF 1219 to determine where and how the discrepancy cited on the document occurred. This requirement is to validate that a discrepancy in fact has occurred and determine the corrective action required to resolve the discrepancy. Unless the FMS Form 5206 is erroneous (and this can be supported with copies of the documents listed above), the FMS Form 5206 shall be recorded on the DD Form 2657. Refer to subparagraph 070605.E. of this chapter, for instructions when the DO identifies the discrepancy prior to receipt of the FMS Form 5206 from the Department of the Treasury.

B. Distribution of FMS Form 5206. Distribute FMS Form 5206 as follows:

1. The first copy of the FMS Form 5206 shall be completed by the DO and attached to the current month's SF 1179 in support of line 2(a) "Net Dollar Adjustments to Prior Months."

2. The second copy shall be used to support the adjusting entry on the SF 1219.

3. If the discrepancy is still unresolved at the end of the month, then file a copy in the unclaimed differences file pending final resolution of the discrepancy and preparation of the end of month financial reports (additional copies of the form may be reproduced as required).

4. The original shall be retained by the disbursing office.

C. Recording Check Issue Overdrafts. At the end of the month, the FMS Form 5206 shall be recorded on the SF 1179 (line 2(a) of the Summary portion) and included in the amount recorded on line 3. The FMS Form 5206 shall also be recorded on the reverse of the SF 1219. If the discrepancy is still unresolved at the end of the month, then the overdraft shall also be included on line 7.2 (Receivables – Check Overdrafts) of the SF 1219. Two copies of all executed FMS Forms 5206 and OF 1017-G (with supporting documents) shall be kept in an unclaimed differences file pending resolution of the discrepancy.

D. Adjustment Prior to Submission of Financial Reports. In some instances, overdrafts may be discovered prior to submission of the financial reports (SF 1219 and supporting documents, and the SF 1179) covering the period during which the check was issued. In this event, preparation of the OF 1017-G is not required if (1) the check is recovered and voided prior to submission of the check issue report (the check shall not have been negotiated); and (2) the check is correct but the payment voucher is incorrect but subsequently is corrected to reflect the proper amount prior to submission with the SF 1219. Normally, these exceptions will apply only to Navy DOs aboard ships and those DOs who do not submit daily reports to another disbursing office for processing.

E. Adjustment After Submission of Financial Reports. When a check issue overdraft is discovered after the financial reports (covering the period in which the discrepancy occurred) have been submitted, the DO or deputy shall make the following adjustments to financial records and prepare the necessary documents as required below. An OF 1017-G for a check issue overdraft shall be prepared as shown in Figure 7-1. The DD Form 2657 shall be posted to reflect the amount of the overdraft as an increase to Checks Issued and an increase to Receivables – Check Overdrafts. At the end of the current reporting period, the OF 1017-G shall be recorded on the SF 1179 (line 2(b) of the Summary portion) and included in the amount recorded on line 3. The OF 1017-G shall also be recorded on the reverse of the SF 1219. The original of the OF 1017-G shall be attached to the SF 1219 and a copy attached to the SF 1179 for the current reporting period to support the entries thereon. If the discrepancy is still unresolved at the end of the current reporting period, then the overdraft shall also be included on

the SF 1219 (line 7.2 (Receivables – Check Overdrafts)) and the remaining copies of the OF 1017-G shall be retained in the uncleared differences file. (NOTE: Additional copies of the form may be reproduced as required.)

F. Resolving Check Issue Overdrafts

1. Overdrafts are resolved by collection or a supplemental charge to an appropriation. Collection is appropriate when the check was issued in an amount greater than the payee was actually entitled to receive. Supplemental charges to an appropriation are required when the amount of the check is correct but the payment voucher is for a lesser (and incorrect) amount. The three ways to clear the overdraft are described in subparagraphs 070605.F.2 – 4 of this chapter. No additional entries are made in the summary section of the SF 1179 or on the reverse of the SF 1219 to indicate that the overdraft has been cleared.

2. By Collection. Upon receipt of a collection (in cash or by check, money order, or other negotiable instrument), the DO shall prepare an OF 1017-G to document the transaction and the DD Form 2657 (Daily Statement of Accountability) shall be posted to reflect an increase in Cash (or Deposits Presented or Mailed to Bank) and a decrease in Receivables – Check Overdrafts. For this transaction, only the DO's accountability is affected and no credit to an appropriation is involved.

3. By Supplemental Charge to Appropriation. When it is determined that the overdraft was caused by undercharging the appropriation or fund against which the original check was drawn, an SF 1034 (or a one-sided SF 1081 if preferred by the DO) shall be prepared and recorded against the undercharged appropriation or fund. The DD Form 2657 shall be posted to reflect a Disbursement and a decrease in Receivables – Check Overdrafts. A check is not issued in this transaction.

4. By Supplemental Charge to Military Pay Appropriation and Pay Account Checkage. Overdrafts caused by undercharging the appropriation for military pay and allowances shall be cleared by actions described in [Volume 7A](#) of this Regulation to ensure proper charges are entered in the member's master military pay account. An SF 1034 (or one-sided SF 1081) shall be prepared to describe the transaction in complete detail, charging the accounting data shown on the original payment voucher. No check will be issued in this transaction. The DD Form 2657 shall be posted to reflect a disbursement and a decrease in Receivables – Check Overdrafts.

070606. Underdrafts

A. Advice of Check Issue Discrepancy. Adjustments of discrepancies of \$1.01 or more require a supplemental check issue to the payee or in infrequent cases, a credit to an appropriation or fund. Upon receipt of the FMS Form 5206, the DO shall review the retained records of checks issued, applicable payment vouchers, SF 1179 and SF 1219 to determine where and how the discrepancy cited on the form occurred. This requirement is to validate that a discrepancy in fact has occurred and to determine the corrective action required to resolve the discrepancy. Unless the FMS Form 5206 is erroneous (and this can be supported with copies of

the documents listed above), the DO shall prepare a Cash Collection Voucher (DD Form 1131) giving credit for the value of the underdraft to deposit fund “Accounts Payable – Check Issue Underdrafts, \*\*X6999.” The DD Form 1131 and the FMS Form 5206 shall be recorded on the DD Form 2657 as a decrease to Checks Issued and an increase to Collections. The DO’s total accountability will remain unchanged. At the end of the current reporting period, the FMS Form 5206 shall be recorded on the SF 1179 (line 2(a) of the Summary portion) and on the reverse of the SF 1219. Refer to paragraph 070606.D of this chapter for instructions when the DO identifies the discrepancy prior to the Department of the Treasury.

B. Distribution of the FMS Form 5206. Distribute the FMS Form 5206 as follows:

1. The first copy of the FMS Form 5206 shall be completed and attached to the SF 1179 for the current reporting period in support of line 2(a) titled “Net Dollar Adjustments to Prior Months” and included in the amount recorded on line 3.

2. The second copy shall be used to support the adjusting entry on the reverse of the SF 1219.

3. Two additional copies and at least two copies of the DD Form 1131 shall be filed in the uncleared differences file pending final resolution of the discrepancy and preparation of the end of month financial reports.

4. The original shall be retained by the disbursing office.

C. Adjustment Prior to Submission of Financial Reports. In some instances, underdrafts may be discovered prior to submission of the financial reports (SF 1219 and supporting documents, and the SF 1179) covering the period during which the check was issued. In this event, preparation of the DD Form 1131 is not required if (1) the check is recovered and voided prior to submission of the check issue report (the check shall not have been negotiated), and (2) when the check is correct but the payment voucher is incorrect and subsequently is corrected to reflect the proper amount prior to submission with the SF 1219. Normally, these exceptions will apply only to Navy DOs aboard ships and those DOs who do not submit daily reports to another disbursing office for processing.

D. Adjustment After Submission of Financial Reports. When a check issue underdraft is discovered after the financial reports (covering the period in which the discrepancy occurred) have been submitted, the DO, deputy, or agent shall make the following adjustments to financial records and prepare the necessary documents as required in subparagraph 070606.E of this chapter. A DD Form 1131 shall be prepared crediting deposit fund “Accounts Payable - Check Issue Underdrafts, \*\*X6999.” The DD Form 2657 shall be posted to record a decrease to Checks Issued and a collection. The DO’s total accountability is unchanged. At the end of the accounting period, the DD Form 1131 shall be recorded on the SF 1179 (line 2b of the Summary portion) and included in the amount recorded on line 3. The DD Form 1131 also shall be recorded on the reverse of the SF 1219. A copy of the DD Form 1131 shall be attached to the



SF 1179 submitted with check issue reports. Two copies of the DD Form 1131 shall be retained in the uncleared differences file until the discrepancy is cleared.

E. Resolving Check Issue Underdrafts. The two ways to clear an underdraft discrepancy are described below. No additional entries are made in the summary section of the SF 1179 or on the reverse of the SF 1219 to indicate that the underdraft has been cleared.

1. By Supplemental Check. When the payee is entitled to the amount of the underdraft, an SF 1034 shall be prepared charging “Accounts Payable – Check Issue Underdrafts, \*\*X6999.” A check shall be drawn in favor of the original payee. The DD Form 2657 shall be posted to record a check issue and a disbursement. Total accountability is unchanged.

2. By Credit to the Appropriation. When an underdraft discrepancy is caused by overcharging the appropriation, and credit is due the appropriation, the DO shall prepare a DD 1131 and charge “Accounts Payable – Check Issue Underdrafts, \*\*X6999” and credit the appropriation charged on the original payment voucher. The DD Form 2657 shall be posted to record a collection and a disbursement. Total accountability will be unchanged.

070607. Adjustments to Financial Reports Previously Submitted. Upon clearance of a check issue discrepancy (overdraft or underdraft), the file copy of the FMS Form 5206, OF 1017-G, or DD Form 1131 shall be removed from the uncleared differences file and one of the following legends shall be annotated, as appropriate: “See Deposit Ticket No. \_\_\_, dated \_\_\_;” “See Check No. \_\_\_\_\_, dated \_\_\_\_\_;” or “See Adjustment Voucher No. \_\_\_, dated \_\_\_\_\_.” The third copy shall be attached to the document effecting the clearance of the outstanding accountability item in the accounts of the DO for submission with the SF 1219. The fourth copy shall be retained in the disbursing office files as a record of the completed action on adjusting the discrepancy.

070608. Erroneous Information Reported on the FMS Form 5206. If, after review of the FMS Form 5206, the copy of the check, the disbursement voucher, and the check issue report data, the DO determines that the check was paid for a different amount than when issued, then the FMS Form 5206 shall be returned to the Department of the Treasury with a memorandum stating the reason for returning the document without action. The memorandum shall be supported by copies of all the documents used to determine the FMS Form 5206 to be in error. Generally, the situation described above is indicative of a bank processing error or alteration of the check by the payee. In either event, the explanatory memorandum to the Department of the Treasury that returns the FMS Form 5206 shall be sufficiently clear to enable the Department of the Treasury to initiate reclamation action through the banking system.

070609. Relief of Liability. Both underdrafts and overdrafts would fall within one or more of the following: illegal, incorrect, or improper payment irregularities in the accounts of the DO. The DO has the authority and the means to correct underdrafts. Overdrafts frequently are not within the power of the DO to correct. If the check issue overdrafts resulted in overpayment of a payee, then that overpayment is an erroneous payment debt. When the DO has attempted to contact the payee and failed, or when the payee has been notified and has neither

the ability nor the inclination to make restitution, the DO shall transfer the debt to the supporting DFAS site for further collection action. In order to meet standards for relief of liability, uncollectible overdrafts shall be transferred to the supporting DFAS site within 90-days. After the debt has been transferred, relief of liability for the illegal, incorrect, or improper payment, as appropriate, may be requested following the procedures in [Chapter 6](#) of this volume.

<p><b>Optional Form 1017-G (9-79)</b>                  Title 7, GAO Manual                  501017-810</p>			
<p><b>JOURNAL VOUCHER</b></p>		<p>J.V. No. 25                  Date Oct 23, 20XX</p>	
REFERENCE	EXPLANATION	DEBIT	CREDIT
DV # 475129	<p>Accounts Receivable—Check Issue Overdraft</p> <p>Check Issue, Sep XX</p> <p>Check was drawn for \$1500.00 payable to Joe Doe. The payee was due only \$1000.00, which was the amount shown as charged to the appropriation on the disbursement voucher.</p> <p>DSSN: 2222                  Check No.: 00,141,123                  Date Issued: Sep 21, 20XX                  Original Amount Reported: \$1000.00                  Correct Issue Amount to be Reported: \$1500.00</p>	500.00	500.00

Total		500.00	500.00
Prepared By <u>Darrell Johnson</u> (Signature)	Approved By <u>Hank Snow</u> (Signature)		
<u>Deputy Disbursing Officer</u> (Title)	<u>Deputy Disbursing Officer</u> (Title)		

Figure 7-1. Optional Form 1017-G, Journal Voucher

GPO Form 2431  
 (R 1-96) P-51632-5

**U.S. GOVERNMENT PRINTING OFFICE**  
**PRINT ORDER – DEPARTMENT OF THE TREASURY CHECKS AND PROOFS**

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Agency order # \_\_\_\_\_ (Signature and Title) \_\_\_\_\_

2. TYPE OF ORDER  
 CHECKS  GRID  
 PROOF  REVISION TO PROOF

---

**GOVERNMENT PRINTING OFFICE INFORMATION**

3. PROGRAM <b>C249--\$</b>	4. JACKET	5. OBJECT CLASS <b>24:00</b>	6. ESTIMATED COST	7. DATE	8. PRINT ORDER
9. DEPARTMENT		10. REQUISITION	11. BAC	<b>TREASURY CHECKS</b>	
13. CONTRACTOR			14. PURCHASE ORDER	15. AREA/STATE CODE	16. CONTRACTOR'S CODE
17. SHIP TO:		18. APPROPRIATION CHARGEABLE		19. SHIP DATE	20. QUANTITY
21. REQUESTED SHIPPING DATES					

---

**AVAILABLE CHECK ASSEMBLIES AND VOLUMES – CHECK QUANTITY PER BOX IF NECESSARY**

<input type="checkbox"/> A. SINGLE	<input type="checkbox"/> 1,000	<input type="checkbox"/> 2,000	<input type="checkbox"/> 4,000	AVAILABLE STATEMENT OPTIONS (For Assemblies E, ER, ES, G, GS and I only) OPTION A OPTION B OPTION C OPTION D OPTION E OPTION F OPTION G
<input type="checkbox"/> B. SINGLE SET W/2 CARBONS	<input type="checkbox"/> 1,000	<input type="checkbox"/> 2,000	<input type="checkbox"/> 4,000	
<input type="checkbox"/> C. SINGLE SET W/1 CARBON	<input type="checkbox"/> 1,000	<input type="checkbox"/> 2,000	<input type="checkbox"/> 4,000	
<input type="checkbox"/> D. CONTINUOUS – 1 UP	<input type="checkbox"/> 1,000	<input type="checkbox"/> 2,000	<input type="checkbox"/> 4,000	
<input type="checkbox"/> E. CONTINUOUS W/RIGHT STUB – 4,000 CHECKS AND 4,000 STUBS				
<input type="checkbox"/> ER. CONTINUOUS W/RIGHT STUB – 40,000 CHECKS AND 40,000 STUBS PER ROLL				
<input type="checkbox"/> ERP. CONTINUOUS W/RIGHT STUB – 40,000 CHECKS AND 40,000 STUBS PER ROLL				
<input type="checkbox"/> ES. CONTINUOUS W/RIGHT STUB – 4,000 PAYROLL STATEMENTS AND 4,000 STUBS				
<input type="checkbox"/> ESR. CONTINUOUS W/RIGHT STUB – 40,000 STATEMENTS AND 40,000 STUBS PER ROLL				
<input type="checkbox"/> F. CONTINUOUS – 2 UP – 8,000 CHECKS				
<input type="checkbox"/> G. CONTINUOUS – W/TOP STUB	<input type="checkbox"/> 1,000 CHECKS	<input type="checkbox"/> 2,000 CHECKS		
<input type="checkbox"/> GB. CONTINUOUS – 2,000 CHECKS/STUBS				
<input type="checkbox"/> H. CONTINUOUS – 2 UP ROLL – 80,000				
<input type="checkbox"/> HP. CONTINUOUS – 2 UP ROLL – 80,000				
<input type="checkbox"/> I. CONTINUOUS – W/LEFT STUB	<input type="checkbox"/> 2,000 CHECKS	<input type="checkbox"/> 4,000 CHECKS		
<input type="checkbox"/> J. SINGLE SHEET – 3 UP – 80,000				
<input type="checkbox"/> JS. SINGLE SHEET – 3UP – 1,000 CHECKS AND 2,000 STUBS				
<input type="checkbox"/> K. SINGLE SHEET – 4 UP – 4,000 CHECKS				
<input type="checkbox"/> KS. SINGLE SHEET – 4 UP – 1,000 CHECKS AND 4,000 STUBS				

---

25. AVAILABLE CHECK TYPES – REGULAR CHECKS

<input type="checkbox"/> RP	<input type="checkbox"/> RP-NB	<input type="checkbox"/> RB	<input type="checkbox"/> RB-NB	<input type="checkbox"/> C	<input type="checkbox"/> C-NB
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26. CONTROL CHECKS

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27. CHECK SYMBOL, SERIAL AND INVENTORY CONTROL NUMBERS

SYMBOL AND SERIAL NUMBERS MUST BE SHOWN ON ALL ORDERS FOR REGULAR PREPRINTED CHECKS. TYPE RP OR RB-NB SYMBOL _____ SERIAL NUMBERS _____ FROM _____ TO _____ Ascending <input type="checkbox"/> Descending <input type="checkbox"/>	IF CHECK TYPES RB OR RB-NB SHOW SPECIFIC RANGE INVENTORY CONTROL NUMBERS (ICN) FROM _____ TO _____
---	--

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28. PROOF NO. \_\_\_\_\_ FOR REVISION COPY OF PROOF WITH CHANGES INDICATED ATTACHED

29. PRINT FROM  EXISTING PROOF  CORRECTED PROOF  NEW PROOF

30. TYPE OF CHECK PRINTING EQUIPMENT

31. TYPE OF BURSTING EQUIPMENT

32. METHOD USED TO REPORT CHECK ISSUES  
 MAGNETIC TAPE  OTHER

33. REMARKS

---

34. ISSUE STATISTICS AND ESTIMATES (If quantities differ significantly, explain under REMARKS in item 33 above) Ordering Agency to Complete

QUANTITY ISSUED		AVERAGE MONTHLY ISSUE EXPECTED
LAST CALENDAR MONTH	CALENDAR MONTH BEFORE LAST	
FOR QUESTIONS ON THIS ORDER CONTACT (Ordering Agency) NAME _____ TELE NO. ( ) _____		AGENCY NUMBER

PART 1 – VENDOR COPY

Figure 7-2. GPO Form 2431, Procurement of Treasury Checks

Complete GPO Form 2431 blocks as follows:

1. Agency order # **028-4-DSSN-01**  
(Agency #-FY-DSSN-FY order #)
2. Type of order
4. Jacket No = **304-800** (Effective 10/1/03)
9. Department (**US Navy**)
10. Requisition = **4-00330**
11. BAC = **5001-04**
17. Ship to:
18. Fund Cite **See Block 33**(Add appropriation to blk 33)
20. Quantity
21. Requested shipping dates (when you want the checks to arrive)
23. Domestic or Overseas
24. Available Check Assemblies and Volumes (**D Continuous 1-up**)
25. Available Check Types (**RP-NB**)
27. Check Symbol, Serial, and Inventory Control Numbers  
Beginning with xx,xxx,000 and ending with xx,xxx,999
28. Proof No. (can be added when order forwarded to DFAS)
29. Print From: **Existing Proof**
30. Type of check writing equipment
31. Type of bursting equipment
32. Method used to report check issue
33. Remarks - (Please put POC and e-mail in this block)
34. Issue Statistics and estimate

Please leave the name for questions (at bottom of form) blank. Forward GPO Form 2431 to below address:

Defense Finance & Accounting Service-Indianapolis  
Disbursing/Debt Management Policy Division  
Policy & Performance Management Directorate (DFAS-NPD/IN)  
8899 E. 56th Street  
Column 329F  
Indianapolis, IN 64249-0500

**Figure 7-2. Procurement of Treasury Checks (Continued)**

	Disbursing Officer’s Check Issue Reporting and Check Reconciliation	Completed	
		Yes	No
1	Has the disbursing section reviewed the check issue data from the entitlement system for accuracy? If data is not accurate, work with entitlement section to identify and correct the problem.		
2	Were checks issued after entitlement data was validated?		
3	Were the check payment listing and the checks matched to entitlement data (amount of check, amount of voucher, amount of Level 8 data, and name) prior to releasing the checks and/or releasing the check issue data to Defense Check Reconciliation Module (DCRM)?		
4	Was an error detected (i.e., date error, wrong serial number, or dollar amount)? If so, take corrective action to void check, and change check issue reporting data prior to releasing the check or the data.		
5	Was the post print verification completed for the check payment listing, checks, and check issue Level 8 data prior to releasing the checks and the check issue data through DCRM to the Department of the Treasury’s Check Payment and Reconciliation (CP&R) system?		
6	If the check data is balanced, did the DO process automated or manual Level 8 data daily, weekly, or monthly to the Department of the Treasury through the DCRM?		
7	Did the DCRM validate the Level 8 detail data to include DSSN, check issue date, amount, and serial number?		
8	At month end, did the DO ensure all check issue data for the month was entered into DCRM?		
9	Did the DO work the DCRM email notification for missing/unused checks in a timely manner to ensure missing checks are reported?		
10	Are voided, lost or stolen checks reported as zero (0) to the Department of the Treasury and Level 8 reporting? (See <a href="#">Chapter 8</a> of this volume.)		
11	Did the DO process the Month End Check Issue Summary (SF 1179) by consolidating the data into the summary level Statement of Accountability (SF 1219) and ensure that the end of month check issue data reported through Level 8 is in balance with the SF 1219 and the SF 1179? (See guidance in <a href="#">Chapter 9</a> of this volume if corrective action is required.)		
12	Did the current month’s SF 1179 also show prior month adjustment to check issue totals (in accordance with <a href="#">Chapter 9</a> of this volume)?		
13	Did the DO receive an Advice of Check Issue Discrepancy (FMS Form 5206)? The DO must research the FMS 5206 to determine reason for discrepancy and make appropriate adjustment, as required.		
14	Has correction of the discrepancy been reported on line 2.11 of the monthly SF1219? Use the original transaction date cited on the FMS Form 5206 when recording the adjustment.		
15	If the payee was not overpaid or underpaid, but incorrect check issue information has been reported to the Department of the Treasury, has the DO processed the FMS 5206 on the DO’s SF 1179 and SF 1219, or has the DO requested that the Department of the Treasury adjust the Check Issue Report?		

**Table 7-1. Checklist for DO's Check Issue Reporting and Check Reconciliation**

	<b>Disbursing Officer's Check Issue Reporting and Check Reconciliation</b>	<b>Completed</b>	
		<b>Yes</b>	<b>No</b>
<b>16</b>	If the DO discovers a discrepancy and prepares a Journal Voucher (OF-1017G) before a FMS 5206 is received from the Department of the Treasury, has the correction been reported on the SF 1219, line 2.12, in accordance with <a href="#">Chapter 19</a> of this volume and on the monthly SF 1179?		
<b>17</b>	Did the DO take necessary actions to clear the FMS Form 5206 discrepancies in accordance with <a href="#">Chapter 7</a> of this volume?		
<b>18</b>	Do any disbursing personnel have access to DCRM? If yes, what level and purpose?		
<b>19</b>	Did the DO coordinate with field personnel to ensure that all checks have been reported to the Department of the Treasury?		
<b>20</b>	Has the DO taken necessary actions in accordance with <a href="#">Chapter 7</a> of this volume to clear all discrepancies within 60-days of notification from the DFAS sites? DFAS site personnel must monitor all discrepancies to ensure the necessary actions have been taken to clear the discrepancies within 60-days in accordance with <a href="#">Chapter 7</a> of this volume.		

**Table 7-1. Checklist for DO's Check Issue and Check Reconciliation (Continued)**

	<b>DFAS Sites' Responsibilities for Check Issue Reporting and Check Reconciliation</b>	<b>Completed</b>	
		<b>Yes</b>	<b>No</b>
<b>1</b>	Did the reporting DFAS sites monitor output product from DCRM that compares DFAS sites' monthly reported SF 1219 line 2.10 line by DSSN to Level 8 data?		
<b>2</b>	Do the DFAS reporting sites perform oversight and notify DOs to ensure discrepancies are corrected within the month they are notified.		
<b>3</b>	Do the DFAS reporting sites receive from the Department of the Treasury the monthly CP&R and the Checks Issued Report (72 Report) denoting errors and forward reports to the DOs for reconciliation?		
<b>4</b>	Do the DFAS sites monitor and age discrepancies to ensure the necessary actions to clear the account are being taken?		
<b>5</b>	Are the comparison/discrepancy reports worked using the 72 Report to reconcile any differences that are not corrected by either an SF 1179, FMS 5206 for under/over pay adjustment, void check, or a DO request for adjustment (OF 1017G)?		
<b>6</b>	Do the DFAS sites monitor and age check issue discrepancies on the Outstanding Payment Report (prepared by DFAS-ANAB/DE), which reflects the range of checks issued and cleared by the Department of the Treasury but not reported by DOs, with the checks reported as missing in DCRM?		
<b>7</b>	Did the DFAS sites contact the DOs to obtain the data for any unreported checks in DCRM?		
<b>8</b>	Did the DFAS site personnel contact the DO about checks reported as missing by the Department of the Treasury but reported in DCRM?		

**Table 7-2. Checklist for DFAS Sites' Responsibilities for Check Issue Reporting and Check Reconciliation**



<b>CHECK ISSUE DISCREPANCIES</b>			
<b>R U L E</b>	<b>A</b>	<b>B</b>	<b>C</b>
	<b>If</b>	<b>and</b>	<b>then</b>
<b>1</b>	checks with incorrect information are discovered prior to release		void check and Level 8 data, issue new check and Level 8 data with correct information
<b>2</b>		level 8 data has already been reported into a disbursing system and check dollar amount is correct	do not void check. Process as a recertified payment
<b>3</b>		level 8 data has been released to the DCRM and check dollar amount is incorrect	process as a cancelled check (SF 1098)
<b>4</b>	advice of Check Issue Discrepancy (FMS 5206) is received by DO, research check issue data and determine if payee is overpaid or underpaid (note)	if incorrect check issue information was reported to the Department of the Treasury	process FMS 5206 on DOs SF 1179 & SF 1219
<b>5</b>	FMS 5206 is not received by the DO		DO shall identify and correct offsetting error(s) by preparing and issuing an OF 1017G to the Department of the Treasury.
<b>6</b>	the Department of the Treasury reported FMS 5206 but DO did not receive it, contact the Department of the Treasury for a copy of FMS 5206	FMS 5206 is valid	process on the SF 1179 and SF 1219
<b>7</b>		FMS 5206 does not belong to DSSN	forward FMS 5206 with memorandum to correct disbursing station
<b>8</b>	check issue reporting discrepancy discovered within one year of issue	No FMS 5206 has been issued	notify the Department of the Treasury in writing and request an adjustment to the amount reported
<b>9</b>		FMS 5206 was received	process on SF 1179 and SF 1219
<b>10</b>		a limited payability credit has been received	an adjustment cannot be processed. Refer to <a href="#">Chapter 8</a> of this volume

**Table 7-3. Check Issue Discrepancies**

<b>CHECK ISSUE DISCREPANCIES</b>			
<b>R U L E</b>	<b>A</b>	<b>B</b>	<b>C</b>
	<b>If</b>	<b>and</b>	<b>then</b>
<b>11</b>	check issue Level 8 data was transmitted but was not processed by the Department of the Treasury	check reporting files for DSSN in DCRM are reviewed and checks are determined to be missing	request files be transmitted to the DCRM system
<b>12</b>	the Department of the Treasury paid check but Level 8 data was not reported		report check issue data
<b>13</b>		check issue data has been reported	work with DCRM personnel about missing check data at the Department of the Treasury

**NOTE:** For Navy DOs aboard ships, refer to [Chapter 7](#) of this volume

**Table 7-3. Check Issue Discrepancies (Continued)**