

TABLE OF CONTENTS

CHAPTER 3 KEEPING AND SAFEGUARDING PUBLIC FUNDS

- 0301 Cash Operations
- 0302 Cash Review Requirements
- 0303 Safeguarding Funds and Related Documents
- 0304 Advancing Funds to Agents
- 0305 Advancing Funds to Friendly Foreign Nations
- 0306 Travelers Check Program
- 0307 Weapons for Cash Program

Figure 3-1. Sample DD Form 1081 (Statement of Agent Officer’s Account)
(Advance of Funds)

Figure 3-2. Sample DD Form 1081 (Statement of Agent Officer’s Account)
(Return of Funds/Vouchers)

Figure 3-3. Model Intergovernmental Agreement

Table 3-1. Maximum Levels of Authorized Cash Holdings

CHAPTER 3

KEEPING AND SAFEGUARDING PUBLIC FUNDS0301 CASH OPERATIONS030101. Appropriated Funds

A. Deposit Funds. Amounts appropriated by the Congress are held in an expenditure account by the Treasury subject to disbursement by DOs of the United States. Disbursements may be made by EFT, Treasury check, or cash. Cash funds are obtained by DOs as described in [Chapter 7](#) of this volume. Every disbursing office authorized to make disbursements is identified by a DSSN. Each disbursement of funds is charged by the Treasury Department to the DSSN making the disbursement. DOs outside the United States are authorized to maintain official checking accounts with banks designated by the Secretary of the Treasury in accordance with regulations outlined in [Chapter 14](#) of this volume. These special accounts outside the United States denominated in local or third country currencies and are known as limited depositary accounts (LDAs).

B. Cash Funds. When it is necessary to make all or some disbursements in cash, upon approval of the commander or other authority, DOs are authorized to maintain on hand, at their own personal risk, currency and coin required for official disbursements and accommodation transactions.

★ C. Selection of Payment Method. Subject to the policies outlined in this volume, payments may be made by EFT, check, or cash. In the United States, EFT is the prescribed method of payment and shall be utilized to the maximum extent possible. When use of EFT is not practical; i.e., for payments going to a foreign country address where EFT is not available, Treasury checks (rather than cash) are the preferred method of payment. Consult section 2402.

030102. Cash Held at Personal Risk. Funds that qualify as cash held at personal risk include U.S. currency and coin on hand; foreign currency and coin on hand; imprest funds; change funds; and cash on deposit in an LDA. Cash held at personal risk is for making miscellaneous cash payments, making change, conducting accommodation exchanges, and other specifically authorized transactions.

★ 030103. Approving Authority. Service commanders of DOs, deputies, agents, and cashiers of the DO within their commands are the approving authority for granting requests to hold cash funds at personal risk. The DFAS Center Directors of DOs, deputies, agents, and cashiers of the DO within their organizational structure, to include defense accounting officers (DAOs), are the approving authority for granting requests to hold cash at personal risk. Cash on hand must be kept to the minimum necessary to meet normal requirements. To ensure that good

cash management procedures are in effect within the Department, the approving authority shall review each request to ensure that it is in line with the total non-payroll requirements.

★ 030104. Requests for Approval. Each DO shall request authority to hold cash at personal risk from the approving authority. Scheduled payday cash requirements, including the amount required to cash payday paychecks, shall not be included in the request. The approving authority is responsible for ensuring the amount of the request is within the guidelines set forth below and that management controls exist to ensure that routine reviews of cash requirements are being conducted. A new request to hold cash at personal risk shall be submitted semiannually (or whenever a review of cash requirements will result in a major change), allowing sufficient approval time for the cash authority to become effective on October 1 and April 1 of each fiscal year. Requests to hold cash at personal risk shall be made in writing and shall include the name, title, and duty station of the accountable requestor; a description of the payments and transactions requiring the use of cash; a statement attesting that adequate facilities are available to safeguard the cash; and a breakdown of where the cash will be held by accountable position. For emergency and extraordinary expense funds security concerns may require omission of the duty station, description of payments, location of facility, or other information that may compromise classified information. However, this information shall be kept on file and available for review by cleared personnel. The request shall include the amount to be held personally by the DO as well as the amounts to be held by all deputies, agents, and cashiers of the DO. The request shall not include the amount held by authorized imprest fund cashiers and authorized change fund custodians. Imprest funds and change funds are approved separately and are not to be included in the DO's cash holding authority. Approval of all requests shall be indicated by an appropriate endorsement and the original request shall be returned to the DO for retention.

030105. Determining Cash Requirements

★ A. General. In considering their cash requirements for disbursing and accommodation transactions, DOs shall consider daily cash collections of all deputies, agents, and cashiers of the DO over a representative period of time and average the results. If daily cash collections exceed disbursement and accommodation needs, no further computation is necessary. Otherwise, compute the cash requirements according to source and availability as shown in table 3-1. The portion of the DO's request to hold foreign currency at personal risk may be stated in foreign currency units to preclude temporary increases due to extreme currency fluctuations. The following types of disbursements which are authorized and/or required should be considered in determining the minimum cash/negotiable instruments a DO must hold at personal risk to meet normal daily cash transaction requirements:

1. Routine cash payments.
2. Emergency cash payments, e.g., emergency leave, etc.

- ★ 3. Commercial contract travelers checks for travel cardholder temporary duty travel advances.
- ★ 4. Cash travel advances for non-cardholder temporary duty travelers and permanent change of station travelers.
- 5. Foreign currency requirements for accommodation exchanges.
- 6. Requirements for personal check cashing accommodation transactions. (See [Chapter 4](#).)
- 7. Cash transactions of remote/satellite deputies, cashiers, and agents of the DO.

B. Special Circumstances. When special circumstances require DOs to increase their cash holdings beyond the amounts set forth above, the circumstances and duration of the expected need for increased cash shall be detailed in the request for approval to increase cash held at personal risk. The approving authority may authorize holding amounts temporarily in excess of the limits described above based on the circumstances provided. If the circumstances are more than temporary (over 30 days) or are expected to become permanent, the DO shall recompute the cash requirements based on the addition or deletion of anticipated services and requirements and submit a new request for approval.

C. Cash Collections. Coin and currency received as cash collections may be held for operating cash requirements up to the amount authorized to be held at personal risk. Cash collections that increase cash on hand above the authorized limit shall be deposited immediately.

030106. Payroll Cash. Payroll cash is the cash required to meet mid-month, end-of-month, or special payday requirements. DOs can forecast these requirements using historical data and current personnel assigned figures. It should be ordered and withdrawn from the institution or activity providing cash as close to the actual payday as practical. Any excess amount drawn that results in the DO exceeding the authorized limit for cash held at personal risk should be deposited no later than the next business day following payday.

030107. Obtaining Cash Funds for Disbursing Purposes

A. Procurement by Exchange-for-Cash Checks. DOs are authorized to draw exchange-for-cash checks as described in [Chapter 7](#) of this volume for procurement of cash necessary to meet authorized requirements. Funds can be obtained from other DOs, an FRB, FRB branch, or any commercial bank willing to provide the service. If the DO is unable to go to the bank to take possession of the funds due to excessive workload or location, arrangements can be made with the FRB or bank to ship the funds by registered mail or armored car. The commander shall approve and fund, as required, this type of delivery.

B. Notification to the Bank. As required, DOs shall provide the bank with advance notice of their cash requirements. At the time of notification, the DO should ascertain and provide any other additional requirements of the financial institution such as date currency required; identification required; denominations required; fees charged; and any policies or procedures peculiar to the particular institution (e.g., letter of introduction).

C. Immediate Credit Procedures

1. Requirement. A few banks have negotiated agreements with the Treasury Department that permit them to receive immediate credit when cashing an exchange-for-cash check for DOs to obtain payroll cash (referred to as military payroll check by the Treasury Department). DOs who obtain their payroll cash from one of the banks so designated shall notify the Treasury by Telecopy-FAX or by message or telegram addressed to: U.S. Treasury Department, Financial Management Service, General Ledger Branch, (ATTN:MTAS), Washington, DC. There are two Telecopy-FAX lines available for this purpose: (202) 566-3020 and (202) 633-7728.

2. Notification. Notification should arrive at the Treasury Department at least 2 days before the transaction is to take place and should include the name and location of the disbursing office; the name and address of the bank; the amount of the check; the date the check will be presented to the bank (shall be same day cash is picked up); a statement that the bank will be requesting immediate credit; and the disbursing office point of contact and commercial telephone number. Do not use DSN numbers. If an error is detected, a correction shall be transmitted immediately. In the event that the check is not exchanged for cash, the DO immediately shall notify the Treasury Department.

D. Protection of Currency in Transit

1. Notification to Commander. When a DO or any other person leaves the disbursing activity with official cash funds in excess of \$10,000, or for the purpose of picking up official cash funds in excess of \$10,000, the installation commander and the security police shall be notified. Such notice may be made through the command duty officer or other duty officer by reporting the time of departure, destination, estimated time of return, amount, and the source or disposition of the cash funds, as appropriate, for entry in the ship or station log.

2. Transporting Cash. Cash shall be secured at all times. Safeguarding of such funds is a command responsibility. Specifically, the responsibility for providing security rests with the commander of the activity who requested such funds be made available. In this regard, the decision whether to have an armed escort, how many, or the type of transportation to be used is all part of the command's responsibility. The command should consider such things as amount of funds to be protected, the distance and terrain to be covered, type of transportation available, and local security forces which may be called upon.

3. Liability. The deputy, agent, or cashier who has signed for the funds is pecuniarily liable for such funds until their return to the DO. If a deputy, agent, or cashier feels that adequate security has not been provided by the command, then the agent may refuse to disburse such funds and return the funds to the DO.

E. Verification of Money. The DO shall verify all cash received prior to acceptance. Non-sealed money shall be verified by actual count prior to acceptance or immediately upon receipt of shipment. Sealed new money bricks (presented with the FRB's packaging intact) can be verified by bundle count at the DO's risk. When the bundle is needed, the bundle should be verified immediately upon opening with individuals standing by to witness both the breaking of the seal and the count verification. Discrepancies shall be reported immediately by issuing a claim to the Treasury Department via the bank from which the money was obtained. Claims shall identify the bundle/brick in question and include a signed statement from the witnesses. The Treasury Department normally does not approve these claims. If the claim is not approved, apply the regular request for relief procedures. Receipts by shipment shall be accepted and verified in front of the witnesses immediately upon receipt in accordance with the above procedures, depending upon how the money is packaged.

F. Expenses. Bank charges and shipping costs that may be incurred when procuring U.S. currency shall be charged to the operation and maintenance funds available to the disbursing activity.

G. Registered Mail Shipments of Currency. This method of obtaining funds is highly discouraged. If no other sources of cash are available and cash must be obtained using this method, it shall be accomplished by sending an exchange-for-cash check to an FRB via registered mail. Also, the DO shall make arrangements with the FRB to pay the registered mail costs. As provided in the previous subparagraph, costs incurred in procuring U.S. currency shall be charged to the operation and maintenance funds of the disbursing activity. Upon notification that the shipment has been made, the DO shall take action to alert the shipper to trace the funds if they have not been received within a reasonable period of time; maintain a copy of the exchange-for-cash check and report the check as funds in transit on the SF 1219 until the cash is received from the FRB; and if the cash or any portion of the order is not received in a reasonable time, initiate diligent action as described in [Chapter 5](#) of this volume.

H. Obtaining Cash by Transfer from Officer Relieved. The obtaining of cash funds by transfer from another DO without the issuance of an exchange-for-cash check is authorized only upon the relief of a DO and only from the DO being relieved.

0302 CASH REVIEW REQUIREMENTS

030201. Quarterly Cash Verification

A. Purpose. The quarterly cash verification is the physical count of the cash, negotiable instruments, and other assets that comprise a DO's total accountability (including cash, negotiable instruments, and other assets in the custody of all deputies and agents). It is a management control that, along with other controls, can be used to gauge the overall health of a disbursing operation. It is not meant to alleviate management's responsibility to direct and monitor all facets of a disbursing operation.

B. Appointing the Cash Verification Team. The verification shall be conducted by a team of disinterested persons appointed by the commander. The appointment shall be made in writing and include at least two qualified personnel. At least one of the personnel must have accounting or disbursing experience. It is in a command's best interest to use the most competent personnel available. In the case where the DO also is the commander, the next higher commander in the administrative chain of command shall appoint the team. At small or remote locations, it may be desirable to limit the team to one member or have members appointed and provided from serviced or associated commands. Cash verification team members shall not be in the DO's chain of command. If possible, one member should be equal or senior in rank to the accountable individual. For imprest and change funds, especially those held at installations or activities other than the installation or activity of the DO, the commander who authorized the establishment of the fund and appointed the imprest fund cashier or change fund custodian is responsible for appointing the cash verification team. In all cases, the appointing commander shall require the cash verification team (or individual) to perform a verification of all funds held by deputies, branch office cashiers, disbursing agents, paying agents, collection agents, imprest fund cashiers, or change fund custodians, at least once each quarter. Cleared personnel will be appointed for the verification of emergency and extraordinary expense funds.

C. Cash Verification Procedures. Except as modified by this paragraph, the requirements of this volume shall be met by the cash verification team in conducting cash verifications. When desired by the commander appointing verifying officials, the DO shall conduct training for the verifying officials and/or provide written instructions with check-off lists. The specific procedures for conducting the verification are contained in [appendix A](#). The team and the commander jointly are responsible to ensure that the verification is conducted randomly throughout a quarter. Verifications that are continuously held at or near the end of a quarter are counter productive. The quarterly cash verification may be omitted for any quarter in which a cash verification is made by representatives of an area audit office, a disbursing on-site examination team, or transfer of accountability has occurred.

D. Report of Verification

★ 1. General. A written report of the results of each verification shall be made. The original report shall be provided to the commander, a copy to the DO, and a copy retained by the cash verification team. If funds are found to be in excess of that authorized to be

held at personal risk in accordance with paragraph 030105 of this chapter, the report shall be expanded to so state. Any shortage or overage in the DO's account-ability shall be reported as prescribed in [Chapter 6](#) of this volume. The verifying official(s) shall make an entry on the face of the DO's daily statement of accountability, setting forth the result of the verification in substance as follows:

"On (date) at (time) , the undersigned verified by actual count, cash in the amount of \$_____ , together with all documents supporting collections and disbursements, which (is)/(is not) in agreement with this daily statement of accountability.

Signature and Rank of Verifying Official"

2. Limitations. Each report to the commander shall begin with the statement: "The quarterly cash verification is meant only to verify that cash and other assets for which the DO is accountable agrees with the total accountability amount recorded as on-hand on the DO's daily statement of accountability. It does not attest to the system of management controls or overall fiscal operation of the disbursing office. Strong management controls exercised by the appropriate members within the chain of command are mandatory and necessary to prevent and preclude major loss or fraud."

0303 SAFEGUARDING FUNDS AND RELATED DOCUMENTS

030301. General. This section sets forth the responsibilities of commanders and DOs for safeguarding public funds and the related instruments and documents. Its provisions are equally applicable to deputies, agents, cashiers, and other custodians of public funds. DOs should hold the number of accountable positions that require the storing of public funds to a minimum. The most secure container that is available to a DO (vault, safe, etc.) shall first be used for safeguarding currency; undelivered checks and bonds; negotiable instruments; public vouchers; storing of blank U.S. Treasury checks, limited depositary checks, and U.S. savings bonds; signature plates; safekeeping of valuables; and other records in that order. The command security program should be written to take into account the maximum amount of each of these items that would normally be on hand at any given time. Public funds and documents shall not be stored in the same containers as classified material and documents.

030302. Responsibilities

A. Commander. The commander is responsible for:

1. Ensuring that every individual entrusted with public funds is provided a vault, safe or other adequate secure facility (e.g., a strong box) for exclusive use and accessible only to that individual. If it is not possible to provide separate safes, separate locked compartments in one safe or strong boxes stored in one safe or vault shall be provided. To

assure the fixing of accountability, control over a discreet amount of public funds shall not be entrusted to two or more individuals. Public funds shall never be merged with any other funds.

2. Developing a security program and promulgating the program in the form of a command instruction or notice. The program shall provide adequate protection for the maximum amount of public funds and related documents and instruments that will be on hand at any given time.

3. Ensuring that personnel protection is included in the overall disbursing security program. The program shall include requirements for periodic review of the adequacy of the security measures being used and for testing security equipment for proper operation on a semiannual basis.

4. As required, ensuring armed guards are made available for escort of government funds to and from the disbursing office when funds are being transported.

5. Providing fire protection of government facilities and funds.

B. Disbursing Officer. The DO is responsible for properly safeguarding all government funds with which entrusted and is held pecuniarily liable for the loss of such funds. When DOs, deputies, agents, cashiers, and/or custodians have custody of government funds, each shall be provided with a separate secure container as described above. Although any of the appointed or assigned personnel are liable for any losses of government funds in their custody, the DO also continues to hold overall responsibility and is jointly (or even singularly) liable for any losses associated with these personnel. For this reason, DOs shall make sure that all deputies, agents, cashiers, imprest fund cashiers, and other custodians are fully aware of their responsibilities for properly handling and protecting government funds. At least semiannually, the DO or designee shall make a personal inspection (and maintain a record of such inspections) of office security measures to ensure that:

1. Vaults and safes are not accessible to unauthorized persons. Access to vaults may be limited by vault day gates to which only authorized personnel have the keys.

2. Cash in excess of the amount required and authorized for official purposes is promptly deposited.

★ 3. Windows and doors are limited and barred and/or locked at all times after business hours.

4. Access to the working area is conspicuously marked "AUTHORIZED PERSONNEL ONLY." Transactions should be conducted from a cage, room, or counter enclosure, constructed in a manner which will provide a physical barrier to normal traffic and a minimum of interference by other activities and personnel of the office.

5. Security devices for the check signing machines, meters, and plates are kept in the custody of the DO or authorized deputy at all times.

6. Internal office procedures are established to provide adequate controls on all undelivered and returned checks. Responsibility for receipt, holding, and final distribution of checks shall be assigned in writing.

7. The commander is advised of any security shortfalls or breaches.

8. The servicing DFAS Center is informed of any request for adequate safeguarding facilities that has been denied.

9. Written and oral instructions are provided to all deputies, agents, cashiers, and custodians regarding the proper care and handling of cash and other accountable documents. The DO is advised to maintain an affidavit from each accountable individual attesting to receipt of such instructions.

10. All cash, blank Treasury checks, blank U.S. savings bonds, blank depositary checks, and related items to which this section refers are kept in a vault, safe or security container that meets the minimum security standards prescribed in this section.

11. All fund containers aboard ships and fund containers ashore that are either on rollers or weigh less than 750 pounds are stored in a vault or secured in such a way as to prevent movement.

12. If the vault, safe, or container is visible to the exterior of the office where security patrols pass, the container is illuminated. This requirement is mandatory in all cases aboard ships.

13. The combination of all vaults, safes, and fund containers is changed at least once every 6 months and upon relief, transfer, separation, or discharge of the accountable individual. Except for vaults containing only bulk stock of blank checks and bonds or several safes or strong boxes (wherein funds are stored) stored inside the vault, the responsible individual shall not divulge the combination or key to anyone. At the discretion of the DO, the combination of each safe and duplicate key of each strong box may be placed in a sealed, signed, and dated envelope. The envelope shall be sealed and signed by the accountable individual in such a manner that unauthorized opening of the envelope can be detected. The sealed envelopes of all accountable individuals other than the DO shall be kept in the DO's safe. The sealed envelope containing the combination and/or keys to the DO's safe or vault shall be delivered to the commander, security officer, or other designated official for retention. The combination or key sealed in the envelope shall be used only in the event of an emergency which requires opening of the safe or vault. Refer to [Chapter 2](#) of this volume for emergency procedures.

14. A record of combination changes is kept inside each vault, safe, or container. The record shall be dated and signed by the accountable individual.

15. The dial to the vault, safe, or container concealed by a shield made of cardboard or other suitable material to limit the possibility of the combination being observed.

16. The name and phone number of the accountable individual is posted on the inside of the vault, safe, or container. DOs may use an SF 700 (Security Container Information), SF 701 (Activity Security Checklist), or SF 702 (Security Container Check Sheet), as appropriate, to assist in the control and proper safeguarding of public funds and the vaults, safes, and/or containers. Alternatively, a unique container number along with a 24-hour duty number may be posted on the outside of the vault, safe, or container provided the duty personnel have access to the accountable individual.

17. Keys to the work space or disbursing office are strictly controlled. A record shall be maintained that identifies who has keys, when they were issued, and when they were surrendered.

18. All security equipment is tested at least every 6 months for proper operation and a record of the tests maintained.

C. Other Custodians of Public Funds. Protective action shall be taken by all custodians (including alternate custodians) entrusted with public funds.

030303. Intrusion Detection Systems

A. General. An Intrusion Detection System (IDS) is a vital part of any protection system designed to provide in-depth protection for a resource or other important area. The DoD supports a policy on the use of IDS for resource protection purposes. The first consideration shall be given to components of the DoD Joint-Services Interior Intrusion Detection System (J-SIIDS). In certain special cases, components of the Base and Installation Security System (BISS) (generally used for security applications) also may be available for resource protection requirements.

B. Alarms. Alarms should be considered for use to deter entry to the general disbursing area or to the actual storage container. There are three levels of alarm protection: penetration; motion; and point detection. In-depth protection can best be achieved by equipping an area with a minimum of two levels of detection capability. The existence of alarms should be well publicized to gain the full benefit of psychological deterrence, and should be identified by conspicuous warnings.

C. Maintenance. To ensure the alarm system operates properly, the installation shall have an effective maintenance program and shall test the system regularly. The alarm system shall be protected against bypassing and spoofing consistent with DoD requirements.

D. Alarm Monitor's Responsibilities. Alarm monitors shall be trained to understand the systems they are monitoring to include operation and basic fault isolation. They shall work closely with the security police and unit personnel and act as a liaison in this special role.

★ 030304. Categories of Storage Containers

A. Security Containers. General Services Administration approved security containers are manufactured under the following Federal specifications. The Class 1 and Class 5 cabinets have been rated to provide the greatest protection against forced entry.

1. Class 1 or Class 2 cabinet. AA-F-357 (GSA-FSS).
2. Class 4 or Class 5 cabinet. AA-F-358 (GSA-FSS).
3. Class 5 or Class 6 Map and Plan File. AA-F-363 (GSA-FSS) or Class 6 Drawer File - AA-F-358 (GSA-FSS).

B. Burglary Resistant Safes. Commercial burglary resistant safes are certified by Underwriters' Laboratories, according to the following classifications. These containers are designed to protect the contents against forced entry. The numerical value utilized in the classifications represents the time in minutes which the safe should resist forced entry. These safes provide a greater degree of protection than the General Services Administration rated security containers.

1. Tool-Resistant Safe - TL-15.
2. Tool-Resistant Safe - TL-30.
3. Torch and Tool-Resistant Safe - TRTL-30.
4. Torch and Tool-Resistant Safe - TRTL-60.

★ 030305. Storage Container Requirements

A. Currency and Negotiable Instruments. The following subparagraphs prescribe the minimum requirements for storage of currency and negotiable instruments. DoD Component security and resource protection programs should ensure compliance with these minimum requirements. Previously approved storage containers currently in use may continue to be used.

1. Under \$7,500. The commander shall establish fund container requirements. Any of the security containers or burglary resistant safes listed in paragraph 030304 of this section may be used. Additionally, the Naval Sea Systems Command may designate specific containers which may be used onboard Navy ships.

2. \$7,500 - \$50,000. A security container that carries a Class 1 or Class 5 rating or a burglary resistant safe carrying at least an Underwriters' Laboratories classification of Tool-Resistant Safe, TL-15, and having a Group 1R combination lock, should be used.

3. \$50,000 - or more. A burglary resistant safe or vault carrying at least an Underwriters' Laboratories classification of Tool-Resistant Safe, TL-30, and having a Group 1R combination lock, should be used.

★ B. Other Than Currency and Negotiable Instruments. Blank checks and bonds, signature plates, paid vouchers representing cash (collection or disbursement vouchers which have been processed but have not been included as a net disbursement in the daily or monthly, as appropriate, financial reports to the servicing DFAS center), other disbursing records and documents, and personal valuables as defined in paragraph 270102 held for safekeeping shall be stored in a security container carrying at least a Class 1 or Class 5 rating or a burglary resistant safe or vault. Additionally, the naval sea systems command may designate specific containers which may be used on board navy ships.

0304 ADVANCING FUNDS TO AGENTS

030401. Deputies, Agents, and Cashiers of the DO

A. Procedure. DOs may entrust funds for official use to the custody of their deputies, agents, and cashiers as prescribed in this section. All funds that are advanced to deputies, agents, and cashiers shall be documented by DD Form 1081. Funds may be provided by furnishing the deputies, agents, or cashiers with currency or by issuing exchange-for-cash checks, as required, payable to the deputy, agent or cashier. The DO shall instruct the individual to negotiate exchange-for-cash checks only as funds are needed, since an unnegotiated Treasury check does not represent an interest burden on the Treasury, and, accordingly, is not considered a part of the individual's (or the DO's) approved cash authority (even though the DO reports the unnegotiated check as "Funds with Agents" and the deputy, agent, or cashier reports the unnegotiated checks as "Cash on Hand"). Funds in the custody of deputies, agents, and cashiers in the main disbursing office shall be reported on the SF 1219 as cash on hand and funds in the custody of deputies, agents, and cashiers outside the main disbursing office shall be reported on the SF 1219 as cash in the custody of government cashiers. See figure 3-1 for an example of a properly executed DD Form 1081 showing an advance of funds to deputies, agents, or cashiers.

B. Limitation of Amount. Under normal conditions, the amount of funds advanced to a deputy, agent, or cashier shall not exceed their cash holding authority. However, during the authorized absence of the DO, on paydays, and at such other times as is required for

efficient operation, funds may be entrusted to the custody of deputies, agents, or cashiers in such amounts as are required, provided the total amount held by the DO and the deputies, agents, and cashiers does not exceed the amount authorized to be held by the DO.

C. Custody. Each deputy, agent, or cashier shall store the funds entrusted to him or her in a safe or adequate container which is assigned exclusively for his or her use as specified in section 0303 of this chapter. The combination of the safe or container shall be known only to the deputy, agent, or cashier and may be placed in a sealed, signed, and dated envelope for retention in the DO's safe or vault. The combination of the safe or container shall be changed at least once every 6 months. If it becomes necessary, in the opinion of the commander, to gain access to the safe or container, it shall be opened and the contents verified following the procedures outlined in [Chapter 2](#) of this volume.

D. Balancing. All deputies, agents, and cashiers entrusted with official funds shall balance the funds in their custody following the balancing requirements for DOs as outlined in [Chapter 19](#) of this volume. The permanent record of balancing for deputies, agents, and cashiers shall always be kept on the DD Form 2665 (Daily Agent Accountability Summary). The DO shall instruct each deputy, agent, or cashier with respect to the frequency of balancing and submission of DD Form 1081 as a summary of cash transactions and receipt for cash and vouchers on hand. In any event, DD Form 1081 turn-ins shall be made not less frequently than once each month. When it is known that a deputy, agent, or cashier will be absent in excess of 5 workdays, all funds and accountable documents in the deputy's, agent's, or cashier's custody shall be returned to the DO with properly executed DD Forms 2665 and 1081 prior to departure. Any shortage or overage of funds shall be reported immediately as prescribed in [Chapter 6](#) of this volume. See figure 3-2 for an example of a properly executed DD Form 1081 showing return of funds and/or vouchers to the DO.

E. Collections and Disbursements

1. Deputies, Agents, and Cashiers in the Main Disbursing Office. All negotiable instruments, collection and disbursement vouchers, and other accountable documents shall be accounted for on DD Form 2665 and turned in to the DO daily with a covering DD Form 1081. Currency collected over and above the currency disbursed may be retained when authorized by the DO provided the total funds held are within the limitations specified above. The DD Form 1081 also serves as a new receipt for the funds which remain in the custody of the deputy, agent, or cashier. When additional funds are required, due to disbursements greater than collections or other authorized transactions, the DO may replenish the funds in the net amount of acceptable vouchers and negotiable instruments delivered with the DD Forms 2665 and 1081. The DO shall prepare a new DD Form 1081 for the amount of funds advanced. DD Forms 1081 shall be prepared as described in [Chapter 19](#) of this volume.

2. Deputies, Agents, and Cashiers at Branch Disbursing Offices. When deputies, agents, and cashiers are performing duties in branch offices located at such distances from the main disbursing office that reporting of transactions in person is considered

impracticable, the DO may authorize transmittal of the transactions by mail or messenger, accounted for on DD Form 2665 with a covering DD Form 1081. The original DD Form 1081, signed by the deputy, agent, or cashier and duplicate of the report shall be forwarded with the DD Form 2665 and substantiating vouchers, negotiable instruments, and documents to the DO who, after examination and acceptance, shall acknowledge receipt on the duplicate copy of the DD Form 1081 and return the duplicate to the deputy, agent, or cashier. Replenishment of funds may be accomplished by furnishing the deputies, agents, or cashiers with currency or by issuing exchange-for-cash checks payable to the deputy, agent, or cashier and a new DD Form 1081 as provided in the previous subparagraph. DD Forms 1081 shall be prepared as described in [Chapter 19](#) of this volume.

3. Deputies, Agents, and Cashiers Under Other Commands.

Deputies, agents, or cashiers who are not under the same command as the DO, such as the investigative service, investigative support center, intelligence command, and U.S. Defense Attache Offices, shall deposit negotiable instruments whenever possible. Deposit tickets, collection and disbursement vouchers, and other accountable documents shall be transmitted by mail or messenger, accounted for on DD Form 2665 with a covering DD Form 1081. The DD Form 1081 shall be prepared as described in [Chapter 19](#) of this Volume, except that, on the determination of the DO, the volume of transactions may be so few as to permit the submission of a single DD Form 1081 for each month.

4. Deputies, Agents, and Cashiers Aboard Navy Vessels.

Deputies, agents, and cashiers aboard Navy vessels shall account for all negotiable instruments, collection and disbursement vouchers, and other accountable documents (including documents prepared in conjunction with the automated teller machine system, if installed on the vessel) using the DD Forms 2665 and 1081 as prescribed in the preceding subparagraphs. However, turn-in shall be accomplished no less frequently than: once each week; immediately before and after each payday; the last day of each month; and, at any other time when the DO suspects that an irregularity has occurred. Whenever workload and staffing conditions permit, DOs aboard Navy vessels are encouraged to require all deputies, agents, and cashiers to turn in vouchers and negotiable instruments more frequently than the standards prescribed by this subparagraph.

F. Records. All transactions by other than the DO shall be identified by name of the paying deputy, agent, or cashier. The method used to accomplish the identification shall be as determined by the DO. Negotiable instruments cashed by other than the DO shall be identified as prescribed in [Chapter 4](#) of this volume.

030402. Paying Agents. Funds entrusted to authorized paying agents for the purpose of making specific payments, currency conversions, or check-cashing transactions shall be documented with a DD Form 1081. The amount of the advance shall not exceed the amount required for the specific payments, check cashing, or currency conversions to be made by the paying agent. The DO shall furnish written instructions to the paying agent to ensure that all pertinent disbursing procedures are properly observed by the paying agent, including requirements for the safeguarding of funds; identification of payees; signature of payees;

required vouchers, documents, and certifications; and the return of funds and vouchers. Funds advanced to the paying agent shall neither be commingled with any other funds nor advanced to any other person. Normally, the paying agent shall not retain advanced funds overnight. Promptly upon completion of authorized payments, the paid vouchers, negotiable instruments, and any balance of funds shall be returned to the DO with a properly completed DD Form 1081.

When circumstances require retention of funds overnight by the paying agent, the custody requirements in section 0303 of this chapter shall be followed, and the paid vouchers, negotiable instruments, and balance of funds shall be returned as soon as possible after completion of the authorized payments, normally within 24 hours. The DO shall notify his or her commander and the commander of the paying agent if the paying agent fails to make prompt return of paid vouchers, negotiable instruments, and funds or if loss of funds or vouchers occurs.

030403. Imprest Fund Cashiers

A. Authority. The DO serving the base, camp, post, station, installation, activity or ship is authorized to advance official funds not to exceed the \$10,000 limitation and authorization as prescribed in [Chapter 2](#) of this volume. When an imprest fund initially is established, the DO shall make the advance of funds only after receiving a copy of the authorization to establish the fund from the commander or designee. When the commander or designee authorizes an increase in the amount of an existing imprest fund, the DO shall make the additional advance in order to bring the amount of the fund up to the newly established level only after receiving a copy of the authorization to increase the amount of the fund.

B. Form of Advance of Funds. The advance shall be made by cash or by check payable to the order of the imprest fund cashier. If desired by the imprest fund cashier, a series of checks in the desired denominations (round figures or specific amounts) may be issued. The DO shall prepare a DD Form 1081 for the amount of funds advanced and the original shall be signed and returned to the DO by the imprest fund cashier. All DD Forms 1081 for imprest fund advances shall include a statement that the imprest fund cashier will immediately inform the DO who advanced the funds of any loss of or shortage.

C. Accounting. All imprest fund advances shall be reported on the SF 1219 as cash in the custody of government cashiers.

D. Reimbursement and Liquidation. The amount of the imprest fund shall remain constant at all times. The imprest fund cashier shall prepare and submit an OF 1129 (Cashier Reimbursement Voucher and/or Accountability Report) to the DO as often as necessary but no less frequently than once per month for replenishment of the fund. The DO shall reimburse the imprest fund cashier for the amounts expended and properly documented as prescribed in [Chapter 2](#) of this volume. Upon reduction in the authorized amount of the imprest fund, funds may be transmitted to the DO by money order(s). The cost of the money order(s) shall be deducted from the amount transmitted and accounted for as prescribed in [Chapter 2](#) of this volume. The imprest fund cashier shall prepare a DD Form 1081 to document the return of the funds. The DO shall sign the duplicate of the DD Form 1081 and return it to the imprest fund

cashier. Upon relief of the imprest fund cashier or upon the disestablishment of the fund for any reason, all unreimbursed transactions shall be accounted for on an OF 1129. Immediately upon reimbursement for the final OF 1129, the imprest fund cashier shall prepare a DD Form 1081 and return the total amount of the imprest fund to the DO. When the imprest fund advance is fully accounted for, the DO shall sign the duplicate copy of the DD Form 1081 and return it to the imprest fund cashier. Upon relief of the DO, the DD Form 1081 receipting the amount held by the imprest fund cashier in the imprest fund shall be transferred to the relieving DO.

E. Shortage or Overage of Imprest Fund. In the event of a shortage or overage in an imprest fund, action shall be taken as prescribed in [Chapter 6](#) of this volume.

030404. Establishing Change Funds

A. Authorization

1. When the efficient and economical operation of a government laundry, clothing sales store, or other appropriated fund activity (other than a Defense Commissary Agency (DeCA) commissary) engaged in selling property or services requires cash for making change, the officer in charge of the activity shall request the commander to establish a change fund. After approval, the commander (or designee) shall appoint a change fund custodian and the appointment document shall specify the amount of funds to be advanced by the DO or an agent of the DO to the custodian. The DO (or an agent of the DO) providing disbursing service to the installation or activity where the sales activity is located shall provide the authorized change fund advance and record the advance in his or her accountability as cash in the custody of Government cashiers. This requirement applies whether the sales activity deposits the proceeds of sales to the DSSN of the local DO or to the DSSN of a regional DO.

2. For DeCA commissaries, the change fund for each commissary store is authorized by the Director, DeCA. Except in specific overseas areas, DeCA commissary change funds are provided by the DFAS-Columbus Center. In all cases, these change funds are issued by U.S. Treasury check using an SF 1034 that charges the DeCA Resale Account and are not carried in the issuing DO's accountability as cash in the custody of government cashiers.

B. Fund Limit. The amount of the change fund shall not exceed \$250 for each cash register machine operated in the activity. When a cash register has more than one drawer, each drawer may be considered as a register. The commander may authorize additional amounts as indicated below. These increases shall be consistent with good cash management principles. Upon approval of the commander, cash may be advanced to authorized collecting agents for making change.

C. Fund Increases

1. The commander may authorize an additional \$50 for each cash register and an amount not to exceed \$500 for each accountable medical services custodian.

2. When extended operating hours exist (for example, Sunday operations), the commander may approve an additional amount of up to \$50 per cash register when there is limited or no banking support.

★ D. Documentation

1. For all change fund advances, other than DeCA commissaries, the DD Form 1081 shall be prepared by the DO or agent, as applicable, and the original signed and returned to the DO or agent by the change fund custodians for the amount of funds advanced. All DD Forms 1081 for change fund advances shall include a statement that the change fund custodian immediately will inform the officer who advanced the funds of any loss of or shortage in the funds. Change fund custodians shall be provided written instructions covering their responsibility for safeguarding the funds at the time of receiving the advance. The funds shall be returned when the appointment as change fund custodian is terminated. The change fund custodian shall prepare a DD Form 1081 to document the return of the fund. The DO or agent shall acknowledge receipt of the fund by signature on the duplicate copy of the DD Form 1081 which shall be returned to the custodian. Change funds may also be recalled when it is necessary to verify the cash in the possession of the DO or agent, as applicable. On completion of such verification, the funds shall be advanced again to the change fund custodian. In addition, unannounced inspections, including cash counts are required to be made of each change fund at least quarterly by the cash verification team.

2. For DeCA commissaries, when a change fund is no longer necessary (e.g., closure of a commissary) the commissary officer shall prepare a DD Form 1131 with credit to the DeCA Resale Account and deposit the fund using a SF 215 in the same manner as the proceeds of sale are deposited.

0305 ADVANCING FUNDS TO FRIENDLY FOREIGN NATIONS

030501. Authority

A. Basic Agreement. DOs of the Department are authorized by 10 U.S.C. 2396(b) (reference (b)) to advance funds to cashiers, other DOs, or individual members of an armed force of a friendly foreign nation for the purpose of paying pay and allowances to those members or enabling that armed force to purchase necessary supplies and services. Funds shall be advanced by law and under a basic intergovernmental agreement that has been negotiated between the governments of the friendly foreign nation and the United States. Any agreement proposed to implement the statutory authority shall be negotiated in accordance with DoD Directive 5530.3, International Agreements (reference (q)), to include coordination with the cognizant Combatant Commander and the U.S. Chief of Diplomatic Mission or U.S. Embassy. See model agreement at figure 3-3.

B. Supplemental Agreement. A supplemental agreement shall establish the following:

1. Type of personal identification that shall be shown by a DO or by an individual Service member when drawing an advance of funds.
2. Maximum amount that may be advanced to an individual Service member.
3. The lender nation shall be protected against loss due to fluctuating exchange rates.
4. The address of the respective settlement offices to whom the lender nation's DO shall forward receipts for fund advances with requests for reimbursement.
5. Settlements shall be made locally, whenever feasible, or when that is not feasible, between the signatory nation's representatives in Washington, DC, or other designated location.
6. Settlement may be made in cash, or by check, and in the type of currency used to make the advance. Whenever possible, settlement should be made in the lender nation's own medium of exchange.
7. Such other provisions that local conditions may make necessary.

C. Conditions. Funds shall be advanced only against the signed receipt of the DO or individual members of the armed force receiving the advance for the following purposes and under the following conditions:

1. To a DO of an armed force of a friendly foreign nation on presentation of proper personal identification for paying pay and allowances of troops, or for purchase of necessary supplies and services, when the unit is serving in an area where personnel temporarily are unable to obtain funds from their own nation.
2. To individual members of an armed force of a friendly foreign nation, who are serving in an area where a DO of that force is not available to make payments because the personnel are: temporarily separated from their units; in need of funds; and able to identify themselves satisfactorily as members of an armed force of a friendly foreign nation with which an intergovernmental agreement for advances has been negotiated.
3. The receipt minimally shall contain: the name, rank, Service number, title, organization, and country of the individual who receives the advance; the purpose for which the advance is needed; the type and amount of currency advanced; the prevailing rate of

exchange to one U.S. dollar at the time the advance is made, if applicable; and the name, rank, organization, and address of the DO making the advance.

★0306 TRAVELERS CHECK PROGRAM

030601. Overview. This section prescribes policy, procedures, and assigns responsibility for ordering, receiving, controlling, safeguarding, disbursing, refunding, and accounting for travelers checks. Provisions of this chapter prevail where conflict or differences exist in the issuer's user's guide.

030602. Travelers Checks in Lieu of Cash. Travelers checks may be disbursed to employees and members as travel advances in lieu of cash travel advances. Commanders or their specifically designated representatives may disburse travelers checks to employees and members.

030603. Misuse of Travelers Checks. Immediate cashing or depositing of travelers checks into financial institutions should be discouraged. Employees and members should be advised to use travelers checks as intended, that is, for the purchase of goods and services while in a travel status. Commanders should use available media to advise and periodically reemphasize the intent of travelers checks to all employees and members.

030604. Appointment of Designated Representative. Each DoD activity participating in the travelers check program shall designate one or more individuals as the activity's travelers check representative(s). The individual(s) shall be appointed in writing as a cashier by the activity commander using the procedures described in paragraph 020603 of this volume. The letter of appointment shall be issued in the original and two copies and shall include the specific duties and limitations, effective date, duration of the appointment, and the name of the individual being relieved, if any. The appointed individual(s) shall acknowledge appointment and acceptance of the position on the original and all copies of the letter of appointment and shall include the statement "I agree to hold myself accountable to the United States for all public funds received." If for any reason the individual ceases to serve in the position (i.e., termination of the program or change of cashiers), the appointment shall be terminated in writing. The original of letter of appointment or termination shall be delivered to the cashier, a copy shall be retained by the appointing commander, and a copy shall be furnished to Disbursing and Cash Management Office, Director, Procedures and Guidance Division, DFAS-DCMO/DB, 1500 E. 95th Street, Kansas City, MO 64197-0030. Letters of appointment and/or termination shall be maintained in a permanent file at the activity to show the successive holders of each position and shall be retained for a period of not less than 6 months after the individual ceases to serve in the position.

030605. Safeguarding and Controlling Travelers Checks

A. General. Travelers checks in the custody of the U.S. Government (i.e., the activity's designated cashier) are considered to be public funds and shall be safeguarded as

prescribed in this chapter. The individual appointed as cashier to maintain custody of, disburse to employees and members, and account for s checks shall be held pecuniarily liable under the same principles and procedures as DOs and their deputies, agents, and cashiers. However, travelers checks shall not be included in the DO's cash accountability or authority to hold cash at personal risk. Accordingly, the value of the travelers checks in the custody of the cashier shall not be included on the DO's DD Form 2657 (Daily Statement of Accountability) or SF 1219 (Statement of Accountability).

B. Control Record. The receipt of shipments and records of disbursement of travelers checks shall be recorded either on DD Form 2667 (Subsidiary Accountability Record) or the automated inventory system provided by the travelers check issuing company. The DD Form 2667 is easily adaptable for use as an inventory, receipt, and disbursement record. A separate DD Form 2667 shall be used for each denomination of travelers checks to enable recording the travelers checks by denomination in serial number sequence. Should travelers checks be maintained in more than one currency (i.e., U.S. dollars and one or more foreign currencies), separate DD Forms 2667 shall be used for each currency as well as each denomination of the checks. Travelers checks shall be disbursed in package and serial number sequence.

030606. Establishing Accounts

A. New Accounts. The DoD activity initially establishes the travelers check program by contacting one of the participating travelers check providers.

B. Automatic Reporting. The travelers check provider will furnish DoD activities with an automated personal computer software system and a point-of-sale (POS) terminal to manage and report travelers check sales, inventory, and settlement. The DoD activity must provide the personal computer, modem and telephone line for this system. This on-line system will fulfill the requirement to track, add, tally, and report travelers check sales.

C. Obtaining Travelers Checks. The DoD activity's designated cashier authorizes issuance of the initial order of travelers checks. The cashier determines the amount of checks to be received as a standard order and makes any subsequent changes to this amount. Standard order travelers checks are packaged in a manner determined by the travelers check provider. Prepare and forward an enrollment form as directed by the provider. If travelers checks are to be disbursed in other than U.S. currency, the cashier must provide this information to the provider.

030607. Receipt of Travelers Checks

A. Receipt. The cashier shall inventory and document receipt for each book of travelers checks and for single (loose) travelers checks received in shipment. The inventory shall include:

1. counting the number of books and/or loose checks,

2. verifying the denomination and serial numbers of all travelers checks in each shipment,
3. sorting the books or loose checks by denomination (and currency, if applicable).

B. Discrepancies. Contact the travelers check provider immediately if travelers checks received in shipment do not coincide with the agreement or shipment forms. Do not disburse any travelers checks contained in a discrepant shipment until the provider acknowledges and agrees in writing to correct or adjust the discrepancies.

030608. Reordering Travelers Checks. There are two resupply options under the program: automatic and on request. The Department has chosen the automatic resupply option for all DoD Components. The automatic resupply system will monitor stock-on-hand based on sales data reported to them. Each cashier shall initially establish a "percentage of sales" limit or dollar limit (maximum level). This limit becomes the automatic resupply level for the cashier. A minimum level ("trigger point") shall also be established. The "trigger point" generates a new supply of checks needed to bring stock level back to the maximum level.

030609. Change of Cashiers (Representatives). Both the outgoing and incoming DoD activity cashier shall perform a complete, joint inventory and document all travelers checks on hand. The completed inventory shall be signed by both representatives and a letter transferring the account will be prepared and signed by the activity commander. The original inventory and transfer letter shall be retained by the DoD activity. Advise the travelers check provider by letter each time there is a change of designated cashiers. The letter shall include the cashier's agent code number and the names of persons authorized to order and receive travelers checks. Signature specimens are not required.

030610. Disbursement (Sale) of Travelers Checks

A. General. Travelers checks shall be disbursed to employees and members as a travel advance. The travelers check advance is in lieu of a cash travel advance. Fees for the issuance of travelers checks are based on the method of payment to the travelers check provider under this program. Participating DoD activities may use payment option B or option C, as described below. The preferred payment option for all DoD activities is option C.

1. Payment Option B. Under payment option B, payment to the provider for the value of travelers checks disbursed plus the related fees must be made within 5 calendar days of the date the travelers checks are disbursed. The paying disbursing office is the disbursing office providing disbursing support to the DoD Component activity participating in the program. Payment option B shall be used only for disbursement of travelers checks to members and employees who are not participants in the U.S. Government Travel Card Program and in those instances when the DoD activity does not participate in the central billing process

described below under payment option C. Refer to subparagraphs 030610.B and 030611.A, below, for specific procedures for reporting disbursement of travelers checks and payment for the checks and related fees.

2. Payment Option C. Within payment option C, there are two distinctly different methods of payment: a centrally billed account method and an individual charge card account method. Payment option C is the preferred payment method for use by all DoD Component activities.

a. Centrally Billed Accounts. The centrally billed account method of payment operates under a concept similar to the central billing procedures for purchase of and payment for airline tickets. Under this method, the participating DoD Component activity must obtain an activity travel charge card account. The activity charge card account is charged for all travelers checks disbursed to individuals who are not participants in the U.S. Government Travel Card Program. Monthly, the travelers check provider will bill the DoD activity for all travelers checks disbursed as well as the related fees.

b. Individual Charge Card Accounts. The individually billed account method is applicable to all individuals participating in the U.S. Government Travel Card Program. Under this method, travelers checks are charged to the individual cardholder's travel card. The individual card holder is billed monthly by the provider for the travelers checks as well as the related fees. This method is identical to the individual billing procedure currently in effect for using the government travel card at automated teller machines (ATMs) to obtain cash.

B. Disbursing Travelers Checks Under Option B. Cashiers shall disburse travelers checks to employees and members only upon presentation of approved travel orders and appropriate identification. In all instances, the maximum amount of travelers checks disbursed shall be limited to the amount of travel advance authorized in the travel order. A Purchaser Application Form (PAF) must be completed for each travelers check disbursement. The cashier should refer to the travelers check provider user's guide for disbursing travelers checks and completion of the PAF. Under this payment option the cashier shall:

1. select the appropriate travelers check amount.
2. complete a PAF for each pack of travelers checks disbursed and a separate PAF for each loose travelers check disbursed.
3. ensure the individual inserts his/her name, address, and signature on each PAF.
4. give the travelers checks, refund information, and customer copy of each PAF to the individual.

5. advise the individual to sign each of the travelers checks in the upper left hand corner immediately. Note: Customers who do not sign travelers checks immediately upon receipt forfeit their right to refund. If lost or stolen, travelers checks must have the customer's signature in the upper left hand corner to qualify for refund.

6. retain three copies of each individual's travel orders and the original and remaining copies of the PAF for preparation of the voucher for payment.

Note: Travelers checks disbursed under this method constitute an advance of travel funds as defined in the Joint Travel Regulations (JTR) and the Joint Federal Travel Regulations (JFTR). as such, each individual receiving travelers checks under this method must report receipt of the total face value of the travelers checks on the travel claim as a partial payment. At the time the travel claim is settled, the value of the travelers checks must be deducted from the total travel entitlement due the traveler. In addition, since the fee for the travelers checks has been paid to the provider, the traveler is not authorized or entitled to claim reimbursement for the travelers check fee. Failure to report receipt of an advance (by travelers checks) on the travel claim results in duplicate payment of travel allowances and can be considered an attempt to defraud the U.S. Government.

C. Disbursing Travelers Checks Under Option C. As explained above there are two methods of payment under option C, the centrally billed account method and the individually billed account method. The centrally billed account method is for use to disburse travelers checks to individuals who are not participants in the U.S. Government Travel Card Program. The individually billed account method is for use to disburse travelers checks to individuals who are participants in the U.S. Government Travel Card Program. Under either of these options, cashiers shall disburse travelers checks to individuals only upon presentation of approved travel orders and appropriate identification. In all instances, the maximum amount of travelers checks disbursed shall be limited to the amount of travel advance authorized in the travel orders.

1. Centrally Billed Account. The cashier shall:

a. select the appropriate travelers check amounts required to make up the amount of travel advance authorized in the travel orders.

b. obtain authorization to charge the travelers checks to the DoD Component activity charge card account. The cashier should refer to the provider user's guide for disbursing travelers checks and completion of the required documents. Key or swipe the travel card (DoD Component activity credit card) into the point-of-sale (POS) terminal to obtain an approval code.

c. complete a PAF for each pack of travelers checks disbursed and a separate PAF for each loose travelers check disbursed.

- d. ensure the individual inserts his/her name, address, and signature on each PAF.
- e. imprint the Record of Charge (ROC).
- f. complete the ROC by recording the approval code; the face value of the travelers checks; the fee amount (compute appropriate amount based on the rates shown above); the sum of face value of the travelers checks and fee amount; and, ensure the agency account number is recorded in the area for card member account number. The member or employee (customer) shall then sign the ROC.
- g. give the travelers checks, refund information, the customer copy of each PAF, and the top copy of the ROC to the individual.
- h. advise the individual to sign each of the travelers checks in the upper left hand corner immediately. Note: Customers who do not sign travelers checks immediately upon receipt forfeit their right to refund. If lost or stolen, travelers checks must have the customer's signature in the upper left hand corner to qualify for refund.
- i. retain three copies of each individual's travel orders and the original and remaining copies of the PAF and ROC for reporting disbursement of the travelers checks and preparation of the voucher for payment upon receipt of the monthly billing.

Note: The same caution identified under subparagraph 030610.B.6, above, applies to this subparagraph.

2. Individually Billed Account. The cashier shall:

- a. select the appropriate travelers check amounts required to make up the amount of travel advance authorized in the travel orders.
- b. obtain authorization to charge the travelers checks to the individual's government travel card account. The cashier should refer to the provider user's guide for disbursing travelers checks and completion of the required documents. Key or swipe the individual's travel card into the POS terminal to obtain an approval code.
- c. complete a PAF for each pack of travelers checks disbursed and a separate PAF for each loose travelers check disbursed.
- d. ensure the individual inserts his/her name, address, and signature on each PAF.
- e. imprint the ROC.

f. complete the ROC by recording the approval code; the face value of the travelers checks; the fee amount (compute appropriate amount based on the rates shown above); the sum of face value of the travelers checks and fee amount; and, ensure the individual's account number is recorded in the area for card member account number. The member or employee (customer) shall then sign the ROC.

g. give the travelers checks, refund information, the customer copy of each PAF, and the top copy of the ROC to the individual.

h. advise the individual to sign each of the travelers checks in the upper left hand corner immediately. Note: Customers who do not sign travelers checks immediately upon receipt forfeit their right to refund. If lost or stolen, travelers checks must have the customer's signature in the upper left hand corner to qualify for refund.

i. retain two copies of each individual's travel orders and the original and remaining copies of the PAF and ROC for reporting disbursement of the travelers checks.

Note: Travelers checks disbursed under this method do not constitute an advance of travel funds as defined in the Joint Travel Regulations (JTR) and the Joint Federal Travel Regulations (JFTR). Individuals receiving travelers checks under this method should not report receipt of travelers checks on the travel claim as a partial payment. Since the fee for the travelers checks must be paid to the travelers check provider by the individual card holder in settlement of the travel card account, the traveler is authorized and entitled to claim reimbursement for the travelers check fee on the travel claim.

030611. Reporting Travelers Check Disbursements and Remitting Payment to the Travelers Check Provider

A. Payment Option B. The report of disbursement and payment documentation for packaged travelers checks is prepared differently than the documentation for loose travelers checks. At the end of each day the cashier shall follow the appropriate instructions below.

1. Packaged Travelers Check Disbursements
 - a. Sort PAFs by denomination.
 - b. Run an adding machine tape total of each denomination.
 - c. Total the denomination tapes.

d. Complete a Daily Sales Summary Form (DSF) (refer to the provider user's guide for instructions on completion of this form).

e. Combine the forms into package sets (do not staple forms together) as follows:

- (1) completed DSF,
- (2) PAFs,
- (3) authorization (travel orders), and
- (4) tape listings.

f. Prepare and certify an SF 1034 for the total amount due the travelers check provider (including the fee for the travelers checks disbursed). The SF 1034 shall contain a separate line of accounting data for each travel order involved. The amount charged to each line of accounting data (travel order) shall be the amount of travelers checks plus the applicable fee for the value of travelers checks disbursed to the individual named in the travel order.

g. Forward the SF 1034 and two of the package sets of forms combined above to the activity's supporting disbursing office on the same business day, if possible, but not later than the morning of the next business day. Note: The package set of forms containing the original DSF and PAFs must be forwarded to the provider with the Treasury check issued in payment of the travelers checks and related fees. The additional package set of forms is for retention by the disbursing office.

h. Retain a complete package set of the forms and a copy of the SF 1034 for reconciliation of travelers check inventory and payment documentation. To complete the cashier's retained records, the cashier should obtain a copy of the SF 1034 from the disbursing office (after payment) which indicates the disbursing office voucher number, date of payment, and check number (or obtain this information and transcribe it to the retained copy of the SF 1034).

2. Loose Travelers Check Disbursements

a. Sort PAFs by denomination.

b. Total amounts on an adding machine tape listing. Note: No DSF is required for loose travelers check disbursements.

c. Combine the forms into package sets (do not staple forms together) as follows:

- (1) PAFs,
- (2) authorization (travel orders), and
- (3) tape listings.

d. Prepare and certify an SF 1034 for the total amount due the travelers check provider (including the fee for the travelers checks disbursed). The SF 1034 shall contain a separate line of accounting data for each travel order involved. The amount charged to each line of accounting data (travel order) shall be the amount of travelers checks plus the applicable fee for the value of travelers checks disbursed to the individual named in the travel order.

e. Forward the SF 1034 and two of the package sets of forms combined above to the activity's supporting disbursing office on the same business day, if possible, but not later than the morning of the next business day. Note: The package set of forms containing the original PAFs must be forwarded to the travelers check provider with the Treasury check issued in payment of the travelers checks and related fees. The additional package set of forms is for retention by the disbursing office.

f. Retain a complete package set of the forms and a copy of the SF 1034 for reconciliation of travelers check inventory and payment documentation. To complete the cashier's retained records, the cashier should obtain a copy of the SF 1034 from the disbursing office (after payment) which indicates the disbursing office voucher number, date of payment, and check number (or obtain this information and transcribe it to the retained copy of the SF 1034).

B. Payment Option C. Under payment option C, the travelers check provider will bill the DoD activity account (centrally billed account) or the individual cardholder's account (individually billed account) for travelers checks disbursed plus the related fees. The monthly billing is based on the daily report of travelers checks disbursed which is submitted to the provider by the cashier. The cashier should refer to the provider user's guide for complete details on preparing and submitting the daily travelers check disbursement (sales) report. The cashier shall also comply with the minimum requirements as described in the following subparagraphs.

1. Centrally Billed Account. At the conclusion of each individual travelers check disbursement, the cashier shall segregate the documentation (by individual transaction) into package sets as shown below. Each individual package set shall be fastened together to provide a complete record of travelers check issuance. At the end of each business day, the cashier shall forward that day's packages as directed by the travelers check provider. The cashier and disbursing office copy of each package set shall be retained by the cashier for use in

reconciliation of the monthly billing and for preparation and certification of the voucher for payment.

a. Package Set for the Travelers Check Provider

- (1) Original (top copy) of the PAF,
- (2) bottom copy of the ROC, and
- (3) copy of the travel orders.

b. Package Set for Cashier Files

- (1) Center copy (yellow tissue copy) of the PAF,
- (2) center copy (Service Establishment copy) of the ROC, and
- (3) copy of the travel orders.

c. Package Set for the Disbursing Office

- (1) Center copy (green tissue copy) of the PAF, and
- (2) copy of the travel orders.

Upon receipt of the billing (statement of charges), the cashier shall reconcile all items appearing on the billing with the cashier's and disbursing office copies of the retained package sets. After reconciliation, the cashier shall prepare and certify an SF 1034 for the total amount due the travelers check provider (including the fee for the travelers checks disbursed). The SF 1034 shall contain a separate line of accounting data for each travel order involved. The amount charged to each line of accounting data (travel order) shall be the amount of travelers checks plus the applicable fee for the value of travelers checks disbursed to the individual named in the travel order. The cashier shall forward the completed and certified SF 1034, the original and copies of the billing, and the disbursing office package sets of forms included on the billing to the activity's supporting disbursing office on the same business day received, if possible, but not later than the morning of the next business day. The cashier shall retain a copy of the billing with the cashier's package set of the forms and a copy of the SF 1034 for reconciliation and payment documentation. To complete the cashier's retained records, the cashier should obtain a copy of the SF 1034 from the disbursing office (after payment) which indicates the disbursing office voucher number, date of payment, and check number (or obtain this information and transcribe it to the retained copy of the SF 1034).

2. Individually Billed Account. Individual government travel cardholders will be billed for all travelers checks disbursed to them in the same manner as they are billed for ATM cash advances. Direct payment to the provider for the amount of the travelers checks plus the related fee is the direct personal responsibility of the individual cardholders. However, as with the centrally billed account, the monthly billing is based on the daily report of travelers checks disbursed which is submitted to the provider by the cashier. The cashier should refer to the provider user's guide for complete details on preparing and submitting the daily travelers check disbursement (sales) report. The cashier also shall comply with the minimum requirements as described herein. At the conclusion of each individual travelers check disbursement, the cashier shall segregate the documentation (by individual transaction) into package sets as shown below. Each individual package set shall be fastened together to provide a complete record of travelers check issuance. At the end of each business day, the cashier shall forward that day's packages as directed by the travelers check provider. The cashier copy of each package set shall be retained by the cashier for use in reconciliation of travelers check disbursements, as necessary.

Note that under the individually billed method, payment data is not processed through the disbursing office because payment for travelers checks disbursed is the personal responsibility of the travel card holder.

a. Package Set for the Travelers Check Provider

- (1) Original (top copy) of the PAF,
- (2) bottom copy of the ROC, and
- (3) copy of the travel orders.

b. Package Set for Cashier Files

- (1) Center copies (yellow and green tissue copies) of the PAF,
- (2) center copy (Service Establishment copy) of the ROC, and
- (3) copy of the travel orders.

C. Remitting Payment by the DO. Upon receipt of the SF 1034 and supporting documentation described above, the DO shall take appropriate action to process the SF 1034 and effect issuance of a Treasury check in payment for travelers checks and fees disbursed under option B and option C (centrally billed account). Under option B, payment for travelers checks disbursed plus related fees is due within 5 days of travelers check issuance.

Under option C (centrally billed account), payment for travelers checks disbursed plus related fees is due within 5 days of receipt of the monthly billing.

030612. Refunds for Individual Cardholders. An individual will not be responsible for the amount of lost or stolen checks provided that the individual has satisfied all of the requirements set forth in the Recipient Agreement. The provider will clear their account to eliminate responsibility for the amount of lost or stolen checks replaced in the form of cash or traditional travelers checks (traditional checks). The provider will bill the individual card account upon issuance of the traditional checks or cash. As an alternative, the provider can resupply Government Travelers Checks which can be ordered through the DoD Components cashier.

030613. Termination of Agreement

A. DoD Activities. Upon termination of the contract between General Services Administration and the travelers check provider, DoD activity cashiers shall, within fifteen 15 calendar days, destroy all travelers checks on hand by cremating or shredding. The cashier shall prepare a DD Form 2669 (Destruction Certificate), that describes the travelers checks by serial number, currency (U.S. or other), denomination, quantity, and total value. The original DD Form 2669 shall be forwarded to the provider, and a copy shall be retained for the DoD activity's records. In addition, the cashier shall return any equipment, display material or other property furnished.

B. Individual Cardholder. Either the DoD activity or the travel card provider may suspend or terminate an individual's participation in the U.S. Government Travel Card Program in accordance with the terms of the cardholder agreement. In the event of termination the individual agrees:

1. not to cash the remaining travelers checks,
2. to cut out the lower right corner where the chairman's signature appears or write "VOID" across the face of each travelers check in nonerasable ink,
3. to return all uncashed travelers checks to the provider or the DoD activity cashier. The provider will bill the individual credit card account for the amount of travelers checks not returned within 15 calendar days after participation in the program has been terminated. The credit card account statement must be settled upon receipt.

030614. Loss of Travelers Checks

A. DoD Activities. In case of loss of any proceeds of sale or travelers checks, whether by theft, burglary, holdup, fire, dishonesty of employees or members, mysterious disappearance, or any other cause, the DoD activity shall notify the travelers check provider immediately and shall report the loss of funds as prescribed in [Chapter 6](#) of this volume.

In the event of any such loss, the DoD activity shall pay all monies due in accordance with the established agreement with the provider.

B. DoD Activity Cashier. The loss of travelers checks or proceeds of sale while in the custody of the DoD activity's cashier constitutes a physical loss of government funds. Required actions to be taken to report and investigate the loss of funds are addressed in [chapter 6](#) of this volume.

0307 WEAPONS FOR CASH PROGRAM

030701. Authority. Upon approval of the Secretary of Defense to establish a weapons for cash program, the following procedures shall be utilized to execute the program.

A. Funding Authorization. The senior operational commander shall provide funding authorization for weapons procurement based upon approval to establish a weapons for cash program. The total amount advanced to the paying agents plus the amount disbursed for weapons under this program cannot exceed the funding authorization established by the commander. In the event additional funds are required, the commander first must adjust the funding authorization.

B. Paying agents. Paying agents should be utilized as necessary to successfully operate the program. All paying agents for this program shall be appointed as directed in [Chapter 2](#), paragraph 020604 of this volume. Funds shall be advanced (subject to the limitations above) by the disbursing officer supporting the mission to the paying agents as prescribed in paragraph 030402 of this chapter. The advances will be provided in the currency of the country involved. Disbursing officers should refer to [Chapter 12](#) of this volume for procedures to obtain foreign currency to meet mission requirements.

C. Weapons Purchases. There must be a proper accounting for each disbursement related to a weapon purchase. This shall be accomplished utilizing SF 44A (Purchase Order-Invoice-Voucher) or other available chain of custody type receipt. General preparation and distribution of these forms are as follows:

1. Each disbursement document (receipt from seller) must contain the seller's name and (if possible) identification number, weapon description and serial number, and amount disbursed. Make sure to obtain the seller's signature on the receipt.

2. The original and one copy of the disbursement document (receipt from seller) shall be turned in to the DO, one copy attached to the weapon (for inventory control), and one copy provided to the seller.

D. Clearing or Replenishment of the Paying Agent's Account. To clear the paying agent's account, the paying agent shall prepare an OF 1129 (Cashier Reimbursement Voucher and/or Accountability Report). The OF 1129 shall be for the total amount of all

disbursement documents (receipts) turned in and must be accompanied by the original and one copy of each document (receipt) and any remaining balance of the cash advanced. Additionally, a copy of the approval to establish a weapons for cash program shall be attached to the OF 1129.

If replenishment of the paying agent's account is necessary, the paying agent shall prepare the OF 1129 as prescribed above and submit the completed document to the supporting disbursing officer. Subject to the funding limitations described in the previous subparagraphs, the disbursing officer will issue payment of the OF 1129 to the paying agent for the approved amount of the OF 1129.

STATEMENT OF AGENT OFFICER'S ACCOUNT				
DISBURSING OFFICER'S NAME, ADDRESS, DISBURSING STATION SYMBOL NO. K. S. ALEX, LTC, FC FORT FINANCE, IN 46216 C0001		AGENT OFFICER'S NAME, GRADE, SSN, UNIT ADDRESS <i>(Include ZIP Code/APO number and Telephone number.)</i> K. D. ANDREA, CPT, FC AGENT CAMP DOLLAR, IN 46032		
TRANSACTIONS AFFECTING AGENT OFFICER'S ACCOUNT				
TRANSACTIONS <i>a</i>	INCREASE <i>(Received by Agent)</i> <i>b</i>	BEGINNING BALANCE <i>(In Agent's Account)</i> <i>c</i>	DECREASE <i>(Turned in by Agent)</i> <i>d</i>	ENDING BALANCE <i>(In Agent's Account)</i> <i>e</i>
1. BALANCE FORWARD		0.00		
2. U.S. DOLLARS	2562.00			
3. FOREIGN CURRENCY				
4. MILITARY PAYMENT CERTIFICATES				
5. COLLECTIONS				
6. DEPOSITS				
7. NEGOTIABLE INSTRUMENTS:				
A. TREASURY CHECKS	15000.00			
B. MILITARY PAYMENT ORDERS				
C. OTHER <i>(Specify)</i>				
8. PAID VOUCHERS				
9. INCORRECT VOUCHERS RETURNED				
10.				
11.				
12. TOTAL FUNDS IN HANDS OF AGENT OFFICER		17,562.00		
STATEMENTS				
DISBURSING OFFICER		AGENT OFFICER		
<input checked="" type="checkbox"/> ON ADVANCE: I HAVE INTRUSTED FUNDS AND/OR OTHER ITEMS AS INDICATED IN THIS STATEMENT TO THE ABOVE NAMED AS MY AGENT OFFICER.		<input checked="" type="checkbox"/> ON ADVANCE: I, AS AGENT OFFICER, HAVE RECEIVED FUNDS AND/OR OTHER ITEMS AS INDICATED ABOVE. I HAVE ASSUMED PECUNIARY RESPONSIBILITY THEREFOR. I WILL NOTIFY THE DISBURSING OFFICER IMMEDIATELY UPON DISCOVERY OF ANY LOSS OR SHORTAGE, AND I HAVE RECEIVED AND UNDERSTAND WRITTEN INSTRUCTIONS CONCERNING MY DUTIES AND RESPONSIBILITIES AS AN AGENT OFFICER.		
DATE 19 JAN XX	SIGNATURE OF DISBURSING OFFICER	DATE 19 JAN XX	SIGNATURE OF AGENT OFFICER	
<input type="checkbox"/> ON RETURN: I HAVE RECEIVED FUNDS AND/OR OTHER ITEMS AS INDICATED ON THIS STATEMENT FROM THE ABOVE NAMED AGENT OFFICER.		<input type="checkbox"/> ON RETURN: THE ABOVE STATEMENT OF ACCOUNT IS CORRECT.		
DATE	SIGNATURE OF DISBURSING OFFICER	DATE	SIGNATURE OF AGENT OFFICER	

DD Form 1081, MAY 75

PREVIOUS EDITION IS OBSOLETE

225/149

**Figure 3-1. Sample DD Form 1081 (Statement of Agent Officer's Account)
(Advance of Funds)**

STATEMENT OF AGENT OFFICER'S ACCOUNT				
DISBURSING OFFICER'S NAME, ADDRESS, DISBURSING STATION SYMBOL NO. K. S. ALEX, LTC, FC FORT FINANCE, IN 46216 C0001		AGENT OFFICER'S NAME, GRADE, SSN, UNIT ADDRESS (Include ZIP Code/APO number and Telephone number.) K. D. ANDREA, CPT, FC AGENT CAMP DOLLAR, IN 46032		
TRANSACTIONS AFFECTING AGENT OFFICER'S ACCOUNT				
TRANSACTIONS <i>a</i>	INCREASE (Received by Agent) <i>b</i>	BEGINNING BALANCE (In Agent's Account) <i>c</i>	DECREASE (Turned in by Agent) <i>d</i>	ENDING BALANCE (In Agent's Account) <i>e</i>
1. BALANCE FORWARD		17562.00		
2. U.S. DOLLARS				
3. FOREIGN CURRENCY				
4. MILITARY PAYMENT CERTIFICATES				
5. COLLECTIONS	1200.00			
6. DEPOSITS			702.00	
7. NEGOTIABLE INSTRUMENTS:				
A. TREASURY CHECKS				
B. MILITARY PAYMENT ORDERS				
C. OTHER (Specify)				
8. PAID VOUCHERS			3960.00	
9. INCORRECT VOUCHERS RETURNED				
10.				
11.				
12. TOTAL FUNDS IN HANDS OF AGENT OFFICER		18,762.00		14,100.00
STATEMENTS				
DISBURSING OFFICER		AGENT OFFICER		
<input type="checkbox"/> ON ADVANCE: I HAVE INTRUSTED FUNDS AND/OR OTHER ITEMS AS INDICATED IN THIS STATEMENT TO THE ABOVE NAMED AS MY AGENT OFFICER.		<input type="checkbox"/> ON ADVANCE: I, AS AGENT OFFICER, HAVE RECEIVED FUNDS AND/OR OTHER ITEMS AS INDICATED ABOVE. I HAVE ASSUMED PECUNIARY RESPONSIBILITY THEREFOR. I WILL NOTIFY THE DISBURSING OFFICER IMMEDIATELY UPON DISCOVERY OF ANY LOSS OR SHORTAGE, AND I HAVE RECEIVED AND UNDERSTAND WRITTEN INSTRUCTIONS CONCERNING MY DUTIES AND RESPONSIBILITIES AS AN AGENT OFFICER.		
DATE	SIGNATURE OF DISBURSING OFFICER	DATE	SIGNATURE OF AGENT OFFICER	
<input checked="" type="checkbox"/> ON RETURN: I HAVE RECEIVED FUNDS AND/OR OTHER ITEMS AS INDICATED ON THIS STATEMENT FROM THE ABOVE NAMED AGENT OFFICER.		<input checked="" type="checkbox"/> ON RETURN: THE ABOVE STATEMENT OF ACCOUNT IS CORRECT.		
DATE	SIGNATURE OF DISBURSING OFFICER	DATE	SIGNATURE OF AGENT OFFICER	
21 JAN XX		21 JAN XX		

DD Form 1081, MAY 75

PREVIOUS EDITION IS OBSOLETE

225/149

**Figure 3-2. Sample DD Form 1081 (Statement of Agent Officer's Account)
(Return of Funds/Vouchers)**

MODEL INTERGOVERNMENTAL AGREEMENT (FOR DIRECT QUOTATION)

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA
AND _____ FOR THE
RECIPROCAL ADVANCE OF FUNDS TO UNITS
OR PERSONNEL OF THEIR ARMED FORCES

The Governments of the United States of America and _____, each realizing that units or personnel of their respective armed forces may find themselves isolated from their parent units without financial means for support while in an area in which the other Government's armed force is present, and desiring to facilitate the financial support of such units and personnel in a situation of that nature, have agreed as follows:

Article I

When units or personnel of the armed forces of one of the parties to this agreement find themselves separated from their parent unit without adequate financial support in an area in which the armed forces of the other party are present, then cashiers, disbursing officers, or an individual member of the separated force may request funds from the appropriate area commander of the armed forces of the other party, or his or her designated representative, to pay wages and allowances or purchase necessary supplies and services.

Article II

The responsible authorities of a party receiving a request for funds, as in Article I, above, after satisfying themselves that resources or services of the requesting forces are unavailable or inadequate, shall honor such request. Requests shall be approved on a case-by-case basis. Where circumstances permit, this agreement shall be verified. Regardless of whether such verification is obtained, the Government of the units or personnel to whom the funds are advanced shall be responsible for effecting reimbursement.

Article III

The funds may be advanced in the currency of the lending State, of the State to which funds are advanced, or of the third State in which the forces may be located, or in any other available currency acceptable to the receiving force.

Article IV

The cashier, the disbursing officer, or the personnel of the force who receive funds shall give the authorities of the force who provided the funds a receipt for the funds received. Such receipts shall be substantially in the form prescribed in the annex to this agreement.

Figure 3-3. Model Intergovernmental Agreement

Article V

The authorities of the force providing the funds shall present the receipts to the designated settlement officer of the State to which funds were advanced for reimbursement. Normally, reimbursement shall be made in the currency that was advanced at a rate of exchange to the currency of the country seeking reimbursement that is not less favorable to the lender than that existing at the time of the advance. Where mutually acceptable, reimbursement may be made in another currency, if that settlement is made at a rate of exchange that is not less favorable to the country seeking reimbursement than that existing at the time of the advance. Settlement of accounts shall be made within 30 days of the advance.

Article VI

This agreement shall apply during both peace and war without limitation as to geographical area.

Article VII

This agreement shall continue in force until 3 months after the receipt by either party of written notice of the intention of the other party to terminate it.

IN WITNESS WHEREOF the undersigned representatives have signed the present agreement.

Done at _____ this _____ day of _____, 19____, in the English and _____ languages, both texts being equally authoritative.

(Signature)

(Signature)

Figure 3-3. Model Intergovernmental Agreement (Continued)

LEVELS OF AUTHORIZED CASH HOLDINGS		
IF SOURCE OF FUNDS IS:	AND WEEKLY REQUIREMENTS ARE:	THEN HOLD CASH TO OPERATE FOR:
Reasonably close (not more than 24 hours required to obtain cash)	\$500 or less	4 weeks
	over \$500 and less than \$5,000	2 weeks
	over \$5,000 and less than \$100,000	1 week
	over \$100,000	3 days
Not reasonably close (more than 24 hours required to obtain cash)	\$2,500 or less	4 weeks
	over \$2,500 and less than \$50,000	2 weeks
	over \$50,000	1 week
Remote	\$50,000 or less	4 weeks
	over \$50,000	2 weeks

Table 3-1. Maximum Levels of Authorized Cash Holdings