CHAPTER 18

EMERGENCY DISPOSITION OF CURRENCY, COIN, AND NEGOTIABLE INSTRUMENTS

1801  POLICY

180101. Disposition. Under emergency conditions or in anticipation of enemy action, negotiable instruments, currency, and coin held at personal risk by DOs shall be evacuated if possible. If time and circumstances make it appear that capture of these funds is inevitable (in the opinion of the DO or the commander) the funds shall be destroyed in a manner that is absolute. The destruction shall be witnessed as prescribed in this chapter. In high threat areas, most bases have a Threatcon system to indicate the level of the threat. Upon initial notification of a threat that may require the destruction of currency and negotiable instruments, the DO should determine cash requirements, recall or purchase excess funds, and evacuate these funds to a designated safe haven.

A. Combustible Materials. Paper currency, checks, bonds, MPC, and other burnable documents shall be burned completely to ashes.

B. Solid Substances. Coin and other valuable non-burnable items shall be disposed of by scattering in deep bodies of water when possible. When no suitable bodies of water are present, these items shall be secretly buried in the ground.

C. Alternatives. Currency and other paper-type negotiable instruments may be shredded, pulped, or eaten by caustic substances when it is impossible to burn them completely. However, such alternative methods of destruction must completely destroy their original character and appearance so as to make them non-negotiable. Coins may be fused or mutilated in such a manner as to make them unrecognizable as U.S. or foreign coins. Bars, ingots, and other units of precious or valuable substances shall be fragmented and scattered so as to make their recovery impossible or at least uneconomical.

180102. Destruction Precedence. Because sufficient time may not be available to document and perform the destruction of funds held by the DO, funds shall be readied for destruction in the following priority: U.S./foreign currency and negotiable instruments carried as cash in the DOs’ accounts; blank Treasury checks, blank limited depository checks, blank U.S. savings bonds, and reserve series of MPC; currency, negotiable instruments, and valuables held for safekeeping; coins; and, other valuables (signature dies, seals, etc.) in the custody of the DO. DOs in areas of elevated tension should anticipate the possibility of emergency destruction and maintain a means to rapidly inventory and destroy their funds.

180103. Sudden Destruction. When currency and coin are destroyed without previous warning, such as by explosion, fire, sinking of a vessel, or aircraft accident, the DO accountable for the funds shall prepare a written statement about the circumstances under which the funds were destroyed and forward it with a request for relief to the servicing DFAS Center. In the event the DO does not survive the disaster that destroyed the funds, the officer designated to settle the account shall act in the DO’s behalf. The designated officer shall reconstruct the accountability of the DO and initiate the appropriate requests for relief.

1802  PREPARATION FOR EMERGENCY DESTRUCTION OF CURRENCY

180201. DOs and Their Agents

A. U.S. Currency and MPC. If time permits, the DO shall prepare DD Form 2669, Destruction Schedule in an original and 3 copies for all U.S. currency destroyed. See figure 18-1. A separate DD Form 2669 shall be prepared for MPC. The reason for destruction of the currency shall be annotated in the space provided. For full or partial packages of new currency, the beginning and ending serial numbers of each denomination of the currency shall be annotated in the spaces provided. The destruction shall be witnessed by three disinterested commissioned officers, at least one of whom should be senior in rank to the DO. The name, rank, and signature...
of the witnesses shall be entered in the spaces provided. Destruction shall not be delayed pending arrival of the DO's superior. If no officer senior to the DO is available, any disinterested commissioned officer may serve as the third witness to the destruction. The method of destruction shall be indicated in the space provided in the witnesses' certification.

B. U.S. Coins. If time permits, the DO shall prepare a DD Form 2669 as described above for all U.S. coins destroyed. The DD Form 2669 shall contain the same type of information required for U.S. currency except that it shall list the denominations and value of each denomination of coin destroyed and shall be witnessed by two disinterested commissioned officers, or by two disinterested non-commissioned officers, or by two reliable U.S. citizens, or any combination of such individuals. The preprinted denominations of paper currency shall be struck out and the denomination of the coins entered. The word "currency" shall be struck out and "U.S. Coins" entered immediately above in both the DO's and the witnesses' certification blocks.

C. Foreign Currency and Coin. If time permits, a DD Form 2669 shall be prepared and witnessed for destruction of foreign currency and coin. The appropriate areas of the DD Form 2669 shall be modified to identify the denomination of the foreign currency and coin. Separate DD Forms 2669 are required for foreign currency held for safekeeping and that held as public funds and for foreign coin held for safekeeping and that held as public funds when both types of funds are held by the DO. The destruction shall be witnessed as prescribed above for U.S. currency and coin.

D. Check Stock. If time permits, the DO shall prepare a list in an original and 3 copies of all U.S. Treasury and LDA check stock destroyed. The list shall indicate the range (from and through) of check numbers destroyed for each series of checks maintained by the DO (including control check stock). The destruction shall be witnessed as prescribed in paragraph 180201.A above.

E. Savings Bond Stock. If the DO has U.S. Savings Bond stock, it should be destroyed in the same manner as check stock. A list shall be prepared in an original and 3 copies indicat-

180202. Non-appropriated Fund Custodians

A. U.S. Currency, Coin, and MPC. When ordered by competent authority, these activities shall turn in their U.S. currency, coin, and MPC to the nearest DO in exchange for a Treasury check in the appropriate amount. These funds then become public funds for which the DO is accountable. If destruction becomes necessary, these funds shall be included on the DD Form 2669 required above.

B. Foreign Currency and Coin. When ordered by competent authority these activities shall turn in their foreign currency and coin to the nearest DO in exchange for a receipt stated in units of the foreign currency. The receipt shall state plainly that the foreign currency is being accepted for safekeeping and that neither the DO nor the U.S. Government is accountable for loss or destruction as a result of the existing emergency. See chapter 27 of this Volume. However, if, after accepting foreign currency and coin for safekeeping, the DO discovers a requirement for its use, the DO shall issue a Treasury check for the U.S. dollar equivalent of the foreign funds used. If destruction becomes necessary, the DO shall prepare DD Form 2669 if time permits.

180203. MBFs. The earliest possible notice shall be given MBFs when the commander believes it is prudent for the MBFs to liquidate their coin and currency holdings. Bank managers in critical areas shall be authorized to periodically exchange currency that is in excess of day-to-day requirements for a Treasury check. This practice will reduce outstanding currency susceptible to loss to a manageable level.

A. U.S. Currency and Coin. When it becomes necessary to destroy U.S. currency and coin it shall be transported by the MBF to the nearest DO and exchanged for a Treasury check. As with U.S. currency and coin received from
180204. Other DoD Sponsored Activities

A. U.S. Currency and Coin. Managers shall deliver U.S. currency and coin to the nearest DO in exchange for a Treasury check or for a receipt for the value of the currency. A Treasury check shall be issued at a later time in exchange for the receipt previously given. As with U.S. currency and coin received from non-appropriated fund activities, when a Treasury check is issued in exchange for the value of the funds, the funds become public funds for which the DO is accountable and shall be included on the DD Form 2669 prepared by the DO.

B. Foreign Currency and Coin. Managers shall deliver foreign currency and coin to the nearest DO to be held for safekeeping. The DO shall issue a receipt stated in units of the foreign currency. The receipt shall specify that neither the DO nor the U.S. Government shall be accountable for loss or destruction of the foreign currency arising out of the existing emergency. See chapter 27 of this Volume. DOs may use the foreign currency held for safekeeping to meet operational requirements by issuing a Treasury check for the U.S. dollar equivalent of the foreign currency used. If destruction becomes necessary, the DO shall prepare DD Form 2669 if time permits.

180205. Accounting for Destroyed Currency, Coin, and Negotiable Instruments. The DO shall account for destroyed currency, coin, and negotiable instruments which were held as public funds on line 7.7 of the DD Form 2657 and the SF 1219. A copy of each DD Form 2669 shall support the entries on the DD Form 2657 and SF 1219.
## DESTRUCTION SCHEDULE

### SECTION I - SCHEDULE OF CURRENCY TO BE DESTROYED

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<th>2. DSSN</th>
<th>3. REASON FOR DESTRUCTION</th>
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<td>Enemy attack</td>
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### SECTION II - CERTIFICATIONS

I hereby certify that the above described currency in the amount of $2,050.00 dollars has been counted, verified, and found correct, and delivered this day for destruction at NAS Troublespot.

5. DISBURSING OFFICER NAME AND RANK OR GRADE
James M. Jonas, CDR, SC, USN

6. SIGNATURE

7. DATE
11/13/XX

We hereby certify that the currency specified and described in the foregoing schedule was received and verified by us and was totally destroyed in our presence by burning on this date.

8. WITNESSES
a. NAME, RANK OR GRADE, SIGNATURE
D.C. Hewes, CDR, USN

b. NAME, RANK OR GRADE, SIGNATURE
S.C. Gorman, CDR, USN

c. NAME, RANK OR GRADE, SIGNATURE
A.F. Doyle, CAPT, USN

9. LOCATION
NAS Troublespot, APO

10. DATE
11/13/XX

DD Form 2669, AUG 93

Figure 18-1. Sample DD Form 2669, Destruction Schedule