

**SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 5, CHAPTER 26
AUTOMATED TELLER MACHINE (ATM) SYSTEM**

All changes are denoted by blue font

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

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

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
260602.B	Revised the process for handling funds belonging to an unauthorized absentee.	Update
2610	Changed references from DD Form 2673 to DD Form 2671.	Update
Figure 26-4	Deleted DD Form 2673 because DD Form 2671 performs the same function.	Delete

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CHAPTER 26

AUTOMATED TELLER MACHINE (ATM) SYSTEM2601 BACKGROUND

The Department of the Navy operates the ATM at Sea system aboard naval ships. Throughout the remainder of this chapter, the ATM at Sea system will be referred to as the ATM system. This chapter prescribes the mandatory policy and procedures for accomplishing pay delivery and safekeeping of personal funds in the ATM system. Detailed procedures for operation and maintenance of the ATM system are contained in the ATM Users Documentation and Student Training Manual provided with the ATMs and the [Naval Supply Publication \(NAVSUP PUB\) 721](#).

2602 THE ATM

260201. General. The ATM is an automated mechanism to provide safekeeping of personal funds. The ATM also serves as a pay delivery system that accepts an electronic transfer of a member's Split Pay Option (SPO) which is net pay and allowances due to each account holder. Account holders can withdraw their funds at ATMs located on the ship in the same manner as account holders withdraw funds from their personal bank accounts through a commercial ATM.

260202. Prescribed Forms. This chapter prescribes the use of specific forms to maintain the accountability of the ATM. The Department of Defense ([DD Form 2670](#) (Automated Teller Machine (ATM) Safekeeping Ledger) (Figure 26-1), shall be used in lieu of the Cash on Hand Ledger Control Sheet prescribed for the safekeeping of personal funds in [Chapter 27](#) of this volume. The ATM Master File Report, addressed later in this chapter, shall be used in lieu of the individual ledger sheets prescribed for the safekeeping of personal funds in Chapter 27 of this volume. The individual member's leave and earnings statement (LES), in conjunction with journal receipts and monthly statements of account provided by the ATM shall be used as the depositor's receipt for personal safekeeping funds in lieu of the Record and Receipt of Deposits and Withdrawals of Safekeeping Funds, [DD Form 2674](#), prescribed by Chapter 27 of this volume.

2603 ATM ACCOUNTABLE OFFICER RESPONSIBILITIES

260301. Letters of Appointment. The Disbursing Officer (DO) shall appoint the ATM accountable officer by formal letter of appointment addressed to the individual. The ATM accountable officer may be either the DO (in which case is appointed by the commander), Deputy Disbursing Officer (DDO), or cashier. The letter shall state the specific duties authorized to be performed by the ATM accountable officer and include the statement, "I acknowledge that I am strictly liable to the United States for all funds under my control"; and a statement that the individual has been counseled as to pecuniary liability and given written

operating instructions. The appointee shall acknowledge acceptance of the appointment on the original letter of appointment and all copies. A copy of the letter of appointment shall be maintained on file. Authority to perform ATM tasks shall be limited to only the appointed duties. The appointment shall be endorsed with the appointee's acknowledgment of acceptance of the duties. Personnel appointed as ATM accountable officers are responsible for balancing and replenishing the cash in the assigned ATMs.

260302. Custody of Blank ATM Cards. The ATM accountable officer is responsible for maintaining proper custody of all blank ATM cards. All ATM cards shall be safeguarded as prescribed in [Chapter 7](#) of this volume for blank U.S. Treasury checks. The ATM accountable officer shall maintain a bulk ATM card log that contains the ATM card number; name, date and signature of the person to whom working stock of blank ATM cards are issued. Unused working stock shall be returned to the ATM accountable officer at the end of each day. All blank ATM cards shall be inventoried monthly and an entry made in the bulk ATM card log to document the inventory.

260303. Issuance of ATM Cards. The ATM accountable officer is responsible for issuance of individual ATM cards when new accounts are opened. When blank cards are issued, an entry shall be made in the bulk ATM card log as prescribed in paragraph 260302 of this chapter.

260304. ATM Operating Instructions, ATM Training Manual, NAVSUP PUB 721. The ATM accountable officer shall include ATM operating and security procedures in local written instructions. Included in the ATM operating procedures are payroll preparation, transfer, and balancing procedures; special payment procedures; ATM replenishment procedures; ATM balancing procedures; ATM card issue procedures; and ATM card turn-in procedures. The ATM accountable officer shall also include the ATM security procedures in the ship's security instructions.

260305. Transfer of ATM Safekeeping Accounts Upon Relief. In preparation for being relieved of ATM safekeeping duties, the relieved ATM accountable officer shall balance the ATM system by performing a complete end-of-session (EOS) process. The relieving ATM accountable officer shall verify all EOS Reports to ensure the ATM accounts are in balance (including a physical count of all funds held in the ATM as safekeeping) and receipt for the transfer by signature below the last entry on the DD Form 2670. The original receipted DD Form 2670 shall be returned to the relieved ATM accountable officer and a copy retained by the relieving officer. The relieving ATM accountable officer shall start a new DD Form 2670. In the description column, enter "Brought Forward".

2604 ATM SECURITY

260401. ATM Physical Security. All ATMs are considered to be safes. The security instructions regarding the use of safes in [Chapter 3](#) of this volume shall be followed except that ATM TL-15 safes are authorized to hold \$130,000 vice the \$50,000 normally authorized for TL-15 safes. The ATM shall be installed in well-lighted, heavily traveled spaces.

The ATMs may be alarmed and video surveillance cameras installed to deter unauthorized entry at the commander's discretion. The ATM does not have a self-contained alarm system, but has an alarm that may be connected to the ship's security alarm system, if available. Each ATM shall be assigned to the custody of the ATM accountable officer. Only the ATM accountable officer shall know the combination to the ATM safe. Since ATMs require moving large amounts of cash about the ship, all security instructions in Chapter 3 of this volume regarding protection of currency in transit shall be followed. In addition, each ATM accountable officer must have a separate safe exclusively for the ATM safekeeping program.

260402. Passwords and Security Levels. The ATM accountable officer is responsible for assigning password security levels and all responsibilities associated with maintaining proper password security. The ATM accountable officer shall assign each individual involved with the ATM in any manner, the appropriate password security level. The functions permitted by each of the password security levels for the ATM are provided in the ATM Security Manual. The ATM Security Manual is given to the ATM accountable officer for safekeeping. The Manual lists the Application Security module based on the level of access selected by the ATM accountable officer. The ATM accountable officer shall be assigned the master password security level which allows access to everything related to the operation of the ATM with the exception of discovering the other users' passwords or account holders' personal identification number (PIN). After the ATM accountable officer assigns the appropriate password security level, he or she secretly shall choose a password via the ATM terminal. This password shall allow the assigned individual access to the ATM to perform the functions authorized by the assigned security level. The ATM will recognize the operator and record all transactions performed. Passwords shall be changed every 6 months, when accountable duties are changed, or when an operator believes a password has been compromised. Under no circumstances shall any system operator's password be written anywhere, placed in a sealed envelope, or be known to any other person.

2605 ATM FUNDS ACCOUNTABILITY

260501. General. Funds within the ATM are the personal funds of the individual account holders and private organizations that have established ATM accounts. Aboard Naval ships, personnel eligible to establish accounts include permanently assigned members; military and civilian personnel of the DoD on temporary duty assignment to the ship (including U.S. Marine Corps personnel aboard the ship); and private organizations (e.g., private messes) who have established ATM accounts. When funds are deposited into the ATM accounts, the ATM accountable officer assumes safekeeping responsibility for these funds. The ATM accountable officer maintains custody of the funds for all account holders in accordance with this chapter. Although monies in the ATMs are private funds belonging to individuals, previous Comptroller General cases have held that once the United States accepts custody of the funds, they assume a trust responsibility for their care and safekeeping. Thus, an accountable officer may be held pecuniarily liable for his/her fault or negligence with respect to the funds. Funds in the ATM system are not part of the DO's financial accountability.

260502. Loss of Funds in the ATM Held in Safekeeping. Any shortage of funds that is discovered in the ATM (including all ATM shortages which occur as a result of an ATM dispensing error) will be investigated using procedures as prescribed in [Chapter 6](#) of this volume for a physical loss of public funds. The ATM accountable officer shall retain copies of all documents that substantiate the loss of funds. The individual account holder is responsible for any loss incurred. An attempt to recover the loss may be made by filing a claim for loss or damage of personal property as prescribed in the Manual of the Judge Advocate General. The appropriation to be utilized on an approved claim will be the ship's operating funds. Claims for losses which were caused by negligence of the account holder (such as when an ATM card is stolen and the card owner wrote the PIN on the card) normally will not be approved. The ATM accountable officer is pecuniarily liable as stated in paragraph 260501 of this chapter. A copy of the paid claim shall be included as part of the investigation to accompany an accountable officer's request for relief of liability. In no instance will a loss in the ATM be recorded in the DO's accountability on the [DD Form 2657](#) (Daily Statement of Accountability) or the Standard Form [SF 1219](#) (Statement of Accountability).

260503. ATM Overage of Funds. Any overage of funds that is discovered in the ATMs (including all ATM overages which occur as a result of an ATM dispensing error) shall be investigated using procedures similar to the investigative procedures prescribed in Chapter 6 of this volume for an overage of public funds. The ATM accountable officer shall retain copies of all documents that substantiate the overage of funds. If the owner(s) of the funds cannot be located, then the ATM accountable officer shall prepare a [DD Form 1131](#) (Cash Collection Voucher). These funds will be credited to **1060, Forfeiture of Unclaimed Money and Property. The ATM accountable officer shall provide the completed DD Form 1131 and the cash to the disbursing officer for processing.

2606 ATM ACCOUNTS

260601. Establishing ATM Accounts

A. Initial ATM Card Issue. Before the first ATM payday, the ATM accountable officer shall establish an ATM account and issue an ATM card and PIN to all members who will be using the ATM. The ATM automatically will assign a card number to each member who is in the SPO payroll file transferred from the payroll system to the ATM system. The ATM accountable officer shall ensure that each member personally receives and signs for his or her own ATM card. The ATM accountable officer shall also ensure that each member is positively identified and signs the ATM Card Report/Log when receiving the ATM card.

B. New Accounts. There will be a need to establish accounts for newly reported personnel (including military members and civilian employees of the Department on temporary duty to the ship), personnel participating in Direct Deposit/Electronic Funds Transfer (DD/EFT) desiring to participate in the ATM program under the SPO, or personnel who lose their ATM card or forget their PIN. The ATM accountable officer shall develop and include procedures for opening new accounts in the official ATM operating instructions. All cards

issued shall be recorded in the individual ATM card issue log as described in paragraph 260303 of this chapter. The ATM accountable officer shall add the card issue information to the ATM via the Customer Account Maintenance Icon.

260602. Closed and Suspended Accounts

A. Closed Accounts. When account holders transfer from the ship (e.g., permanent change of station, discharge, separation) or depart for an extended period of temporary duty (temporary duty of sufficient duration that the member will be dropped from the ship's payroll and included on the payroll of the temporary duty station), the ATM account shall be closed. When possible, cards of transferring account holders shall be recovered and destroyed prior to the transfer of the account holder. An entry shall be made in the ATM card issue log to reflect the account holder's transfer and destruction of the card. Also, an entry shall be made in the ATM Card Report to indicate the date of transfer and that the card has been destroyed. The ATM accountable officer also shall ensure that each member is identified positively and signs the ATM Card Report when turning in the ATM Card. If an account holder is transferred before closing the ATM account, and all monies in the account can be identified as military pay, then the ATM accountable officer shall administratively close the account and process a DD Form 1131. Additionally, the DO will submit a cash deposit Format Id (FID) to the DFAS-Cleveland for credit to the account holder's Master Military Pay Account (MMPA). If monies in the closed account cannot be identified as credit to an appropriation, then the accountable officer shall deliver the account holder's account balance to the DO in exchange for a U.S. Treasury check. The check shall be drawn payable to the account holder. The object for which drawn shall be "Exchange-for-Cash, ATM Account of (name, rank or rate)." The check shall be forwarded with a letter of transmittal to the commander of the activity to which the account holder was transferred for delivery to the account holder and request acknowledgement of receipt of the check and return of the ATM card. The transaction shall be recorded on the DD Form 2670 and the DD Form 2671 (Disbursing Office ATM Cash Transaction Ledger).). If the U.S. Treasury check is returned as undeliverable and the payee cannot be located, then the DO shall process the check as a collection using DD Form 1131. If the amount of the check is less than \$25, then the DD Form 1131 shall be processed with a credit to Forfeitures of Unclaimed Money and Property, **1060. If the check is \$25 or more, then the DD Form 1131 shall be processed with a credit to Payment of Unclaimed Moneys (T), 20X6133. The DD Form 1131 shall include all information available as to the identity and last known address of the payee. Any claim subsequently received for the funds shall be forwarded, with a copy of the DD Form 1131, to the DFAS-Cleveland for processing.

★ B. Suspended Accounts. The ATM accounts of deceased or unauthorized absentees shall be suspended immediately (placed on hold). Deposits and withdrawals are not authorized while the account is in a suspended status. The appropriate reason for suspending the account shall also be annotated. For deceased members, the ATM account shall remain in suspended status until the member's personal effects are prepared for shipment to designated survivors. If the account holder is a deceased member, and all monies in the suspended account can be identified as military pay, then the ATM accountable officer will administratively close the account and process a DD Form 1131 in addition to a cash deposit FID to the DFAS-

Cleveland for credit to the account holder's MMPA. If monies in the deceased member's suspended account cannot be identified as credit to an appropriation, then the ATM accountable officer shall deliver the account holder's account balance to the DO in exchange for a U.S. Treasury check. The DO shall issue a U.S. Treasury check payable to the payee designated by the officer (or inventory board) appointed by the commander to take custody of the deceased member's personal effects. The object for which drawn shall be "Exchange-for-Cash, ATM Account of (name, rank or rate)." The check shall be delivered to the designated officer or inventory board for appropriate disposition. For unauthorized absentees, the account shall remain in a suspended status until the member has been officially reported as returned from unauthorized absence on the daily muster report. If an unauthorized absentee is declared a deserter, then the ATM accountable officer shall close the account and all funds in the account shall be delivered to the DO. If the account holder is an unauthorized absentee and all monies in the suspended account can be identified as military pay, then the ATM accountable officer will administratively close the account and process a DD Form 1131 in addition to a cash deposit FID to the DFAS-Cleveland for credit to the account holder's MMPA. If monies in the unauthorized absentee's suspended account cannot be identified as credit to an appropriation, then the ATM accountable officer shall deliver the account holder's account balance to the DO with a DD Form 1131 to collect into **1060 if the amount is less than \$25 or to collect into 20X6133 if the amount is \$25 or more, for the ATM Account of (name, SSN, and rank, or rate). A copy of the collection voucher shall be delivered to the designated officer or inventory board for appropriate disposition. The ATM accountable officer shall obtain a receipt from the designated officer or inventory board and record the transaction on DD Forms 2670 and 2671.

2607 ATM TRANSACTIONS

260701. Deposits to the ATM Accounts

A. Payroll Transfer Verification. Payroll processing must begin at least 5-working days prior to the scheduled payday. This is to ensure that any problems encountered can be identified and corrected before payday. From the payroll system, print an ATM Participation Report that lists all members whose funds will be transferred to the ATM. The ATM Participation Report shall be verified to ensure that the funds for DD/EFT participants, discharged and transferred account holders, and unauthorized absentees will not be transferred to the ATM. After the verification has been accomplished, the payroll processing can be completed. To substantiate the semimonthly regular payroll, the DO shall prepare a payroll voucher and a U.S. Treasury check made payable to the ATM accountable officer for the total amount of the payroll. The payroll voucher and the amount of the U.S. Treasury check shall be recorded on the DD Form 2657 in the normal manner as a check issue on line 2.1A and a gross disbursement on line 4.1A. Depending on the payroll system used by the ship, the U.S. Treasury check is either prepared automatically by the payroll system terminals in the disbursing office or by the automated data processing division.

B. Payroll Deposits. Payrolls should be transferred to the ATM at least 3-working days before the scheduled payday. This ensures problems encountered in the transfer process can be identified and corrected before payday. The monies transferred to the ATM for

payday should not be released into the SPO participant's accounts until the actual day of payday. When the payroll transfer has been completed, the ATMs Payroll Deposit Report shall be printed and verified to ensure the correct total for the payroll has been transferred. If there is any correction to be made, then a payroll adjustment transaction shall be accomplished as prescribed in paragraph 260703 of this chapter. The U.S. Treasury check and a copy of the payroll shall be delivered to the ATM accountable officer. The payroll transfer shall be recorded on the DD Form 2670 as a deposit. A copy of the payroll shall be filed with the safekeeping records for audit purposes.

C. ATM Transaction at the Server The ATM system does not permit account holders to make deposits to their accounts at the ATM. Generally, the best method for individual deposit transactions is to permit account holders to conduct deposit activities during normal check cashing hours. The ATM accountable officer appointed to perform these deposit transactions should be assigned the appropriate password security level access in order to complete the entire transaction without assistance. The ATM accountable officer authorized to perform ATM server transactions shall maintain the DD Form 2671, as shown in Figure 26-2. To perform an ATM server deposit, the appointed individual accepts money from the account holder, enters the deposit on the ATM server, records the entry on the DD Form 2671, and gives the depositor a journal receipt. All ATM deposits shall appear on the EOS Reports. After every EOS Report, the total ATM server deposits shall be recorded on the DD Form 2670.

260702. Withdrawals from the ATM Accounts

A. General. Normally, the account holders using their ATM card and PIN shall accomplish withdrawals from the individual ATM accounts through the ATM. When Point-of-Sale (POS) terminals are added in the ship's stores and post offices, the ATM system will generate a POS report. Compare the report totals to the journal receipts. If the totals agree, the ship's store or postal collection agent will present these journal receipts to the ATM accountable officer who in turn will provide cash from safekeeping funds equal to the journal receipts. The ATM accountable officer shall report the transaction on the DD Form 2670 as a POS ship's store or post office withdrawal. The POS activity shall prepare the appropriate collection voucher and provide the collection voucher and cash to the DO for processing. Retain ATM journal receipts for a period of 3 months.

B. Debit Terminal Withdrawal Transactions for the ATM. Debit Terminal withdrawals shall be used only when the account holder cannot use the ATM to make the withdrawal. Situations that require withdrawals through the Debit Terminal include mechanical difficulties with the ATM; an account holder closing an ATM account (such as when transfer, separation, or discharge is imminent); and a withdrawal when an account balance is less than \$5. The ATM accountable officer appointed to perform Debit Terminal withdrawal transactions should be assigned the appropriate password security level access in order to complete the entire transaction. The designated ATM accountable officer shall maintain DD Form 2671 as prescribed in subparagraph 260701.C of this chapter. To perform a Debit Terminal withdrawal, the designated ATM accountable officer enters the withdrawal on a Debit Terminal, obtains the account holder's signature on the DD Form 2671, and dispenses the cash and a journal receipt of

the transaction to the account holder. At the option of the ATM accountable officer, Debit Terminal withdrawals may be authorized when an account holder's balance is less than \$5, but the account holder is not closing the account, transferring, separating, or being discharged. The ATM accountable officer shall establish the policy of whether account holders will be permitted to withdraw remaining funds, of less than \$5, after they have withdrawn the maximum permissible from the ATMs. If the ATM accountable officer authorizes this function, then specific hours of operation shall be established when he or she would be available to provide this service. Note: This local policy shall not apply to account holders who are closing their accounts due to transfer, separation, or discharge. All Debit Terminal withdrawals shall appear on the EOS Reports. After every EOS Report, the total Debit Terminal withdrawals shall be recorded on the DD Form 2670.

260703. ATM Account Adjustments. The ATM allows account balances and pending payroll amounts to be adjusted. While deposits and withdrawals require the presence of the account holder (the evidence of which is the entry of the PIN in the ATM or personal visit of the account holder to the ATM server designated Debit Terminal ATM accountable officer for Debit Terminal transaction), adjustments do not require the account holder to be present. Therefore, the adjustment function shall be limited to the highest system access of password security. Adjustments shall be used judiciously and shall never be used when a deposit (ATM server) or withdrawal (ATM or ATM server) transaction will serve the same purpose. When the ATM accountable officer must remove money from an account without the account holder's presence, a negative adjustment shall be used. Situations which require a negative adjustment transaction are explained in the following subparagraphs.

A. Payroll Transfer Error. In cases where it is discovered during the payroll transfer verification that an ATM account was credited with more money than the payee was due, the ATM accountable officer shall process a negative adjustment to correct the error. In this type of situation, where the account holder is not to receive the money, a DD Form 1131 shall be prepared to document the negative adjustment and credit the funds back to the MMPA. The DD Form 1131 and the cash shall be provided to the DO who shall ensure a corresponding adjustment to the MMPA is processed to correct the member's pay account. The DD Form 1131 shall include an explanation of the purpose of the adjustment (e.g., negative adjustment to correct payroll transfer error). The ATM accountable officer shall record the transaction on the DD Form 2670 as a withdrawal. The DO shall include the DD Form 1131 on the DD Form 2657 as a refund on line 4.1B and an increase to U.S. currency on hand on line 6.2A.

B. Refunds to Account Holders. Under certain circumstances, such as when an account holder is on temporary duty and is reassigned to a new duty station without return to the ship, it will be necessary for the ATM accountable officer to process a negative adjustment to close the ATM account and forward the account balance to the account holder. If an account holder is transferred before closing the ATM account, and all monies in the account can be identified as military pay, then the ATM accountable officer shall administratively close the account and process a DD Form 1131 in addition to submitting a cash deposit FID to the DFAS-Cleveland for credit to the account holder's MMPA. See paragraph 260602 of this chapter. The ATM accountable officer shall record the transaction on the DD Form 2670 as a withdrawal.

2608 BALANCING THE ATM

260801. General Requirements. Complete balancing and reconciliation of the ATMs shall be accomplished not less frequently than once each week; the last day of each month; and at any time when the ATM accountable officer suspects that an irregularity or system malfunction has occurred. Balancing is accomplished by generating specific ATM reports (referred to as EOS Reports); counting the cash on hand; replenishing the ATM cash canisters; collecting Electronic Journal data, Receipt Printer Tapes; and comparing the actual cash on hand account balance to the system-generated reports and DD Form 2670. The ATM Journal Tapes and Receipt Printer Tapes shall be retained for a period of 3 months after which they may be destroyed if no longer needed to resolve an ATM out-of-balance condition or to document an ATM pay discrepancy. During the report generation process, the ATMs are shut down. The ATM accountable officer must pay close attention to this process and accomplish the ATM balancing expeditiously to avoid the perception that the system is out of order, which results in an inconvenience to the account holders as well as a loss of faith in the system's ability to secure and deliver their cash on an around-the-clock basis. With proper planning, balancing the ATM and generating the reports will become a routine function and should not interfere with the account holders' cash withdrawal habits.

260802. End-of-Session (EOS) Reports for the ATM. The EOS is the process used to balance the ATMs. The EOS process can generate six reports to facilitate system balancing. Five of the reports (Current System Balance Report, Grand Terminal Balance Report, Terminal Transaction Suspect Report, Reversal Transaction Report, and Point of Sales Transaction Report) are mandatory and shall be printed during every EOS process and retained in the ATM records for 12 months. The sixth report, Terminal Transaction Report, shall be printed as needed to resolve out-of-balance conditions. These reports are archived within the system and can be reprinted as needed. When an ATM accountable officer is relieved of ATM accountable duties, the relieved ATM accountable officer shall run a complete EOS and balance the ATM accounts. The relieving ATM accountable officer shall verify and sign the DD Form 2670 prepared by the relieved accountable officer. The relieving accountable officer shall prepare a new DD Form 2670. In the description block, enter the amount brought forward from the relieved accountable officer.

A. Current System Balance Report (SBR). The SBR is intended to provide the ATM accountable officer with a tool to assist in tracking the activity on the ATM. If used properly, the SBR can serve as a trial balance for the EOS. It shows totals of cash dispensed during the reporting period and it can indicate situations that would have required the ATM accountable officer to resolve questionable transactions. The SBR is a spot report that reports on all activity since the last time it was produced. It is to be produced during the EOS processing only, in which case it will produce summaries of activity that correspond with the EOS. If the SBR is run at other times between the EOS processing, then it will be necessary to consolidate multiple reports to provide complete summary information that will agree with the EOS reports. The report shows the time stamps for the starting and ending periods of the report at the top of the page. This provides a chain of report period that allows verification of time spans to ensure that all reports have been collected when consolidating reports. It is also useful to verify that the

period reported does coincide with the timeframe of an ATM session. Once printed, a report is moved to a history file and is available for reprinting at any future date. The lower box on the left side of the page will report Local Inquiries and Local withdrawals. On the right side of the form, the two boxes reflect only transactions against the local shipboard accounts. Transactions in the top box, Administrative Transactions, are positive and negative adjustments, deposits, and withdrawals completed at the Server with the Admin Functions program module. The second box contains summary totals of other Customer Transactions, such as payroll deposits, POS sales, cashier cage transactions (deposits and withdrawals), and adjustments. All transactions from these boxes affect the balance of the Master File. Here also, the boxes represent extract from difference logs, the top box is from the administrative transaction log, and the second is from the account transaction log. Differences in adjustment figures between the two boxes would indicate a problem with processing transactions against the database. The Master File Balance Summary portion of the report reflects the effect of all financial transactions against the account holders' local accounts. The starting file balance is taken from the master file accumulator preserved at the time of the previous report. All of the financial transactions are processed against the starting balance and are listed here. The calculated Ending Account Balance is then compared to the current Master File Account Balance. Any difference is indicated as an Out-of-Balance warning. An out-of-balance condition generally will mean that the transactions, which were posted against an account, were not saved in the database for some reason. The account records are updated prior to saving the transactions, so the Master File Balance is considered the most accurate figure of the two. The Master File Balance or Ending Account Balance is the amount carried over from one report to the next, so it very important to note that an out of balance condition does not carry forward. The out-of-balance condition must be investigated and resolved and cannot be ignored because it does not appear on the next report.

B. Grand Terminal Balance Report. This report is used to identify and report the total cash dispensed by the ATM since the previous EOS. The EOS balancing is required to be conducted on a regular basis, not less than once a week. The Grand Terminal Balance Report calculates the dispensed amount using information on all authorized transactions. If an unauthorized transaction did not successfully dispense money, the amount of cash counted will be less than the total withdrawals on the Grand Terminal Balance Report. Consequently, there will be more cash in the canister than expected. Check to see if there were any deposits. If an authorized transaction had an unsuccessful dispense, then the amount of cash indicated as dispensed by the ATM may be less than the amount calculated on the Grand Terminal Balance Report. This also means that the amount of cash in the ATM will be more than expected, based on this report. Check to see if anyone reported requesting money from their account, but did not receive the cash requested. The request should be logged and each logged report should contain the card number, the date and time of the transaction(s), the cardholder name, the amount requested, and the ATM at which it was requested. More than one non-dispense may occur on a given day or during a session. In this case, the total amount of discrepancy between the Grand Terminal Balance Report and the cash counted could be the result of several bad transactions. Using the Terminal Transaction Report, look for the transaction in question. If the transaction cannot be identified on the Terminal Transaction Report, then the server did not authorize it; therefore the money would not have been dispensed. Check to see if the cardholder performed an inquiry prior to the withdrawal; this is a common practice to check their balance. The ATM

accountable officer should be able to locate this inquiry transaction. The server sequentially numbers transactions; all account transactions should appear on the Terminal Transaction Report. A missing transaction may indicate a problem as well. The Electronic Journal on the ATM can also be checked as the last check and most reliable indicator. Using the time and date that was provided by the cardholder, the ATM accountable officer may attempt to locate the transactions. If the transaction was successful, then the transaction will be recorded on the ATM Electronic Journal. If the cardholder performed an inquiry prior to the withdrawal and it was successful, then the inquiry should be identified.

C. Terminal Transaction Suspect Report. The Terminal Transaction Suspect Report is used to track possible dispensing errors. When the report indicates possible dispensing errors, the ATM accountable officer shall print the Terminal Transaction Report for the indicated terminal(s) and compare the Electronic Journal to the Terminal Transaction Report to resolve the error.

D. Reversal Transaction Report. The Reversal Transaction Report indicates those transactions that were cancelled at the ATM. The ATM will credit back to the member the amount requested by the account holder but not dispensed. This is system generated; therefore, no action by the ATM accountable officer is required.

E. Point of Sales (POS) Transaction Report. The POS Transaction Report shows all the deposits and withdrawals made at the Debit Terminal in the disbursing office, ship's stores office, or the post office. It also shows which accountable officer performed a deposit or withdrawal transaction at the Debit Terminal.

F. Terminal Transaction Report. The Terminal Transaction Report lists all transactions performed on each ATM. The report can be generated for all terminals or for a selected terminal or terminals. The Terminal Transaction Report shall be generated as necessary to locate and resolve out-of-balance conditions with the DD Form 2672 (Automated Teller Machine (ATM) Cash Balance Sheet) and to locate and correct possible dispense error transactions as indicated on the Terminal Transaction Suspect Report. After balancing the Terminal Transaction Report with the DD Forms 2672 and resolving dispense errors, the report shall be attached to the Grand Terminal Balance Report for retention. The DD Form 2672 has been revised to better accommodate the ATM.

260803. Balancing ATM Accounts. Each ATM accountable officer assigned responsibility for keeping one or more ATMs supplied with cash shall maintain a separate DD Form 2672 (see Figure 26-3), for each assigned ATM. The ATM accountable officer is responsible for obtaining ATM operating cash for the assigned ATMs. Cash funds for the assigned ATMs shall not be advanced from public funds. Funds represented by the ATMs are the personal funds of the account holders and are held in safekeeping for their convenience. All accounts of ATM accountable officers (including accounts of those performing ATM server functions for the ATM) shall be balanced as part of the ATM balancing process. While the EOS for the ATM report generation process is running, each individual appointed as an ATM accountable officer of an ATM shall: retrieve the cash canisters from the ATM; count the cash in

the canisters and prepare the DD Form 2672; replenish the cash in the canisters, if necessary; and return the cash canisters to the ATM. The ATM accountable officer shall compare the DD Forms 2672 with the Grand Terminal Balance Report to ensure that the cash dispensed (as indicated by the report) is in agreement with the actual cash dispensed. This will be verified by actual count of the remaining cash in the canisters and subtracting this amount from the beginning cash balance loaded in the canisters during the previous EOS. If the cash balances are not in agreement, then the Terminal Balance Report shall be generated for the individual terminal or terminals involved to locate and correct the error. A copy of the DD Forms 2672 shall be attached to the Grand Terminal Balance Report. To document the daily ATM server transactions, which affect cash balances, the DD Form 2671 shall be used. A copy of the DD Form 2671 shall be attached to the ATM Server Transactions Report.

2609 ATM REQUIRED MANAGEMENT AND CONTROL REPORTS

260901. Master File Report. The Master File Report lists each account holder, current balance, and other information on ATM transactions. The report shows this information as of the time it is extracted and can be used to reconstruct accounts if necessary. The Master File Report shall be printed or transferred to floppy disk after performing an EOS. The Master File Report lists active, on hold, suspended, closed, and dormant accounts. Once a new report is obtained, the previous report may be discarded. At least once each month, the ATM accountable officer shall extract a list of all closed and dormant accounts for audit. Upon closing an account, it will be deleted from the ATM system. If funds are still in these accounts, then adjustment action shall be taken to close the account and forward the balance of the account to the account owner as prescribed in paragraph 260602 of this chapter.

260902 Account Statements for the ATM. The ATM can produce account statements for each account holder. These statements show all ATM transactions since the previous statement. These account statements shall be printed and provided to the ATM account holders upon request.

★2610 MANUAL MAINTENANCE OF ATM ACCOUNTS

If it becomes necessary to maintain the ATM accounts manually, such as a possible ATM central processing unit (CPU) failure, then the Master File Report and the latest audit tapes shall be used to ascertain the current account balances. The first step is to compare the electronic journal tapes with the previous Master File Report to determine what transactions have occurred since the last Master File Report was run. Next, manually adjust the account balances of the individual accounts involved. Finally, record on the DD Form 2670 and [DD Form 2671](#) all transactions that have occurred since the previous EOS for the ATM. Should prolonged system failure be anticipated requiring accounts to be maintained manually, no further deposits shall be allowed while the system is down. When an account holder desires to make a withdrawal, the account holder must withdraw the entire balance of the account. The account holder's signature shall be obtained acknowledging receipt of the funds using DD Form 2671. When the ATM is returned to operational status, adjust the balances to reflect the withdrawals made while in the manual mode. Immediately print a Master File Report and verify all manual

adjustments. The difference must be equal to the total of all manual withdrawals performed while the system was down. The ATM accountable officer should contact the ATM Fleet Support Office by message or phone at DSN 646-1189 or (757) 443-1189 for assistance in resolving financial balancing problems. For ATM system failures, the ATM accountable officer should contact the Navy Integrated Call Center (NICC) at 1-877-41 TOUCH (86824) or DSN: 510-42-TOUCH (86824).

2611 CASH VERIFICATION REQUIREMENTS FOR THE ATM

The ATM is subject to quarterly cash verification requirements. At unannounced intervals, not less frequently than once each quarter, the cash verification team appointed by the commander shall verify all ATM funds in the presence of the ATM accountable officer. Specific requirements for conducting the verification are prescribed in Chapter 27 and [Appendix A](#) of this volume.

DISBURSING OFFICE ATM CASH TRANSACTION LEDGER							
<p>AUTHORITY: Executive Order 9397, Department of Defense Financial Management Regulation (DoDFMR) 7000.14-R, Vol. 5, Disbursing Policy and Procedures, and 31 CRF 210.</p> <p>PRINCIPAL PURPOSE(S): To account for deposits made to the designated Automatic Teller Machine (ATM) accountable officer for deposit into or withdrawal from the ATM system.</p> <p>ROUTINE USE(S): The information on this form may be disclosed as generally permitted under 5 U.S.C. Section 552a(b) of the Privacy Act of 1974, as amended. It may also be disclosed outside of the Department of Defense to Federal, state, or local government agencies, which have identified a need to know, for the purpose(s) identified in the DoD Blanked Routine Uses as published in the Federal Register.</p> <p>DISCLOSURE: Voluntary; however failure to furnish the requested information may prevent you from participating in the ATM system.</p> <p>USER INSTRUCTIONS: When completing this form, the ATM Custodian MUST ensure that the personal information obtained from prior transactions is covered and not viewable by unauthorized personnel.</p>							
DATE (YYYYMMDD) a.	TRANS NO. b.	MEMBER'S NAME c.	SSN d.	DEPOSIT + CASH e.	WITHDRAWAL - CASH f.	MEMBER'S SIGNATURE g.	DISBURSING SIGNATURE h.
1/16/XX	001	SK3 G. BRITT	123-45-6789		450.00		
1/16/XX	002	RM1 J. KOVACH	234-56-7890	200.00			
1. TOTAL CASH DEPOSITS (+)			2. TOTAL CASH WITHDRAWALS (-)			3. DIFFERENCE ((+) to DO (-) from DO)	
\$ 200.00			\$ 450.00			- \$ 250.00	

DD Form 2671, SEP 2007

Figure 26-2. Sample DD Form 2671 (Disbursing Office ATM Cash Transaction Ledger)

AUTOMATED TELLER MACHINE (ATM) CASH BALANCE SHEET		
1. ACTIVITY	2. DATE (YYYYMMDD)	3. ATM NUMBER
	(1) NUMBER OF BILLS	(2) AMOUNT IN CASH
4. CASH TO START		
a. \$20.00 Bills		
b. \$5.00 Bills		
c. Total (4a + 4b)		
5. CASH ADDED TO ATM		
a. \$20.00 Bills		
b. \$5.00 Bills		
c. Total (5a + 5b)		
6. GRAND TOTAL (4c + 5c)		
7. CASH REMAINING IN CASH CANNISTERS		
a. \$20.00 Bills		
b. \$5.00 Bills		
c. Total (7a + 7b)		
8. CASH IN REJECT BIN		
a. \$20.00 Bills		
b. \$5.00 Bills		
c. Total (8a + 8b)		
9. TOTAL CASH REMAINING (7c + 8c)		
10. TOTAL CASH DISPENSED (6 - 9)		
11. REPORTED CASH DISPENSED		
12. DIFFERENCE (+/- 10,11)		
13. ACCOUNT FILE CASH BALANCE *		
14. ATM ON-LINE CASH BALANCE *		
* Use only if Commercial Banking system is installed on the ATM system.		
15. REMARKS		

DD Form 2672, AUG 2000

Previous Edition Obsolete.

Figure 26-3. Sample DD Form 2672 (Automated Teller Machine (ATM) Cash Balance Sheet)