



COMPTROLLER

OFFICE OF THE UNDER SECRETARY OF DEFENSE

**1 100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100**

March 31, 2020

**MEMORANDUM FOR DEPUTY ASSISTANT SECRETARIES OF THE MILITARY
DEPARTMENTS (FINANCIAL OPERATIONS)
CHIEF FINANCIAL EXECUTIVES OF THE COMBATANT
COMMANDS
CHIEF FINANCIAL EXECUTIVES OF DEFENSE AGENCIES
CHIEF FINANCIAL EXECUTIVES OF DOD FIELD ACTIVITIES**

**SUBJECT: Disbursing Officer and Disbursing Accountable Official Requirements for
U.S. Department of the Treasury Daily Reporting (FPM 19-14)**

This memorandum prescribes new policy for Department of Defense (DoD) Disbursing Officers and Disbursing Accountable Officials, implementing U.S. Department of the Treasury (Treasury) daily reporting requirements. It also establishes requirements for DoD Financial Management Regulation (FMR) Volume 5 chapters that will be impacted as the DoD transitions from monthly to daily reporting.

The attachments to this memorandum provide detailed guidance for key elements. Attachment 1 defines the requirements for Treasury's daily reporting on Volume 5 chapters. Attachment 2 provides the terms and definitions related to Treasury's daily reporting. Attachment 3 provides examples of the Treasury Account Symbol/Business Event Type Code reporting classification for each disbursement, collection, and intra-governmental transaction.

The next update to the DoD FMR Volume 5, Chapters 2-11 and 13-16, will incorporate the requirements for daily reporting. The Defense Finance and Accounting Service point of contact for this update is Mr. Charles Bates. He may be reached at 317-212-4399 or charles.a.bates20.civ@mail.mil.

Mark E. Easton
Deputy Chief Financial Officer

Attachments:
As stated

Disbursing Officer's Requirements for Treasury's Daily Reporting

The U.S. Department of the Treasury (Treasury) is transitioning all Federal Program Agencies (FPA) from monthly to daily reporting in the Central Accounting Reporting System ([CARS](#)). All disbursing officers (DOs) are accountable to the Treasury for the cash and cash equivalent items (including receivables) in their possession. This policy memorandum prescribes Department of Defense (DoD) guidance for compliance with Treasury's requirement for daily reporting of DO transactions in the DoD Financial Management Regulation (FMR) Volume 5, which includes disbursements, collections, and cash and investments held outside Treasury. The guidance for preparing and reporting DO's transactions is supported by the Treasury Financial Manual (TFM) Volume 1, Part 2, Chapter 1000 ([1 TFM 2-1000](#)), [1 TFM 2-3400](#), [1 TFM 4A-2000](#), [1 TFM 4A-3000](#), [1 TFM 4A-4000](#), and [TFM Bulletin 2020-05](#).

Disbursing Offices, Officers, and Agents (DoD FMR Volume 5, Chapter 2)

A disbursing office is considered necessary for the efficient functioning of an operating activity. Title 31, United States Code, section 3321(c)(2) ([31 U.S.C. § 3321\(c\)\(2\)](#)) requires the Secretary of Defense to designate disbursing officials to disburse public moneys available to the DoD. This section addresses CARS daily reporting guidance as it relates to DOs, officials, and agents. The establishment of a disbursing office and the appointment/termination of accountable officials is not impacted by daily reporting.

Treasury Account Symbol (TAS)

The TAS is an identification code assigned by Treasury, in collaboration with the Office of Management and Budget (OMB) and the owner agency, to an individual appropriation, receipt, or other fund account. All financial transactions of the federal government are classified by TAS for reporting to Treasury and OMB. The TAS should be derived from the internal fund code at the time of reporting. The TAS is the grouping of three funding-related codes that are used in federal budgeting and financial processes. Specifically, the TAS consists of the Agency Identifier, the fiscal year, the Main Account Code, and the Subaccount Code. DoD FMR Volume 5 utilizes the term TAS (e.g., Operation and Maintenance account) to indicate appropriated funds associated with a transaction (e.g., collection, disbursement).

Business Event Type Code (BETC)

The BETC is a code consisting of up to eight characters used in CARS to indicate the type of activity being reported (e.g., payments, collections, and borrowings). This code must accompany the TAS in order to classify the transaction against the Fund Balance with Treasury (FBWT).

Transfer of Disbursing Officer Duties

Because accountability is reported daily by a CARS daily reporter, a transfer of disbursing duty is not required to occur on the last day of the month as is required for CARS non-daily

reporters. The outgoing and incoming DOs establish the date to transfer accountability, subject to command approval. In addition to the guidance in the DoD FMR Volume 5, Chapter 2, subparagraph 020406.A.9, ensure that the outgoing DO's accountability, the balance amount on the DoD [\(DD\) Form 2657](#), "Daily Statement of Accountability," is reconciled with the DO Cash TAS on the daily CARS Account Statement. If the outgoing DO cannot provide documentation supporting the unreconciled items, he or she processes the discrepancies as losses (DoD FMR Volume 5, Chapter 6, section 0604) or overages (DoD FMR Volume 5, Chapter 6, section 0608) of funds.

Change in the Status of Disbursing Officer or Deputy Disbursing Officer

The DoD FMR Volume 5, Chapter 2, paragraph 020602 provides guidance for when a DO dies, is incapacitated, or removed from disbursing duty for cause. In addition to what is listed in Chapter 2, subparagraph 020602.C, the appointed inventory board must verify the departed DO's accountability balance on the DD 2657 is reconciled with the DO Cash TAS on the daily CARS Account Statement. If there is no documentation supporting the unreconciled items, the incoming DO processes the discrepancies as losses (DoD FMR Volume 5, Chapter 6, section 0604) or overages (DoD FMR Volume 5, Chapter 6, section 0608) of funds.

Closing an Agency Location Code

In addition to the guidance in the DoD FMR Volume 5, Chapter 2, paragraph 020801, a DO preparing an office for closure ensures that the DO's accountability balance on the DD 2657 and the DO Cash TAS in CARS are reconciled.

Settlement of Disbursing Officer Functions

The responsibility to clear outstanding items in the accounts of a DO relieved from disbursing duty is normally assigned to a designated settlement office (DoD FMR Volume 5, Chapter 2, subparagraph 020801.B). Transactions processed to establish, increase, reduce, or remove deficiencies in the account of the former DO will be similar to the routine transactions (i.e., Payment Information Repository ([PIR](#)), Collections Information Repository ([CIR](#)), Classification Transactions and Accountability ([CTA](#))) of a DO and will be reported on the daily accountability documents and reconciled with the CARS DO cash account for the settlement Agency Location Code (ALC).

Imprest Fund

Agencies granted the authority to disburse imprest funds must classify imprest fund transactions using established and appropriate TAS/Business Event Type Code ([TAS/BETC](#)). DOs advancing or receiving funds from an imprest fund cashier will treat the transactions similar to advancing other accountable agents. The Shared Accounting Module ([SAM](#)) website provides [Fiscal Service Reference Data](#) for the TAS/BETCs. See the DoD FMR Volume 5, Chapter 2, section 0209 for additional information regarding imprest funds.

Obtaining and Safeguarding Public Funds (DoD FMR Volume 5, Chapter 3)

Disbursing Officer Cash Treasury Account Symbol

A TAS is established for each DoD Component to document the balance of DO cash held outside of the Treasury. DOs operating in a CARS daily reporting environment must classify each cash transaction with the DO Cash TAS. Cash funds obtained via a U.S. Treasury check or Electronic Funds Transfer (EFT) are classified through PIR. Operating cash reductions and accommodation exchange transactions are reported through CIR. Cash disbursements, cash collections, and cash transfers between DOs not deposited and/or maintained in the DOs accountability are reported through CTA. The TASs for DO Cash are listed in the DoD FMR Volume 5, Chapter 3, paragraph 030206.

Obtaining Cash for Disbursing Purposes

Funds that qualify as cash held at personal risk, also known as DO's cash, include U.S. and foreign currency and coin, imprest funds, change funds, cash with agents (e.g., paying agent), and cash on deposit in a limited depository checking account (LDA). The CARS DO cash TAS balance amount should never exceed the approved cash holding authority amount or the balance amount of the days ending cash on hand. See the DoD FMR Volume 5, Chapter 3, paragraph 030203 for guidance on determining cash requirements and establishing an approved cash holding authority amount.

A. U.S. Treasury Check/EFT Exchange-for-Cash

DOs must cite the DO Cash TAS associated with their service on the Optional Form [\(OF\) 1017-G](#), "Journal Voucher," as stated in the DoD FMR Volume 5, Chapter 7 when issuing a U.S. Treasury check or EFT for cash. These transactions are reported to the PIR, which will feed the CARS daily account statement showing an increase to DO cash (see Attachment 3, Example 1). Note – an issued U.S. Treasury check for cash is considered cash from a reporting standpoint regardless if negotiated.

B. Cash Held for Operating Requirements

DOs that maintain physical cash associated with a [DD 1131](#), "Cash Collection Voucher," must cite the appropriate Standard Line of Accounting (SLOA), which will include the TAS/BETC, for the collection transaction. Multiple collection vouchers may be consolidated under one transaction reported to Treasury at the end of day as long as they fall under the same program TAS/BETC and ALC. DOs must ensure that any consolidated transactions have an audit trail that can be validated at the individual transaction level. These transactions are reported to the CTA, which will feed the CARS daily account statement showing an increase to the DO cash TAS and an increase to the TAS on the collection voucher. This will increase DO accountability to reflect the entire amount of cash collected in as being retained for operating requirements.

C. Transfers Between Disbursing Officers

DoD DOs may transfer funds among themselves based on operational needs (DoD FMR Volume 5, Chapter 3, subparagraph 030205.A.3). Transfers must be reported by both DOs via two CTA transactions to reflect a decrease to the DO reducing the funds and an increase to the DO receiving the funds (see Attachment 3, Example 2).

Advancing Cash to Agents

DOs may advance cash for official use to their Deputy DOs (DDOs), agents, and cashiers on a [DD 1081](#), “Statement of Agent Officer’s Account,” or by EFT; and may replenish expended cash with exchange-for-cash checks payable to them, with instructions to negotiate the checks only as funds are needed (DoD FMR Volume 5, Chapter 3, section 0304).

A. Advance Cash from the Vault. The DO Cash TAS is not impacted when funds from the vault are advanced to an agent. The funds were previously reported to the DO Cash TAS prior to the advance taking place.

B. Advance with a U.S. Treasury Check or EFT. The DO Cash TAS will increase when funds are advanced to an agent utilizing either a U.S. Treasury check or EFT and are reported to the PIR, which will feed the CARS daily account statement (see Attachment 3, Example 1).

Agent Funds Return

Agents returning paid vouchers and deposit tickets results in a reduction of DO accountability, which also results in a reduction in the balance of the DO Cash TAS. See Attachment 3, Example 3 for properly reporting paid vouchers and example 4 for reporting a deposit of operating cash. Returns of residual cash to the DO will not impact the DO Cash TAS since the funds were previously classified under the DO Cash TAS

Reconciling Disbursing Officer Cash

DOs must reconcile daily all transactions reported on the DD 2657 and DO Cash TAS reflected on the CARS daily account statement. Funds obtained for disbursing purposes are reported through and reconciled with PIR (DoD FMR Volume 5, Chapter 11, paragraph 111004). Cash deposited and accommodation transactions are reported through and reconciled with CIR (Chapter 11, paragraphs 111103 and 111104). Cash disbursements, cash collections, and cash transfers between DOs not deposited and/or maintained in the DOs accountability are reported through and reconciled with CTA. To facilitate the reconciliation of cash transactions, DOs must maintain a log of all cash transactions, annotating the DO Cash TAS associated with each transaction. The log of cash transactions must include:

- A. The [DD 2659](#), “Voucher Control Log”; and
- B. The detailed deposit activity report; or

- C. A system generated report from the disbursing system.

Accommodation Exchange (DoD FMR Volume 5, Chapter 4)

Accommodation Exchange Transactions

A DO may cash U.S. Treasury checks, money orders, traveler's checks, third-party checks, state and local government checks, credit card checks, business checks, and personal checks payable in U.S. dollars for eligible payees. The DO accountability is not affected until the checks are reported in Treasury's Over-the-Counter Channel ([OTCnet](#)). These instruments may be processed through OTCnet (DoD FMR Volume 5, Chapter 11, paragraph 110801). Ensure that the appropriate DO Cash TAS is utilized along with the appropriate BETC when depositing accommodation exchange transactions (see Attachment 3, Example 4).

Accountability for Dishonored Checks

All dishonored checks are returned by the Treasury on a debit voucher and automatically classified back to the TAS annotated on the OTCnet deposit ticket. Checks accepted from external activities or to satisfy an obligation (debt) due the United States will not impact the DO Cash TAS and will be classified under a program TAS. Dishonored checks related to accommodation exchange transactions will impact the DO Cash TAS and stay on the DO accountability until recouped or when the uncollectible receivable is processed for removal from accountability as provided in the DoD FMR Volume 5, Chapter 6, subparagraph 060402.B.1.

Removal of Deficiency

Upon notification that an accommodation exchange check has been dishonored, start collection action immediately and pursue it through recovery. If the debtor is no longer employed, in the military service, or is an inactive reservist, and all attempts to collect have been exhausted, a written request to remove the deficiency may be submitted (DoD FMR Volume 5, Chapter 4, section 0405). If the removal of deficiency is approved, the DO will receive a memo authorizing a charge to account ***6763, Gains and Deficiencies on Exchange Transactions. The removal of deficiency transaction will impact the DO Cash TAS. Process the removal of deficiency with a CTA transaction citing account ***6763 and BETC and the appropriate DO Cash TAS/BETC (see Attachment 3, Example 3). If the removal of deficiency is not approved, see the DoD FMR Volume 5, Chapter 6, section 0606 for requesting relief of liability.

DoD Employees Serving as Treasury Certifying Officers (DoD FMR Volume 5, Chapter 5)

The guidance in this section applies to DoD employees appointed as Treasury Certifying Officers (CO) and are delegated the authority to certify the disbursement of funds, as well as scheduling and classifying domestic and international payments that the Bureau of the Fiscal Service disburses, as authorized by the Treasury.

A. Treasury Certifying Officers

COs that certify Treasury-disbursed payments must be appointed utilizing the Bureau of the Fiscal Service Form 210CO, “Designation for Certifying Officer,” and not the [DD Form 577](#), “Appointment/Termination Record-Authorized Signature,” unless also serving as a certifying officer for DoD disbursed payments by a Non-Treasury Disbursing Office (NTDO). Treasury appointed CO designations are valid for a period of two years from the effective date, unless revoked earlier. See [1 TFM 4A-3000](#) for all requirements and forms for scheduling payments disbursed by the Bureau of the Fiscal Service.

B. Treasury Certifying Officer’s Pecuniary Liability

All accountable officials are subject to the pecuniary liability standard under Title 31 of the U.S. Code as addressed in the DoD FMR Volume 5, Chapter 6, paragraph 060103. Treasury COs are pecuniarily liable when there is a fiscal irregularity based on the “presumption of negligence,” regardless if the payment was disbursed by the Treasury or an NTDO. See Chapter 6, sections 0606 and 0607 for policy concerning relief of liability of accountable officials.

Physical Losses of Funds, Erroneous Payments, and Overages (DoD FMR Volume 5, Chapter 6)

Daily reporting has no impact on the pecuniary liability of accountable officials. Accountable officials are personally liable for the physical loss or improper payment of the funds for which they are accountable, unless granted relief.

Physical Losses

A physical loss of funds does not initially impact the DO’s Cash TAS. The loss of funds is maintained as part of the DO’s accountability and does not affect that balance until recovery, recoupment or relief of liability is granted. See the DoD FMR Volume 5, Chapter 6, section 0604 for more details about physical losses.

Erroneous Payments (Illegal, Incorrect, and Improper)

If the erroneous payment occurred due to fraudulent actions of accountable officials under the direct cognizance or control of the DO, prepare a DD 1131 transferring the amount of the fraudulent payment back into the appropriation from which the payment disbursed. See the DoD FMR Volume 5, Chapter 6, subparagraph 060501.A.2.a for information on recording the transaction on the DD 2657. The collection transaction is reported to Treasury via the CTA which will feed the CARS daily account statement showing an increase to DO Cash TAS and an increase to the program TAS on the collection voucher (see Attachment 3, Example 5).

Decisions on Liability

A. Relief Granted. If relief of liability is granted for a loss of funds, the Director of Defense Finance and Accounting Service (DFAS), Strategy, Policy and Requirements (DFAS-ZP) will provide a signed memo with instructions either to remove the deficiency or the authority to leave the payment charged to the original appropriation.

B. Relief Denied. If relief of liability is denied by DFAS-ZP, the Commander and/or DO will be advised to take immediate collection action against the accountable official(s). The following methods of collection are common with physical losses of funds:

1. Check, Cash, or Money Order. See Attachment 3, Example 4 for depositing operating cash. Cash recouped from a loss and retained for future operating use does not impact the DO cash TAS balance.

2. Payroll Deduction, Garnishment Check. See Attachment 3, Example 4 for depositing operating cash.

3. Payroll Deduction, Collection to a Line of Accounting. See Attachment 3, Example 5 for processing a cash collection retained for future operating use.

Overages of Public Funds

Overage of funds must be collected into the DO's accountability and reported by CTA transactions to Treasury in account **F3875, citing the collection BETC along with the DO Cash TAS/BETC (see Attachment 3, Example 5). Once the correct TAS for the funds is identified, transfer the funds out of **F3875 to the appropriate TAS utilizing a CTA transaction. If the proper location of the overage cannot be determined, the overage must be transferred to the Department of Treasury's Forfeiture of Unclaimed Money and Property, **R1060, utilizing a CTA transaction.

U.S. Treasury Checks (DoD FMR Volume 5, Chapter 7)

DOs issue U.S. Treasury checks under applicable laws and regulations for military pay and allowances, civilian pay, settlement of travel claims, authorized advances to travelers and agents, exchanges for cash, and deposits for credit to the Treasury. Per [1 TFM 4A-4035](#), agencies that issue Treasury checks will no longer submit their check issue files using the current Treasury Check Information System format once they are reporting through PIR using the Standard Reporting Format (SRF). All Treasury check disbursements must have a valid TAS/BETC reported through PIR, which will feed the CARS daily account statement.

Exchange-for-Cash Checks

See the DoD FMR Volume 5, Chapter 7, section 0707 for detailed guidance on processing exchange-for-cash checks. All exchange for cash checks must be reported through PIR citing the DO Cash TAS and the proper BETC code. Spoiled exchange-for-cash checks that have not been reported to Treasury are not impacted by daily reporting and must follow the guidance listed in

Chapter 7, paragraph 070902. Spoiled checks that have been reported to Treasury must be resolved by one of the following methods:

A. Check Cancellation. See DoD FMR Volume 5, Chapter 7, paragraph 071005 for guidance on disposition of canceled available checks. Deposit exchange for cash checks in OTCnet utilizing the DO Cash TAS (see Attachment 3, Example 4).

B. Unavailable Check Cancellation. Exchange-for-cash checks that are lost, stolen, or destroyed should follow the guidance in the DoD FMR Volume 5, Chapter 7, paragraph 070705. Process an SF 1184, "Unavailable Check Cancellation," utilizing stop reason code "D" and, upon receipt, process a CTA transaction reducing both the budget clearing account **F3880 (Unavailable Check Cancellations and Overpayments, Suspense) and the DO cash account (see Attachment 3, Example 6).

Unavailable Check Cancellation

All Treasury check cancellations that are less than 12 months old and reported to the DO as lost, stolen, mutilated, or not received by the payee must be processed on an SF 1184. Checks cancelled with an SF 1184 are credited by the Treasury to account **F3880 through the Intra-governmental Payment and Collection ([IPAC](#)) system. Utilize a CTA transaction to move the funds out of account **F3880 to the proper program TAS, deposit fund account, or DO Cash TAS along with the proper adjustment BETC code.

Collections (DoD FMR Volume 5, Chapter 8)

Collections are transactions that increase a DO's accountability, but do not apply to the acquisition of U.S. and foreign currencies through the purchase with dollars or accommodation exchange transactions. All collection vouchers reported in the DoD business systems must meet SLOA requirements.

Collection Transactions

Voucher supported collections create credits to appropriations or to receipt or deposit fund accounts and are received on a DD 1131, recorded in the accounting records, and reported to Treasury through CIR citing the proper TAS/BETC combination. Unvouchered collections occur when a DO receives cash or negotiable instruments from individuals or organizations and does not credit them to an appropriation or fund or does not support them with a formal collection voucher (e.g., dishonored checks cashed, losses of funds, and some check issue overdraft discrepancies). Document unvouchered collections on the OF 1017-G and utilize a CTA transaction to credit and debit the proper program TAS. See Attachment 3, Example 5 for the collection example and the DoD FMR Volume 5, Chapter 8, section 0803.

A. Cash Collections Deposited the Same Day. If the full cash amount associated with a DD 1131 is deposited the same day and the DD 1131 and deposit are reflected in the DO accountability, the DO Cash TAS is not impacted. DOs must utilize OTCnet, citing the BETC and TAS associated with the collection voucher on the deposit ticket. Deposits in OTCnet are reported through CIR, which will feed the CARS daily account statement showing an increase to the TAS associated with the collection voucher.

B. Collections Not Deposited the Same Day. Any portion of the cash associated with a DD 1131 that is not deposited the same day and is collected into the DO's accountability must be reported as a CTA transaction. This will feed the CARS daily account statement, showing an increase to the DO Cash TAS and an increase to the program TAS on the collection voucher (see Attachment 3, Example 5). Multiple collection vouchers may be consolidated under one transaction reported to Treasury as long as they fall under the same TAS/BETC and ALC. DOs must ensure that any transactions that are consolidated have an audit trail that can be validated at the individual transaction level.

(Note: See the DoD FMR Volume 5, Chapter 8, section 0806 for additional guidance for documenting and processing collections.)

Disbursements (DoD FMR Volume 5, Chapter 9)

A disbursement is a payment to an individual or organization for goods furnished or services rendered and must be supported by a formal disbursing voucher (e.g., SF 44, "Purchase Order-Invoice-Voucher;" SF 1034, "Public Voucher for Purchases and Services Other Than Personal"). It may also be a transfer of funds from one appropriation or fund to another utilizing an [SF 1080](#), "Voucher for Transfers Between Appropriations and/or Funds," or [SF 1081](#), "Voucher and Schedule of Withdrawals and Credits." All disbursement vouchers reported in the DoD business systems must meet SLOA requirements.

Disbursement Vouchers

A. EFT and U.S. Treasury Check. Report EFT (includes International Treasury Services for payments in foreign currencies) and U.S. Treasury check disbursements to PIR citing the proper TAS/BETC.

B. No Check/Voucher for Transfer. Report no check/voucher for transfer utilizing a CTA transaction citing the proper credit and debit two-sided transaction citing the proper TAS/BETC.

C. Cash and LDA Checks. Report cash and LDA check disbursements utilizing a CTA transaction citing the DO Cash TAS/BETC and the program TAS/BETC listed on the disbursement voucher (see Attachment 3, Example 3). Multiple disbursement vouchers may be consolidated under one transaction reported to Treasury as long as they fall under the same TAS/BETC and ALC. DOs must ensure that any transactions that are consolidated have an audit trail that can be validated at the individual transaction level.

(Note: See the DoD FMR Volume 5, Chapter 8, section 0806 for additional guidance for documenting and processing collections.)

Transferring Funds Out of Clearing Accounts (Suspense)

Clearing accounts (e.g., **F3875) are utilized to temporarily hold unidentifiable collections belonging to the federal government until they are classified to the proper receipt or expenditure account. Utilize a CTA transaction to move the (cash) funds out of the clearing account to the proper program TAS, deposit fund account, or DO Cash TAS along with the proper adjustment BETCs (e.g., COLLAJ). Utilize an SF 1080 or SF 1081 to document the charges and report the transactions within internal DoD systems (DoD FMR Volume 5, Chapter 9, paragraph 090502).

Deferred Vouchers

Deferred vouchers are paid vouchers not recorded in an accounting system and are usually vouchers paid by an agent that must be returned for correction or not yet examined by a DO. Deferred vouchers do not impact the DO Cash TAS until the voucher is processed. See Attachment 3, Example 3 for the Treasury reporting requirements for a cash disbursement.

Electronic Funds Transfer Returns

When a financial institution returns one or more EFT/Automated Clearing House (ACH) payments to a paying office, the DO prepares and processes a collection voucher to account for the returned funds, crediting them to the appropriation from which they were originally disbursed. EFT returns will be submitted back to the originating ALC crediting the TAS from which they were originally disbursed.

Payments in Support of Advance Payment Pool Agreements

See the DoD FMR Volume 5, Chapter 9, section 0906 for guidance and the authority related to advance pay pool agreements. Cash advanced to contractors must be reported on the DD 2657 and be reflected on the DO Cash TAS until the money is returned or disbursed.

(Note: See DoD FMR Volume 5, Chapter 9, paragraph 090408 for additional guidance for transmittal of vouchers and recordings.)

Treasury Disbursing Office (TDO)

The TDO initiative allows Treasury to become the Federal service provider performing payment and collection functions on behalf of DoD. The program also allows an agency to send and receive financial transactions directly to Treasury systems. The TDO program provides services to facilitate various disbursement and collections including contract, vendor pay, individual reimbursement, and miscellaneous pay (e.g., utility bills, credit cards, etc.). The TDO program is also a centralized post-pay actions that works in concert with customers, partners, and stakeholders to provide customized payment solutions that are expeditious while ensuring invoices

or claims are valid against the government. Once fully transitioned from the legacy disbursing systems to TDO, DoD will continue to function as a non-Treasury disbursing office and provide services related to collections, advance payments, cash disbursements, agent payment and returns, accommodation exchange, contingency (e.g. combat zone, afloat, and military in support of disaster relief), and emergency disbursing transactions under 31 U.S.C. § 3321(c)(2). For additional information on the TDO initiative, see 1 TFM 4A-3000 for scheduling payments disbursed by the Fiscal Service.

Smart Cards for Financial Applications (DoD FMR Volume 5, Chapter 10)

EZpay Stored Value Card (SVC)

The EZpay SVC program utilizes a Smart Card with an embedded computer chip, which is preloaded with a specific amount of funds (e.g., \$300, \$350, \$400), that provides an electronic payment method for advance of pay to trainees of the U.S. Army, Air Force, and Marine Corps. EZpay SVC transactions do not impact the DO Cash TAS and are reported to Treasury through PIR similar to EFT transactions citing the proper TAS/BETC. Residual values on expired/cancelled cards will follow the EFT return reporting process. See the DoD FMR Volume 5, Chapter 10, section 1003 for more information on the EZpay SVC program.

EagleCash Stored Value Card and Navy Cash Programs

The EagleCash SVC is a reloadable plastic card embedded with a computer chip that stores “electronic funds” in its memory. The card is issued to deployed Service members, DoD civilians, and contractors (DoD FMR Volume 5, Chapter 10, section 1004). The Navy and Marine Cash card programs are administered by the Bureau of the Fiscal Service, with assistance of the Bureau of the Fiscal Service’s designated financial agent. All personnel assigned to a ship and visitors may be issued a Navy Cash card while aboard the ship. The Marine Cash card is issued when Marines are assigned to or deployed aboard Navy ships (Chapter 10, section 100501). Daily reporting requirements for the EagleCash, Navy Cash, and Marine Cash card programs are the same. Scenarios below impact the DO Cash TAS and must be properly reported to the Treasury.

A. SVC Sales or Load/Chip to Cash

Issued cards may be funded by personal check, cash, split pay, or transfer of funds from the cardholder’s home financial institution. Funding through split pay and the cardholder’s home financial institution does not impact the DO’s accountability/DO Cash TAS. Funding by personal check or cash increases the DO’s accountability/DO Cash TAS.

1. **Personal Check.** Submit a debit voucher citing the DO Cash TAS and applicable BETC to the Federal Reserve Bank (FRB) via DoD business system processes. The FRB will transmit the transactions to Treasury via OTCnet/CIR reflecting the proper TAS and BETC. Deposit the personal check citing the DO Cash TAS.

2. Cash. Submit a debit voucher citing the DO Cash TAS and applicable BETC to the FRB via designated system processes. The FRB will transmit the transactions to Treasury via OTCnet/CIR reflecting the proper TAS and BETC.

B. SVC Sales or Sale/Cash to Chip

Prior to departing a deployed environment, ship, or being separated from active duty, a cardholder may transfer any remaining value to their home financial institution or request a cash-out from the DO paid in cash or by U.S. Treasury check. The transfer of value to a home financial institution does not impact the DO's accountability/DO Cash TAS. Additionally, vendors utilizing a point-of-sale (POS) terminal may request a cash-out for the dollar value equal to transactions on their POS terminal. Cash-out transactions decrease the DO's accountability/DO Cash TAS.

1. U.S. Treasury Check. Submit a deposit ticket citing the DO Cash TAS and applicable BETC to the FRB via designated DoD business system processes. The FRB will transmit the transactions to Treasury via OTCnet/CIR reflecting the proper TAS and BETC. Report the U.S. Treasury check to PIR citing the DO Cash TAS.

2. Cash. Submit a deposit ticket citing the DO Cash TAS and applicable BETC to the FRB via designated DoD business system processes. The FRB will transmit the transactions to Treasury via OTCnet/CIR reflecting the proper TAS and BETC.

U.S. Debit Card Program

The U.S. Debit Card Program provides federal agencies with the ability to deliver federal payments through debit cards, as an alternative to checks, drafts, cash, and other non-electronic mechanisms. Cards may be funded through a Card Funding Account (CFA) owned by the Agency and held by the financial agent, through EFT via the ACH network, or by utilizing the ASAP system to authorize the financial agent to draw down agency funds. Funds held in a CFA must be reflected in the DO Cash TAS. DOs establish funds in a CFA through an EFT for Cash and record the funds on the DD 2657. Disbursements out of the CFA must be reported as cash disbursements.

Electronic Commerce and Deposit of Public Funds (DoD FMR Volume 5, Chapter 11)

Intra-Governmental Payment and Collection System

The IPAC system's primary purpose is to provide an automated standardized interagency funds expenditure transfer mechanism for FPAs. It facilitates intra-governmental federal e-commerce by transferring funds, with related descriptive data, from one FPA to another on a real-time basis. Agencies are required to submit the appropriate TAS/BETC for each IPAC transaction submitted to Treasury.

Government Invoicing Initiative

In a daily reporting environment, agencies are required to use Treasury's government invoicing ([G-Invoicing](#)) system (formerly named the Invoice Processing Platform). G-Invoicing

is used to negotiate, broker, and electronically store the General Terms and Conditions between buyers and sellers for all inter- and intra-governmental reimbursable transactions as appropriate system capabilities come online. Additional information on G-Invoicing is addressed in the DoD FMR Volume 11A, Chapter 2, paragraph 020301.

Deposits of Funds

Under 31 U.S.C. § 3302, custodians of money (e.g., DOs) holding cash or negotiable instruments in excess of either current requirements or the amount authorized to be held at personal risk, whichever is less, must deposit them promptly in an authorized depository of the Treasury for credit to the Treasurer of the United States. This does not apply to instruments to be returned to remitters in the form received (e.g., deposits of unsuccessful bidders for the sale of government property). All physically received, negotiable instrument deposit transactions must be processed through OTCnet and must cite a valid TAS and BETC at the time of the deposit.

A. Same Day Deposit. Cash collected in and deposited prior to the end of the business day does not impact the DO Cash TAS. Deposited the money citing the appropriate TAS/BETC that appears on the DD 1131.

B. Deposit Operating Cash that is No Longer Needed. Cash that is reflected on the DD 2657 (ending accountability and deposited) must cite the DO Cash TAS/BETC at the time of the deposit (see Attachment 3, Example 4).

Treasury Financial System Reconciliation

DO's or their designee(s) must reconcile DoD financial system data daily with CARS and maintain either a manual or a mechanized subsidiary record of all debit voucher differences. The DO or designee(s) review the record of differences at least weekly to ensure these differences are cleared. Retain the evidentiary documentation supporting the review process for a retention period following the guidance in the DoD FMR Volume 5, Chapter 15, paragraph 150802. Consider items not reconciled within 60 days and have been validated as meeting the criteria of an actual physical loss of funds as a loss or overage of funds as prescribed in the DoD FMR Volume 5, Chapter 6, section 0608.

A. PIR. EFT (and Treasury Checks) payment transactions are recorded using debit vouchers. DOs or their designees must reconcile their EFT payment data with PIR.

B. CIR. DOs or their designees must reconcile deposit and debit vouchers activity in CIR.

C. CTA. DOs or their designees must reconcile their DO Cash TAS transactions and any CTA transactions initiated by the disbursing area daily.

Statement of Differences

CARS non-daily reporters must ensure that there are no existing uncleared statement of differences prior to becoming a CARS daily reporter. Agencies no longer receive a statement of difference report (formerly known as the Financial Management Service (FMS) Form 6652) after becoming a CARS daily reporter and are no longer required to follow the guidance related to the FMS 6652 cited in the DoD FMR Volume 5, Chapter 11.

Payment Information Repository and Standard Reporting Format Timing

Agencies must submit the PIR/SRF one day after the date of payment. Agencies that do not submit the SRF within one day following the date of payment by 6:00 p.m. (Eastern Time) will default in CARS to the default TAS/BETC for payment transactions. Date of payment is further defined as:

- A. Check Payments. The issue date of the check (date inscribed on the check).
- B. ACH Payments. The settlement of the ACH transaction found in the acknowledgement received from the FRB's ACH.
- C. Wire and Treasury's International Treasury Services ([ITS.gov](https://www.its.gov)) Payments. The value date specified in the payment request.

Shared Accounting Module Default Accounts

See TFM Bulletin 2020-05 for guidance for the TAS/BETC reporting of accounts **F3500, Collections and/or Payments Default, and 3502, IPAC Default. Agencies must correctly reclassify, in the CTA, all system defaulted transactions to a valid receipt or expenditure TAS by the third business day following the close of the accounting month.

Foreign Disbursing Operations (DoD FMR Volume 5, Chapters 13 and 14)

In areas where the use of U.S. currency is prohibited or where diplomatic or financial considerations make its use inadvisable, the senior commander consults with other U.S. military commanders and the U.S. Department of State representatives in the area to determine the local government's foreign currency control regulations. The commander issues instructions that conform to DoS procedures and local government foreign currency control regulations. Foreign currency is reported to CARS as U.S. dollar transactions. See the DoD FMR Volume 5, Chapter 13 for detailed guidance related to Foreign Disbursing Operations.

Gains and Deficiencies

Gains and deficiencies may occur due to rounding or revaluation. Credit foreign currency gains utilizing a DD 1131 and charge foreign currency deficiencies utilizing a DD 1034. Gains and deficiencies are reported through CTA citing an increase or decrease to account **6763, and

the DO Cash TAS along with the proper BETCs. See Attachment 3, Example 5 for reporting a gain and Example 3 for reporting a deficiency.

Currency Custody Accounts

Absent ready-access to the Federal Reserve System, the DO can request approval from the Treasury to establish currency custody LDAs with the government's contractor-operated Military Banking Facility (MBF). The DO must settle daily with the MBF. The currency custody LDA assures the availability of U.S. currency to support the dollar economy created by U.S. Armed Forces stationed overseas. The balances held in custody accounts must be reported on the DD 2657 and reflected in the DO Cash TAS. Establishing funds in a custody account follows the same reporting process listed in Attachment 3, example number 1.

Limited Depository Checking Accounts

If the ITS.gov will not support mission requirements, DoD DOs may maintain official LDAs for check or EFT payments in foreign currencies with banks designated by the Treasury as "Depositories of Public Moneys of the United States." LDAs are considered cash and investments held outside treasury funds and must be reflected in the DO Cash TAS. LDA transactions follow the same reporting process to PIR (obtaining funds) and CTA (cash disbursement and collections) as U.S. dollar transactions.

Burdensharing and Overseas Relocation Contributions by Foreign Allies

See the DoD FMR Volume 12, Chapter 24 for the overall policy and responsibilities for acceptance, receipt, use, and reporting of burdensharing and relocation monetary contributions to the DoD. DOs must include any burdensharing and relocation monetary contributions held in an LDA in their ending accountability on the DD 2657 and in the DO Cash TAS.

Disbursing Officer Accountability Reports (DoD FMR Volume 5, Chapter 15)

DOs maintain their daily accountability on the DD Form 2657. The DD 2665, Daily Agent Accountability Summary, is a stand-alone document that provides a complete picture of a DDO's, cashier's, or disbursing agent's accountability transactions from day to day. Agent officers (DOs, cashiers, and disbursing agents) prepare a DD 1081 as a summary of cash transactions and receipt for cash and vouchers on hand (between DOs and their agent officers). The use and distribution of the DD 2657, SF 1219, DD 2665, and DD 1081 as referenced in the DoD FMR Volume 5, Chapter 15 are not impacted by daily reporting. DOs must continue to submit financial reports to supporting DFAS sites following instructions by the site.

Statement of Accountability (Standard Form 1219)

In a daily reporting environment, the SF 1219 is no longer required to be submitted to the Treasury. DOs may continue to complete and submit the SF 1219 at month's end to DFAS for reporting requirements based on each site's instructions. The SF 1219 will continue to be utilized to reconcile deposits, collections, disbursements, and cash balances with Treasury on a monthly

basis. In a daily reporting environment, there is still the requirement to balance to the Treasury monthly account statement, which summarizes the financial activities of federal agencies. DoD currently has established processes for creating and reconciling the SF 1219, which reduces risk from a reconciliation and balancing standpoint as DoD transitions to daily reporting. From an accounting perspective, there is no warrant or apportionment for DO cash and no formal funds control system documentation that legally places responsibility on the DO for the cash. Additionally, the SF 1219 is a recognized means of establishing responsibility for a specific and verified balance at a point in time. It aligns with accounting reporting cycles (the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) bulk file submission), which transmits the end of month balance in the DO Cash account(s) and must match the sum of the SF 1219s for each Service to facilitate reconciliation with the General Ledger reporting.

Safekeeping Funds and Valuables for Individuals and Morale, Welfare, and Recreation Activities (DoD FMR Volume 5, Chapter 16)

DOs, DDOs, and agents may accept cash and checks from individuals and morale, welfare, and recreation activities for which safe custody otherwise would not be available. Consider funds accepted for safekeeping as funds held in trust for which the United States is accountable but are not within the DO's financial accountability and is not required to be reported to the Treasury and is not reflected in the DO Cash TAS (DoD FMR Volume 5, Chapter 16).

Accounting for Commingled Funds, Bank Account Procedures

Custodians of commingled safekeeping funds, with command approval, may establish and maintain a checking account in a local bank or credit union (DoD FMR Volume 5, Chapter 16, paragraph 160203). If a depositor cannot be located, close the account by drawing a check payable to the Treasury for deposit. The custodian prepares a DD 1131 and credits account **R1060 for amounts less than \$25. The custodian credits account 20X6133, Payment of Unclaimed Moneys, for amounts of \$25 or more. Ensure the deposit utilizes the TAS that matches the DD 1131 along with the BETC, COLL. See Chapter 16, subparagraph 160203.F for more details about account closure.

Daily Reporting Terms Definition

Account Statement

The primary goal of the Governmentwide Accounting (GWA) system Account Statement Module is to provide an up to date source of balance and transaction information to assist FPAs with their reconciliation processes. Information is accessed at the department level and users are able to view both a daily Accounting View (Perpetual) and a monthly Published View (Periodic) of their Account Balances and supporting transactions. Users are able to generate customized views of their Fund Balance with Treasury (FBWT) data by utilizing the application's query and sorting utilities. The Account Statement provides FPAs with a central source for retrieving a near real-time picture of their account balances.

Agency Location Code

An Agency Location Code (ALC) is a numeric symbol identifying the agency accounting and/or reporting office. An 8-digit ALC's first two digits identify the department or agency, the third and fourth digits identify the particular bureau within the department, and the remaining four digits identify the particular agency account within that bureau. Within DoD, the 8-digit ALC is the 4-digit Disbursing Station Symbol Number (DSSN) preceded by four zeros (e.g., 00008242). Agencies must include the ALC on all correspondence, forms, other documentation, and system files forwarded to financial institutions, Treasury's Fiscal Service, other federal agencies, and Treasury Regional Financial Centers.

Central Accounting Reporting System

Central Accounting Reporting System (CARS) is the system of record for the Bureau of the Fiscal Service and is utilized for Treasury-level accounting and reporting for all federal agencies. CARS maintains financial management and accounting information across FPAs and provides agencies with access to both submit and retrieve data and information from Treasury. CARS captures and records the Treasury Account Symbol (TAS) information for payments, deposits, and intra-governmental transactions and provides agencies a daily status of their FBWT by allowing access to transaction detail supporting research and reconciliation. All agencies must use the CARS applications and submit the TAS/Business Event Type Code (TAS/BETC) reporting classification for each disbursement, collection, and intra-governmental transaction. (Note: A "Treasury Full CARS Reporter" and a "Treasury Daily Reporter" has the same meaning.)

Central Accounting and Reporting System Daily Reporter

CARS daily reporters submit the TAS/BETC reporting classification of each payment or collection daily to CARS via the Payment Information Repository (PIR) or Collections Information Repository (CIR), respectively. DoD DOs report cash disbursements and U.S. and foreign currency collections held for future operational needs via the Classification Transactions and Accountability (CTA) module. The CTA functionality specifically for DoD is under development.

A. The PIR is a centralized information repository for federal payment related data that includes details on all federal payments made by Treasury Disbursing Office agencies, as well as Non-Treasury Disbursing Office (NTDO) agencies. The PIR serves as a repository for all government payment data and supports government transparency initiatives by improving the way the Bureau of the Fiscal Service collects, analyzes, and reports on payment related data. Reporting

entities submit payment and accounting data to the PIR using the Standard Reporting Format (SRF). The SRF is the Bureau of the Fiscal Service defined input file specification defining the data elements and validation rules that all NTDO use to report issued payments and associated TAS/BETC information (DoD FMR Volume 5, Chapter 11, section 1110).

B. The Automated Standard Application for Payments (ASAP) is a completely electronic payment application for federal agencies to quickly and securely disburse funds to recipient organizations. Federal agencies enroll recipient organizations, authorize their payments, and manage their accounts. Recipient organizations then request payments from these pre-authorized accounts. The ASAP passes data to the PIR to ensure reliability and data quality. The Communication Transport Infrastructure (CTI) streamlines ASAP's existing mechanism for transporting batch files and allows connectivity issues to be diagnosed.

C. The CIR is a web-based information repository that gives federal agencies information on deposits and collections. The CIR streamlines financial transaction information from all collections and settlement systems into one location. Multiple collection sources feed the CIR, including: Over the Counter Channel Application (OTCnet), Credit Gateway, Pay.gov, Stored Value Card (SVC), Electronic Federal Tax Payment System (EFTPS), Electronic Check Processing (ECP), Card Acquiring Service, and the Debit Voucher System. Reporting entities use the CIR to obtain information on collections received (DoD FMR Volume 5, Chapter 11, section 1111).

D. The CTA, often referred to as "Reclass" is a system used by FPAs to report monthly accounting activity to Fiscal Service. The CTA module is used to reclassify accounting activity which serves as a basis of Treasury's publications to Congress and the public regarding federal revenues and expenditures. DOs report disbursements and U.S. and foreign currency collections held for future operational needs to the Treasury via the CTA.

Central Accounting and Reporting System Non-Daily Reporters

CARS Non-Daily Reporters are agencies which are not "CARS daily reporters" and who report disbursements and collections through monthly reporting on "Statements of Transactions" (Standard Form (SF) 224, SF 1220, or SF 1221) and "Statements of Accountability" (SF 1218 or SF 1219) in accordance with TFM Volume I, Part 4A, Chapter 4000.

Non-Treasury Disbursing Office (NTDO)

Any agency (other than the US Treasury) that has the delegated authority under Title 31, United States Code, section 3321(c)(2) (31 U.S.C. § 3321(c)(2)) to disburse public funds. 31 U.S.C. § 3321(c)(2) requires the Secretary of Defense to designate disbursing officials to disburse public moneys available to the DoD. NTDO agencies are required by Treasury to report planned disbursements to the Bureau of the Fiscal Service. One report is required for each Department/Agency that performs its own disbursing.

Shared Accounting Module

The Shared Accounting Module (SAM) is a Bureau of the Fiscal Service application that carries out the process of validating or deriving the appropriate TAS and BETC combinations to assist GWA in classifying financial transactions as they occur.

Standard Financial Information Structure

The Standard Financial Information Structure (SFIS) is a comprehensive data structure that supports requirements for budgeting, financial accounting, cost/performance, interoperability, and external reporting needs across the DoD enterprise. It is a common business language that enables budgeting, performance-based management, and the generation of financial statements. SFIS standardizes financial reporting across DoD and allows revenues and expenses to be reported by programs that align with major goals, rather than basing reporting primarily on appropriation categories. It also enables decision-makers to efficiently compare programs and their associated activities and costs across DoD and provides a basis for common valuation of DoD programs, assets, and liabilities. SFIS compliance is required for all target accounting systems and target financial business feeder systems (DoD FMR Volume 1, Chapter 4).

Standard Line of Accounting

The DoD Standard Line of Accounting (SLOA) is a subset of the SFIS data standard elements. The SLOA is comprised of the minimum SFIS data elements that must be exchanged for business events that have an accounting impact at any point from the initial commitment to the final posting in the appropriate general ledger. This includes commitments, obligations, expenditures, and disbursements. All collection and disbursement vouchers reported in the DoD business systems must meet SLOA requirements. The SLOA accommodates Treasury reporting requirements for daily cash reporting (DoD FMR Volume 1, Chapter 4).

Treasury Account Symbol (TAS) - Business Event Type Code (BETC)

TAS/BETC classifications are reported daily for all transactions through Treasury's PIR, CIR, and Intra-governmental Payments and Collections (IPAC) standard reporting format files. These files will report the summarized TAS/BETC to the CARS. The PIR, CIR, CTA, and IPAC are required for all agencies to access and view detail of payments, collections, and intra-governmental transactions, respectively. CARS access is required for all agencies to view summarized transactions submitted to Treasury for reporting.

DO Cash TAS and BETC Reporting to Treasury Examples

Example	Scenario	Disbursing Officer Ending Accountability	TAS Assigned	BETC Assigned	Feeder System to CARS
1	Issue a U.S. Treasury check or an EFT to obtain cash for operational needs	Increase	DO Cash TAS	FHOTXD	PIR
2	DO to DO Transfer/ Transferring funds to a new DO	Decrease	DO Cash TAS	FHOTXC	CTA
			DO Cash TAS	FHOTXD	
	DO to DO Transfer/ Receiving new funds from a DO	Increase	DO Cash TAS	FHOTXD	CTA
			DO Cash TAS	FHOTXC	
3	Cash disbursement	Decrease	DO Cash TAS	FHOTXDAJ	CTA
			Program TAS	DISB	
4	Deposit operating cash that is no longer needed	Decrease	DO Cash TAS	FHOTXC	OTCnet/CIR
5	Cash collection not deposited	Increase	DO Cash TAS	FHOTXD	CTA
			Program TAS	COLL	
6	Unavailable Check Cancellation/ Exchange for Cash Check	Decrease	DO Cash TAS	FHOTXD	CTA
			**F3880	COLLAJ	

Note: "FHOT" BETCs must be used with DO Cash transactions.

BETC Codes Translations:

COLL	Offsetting Collection
DISB	Gross Disbursement
FHOTXD	Funds Held Outside Treasury, Debit
FHOTXC	Funds Held Outside Treasury, Credit
FHOTXDAJ	Adjustment to Funds Held Outside Treasury, Credit

Updates to the BETC listing is pending from U.S. Treasury. A comprehensive list of all BETCs can be found at the Bureau of the Fiscal Service website.